regions. The solution must be a shift to the policies LaRouche has laid out, in the tradition of FDR—and more, a cultural renaissance as well (see *EIR*, Aug. 14, 1998).

In the afternoon, a panel of six *EIR* desk officers backed up the conference thesis that the world faces either chaos, or global reconstruction. After a review of the financial disintegration by John Hoefle, Linda de Hoyos, Maximiliano Londoño, Dennis Small, Gail Billington, and Rachel Douglas presented vignettes of the devastation of Africa, Colombia, Brazil, Southeast Asia, and Russia, respectively. The horror of the current collapse was contrasted in each case with the potential for dramatic economic reconstruction, plans for which have, in many cases, been on the drawing boards for decades.

The most striking presentation, by all accounts, was that

on Russia, which included video footage from that nation on the degradation which even the nation's scientific elite has been put through, as well as footage from Lyndon LaRouche's warnings, from 1992, of what would happen if the IMF program was put into effect. A presentation by *EIR*'s Ramtanu Maitra, on the role of India in the drive for a new monetary system, was also read.

The last panel, dealing with principles of Classical music, featured Anno Hellenbroich, John Sigerson, and Kathy Wolfe, who used works of Mozart and Bach to demonstrate the method of motivic thorough-composition (see *EIR*, Sept. 4, 1998).

Transcripts of all conference panels will be made available in *EIR* and the *New Federalist*, and video and audio tapes are in production.

LaRouche: We must provide leadership

Here are Lyndon LaRouche's remarks, entitled "To Win the World War, We Must Transform the Soul of President Clinton and the U.S. Population," to the Schiller Institute-International Caucus of Labor Committees Labor Day conference, in Reston, Virginia, on Sept. 5. His remarks were delivered by audiotape. Subheads have been added.

I'll speak to you on the subject of leadership. By *leadership*, I mean to put to one side all ideas about presenting suggestions to various people as to how they should do things, put to one side local programs, local projects, all these sorts of things. And also, in a sense, put aside program.

The world is now in a crisis which is best compared to a world war. We must win the world war. If we do not win the war, everything else we do will be, in effect, a waste of time, and a waste of effort. So, we must concentrate, always, on winning the war; that is, to exert the leadership which results in a transformation of the world as a whole, from a world dominated by what has led to the present crisis, the present threatened New Dark Age, into a new world, which is a world of reconstruction and recovery. We must win that war, and we must keep our eye on that ball, and not be diverted by so-called "other questions," or "questions which must also be considered."

Let me make this clear. As far as a program is required, the program required to take this world out of its present mess, and to launch a program of reconstruction worldwide, which will permit the solution of most of the leading problems of humanity, that program is already defined. *It need not be invented again. It has been invented*. We've presented it.

The events of the recent period have demonstrated that our argument, my forecast, the forecasts of my associates, have been correct. The program we've presented, is based on the same considerations as those forecasts, which means that what we've prepared, as a program, is correct, and all of the alternatives are wrong. So we simply have to go with the program we already have for reconstruction.

What is needed, is to realize that the reason the world is in the mess it's in, is not merely because we've had bad leadership. We've had bad leadership for over 30 years. That is, we've had a shift, for over 30 years, from policies of, say, up to 1963-64, which worked, despite all their shortcomings. And beginning 1964 through 1972, we introduced in the United States and globally, policies which do not work, or work to the effect of destroying the world economy, destroying society—destroying people. A policy which is headed toward Hell.

Now, the problem is not merely that leadership has provided bad advice, or introduced bad principles, although they have. The problem has been, that most of the institutions, and the so-called average people in society in the United States and other nations, *have accepted* these changes. And therefore, their heads don't work properly. Because even if you give them a correct program, they won't carry it out.

Why? Because their heads have been scrambled to fit this post-industrial, utopian New Dark Age/globalization/free-trade psychosis. And as long as people think in the ways that they learned to think, in order to live in the world of post-industrial society and the world of globalization, the world of free trade; as long as people continue to think with the habits

of mind associated with the past 30-odd years, there's no chance, even with the best leadership, that the United States and other nations will survive.

So therefore, what we have to concentrate on, is changing the inside of the individual heads of a lot of people, beginning with the President of the United States. We have to change the characteristics of individual human behavior, the mental characteristics of individual human behavior. In a sense, to go back to the way we used to think before 1964-72, not quite that, but that's a good comparison.

The President must change the way he thinks

Now, how are we going to win the war? It's impossible to change the world in time to save humanity, including the people of the United States, or East Oshkosh, for example, from a New Dark Age, unless the President of the United States changes his mind and behavior, from what he's been doing up until now, to provide the world the kind of leadership role of the United States and its President which echoes the role performed by Franklin Roosevelt in the late 1930s, and during the war.

That's number one. That's number one ball.

Now, the President of the United States can not do this alone. He needs the support of the American people, or at least a lot of them, of course. But also, he needs partners. Not only many partners, but certain partners are crucial.

For example, the only major nation on this planet, which has been functioning successfully for the past 20 years, is China. Every other nation has been a failure, in terms of its general direction of performance. China, which has probably one of the best governments in the world today, in terms of the quality of leadership, the kind of quality of leadership required to get through crisis, is one of the strong forces in the world, and is a key factor, both in Southeast and East and South Asia; as with its potential collaboration with India, its collaboration with nations of Southeast and East Asia, its collaboration with countries in Central Asia. Its important relationship to Russia, for example, even though Russia's a mess—the relationship of China to potential cooperation with India, Russia, and nations of Central Asia, is crucial. Therefore, the relationship of Clinton to China, and to the other nations with whom China has a natural partnership in Asia, and Eurasia, is crucial.

A return to American System methods

However, we're not going to get out of the mess simply by a good partnership. We're going to have to transform the world technologically. That is, we're going to have to go back to what used to be called the American System, in which science, working together with the machine-tool-design sector, is transmitting new technologies, not only in the sense of big projects, but into every pore of society, improving the productive powers of labor, improving the quality of product, and so forth. We're going to have to provide that to all parts

of the world. If we don't, we can not have the kind of reconstruction program which we need.

China does not have that kind of capability. It has some machine-tool sector, it has some science. No country in South Asia, or Southeast Asia, has that kind of capability. No country in Africa even approaches that kind of capability. Argentina used to be a leading country of that sort, a machine-tool country. That was destroyed successfully, since the end of World War I. Brazil had potential, but that's being destroyed. Mexico could have had that potential, but that was prevented in the 1970s, and then, from 1982 on. Kissinger and Brzezinski were key factors in that problem.

What we're going to have to do, is we're going to have to mobilize countries which used to be the world's big machine-tool-design exporters, to crank them up, not only for their own domestic needs, for restoring domestic progress, technological progress, domestic increase in the productive powers of labor. We're going to have to supply this technology, or this flow of technology, into countries which do not have good, solid machine-tool-design capabilities.

The countries which traditionally have this kind of capability include the United States, Germany, Japan, some other countries in a lesser degree in Europe. We're going to have to mobilize those countries as major exporters on long-term agreements—that is, long-term credit and other agreements—with these countries of Asia, and so forth, for a global recovery program.

A crime against humanity

We're going to have to also revive Russia. Now, what has been done to Russia, is a crime against humanity, particularly since 1989. Everything that was done in the name of reform in Russia, was wrong, criminally wrong, if not just criminally stupid, as some of those proposals that have been made from the United States.

Russia's potential lies, not in its raw materials, or becoming a raw materials exporter. That was crazy, that was stupid. It has to stop. Russia's potential, like that of any industrialized nation, lies in the effective utilization of its most skilled section of its productive labor force. This includes farming, of course, good farming. It includes good industry, good manufacturing, good infrastructure, all those things. But especially, a modern industrial nation rises or falls on the quality of both its agricultural progress, technological progress in agriculture, and, in the same sense, in its machine-tool-design sector, the most advanced, science-driven sector of making machine tools that make machine tools.

Now, Russia had such a capability in the Soviet Union. This was called the military-scientific-industrial complex of the former Soviet Union, which has been now largely wrecked. But elements of these institutions, as typified by the Russian space program, still exist—in bad repair, but they exist. The people exist. Russian skilled scientists and related technicians still exist.

If we can mobilize Russia for itself, to rebuild itself not as the kind of mess that Viktor Chernomyrdin and company have built, but help it to mobilize itself as, in a sense, on an emergency war economy kind of basis, to get its people back to work, to rebuild and reactivate its machine-tool-design potentiality, which was formerly located in the military-scientific-industrial complex, then Russia can become a major contributor, especially in parts of Asia - East Asia; China; South Asia, as in India; Southeast Asia; and into, also, Africa—can provide a massive flow, a growing export of machine-tooldesign capability, working in partnership with the same kind of effort from the United States, from countries in Europe, such as Germany, and from Japan, if we can get Japan back on the ball, so to speak.

So, the President of the United States must bring this kind of leadership to nations, that is, the nations I mentioned are not the only ones, but these are the core nations, around which other nations can group themselves for the kind of undertaking which is required, for a global economic and moral reconstruction of this planet.

Giving leadership to Clinton

For that, we require leadership. We can not simply say, "Support Clinton." Well, Clinton often does the wrong thing. He's not a bad guy. I don't know about some of the things he does or does not do, or is alleged to do. But I know that he often falls short of the requirements of leadership. But we've elected him as President. And as President of the United States, he must, as President, be the person who takes the responsibility for the initiatives which are required to save this planet. Not all of the initiatives, but he must play a key role, to permit the other parts of the planet to function: China, East Asia, Southeast Asia, Europe, and Russia, and so forth. He must do that.

We must provide him leadership, so that he can provide leadership.

Now, we also have another problem, in addition to that kind. The other problem is, the degeneration of the moral and intellectual quality of the populations of the United States, of the nations of Europe and other parts of the world. If you go back to the 1950s and early 1960s, and if you can recall the way people thought, what they knew, what their cultural level was, what their intellectual level was, you would recognize that during the succeeding two generations, over the past 30 to 40 years, that the quality of the populations of the United States and Europe in particular, the intellectual, the moral quality has collapsed.

And this is particularly true since the 1968-1972 period of change. People are less intelligent, less moral, less capable than they were then. This change, this degeneration in the qualities of our population, or our younger generations in particular, has been, in a sense, deliberate. Our people have been conditioned to operate on a morally inferior level of functioning.

For example, think today: How many members of the U.S. labor force, if they were taken into a modern industrial plant, using modern technology, how many of them would be qualified for employment in those plants, in those jobs? As opposed to, the great number of people who, in the period of the 1940s—World War II—or of the 1950s, or of the 1960s, were capable of performing those jobs?

We have destroyed not only the skills, the productive skills, but the productive skilled potential of our own population in the United States. We've also made our people less rational. People today are much less rational, than they were 30 years ago in the United States. The same is true

For example, let's take the case of Germany. Under Willy Brandt, who was owned by many people—that is, many sponsors, including John McCloy, and also various other governments, not with all of whom John J. McCloy would have agreed-Brandt introduced, under his sponsorship, an educational reform bill in Germany. The result of this educational reform bill, called the Brandt Reforms, has been to take a German population, which was of a very high quality because of its previous Classical-humanist education system, and taken from the same families, people of the same backgrounds, and has made them today, almost nonfunctional.

The level of literacy, the level of developed intelligence of the typical German today, from the generations which were graduated from secondary schools after the 1970s, is much lower, qualitatively lower, than the populations from the same families of the same general backgrounds, prior to 1970 and 1972. It's visible, in many ways.

Therefore, we can define a program—we have defined a program—for reconstructing the world economy. The program will work fine. Our big problem, is two. Number one, to get leaders such as Clinton to do the things they *must* do: to provide them the leadership they must have, to provide for them in turn to play the leadership role which they must play.

Secondly, we have to recognize that the population, in its present state of mind, would fail to fulfill the performance objectives of this program, because of what's happened to their minds, the minds of the population, over the past 30odd years. Therefore, we must make our people, our ordinary people, from all walks of life, aware of the shortcomings which have been introduced into the way they think.

A similar experience during World War II

A similar thing happened to many of us, some 50-odd years ago. We went to war. Now, I was a little non-com, lowest level, in that war. And I was involved in the training command for a while, before going overseas. And we brought in each batch from the streets, from the buses and the railroads, we brought in people from every nook and cranny of U.S. society, virtually. We put them together in training platoons in the training centers. And we cleaned them up, we educated them, we made them functional.

The first step of this was, of course, in the CCC. The first major reserves we had for mobilizing divisions for World War II, came out of the Civilian Conservation Corps, which were turned into a military force, essentially, and were a key part of our military mobilization.

So, our problem was, coming out of the 1920s and the 1930s Depression, was to take a shattered, demoralized population, shattered by the effects of the Flapper Era, by the effects of the Depression, to mobilize them, to re-educate them, to motivate them, to change their attitudes, to make them more optimistic, to create a fighting force to rebuild the world economy, especially the U.S. economy, and to deploy this force internationally.

We did it. The big challenge for us today, is to not only change the mind of the President and people around him, to bring them up to a higher level of thinking and discipline, and commitment, but also to think of our general citizenry, who are demoralized, who have lost the mental skills for making decisions which their parents had, or maybe they had 30 years ago. To remoralize them, to encourage them, to make them aware of what the problems are that they're going to face in their attempt to perform within this global reconstruction.

That's our job. That's the job of leadership. We must not simply go out and be practical people and say, "Okay,"—like a wise guy—"Look, fella, I'm telling you what you've got to do," eh? And walk away as if somehow, you've solved the problem by giving that instruction. That is not going to work. You're going to have to deal much more seriously with your friends and neighbors, and people you meet otherwise, to realize they need something else. They don't need to be merely kicked and told what to do, or be given suggestions, and then you walk away, and see if they carry them out.

You've got to recognize, that we're going to give people instructions, which, at the present moment, they are psychologically incapable, intellectually and culturally, of carrying out. Just as we took people off the streets, and drafted them into World War II, and turned the disheveled and confused draftees into an effective military force, we're going to have to remoralize our people. We're going to have to make them aware, of what the higher level of thinking is. We've got to have them become less mediocre, more moral, more optimistic—eh?—more self-respecting.

And that's the job we have to do. And that's the job we have to focus on. We have all the tools, we have all the knowledge needed, as to *how*, what blueprints are needed for rebuilding this world economy. But, we will fail, unless we mobilize the inside of the heads of individual people, starting with the President of the United States, to cause each to provide the leadership, or play the other crucial roles that each must play, in order to make this attempt at a global reconstruction of civilization work.

Call for a union of sovereign nation-states

Helga Zepp-LaRouche released the following call at the ICLC/Schiller semi-annual conference on Sept. 6. Its first endorsers include a former President and a former Prime Minister, other former government ministers, former and sitting national legislators, and religious, civic, and political leaders from throughout the world.

The world is now faced with what could become very fast the worst financial crisis in world history. As the cases of some of the victims of the present global crisis demonstrate, chaos, hunger, and epidemics cost innumerable lives, and potentially threaten hundreds of millions, if not billions of people's existence. Since all the leading international financial institutions, led by the International Monetary Fund, failed to protect nations, their economies, and their people, nothing less than a radical reorganization of the global financial system, will be sufficient to prevent an early, chain-reaction disintegration of the present international financial and monetary systems. Although this is not said publicly, within the corridors of discussion among leading circles in various important governments, and elsewhere, the need for such a radical reform, of some kind not yet defined, is now understood to be the only possible alternative to the presently ongoing, global financial and monetary catastrophe.

The time has come, that some agency must introduce the discussion of the early design of such a radical reorganization.

The cornerstone for building any successful reorganization must be in the form of a new quality of partnership between the part of the world which is relatively most advanced technologically, and the part which represents the nations with the largest populations.

What is needed to this end, is the creation of a system whose leading features are akin to the pre-1959 period of the Bretton Woods system. The means required include the establishment of relatively fixed parities among national currencies, and just levels of price-stability among key commodities of international trade, primary commodities most emphatically. The objective is to generate large flows of long-term, low-cost credit for supplying needed machine-tool-design technologies and basic economic infrastructure into politically stable societies of the so-called developing sector. In such a new Bretton Woods system, the voice of the developing countries must be equal to that of the industrial nations.

In such a partnership, the U.S.A. should play a key role from the side of the relatively more technologically advanced

economies. On the other side, China and India are keystones for long-term, large-scale development of East, South, and Southeast Asia. Russia, presently an impoverished nation, but with precious machine-tool-design potential in its former scientific-military-industrial complex, is a crucial partner for both China and India, both in respect to Eurasian economic development as such, and for contributing to stability within the nation-states of Central Asia. Other countries, also from Africa and Latin America, hopefully can be grouped around this.

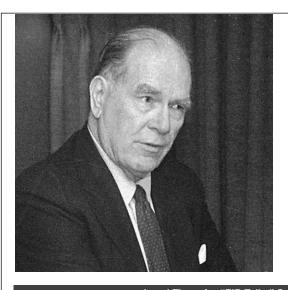
Such a reorganization will require the immediate writeoff of tens of trillions of U.S. dollars' nominal valuation of highly speculative financial assets, such as "derivatives," while stabilizing the medium- to long-term valuation, at arbitrarily low yields, of people's savings and agro-industrial and infrastructural capital assets. One must think in terms of a decade of management of partially "frozen" assets, as a period in which the world economy and its nations can build their way up out of the presently catastrophic financial situation.

The principles of such a new world economic order must include a complete rejection of geopolitics and technological apartheid. It must be based on the Inalienable Rights of All Peoples on the planet, which can only be protected if it is based on the principles of physical economy. Since it is only the creativity of the individual, and his or her ability to continually generate scientific and technological progress, which is the basis of the wealth of nations, there must be free access to technology for all nations without exception, in order not to delay the possibility for development.

The design for the New World Economic Order should also include collaboration among such countries as the U.S., Russia, China, India, Pakistan, and others, to develop a new version of the SDI-based technologies based on new physical principles and their application also in the civilian economy as a science-driver to increase the productivity of the world economy.

The new world economic order must put to rest forever, all forms of imperialism, colonialism, and oligarchism, and, rather than looking at foreign policy as a long list of "mistakes" and "wrongdoings" of the other nations, it should be based on respect for the best cultural traditions of the others.

The universal history of mankind has reached a point, where we are all sitting in the same boat: We face either a new Dark Age together, or a global new Renaissance. Let us therefore form a new alliance of sovereign nations with the aim of realizing a just New World Economic Order in the near future.



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