

bringing great profits to those who invest them, but impoverishing entire countries.

Parameters for a New Bretton Woods

Therefore, we absolutely have to review the entire financial and economic system, and the policy of development. I hope that the United Nations and the EU will play a role in this concern. Mr. LaRouche has displayed a not positive predisposition to the European Union, and here I must dissent: Because, I believe that the EU—which was recently hit very hard by the “No” vote in France and the Netherlands on the Constitution—I believe that the EU still can play a role as if a single state, in the process of creating a new and more just monetary and financial system internationally.

There are several new facts that must be registered worldwide, which are positive. For example, I see a process of democratization in countries of Latin America, and also in those Eastern European countries or those in the former sphere of the Soviet Union, and I would like to greet the representatives of these countries here, today. Another important fact to note, is the new role of Asian countries, like China, India, and Korea, in the world economy. The United States is also apparently beginning to note their presence, at least on the market, and these countries will have to be given a larger political weight in world politics. And also, in my view, they must be brought into the process of creation of a new monetary and financial system worldwide.

Well, it's very obvious, that when we're talking about building a new international financial-monetary system, a New Bretton Woods, we cannot exclude great countries like China, India, and others which have an extremely important demographic weight, as well as an economic function in the world economy. This also goes for the countries which were formerly in the sphere of the Soviet Union.

Freedom and the Role of the State

Now, there are just a couple of problems I would like to raise, in conclusion. You have stressed the role of the state in your remarks, which has raised a couple of problems—in fact, I saw, in some of the questions asked here, that this issue can be problematic. These questions have stimulated my question now: How can you link the freedom of the economy, the freedom of a company to move as it will, economically, in order to return to a productive economy, where it produces tangible wealth, not speculation, and also generates employment—how can you link this freedom of the economy, free economy, to the role of the state? Because I have seen how an excessive role of the state, for example in Eastern Europe, can lead to a degeneration of the economy. And I think we have to identify a third way, in which we can guarantee that a free economy can coexist with a strong state.

In practice, we have many weak governments, which are incapable of generating investments for productive activities. But, on the other hand, we also have governments which are

subjected to the control of powerful international financial institutions, and they have acted in such a way as to produce the scandalous cases that I mentioned before—Parmalat, Cirio, Enron. These are brutes, which managed to escape the rules of the game. They managed to avert the regulations that are established in any one country. And there are too many big financial processes, and groups, which are able to evade any kind of regulation. What we need is regulation on a worldwide scale. However, we have not even been able to reach agreement at the level of the European Union. And even within Italy, there is disagreement still on the question of the reform of the savings system. At the EU level, we need, absolutely, regulation, in order to prevent further scandals, and I have spoken about the possibility of introducing a tax, something like the Tobin tax, which would be a way of regulating and at least identifying speculative flows.

Now, before I finish—and thank you for your patience, listening to these disconnected thoughts—I want to make an appeal: And that is, that everyone has to make a very serious effort, at the level of every parliament, as well, to deal with these issues. It has to be said that the individual parliamentarian often doesn't have the time, or is not able for other reasons, to reflect on this *very dramatic* situation we are living through—and I want to emphasize the *dramatic situation*. If we do not address these issues at the required level, there's the risk that the new generations will find themselves in a dark age. So, I am calling for a common commitment, which right now is not there at the level of most institutions. We must call on all, to fight for the common good, and also with a good dose of utopian outlook for a better world.

Thank you.

LaRouche Responds on the Question of Freedom

Liebig: Once again, thank you Dr. Lettieri. And, as you raised a number of very significant questions to Mr. LaRouche directly, I would propose, in concluding this morning's session, that Lyn directly responds.

LaRouche: Let me start with one thing, an observation on this question of freedom, as he referred to it in a number of points in the report.

Some years ago, I saw the opportunity of, or the challenge of meeting the potential of a youth movement inside the United States and elsewhere. Now, the need for the youth movement comes largely from what happened in Western Europe and the United States under Harry Truman and Co.—or, under Henry B. Luce and Co.—in the creation of a fascist organization called the Congress for Cultural Freedom, which I've called the Congress for Cultural Fornication.

This institution, which presumably was to educate people in the United States, in particular, Western Europe, and to

penetrate Eastern Europe, on behalf of democracy, actually was one of the greatest insults to freedom ever concocted. It was based on ideas typified by those of Bertholt Brecht, a very evil person, a reputed leftist, who imposed a kind of fascism, which was called “liberalism,” in the effort to try to destroy those elements of European culture, including in the United States, which had been responsible for what these people objected to—people like Theodor Adorno, Horkheimer, Arendt, who were close friends of that Nazi Martin Heidegger.

And therefore, what’s happened is, there was a curse on creativity, actual creativity, which I observed. I came out of World War II, you know, as some people did. And I came back to the United States which I’d left when it was under Roosevelt, to a United States under Truman. And I found that the people who were actually responsible for putting Hitler into power, originally—some of whom objected to him when he turned westward in his attacks, rather than eastward—had gone back, at Roosevelt’s death, to try to take German troops out of prison camps and send them against the Soviet Union, then. And these people, under Churchill and under Truman, had taken over. And these were the people who had dropped the two bombs, unnecessarily, on Hiroshima and Nagasaki, for no good purpose. To simply terrify the world, and get a nuclear war going.

The Post-War Cultural Paradigm-Shift

Now, what had happened is, the generation which was born during the war or immediately afterward, was educated under the impact, in the United States, and Europe, of the Congress for Cultural Freedom, or the Congress for Cultural Degeneration. Now, these young people had to prove they were anti-communist. They were the perfect sophists—they had no morality whatsoever. This was true in Western Europe; this was especially true in France. You see the cultural effects of the Congress for Cultural Freedom.

So, we produced a generation which became known as the ’68ers, which, under the stress of the Missile Crisis of 1962, under the stress of the opening of the war in Indo-China by the United States, went crazy, and became known as the ’68ers. And they were associated with what was called a cultural paradigm-shift. The essential feature, the destructive feature of this, was the *denial of the existence of rational creativity*. The epitome of this degeneration is the Greenie phenomenon in Germany today, the anti-nuclear phenomenon. So, the emphasis on irrationality, of this particular type, is what has been responsible, culturally, for a transformation of the economies of the United States, Western Europe, and elsewhere, from economies, which with all their defects, political defects, were net producers and net growers, up into the middle of the 1960s, and somewhat beyond; into societies which were self-inflicted processes of degeneration, of economic and moral degeneration, which is what we have today.

Now, in 1989, at the time that the so-called Berlin Wall

fell, my generation was still in a leading position in governmental and related power, typified by the Alfred Herrhausen who was murdered in that year, by people who didn’t want Germany to survive, at least in a progressive form. And what we’ve had since then, is the emergence of a generation, the so-called Baby-Boomer generation, which took over the United States and Europe. These were the people who by and large, were corrupted by the pure, systemic sophistry of the Congress for Cultural Freedom.

You can not get a decent performance of any Classical drama in Germany or in Austria today. You can’t do it! The actors don’t exist. The Classical European culture has been destroyed. In scientific education, scientific education has been virtually destroyed, reduced to *textbook* education. The process of discovery of ideas, is gone. It is not in the educational system. If I want an intelligent person in science, I look for someone who is in their late 70s, or 80s, as in the former Soviet Union today.

So, the past 15 years, since the fall of the Wall, has been period of accelerated cultural degeneration, as the Baby-Boomer generation took over from the preceding generation.

A Challenge to the Young Generation

The result is, that the young people today—young adults 18 to 25—do not hate their parents, except in some cases, but the healthy ones don’t hate their parents; they have contempt for them. They have contempt for them because they look at them as people who are waiting to die, without being aware of it; who are living out lifestyles, not pursuing goals; who are hostile to creativity; who are interested in protecting their prejudices, their acquired habits; not open.

Now, what I found, about 1999, this development within the United States became obvious, and also was reflected in Europe, at about the same time. We began to get a Youth Movement in the United States. And I, understanding these things, I kept the Youth Movement separate from the adult part of the organization, the older adult part of the organization; because the older adults hated what the youth represented, because they represented a threat to the lifestyle culture of the Baby-Boomer generation, which is a product of demoralization—this process.

Now, what we’ve got, is the following: I set two standards for the self-education—and it’s largely self-education—of these youth. Standard number one: Gauss. Gauss’s 1799 attack on d’Alembert, Euler, and Lagrange. So this worked. This meant going back to Classical Greece, to understand the origin of these ideas of science which were modern ideas of modern science. This meant going to Classical culture. And we used things like the Bach *Jesu, meine Freude*, and also things like the Mozart *Ave Verum Corpus*, as programs which are used by the youth, in a self-education program.

Now, as a result, we have a young generation, which, after several years of this, have actually become proficient in understanding concepts such as some of those of Riemann,

and similar people, which are incomprehensible to people with professorships in science, in many universities today.

Freedom and Creativity

The difference is very simple: These young people have concentrated on the creative processes of mind. The creative processes of mind are the definition of freedom. The ability of a human being to distinguish himself from a monkey, which some Baby-Boomers have trouble doing, is the problem. And therefore, the Baby-Boomer generation tends to be oppressive toward the younger generation, because they're trying to cling to the lifestyle, which is their reaction formation to the impact of the Congress for Cultural Freedom on the culture of Western Europe, of Central Europe, and the Americas.

What has happened, is you have some of us, who come from a somewhat younger Baby-Boomer generation, who are distinct, who have not shared this corruption. This includes a significant number of people who, by a selective process, have risen to positions of importance in the U.S. government—especially in the Senate and some of the professions of the Executive branch. They still cling to a knowledgeable understanding of the cultural heritage of the United States, and are responsive to it.

So, the question of freedom, today, must not be—as the Professor just indicated—must not be looked at as a problem of a system of government, inherently. It's a problem of the way in which a system of government *has been used*. Because, if we have a society which is oriented to promoting, in educational systems, in forms of employment, to laughing at the Greenies as being a disease, and laughing at them so we won't kill them; ridiculing them, because we don't want to kill them, because they are hateful people—. They have been destroying our culture. They have been destroying our civilization. The denial of nuclear energy, in Europe and other parts of the world, *is a crime against humanity!* The denial of technological progress, *is a crime against humanity*. These ideas which were spread under the influence of the Congress for Cultural Freedom, have been the oppression.

If we get rid of that, and if we go back to the ideas of promoting individual creativity, and the right of all individual young people—children and others—to be educated in a way which *promotes* their creativity, which gives freedom to the expression of their creativity, then, you will not have an oppressive society. The oppression in society, is not a systemic one. The problem does not lie with the systems of government, or the systems of the state: it lies with the way the systems of the government and the state have been *abused*, under the influence of this process, which was set into motion by those such as Churchill, Bertrand Russell, Truman, and so forth, who launched the Cold War, as it came to be known. And this kind of cultural sophistry, the sophistry which has destroyed cultures in the past, *has corrupted the people themselves*. And the only correction for corruption of the people, is to inspire them to discover the true humanity in themselves.

And I find that the work of these young people does that. I find that, when people are inspired by hope, that their tendency for freedom is increased; their respect for freedom is increased. When you try to find a solution in *making the rules*—always *making the rules*—the making of the rules by those who make the rules becomes a form of oppression. And therefore, what the Professor said, is extremely important.

But you have to understand the source of the disease, and the cure. The cure of the disease, is to promote creativity among our young people, so that people in the 18 to 25 age-group, which is the transition from juvenile ages into adult ages, adulthood, *this is the crucial period*: If we produce, *en masse*, young people who are inspired to be creative, who like creativity, who enjoy Classical culture and what it represents; who enjoy scientific discovery and what it represents—not learning from a textbook! but *re-enacting the act of discovery*: If we do that, then we create a people who are characteristic of freedom.

We have an example, right here in Germany. You had a terrible situation in Germany, or an oppressive situation, in the middle of the 18th Century. Into this, came people such as Lessing, and Moses Mendelssohn. And they started a Classical revolution in Germany, which spread from Germany, back into England. Shakespeare didn't exist in England in the 18th Century, until Lessing discovered him—in Germany—and revived him for the world.

And thus we found, that Classical periods, periods of Classical revolution, periods of florescence of creative thinking, such as the 15th-Century Renaissance, centered on Florence, these kinds of periods are the periods which produce the idea of freedom, and induce the *practice* of freedom. And the problem is, not so much the imposition of forms of society which are unfree, but the allowing of ourselves to become subjugated to the stultifying effect of dead ideology, of a hatred and estrangement from creativity. Whenever people become creative, and are inspired by their own creativity, they tend to revolt, as they have in all periods of Classical culture in European history. And other parts of history: Take for example, the great Arab Renaissance, which occurred in what is called today Iraq, under people like al-Farabi and so forth, others. This Classical Renaissance inspired a culture!

The same thing as happened in the European Renaissance. It happened in Greece: When Greece was in its bad state, the Pythagoreans and Solon and people of that type, and in a bad period, people like Plato, inspired a Classical revolution which reverberates in the world, still today, in echoes.

So, the key thing, here, on these questions: If we organize society around the idea of scientific and cultural creativity, if we inspire ourselves by a devotion, not to competition, a Hobbesian competition, but inspire ourselves by a commitment to find the advantage of the other nation, the other people—"What do they need, from us?" If we all concentrate on what the other nation needs from us, we shall get along quite nicely.