
To the Monterrey Press

‘The Significance of My Appearance in Mexico’

Here is the transcript of Lyndon LaRouche’s meeting with the press in Monterrey on March 19. The candidate was briefly introduced in Spanish by his Monterrey representative Benjamin Castro. The moderator’s remarks and the questions are translated from the Spanish.

Lyndon LaRouche: There is a certain irony, but no accident, in my being here for this event tomorrow [at Monterrey Technological Institute]. The entire world system, monetary-financial system, is now in the process, the final stages of disintegration. Some people base themselves on the expectation that if it didn’t collapse today, it might never collapse. And so, governments and other fools keep saying, “We’ll postpone it for two more days, another week, and we’ll be fine.”

In certain respects, the present situation internationally is comparable to that of Germany in 1923, as you’ll recall, because there’s a lesson to be learned, here in Mexico, from that experience then. At that point, with the Versailles Treaty, an impossible system had been created. France and Britain were bankrupt. They were bankrupt largely as a result of the expenditures for the war. They had been bailed out by the United States, and therefore, Britain and France were debtors of the United States. The presumption that the bankers in New York could be paid, depended on the ability of France and Britain to pay the United States. That depended upon Germany’s ability to pay the war reparations to France and Britain. By the beginning of 1923, this had become impossible. But the collapse was postponed. It was postponed by printing money—in this case, reichsmarks. Then, in June-July, the inflationary effect of money-printing exploded. In October-November of that year, the system collapsed.

Today, the situation of the dollar is analogous to that of Germany, but on a world scale. The case of Brazil and Argentina is typical. The biggest debtors to the IMF are Brazil and Argentina. If Argentina and Brazil can not pay their debts to the IMF, the IMF collapses. That’s not the only situation, but that’s why the United States ordered the IMF to capitulate to Kirchner of Argentina: What the United States is doing in trying to postpone an *inevitable, total collapse of the system*, is to get Japan to loan yen overnight at zero interest rates. Those yen are then used to buy dollars, those dollars are then dumped into the New York stock market. The United States is also printing money rapidly. Greenspan is on a hyperinflationary kick. The annual debt on trade account of the United

States is approaching \$1 trillion a year.

The world is on the verge of a real estate bubble collapse, and various other kinds of collapses. What’s happening, therefore, is that the money-printing is postponing, to a certain degree, the day of doom. That is why you can never predict the exact day of a financial collapse, unless you have inside information on what the policy’s going to be the next day, and these involve the most closely guarded secrets of governments. The attitude of the bankers, as you may know from Mexico’s experience, is to squeeze the last drop of blood.

Now, remember, it was under these conditions of the Versailles system of the 1920s, that a certain group of people who have a long tradition—called the Synarchists—organized the fascist movements that took over continental Europe from 1922, with Mussolini, to the end of 1945. The impetus for these actions by these fascists came from bankers, typified by Montagu Norman of the Bank of England, and his agent Hjalmar Schacht. So, a crisis of the present time, an existential crisis; this is not a cyclical crisis but a systemic crisis. In other words, it is not an aberration within a system that can bounce back and revive. It is the terminal stage of the existence of the entire system. This system will disappear very soon and never be seen again, like the Versailles system, which died totally in the process of World War II, by the end of the war.

Therefore, as you saw between March 11 and 14 in Spain, the period of great financial collapse—the end of a financial system—is *a very dangerous time for the security of people and nations*. I’ll just mention a certain fact about this, which affects Mexico as well as other countries to the south. The authorship of that coup, attempted coup, by Aznar, is a group of fascists who actually come out of the Nazi security system from the past war. There’s a figure not unknown in Mexico, called Blas Piñar from Spain, who’s the head of this organization. He’s the head of an organization which runs from Italy—Licio Gelli, delle Chiaie, and so forth—to France’s Le Pen, into Spain. It runs from there into Mexico and all of South America. It is not a political organization. It’s a fascist conspiracy, spy-type operation. They attempted to pull a coup, to prevent the election in Spain. They are going to try to create coups in other parts of the world.

We have to expect terrorism of a type different than the so-called garbage that the Bush Administration talks about. These people are the descendants of the SS Nazi security apparatus. Allen Dulles negotiated with Schellenberg and company in 1944, and when Roosevelt was dead, and the moment Roosevelt was dead, this crowd began to dictate U.S. policy. That is the fight which Eisenhower fought against the fascist, Truman; that’s the fight we had against Nixon; that’s the fight we had about the previous Bush Administration; that’s the fight against Cheney and war, today.

So therefore, we’re in that kind of a period, where the driving force is the bankers’ *fear* of total bankruptcy, and they’ll go for dictatorships and terrorism—real terrorism: not so-called “political terrorism,” but gangsterism, *SS-murder-*



Presidential candidate LaRouche meeting the Monterrey press (left) with Dennis Small and (seated) Benjamin Castro; and LaRouche being interviewed by radio host Hector Benavides on TeleRadio.



type coups. There is such an organization throughout Central and South America. It's ready to act, under directions from Spain.

What this means is: This is the enemy we have to defeat, because all other differences become small, when you're faced with the very existence of civilized life. Then, people unite and say, "Whatever our differences are, we've got to prevent this." So, the ordinary differences become less important. People who have been in opposition to each other cooperate, in the interests of national security.

But, you have to have a positive basis for this fight.

You can not have a situation in which you do not deal with the financial crisis. The point is that the methods which have taken over the world, increasingly since 1964, especially 1971-72, this system does not work. *It must be eliminated. The present international monetary-financial system must be replaced.* You can not reform it in its own terms. Governments must put it into bankruptcy and create a new system.

And that comes to the subject of the significance of my appearance here in Mexico, in Monterrey.

The Technological University and other people in Monterrey are a key part of the economic thinking of management in Mexico. Therefore, the important thing now, is to present an alternative conception of how we can operate, which means we shift from monetary-financial systems as such, to an emphasis on the *physical* economy. The problem in the world is, people talk about this, but as you can see in the failure of the Soviet economy, you can not ignore the essential role of the entrepreneur in the economy. A healthy, modern nation-state economy must concentrate about half of its total economic activity in basic economic infrastructure, which is financed and directed through government. Otherwise, the system won't work, because the function of government, is to take care of *all* of the people, and the development of *all* of the territory—not to conduct a biological experiment to

see who survives and who doesn't.

The basic structure of the economy, then, becomes a question of, what is the role of the entrepreneur? The entrepreneur is typified by the innovation of science and technology, and its application. For example, the progressive farmer will often make innovations, as a relatively small farmer, which pioneer in the quality of food and in the economy. The same thing is true with the small entrepreneur. Therefore, we have to create a system, which is aimed at *half* of the total economy [which] provides the conditions of life under which the entrepreneur can succeed. Because the growth of profit, real physical profit, comes from the benefit of science and technology in its application. And therefore, you need minds—individual minds, are part of this process of making science and technology work, at the point of production and design.

So my function is, since I'm an expert in this area, to introduce this subject of physical economy, as it affects the relationship between basic economic infrastructure directed by the state, and the private entrepreneur. And that's the question, the *physical economy*, in that sense. Because you always must have, in a crisis—you may say, "We have to defeat the enemy," but you will never defeat the enemy, unless you can mobilize people around a solution which is the alternative. You must introduce, what is called in Classical philosophy, "the Sublime." Merely negative approaches will not work. You must inspire the people to do the things that will cause a Renaissance of the society. And you must especially inspire the *poorest* people in every nation: To represent a nation, is to represent the poorest in that nation. If you care for the poor, you have the heart to care for everyone.

Thank you.

Moderator: Very good. We're going to have a brief question-and-answer period. I'm going to give priority to members of the press who are here today. Please if you can come forward, the reporters can come forward, we'll be glad to take

questions. Afterwards, others can ask brief questions of Mr. LaRouche. As with the journalists, we ask you, please identify yourselves, who are you, where are you coming from—invited people, subscribers of a magazine, members of our organization, etc.

So, questions from journalists and radio.

Synarchism in Mexico by Way of Spain

Q: David Carrisales, of *La Jornada* newspaper. Mr. LaRouche, you mentioned the name of a person in Spain, who heads a fascist group, who could have been behind this attempted coup d'état. You say that these same people or organizations are in Central and South America, and that they could try something similar in this area. Do you know who these individuals are in Mexico?

LaRouche: At the high level, I know. I know some of the individuals. This is an important question.

You had a penetration of Mexico and South America, by the Nazi Party operation, into Mexico and South America, during the 1930s. During that period, into the war, U.S. military intelligence and the Mexican government, and others, collaborated. So this thing was eliminated, essentially. The roots and support were not eliminated, but the organizations.

In 1944-1945, after July of 1944, the same right wing, the Anglo-American right wing which had originally put Hitler into power, negotiated an agreement with the SS security organization. This was done by Allen Dulles, by General Draper, through an old enemy of mine, now dead, François Genoud. What happened, is the Nazi security operation, particularly under the direction of Hermann Göring, transported masses of stolen wealth, beginning early 1944, in anticipation of the defeat of Germany after Stalingrad. This money was moved all over the world. The agreement which was reached, and formalized, at the virtual moment of death of Franklin Roosevelt, was: Allen Dulles and company, immediately took the Nazi organization of Schacht and SS General Schellenberg, which was the internal security apparatus of the Nazis, and began moving it overseas, into Indonesia, into the Arab world, into the Americas.

So, what happened is, you had in 1945 on, a re-slanting of the SS. Part of it came to the Vatican, the “rat line,” so-called. This is why Monsignor Montini, who was a friend of a friend of mine, had difficulty, until he became Pope [Paul VI]. So, this operation.

So, they came here, into Mexico, first, by way of Spain. The greatest number of these Nazis went into Brazil, Argentina, Uruguay, and so forth, by the “rat line.” Now, this organization exists today, as that kind of organization. It *has* a political philosophy, but it does not operate as figures in its own name. It operates by *infiltrating* institutions and parties. Now, I know the names of a lot of these people, but since I'm engaged in the investigation, I don't tell the names. I describe the situation, until I find out. I have a lot of experience with these fellows.

So what happened there in Spain is typical. Go back to 1969-1981 in Europe. Go to what was called the “Strategy of Tension.” The Nazi apparatus, under Dulles and General Draper, was integrated into the Western intelligence military capability, because they were called the “best” anti-Communists. This was for the pretext of the fight against the Soviet Union. NATO became a nest of Nazis! That is what happened in 1969-1981: All the terrorism in the world, in that period, was run by right-wing forces associated with NATO.

The major fight we have in the United States today, in which I'm a central public figure, is between the tradition of Franklin Roosevelt, and the right-wing tradition, which are called the “Utopians,” who are merely typified by Dick Cheney. This was Nixon, and so forth. This is the big fight—Eisenhower against Truman. Eisenhower was a patriot, Truman was a pig.

This is the nature of the struggle. We have an internal struggle in the U.S., and the same banks—which we know, in detail, ran the Nazi operation in Europe, such as Lazard Frères—are active today as a part of the opposition I face, and part of this right-wing plot. So, when you're looking for this sort of thing—we published a lot of the facts on this thing, the documentation. We probably have the largest documentations of anybody in the world on this right wing. I've been fighting them since the end of World War II, first in a very minor capacity, then more and more prominently. What you're looking at, is you're looking for agents who infiltrate *every political party*; every scoundrel, were all associated with significant *private, financier interests*.

The present, 1964-2004 system, the monetary-financial system of the world today, is created by this right wing. It is *that* system that is collapsing. And my concern—it's my job!—is to try to make people understand *who the enemy is*. Because we, the people, if we're united, can easily defeat this enemy, because he's now vulnerable! And because, he knows he's vulnerable, *he will kill*,—as he did in Spain. You think about what happened in Spain, and you put under the category “idiot,” everyone who says “ETA,” everyone who says “al-Qaeda.” This is “Strategy of Tension.” Exactly the same method of operation was run, out of NATO, in 1969-1981.

So, you're looking at the fact that you have a security problem, a proliferation of agents who, except on rare occasions, never reveal their true identities. In Mexico, they will infiltrate, and do infiltrate, every party. They always disguise themselves as loyal members of that political tendency, but you're dealing with an SS-intelligence-style operation, not with a politically motivated enthusiast who's trying to recruit supporters for terrorism. This takes sophisticated work. It's dangerous work. I specialize in it.

‘The Friends of Alessandra Mussolini’

Q: Victor Canales, of *Milenio* of Monterrey. The fact that this attack was carried out just days before the election in Spain: Could we think that this was, perhaps, carried out to

prevent Aznar from continuing?

LaRouche: It was carried out with the intention of postponing (a) the immediate election schedule; and then (b) postponing it indefinitely: Plan A and Plan B. The papers were presented to the King of Spain, according to high-level sources I have, from high-level intelligence sources. And he said, “No!” So, they then launched the operation, immediately, already planned; and that’s what happened.

And this was Blas Piñar, who is the head of an organization created around the SS, who emerged as a leading figure of this German-based operation, inside the Franco regime. And *he* emerged—he’s now in his eighties—like Licio Gelli in Italy, who was also part of the same thing. He is the key figure, in Spain. His son is a general, by the way, who was involved in the 1981 attempted military coup in Spain. He’s now a general; he may not remain a general for much longer.

This fellow heads up, in Europe, an organization which is based in Italy, which includes the granddaughter of Mussolini, Alessandra Mussolini in Italy; it includes the Le Pen organization in France; and a unification of the various fascist groups inside Spain today. It’s generally people who are between 25 and 40 years of age, who are the base of the organization, with some old people directing it. It is running a right-wing in Venezuela. I know personally how that’s being run. It’s also running out of Uruguay, also in Argentina, in Brazil, and elsewhere. It is also here. So therefore, it is a threat throughout.

The ideology is—the only one they have—is a Carlist ideology: The ideology is, that the former colonies of Spain must be returned, to be again the colonies of Spain. That’s the unification. The main target is to attack the United States, on the basis of using Yankee-Hispanic conflict. It’s also being run by people inside the United States, like Samuel P. Huntington. The goal is to get a terrorist kind of conflict, in the name of Spanish patriotism throughout the Americas. So you’re not looking for the normal ideological terrorist, the normal political, indigenist politics of a nation’s people. You’re looking a religious-type of cult. That’s the nature of the thing.

Q: Can you be very specific, briefly? What did they warn the King about? It wasn’t clear to me. Did they warn him about terrorist attack? Or, did they warn him about the idea of postponing the elections?

LaRouche: What I know—what I know the argument is, because I wasn’t there—but, what the pressure was, the threat was from them! “We insist that you do this, for the sake of the nation, in the trouble that’s about to break out.” And the report is, he said, “No!” But, the threat came precisely from this group associated with Blas Piñar. All you have to do is, look at the pattern of this attack, look at the 1969 Piazza Fontana railway attack, which was complicated, just like this in Spain. Look at the Bologna train station bombing in 1980.

See, these are not like ETA. ETA is a typical terrorist operation with political motivation, and it’s very careful about

trying to avoid attacking its supporters. It’s trying to gain sympathy from the people. But, these kinds of people work the opposite. Their way is: “We are such a monster, we don’t ask you to support us out of love. We ask you to submit to us—now!—out of fear. And, if there’s anything that frightens you, we have something worse in store for you.” It’s like Hitler’s executions of the Jews. There was no rational explanation for it. The reason was to create an act so horrible, that the whole world would be intimidated. That’s the kind of mentality.

What I have, is from European high-level intelligence sources, and there’s corroboration of that, all over the Spanish press today.

American and Mexican Political Choices

Q: Mr. LaRouche, what do you expect of the coming Presidential elections in the United States? What would happen if George Bush were to be re-elected? Or the likely Democratic candidate, Mr. Kerry?

LaRouche: Kerry and Bush is too simple. It’s not really the conflict. Bush does not have a mind, so don’t accuse him of having an intention. He’s like a puppet on strings, and the puppets do not have intentions.

Now, Kerry’s a different case. He and I are the only rivals left in the Democratic Party. Under normal conditions, Mexico would be happy to have a President like Kerry next door, because he’s a decent person, and he’s an intelligent person. However, he is not capable, intellectually, of dealing with this crisis. And, he has no comprehension of economics. It’s a characteristic of his generation: They don’t know anything about economics. They’re always trying to get money, but they don’t know how to produce anything. I’m the only one who is qualified.

The problem is this: The bankers hate me, because they fear me. They’ll do everything two ways: To try to make sure that Kerry is elected; and that he is nothing more than their office boy, because they’ll build an organization around him in the Presidency, controlled by people like Felix Rohatyn, a famous fascist in the United States, associated historically with Lazard Frères, a Nazi organization since the 1940s.

So the point is, we’re now in a crisis: What will happen is, the instant that this crisis is perceived—where people give up wishful thinking, “No, there’s going to be a recovery”—then you’ll suddenly be a shock-shift, in the institutions and in the population of the U.S. At that point, either I become President, or, I actually run a certain part of the policy of a Kerry administration, because there’s no one else they have who knows how to do it.

Q: Zaid Jaloma from Radio Cadena Formular. In the last weeks in Mexico, we’ve seen a series of videos, which have implicated politicians of various parties. This caused a strong reaction of public opinion, that, as a result of this, it was not appropriate to have public financing of the political parties. And in general, people began to think there was no point in

being involved politically. And now we see an attempted assassination of the Governor of Oaxaca.

My question is, in terms of your experience in the United States—not only Sept. 11 and its effects on the population, [but] such as also the attempted assassination of President Reagan—what future implications might there be in Mexico, as a result of these circumstances?

LaRouche: Exactly what you implied. Mexico is very special in this whole operation. As I've said on a number of occasions here recently, if you go back to the 1820s to the present, and look at the history of Mexico and up through the present day—including then, the thing with Calles at the end of the 1920s—it's a long struggle back and forth, especially with the period before 1865, when the United States was still weak; the Hapsburgs, the Spanish, the British ran everything. And then of course, Napoleon III.

So, the first part of this period, 1820-1865, Mexico was constantly threatened by interventions from the outside. Also, through British channels, such as President Polk of the United States; such as Pierce and Buchanan, as Presidents of the United States; such as New York bankers, such as August Belmont. After the restoration, the elimination of the Hapsburg tyrant Maximilian, the struggle took a different form, and it depended on the ebbs and flows in policies in the United States. When the Reconstruction people, who were the supporters of Lincoln, fell, then you had the degeneration of the Presidency in Mexico. Whenever the United States had good leadership, then Mexico had the chance to maneuver and build up its own institutions.

So there, if you look at the culture of Mexico, two things are outstanding: Mexico is the second nation of the Americas as a whole; because it, in the wake of the American Revolution, struggled to establish itself as a sovereign national republic. It was based, also, on trying to integrate the Indian-origin population with the European population, to eliminate the social cleavage between them. The struggle against the *haciendados*, for example, which was a struggle for freedom of the people, from virtual slavery.

So, you come—in the period after the agreement on the modern Mexican Constitution—you get fluctuations again. But, you look at the whole situation, for the principal cause of a system of sovereign nation-state republics: It is historically determined, and geographically determined, that Mexico is the second republic of the Hemisphere, because the first revolution came in the United States. Mexico tried to do its own revolution, in its own way, under different cultural conditions. And the fate of all of the nations of the Americas has always depended upon this: When Mexico and the United States are not working together, problems. When Mexico is down, trouble. 1982, for example. It was Lóopez Portillo who followed up, in organizing the Presidents of Brazil and Argentina, for the defense of the nations of the Americas. When they betrayed him, under pressure, then the situation in Mexico became hopeless.

This is typical: Whenever you have a good tendency from the United States, it tends to be reflected in Mexico, and this is partly because of the large population of Spanish-speaking people *inside* the United States, who have close ties to Mexico. And therefore, if you want to change the Americas, Mexico is very important, and the enemy knows it. It's a powerful nation, with great potential. And anybody looking at this strategic situation, from inside the United States, knows it. I've always emphasized that, over the past four decades.

The United States' relationships with Mexico, are the test of the existence of the United States—the *idea of sovereignty of nation-states*. Mexican patriotism is sovereignty. American patriotism is sovereignty. The enemy is empire, or anything like empire. Therefore, cooperation among sovereign nation-states is the key to the world. We have to work at it. We have to make it work.

Who's Running Bush, and the War?

Q: Last question, on the Iraq War. What can be expected of that?

LaRouche: What can be expected, if the United States doesn't get out?—It's pure idiocy. The United States has no business remaining there, they have to get out, now! Get out! Period. And, take U.S. troops back to the United States, and retrain and educate them. Take out all U.S. occupation mechanisms—immediately. Go to the United Nations Security Council, to take the responsibility for putting Iraq back together, again—by its own people, as a unified nation-state. That's the only solution. Any other policy for Iraq is criminal, reckless insanity. There was no justification for the thing, in the first place: Get out—as de Gaulle pulled out of Algeria.

Q: Sara Mariño of the Radio Station Acir. A little while ago, you were saying that Bush is a puppet. Can you say, who is pulling his strings?

LaRouche: Well, it's obvious that you have, the group around Dick Cheney is pulling his strings.

But also, you look back: Who is really running it? Look at people like George Soros—he's actually playing a different game, but he's also in this game; he's part of it. George Shultz. The bankers of the *Washington Post*, which have historic ties to Nazism in Germany, especially in France. These financial agencies, these Anglo-American financier agencies, with other complications, actually control the Bush Administration.

But Bush is stupid. That's the key thing. Incredibly stupid! The stupidest man who ever occupied the U.S. Presidency! He's a puppet. So, one should not put too much emphasis on him. It's who controls him.

There is a revolt in the United States against this process—at a high level: members of the Congress; members of the high-ranking military; the intelligence community; the diplomatic services. You have a very large constituency of people associated with the traditional Presidential system. Remember, we are not a parliamentary system. Mexico is not sup-

posed to be a parliamentary system, either. We're a Presidential system, with checks and balances from the Constitution and from the legislature. This professional layer of people, who understand government, is, in the main, against this policy. It is the stupidity and negligence of the mass of people, which allows a Bush to exist.

For example, if I were to be President tomorrow morning, I could walk in with my appointments, from people and institutions I know, who are experienced in these areas—military, diplomatic, intelligence, economy, diplomacy, so forth—I could form a government of my staff, and we would change the world.

Nature of the Systemic Economic Crisis

Moderator: We have another 15 minutes for questions, that other people might have—subscribers, invitees. Would anyone like to ask a question, or make a comment?

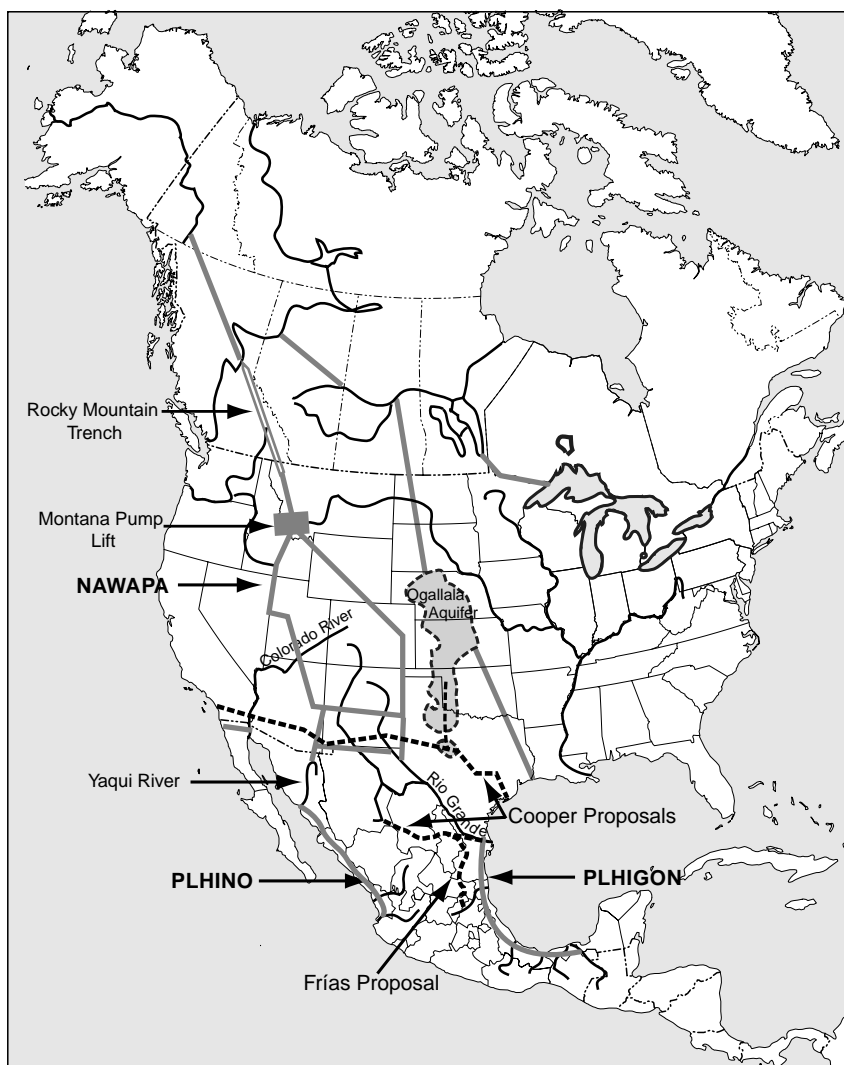
Q: I am a Labor Committee member and a subscriber. I want to ask you, how you can scientifically demonstrate, through your method, that the crisis we are facing is a systemic crisis and not a cyclical crisis?

LaRouche: Yeah, simply: You have to look from the standpoint of physical economy. Don't look at money first. See, the reality is physical. The reality is the condition of life of people. It's the presence of industries, which produce for the national economy. So you look at the tendency. As I've made the distinction: Go through the entire period since 1945, and you can see the undulations that affect the United States, and you can also see how it affects the Americas as a whole.

You see, first of all, we made a change. The first period was very nasty. Truman was in effect a fascist. He was controlled by people who were fascists. We got rid of him. Eisenhower was a traditionalist, who was opposed to this craziness. So we had eight years of relative peace. Up through the Kennedy Presidency, the United States, despite all these fluctuations, improved. We improved; the physical conditions of life were improved; the productivity of labor was improved. Similarly Europe,

under our influence. In most parts of the Americas, there was progress. But what then happened: You had the Missile Crisis in '62, various things, including the assassination of President Kennedy, the launching of the Indo-China War. Suddenly people went crazy. They couldn't find their identities, so they took their clothes off. It became known as the rock-drugs-sex counterculture.

North America: Great Water Projects



Sources: Parsons Company, *North American Water and Power Alliance Conceptual Study*, Dec. 7, 1964; Hal Cooper; Manuel Frías Alcaraz; *EIR*.

"So my function is, since I'm an expert in this area, is to introduce this subject of physical economy, as it affects the relationship between basic economic infrastructure directed by the state, and the private entrepreneur. . . . A healthy, modern nation-state economy must concentrate about half of its total economic activity in basic economic infrastructure, which is financed and directed through government." LaRouche's proposed "North American Power and Water Alliance Plus" water grid for the west of the entire continent.

What did they do?

Our progress was based on our role as an agro-industrial, productive power, driven by technological progress, by scientific discovery. The Baby Boomers changed that: Clothes are no good. Technology is bad. Rationality is fascism. Destroy it all! We want paradise now! The Rainbow Coalition.

Under these conditions, we tended to destroy the foundations, the physical foundations of progress. Now, you look at '71-72, the change in the monetary system. And you look at the effect of this change on the world. London, after '72—as they did to Mexico—London said, “No, your currency is no good. You’ve got to invite the IMF in, for advice.” The IMF came in and said, “Okay, drop the value of your currency.” And the government said “Okay. That’s all, right?”

“No, no! You also get a new debt, to make up the difference of the value of your currency beforehand.”

As a result, as we’ve shown, that South and Central America don’t owe any money to anyone! They’ve more than paid off all legitimate debt.

Now look at the physical conditions in Mexico. Look at, say, the case of Pemex. It’s obvious, isn’t it? This was a driver of progress. The petroleum and gas of Mexico were being used as a national patrimony, to create a margin of physical and financial capital, for the development of new cities and general infrastructure, such as the PLHINO [Northwest Hydraulic Plan] operation, which never happened. So therefore, you look at the physical characteristics.

Now, you look at the United States. We’ve undergone a change, which you can look at physically, from the world’s leading producer society, to a post-industrial bunch of people fleeing into comfort-zone fantasies—like ancient Rome, a bread-and-circuses society. Look at the entertainment as a symbol of this. We’ve become an entertainment society: We go to the Coliseum, to watch Christians being eaten by lions. They call it entertainment. Or, we do it with a television set, instead of going to the large coliseums—which becomes more and more degraded. Then, you look at the conditions of life of our people. Look at the standard of consumption of the average person.

Why do people leave Mexico, and flee as virtual slave labor into the United States? What happened to agriculture? Except that’s been looted, exactly. So, this is the problem. So, look at the physical—because, money is nothing. Money is only a contract; it’s an idea. The question is: What is the effect, *physical* effect, that that money produces? The productivity of the people, the standard of living of the people, the infrastructure—we don’t have the capacity to produce any more. Just go back to 1982: What would be required, in Mexico, to provide the Mexican population per capita, the same degree of economic opportunity that existed in 1982? Look at this city!, which used to be a leader of the industrial development of Mexico. Oh, it has survived, but what’s happened to it? So, that’s the way—you look all over the world.

Don’t believe in money. Money is an instrument, which governments use, to facilitate trade and investment. But it’s only an instrument of government. Look at the physical effects, and look how well we’ve governed.

Mexico Takes Risk of Inviting LaRouche

Now take the amount of debt. Look at the money figures. The net product of the world, the physical product, is currently priced in money terms at an estimated \$41 trillion a year. What is the financial debt of the world? Now let’s look at the *short-term* financial debt, in the form of financial derivatives: Hundreds of trillions of dollars of short-term obligations. As of this past year, 2003, the Bank for International Settlements: The turnover of financial derivatives, according to the Bank for International Settlements, was \$8.7 *quadrillion*. How’re you going to pay that debt?

Q: Twenty times the world product?

LaRouche: Yeah! How’re you going to pay it? [general laughter]

Q: Two solar systems.

LaRouche: Exactly, therefore, that is what is called a systemic crisis. We have crises which are caused by dysfunctions within the system; but this system doesn’t work.

You see, the worst danger is not that we’re already bankrupt. But that the system can’t continue, except by making us more bankrupt. That’s a systemic crisis. You have to eliminate the system—and go back to a nation-state system.

Q: I am a subscriber. You said it wasn’t a coincidence that you were here in Monterrey on these dates, and, I’d like you to explain that a bit further?

LaRouche: Well, first of all—I’ve been here before, you know. I was at the Monterrey Tech earlier. And there were plans to have me back again, more or less, by some people, but the U.S. State Department said “No.” Similar kinds of things.

But, the time has come that everybody knows, who knows anything about these matters, that the system is finished! And the people at the Monterrey Tech are not exactly unintelligent. They know something of what’s going on in the world. They have some definite ideas about progress. So, when you bring me in to give a presentation of this type, it’s going to have an effect on the politics of Mexico—and other countries.

You know, patriots are not always very courageous, but when they see an opportunity to be courageous, their patriotism may overcome their doubts. And, when you do function as I do, you have to take that into account. The problem of the world is not that we lack good people—we have a lot of good people—but they generally lack power, the knowledge, and the courage, to lead. With adequate leadership, these same people who you see vacillating, can suddenly act like giants. So while, this was not a gigantic thing, inviting me here, it shows that in certain periods of time, various people in their own way, act as they think they should, where previously they might have said, “Nah, let’s not take the risk.”