## **ERNational**

# LaRouche: It's *Still*The Physical Economy

by Nancy Spannaus

"The U.S. and the world are facing the greatest financial crash in history," Lyndon LaRouche declared on Nov. 3, in the wake of Democratic Presidential contender John Kerry's concession speech to President George Bush. "By the inauguration date, the economic, financial, and security crises will be hitting this country and the world, full force, and the Bush Administration is thoroughly unprepared to deal with any of it. Had John Kerry been elected President, there would have been a possibility of stopping this onrushing series of crises. Those who voted for Bush and Cheney will now bear the consequences of what they did."

LaRouche emphasized, "It's *still* 'the physical economy, stupid,' and with Bush and Cheney returning to the White House, there will be nothing to temper the onrush of the crisis, forthcoming from the rest of the world."

LaRouche concluded, "Take it from a higher level. If the Nov. 2 vote proves to be legitimate, that is, that there was no massive fraud or errors, then it demonstrates that a larger portion of the American people are crazier than I previously imagined. This is particularly clear among those who cling, still, to the delusion that Bush has been successful in dealing with the economy."

On Nov. 9, LaRouche was scheduled to address these issues in an international webcast, and to lay out the immediate tasks for those Democrats and Republicans who are looking for a strategy to deal with the tremendous disaster that Bush's re-election portends. Minimally, this will include a major fight within the Democratic Party, whose failures contributed significantly to the loss, and a reinvigorated drive by the LaRouche Youth Movement to recruit mass forces. It will also likely include the escalated efforts on the part of patriotic Democrats and Republicans to "Watergate" Vice President Dick Cheney and the President.

#### The Politics of Fear

There are two crucial things that can be said about the results of the Nov. 2 election.

First, the Karl Rove-driven mobilization of the Protestant fundamentalists and Catholic fascists was underestimated by Democratic and other pollsters. This grouping turned out in huge numbers in order to re-elect that nominal Christian George Bush, despite the fact that they were voting against their own economic and political interest, and against basic Christian morality.

Second, the Kerry campaign began much too late to connect with the population from the lower 80% of income brackets, and therefore the momentum required to bring a larger component of these forgotten men and women, and youth, to the polls, was not sufficient to overwhelm the Rove operation. The Kerry-Edwards campaign didn't get its act together.

The state of Ohio reflects both of these realities in microcosm.

Ohio has gone from being the state with the highest concentration of industrial development per capita in the nation, to being the state with the greatest rate of de-industrialization in the nation. This shift has created a level of demoralization among the population, which has left people susceptible to operations like those put into motion by Karl Rove. The major element of that operation was carried out through the so-called "gay marriage" amendment, which led to a single-issue mobilization of the electorate. (This also occurred in 10 other states.)

Without a consistent intervention by the Democratic Party to expose this fundamentalist ploy as a blatant diversion from the issue of the breakdown of the physical economy, large portions of the population of places like Ohio took the bait. They decided to ignore the fact that the so-called pro-family

42 National EIR November 12, 2004

Bush-Cheney campaign was responsible for throwing millions of families onto the human scrapheap, by outsourcing their jobs overseas, refusing to raise the minimum wage, and failing to carry out the massive infrastructure-building program which is necessary in order to revive the U.S. economy. In other words, a sizeable section of the population succumbed to irrationalism—as was demonstrated in the numbers of voters who told the exit-pollers in economically devastated Ohio that they thought the economy under Bush was "just fine."

Yet, these are the same people whose wages have collapsed, whose kids can't find a job, and who are looking bankruptcy straight in the face. They are denying reality, and voting out of fear. And the synarchist bankers who are behind the Rove strategy, expect to take advantage of that fear, to get the fascist austerity which they are insisting upon, in order to survive the financial breakdown crisis.

#### Where To Go From Here

It cannot be said with certainty, of course, that the Bush-Cheney ticket did actually win the vote totals in Ohio, and elsewhere, which are being reported. The votes have not finished being counted in Ohio (and elsewhere), and, despite Senator Kerry's concession, they will continue to be counted. Democratic campaigners in Ohio have produced dozens of reports of irregularities in the election as well, ranging from the use of electronic voting machines, to a shortage of machines, to sundry other measures of vote suppression. Absentee ballots, provisional ballots, and spoiled ballots are all waiting to be counted.

What can be said, is that the mobilization of the forgotten men and women around the physical-economy issues, as carried out by the LaRouche Youth over the eight weeks going into the election, brought the result to the point where victory was possible, if not actually achieved, and covered over by fraud.

Following Labor Day, when the Kerry-Edwards campaign began to take the offensive effectively, LaRouche's Political Action Committee and his youth movement deployed into Ohio, as a crucial swing state. Hundreds of thousands of leaflets and pamphlets hitting the issue of the physical economy and the flu crisis were distributed in Ohio, and activated many young people and longtime Democrats in a way the local party had not done in recent memory. Nationally, the figures of pieces of literature distributed ran into the millions.

To this end, LaRouche has announced that his PAC will escalate its activity organizing around the physical economy. With economic reality hitting, those fundamentalists who were fooled by Rove et al. are about to be hit with a cold shower, and they'll be looking for a solution.

A parallel can be seen in the move from the Hoover Administration to that of FDR. Crazy fundamentalism was rampant in the 1920s in the U.S., as typified by the Scopes monkey trial, the fixation on Prohibition, and other irrationalist "single

issues." It took the reality of the Depression, and FDR's leadership, to wake up the population, so that it acted in its own interests.

But there will have to be a fight in the Democratic Party. As LaRouche told radio talk show host Jeff Rense Nov. 4, some people will want to "go with the flow," and adjust to the election result. "I'm saying, don't go with the flow," LaRouche said. "Because this financial crash, which is coming down now, is going to convince even George Bush, that he wishes he hadn't been re-elected. This financial crisis, is also going to take people who were wrong," and voted for Bush, to rethink what they did.

### A New Watergate?

In his self-delusion, President Bush is claiming that he now has a "mandate" for his crazy policies, particularly more tax breaks and the privatization of Social Security. Even if the vote is accurate, a 51 to 48% margin does not a mandate make.

Many pundits are thinking back to the time when there was an actual mandate for a Republican war-and-austerity President, President Richard M. Nixon. In 1972, Nixon won an actual landslide, winning 49 states and more than 60% of the vote. But, within 18 months, Nixon was out of office.

Impossible, you think? Think again.

As we pointed out in our feature story last week, the Bush Administration, and particularly Vice President Dick Cheney, are facing a raft of investigations, and potential indictments, on matters ranging from lying on intelligence, to bribery, to the national security breach of disclosing the name of CIA agent Valerie Plame. These scandals are considerably more serious for the fate of the nation, than the break-in at the Watergate Hotel, which ultimately led to the downfall of Richard Nixon.

As the United States continues to *lose* the war in Iraq, resulting in the loss of more and more men and women in that unnecessary, illegal war, the rage against the Administration for having gotten us into it is going to grow. In addition, the economic-financial crisis which was deliberately put off until after the election, will soon take center stage.

The Bush Administration may think that it is protected by the slightly expanded majorities which it won in the U.S. Congress during this election. But this is not necessarily the case. High-profile endorsements of John Kerry from leading Republicans, such as President Eisenhower's son Gen. John Eisenhower, in the waning days of the campaign, underscore the seriousness of the split in that party, and show that there is institutional support for curbing the excesses of, if not cutting down, the Bush Administration.

Of course, an actual solution is not provided by a Watergate, as the 1974 experience shows. For the U.S. and the world to escape the danger of a New Dark Age posed by the relection of Bush and Cheney, positive leadership must emerge which rallies the people of the United States behind its historic mission, as Lyndon LaRouche has so eloquently enunciated it.

EIR November 12, 2004 National 43