So, we sent a piggyback group of people down there, to just sit by their side, while they planned the operation, and watched them when they did it. They did a test operation, which confirmed exactly what I thought.

In that period, I made a presentation on dealing with drugs in the Americas to a Mexico City conference, and I found out it wasn't going to work, because some of the Colombian generals, government factions, had cut a deal, together with George Bush then—according to them—on, maybe he'd give them some drug money, to support the Contra operation. That's never been settled. "41" should probably talk about it some time, or something. But, we created the situation.

We overthrew a government in Peru, because it was the most efficient anti-drug force in all South America! We created conditions under which the cocaine generals, which they got rid of in Bolivia, are in the process of trying to come back, and take over Bolivia. We have an operation in which the Moonies, which are not exactly pure on the drug question, or arms-trafficking question, have bought up large territory in Brazil, on the border of Bolivia, and also on the Bolivian side of the border, are setting up an operation, under the cover of the World Wildlife Fund, to destroy Brazil.

And so on, and so forth.

The major problem here, is that *we* are not serious about fighting drugs, or fighting the drug problem. Worse, that our government has knowingly used this, just the way the United States government used Saddam Hussein for the war against Iran. So, we create the problem.

We have similar types of problems around the world. The technical name for this is, variously, irregular warfare, special warfare, or low-intensity warfare. We run these kinds of operations as governments. Various governments run these kinds of operations. They run them in the form of strikes, they run them in all kinds of forms. We've written about this thing—it's well known. People in intelligence—competent in intelligence, and competent in police intelligence work—can understand these things, and take the proper precautions to detect them in operation, and find ways of dealing with them.

But that requires that you don't want a bunch of Nazi-like blockwatchers in every area, saying, "My neighbor's a terrorist!" This is the most stupid thing ever conceived. [applause]

More could be said on that, but that's the general nature of the thing. We have to get serious about realizing what security really is, and stop inventing mythical enemies, who really are not our enemies, because we want to have somebody to shoot at, for some crazy, cockeyed reason.

Therefore, I would say, there's no need for the problems we have today. There's no need for their happening. But if we understand why they shouldn't have happened, as I've tried to indicate as succinctly as possible, we can fix the problems now, and perhaps prevent them from recurring again in the future.

Thank you very much. [applause]

Question-and-Answer Dialogue With LaRouche

Question: From a member of the staff of one of the Congressional Committees, specifically from someone who works for a member of the Congressional Black Caucus:

Mr. LaRouche, every great leader in the United States, from Abraham Lincoln to Franklin Delano Roosevelt to the great Dr. Martin Luther King, has addressed the principle of the common good and the common welfare. Today, what all of us are witnessing is outright murder in the name of austerity. We have argued against it, based on upholding that principle of the General Welfare. You gave us a broad understanding of that during the course of the fight to save D.C. General Hospital. But today, you seem to have added something to the view. You've actually said that, from an economic standpoint as well as a moral standpoint, austerity is a bad policy. I'm perfectly capable of understanding and explaining why austerity is bad from a moral standpoint, but I'm wondering if you would say a bit more as to why in fact budget-cutting is not a sound economic policy.

LaRouche: Again, we're back to the question of immortality. We are responsible for human beings, especially young ones, because as we develop young human beings, educate them and so forth, and provide them opportunities, we determine largely what they can become. So, therefore, our job in society is not to balance the budget—we have to balance the budget in a certain way, but balancing the budget is not a moral standard; it's simply something you may have to do. Balancing a real budget is: What quality of human beings are we creating?

Let's take the HMOs. What happens with this HMO business? What they're doing, is, we're looting people of the health care which is coming them, for the sake of enriching someone who's jumped in as a speculator to try to loot the health-care system. Therefore, *we are taking away their lives.* With our present educational system (which we'd better not call an educational system), we are taking away people's lives. I see people who don't know anything about this planet—young people who don't know anything about anything. They've been educated by talking about opinion. We don't teach history anymore, we teach current events. "Let's talk about current events. Everybody has their opinion, nobody knows anything. We all talk about it, we all agree to disagree. Okay, everybody talks; it's all good. good." That's education? No knowledge of science.

Now, our responsibility is not just to show we don't treat people as if they were cattle. Our responsibility is how we develop people, what we do about their self-development and development. There's no need for austerity—not in the sense that it's being applied today. They may be saying, "You can be austere about not giving everybody a 24-room mansion."

A Botswanan grieves for relatives lost to AIDS; a Thai family with AIDS. "The policy, as I have stated, is one of genocide against Africa. . . . We also have growing experience in Asia, in India, in Southeast Asia and elsewhere. So we understand some of the controllable features. . . . The United States government could immediately take a policy on generics, to make sure that . . . any part of the world will have the assistance of the United States in getting whatever drugs they need to treat their people. That's the minimal standard."

That may not be particularly bad. But to deprive people of a decent place to live? Look on the streets of Washington, D.C. What about the homeless in the nation's capital, for example? What kind of austerity is that?

No, the issue of austerity should be understood. The problem is, the development of the individual person, and the effects of what we do upon the children and grandchildren of the people we directly impact. It's *immortality*, it's a sense of immortality. There's no justice on the basis of being treated fairly, as if you were an animal in a cage. You're a human being. And a human being's fundamental interest, whether they know it or not, is their investment in this sense of personal immortality. That does not mean that somebody's going to give them something because they begged for it. It means they've *earned* something. They've earned their immortality, by doing something, or living their lives in such a way that somebody in future generations is going to benefit. And they can sit in their grave, so to speak, and smile, to say, "I spent my talent well, because these people live, because I helped to make it possible."

That's the criterion. When you take that away from somebody, the right to have a sense of immortality, what you do is make people more ignorant, less moral. They're capable of doing things they otherwise would not do, on moral grounds. You have to set a standard, especially government. Government must set a standard of caring not just for the body, but also for the soul of the individual—not by teaching religion, but by doing the things which ensures you, going into your grave, that you've spent your talent so, that people in future generations are going to benefit. And so your dead ancestors can be proud of what you did.

We have to run society from that standpoint, of understanding the difference between a monkey and a man. And sometimes, with these politicians, it is difficult, I'll admit, to tell the difference.

What Are the 'Moonies'?

Question: During the course of Mr. LaRouche's remarks, he made repeated references at various points to the role of the Moonies in the current Administration, and as a result, I have about 30 questions here on this topic. I'm going to try to summarize them. Basically, the questions fall into three basic groupings: One is the question as to the role of Reverend Moon and the Unification Church in the current policy of this Administration toward Korea. Second, is the role of the Unification Church in the Nation of Islam, and the question as to what could Minister Farrakhan possibly be thinking about. The third is a question as to what the actual intention of the Moonies is. The nature of the question is: Is this a religion, or is it an intelligence operation, and what is its intent and how shall we proceed on this? Is exposé sufficient to root this out?

LaRouche: The Moon operation is essentially an intelligence operation, with a pseudo-religious cover. Remember the Korean War, and how NATO created the Moon cult. At the time, when the invasion of South Korea by North Korea occurred, the government of South Korea had essentially ceased to exist. The United States was holding a perimeter

around Pusan on the southern tip of Korea. MacArthur made the famous Inchon landing, outflanking the North Korean forces in the southern part of Korea, and by that outflanking operation, was able to drive the North Korean forces north.

Then, an operation was run to get rid of MacArthur, but the territory in the southern part of Korea had been retaken as territory. And the concern was, now that the war was a NATO war—the first NATO war, in which the United States was a partner in NATO in running the war—the question was how to get this southern part of Korea self-organized and armed, so that, with a marginal degree of U.S. military security, it could continue to hold territory. What they did is, they went to certain people in Japan. Now, in Japan, there are traditionally two factions to be concerned with. One was a pro-British faction, the other was the pro-American faction. The pro-British faction was associated with Britain's efforts to—.

First of all, the plan emerging from the post-World War I naval power agreements, that Japan was an ally of Britain, and not only was it an ally of Britain against the United States under naval policy, but Japan and Britain had conspired to plan joint naval operations to destroy the U.S. Navy. And that point, Japan's plan was that Japan's fleet would attack the naval base at Pearl Harbor in a surprise attack. Now, this is from the beginning of the 1920s.

Now, the case of Gen. Billy Mitchell is key to this, because Billy Mitchell, being on the inside of knowing what War Plans Red and Orange were, said that if the United States would build carriers, we, from carriers, could sink Japanese battleships attacking Pearl Harbor. The pro-British faction inside the U.S. Navy didn't like that, and so they forced the court martial of Billy Mitchell.

Now, the faction behind the first and second Sino-Japanese Wars in Japan, were the controllers of the Japanese occupation forces in Korea. So, the NATO forces went to these financial interests in Japan and Korea, their partners in Korea, and set up what became the right-wing tendency in the South Korean government. As a by-product of this, an institution was created called the KCIA. The KCIA, in turn, recruited a cover from a sex-pervert Sun Myung Moon, who had a strange thing with young female parishioners, which is part of his religious service. I mean, this is the kind of service you expect from a bull, but not from a preacher.

So, you had this front operation which went through various phases, and still operates under this wildly Gnostic cover. It's a completely unstable thing, and Moon I don't think is very intelligent or anything else. He's a puppet. The real part of this is, it's an intelligence operation, essentially, and it's involved in arms trafficking and drug trafficking. It also has been recently caught by us in being part of the fundraisers from the United States who are supporting the Sharon government financially, under an Israeli cover. So, these guys are part of the problem. Look at what they run with this *Washington Times.* I mean, how much money has it lost in running this propaganda operation in Washington, D.C.?

What it's done in terms of the Nation of Islam and others, is to move in under the cover of this legislation, this voluntary-contributions legislation, to take away money from people who usually expect money, and by aid of McCain and Lieberman, they've taken away soft money from the political parties, all to the benefit of McCain and Lieberman, for their Bull Moose conspiracy for the year 2004. So, under this kind of business, the Moonies moved in on an opportunity, with the money which they have from indicated sources.

And, this was always—in my time, when I was working on the SDI in 1982, 1983, and beyond even, this was one of the problems we were up against. I would meet with people in the National Security Council, with one end of the National Security Council, with people associated with Clark, who was then the National Security Advisor. At the other end of the hall, there was Ollie North and company, with all the funny crawlie-creepies. And so, therefore, I know this operation fairly well, and I had been told many times about what Col. Bo Hi Pak means for the U.S. irregular operations. It's an intelligence operation, and it's an intelligence operation against the interior of the United States. It should stop.

Stop the Genocide in Africa!

Question: There are a significant number of questions about Africa, asking for your overall views as to what in fact can be done immediately. One of them came in from somebody who is responsible for shaping health policy for the World Health Organization. He says:

"Mr. LaRouche, at a recent National Black Legislators conference (see *EIR,* Jan. 31), I heard your spokeswoman give a presentation on the history of your role in addressing the AIDS epidemic. She spoke about this as an epidemic which was born of economic breakdown, and which was used as an instrument of genocide. The presentation wasn't only shocking, but it was merciless in scoring us for not acting on your warnings and advice. Shortly after she spoke, the ambassador from Botswana presented a situation in his nation that brought me to the edge of despair. It seems to me that there is no way for that country to counter what is inevitable extinction, given its current rate of infection. My fear is that it is not all that different from other places in Africa. Former Congressman Ron Dellums, for whom I have a great deal of respect, presented his view, and I found it to be woefully inadequate. My question to you is: What do we tell Africa? Do we ignore problems like this until your New World Economic Order is in place? Because I could not in good conscience do that. It seems there has to be something that we can do right now. Please tell me your view."

LaRouche: What you're up against is, there are no interim solutions. The policy, as I have stated, is one of genocide against Africa. Now, in the case of the HIV infection, we have a certain experience with this in the United States and in Europe. As of now, we also have growing experience in Asia, in India, and also in Southeast Asia and elsewhere. So we

understand some of the controllable features of the problem. In the United States, we have drugs which are administered to people, we have care which seems to control and minimize the problem, without actually addressing a cure or the solution. Well, that's all right. I mean, it's not right to fail, but it's all right that we're doing something, even if it's not enough.

But then, in Africa, the policy is mysterious, because in Botswana, which is one of the better-off areas of Southern Africa, with a fairly higher standard of living, you have the highest rate of HIV. Who's putting something in what?

This other issue is the question of generics, and fake generics. What happens is that you have people who are desperate, who are dying or faced with death. They can't get generics because international financier interests won't allow you to deliver them. I would say, first of all, the United States government could immediately take a policy on generics, to make sure that the United States, with its influence, ensures that everybody who is medically qualified to administer, from any part of the world, will have the assistance of the United States in getting whatever drugs they need to treat their people. That's the minimal standard.

The other thing is: Part of this is environmental. In public health, you have to not only treat the diseases, but you also have to deal with the environmental problem. Now Africa, sub-Saharan Africa, is a mess, especially since the U.S./British asset Museveni, sent troops through a British-protected gorilla preserve to invade Rwanda, and to start the genocide of Rwanda and Burundi orchestrated from—guess where? Uganda! And the United States now, currently, is engaged in starting another operation against Museveni, which would be a U.S. operation, but the same thing. And this involves stealing on a mass scale: Take Sierra Leone; take diamonds, which are bought by Israelis on the market under a concession. While these conditions are going on, you don't have the environmental conditions either to deliver the necessary drugs, or to do anything environmental to minimize the spread of it. It's out of control.

Again, the United States, the present President, by acting as I'm indicating now, could really ameliorate the situation significantly. The present President could take a position *demanding* the availability of adequate generics for every part of the world that needs it, based on medical need, no other requirement. He could also say that this genocide in Africa is going to stop, that the United States is going to rescind what is implicitly NSSM-200 of Kissinger. We are no longer going to be engaged in population control by methods of genocide, by methods of promoting civil war. We will not allow it. We will expose it. We will go to other countries to get concerts of action to stop this nonsense.

But in the long run, we have to give Africa justice. I've got this one chart, if we've still got it available to show, just to indicate what the problem is (**Figure 9**). Look, this is something we've worked on over the years. I've been working on this since 1975, essentially. You look at Africa as a whole, and say, "How can you deal with the problems of Africa?" Well, there's a lot of agricultural area in Africa, a lot of farmers. Now, if they didn't lose their food through disease and different kinds of problems, if they had adequate transportation, adequate technological assistance, adequate townships and centers which could provide this to the farmers, you would suddenly find that Africa would become a major net food-producing part of the world, in a fairly short period of time.

What does Africa need? What do we give Africa? We've got to give them what they don't get from any other source, from an inside source. What they need is basic economic infrastructure. So, I came up with my usual thing: Infrastructure—transportation, power, water—are the essentials. My view has been that the countries which are more prosperous should undertake an engineering project as a technology-transfer operation. That is, you actually employ Africans in a program which is done by Europeans, Americans, Chinese, and so forth.

So, you start building the necessary network of transportation, of water management, of power distribution, of creating new townships which are centers to service these farmers. Introduce methods for preservation of food. You can package it, we can use radioactive isotopes to purify packaged food, and save it. And by saving the food that is otherwise lost, by helping the farmers defend themselves against pests and so forth, you can suddenly transform Africa. Once you have created the economic infrastructure that implies, now you have a second dimension, the more essential dimension, against *all* disease. And the essential defense against all disease is to have an environmental control, a public health control, which is a major part of all disease control.

In the United States, we still have some semblance of public health. It's diminishing. In Africa, they have very little public health, almost none. For example, my wife and a friend, just on our last trip last in Calcutta, we had a general there who's a friend of mine, who came to a dinner we had with some people, and his wife was on an NGO that works on the question of HIV. So, my wife Helga and our friend Mary [Burdman], who was with us on this trip, went into East Delhi. Now, this is an area where people are being driven off agriculture by conditions in India, and are going to cities where there's no infrastructure for supporting them. Living under terrible conditions, and we've got some photographic evidence which my wife took with a camcorder, on what these conditions are, and talked with the people. This is typical of what is happening in Asia. We're talking about between 3 and 5% of the population being infected with HIV in Asia. It's deadly.

So, we have a worldwide problem of dealing with HIV, whose most acute expression, presently, is in southern Africa. We can deal with it. We should deal with it. The President, right now, President 43, should deal with it now! And say, "It stops! The generics are delivered. Period! The United States

backs it." Brazil has the capability of producing generics—our friends in Brazil, in the pharmaceutical sector. Brazil would be very happy to cooperate with the United States, in doing exactly that. The President should call President Lula, and say, "Let's get going." And then ram it through here; and then move on these other needs of the care, and the infrastructure, the long-term needs.

And end this policy of genocide! Make it clear: *The United States will no longer accept a policy of population control against any part of the Earth!* And, that's what the key is, in this thing in Africa.

We must produce now a generation in various countries, which thinks in the same intellectual language, the language of ideas and principles. . . . Thus, we will be fostering a generation of future leaders of nations, who will be qualified to keep them intact and prosperous."

Getting Bush To Do the Right Thing

Question: This from an elected official:

"Mr. LaRouche, I came into public office as a product of the Civil Rights movement. I represent people in what probably qualifies as one of the poorest districts in the United States. Most of my constituents are very reluctant to trust any white man, let alone George Bush. In the course of your remarks, you repeatedly refer to what Bush should do, and you certainly indicate that you would work with him to accomplish these things. But the fact is, that I simply don't think my constituents would go along with it. It's also the case that although my community is poor in terms of capital, it's not poor in terms of human capital. We have many young black men and women who are intellectuals, who know you and trust you as I do. So, I'm asking you to do me a favor, and to speak to them directly, because I really can't convince them, as to why they should not simply oppose everything that this President says and does."

LaRouche: Well, that's the way you deal with people, you see. It's called strategic defense. If you want to get somebody to do something—I mean, George Bush needs me. I'm not offering to work for him, but he needs me because this country has problems, and he has problems that he can't solve. I know the solutions. So therefore, maybe we'll get a little trade-off here. And if he listens to me, I don't want anything in return, I just want him to do some good things, and he can take the credit for it if he does them. But if he doesn't, he's got to reckon with me.

We've got to be realistic, in the sense that we've got people dying around the world. We've got the danger of a Hitler-like phenomenon coming out of something like an Iraq war. And that's what it could mean. If we start down the road toward war, we don't know where it's going to end. There's no need for this war, there's no sense to it, there's no excuse for it. But it could lead to a terrible situation, in a highly inflammable world, at a time when the alternatives are good ones. So therefore, I have to get these results *now*. I have to get results from official U.S. official institutions. The parties, as I think most people as you who asked the question know, are pretty much worthless at the moment. We've got some decent fellows here, but they're not willing to play the role they must play, to get the job done.

In the meantime, the executive powers of the government under our system reside in the Presidency as an institution. Not in the *person* of the President, but in the Presidency. In that, the sitting President has a certain function. He must be induced to play that function, and he must have several kinds of inducements. One are the soft ones, the others are the hard ones. And the Presidency can put very tough conditions upon a sitting President. And when I say I'm going to get George Bush out of his mess, I'm not trying to save him; I'm trying to save the United States. And I have to do it. There's no other way to do it in this two-year period. I have to do it.

And I'm putting the pressure, not on the President. I'm putting the pressure on the Presidency, and on those institutions of government and retired people around government who have the power to push something. I'm saying, "*Push!* Make this guy do it, any way you have to get him, convince him, to do it. But let him know there is a reward in it. If he does it, he'll get safely through the next two years without being impeached or something terrible. No guarantee beyond

that point. All we want from him is, if he wants his place in immortality, we'll give it to him. but he's got to do what we want, what we need. It's the only way to do it.

And it's true. I will be talking to people as I can. Of course, when you're campaigning in a country with somewhat less than 300 million people, and also campaigning around the world, in Europe, in Asia, and so forth, as I'm doing right now—I'm already acting as a President all over the world. Don't stay in the White House. Let 'em clean it out once in a while. I think my exemplary meetings with typical people and various constituencies, is going to be important in this period. And I'll take this thing up, and anyone who wants to rake me over the coals over this, they can rake me over the coals over this. You want me to do that, I'll do that.

The U.S. Must Be Food Self-Sufficient

Question: We have a question submitted by one of the national farm organizations that's based here, that has a representative here in Washington. He says:

"Mr. LaRouche, you've talked a lot about the move from a producer to a consumer economy. One of the things that comes up repeatedly is the question of agriculture and food production in America. As you know, for a very long time, America was not only food self-sufficient, but we were a major exporter of food. Today, more than half of what we consume comes from outside the United States. The argument that many make, is that the United States should not be a food producer, but that this should be left to the less-developed countries. Do you agree, or do you believe that America should maintain its position as one of the greater food producers on the planet?"

LaRouche: Absolutely, the United States must be a great food producer. You see, you have a question of national sovereignty here, also involved. If you cannot meet your own requirements in food production, you're not sovereign. If you're holding other people slave to supply your food, and they decide not to be slaves anymore, where are you?

Same thing with garments and so forth. People tell me, from their trips to stores and so forth, you can't get anything worth wearing or eating anymore. Garbage. From these malls, it's garbage. You've got poor people standing around on subminimal salaries, probably weighing 300 pounds just from standing there all the time, not knowing how to direct you where to get what you won't find, and if you found it, you wouldn't want it. I get these reports from people: "I've been shopping." "Oh, what's the disaster?" "Well, there was nothing in the store today, or too much of this, nothing I'd want to be seen wearing in that store." And so, the whole thing is a racket.

Look at it from the other side: The problem of the world is largely a lack of industrialization, that is, the ratio of farmers is too high to maintain a modern society. They don't have sovereignty, either. So therefore, the problem here is that we have created an imbalance. We say, we will accept food from poor people in poor countries who aren't paid very much, and we'll keep them in poverty. Look at what happens on the Mexican border. That's no great shakes. It's not the way to treat human beings.

We should have a high-technology agriculture which is actually technology-intensive, and have an adequate supply of our own. Then you get certain specialties which you get from other countries, which you cannot produce here, fine. You swap 'em. But we should high-technology agriculture in other parts of the world.

Take the case of northern Mexico—for example, Sonora. Sonora has tremendous agricultural potential, as we've demonstrated in California, in a similar territory—if the water is there! In the case of Mexico, doing a project which has been established for a long time, this water project of moving water from the south along coastal canals up to the north, and using it for both canal traffic, and also as a way of getting fresh water up there, will change the whole area. Mexico has no trunk line from the U.S. border to Mexico City, rail line. Similar things. So therefore, the internal development of Mexico, a population which is very highly mixed with ours in Texas, in southern California and so forth—essentially, our relationship with Mexico is based largely on these family relations, of Mexican families which are divided, some in Mexico and some in the United States. And therefore, the primary concern to us is that the Mexican population be a happy and prosperous one. And therefore, we should encourage things which are good for Mexico, and they will be good for us.

At the same time, we should keep our agricultural position. This idea of being an imperial power, living by parasitizing on the rest of the world by virtue of a swindle called a monetary/financial system, this has got to come to an end. You want peace? You want security? Security for future generations? You want American-style relations with the other nations of the world? Treat them right, and that's part of it.

National Banking vs. the Slime Mold

Question: This is a question that was submitted by a person who identifies himself as a member of the task force that worked under former Secretary of the Treasury Robert Rubin, on the new financial architecture, that never came about. He says:

"When we were working on this, we were engaged in a constant debate on the difference between the Federal Reserve, an independent central banking system, and a national bank. Since it seems that now, we are going to be forced to reshape banking in America, could you once again explain the difference among the three, and what is preferable for the United States?"

LaRouche: First thing you have to emphasize is that the name of evil is "Venice"! That clarifies things. When you

say some plain words, sometimes you clarify what otherwise seems an impossible and complicated question.

In the Ninth Century A.D., at the time when the Byzantine Empire was losing its power and after the accession of the emperor of the Holy Roman Empire Otto III, who was a stooge, Venice's power increased tremendously, until it sort of died as a major national physical power toward the end of the 17th Century. But it continued as a great power, as a financial power. Now the Venetian system can be described to biologists as a slime mold. There are many slime molds running around the planet, and specialists can detail this to you, so you can look it up, as they say, "Look it up on the Internet," and you will find slime molds all over the Internet.

A slime mold is a special kind of process, which at one point takes the form of a homogeneous slime. It slithers and slimes—it's a very unpleasant thing you find on the landscape here and there. But then it goes through a phase shift, into a collection of individuals, which have individual peculiarities. Now, that's the Venetian type. Venetians are financier families which function as a slime mold, as a unit, and which at night may go out and stab each other with poniards and kill each other for recreation—not out of hatred, but for recreation. Sort of like modern television, U.S. television.

Anyway, this slime mold had an institution, the Venetian institution, under the Doge system. And the Doge system ran the state. So the state was under the control of the slime mold. In the course of time, in the course of the 17th Century, the Venetian slime mold took over directly, much of the Netherlands, and to some degree England, which it took over totally. What happened is that you had this group of financiers who had been trained by Venice, and they took over control, through the India Companies, such as the Dutch India Company—took over control of the Netherlands. The typical culprit was William of Orange of the Netherlands, who became the tyrant, the butcher and dictator of England. And through that process, England was totally assimilated into the slime-mold system, which dominated the northern coast of the Baltic Sea, the North Sea, England, the Netherlands, Denmark, Hamburg, Sweden, and so forth. That's why Verdi wrote this famous opera, the *Masked Ball*, which dealt with this Swedish assassination, and it was actually a Venetian-orchestrated one. That's the system.

Now, the European systems never achieved the form of state and society which is implicit in the American Constitution, the U.S. Constitution. We are a true republic, in the sense that we are, Constitutionally, sovereign in our government, in our territory, *in all matters.* No outside agency outside that government, can dictate the policies within the United States, or to the people of the United States. Therefore, a central banking system is against our Constitution, just as the Federal Reserve system is, which is a sort of a cross between a national banking system and a slime mold, and it takes on more and more of the characteristics of a slime mold, particularly since Paul Volcker and Greenspan have been running it.

The alternative to a slime mold today, is a practical one. The slime-mold system is dying. Every banking system in the world, except probably China and maybe India, is bankrupt. The Japan banking system is now loaning negative: Loans are negative! Not zero interest, but negative! They don't pay interest, they *take* interest. The U.S. banking system is bankrupt. The banking systems of the Americas are all bankrupt. The European banking systems are all bankrupt. The economies of Europe are now, under current conditions, bankrupt. All of Europe, bankrupt. The United States and the Americas are all bankrupt. So what do you do?

We have an IMF/World Bank system. What do we do with it? What do we do with the Federal Reserve Bank system? The Federal government is morally responsible to put this banking system into bankruptcy reorganization, by the Federal government. At that point, the Federal Reserve system and all its assets come under the management of the U.S. Department of the Treasury. In effect, the U.S. Department of the Treasury sets up a facility within it, which becomes the national banking system, which actually runs the Federal Reserve system, and all the banking system of the United States, all those which are not state banks.

The Federal Treasury then, has to set up rules under this, which establishes a kind of national banking as described by Alexander Hamilton, under which the credit of the United States is the primary focal point of banking. We set up systems of regulation of banking on the national level and interstate trade, which naturally affect all the state levels, which regulate currency, which regulate banking, which prohibit usury. For example, the United States by law can say tomorrow, the highest legal interest rate is 6%. Your credit card debt has just been solved. It can say 2%. We have the sovereign power to do that! All we have to do is justify it on the fact that it's in the national interest. We are obliged as a sovereign to act on the national interest, and all private considerations contrary to the national interest, must be subordinated to the national interest.

This is our country. Constitutionally, it was the best designed of any nation ever made. There's no replacement. Europe should copy us. Other parts of the world should learn from us. We have forces inside which have corrupted us, but if we stick to what we were constitutionally designed to be, what the Preamble implies, we are the model of a republic as expressed as a desire by Plato, in *The Republic.* We are that. We were *designed* that way, we were *intended* to be that. Our leading thinker was Leibniz, even though he'd been dead. Franklin was backed by the circles of Leibniz in Europe, around the ideas of Leibniz. The Declaration of Independence is based on Leibniz, not Locke. The Preamble of the Federal Constitution is based directly on Leibniz, not Locke. We are the best form of republic ever formed. We are the American

exception. We are the exception on this planet, designed as a republic.

Our imperative requires us, morally, to be what we were designed to be. To be a true republic, in which the general welfare is *law,* in which posterity's interest is *law,* in which sovereignty of the nation is *law.* And we are sovereign. No international authority has any authority over us which diminishes our sovereignty. What we should desire is simply that every other country do the same, and we will find that our essential interests in cooperation coincide. And therefore, we will create what emerges as an international community of principle, in which the common interest is the general welfare of each and all the peoples of those nations. That should be our objective.

Therefore, we don't need a Federal Reserve system. That's an abomination. It has been an abomination. Ever since 1979, it's been an atrocity under Paul Volcker. Paul Volcker became the head of the Federal Reserve system by campaigning under the slogan of—it was acceptable to him to have a "controlled disintegration of the U.S. economy." What has happened recently, is that a controlled disintegration of the U.S. economy has gone into an uncontrolled disintegration, and this has been the life's work of Volcker and his successor Alan Greenspan. The only time Greenspan does any good is when he's sitting in his bathtub, because he certainly needs a lot of cleaning!

The Only Solution: Bankruptcy Reorganization

Question: There are two questions from a meeting ongoing in Lima, Peru. The first is from Rogelio Fernandez Ruiz, who is the vice president of the National Federation of Small and Medium Businessmen. He asks:

"As a response to the inefficiency of the economic system in countries such as Peru, there is a growth of economic activity in the informal sector, as a means of survival, because the IMF is dictating the economic policies of the country. Mr. LaRouche, if you were to become President, would you write off the foreign debt of those countries, since it has been paid many times over? And, how concretely would you promote the development of small and medium businesses in countries such as Peru?"

The second question is from Dino Gavancho on behalf of the LaRouche Youth Movement in Lima, Peru. He asks:

"Given the economic and cultural crisis ongoing today, how can the LaRouche youth movement in countries such as Peru and in the rest of Ibero-America, efficiently be a political university on wheels, given that cultural pessimism dominates on the universities, and the left is beginning to appear once again as a political force on these universities? Thank you."

LaRouche: You have to put this in an international context. The international financial system is dead, now! The international financial and monetary system is now, implicitly dead. It is disintegrating before our eyes right now. Not as something to be forecast. *This is now already ongoing.* And until certain fundamental changes are made, it will continue to disintegrate.

Now, in a case where banking systems and financial systems and monetary systems are collapsing, what do you do? The only solution is bankruptcy reorganization. It matters who should do that. It must be governments or concerts of sovereign states, governments. Therefore, what needs to be done is along the lines I've laid out in Operation Juárez in 1982. To create a new facility which the United States government should support. That is, endorse, collaborate with, recognize. It should be a cooperative institution of the nations of the Americas, South and Central America. This institution should become the repository for resolving the bankruptcy reorganization of systems of each of the countries. The major function of the United States is to find ways of reorganizing debt, in such a way that we cancel a good part of it, because it's illegitimate, and we reschedule and otherwise rearrange other debt, or convert it into capital. Use it as financial capital for investment.

So, in the case of Peru, this is the way it must be done. It must have an Ibero-American facility, as I described this in some length in Operation Juárez. A facility which is recognized with, and a partner of, the United States, as a hemispheric enterprise. This facility must reorganize the accounts of the countries, with the intent of serving the general welfare of each and all of the countries. General welfare means a program of reconstruction and growth. So therefore, we put a program on the table: What is the program for reconstruction and growth of these countries, which are now in imperilled financial, monetary and other conditions? So we make a plan, a budgetary agreement, with objectives for growth, and we reorganize everything for the purpose of growth.

For example, in an ordinary business bankruptcy—and you can't foreclose on a country. That's what they tried to do in the 14th Century, which led to this New Dark Age. So you can never foreclose on a country. You must reorganize it in bankruptcy, but you can never foreclose on it. Therefore, your first assumption, as you would in any bankruptcy, is to say, we must have a plan of bankruptcy reorganization, in which the first condition is, this entity must be able to survive successfully. Everything else is subordinated; this must apply.

For example, in certain areas of the community, the community interests in the bankruptcy, say, of a large firm may come in, even though the members of the community, many of them don't have an interest in the firm as such, but the community has an interest in the effect of that firm on that community. Therefore, in the bankruptcy proceeding, a good bankruptcy proceeding will take the interests of the community into account in determining how to reorganize the firm in bankruptcy. In other words, you want the community to come out of this intact and whole, so you have to have a program where that comes first, and then the collection, if

there's any to be had, comes after that. So we do the same thing in the Americas. But again, I've laid it out, as I've said, in Operation Juárez. I think the principles essentially apply today. The conditions are much worse than they were then, but that's the way it is.

Creating a Generation of Future Leaders

On how the youth movement can function in the Americas, Peru in particular: I think it's the same as here. First of all, what we need is a youth movement which is not an ordinary kind of movement. We have around the planet, people are being destroyed. We don't have the ideas in circulation among existing so-called adult generations, as distinct from the youth themselves. We don't have the ideas in general circulation which are needed for civilization to survive. Now, what we'd hope is that we'd have youth in various countries, attacking the very same kinds of problems which I've laid out here, in the case of the youth movement here. Like Gauss's 1799 exposition on the fundamental principles of algebra, for reasons I've laid it out. They're certain principles which are extremely important, and the youth must master them. They must master them, not as learning, but as a discovery experience. It's the same in every country.

We must also have a kind of international consensus among the emerging generation. I mean, people now, 18 to 25, presumably, would be, within 10 to 15, 20 years, in key positions of leadership in all kinds of institutions in their respective countries. We must produce now, a generation in various countries, which thinks in the same intellectual language, the language of ideas and principles, as in any other country. They must also be able to translate what they see in one country into the thinking of another country. Thus, we will be fostering a generation of future leaders of nations, who will be qualified to keep intact and prosperous, this idea of an international community of principle among sovereign nation-states.

And the youth who are doing this today, should think of themselves in those terms. They should think of themselves as immortal, or becoming immortal. To spend their lives in such a way, that the safety and prosperity of future generations is guaranteed. And don't let any force of pessimism get in the way. We're going to win, because we must win. We can not have what is happening to humanity go on. We have to give humanity reason to hope. And I can tell you what I've seen around the world. When youth start to move in the direction that they've moved among some in the United States, it inspires people. The way the thing in Peru started, is because they were inspired with what we were doing here. It's going on in France with some enthusiasm, because of what we've done here. A little more reluctantly in Germany, but it will go on there too. The youth are not the problem; some of our old fogies are the problem.

So, it's an international movement. You have to think of yourself as a citizen of the world in one sense. You have to care. You have to recognize common problems. You have to, at the same time, understand the principle of sovereignty, of national sovereignty, that the processes of deliberation by which a people establishes and maintains its own government, is a cultural process which is peculiar to that people, and they must be able to proceed in that fashion. Therefore, they must be sovereign. But while they're separate and sovereign, such governments must have an understanding of a common principle, and what the youth movements must think of, is the common principle. They'll get enough of the chauvinism easily the other way. They don't need that. The chauvinism comes easily. It's the sense of universal principle which is difficult to get.

Simply, I would say: more cooperation, more exchange, to have a sense of national sovereignty, national purpose, national mission, but also a community of principle around the kinds of things we've done as a pilot experiment here in the United States for the past three or four years.

War Must Be Stopped—Here!

Question: We have a series of questions from the LaRouche Youth Movement, all of which are of a similar genre, and I will get to them. But we got one thing sent in, which I just wanted to read. It says: "Dear Lyn, if you don't win, we have no future. So we'll do whatever you say, and we want you to know that. So you tell 'em, because you're saying what we want to hear. You go, Lyn!"

I will say, I thought that Mr. LaRouche had largely addressed this question in the course of his remarks, and in some of his answers, but we are getting an absolute clamoring of questions in, on the question of the war against Iraq. And, despite what you said, those questions have not diminished in number.

Actually, Helga [Zepp-LaRouche] called, and asked that you please address this question, because, apparently all of the offices around the world, are being bombarded; because people are very alarmed, at the current direction of the government. They want to know what your instructions are on this.

LaRouche: Basically, I tried to deliver an instruction on this occasion, under these circumstances, to #43. And, as I said, it's not just to 43; it's to the Presidency around him.

Look, let's be realistic: We're living under an empire, and you will not solve the problem, by trying to find out what individual countries can do to change the situation. *They can't.* This is an empire! It's an English-speaking empire. It's acting as such.

What we've done so far, in trying to stop this war, was to get other countries to stop being pessimistic. Don't use the words, "The war is inevitable." It is not inevitable! The end of civilization is not inevitable. The point was, that while the Democratic and Republican parties have been essentially useless in the matter of *effective action,* effective forms of action—some people have done some good things; but they won't cut the mustard; they won't do the job. Other countries,

protest movements, and so forth, may contribute to the environment, but it won't solve the problem: *We have to solve this problem of war, here!* Inside the United States! It can not be solved any place else.

Since the Democratic and Republican party are generally, as parties, at the moment, rather worthless—even though there are many useful people I would like to have working with me in them—as long as they have Lieberman and McCain in the positions they occupy in the party, you don't have a party. Not one that functions.

Therefore, in this matter, of stopping this war, which is not only war—it's a war of civilizations, which will not be contained to Iraq. In stopping this war, the institutions are those of the Presidency! The military, the professional, regular military, not the idiots, the chickenhawks. Not Lewis Libby, the Marc Rich lawyer, sitting in Dick Cheney's office. No, the people who are going to stop it, are the people in, and associated with, the institutions. Look, the people who have worked with me, and with my friends, in working to delay this war so far, have come from *those institutions,* who are associated with the Presidency, and know what the Presidency is, and what it means. So I'm acting, as a President *should* act, while not a President; to try to mobilize the conscience of the institutions, to a more effective—.

For example, there's one problem, the problem I've discussed under other auspices. There are people who say, "How can we make the kind of agreements that you propose be made, how can we *trust* these other countries, to make these kinds of agreements?" And, what they're arguing from is Hobbes' conception of innate conflict among individuals or individual nations; Locke's conception of property, and so forth. They're arguing from that standpoint. My problem in dealing with leading politicians in the United States, is, they are chauvinists on this question: They believe in the legacy of Hobbes and Locke. And, therefore, if I can get the institutions of the United States to recognize—for example: We have now, among Russia, China, South Korea, some people in Japan, Southeast Asia, and to some degree India, *we have a new agreement* on the organization of this planet. We have, in Germany, implicitly in France, and Italy, we have—as I know these countries—we have an implicit agreement, that we want an arrangement under which Western Europe needs the market, is now going to cooperate with the largest market in the world, which is the Strategic Triangle group. That's what these countries need.

And, the United States must put its shoulder to that wheel. We must take Donald Rumsfeld, and give him a new set of dentures, and stop the crazy things he's saying! We need Europe, but Europe is not capable of solving this problem. It's capable of providing a key element of the solution to the problem, *if we, from here, provide the other side.* The countries of Asia can not solve this problem, *none of them!* Nor all together. But, they're crucial to solving the problem. *We* must solve the problem, by adding the critical factor *from here.* We must give new meaning to the role of leadership of the United States. We must become a world leader, in the sense that I've indicated, here today; not by force (though I would not be a President you would want to take on, from any other country). But, on the basis of having a sense of mission, of how we're going to reorganize this planet, as a system of cooperation among perfectly sovereign nation-states.

We are going to transform the world! As a mission. We are going to have a 25-year, 50-year forward perspective of what the world should look like. And we're going to work to those ends, with long-term programs and cooperation. We can do it! My job is to get the Americans, themselves, especially those associated with the institutions of the Presidency, the ones who are the doers of anything coming out of the Executive Branch, and elements of the parties in Congress, into a united force, for a new expression of what the United States was born to be. We are not to dominate the world. We are to say, "Come! The United States takes this position and invites you to come. Let's get this thing straightened out." We are, de facto, the world empire, the world imperial authority. Let's say, "Let's get rid of this imperial business. Come join the organization. We'll do it jointly."

My problem is, *getting these people to understand that.* And I require your help, to help me to convince them to do it. I'm telling you: If enough in the Congress, in the parties, in the institution of the Presidency, agree with me, I don't care if it's Humpty Dumpty in the White House—we'll get the job done.

What Is the Soul?

Question: As many people know, Mr. LaRouche has committed himself to build a youth movement, in the United States and globally, not only as part of his commitment to the future, but also because they represent an unpredictable and unstoppable light cavalry, which is critical in this period.

We have questions that have come in from youth, from all over the world, as they listen to Mr. LaRouche's remarks. What I'm going to do, in closing, is to try to summarize the question that they seem to be submitting most frequently. It's an easy question for Lyn. It says:

"In talking to young people, the most frequent question that I'm confronted with is, not that people disagree with what I'm saying, but people say, 'What can I do? I'm just one person, in a completely backward and seemingly unstoppable global collapse.' I happen to think that one person actually can do something, but I'd like to know, what do you see as the most immediate difference that one individual can make at this time, and why? I guess, what I'm really asking, is: 'What is the soul? And how can you know it?'

"What is the soul? It seems to be something a U.S. President should know!"

LaRouche: I think it bears repeating, though I've said it often before, and written about it a great deal, about this question of the soul and spirituality. We go back to science a bit.

See, we should not have religion and state mixed up, in any way. But, it's not necessary. To say, "I've learned it from a Bible"; "I've learned it from a preacher," that doesn't mean anything, because that's learning. That's not knowledge. And, people are taken in, when religions start teaching learning, rather than knowledge, it becomes dangerous, because it denies people their soul. And, that's a lousy religion, that takes people's souls away from them, and gives them a free ticket on a non-existent place, in a non-existent Heaven. Sort of like a Moon trip, you know?

We can know. We can know the truth of the existence of God, as a Creator. We can verify things, that we get as a matter of *knowledge,* by the same principle, developed by Plato in his collection of Socratic dialogues, and his supplementary piece on *The Laws.* You have a famous piece by Moses Mendelssohn, which is a study of the significance of Plato's *Phaedo,* called *The Phaedon,* by Moses Mendelssohn, which is an example of this. We have the ability to have *certain knowledge* of things that some people call "spiritual," "religious," and so forth, without relying on any particular teaching, book, or anything else. We can know that, the same way that we know any other principle, that I just illustrated, crudely in other places, this principle of gravitation. You find a *contradiction* to what the senses teach you. And you solve the contradiction, and you demonstrate experimentally, that you've found the solution. This becomes known as a "universal principle."

What's this question of the soul? Which is dealt with so admirably by Plato, and by Moses Mendelssohn. One should read these things, and study them. Because, one should *know,* rather than *learn.* We have too much learning, and not enough knowledge.

We have a fellow called Vernadsky—great man, dead—didn't know everything, but he made a very useful contribution, a fundamental contribution to humanity, with his concept of the biosphere and the noösphere. What he did, simply, is demonstrate, as a physical chemist: He demonstrated, that the principle which Pasteur pointed toward, which Curie defined—and Vernadsky studied with Curie—that life is a principle separate from abiotic universe; but, that it interacts with the abiotic universe. In other words, life intervenes in the universe, to transform the universe. He demonstrated that, as a principle of life.

Secondly, that mankind, by his ability to make discoveries of principle, and *intervene* in the biosphere, through that knowledge, is able to change the universe, in ways that the universe would otherwise *not change itself.*

And, through this, man increases his power to exist in and over the universe, and incurs responsibilities for the universe, which are commensurate with this knowledge. Therefore, we know that discovery, that the Platonic principle of hypothesis, is a *universal physical principle in the universe, because it is physically efficient in the universe, in changing the universe.*

Therefore, we call this quality, as distinct from life, which we share with the animal, we call this quality of discovery, distinct from mere life, "spiritual." And, the spiritual quality, which has permanent effects upon the universe around us, continues after we're dead, through the ideas that we have brought into play, in humanity, through discovery. Thus, we recognize, because of the nature of the personality of this process of discovery—that it's only done by sovereign individuals—that the Creator, whom we imitate, is also a sovereign individual.

So, you know it. I've made it brief, but you know it. You know the soul, unless you're a Norbert Wiener, or a John von Neumann, or a Bertrand Russell, who deny the existence of the soul. Obviously, they have no souls, the poor creatures. I wonder what kind of a biological specimen they are! We don't want one of those in our family.

So anyway, the point is, it's a matter of knowledge. Now, once you have a sense of that, a sense, that spiritual is not something that tells you "there's God up there." "What d'you mean, 'there's God up there'? I don't see Him!" But, once you know what you mean, and know it as a scientific certainty, then you have the knowledge of these matters, which *the state must have.* Which government must have.

Government does not need to be taught by preachers, particularly the type that can be bought cheaply by Moon. We don't need that. Government must be taught the way I've indicated, to *know* the truth. And, when anybody comes to them, from any religious profession, and says to them, "Well, this, this, this, this." You say, "Wait a minute! I, as government, will act only on what *I know to be true;* or what I *should know* to be true. And if I don't know it, I shouldn't be in government."

So, government is actually a sacred responsibility. Because it's based on a comprehension, and responsiveness to universal principles, which are otherwise known, by the name "Creator," or "God," or known as "spirituality," or "individual soul."

And the person who does not know that, is not qualified to govern, because they haven't learned the first step about government: "Govern yourself."

Debra Freeman: We have approximately 150 questions, that I have not given to Mr. LaRouche. I will give them to him. Some of them are institutional questions. I'm sure that he will pick out the ones he thinks are most relevant, and he will answer them, via the Internet, since we do have people's e-mail addresses.

You have been an extraordinary audience. And I'm sure that you feel privileged, as I do, in having participated in this historic event. The full transcript of today's proceedings will be posted on the Internet, hopefully by tomorrow morning. We intend to move very rapidly into publication, with the transcript of these proceedings. We will count on all of you to help in the distribution of that. And, really, at this time, I would like you to join me in thanking Mr. LaRouche for this extraordinary address.