

LaRouche Webcast: On the Next Step

Lyndon LaRouche, Jr. delivered this webcast speech on Feb. 11, 2009. The moderator was Debra Freeman. For the video, see www.larouchepac.com.

As most people who are sentient in Washington know, we already have a catastrophe on our hands. I don't particularly blame Secretary Geithner for the catastrophe, but the effect is a catastrophe nonetheless. What he has proposed—and I'm not sure that he crafted what he has proposed—it won't work. Let's look at the problem.

What are we talking about here? On the 25th of July, 2007, I warned that we were at the beginning of a countdown for a collapse of the world monetary-financial system. Three days later, after that webcast, that collapse began. At that time, and during the weeks immediately following, starting with a proposal for a Homeowners and Bank Protection Act, I proposed a series of measures to deal with an onrushing collapse of the world monetary-financial system.

This collapse is not a recession. It is not a depression. *It is a global breakdown crisis.*

Now, over a year and half, approximately, has passed, and nothing has been done; *absolutely nothing*, has been done of the measures I proposed which were *urgent then*, about a year and a half ago. Instead, the worst swindles in modern financial history of any civilized nation have dominated that period. Now, of course, during most of this period, prior to the actual inauguration of President Obama, we have had, for eight years, the worst President in U.S. history since the Civil War! So, we had trouble in getting this through. And we had clowns like Barney Frank in the House of Representatives, who were doing everything possible to sabotage the measures which I proposed for dealing with this crisis.

As a result of that, and as a result of the behavior of the leaders of the



EIRNS/Stuart Lewis

Lyndon LaRouche, addressing his Feb. 11 webcast, stated, “We have to play hardball politics.” That means, “we have to use the magic word, ‘bankruptcy’, otherwise, “there will never be a recovery, in any part of the world.”

Federal Reserve System, we’re now at a world actual breakdown point. And we don’t know where the breakdown will occur, but there’s a breakdown in progress. And some people in Washington are fooling around, saying, “Well, let’s try this, and then let’s try that.” They’re idiots! They’re totally irresponsible! If we had been at warfare, actual warfare, they’d have lost the war, already! Even since the President was inaugurated.

The behavior of the leadership—not out there in society, the people out there—the ordinary people out there in the country, are ready for action; they’re ready to support the right actions. They *despise* what Washington is doing! They hate it! And they’re going to hate any Presidency that continues on the track which Geithner represented, yesterday.

So, this Geithner proposal has to be scrapped, now! Don’t say, “Let’s see if it works out. . . .” You’re an idiot!

The ship is sinking, and you’re bargaining for a better stateroom on the *Titanic*. Now, cut it out!

Support President Obama To Do What’s Needed

Now, how do we deal with a situation like this? You don’t deal with it with the bureaucrats. You don’t let the Washington crew get ahold of the project. You defy them. President Obama is the most popular President, or came in as the most popular President in recent times, in his inauguration. He has a tremendous amount of credibility because of that. He has, essentially, an affinity for the ordinary people out there. He may not understand all the technicalities of financial matters, but he has the confidence of the people, and he is the President. He’s not a prime minister! He’s not one of these European clowns they call a prime minister! He’s a real head of state! And when he speaks to the American people, on an issue of great concern for them, the American people will support him. And the clowns in Washington, including the bankers who were involved in the greatest swindle of the people of the United States in recent history, will just have to step back. The

people who object to necessary measures will have to step back! They have no right in this matter.

The people of the United States, out there, are clamoring for relief from this crisis. It is possible to deliver relief to them. But not as long as these clowns in Washington continue to tinker with: “Maybe this’ll work out, maybe this will tactically work, maybe we can get confidence this way. . . .” You’re in a situation where you’re going to lose the confidence of the Presidency! You’re going to take Obama and turn him into a not-popular President, and then you really are in trouble, because you won’t have a man in the leadership of the Presidency, who can get the job done that has to be done.

If the President of the United States, President Obama, proposes the right remedy—and I know what the right remedy is, I’m the expert; the guys who opposed me are not experts; they’ve proven it, over and over again—if he proposes that to the American people,

and asks for their support, the way that de Gaulle asked for the support of the French people when he was threatened by a military coup against his government, or the kind of support that Franklin Roosevelt asked for, from the American people, when it was needed—if President Obama asks for that, and if he’s properly advised on what he should propose to the American people, *they will support him!* You can forget the bankers, you can forget all the wiseguys on Wall Street and elsewhere. They will be pushed aside, *if* the people are convinced, that the President is willing to take the necessary action to address their problems, and the problems of this nation. But if this is about dealing with the politicians, negotiating with the politicians, who then walk into the President and say, “Mr. President, we think you should compromise this way. We think we should do this this way, that way, so forth”—that nonsense must stop.

This President has to get support, and he has to get the support he has on the basis of his election, his popularity, and he has to get support on the basis of appealing to the American people, because, if he doesn’t, if he continues to let the clowns do what they did with Geithner, this President is going to *lose* his support. And if this President loses his support, and we don’t have a President *with* support, who’s willing to do the right thing—. I think this President is, but he has to know what it is; he will get the American people moving behind him. And if you try to get in the way of this President, when he has the American people behind him—get lost, buddy! Go hide. Because it’s not going to work.

Time for Hardball Politics

So, we have to play *hardball politics*, now. Real hardball, strategic politics, like World War III or IV: That’s the kind of politics we require. We’re in a situation, where the *entire planet is going into a breakdown crisis*. What’s happening in China, what’s happening in Russia, what’s happening in other countries: *The world is disintegrating!* Financially, economically. And not a



White House/Pete Souza

We have a new President, Barack Obama, who is the most popular President in recent times; he has the confidence of the people. With the right advisors, he can deliver what Americans need: a full recovery from the greatest economic crisis in history.

single peep out of most of the heads of government, in Europe or in the United States, in support of the measures, the *only measures that will actually work*, to get us out of this mess.

All right. First of all, we have to use the magic word, “bankruptcy”: The entire international monetary-financial system is hopelessly bankrupt. It’s been bankrupt for a long time, but the bankruptcy has caught up with us, and now, it’s in a collapse phase. There will never be a recovery, in any part of the world, by anyone, in this period, as long as you’re sticking to the content of *this* international monetary system. Reforms of this international monetary system will not work. To try to continue these reforms will make things worse, will accelerate the collapse. You’ve already wasted a year and a half, since I told you what to do!

Now, we can excuse the fact that we had the worst President for the past eight years, that we’ve ever had, apart from traitors before the Civil War. And then, we can make excuses for the American people, when they had leaders like Pelosi and Presidents like Bush, and Vice Presidents like Cheney; you can understand that the controls of government were in the wrong hands: virtually in enemy hands, the way most people would look at it today, if they know the score.

But now we have a new President. The reason we have a new President of this type, is because the American people wanted relief from Pelosi, what she represents, and from what most of these Wall Street gangsters represent. Now, we have the chance to survive—a last chance. And if we don't act properly now, we're not going to make it.

Now, the other problem we've got here, is that you don't have economists who understand this. I don't think there's a single, known economist on this planet, except for me, who understands this problem. The reason they don't understand it, is because they don't want to understand it! They're all conditioned to believe in certain ideas, which they've been taught, which they've practiced; which have been widely circulated by the *New York Times* and similar kinds of trashbins, and they believe this stuff. They were educated in incompetence in the schools they attended. If they're professional economists or accountants, they don't know what they're doing, by profession. They're professionally incompetent, as opposed to being unprofessionally incompetent. So that there's very poor understanding of this.

For example, I had questions on the 16th of January, people were talking about, "Isn't it true that people in jobs that really don't produce anything, actually contribute some value, or actually earn something?" Well, they don't. They don't! This is what the people were saying to me, and the question they posed on this, is called "marginal utilitarianism." And marginal utilitarianism is a way of saying, "Well, people can earn money without actually earning it." It's called "marginal utility." It's a doctrine that came up in the late 19th Century; It's crap.

We also have other problems of that nature. We don't have a competent conception of economics. For example, the President was induced to take a package of windmills and similar kinds of things, and invest heavily in that, instead of what we should have invested in. That was under political pressure, because constituencies wanted it, constituencies who don't know what they're talking about.

Where what we need is: We used to have a high-technology capability, which for some time was centered in our aircraft and automobile industry. This was a tradition of machine-tool design, a physical-science-driven and -guided machine-tool design. We're familiar with this from World War II, when the United States was able to produce, in a fairly short period of time, the

highest degree of productivity this planet had ever seen, coming out of a depression.

Now, let me just look at that briefly, because you have some fascists, from the American Enterprise Institute and things like that. Now there were legitimate fascists, back in the '20s and '30s. When Roosevelt went to war, after the attack on Pearl Harbor, these guys gradually got out of these organizations, largely centered around Chicago—these organizations which had supported Mussolini during the 1920s, and which had supported Hitler, together with the British support for Hitler, through most of the 1940s.

When Pearl Harbor struck, these guys, who had been the loudest voices for support for Mussolini and Hitler, up to that point, suddenly decided—some slowly, like Prescott Bush, who was slow getting out of the post on that—decided to change their identity. And what they did, is they left the premises, rented other premises, from which they operated, and they marched across to the new premises. And out of this came things like the American Enterprise Institute.

Now these guys, today, are still operating on the same basis as these pro-Nazis did back in the 1930s. Their policies today, their criticisms of Roosevelt today, are the same criticisms they made under different names, but the same organizations, back in the 1930s. People are saying, "Roosevelt was a failure during the 1930s." These people are liars! Not only are they liars, but they also represent a pro-Nazi tradition, which used to operate under other names before Pearl Harbor. So, this is the kind of situation we're facing, with this massive propaganda machine, of Chicago-centered, for example, extreme right-wing, actually fascist organizations, who are attacking the Roosevelt tradition, at a time that the Roosevelt tradition is the only one that can save the United States from Hell.

So, what we need, is to brush these guys aside, brush this press aside, ignore them the way Roosevelt had to—and they were a problem for Roosevelt. Roosevelt did not have the support, the political support needed, to fully unleash his program until the attack on Pearl Harbor. Then Roosevelt seized the opportunity, as the occasion to introduce the measures which he had prepared for, together with Harry Hopkins, and created the greatest production machine the world had ever seen, out of the preparations he had made, during the earlier part of the 1930s.

So, this is the kind of situation we must have.



FDR Library

We need to brush aside the lie that it was the war, and not President Franklin Roosevelt's economic recovery policies, that brought the U.S. out of the Depression. In fact, LaRouche said, it was FDR, with his Commerce Secretary Harry Hopkins (pictured here with his daughter), who created the greatest production machine the world had ever seen.

Now, the core of that tradition, lies in machine-tool design, which is also associated with infrastructure: for example, railway systems, or magnetic-levitation systems in transportation, mass transportation; river systems, other water-management systems. Remember the time when you could get a fresh, safe drink of water out of a faucet? You can't anymore: You get bottled water, and you're not too sure about that. Because we lost the infrastructure! The cities lost the infrastructure: After 40-odd years, or 50 years, if you haven't repaired your infrastructure, it rots! And you begin to lose the capabilities you had before.

We have reduced our production, because the percentile of the labor force which was actually skilled at producing something, has shrunk. And you have these marginal utilitarian phenomena, of people who are employed, but actually don't have any productivity in a real sense. So we have lost our skills. On top of that, we have exported our production from the United States, to China and other places, and now, as the United States and Europe are collapsing as markets, then China, which took these new industries away from us, now finds that those industries are collapsing, because the market—*us*—and Europe, are collapsing.

So this is the kind of problem we face.

A Progression of Wrong Decisions

The problem has been, not that we had a recent problem. Go back to the U.S. fiscal year 1967-68: In that period, the Prime Minister of Great Britain organized a collapse of the pound sterling. The purpose of that collapse of the pound sterling was to bring down the U.S. dollar. That resulted in the meetings we had, in early 1968, with [President Lyndon] Johnson, which ended on March 1st of 1968, in which Johnson did the wrong thing: Instead of strengthening our system, he made a compromise. At the same time, we had the Tet Offensive; we had the explosion of the 68ers, who were against any kind of productivity, any kind of useful employment whatsoever. They wanted sex, or even sexes that had not yet been invented. And they were out in the street with their pot, their various kinds of things. This was a change in our culture. As a result of this, and a result of assassinations, like Bobby Kennedy, like the assassination of Martin Luther King, a wave of

demoralization struck the American people, in the context of the Tet Offensive crisis. And that brought us the worst President we'd had in a long time: Richard Nixon.

And then we had Carter. Now, Carter, personally, is a decent fellow; but he was a terrible President, and his program was awful. It was a Trilateral Commission program of David Rockefeller—and I haven't seen anything good done for the United States by a Rockefeller very recently. So we destroyed, under Carter, between 1977 and 1981, we essentially *destroyed* the U.S. economy. We had wrecked it in 1968: That is, 1968 was the the first fiscal year, that the United States was *losing* infrastructure. We were building less infrastructure than we were losing by attrition. And since that time, we've been losing infrastructure.

Now, what we can do now—we don't have many factories; we don't have as many productive facilities, as we did. But we *do* have the possibility of mobilizing the high end of technology that we *do* have, from the machine-tool sector, for large-scale infrastructure projects, which will create the jobs and *stimulate* the jobs beyond that, necessary for a full-steam recovery. We can organize a recovery, now, the way Franklin Roosevelt did during the 1930s, provided we start.

Now, this means that we have to put the international monetary system into reorganization, too. The whole system, the whole world system, is bankrupt! The world as a whole is now going into a dark age! Like the medieval Dark Age, of the middle of the 14th Century.

Every part of the world is threatened: China is going toward chaos! Russia is headed toward chaos! Africa is a nightmare! Europe is ungovernable. We can't go on this way. But if the United States pulls its act together, and decides to act like Roosevelt, and decides to help the current President act like Roosevelt, we can still pull our way out of this thing. But we have to understand the problem. We have to understand that the *philosophy* of government, in Europe, is incompetent. We have to understand that the *philosophy* of government in the United States has been predominantly incompetent over most of the period since the assassination of John F. Kennedy—it was a turning point down.

Therefore, we have go back to Franklin Roosevelt, to his principles of recovery; and organize the world, under U.S. leadership, with a President who's willing to play that role. And I think President Obama is willing to play that role, but he needs to be competently advised in areas in which he may not have personal competence. He has to have competent advisors who will provide him with that knowledge. He has to act as a President, not as a caretaker, or not as a negotiator with a bunch of squabbling bureaucrats around him.

He has to get rid of Pelosi! Because with Pelosi in the House of Representatives, you don't have a chance of having a United States! Get that woman out of there, now, while we still have a country, because she's blocking everything.

And we can pull this out: United States leadership—and the inspiration provided by the memory of Franklin Roosevelt, is the way to define our leadership and the way to lead the world. Russia doesn't know what to do; China doesn't know what to do; The nations of Europe don't know what to do; Africa doesn't know what to do; the nations of South America don't know what to do. But in the tradition of the United States, we do know what to do. And specifically in the memory of Franklin Roosevelt.

So that's, in general, the situation.

Principles of Bankruptcy Reorganization

Now, let's go back to what I had proposed, back in July through early September of 2007. I proposed, first



EIRNS/Brian McAndrews

LaRouche's Homeowners and Bank Protection Act will protect citizens and state-chartered banks from the Wall Street "highbinder banks" that created the mess we are in. Shown: The LaRouche Youth Movement organizing for a new Pecora Commission, in Boston in January.

of all—and this is directly relevant to the mistake that Geithner made, or that he presented (I don't think he designed it, I think he presented it). First was the Homeowners and Bank Protection Act. What was that?

I said, the collapse is going to hit us in the real estate sector, first. Therefore, we're going to have a wave of bankruptcies and threatened foreclosures. We must not have foreclosures. What we do, is we put the entire sector under U.S. Federal bankruptcy protection. Nobody gets thrown out of their house. We'll go through negotiations to keep people in their houses; we'll negotiate adjustments of the terms of their mortgage-holders; and we'll keep the thing on freeze and management, until we can work our way out of the mess. Because most of the mortgages are vastly overpriced, in any case; they're not sustainable values.

Secondly, we have to protect the chartered banks—not the Wall Street banks, the chartered banks! The banks that take deposits, that take Federal money to supplement those deposits, and which loan that money for useful projects for the U.S. government, state gov-

ernments, and so forth. So therefore, we need to protect our banks from bankruptcy. And we have to protect them from raiding from the Wall Street-type, high-binder banks. We also have to have a management system, and I proposed a 4% basic interest rate for regular banks, with a 1.5 to 2% rate for *Federally approved* special kinds of lending, Federally backed, Federally secured. Because we have to protect the stability of our currency.

And I proposed that we put the Federal Reserve System into reorganization, because it's actually bankrupt. It was bankrupt, so you take it into receivership, as a chartered organization of the Federal government. So the Federal government puts it into receivership: Hold everything. And put Greenspan, if he were available, in jail—whatever you need to do. And then, reorganize the Federal Reserve System, according to the principles of national banking. That is, you need an institution between the Treasury Department and the chartered banks. Forget these crazy banks, highbinder banks. You need an institution which works *with* the Federal government, but as a quasi-government-supported private organization, chartered organization, to replace the function of the *bankrupt* Federal Reserve System! And thus, this becomes the new way of our dealing with the problem, as was proposed by our first Treasury Secretary, Alexander Hamilton, for national banking. That would have been a way of solving the problem.

At the same time, on the basis of these kinds of initiatives *by us*, by the United States itself, we would open up agreements with other countries, to build a *new, fixed-exchange-rate world credit system*, replacing the bankrupt monetary system, which is hopelessly bankrupt, internationally, by a credit system modeled on the principles of the U.S. credit system, the Hamiltonian principles.

We would enter, then, into cooperation with a group of countries, including the largest, such as Russia, with the largest territory; China, with the largest population; India, with the next-to-largest population; and then, together also with other nations of Asia, which fit neatly into this, like Korea, Japan, so forth, and to develop a program of long-term credit, under which we revive the production capabilities of China, which are now collapsed; we revive the projects which are necessary in Russia, for international purposes; we do the same thing with India. And we enter into long-term cooperation, 50-year planned cooperation on credit, a managed credit system under a fixed-exchange-rate system in

which we will—again, among nations—plan what we need to do to build this planet back into shape.

You can't do much with Western and Central Europe, because the European system, the present European system, doesn't allow sane, rational behavior on the part of the banks of Western and Central Europe. And therefore, you can not use those. France to some degree can do that; France is probably the only country in Western Europe which has enough of a Presidential system to be able to respond to this immediately. Germany would, of course, respond as a nation, if it were able to. But you have to get rid of Maastricht entirely. So we have to get rid of that *system*, that was put into place by George H.W. Bush, François Mitterrand, and Margaret Thatcher, and free the states of Western and Central Europe of that curse, which is destroying them, strangling them.

So now, we have to depend largely on direct relations with major countries, such as Russia, China, and India, and their friends, in order to build the nucleus of a new, international financial-banking system, and a credit system. And that will get us out of the mess.

That was my proposal.

From Bad to Worse

Now, since that time, look at the measures that were taken. Everything that has been done, under George W. Bush, everything that's been done, since that time, has made everything worse. And you can blame Pelosi almost as much as you can Bush, since the beginning of 2006. So therefore, we have to have this political change in the situation, and we have to use the opportunity which is represented by what President Obama represents, in order to act quickly.

Now, what must happen?

Forget this thing with Geithner. It's not going to work, and you know it's not going to work, so don't experiment with it! Every time you push something like this, as an experimental political maneuver, you're making the situation worse. And you're in a situation where you could have a chain-reaction collapse, globally, at any point, to wipe out the entire system! *You don't have the time to waste with games!* You've got to act now.

What is needed, is to have the President of the United States go on the horn, and announce that he's putting the whole thing into receivership, under Federal receivership, and create a stabilized situation by Federal emergency legislation which, in effect, will start with

imposing what I have proposed, back in 2007, as the Homeowners and Bank Protection Act: That is the first thing to do. And the President must declare these things, his finding, as President of the United States. You know, he's not a flunky; he's not a guy who has to go to people and get them to kiss his hand or something. He is the President of the United States: He can, with the authority of his office, make a finding, a Presidential finding, and declare that it's the opinion of the Presidency of the United States, the President of the United States, that this shebang be put into bankruptcy reorganization, starting with the measures which I proposed as the Homeowners and Bank Protection Act of 2007. That's the only way we're going to get out of this mess.

A Credit System, Not a Money System

Now, there are two other problems here, which are major: First of all, is the question of forecasting. One of the major problems in making policy, is that all of the methods of forecasting which are used by the economics profession of the United States, and others, today, are intrinsically incompetent. And the fact that people rely upon what they were taught in universities and so forth in this direction, is, itself, one of our major problems. People imagine, only imagine, that money, and especially floating-exchange-rate system money, is a determinant of value.

Now, every time the United States has operated successfully, and any time the world has operated successfully, it operated under what we called, during the post-war period, a fixed-exchange-rate system. What you have to do is eliminate the floating relationship among currencies internationally; you have to set up a fixed-exchange-rate system, because in order to invest in large-scale infrastructure, you've got to keep the cost of the infrastructure investment down to about 2%, 4% equivalent, of interest. You can't function otherwise.

Now, if the currencies fluctuate in value, on the international market, then the floating-exchange-rate system causes the kind of speculative functions which led into this mess we have today. So you need a fixed-exchange-rate system. Money, under our system, under the American System, under the U.S. Constitution, does not function like a European monetary system. European monetary systems are a relic of feudalism. Especially the British system: It's a relic of feudalism, not modern, civilized society.

Therefore, you need to go to a civilized form of monetary system, which is a credit system. And the

proper form of credit system, is a fixed-exchange-rate credit system shared together among a group of nations. What does the value have to be? It doesn't make any difference: Whatever you can get as an agreement on a fixed-exchange-system is the value you accept. Because you can work out the problems that that represents, the discrepancies, during the course of time. But you must have a fixed-exchange-rate system, and it must be a credit system.

By a credit system, what do I mean, as opposed to a monetary system? This is a lesson in economics, because most people who are called economists don't know anything about economics, so therefore, I have to teach you something. Under the U.S. Constitution, money can not be uttered (unless you want to go to jail), except by the approval of the Federal government. This approval occurs in the form of consent to this deal by the U.S. House of Representatives, with the agreement of the President. That's the system. Now, when a vote occurs in the House of Representatives, and other relevant institutions are consulted in this, and the President accepts that, signs that bill, then you have a credit utterance allowance, a discrete amount. This means you can convert this stuff directly into money, by the U.S. Mint or credit system, or you can utter credit from the U.S. government, through other institutions, such as banking institutions, to be used for loans for building, for example, infrastructure or other necessary things. That's our system.

In Europe, you have a monetary system, in which money is largely *independent* of the consent of government. There are treaty relations between monetary institutions and governments. But the money itself is a relic of a feudal system, such as the bankers of Venice who were the loan-sharks of Europe. And you have a loan-sharking system, called a monetary system, which is dominated by a circle centered on the British and Dutch—that kind of system—which is a parasite on the planet.

So we have to eliminate the monetary systems which exist today, which are already bankrupt. So how do you eliminate them? You put them through bankruptcy reorganization. You would negotiate treaty agreements with countries; you put these things into bankruptcy reorganization under treaty agreement among nations. You don't negotiate the monetary system, you negotiate *this*. And you go to a credit system, among all the partners in this treaty agreement. And you work out arrangements among countries, for programs of long-term investment



WHO/Paul Garwood

“Get the British out of Africa!” demanded LaRouche. They are committing genocide, as in Zimbabwe, where the British campaign against the government has led to insufferable conditions, including a cholera epidemic. Shown, cholera patients at a clinic in Harare.

which are needed to re-create the economy, restart the economy, and do necessary things.

Now, the same thing is true, of our making any kind of treaty agreement. A treaty agreement of the United States has to go through consent of the U.S. House of Representatives, with the consent of the Congress generally, and is done by the President, who signs the treaty.

So therefore, we enter into comprehensive treaty agreements with nations of the world, those who wish to do this with us, and that starts a completely new system, a new *credit system*, a fixed-exchange-rate credit system, which is then used to finance long-term investment in rebuilding the world economy. We therefore, can get China *back* to work, instead of collapsing; we can get Russia to work; we can maintain the position of India; we can strengthen our friends to the south, in South America and Mexico; we can change the situation in Africa. Get the British the hell out of there, is the way to do it. Get 'em out of Sudan, where they're trying to conduct genocide now. And the overthrow of the President of Sudan would lead to genocide, *genuine genocide in Sudan!*

Get the British out of Africa! That's your first slogan. Get them out of there! What's the British policy for Africa? The British policy in Africa, which was co-signed during the 1970s by the United States government as policy, was saying: There are too many Africans. We have to restrict the population of Africans; we

don't allow them to have technology, because that will increase their population! As a matter of fact, we want to *reduce* their population, because we want to save the raw materials of Africa, for the benefit of the Anglo-Americans, who will need these raw materials for their consumption in the future. So the United States entered into an agreement, with the British Empire, for a policy of *genocide against Africa*, especially black Africa.

Well, we'll cut that one out. And we, as nations, will assist Africa in infrastructure projects which are necessary to enable Africa to get back on its feet again.

And we have this thing in Zimbabwe now, which the British organized. The British organized genocide in Zimbabwe, in the form of this disease, this cholera epidemic now! They did it, in order to try to bring down the Zimbabwe government. It's British imperialism, it's mass murder! That's Hitler stuff! And what's being attempted in Sudan now, being proposed for Sudan by the British, is *Hitler stuff!* Want to talk about genocide? You're really talking about the British, usually. After all, they invented Hitler, why shouldn't they know about genocide?

So, these are the kinds of measures which we have to take.

After Roosevelt's Death

We also have to look at what our history is, here. We had, at the end of the war, World War II, the misfortune of the death of Roosevelt, coming before the end of the war, and as a result of that, with other considerations involved, we brought a right-wing politician, one who was in cahoots with the Hitler and Mussolini crowd, Truman, in as President of the United States, in succeeding the recently deceased President Franklin Roosevelt.

At the point that Roosevelt died, Roosevelt's policy, as explicitly stated at that time, in a number of ways, was to say to Winston Churchill: "Winston! When this war is ended, there's not going to be a British Empire. We're going to free the nations of the world from your colonialism. We're going to end imperialism. We're going to cooperate, with our vast economic capability, production capability, once the war is ended, we're going to convert that capability into a production capability to assist these countries in developing to attain



National Archives

FDR's intention to end colonialism and imperialism throughout the world, when the war ended, was sabotaged by the anglophile Harry Truman. Here, a happy Allied soldier replaces a Hitler street sign in Krefeld, Germany, with one named for President Roosevelt, March 1945.

their true freedom.”

Well, when Roosevelt died, and the war ended, Truman went in the opposite direction. He went in support of Churchill, or Churchill's policy, of saving the British Empire, the Dutch Empire, and other kinds of empires, the French Empire—restored them! For example, Indo-China had been freed by the United States, in cooperation with Ho Chi Minh, during the course of the war. The Japanese soldiers, who had occupied the territory, had been put in prison camps. The British went in there, with Truman's blessing, and let the Japanese soldiers out of the prison camps, gave them back their weapons, and told them to re-occupy Indo-China until the British could get there to take over. And then the British in turn, gave it to the French, returned it to France. The Dutch situation, the same.

So you had a neo-imperialism, imposed with the support of the President of the United States, Harry Truman, against what the intention of Roosevelt had been, and this started a process in the post-war period. One of the things it did: It meant that our post-war recovery program was not implemented. Because the machine-tool capability and other capability we had in-

tended to use to assist countries in freeing themselves to become sovereign states—that part of the production line was shut down! And we had a '47-48 recession, a deep one, as a result of shutting down what had been war production capability which we had intended to convert to useful product for the world in the post-war period.

We were saved from the worst by the election of Eisenhower, but Eisenhower came in as President at a time when his power in the situation was limited. There's no question, he saved the nation from what Truman was putting us into. But he wasn't able to really do the job properly, as probably, instinctively, he would have preferred to do that.

Then you had the attempt by President Kennedy to try to get back to a Franklin Roosevelt policy, at least some part of it. And they shot him. And they shot him because he refused to go into the Indo-China war. And after they shot him, Johnson went into the Indo-China war on a fraudulent basis, and saying

later that he thought the rifles, the three rifles of the shooters who had killed Kennedy, were going to take him out, too, if he objected.

So the United States, went through this kind of process. Then, as a result of this, we got Nixon. Practically a treasonous—it was a fascist government, Nixon's was: Don't kid yourself. It intended to be fascist. Fortunately, there was a lot of resistance at that point to what he was trying to do.

Then, we got real fascism under Carter, who didn't know what he was doing: Brzezinski's fascism, the Rockefellers' fascism, called the Trilateral Commission program. We got a continuation of this, during the 1980s. Then we brought the son of a fascist in as President: George H.W. Bush. His father had been the guy who had moved the money to support Hitler, for Hitler to get into power in Germany, Prescott Bush. That was no good.

Then we had an operation against George H.W. Bush, which brought in Clinton. And Clinton got in by a fluke, in a sense, through Ross Perot, which split the Republican vote and other vote, so Clinton was elected. And when Clinton began to act up in 1998, they framed

him up. They set him up, and went to impeach him. And they had a bum inside there, as his Vice President. And the bum was the guy who tried to put the knife in the back of Clinton. He was no damned good anyway. But that was that situation.

And next, we got George W. Bush—the worst President, since the beginning of the Civil War, in U.S. history. And Pelosi, who’s almost worse than George W. Bush.

So, we’ve gone through a period, where, under these conditions, beginning 1967-68, the turning point, where we went negative in terms of net growth of infrastructure, that the U.S. economy was systematically destroyed. Similar things happened in Europe, and similar things happened in other parts of the world: You had a shift in production from what had been in industrial states, to poor states, low-wage states, like China, or the low-wage programs of South America, and elsewhere.

So we did not have a “sudden crash” recently. We’ve had, since the death of Roosevelt, a series of changes, step one after the other, which have turned the United States, more and more, into this direction, and have turned the world as a whole, into this kind of direction. We’re now at the end of the process. After all these years, from 1945 to the present time, the predominant trend has been *against* history, against the economy. And under Alan Greenspan, the last phase, we destroyed the U.S. economy. It’s a piece of wreckage.

Now, there is no value in the U.S. economy to speak of. There’s only the value of using our Constitution, as a way of organizing mass credit, long-term credit, to rebuild this economy, in the direction—of course, with newer technologies, but the same direction that Roosevelt had rebuilt the economy from the wreckage that had been created by Coolidge and Hoover, before.

Eliminate the Disease

So, we have to get back to that idea, back to the Franklin Roosevelt conception. And we have to recognize, or people have to recognize in government, that the failure that we see today, is also a failure of the economics profession! It’s a failure of much of the banking profession, the Wall Street side of the banking profession. It’s a failure! And if we’re going to get out of this mess, we have to eliminate that factor of failure! You can not “improve” the disease, you have to eliminate it! And economics, as practiced recently, increasingly, over the entire post-war period, has been *increasingly a disease*, not a program you’re trying to save.

And therefore, we have to have the action, as Abraham Lincoln did in a crisis, as Franklin Roosevelt did in a crisis, in which our Constitution, and our Presidency, *intervene, when the economy has failed*, when the other political institutions have failed, to do our duty to the nation and to the great majority of those people out there, who are suffering as a result of the measures which the Congress has taken under Pelosi’s leadership, and under the Bush Presidency, over this period. We have to *eliminate* that factor! And we have to clear the heads of people called economists and executives, of the mentality of the economics profession, which is actually largely responsible for steering us into this mess today.

And that’s the essence of what I have to say. I presume there will be some discussion.
