Commentaries

After LaRouche spoke, the chairman of the conference, Adauto Rocchetto, who is president of the São Paulo chapter of the Alumni Association of the Superior War College (ADESG), invited Gen. Oswaldo Muniz Oliva and Deputy Marcos Cintra to comment. General Oliva is the former director of the Superior War College. Deputy Cintra is the head of the Brazilian Congressional committee monitoring Brazil's negotiations on the Free Trade Agreement of the Americas (FTAA). Their remarks have been translated from Portuguese by EIR*, and subheads and bracketed clarifications added by the editors.*

Gen. Oswaldo Muniz Oliva

To start, I'd like to congratulate the gentleman for his kindness in coming here, laying out his opinions, his concerns, in global terms, in North American terms, and, even, to offer a commentary on his concerns about "Ibero-America," as he calls it. We prefer "Latin America," because we aren't only Iberians; there are also French in Central America and, thus, we extend ourselves a bit. But we agree with him that it is more Iberian, since the bulk is Spanish and Portuguese in its roots. And, from that comes a fact which is fundamental for us to understand each other. Since we have roots in Ibero-America, in the Iberian Peninsula, we are Latinos. We do not have an Anglo-Saxon makeup, as much as we admire them; rather, our origins lie in that which the Portuguese Lusitanians gave us before the United States came into being—because at that time, the United States still belonged to Great Britain. Who it will be tomorrow, only the future will tell. The world renews, grows, and replaces itself.

The Legacy of FDR and Bretton Woods

And, from this perspective, it is interesting that the gentleman offered a time-frame in which he goes from the postwar Bretton Woods until 1965; and we come to today. It is good for us all to remember that, as he says, after the war, 80% of the world's gold was in Fort Knox, in the hands of the United States. The world handed over its gold, which was the world standard of reference, since the pound sterling imploded with the war. It was gold, because the dollar still didn't play that role. So, this is very important for us to understand; they had the bulk of the world's money, the world's wealth, the bulk of the currency which represented the world's wealth.

And, in what he said about 1965, when he thinks the regression began, it is important that we, who listened carefully, who accepted what he said, remember that Brazil always gets there a bit later. It was in 1964 that we *began.* While the gentleman said that anything good was ended in 1965, I would say that what we began what was good in 1964, since in that year, there was a movement here, a military movement.

It's not just a matter of remembering; rather, I am *honored* by it, since I participated, I believed and I decided that it must be done, in that year, because Brazil was the world's 48th economy. Our budget was smaller than that of the Ford Motor Company, and our population was approximately 60 million inhabitants, of whom 90% lived in rural areas, eating well because they planted, living reasonably, but without access to technology, without access to improvements of any kind, because Brazil did not have access to transport infrastructure, or communications, or energy infrastructure.

Energy, transportation and communications only existed in some cities, such as Rio, São Paulo and the state capitals. I recall that, in 1942, the energy of Fortaleza—today a lovely city—was at that time less than Santos, but today is five times bigger than Santos. Fortaleza, which is in the semi-arid and dry Northeast region, got its energy from a generator powered by firewood. The trees of Ceará generated energy. But that's the Brazil of the past.

But, from 1965, like the gentleman said—we accept 1965; the President was Castelo Branco—until 1983, Brazilian urban population grew by more than 40 million inhabitants. That means that from 1965 to 1983, twenty-odd years, we had to create conditions in the cities for a population larger than France's at the time, greater than Italy's, greater than that of any European country except Germany. *We* did that, we generated and built infrastructure. Even because—and in this I agree with what the gentleman said, and it is important, and this is why I am speaking—in Bretton Woods, rules were established which bore an element of the American character, from the American people—not from the politicians—which is the generosity with which they decided that they could help the world; this was our interpretation at the time. And we *were* helped, not because they were good or bad. They were generous, and we were competent to expel Marxism from Brazil by ourselves, without foreign support; we did it ourselves out of our conviction, and from that point, we built infrastructure for which we received financing from the World Bank.

But, [this was] only for the state—never for the private sector, because, as the gentleman noted, when you start from the standpoint of free trade, the more powerful defeat the less powerful, and the wealthier dominate the weaker. And we, in order to defend our society, which is our greatest goal—and the gentleman says it is in their Constitution, and it *is* in ours; it is in all of ours—it is to defend the general welfare. But, to defend the general welfare, the other principle which the gentleman mentioned is also in our Constitution, which is to guarantee sovereignty. And sovereignty means making sure the national will prevail.

And, in terms of the historical aspect, the gentleman cited Roosevelt. In my view, and forgive me for delving into your history, Roosevelt's New Deal was the great transition factor, which changed the United States. When he created the Ten-

nessee Valley Authority, he created SUDENE [Brazil's Development Superintendency for the Northeast]. And SUDENE was symbolized by a film which became historic, which contrasted the reactions of backward Tennessee residents to the Federal government's intelligent and progressive vision. Brazil also remembers this well.

International Crises Hit Brazil

Moreover, I find in our country a parallel to the journey the gentleman presented. We had three crises, in the 1960s and 1970s. First, the oil crisis, in 1967, which was in my field, the National Petroleum Council, with [President] Costa e Silva, oil cost $1.20 a barrel. But the oil price suddenly increased in that year to $28 a barrel by that aggression, that crisis which hit Brazil from the flank—the gentleman said that in military strategy, the attack on the flank is always better than the frontal one. Oil went up, the dollar stabilized. The oil crisis was unleashed by OPEC—the producers' organization founded by Venezuela; it wasn't created by the Arabs. OPEC was created by Venezuela to defend its interests—I don't disagree. [The price] immediately rose to $28 a barrel.

The dollar had always been convenient for us, because we exported more than we imported. We had a surplus and we paid our debts. Oil had represented less than 10% of our foreign currency balance, but suddenly we were faced with a situation where the increase for each barrel of oil disrupted all our plans. Despite that, we kept the situation under control.

This was followed, three or four years later, by the dollar crisis. The dollar crisis was an internal problem of the United States, because the world abandoned gold and adopted the dollar as the unit of monetary reference. Faced with difficulties, the American government legitimately raised interest rates. We saw that here. With the increase of domestic interest rates, world interest rates increased, and our debt increased. We overcame that crisis.

And, then the second oil crisis erupted. It hit the administration of [President João Baptista] Figueiredo on both flanks and in the head. The attack was in three directions, not only on the flanks, but bilateral and aerial. Then, oil shot up to $42 a barrel. Nobody talks about that, because it's not in their interests. The truth isn't good for those who manipulate data. But I want the gentleman to know that $42 per barrel makes any nation which is dependent upon oil, unviable; and we have no need to be, we aren't, and we shouldn't be. Oil is a fuel which is becoming extinct in the world. And, Brazil has two fuels which are *not* going to run out. If either does, Brazil is finished: Hydroelectric energy, water generating electricity, is cheap, is free, and will continue. Water isn't wasted; it just passes through. The other we have is alcohol. Alcohol is a renewable resource, which doesn't cause the pollution that petroleum causes. Thus, we have good future prospects, which will overcome the crises, which, as the gentlemen pointed out . . . are a threat now facing us, in 2003. But we are positioned to overcome them—and, in that I agree with your final part—*if* we have good leaders. That's a *sine qua non.*

Also, in his presentation, the gentleman cited two figures whom I admire: Roosevelt and Alexander Hamilton, America's first Treasury Secretary. And, in a publication which you distribute, which [*EIR* correspondent Lorenzo] Carrasco sent me, I read some pieces by Hamiliton. And now I'm going to take a commercial break: I just wrote a book, which I'm going to distribute through Gilberto Huber publishing company. The book is expensive—it's 3 *reals* each. Not $3, but 3 reales. It's only 350 pages, and will be sold so the ideas in it can be discussed. Ideas aren't to be hoarded, nor imposed; they are to be put forward, to undergo divergences, so that, through dialogue and contradiction, better ideas emerge. Thus, I have no fear of saying that I accept discussing opposing arguments. So, we aren't in differing positions from a philosophical point of view.

The Military Dimension

Since the gentleman also discussed defense, I'm going to have to enter onto military terrain, if he permits. . . . Not long ago, I read something by a Brazilian officer, long retired, since those who went to Italy [in World War II] are either deceased or very old. . . . My Academy class went to Italy, but the war had ended three months before. We were prepared to go to war, like the two previous Academy classes, but ours didn't. Hence, this fellow went to Europe and was in a German city, in a restaurant, conversing with a group of Brazilians and a group of foreigners speaking English. An elderly, short German with a shaved head, a typical soldier, overheard the conversation. He couldn't resist going to the Brazilians and asking, "Are you Brazilians? Do you celebrate as a national holiday, I think it was the 2nd or 3rd of July?" The Brazilians asked the German, "What's July 3rd?" The German replied, "The day you captured my division."

[German] General [Otto Freiter] Pico commanded a division with 23,000 men; and the Brazilian Expeditionary Force managed to stop him with a maneuver. That's what I think the gentleman means by "strategic defense." Our cavalry squadron was commanded by General Plínio Pitaluga, now retired. And Plínio Pitaluga, with his soldiers and armored cars, overtook the German troops, reached the Po River valley and prevented them from using the only available bridge, then trapped them from the rear with the squadron. The Germans were in no shape to fight and surrendered. And our unit, which didn't even have 5,000 men there, ended up capturing the 23,000 Germans. They had only one day of food and rations and one day of ammunition. When the gentleman spoke of logistics winning wars, it does win wars, if intelligently used. And our logistics, intelligence capability with Pitaluga and his boys' maneuvers and audacity, isolated the Germans.

Thus, when the gentleman speaks of strategic defense—and now I come to Brazil. Brazil does not think along the same lines, because those are not our problems. But we have

President Franklin D. Roosevelt (left) and Treasury Secretary Alexander Hamilton. FDR's Tennessee Valley Authority, one of the greatest infrastructure projects of all time, was a model for Brazil's Development Superintendency for the Northeast. Hamilton is also widely admired in Brazil, especially since EIR *began to circulate his works in Portuguese translation.*

a national strategy in the area of defense, to use his expression, which for me is "security," despite the current administration having condemned the expression. "Security" is a more complete term than "defense," because security is a condition in which you feel secure. This is a condition. It is not physical, not solid, but psychological. It is mental. I feel secure, in the street or in my house. Defense is an action taken to guarantee that security. Within this security, Brazil has a strategy, called "the strategy of deterrence," which is coherent with its words, but not with the names the gentleman used.

What is deterrence? It is our having sufficient force, where necessary, to act at any point in our territory, to discourage anyone who wants to attack us; and we have had this for a long time. The truth is that the last war we participated in in South America ended in 1870. We have cultivated friendship with our neighboring countries.

On the Financial Crisis

I repeat to the gentleman: We share the same concerns you have about the international monetary system. It worries us because, to the degree that we change our situation—I'll talk about events of some time ago, so as not to touch on anything of the present; it's easier that way. When in 1983 the political system changed, . . . we had a very large foreign debt in dollars. The debt was the government's. The loans were to businesses. The profits were for the businessmen to reinvest. Many could do this, others not so much. At that time, we had high inflation and a gigantic patrimony. To the degree that we trusted the IMF's rules—I agree with the gentleman—today we have an absence of inflation, but a gigantic debt, and we have *lost* our patrimony.

That's what I want to put to the gentleman, so that he, with his view of the world, to which I paid close attention and with which I agree almost entirely. It wouldn't be appropriate here even to disagree with something. It would be the wrong time and impolite. I want to say that I agree with his analysis on the world financial situation. We Brazilians are soon going to face the solution of this new equation of reduced national public and private patrimony, and high international patrimony, which bought the national patrimony up cheap. [We have] a marvellously controlled inflation, but an IMF setting up unworkable rules.

Thank you very much.

Deputy Marcos Cintra

First of all, I would like to compliment ADESG for having invited Dr. Lyndon LaRouche, and for the opportunity to hear such stimulating, polemical, and intelligent words as those we heard here. I very much admire people who have Dr. Lyndon LaRouche's kind of vision, who have a courageous, all-embracing vision, who have the ability to see, not the individual trees, but the forest as a whole. And I think that he taught us that we can't stick only to small, transitory, immediate, day-to-day questions. Rather we must have a more inclusive analysis, a long-term, strategic analysis, as he said. I think that's lacking in our thinking and our tradition.

And I think, Adauto, that the opportunity ADESG gave us to hear Dr. Lyndon LaRouche, Jr. present his thinking, enriches all of us who were wise enough to be here. I regret that this auditorium isn't much more full than it is now. But, I'm sure that we learned a lot and am certain that his words are going to make us think and reflect a great deal. In other words, we will leave here today different from what we were when we entered.

That obviously doesn't mean that I agree with everything. It doesn't mean that I agree with his line of reasoning, or with what he often presented as the causality. Perhaps this is due to the limits of my reasoning power, or the observations I

often like to make about causal principles. It is very tempting to derive great principles and great movements in historical analyses. But these principles and movements often lose some of their causal value, if we don't analyze the details. We know that the devil is in the details. The devil is not in the whole; it's in the details where we need to begin to test theories which seem logical, rational, sensible, but often lose some of their logic, their causality, with analysis of causal principles which theoretically should be governing these principles.

We are here today to hear the lessons Dr. Lyndon LaRouche gives us. So, I want to refer to his words . . . and, on the basis of the notes I took, offer some questions which might help us understand a bit better what he is really trying to transmit to each of us.

A 'Liberal' Perspective

For example, he gave us a vision which I would call almost catastrophic, that we are on the verge of a great international disaster—who knows, within weeks, months, years, or even decades. That history is changing direction, turning around completely, and thus throwing us back again into economic, social, and cultural barbarity. That's not my vision. I agree, in principle with many of the phenomena, the isolated facts which perhaps are happening in Brazil and in the world today. But I see the world's evolution somewhat differently.

I am a liberal. I don't know what the term "neoliberal" means; I never understood well what it meant to be a neoliberal. "Neoliberal" seems to be a term [used] by those who don't like liberals and accuse them of being neoliberals. I am a liberal. I believe in human capability. I believe in people's freedom. I believe that when they are free, they manage to produce more and better, they manage to advance, on the basis of debating ideas, on the basis of proposals presented.

And, from this liberal perspective,—which I think is today taking social, economic and cultural policy more and more into account—I see the world evolving positively.

If we analyze world history of the last 200 or 300 years, I find it very difficult today to believe that you could deny, that the living conditions of most of the population improved significantly, in terms of the quality of life of the mass of the population 200 years ago, in terms of any index, any coefficient you wanted to adopt today—mortality, health, longevity, transport capacity.

It is lawful that there are differences today. Today, the big problem is not that the world has regressed in quality of life. The big problem today is that there is unequal distribution. That's another problem, that, today, the distribution of what society manages to produce is incorrect, unjust. That could be the great challenge to modern society: not the process of generating wealth; we are generating well, we are generating enough, we are generating ever more. The bigger problem is how to better distribute the larger quantities of goods, services, and wealth produced. I would agree with that, and would even go so far as to say that some sectors could be big losers in an historical evolution. But, I would say that most of the world's population today does not find itself under significantly worse living conditions than 100 years ago, 250 years ago. Thus, I see a positive evolution in the history of mankind, and not such a negative, catastrophic one as that which Dr. Lyndon LaRouche offered us today.

He told us, for example, that the world system rewarded, or stopped rewarding—at least the economic system from the standpoint of the world's greatest power, the American economy, repeating the Roman imperial pattern—has stopped producing and instead enslaves other peoples, becoming merely the great consumer of wealth generated by other countries. In a certain way, that's right, when it comes to goods, services, merchandise, tangibles, physical [products]; but this is *not true* when the world's production level is analyzed as being essentially tertiary. The modern world today is a world of services. Today, we already are almost reverting the production process to concentrate largely on producing intangible goods, and these continue to be primarily produced by the [major] powers.

What's happening is a redistribution in terms of the characteristics of world production. But, in fact, the U.S.A. is a net importer of goods and services (clothing, autos, motors, raw materials), but is a net exporter of services, ideas, engineering, technology generation, which, today, in the modern world, has the same role which tangible goods had in the old days. Thus, I don't really see it as an attempt to decimate the U.S. economy's production process by enslaving other countries and importing everything they produce into the United States, but rather basically as an evolution toward a tertiary society, a society of services, and no longer a primary or secondary society, which produces agricultural goods and industrialized goods.

The U.S. Trade Deficit

Dr. LaRouche tells us that the United States is today experiencing an economic crisis similar to Brazil's. And he shows us a fact which I find interesting and truthful, which is that the United States today has an extremely high foreign trade deficit—that good old trade deficit. Were this not the case, other countries would have trouble maintaining their export levels to the United States. It is precisely that U.S. trade deficit which, in a certain way, lubricates a bit the world economy by means of the economic potential of the U.S. economy.

Now, the trade deficit which generates the U.S. foreign debt, is of an entirely different character than our debt. I mean, U.S. debt, relative to the rest of the world, is merely a bookkeeping concept. It has no significance in terms of the solvency of the American economy, for one very simple reason: It is the only country in the world able to issue a currency by which its debt is stabilized. Whenever a country issues the currency in which its own debt is denominated, that debt ceases to exist.

Thus, the United States can accumulate debt, and the debt accumulation really ends up becoming a way by which other countries can survive, through their export and import pro-

cesses. Despite its enoromous and brutal debt—it is clearly the biggest debtor—we say here that Brazil is in crisis, because its net public sector debt is equal to 53% or 54% [of GDP], while the U.S. debt is much higher than that. But they finance their debt by printing money, backed by their own money; and thus, this should not result in the breakdown of the U.S. economy, or its lacking solidity, shall we say.

I don't want to go into detail on the other items discussed. I continue to emphasize the provocative quality of Dr. Lyndon LaRouche's observations to us. That's exactly why I began to pose these challenges, motivated by that questioning vision which great leaders must have, and therein lies the great merit of Dr. Lyndon LaRouche's contributions. But, I would like to conclude my observations—despite having other issues here which could take a bit more time—but I will make two final observations.

Paradoxes of the Current System

First, and this is really more of a question than a dispute, this global system, which is bringing the world to this crisis, and to this view of debacle, financial crisis, impoverishment, was simultaneously able to transform, for example, the European countries today, into a counterpoint to the U.S. economy—this *same* system. And I recall that in the 1960s, a French journalist [Jean-Jacques Servan-Schreiber], whose name I now forget, wrote a book on *The American Challenge.* He showed that Europe was totally bankrupt, and would never be able to sustain the growth rate of the Japanese economy, which was then growing very fast, or, basically, of the U.S. economy. Yet today, 30 years later, we see the European Union counterposing itself in GDP terms, in growth, in terms of quality of life, and of economic presence in the world, to the United States itself. Thus, the same system which generated such big crises in countries such as Argentina and the Soviet Union ended up generating healthy, sustainable growth in the European economy, placing even countries that were in positions of relative backwardness, like Portugal and Spain, among those which are rapidly approaching the standards of developed economies.

I ask, then, how you reconcile these two facets of this world crisis, of this global system, which can be so harmful to humanity, at the same time that it has shown itself to be so productive, at least from the standpoint of the European experience? And the same is true of the Asian countries, which had a phase of growth, though they are now entering a crisis period. But they shifted to the fantastic growth which is now taking place today in China. I don't know to what degree this same system will make China into a new example of dynamism, of sustained growth.

Protectionism vs. Free Trade

And, finally, so that we can make a bit of linkage to the WTO [World Trade Organization] question, the FTAA [Free Trade Area of the Americas] question, I completely agree with Dr. Lyndon LaRouche's diagnosis of the protectionist question. The Americans always were protectionists; the English always were protectionists. In our history, we need only look at the Methuen Treaty [1703] between England and Portugal, to see what happened, what kind of economic imperialism the countries which dominated the world in that era imposed on Portugal and, consequently, on Brazil. Anyone who knows Brazilian history knows that that treaty between Portugal and England brought about the complete destruction of the textile industry which had begun, mostly in Minas Gerais [state]. Around 1780 or 1790, it was literally destroyed. Portuguese soldiers came in and destroyed, tore down, and smashed the textile industries, felt industries, industries of a number of products which had begun production in Brazil, principally in Minas Gerais, where a reasonably dynamic economy had been created, by a middle class with a potential, with a large purchasing power. . . . This was not income concentration as occurred in the Northeast, in sugar cane, as in some other periods of Brazilian history. No, there [in Minas], a period of industrialization had been created, and it was simply decapitated, starting with that treaty.

We have here, then, a really obvious, clear, experience. We have experienced that American protection, English protectionism. And we have not the slightest doubt that this is, and was, always the dominant policy historically in terms of international trade among nations. My question is whether the WTO and FTAA processes are not a first attempt to *change* that. Until them, we had free-trade language, while the strongest didn't practice free trade, but imposed free trade upon the weaker. It seems to me that what's happening today with the FTAA and the WTO, is that we are discussing free trade at a multilateral forum. I think that for the first time, we are beginning to really talk about cutting tariffs, liberalizing trade, globally, not just part of it. I think *this* is the big difference between the free-trade discourse of 200 years ago and today's. Today, there is a forum for discussion. Today, free trade will no longer be imposed on Brazil.

When the President was in Quebec last year, I think President Fernando Henrique Cardoso was extremely clear, when he set conditions, which if satisfied, would bring Brazil into participation in FTAA. If they weren't satisfied—as for example access to the U.S. market for our agricultural goods—we wouldn't participate in that process. I think this is a new change; before, free trade was imposed; today it is a free trade negotiated multilaterally. I think this changes the perspective somewhat, though I completely agree with [LaRouche's] prognosis, in the sense that historical experience finds that theoretical free-trade language has, in practice, brought a lot of protectionism and little free trade.

I wanted to make these observations just to encourage debate. I think that today we have here one of the most provocative presentations, I repeat, that I ever had the opportunity to attend. I like these challenges. I think that that is what has often enabled us to overcome our own limits, and the often parochial vision which we have of the economic process. I think that people like Dr. Lyndon LaRouche are the ones who

give us the opportunity to bring in some fresh air for our thinking and our vision, for each of us to question ourselves on our own beliefs. And, in this regard, I would like to congratulate him for his brilliant exposition. I think that much of what he said has significant parcels of truth. I merely question, in my brief words, those causal factors, these small links which I, as the logical person I try to be, often question: Where's the link? Where's the logic? Once these links are found, I start to believe in certain models which I would have problems with, were these connections not made.

Therefore, I would like Dr. Lyndon LaRouche to respond to my commentaries, only as small threads in an all-encompassing, important, courageous, and above all, well thought-out, model, which he evidently has and is presenting to us today. It's just in that way . . . that I pose these questions, not without first congratulating him for his presentation and especially, for nourishing our thinking and our curiosity, nourishing our reflection on Brazil's reality within a globalized world. The world in which we are living is a different reality, difficult to understand, but something which we must really begin to understand. And in this respect, Dr. Lyndon LaRouche is one of our guides, one the great inspirers of responsible, courageous, and, above all, provocative, reflections. My congratulations. And I thank ADESG, congratulate ADESG for this initiative of inviting Dr. Lyndon LaRouche to be with us here today.

Thank you.

LaRouche Responds: Value Is in Human Minds

Adauto Rocchetto asked Lyndon LaRouche to respond to the commentaries by General Oliva and Congressman Cintra.

LaRouche: On both cases, my point of disagreement is answered by addressing one topic. There is a great Russian scientist, a follower of the great Mendeleyev. Not only was he a student of Mendeleyev, but he applied the methods of Mendeleyev, and was undoubtedly one of the most productive scientific minds of the 20th Century. He was the founder of geobiochemistry. He was the discoverer of the Biosphere in the scientific sense. He was the generator of the concept of the Noösphere. He was the father of the development of nuclear technology in the Soviet Union. He was the architect of the Soviet bomb, which the Soviets had the technology for by 1940, on their own development: Vladimir Vernadsky; died in 1945.

Now, Vernadsky was a follower of the greatest minds of previous centuries, and used the method which unfortunately is little known in universities today. This is a typical one of our problems in physical sciences. Remember, the first discovery of a universal principle of mathematical physics was the discovery, first published in 1609 by Johannes Kepler, of universal gravitation. This was the first discovery of a universal principle of mathematical physics. It was by Kepler. Many people have opinions about Kepler, but, among those who have opinions, none have ever read his works. They've read commentaries on him, textbook footnotes on him. But Kepler's method is extremely important. And if you don't understand Kepler's method, you don't know anything about the history of modern science.

Or you could go back to Kepler's predecessor, Cardinal Nicholas of Cusa, in the 15th Century, who was the discoverer of modern experimental scientific method, in a series of books beginning with one entitled *De Docta Ignorantia*. And Kepler was one of the explicit followers of Cusa, as he said, as well as of others: Leonardo da Vinci, and so forth. This became known as the Classical school of physical science, typified by Huyghens, by Leibniz, by Jean Bernouilli, by someone who is probably very little known but was a very important scientist, Abraham Kästner of Germany, the teacher of Lessing and one of the great teachers of Gauss.

Very little is known of Gauss, of his actual work, even though he is much commented upon. Most people in universities don't know that the work of Lagrange was discredited—like some of the work of Euler—was discredited definitely by Carl Gauss in "The Fundamental Theorem of Algebra."

Economic Value vs. Frauds

The reason I mention this, and I mention Vernadsky in this connection, is that—how do we understand, how do we define what we mean as economic value? Generally, the definition given is the definition of the Utilitarians, such as Jeremy Bentham, who was the former head of the secret committee of the British Foreign Office, the man who caused a lot of trouble, as Bolívar said, in South America. How do we know what value is? Objective value. Not value in the sense of what someone will pay. A man will pay for a prostitute. What's the value of that? Prostitution is a service. What does it contribute to the national economy, except income for doctors who treat venereal disease? Or insanity. So services are not, by their nature of simply being paid for, of value.

We see the collapse of the so-called New Economy worldwide. It's the greatest hoax and the greatest catastrophe, apart from the monetary system itself, of this century. It's a fraud. How do you define economic value? Look at Vernadsky, the way I do. I don't completely agree with Vernadsky, in the sense of thinking that he had all the answers. He didn't. But he's an extremely valuable and important person, whose contributions are all positive.

How do you define value? Human value has to be defined on the basis of the distinction between the human species and the animal species. I mentioned in my remarks today that, probably, if man were an ape, with our physiology, with our

physical capabilities, if man were an ape, we would never have had more than several million individual human beings on this planet to this day, over the past 2 million years. We now have . . . 6 billion people. With existing technologies, we could support 25 billion quite comfortably, on this planet. What's the difference? The difference is that the human individual has the power of mind which is referred to in *Genesis* as being made in the image of the Creator of the universe. Man is able to discover universal physical laws and related laws, and to apply these to produce an effect that no other species can produce: an increase of its power in and over the universe. Only man can do that.

This is the thing that distinguishes us in social values as well. Animals can not transmit discoveries of scientific principle from one generation to another. The characteristic of human beings is exactly that. What we take for granted, often, are the results of the discoveries of universal principles, using these powers of cognition which Immanuel Kant, for example, said didn't exist. Which the empiricists say didn't exist. So, what is of value, therefore, to a human being? What is of value to society? The value lies in that which distinguishes man from the beast. That is, the power of creativity to discover valid universal principles and to transmit the experience of that discovery from one generation to another.

So, therefore, economic value and moral values are one and the same thing: the discovery and transmission of that which is valuable to the human species, as a species, and to maintain what was discovered in previous generations, and to transmit those benefits to future generations. That is moral value, and that is economic value. That is the scientist's view of the scientific proof of *Genesis.* The scientific proof of the principle of Christianity, that man is made in the image of the Creator of the universe. We're the only species that can know that, can express that. We are the servants of the Creator, and value is that which corresponds to our species nature, as servants of the Creator.

The Power of Invention and Creativity

Now, therefore, what's all this garbage about New Economy and services? The question is, the test is, do we—by our acts—do we perpetuate and increase the power of the human species to live in this way, to live in that image, as an individual? Do we? That which serves that end has value; it has objective, scientific value. We can measure it. We can measure it in terms of the increase in the productive powers of labor—relative to nature.

Now, here's where Vernadsky comes in. And we'll come back to the question of energy resources. Vernadsky defined—using the fundamental scientific method of Kepler, of Cusa, of Plato, and others—he defined that there are three distinct categories of existence in physical science. That is, when we conduct experiments, we can set up an experiment which is based on the assumption that the universe is abiotic; that is, a non-living universe. By conducting experiments that way, we can say, "Okay, these are the principles of an abiotic phase-space—not the total universe, but a phase-space." Then we find another characteristic which does not exist in the abiotic universe: living processes. We can, by experimental methods, determine what living processes are, and we find that it is a different phase-space than non-living processes.

We also find in the case of the human being, that we can change the Biosphere by improving it. Not using it, but by improving it. We can make the deserts bloom. We can improve the weather. We can do all kinds of things, always increasing man's power over the universe. No other species, no other kind of existence can do that. Abiotic processes can not do that. Even the empiricists will agree with that. Biologists would agree with that. Only the human species is capable of creating a Noösphere. So therefore, it is this power of creativity, and the ability of mankind to conquer and utilize the abiotic processes of the universe to enhance the position of living processes of the universe, and the ability of mankind to improve the Biosphere and to go beyond that, to create new conditions in the universe which never otherwise existed.

Now, in the case of energy, what does that mean? The definition of energy we generally use is idiotic. It's a so-called abiotic definition. The Clausius-Kelvin-Grassman definition; the Helmholtz definition. But energy is not necessarily that form. Energy is a much more interesting phenomenon. When you include the effect of living processes—the processes of the mind—on the efficiency with which energy is expressed, you must ask questions about your definition of energy.

The Club of Rome Is Wrong

So, in this case, the energy we have available to us of importance—anything that the Club of Rome says is good, is wrong. It's a fraud. Petroleum is not actually in danger. We probably will have enough petroleum to take care of this planet at present rates, for about 40-80 years; minimum of 40-80 years. And we don't even know that petroleum is a fossil fuel! Coal is a fossil fuel. Petroleum is not necessarily a fossil fuel. You can generate petroleum within the Earth today, if the Earth were [in a] "reducing condition," as it's called—in the Earth. Oil may be being produced by the planet now. New oil is being generated by the planet now, in two ways: It can be generated in an abiotic way, in a reductionist environment; in a hydrocarbon environment, you will generate methane, the methyl series, and so forth. It can be generated, in those conditions, by a kind of bacteria which can operate in those kinds of temperatures, which can transform hydrocarbon material into petroleum or similar kinds of material.

We have a similar problem, in terms of the Biosphere. Most of the ores we extract come from the upper surface of the planet, they come from a fossil area of the planet, down to several kilometers of depth, which were all produced as fossils of living processes. When you get these ores, generally these ores are where they are, because of the intervention of some living process which left that as a deposit. The estimate

Brazil's Angra II nuclear plant. Development of Brazil's high-technology capability including nuclear power, was sabotaged by the international Malthusian oligarchy.

of the best Russian specialists who work on this in Siberia, is that the problem today is not that we're using up the ores, but we are consuming the ores which we are finding in the fossil area at a rate in excess of the rate in which the lower level of the planet is pushing new parts of this up to the surface.

So, these are the kinds of problems we face. Now, the energies which are available to us, obviously all of the energies which the General referred to, are either finite in absolute terms—which I think most of them are not—or in relative terms: That is, the rate at which they are being generated may be less than the rate at which we are consuming them. And we have two things we can do. We can act upon the planet through scientific work, to try to increase the rate at which these things we are using up, are replaced. Like maintaining the atmosphere, for example. The atmosphere is a fossil. It's a fossil of living processes. The oceans are a fossil. They're a fossil of living processes. They were not created by an abiotic universe. They were created as fossils of living processes. So, the energy we have, essentially, is to use what we have now and to get free of the lock of these kinds of energies.

Now, Brazil once wanted to have that kind of energy. Brazil wanted to have nuclear energy. International forces said no. We had a famous German banker who was assassinated over the issue of Brazil's getting nuclear energy: Jürgen Ponto, 1977. I was on the hit list at that time, so I happened to have had a personal interest in that story.

We also have today a form of nuclear energy, which is not generally being used, though it's being developed in China and South Africa, among other places. It's called a high-temperature reactor. The best model of this high-temperature reactor is the so-called Jülich model, developed by a Professor Schulten in Germany. He's now deceased, but the model still exists. This would be a reactor in the 100-200 MW range. It's a self-regulating reactor of a different type, using what's called a module. That is, you don't have the same kinds of problems you have in managing the fuel cycle of most reactors.

The Vast Resources of Brazil

Now, you take a country like Brazil. Brazil has vast natural resources, just as Siberia does and Central Asia has. Vast natural resources. The challenge is how to develop this hemisphere, this continent. And Brazil is typical of that. The future of Brazil lies in development of its potential resources, in management of its resources, including the vast water resources. The Amazon system is a vast resource, a vast power resource. It's also probably more valuable as a resource for biological development, and transformation of the Biosphere, than it is as an energy source, because the long-term objective is to meet that kind of challenge.

Now, what would you want for Brazil? Do you want to transport energy resources over great distances, which Brazil has, especially in low population-density areas? Or would you rather have the ability to put up rather rapidly, within a few years, high-temperature reactors—which you not only put up in multiples, as 200-400 MW maximum, say four or five of them, if you need them in an area; so you eliminate a transportation problem; but a high-temperature reactor also has some other advantages.

With a high-temperature reactor, you can transform water into a fuel. You transform it into a fuel by high-temperature reaction, into either a hydrogen fuel or a methane fuel, or similar type of fuel. You can consume this stuff by burning it—which is the worst thing to do with it—or you can consume it by various kinds of processes—electrolytic cell processes, or things like that. So therefore, you can produce the kind of fuel you need for vehicles, for aircraft, and so forth, in the area in which you need them, and Brazil has that typical characteristic. If you can have the right kind of energy in any part of Brazil, which perhaps has agricultural or other potential, you can deal with that problem.

So, therefore, the question of value lies in what the human mind is able to develop, which will transform man's relationship to nature, in the sense of the Noösphere, and thus increase not only man's condition in life; but if we can take the entire population and educate them on university levels to the age of 25, and shift our employment from low-technology to high-technology employment, and scientific employment, then we will have produced true value which our descendants will bless us for.

Dialogue With LaRouche

The question and answer period was chaired by Adauto Rocchetto, president of the São Paulo ADESG. The questions asked of Mr. LaRouche have been slightly abbreviated and translated from the Portuguese original.

Q: I would like to thank the speaker for his vast explanations, although perhaps contradictory at the same time, just as life is. . . .

I believe that democracy only flourishes within a free and open society, because I have already lived under contrary situations, in a secretive and closed society, that was called popular democracy—a police regime *par excellence*.. . .

Within globalization, within democracy, which I believe in, is a conspiratorial interpretation of history possible? That's my first question. . . .

The famous general Konstantin Kutusov, who defeated Napoleon at Borodino . . . was approached by many generals who asked him to attack right away. Kutusov told them: Don't make Russian widows; he has to face General Ice and General Mud. That is the logistics of a strategist. . . .

From the times of Philip II of Macedonia, no one defined psychological warfare better than he, as narrated in *Philippics* by Demosthenes. In warfare, Philip said, the objective is not to physically destroy the objective; it is to destroy the will to resist. So, that antecedes logistics. One can win through the verb, and nothing else. . . .

[Regarding] the murder of Archduke Ferdinand in Sarajevo in 1914. . . . At that time, the Serbian Premier, Nicola Pashit, achieved a major objective: To infuriate Russia and detonate the First World War. Today, after Sept. 11 of last year, there is a danger of making the same mistake. This time, it is not the Serbs; this time, it is Israel. Can the United States go mad? Because war is no-holds-barred. I think that two points have to be attacked to defeat terrorism: Make peace in the Middle East and recognize the states of Israel and Palestine. I'm not Palestinian; I'm from the Balkans. And we must bring Hollywood to reason; because if war is the destruction of the will to resist, then will weakens, starting with Hollywood. . . .

So, can this occur in the United States?

LaRouche: First of all, it's possible to answer this rather briefly. Conspiracy, when properly used, means that people think together. Essentially, it means—usually—that they operate on agreement on certain principles, or what they adopt as principles, such as definitions, axioms, and postulates. There are many things written about conspiracy, and against conspiracy, most of which is nonsense. A conspiracy is the most normal kind of relationship which human beings enter. A person who does not conspire is autistic, or dead. Any other meaning to the word just leads to all kinds of nonsense and confusion.

In the Moscow case, remember, this was, of course, the famous story spread by Tolstoy. The reality of the matter was of the Prussian generals who advised the Tsar not to allow his soldiers to engage Napoleon decisively at the border, but rather to retreat toward Petrograd and Moscow, and to prepare to bring the city down around the conqueror, and then save the Russian soldiers, to fall upon the rear end of Napoleon, which is what happened. That's real strategy, and that's what the real meaning is, as opposed to these myths. Tolstoy told some interesting myths, but that's fine.

On the question of Ferdinand. We do face such a situation today. The King of England was guilty of the war. The Emperor of Austria was a fool, the greatest fool of his time. The Tsar of Russia was a fool. And the Kaiser was a fool. And so the three fools allowed themselves to be drawn into a war against each other, for no good reason except the greater glory of the British Empire.

Today, in the case of Israel, Israel is not the controller of the United States, contrary to many myths. The British and the Americans control Israel, and they own this fascist gang which is running Israel today, the Likud. This is no secret. The Russian secret service, the Okhrana, created the founder of the Likud, which was an avowed fascist organization. The Likud today is a fascist organization, which is dominating Israel. The United States and Britain are using Israel like a hand grenade, which you throw against your enemy. When it explodes, it destroys itself, and you intend that it should also destroy your enemy. If Israel continues this policy, Israel will destroy itself. But why should you throw the hand grenade? Because you want to start a world war.

Where Is the 'Black Box' of Power?

Q: Good evening, I'm a rural producer and a lawyer. . . . We have learned a lot today, but we didn't pursue the main objective, the factor which generates these situations. We have to look for the elements of power that create those situations. A developed Africa would be an advance for all of humanity. So, my question is, why doesn't that happen? Because it is against the interests of certain groups. And I believe—and if anyone disagrees, please forgive me—that, as thinking beings, we have to look for who is interested in having this state of affairs.

So an economic discussion is sterile if you don't look for the generating factor, that is, the power centers. We have to decode the black box of power, to know who is harming humanity and know what we can do about it. Thank you.

LaRouche: I think that the question of the black box is not the problem. People think in terms of motives, but I understand motives differently, and I think I'm right about this. I look at motives the same way I look at scientific problems. Motives generally flow in human beings from the set of definitions, axioms, and postulates which they've adopted as the way they react. They may not be fully aware of these assumptions, but there are a set of assumptions which human beings make at certain points. And they react to situations based on the governance of those motivations. They do not

necessarily have an intention, in the sense of a specific goal. That is, they are not goal-motivated. They are stimulus-reactive. Only when we rise above this, to be aware of our creative potential, when we realize that there is a contradiction in the problem confronting us, that we have to use our creative potential to find a solution for that problem. That problem then becomes an intention.

The word intention was used in that way by Johannes Kepler in defining gravitation. He said the universe, the Solar System, in its orbits, operates in a way which is contrary to all of the definitions, axioms, and postulates of the astronomers before him. Therefore, he says, we must find the *intention*—and in a sense, he meant the Creator's intention—which would cause the Solar System to operate in a way which defies the existing assumptions about the Solar System. And therefore, he said, that's an intention, and we have to discover and adopt that intention to have power over the situation. If we do not take that attitude, as Kepler took towards this problem, then we become the victims of our pre-existing prejudices and we react to a stimulus with our prejudices. This is the way we are often controlled. Governments and others who understand the prejudices of people, will often trap people, by provoking them to react according to their prejudices and thus controlling them. That's our big problem.

So, therefore, it's this understanding of man which is crucial. I do not believe that there is a conspiracy in the sense of an intended result. The conspiracy is blindness to one's own assumptions and being trapped into reacting to something, saying, I have to react in this way, and thus someone can manipulate you into reacting against your will, by provoking you.

What Is the Zionist Lobby?

Q: I'm a systems analyst, and I'd like to congratulate Mr. LaRouche for his presentation. I knew something of his work through the Internet and some newspapers.

One question which grabbed my attention, was the point LaRouche made about Israel being an instrument of the U.S. and England. A work of LaRouche's which struck me is called *The Ugly Truth About the ADL,* where he exposes how the powerful Jewish-Zionist lobby acts in the U.S. I would like to ask Mr. LaRouche . . . if he recognizes the existence of those lobbies in the U.S., not, perhaps, in the sense of the Israelis being the ones who control the U.S., but if it is Jewish-Americans, through political-economic influence who maintain that lobby in the Middle East and in the U.S. itself. That's more or less my question.

LaRouche: One has to understand something about the history of modern Judaism, European Judaism in particular. Modern Judaism was actually developed in Germany, as a movement around Moses Mendelssohn in the 18th Century. He was one of the greatest minds of modern history, one of the creators of Classical culture. We've written a good deal about this. Mendelssohn was the person whose influence, resulted in the recognition of humanity, political humanity, for Jewish individuals in European civilization. Joseph II, the Emperor of Austria who was also a friend of Mozart, was the first to give the Jew political status, as a person, in Europe. But as a result of this reform, led by Moses Mendelssohn, you had the great contribution of Jewish scientists, doctors, and so forth, to European civilization. It was a great movement. This was spread into Eastern Europe in the form of the Yiddish Renaissance. If you know people in the United States, as I do, who were immigrants from those parts of the world, this is what they represented. For the most part, they represented this tradition, this Moses Mendelssohn tradition, or things like it.

You had an opposition to this, which was organized by the British, which was organized by the Austro-Hungarian system, it was organized under Tsarism. And you had the birth of the Zionist movement, which was created as an attempt to destroy the influence of Moses Mendelssohn and the Yiddish Renaissance in Europe. Part of this led to Nazism. Therefore, you had a division in Judaism, of those who were influenced by these government operations, really police-state operations. B'nai B'rith was created in the United States by the Portuguese-British slave traders, who were the founders of B'nai B'rith in the United States.

Subsequently, you had the Hitler phenomenon. You had a shock to world Jewry. You had a great wave of sympathy for Zionism, because of what happened to Jewry under the influence of Hitler. Therefore, you had a process from 1967 to the present time, especially in the late 1970s, in which this fascist element, which is ultimately of Russian police-state origin, the Okhrana—the Jabotinsky movement became the dominant force in Israel. You had a similar crowd, controlled by British and American intelligence services, which became the dominant feature of the Jewish lobby in the United States, which was organized largely around organized-crime figures. So, there is a Jewish lobby of that type, but when you're talking about Israel, about how these things work, you can't understand this, except from the standpoint of an intelligence organization. You have to see it as an intelligence professional would, and see how people are manipulated.

The same thing applies to the previous question. The thing we have to understand is the degree to which our behavior is manipulated. And don't blame other people because we're manipulated. Free ourselves from the susceptibility to be manipulated, by being creative people. Don't be reactive people who act like animals, who say, "I have an animal nature, and you can provoke my animal nature. I must react according to my animal nature." We are not animals. We have to react as human beings, not as animals.

The tragedy is that the Israelis, who are conducting this horrible, Nazi-style war against the Palestinians, that the Israelis themselves—as Prime Minister Rabin emphasized—would be destroyed if they continue this policy. He went to peace with Arafat, to try to prevent this from happening. The Likud fascists killed him. They assassinated him. And they profit from that. And there are Jews in Israel, and around the

Nazi soldiers round up Jews in the Warsaw Ghetto in 1943 (above); and an Israeli Defense Forces soldier in the Palestinian West Bank in 2002 (right). The Jewish community has seen an ongoing battle between the humanist tradition of Moses Mendelssohn, and fascists such as Vladimir Jabotinsky and today's Ariel Sharon. The current Nazi-style war against the Palestinians will end up destroying Israel itself, as some Israeli Jews are warning.

world, who are fighting against this thing, who recognize this and who have the courage to stand up.

So, it's not a Jewish question. It's a human question. It's a leadership question. Stop acting like animals. Stop reacting according to program, as if you were a programmed beast, and when faced with a contradiction, try to examine that contradiction, try to understand it, discuss it, and free yourself from the compulsion to react. The best way to kill or defeat an army, is to count on its generals and its troops to react according to profile. An army which does that, is setting itself up to be outflanked.

On U.S. Power and Leadership

Q: My country is competent and sovereign. What are the rules today, if the U.S. alone has the power and makes the rules as well? As a leader, what is your view of politics, of the power of global corrupt politics? You consider yourself a leader: Would an example be through the theories of Max Weber? I am an economics graduate student.

LaRouche: I don't accept Max Weber at all. He's not my man. On the question of leadership, am I a leader? Yes, I had perforce to become a leader, because of a shortage of the species. But on the question of the power of the U.S. today. No, the U.S. is being destroyed, and the U.S. will not win this fight, the way it's conducting it. It will not win it. If the United States continues the policies of the present President and the people around him, unless that President were to change those policies, the United States will be essentially self-destroyed.

As I said—and it's not an exaggeration, it's not really something that can be much debated, except in an academic way—this system is finished. We're at the end of it. We're at the end of the present monetary financial system. It requires simply an act of will to decide that we will learn the lessons of experience, and return to those standards which at least worked prior to 1965. If the United States makes that decision, if it says it will do that, I think other countries in the world, as I know them today, will agree. I think if the United States were to say, this is wrong, we're not going to have another world depression, we're not going to have a Dark Age—if the United States, through the President, said that, and said that to other governments, I think we would have an instant response, a discussion, and something profitable and good would come out of the discussion. That's the challenge of leadership today.

The problem again is, that we are behaving as animals. The human species is reacting according to profile—definitions, axioms, and postulates. I've studied a number of these things, and I find that, even from a military standpoint—a military force which clung to pre-existing definitions, axioms, and postulates, was waiting to be crushed by a military force which wasn't so foolish. And it's the same thing with leadership in general. We simply have to find the people who will form a coterie of leadership among nations, to ensure that we make that decision, that we do not accept trying to work within the existing rules, because if we do, this civilization will be slaughtered.

You know, God is a very clever fellow. He created the universe, and turned us loose in it. And we created cultures. And He had a rule in this culture: You have the ability to make a mistake. You have the power to decide to destroy yourself. You also have the power not to destroy yourself, and to fulfill your mission. If we are not willing to change from the system

we now live under, the international system, we will be destroyed, as empires have been destroyed in the past, and as most cultures which have existed in the past have been destroyed. We, too, will be destroyed. The problem is this state of denial, the unwillingness to face the fact that we face such a problem. Because we say we are not going to accept that, we deny that, there has to be a solution within the existing rules. If we say there has to be a solution within the existing rules, then I will pledge to you that we shall be destroyed.

A U.S. Police State

Q: I'm a lawyer. After the Sept. 11 attack, we've seen a reduction of civil liberties of U.S. citizens and the transformation of the U.S. into a police state, in the name of security. What influence will that attitude of the U.S. government have on other democracies in the world?

LaRouche: I gave a broadcast in early January [2001], just before the inauguration of the present President, and I stated at that time, that if he were inaugurated with the choice, particularly, of the Attorney General that he designated, that we were headed for adventures and a police state in the United States. That was in January 2001. Sept. 11 was Sept. 11, 2001. Since Sept. 11, 2001, you have seen—especially since January 2002—the rapid progress of the United States toward becoming a Nazi-like police state. It's not become that yet, but what you saw in the recent fraud that was broadcast on television about this poor fellow from Chicago, who was found guilty of no particular crime, but an American citizen of no particular crime was put into military custody, and denied access to an attorney or any other provision of justice. We have this Guantanamo procedure, the same kind of thing. This is exactly what Hitler did after the Reichstag stunt in February 1933. Exactly the same. And this is what I warned against in January of 2001.

This is typical of the problem. If we do not recognize the fact, that what I was able to foresee quite clearly in January 2001—*before* this President was elected—what this would potentially mean to have this President inaugurated. There's nothing mysterious about it. I explained everything. It was all factual. There was no speculation. It was all a matter of scientific certainty, that if he continued the policy commitments he was based on, and put in that Attorney General, that would be the result. We now have that result.

What's the danger to other nations? It's total. The question is correct. It's total! We can be in the kind of world that nobody wants to live in, worldwide, as a result of this. And my concern is that the world isn't waking up to it. The Europeans are lying on their backs on this question. Others are lying on their backs on this question. If we allow this to happen—look, the United States can't win, but the United States can destroy civilization, in destroying itself. Just like Israel. If the United States tries to start a war in Iraq, as competent military people in the United States have said, it can't win it! It's not possible! The United States is bankrupt. How are we going to mobilize, with a war economy mobilization, with a bankrupt economy? You can't do that! So, it is ominous.

As I said earlier, let me just repeat, that it's a question of leadership in crisis again. When you are leading, as I lead—lead in warning, lead in proposing—you'd better know what you're doing, first of all. But secondly, you have to know that you're taking a personal risk, and you have to know that you must take that personal risk. Why? Because people will only come to their senses when the crisis forces them to give up their illusions. But the people will not react to the crisis positively, unless someone has prepared them for it. So, sometimes the function of leadership is a lonely function, of exercising leadership, when you know that people are not yet ready to accept it. Because if you don't forewarn them of what they face, then when the crisis hits, they will go crazy. They will simply react.

And so, all I can say, regarding the question. Yes, the question itself is good, because if people do not raise these questions of law, now, then we are not preparing the minds of people to be aware of the danger, and helping them to prepare to react appropriately at a moment of crisis when we otherwise might have the opportunity to change direction. I think that's the only appropriate answer.

The Politics of Oil

Adauto Rocchetto: . . . I wanted to end with a brief question, that I believe requires a long answer. But the U.S. has already announced, in a certain way, that it may invade Iraq shortly. Probably Iran would follow. We have a serious problem here in Latin America, which is: Our neighbor Venezuela, which is a major oil producer and sells 90% of its oil to the U.S. So my question is conjunctural. Venezuela is part of OPEC, and has strong ties to Saddam Hussein, Khamenei, Fidel Castro. In that situation, would the U.S. run the risk of not having that oil from Venezuela, because of those links of Venezuela with other oil producers? And what would the consequences of that be for Latin America?

LaRouche: I think the danger of an oil boycott is not as likely as many people feel. I was just in Abu Dhabi, where I gave a keynote address at a meeting of what was the Zayed Centre, which is a part of the Arab League organization. And we had a number of things occur during that meeting and presentations on the subject of oil and Arab policy. The general mythology about the Arab reaction is exactly that, and obviously, I'm somewhat in the middle of the situation in terms of trying to find solutions to some of these things.

But that is not the nature of the danger. The attack on Iraq is a danger because it tends to set into motion what Huntington, Brzezinski, and Bernard Lewis, a British intelligence operative who collaborates with them, has proposed as a Clash of Civilizations. Remember the Roman Empire, and I'm sure that people who have had the relevant military training may have gone through this one before. The Roman Empire, in an attempt to maintain an empire, set up a system

called the *Limes*, which was a border system. And they had the equivalent of the Nazi Waffen SS, which was set into motion by the Romans at that time—as a matter of fact, the Nazis copied it from the Romans—under which they recruited legions from many parts of the Roman Empire and outside. These legions were deployed in the way the present military policy of the U.S. utopians propose: to send people around the world not as warriors, but as killers per se. Not as armies to win a war and to bring about peace, by aid of military means, but actually just to kill. To kill to control. Like the Ku Klux Klan, trying to control the freed slaves by terrifying them.

So, the danger is, if you start that sort of thing, with what I know about the physical economic fragility of this planet, and what globalization has done to make this system much more fragile—because you don't have real national independence, you don't have countries. The United States itself does not have physical economic security. The United States and other countries have denied nations the right to maintain and cultivate national economic security. Food security, for example. Energy security. That's the question of nuclear energy here in Brazil, for example. The same thing. Brazil has the right to have energy security. It's essential. Otherwise, how can you maintain a decent life?

So, under conditions where the United States does not have the economic ability to sustain a global war, but enters into a global war nonetheless—and the Iraq war would be the beginning of such a global war. The extension to Iran would ensure it. What they've designated is this. It's called geopolitical. They've said: "Let's take the Islamic population of the world, which runs to 1.2 billion or more, and let's declare that an outlaw population, just the way the Romans did under the Roman Empire. Now, let's hunt them down and make them fight each other, different factions. Let's get other groups—we'll call them 'rogue states,' or call them 'Empire of Evil' partners—and hunt them down too." Now, if you do that in Central Asia, where they started this thing, then you prevent any stability in Eurasia. You threaten India, Pakistan, China, Kazakstan, the Caucasus region, Turkey, the entire Middle East, the entirety of North Africa, all of Africa, and so forth. You set into motion Hell on Earth, because you started a war you couldn't fight.

You see, if a terrible victor wins a war, they may at least preserve some kind of order. But if you start a war and can't win it, but just keep fighting it, then you get the worst horror in human history. Long periods of religious warfare. As Europe was almost destroyed internally, after the Renaissance, in the wars which erupted in the period between 1511 and 1648, these kinds of wars. Endless wars. Dark Age wars. And that's what frightens me about this situation. It is a danger.

Therefore, I look at it from a total situation. I say: The reason for this great instability is that populations are going crazy. The U.S. population is going crazy. The population of Europe is going crazy. What happens if the populations are crazy and this kind of thing starts? Then there's no way to stop it.

Therefore, first of all, you need to bring a factor of stability into the situation, and you do that best by economic measures, which are aimed at the general welfare. If you can go to a population, and convince the population that you are going to take effective action to maintain the general welfare, so that people can live in their neighborhoods in peace, so they don't have to fight in garbage dumps for food, and that sort of thing, then you can establish a civilian authority to govern. You have credible government. And if you have credible government which is dedicated to maintaining the general welfare, then governments will look at war in those terms, and can decide they are not going to have this war, and can negotiate peace on the basis of the principle of general welfare.

The problem now, is that that is exactly what's being undermined. All the factors in the history of European civilization, in particular, all the factors which led to the birth of the modern nation-state in Italy—not *in* Italy, but as a result of the Italian Renaissance in the 15th Century—the development of peace in Europe, the first semblance of civilization after the great religious wars, with the 1648 Treaty of Westphalia, all of the great achievements. The United States' independence, the struggle for independence, especially after the 1820s, in South and Central America. All of these things came about as the fruits of a people being mobilized for national independence and the general welfare. And people that are mobilized for national independence and the general welfare will be peaceful people. They may make wars, but they will be peaceful people, because they will recognize that the objective of war is peace. And they will fight about the conditions for peace. And I think that's what has to be emphasized.

We have to look at the principle of strategic defense not merely as a military principle, as Carnot and others have defined it, but we have to think about strategic defense by saying the military leadership does not want to have unnecessary wars. The military leadership wants to help create the conditions of peace—that is, strategic defense. Because, what are you falling back on? You're falling back on the ability to mobilize the population about the idea of the political institutions of the general welfare and sovereignty. In that case, we can control these operations. And that's what I mean, for me, by the extension of the notion of strategic defense as a military policy, to the policy that we hope will come to the post-military era, the time that war is no longer thinkable among peoples.

Adauto Rocchetto: I would like to thank all those present. My thanks to Mrs. Silvia Palacios, Helga Zepp-LaRouche, Lorenzo Carrasco, and principally to Mr. Lyndon LaRouche, Jr., who, though an American, behaves as a world-citizen, bringing his message, which is often against the position of his own native country. Thank you very much, Mr. LaRouche.