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## LAROUCHE WEBCAST

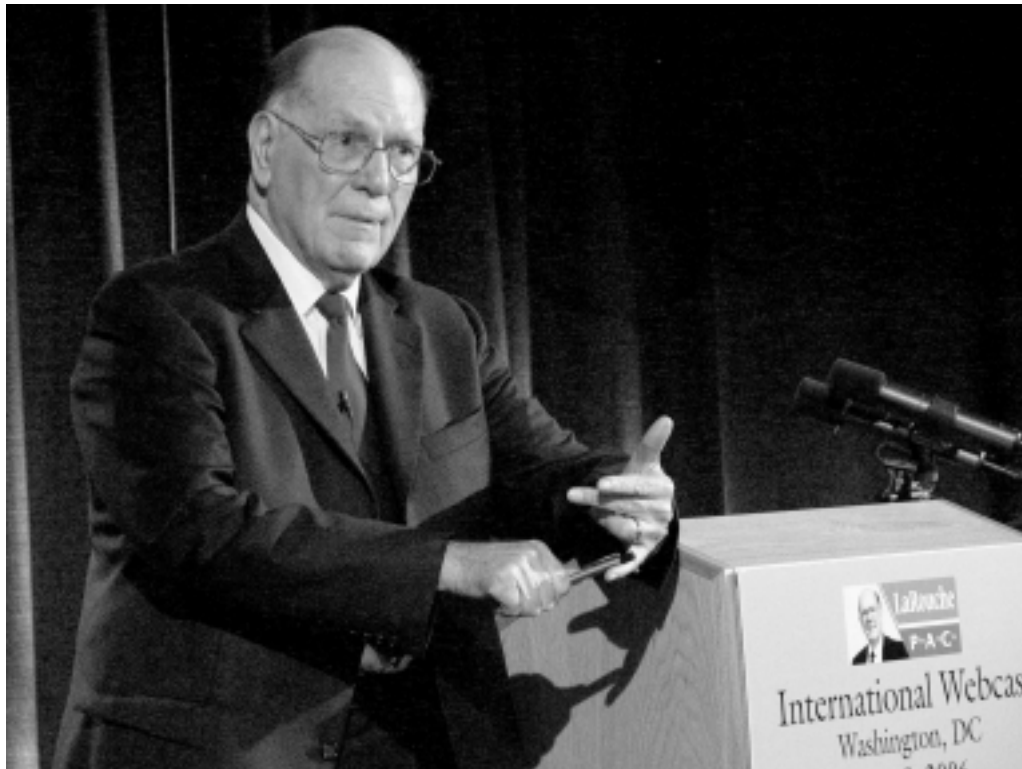
# Felix Rohatyn and The Nazis

*Here are the remarks of Lyndon LaRouche to a June 9, 2006 Washington webcast. His spokeswoman Debra Freeman introduced LaRouche. After his keynote, LaRouche asked Civil Rights heroine and Schiller Institute Vice Chairwoman Mrs. Amelia Boynton Robinson to make a few remarks. The full webcast can be viewed at [www.larouchepac.com](http://www.larouchepac.com).*

**Debra Freeman:** Good afternoon, ladies and gentlemen. My name is Debra Freeman. I serve as Lyndon LaRouche's national spokeswoman, and on behalf of the LaRouche Political Action Committee, I'd like to welcome you to today's seminar. I also would like to give a special welcome—although I know that there are many audiences gathered around the United States, listening to these proceedings via the worldwide web, as well as various audiences gathered around the world—I wanted specifically to give a welcome to the audience which is currently participating from the Argentine Congress. This has become something of a tradition with these webcasts. I'm reminded that this is actually the sixth webcast that is being broadcast directly into the Argentine Congress, so we'd like to give them a special welcome today.

When we scheduled today's proceeding, it was with the idea that we had to escalate the drive in the United States, and we had to escalate the understanding in the United States, of the urgent necessity of Congress moving on a piece of legislation that Lyndon LaRouche motivated with the authorship of the "U.S. Economic Recovery Act of 2006." I think many of you are familiar with this document. For those of you who are not, it is available on the website [[www.larouchepac.com](http://www.larouchepac.com)].

This document was born largely out of the dialogue at that last proceeding of this type. However, in the period of time that has ensued, as the discussion of Mr. LaRouche's proposal has indeed intensified, not only in the Congress but across the United States, as members of the LaRouche Youth Movement have escalated their interventions in Democratic meetings in virtually every state, in trade union



EIRNS/Stuart Lewis

*“Unless there’s a change, the entire international financial system could collapse by approximately September of this year, or even earlier.”*

meetings in virtually every state, one of the things that we recognized is that it was very important to identify for people, not simply the bread-and-butter issues, if you will, that Mr. LaRouche addresses in this document—the issues that have to be addressed from the standpoint of saving the U.S. economy, and of saving our vital machine-tool infrastructure capability—but that for people to fully understand the urgency of what Mr. LaRouche was proposing, they had to understand it in a broader strategic context. And that meant, once again, revisiting the question of the role that the Synarchist International is playing both inside our government, and inside both of the major parties.

This week, we experienced a very rapid escalation of our understanding as to precisely why the Congress has been hesitant to act on the necessary measures to save the auto industry.

Because, keep in mind, it was more than a year ago, it was actually in March 2005, that Mr. LaRouche began a campaign of a very explicit demand: that action had to be taken, because of the impending crisis and bankruptcy that America’s major automakers were facing. And it seemed on a certain level, incomprehensible, as that fight intensified, that members of the Congress seemed incredibly reluctant to act.

Well, this week, we began to put together the reason why. And one of the things that we discovered—and certainly you can find out more details of it in a White Paper that is currently flooding the District of Columbia, and will soon be flooding the entire United States—what we have uncovered, is that the bankruptcy of Delphi, which was the spearhead of impending

broader bankruptcies, was not simply the result of the ill health of that company; nor was it the result of what was obvious mismanagement. But that, in fact, the sell-off of Delphi was presided over by none other than Felix Rohatyn, as part of the systematic dismantling of America’s auto industry, and of America’s industrial capability in general.

It was a shocking revelation; shocking, perhaps, that Mr. Rohatyn was so open in his action. But perhaps that is nothing more than a reflection of his incredible arrogance, and confidence that the American people were simply too stupid and too distracted, to notice that their nation was being taken apart from under them.

It’s that ideology that unfortunately permeates a good portion of the Congress. Perhaps not with quite the same hostility toward the U.S. population that a Felix Rohatyn has, but definitely a sense of cynicism, that the U.S. population either doesn’t know or doesn’t care. And in fact, that is a *very serious miscalculation*. And as hundreds of members of the LaRouche Youth Movement have organized across the nation, and have reached out into the pores of this country’s heartland, what they have actually found is something quite different: People are angry. People want to know why this is happening. And people are prepared to act.

And it is, in fact, that realization, that I think was imposed on the Congress during the course of this week, when members of the LaRouche Youth Movement from the Mississippi River east, descended on Capitol Hill, not only to distribute this material, and to make their own voices heard, but also to



www.arttoday.com

*If Congress doesn't fight Felix Rohatyn's dismantling of the U.S. economy, the United States will go the way of ancient Athens, "which was drawn into the cult of sophistry, which is the precedent for the sophistry that occupies most of the people in the United States today," LaRouche said. Here, LaRouche Youth Movement members organizing against sophistry on Capitol Hill (left) and the Acropolis in Athens, in ancient Greece.*

lend support to trade union officials and elected officials, who joined them in the latter days of the week, both in person and also in the form of an open letter to Congress, which was published in various newspapers in this area, demanding that Congress act now to implement Lyndon LaRouche's Economic Recovery Act, and that they do so in a timely fashion. This ad has been signed by over 100 elected officials, by an equal number of labor leaders, and it is something that we will continue to circulate, and continue to distribute on Capitol Hill, until our Congress figures out that, in an election year, it is not only in the interest of the nation, but also in their interest, to act, and to act quickly, as these individuals are demanding.

So, it has been quite a week. But there still is a great deal of work to be done. The velocity of the breakdown crisis has not slowed, and in fact, it is accelerating. And while we see important institutional moves against the Synarchist International inside the United States on various aspects of policy, not the least of which is policy toward Iran, the fact of the matter is, that the danger does not disappear, until the likes of Dick Cheney and Felix Rohatyn disappear from influence in our institutions.

There's certainly more that I can say, but I know that you are, as I am, very anxious to hear from Mr. LaRouche, today. And therefore, without any further delay, I'd like to ask you to join me in welcoming him.

## LaRouche's Forecasts

**Lyndon LaRouche:** Thank you, young lady! Thank you very much.

We are now in times, as you shall soon discover, through-

out the United States, throughout the hemisphere, and throughout Europe in particular, we're living in times of the type that most of you living today have never *dreamed* could happen, let alone experience.

I am a forecaster, among other things, and probably the best economist in the world. And that's not a brag, that's simply a fact. I made some discoveries back in the course of the late 1940s, early 1950s, and as a management consultant, I applied some aspects of my discoveries to the current situation at that time, 1956. I was looking at the situation, 1955-1956, in the automobile and other industries in the United States, and I said, "This has come to an end. We're going to have, by early 1957, the deepest recession of the post-war period." And in February 1957, we had the deepest recession of the post-war period.

Encouraged by that, I went further with long-range forecasting, based on an understanding of the characteristic mistakes built into the current policy of the 1950s of the United States, including the policies of Arthur Burns. And I warned, I said we face the following situation: "Unless we change these policies which are now in effect, the policies established in 1954 under the Arthur Burns change in the credit practices of the United States, we will go into the 1960s, and by the middle of the 1960s, we will enter a period of crises, of serious international monetary crises. And if it is not corrected then, by the beginning of the 1970s, we shall experience a breakdown of the existing international monetary system." Each one of these forecasts came on, was fulfilled in a timely fashion.

In 1967, the British pound-sterling went belly-up, in October-November of that year. From January through Feb-

ruary of 1968, the U.S. dollar went, not belly-up, but went into a severe crisis. In 1971-1972, the existing world monetary system of that time was shut down.

I have never made a mistake, in a long-range forecast. Every time I have forecast, it has happened precisely as I forecast it: that unless certain changes were made, certain things would happen. It has always happened.

It is now happening.

I warned earlier this year, of this crisis presently happening. It is now happening. During the past three months, the rate of acceleration of collapse on international markets, as well as in the U.S., has increased; there is a combination of hyperinflation like that of Germany 1923, and collapses in whole sections and whole chunks of financial markets. That process will continue. I have estimated that, unless there's a change, the entire international financial system could collapse by approximately September of this year, or even earlier.

It will happen. I don't make mistakes in these matters.

And many people in the world now, reluctantly or otherwise, agree with me, that I've been right on this, that that's the situation.

There is no hope for the United States, if the Congress walks away from this session, and goes out and campaigns to a population that *hates it increasingly*, especially Democrats, and there's not much hope that this nation will not go into chaos.

## The Road to Hell Is Paved With Denial

Now, you have additional problems here, and I'll deal with this—this is going to be a tough presentation for many of you, because you will tend to deny the facts that I present to you. Because people do that. It's like looking at what happened in New York City on Sept. 11, 2001. When people are faced with horrible events, they try to say, "It's not happening. Tell me, it's not happening! It isn't happening! It couldn't happen! It's not happening!" And they say, "You have to be wrong. Because I can't believe it would happen"—even when it's happening! "No! It didn't happen. I can't believe—it couldn't have happened!" That's what people are like. And therefore, they will deny, and deny, and deny.

And that's how they go to Hell.

Now, my job is not to sit back and gloat, and say, "Okay, you're going to Hell." I don't take much pleasure in that sort of thing. Besides, I'm not working for that guy, down there. But, Rohatyn is!

And therefore, it's important that you understand the ugliest facts you've ever heard about, in truth. Facts that pertain to the immediate situation, now.

You're going to have to learn, also, a couple of history lessons, that almost no one has learned in any educational institution generally, in the past 40 or 50 years. You're going to have learn something about what the United States is, and why enemies of the United States, such as Felix Rohatyn and his allies, George Shultz, are determined to *destroy this*

*country!* And to face the ugly fact that many members of the Congress, Senators and others, are either not going to fight Rohatyn on this, or are going to look the other way and pretend they didn't know what was happening.

You're going to find yourself in a situation, comparable in some respects to what happened to ancient Athens, which was drawn into sophistry, the cult of sophistry, which is the precedent for the sophistry that occupies most of the people in the United States today. People never tell the truth! They say what they want to be overheard saying—not the truth. Faced with the truth they don't want to admit, they deny it. They lie. They lie to themselves, above all. And therefore, they make decisions based on their own lies. And they go to Hell. Or the nation goes to Hell, as Greece did in the Peloponnesian War, and thereafter.

And you face a time where our country was almost destroyed, beginning with the death of President Franklin Roosevelt. And I'm going to give you that history lesson, the essentials of it, because the world is, as most of you don't believe it ever was. And we're on the edge of Hell, globally. We're on the edge of a Dark Age for all humanity, unless we make certain changes. And you're going to have to kick ass in the political layers of the United States, as asses have never been kicked before! You're going to give them this special kind of *uplifting* experience!

## Who Is Felix Rohatyn?

Now, as Debra indicated, what we dug out in our legal research on the Delphi case—we dug out, and we'll show this thing (**Figure 1**).

FIGURE 1



"Felix Rohatyn is the chief architect of the destruction of Delphi! Delphi was not bankrupt. It was bankrupted by Felix Rohatyn." Here is Rohatyn's signature on the May 1, 2005 bankruptcy filing of Delphi.

Now this is the copy of the legal documents, May 1, 2005: Felix Rohatyn. *Felix Rohatyn is the chief architect of the destruction of Delphi! Delphi was not bankrupt. It was bankrupted by Felix Rohatyn.*

Now, who is Felix Rohatyn?

Well, Felix Rohatyn is essentially a Nazi. That's no exaggeration, that's no mistake, no caricature. That's what he is. Felix Rohatyn is a protégé of a fellow called André Meyer. André Meyer was a kingpin of an organization known as Lazard Frères, in Paris. Lazard Frères was an integral part of the Nazi takeover of Continental Europe! And Meyer personally trained Felix Rohatyn. Now Felix is not bright. As a matter of act, he's very uncouth, very stupid in many ways. He's not an intellectual, he's a thug! He's like a mafia hitman who is not known for his intellectual characteristics. He's a thug, equivalent to a murderer.

Now, what Meyer represented, and what Lazard Frères represented, *then, and now*: Lazard Frères was the key Continental center in banking which brought Adolf Hitler to power, and launched World War II, and the crimes that went with it.

When the war ended, because Roosevelt had died, Harry Truman covered things up. And the bankers behind Hitler were not really touched. Yes, Banque Worms was shut down, dissolved. But the bankers who really put Hitler into power—for example, the grandson of one of the people who put Hitler into power is the President of the United States today! It was Prescott Bush, as the chief executive officer for Brown Brothers Harriman, who issued the order to fund the Nazi Party at the point in time that the party was bankrupt, in time for Hitler to be made dictator of Germany! Prescott Bush, the grandfather of George W. Bush, Jr. And the father of former President George H.W. Bush.

Hitler was a project of a group of international bankers, who wanted to destroy the idea of the modern nation-state, and modern society, to return to a form of society which had existed during the so-called Crusades period, the period from about 1000 A.D. to the end of the 14th Century, which ended in the so-called New Dark Age. Then the world was dominated, Europe and beyond, by a group of Venetian bankers. The Venetian bankers had a partnership with the Norman chivalry, the so-called Crusaders, and were trying to destroy the system built up by Charlemagne in Europe, a system evolving toward a modern nation-state, destroy it, and carry out a slaughter of both the Jews and the Muslims who had cooperated with Charlemagne in trying to build up a civilized order in Europe.

And so they conducted a race war, of the type that's being conducted by Cheney and Co. today, against Islam. They did it. They called it the Crusades. And the Crusades ended in the 14th Century in what was called a New Dark Age, where one-third of the population of Europe disappeared, dead of the effects of that period, and half the parishes of Europe vanished from the scene. This was the so-called "ultramontane system."

And to the present day, the continuity of those banking traditions in Europe, then centered on Venice, now centered on the Anglo-Dutch Liberal bankers, and the French Synarchist bankers, are bringing back the attempt to destroy the nation-state through what's called the utopia of globalization: to control populations, to prevent sovereign governments from coming back into existence, by making people stupid. Don't give them the kinds of jobs that require intelligence. Don't educate them. Reduce them to peonage, ignorance, brutality. Let the excess population die out. Reduce the world population from over 6 billion today, to less than 1 billion, as soon as you can get there. What's happening to health care, what's happening to our society.

## Why They Hate the United States

And the one thing they are most determined to destroy, above all, is the United States of America. Why? Because we, the United States, are essentially a European culture, we're a product of European culture. And our ancestors, who founded this nation, came here. And similar things happened in South and Central America, where people left Spain, in particular, to try to find a refuge in a world where they could get away from the Spanish oligarchy of the time. And they came to the Americas hoping to apply the lessons of European experience, the best of its culture, in a place where they were free from nobility, from oligarchs, from aristocrats, from predators.

And we established in this country, a new nation, a new model, based on all the best features of European culture.

Then they came to destroy it. We had the American Revolution to try to defeat this attempt to establish a new empire, the degradation of man, from 1763 on, when the new form came out of Britain, the imperial form was established in Britain. We rallied people throughout Europe to support us, and associate themselves with us, in the effort to bring a new order of society for mankind.

And the British and others moved to destroy that. They organized the French Revolution, and took France, which had been the biggest ally of the United States in this struggle, and turned it into a hecatomb. They turned it into the bloodshed of the July 14, 1789 siege of the Bastille, which was the beginning of the entry of France into Hell, from which France has never fully returned, except on short leave, since.

So, Europe was *crushed* by a series of wars, to prevent the American model from being adopted in Europe. It was adopted in Europe! When we defeated the British and the Habsburgs in the Civil War, and freed ourselves from the system of slavery *imposed upon us by Britain, the Netherlands, and Spain!*, and others, we became a power, by Lincoln's defeat of the Confederacy, which was nothing but a British puppet, a British and French puppet of the time—a puppet of the British monarchy and of Napoleon III of France.

So, we became respected as a power that could not be conquered by invasion. We were too strong. We had built a nation from ocean to ocean, from the Canadian border to the



EIRNS/Roger Ham

*The European oligarchy was determined to stop the United States and its Constitutional system of government, and to ensure that the American Revolution did not spread to Europe. But Otto von Bismarck (left) introduced elements of the American System of economics in Germany, and American policies were also adopted by Alexander II and Alexander III (right) in Russia.*

Mexican border. We had built up an economy here that was too strong; we were too powerful to be invaded and destroyed. And the only way they could destroy us was by corruption—and that was provided in abundance.

But nonetheless, in the meantime, you had revolutions in Europe: You had changes in the policy of France, temporarily; you had the Bismarck phenomenon, who was a great admirer of the United States. The Bismarck phenomenon was introduced as an economy in Germany. In Russia, the policies of the American Revolution were adopted by Alexander II and III, especially Alexander III. Japan was brought forth as a civilized nation, directly by the United States. The American model of the United States was used to liberate nations of South and Central America—until some untoward events reversed those advances.

So, we were a repository, with all our imperfections, we were a repository of a *system*, a Constitutional system of government, which had been the objective of humanity ever since

ancient Greece. And the oligarchy of Europe were determined to destroy it, destroy *us*.

And they tried in the 20th Century. Go back, for example, to World War I, the end of World War I at Versailles: Now, you had an American Secretary of State, Lansing, under Wilson, who decreed that Germany had the war guilt for World War I. It's a lie! It's a lie. World War I was planned, actually by the British monarchy, with the complicity of France, and the complicity of Nicholas II of Russia. Germany was being attacked on all these fronts. Germany fought back, and was defeated. It was defeated *only* by the intervention of the United States. Had the United States not invaded Europe, to support France and Britain on the Western Front, Germany would have defeated its enemies in Europe.

That was not the end. "Now!" they said, in Europe, "We have to have another war. This time, we'll use the Soviet Union as a target. We'll use Germany as the means of attacking the Soviet Union. The British and French will support Germany in this war, but we will keep the United States *out* of the war." Why? Because the United States was too powerful, and therefore the objective was, the fear was, that if the United States participated in the new war which the British were planning together with the French, then the United States would emerge as the most powerful nation in the world, that they couldn't conquer. But their objective was, to destroy the United States.

Now, if you know the history of the 1920s, and the military intelligence history in the United States, you know that the British, and Japanese, and others, were planning to make a military attack on the naval forces of the United States. And among the planned attacks, by the British and the Japanese, was for Japan to take the responsibility of attacking and destroying the U.S. Naval base at Pearl Harbor. This is in the *early 1920s*. These matters were the subject of U.S. Army intelligence reports, Navy also, like Operations Red and Orange, which were two studies of this particular case.

You had the case of Gen. Billy Mitchell, who was testing aircraft on big tankers, or big freighters, the launching of aircraft, and introduced the idea of ship-based aircraft deployment, as a method of combat: for which he was court-martialed. Because the British, and sympathizers in the U.S. Navy and elsewhere, didn't want that to happen. So, he was court-martialed, because the British, and sympathizers in the U.S. Navy and elsewhere, didn't want that to happen. So, he was court-martialed.

But then the attack on Pearl Harbor came from the Japanese, now that Japan was an ally of Hitler! They were out to destroy us.

The day that Roosevelt was inaugurated as President, Hitler had already been confirmed as a dictator in Germany. At that point, World War II, in some form, was inevitable. Hitler was supported by the British and the French, including the faction in France which is the source of Rohatyn, in the United States, here today. Remember, Rohatyn is essentially a



*The British and the Japanese in the early 1920s had a plan to destroy the U.S. Naval Base at Pearl Harbor, to keep the United States from getting too powerful. Along the same lines, British sympathizers in the United States court-martialed Gen. Billy Mitchell in 1925, to stop his idea of ship-based aircraft deployment to sink battleships. On Dec. 7, 1941, the Hitler-allied Japanese bombed Pearl Harbor. Inset is Billy Mitchell.*

Library of Congress

French figure, not an American figure. He has an American citizenship, but he's essentially an agent of the same French interest, the Synarchist International interest. And they still want to destroy us! And they *have* almost destroyed us.

### **Roosevelt's Post-War Policy Reversed**

Roosevelt had a policy for the post-war period, but he died. And Truman was working for the other side—that's an ugly fact, in the Democratic Party. Roosevelt planned to free colonial nations, at the end of the war, and told Winston Churchill: When the war ends, these people are going to be free, to have their own government, and we're going to help them develop! That was U.S. policy.

When Roosevelt died, what did Truman do? Truman, and the British and Dutch, and others, sent Japanese troops in to reoccupy Indo-China, until the French could get there, with the British. They suppressed the struggles for freedom in Africa, bloodily. They fought a war to suppress the freedom which had been gained in Indonesia. They postponed the liberation of India from British imperialism. The United States became an oppressor, almost the day that Roosevelt died.

Japan had been defeated before the end of the war. It was just a matter of time. There was never a need to invade Japan. It was totally defeated. The U.S. military forces had totally isolated an island, dependent entirely on supplies of raw materials from other nations. A Japanese ship couldn't get in or out of Japan, the main island. They were in a hopeless situation, and had to surrender.

The Emperor of Japan had negotiated, through a special office of the Vatican, the Office of Extraordinary Affairs, an

armistice agreement, a surrender agreement, with the United States and other countries, before Roosevelt died. This was ignored. And instead of going and taking up the offer of the Emperor of Japan to surrender, with certain conditions which were perfectly reasonable conditions, we held back until we could use the only two nuclear bombs we had, to destroy much of the helpless civilian population of two cities: Hiroshima and Nagasaki.

That was done entirely to get ready for World War III. World War III, as planned by Truman, among others—it was a Truman policy, for which he was essentially told to "get out of government," because he was a skunk, and they couldn't stand the smell of him any more. Truman's policy was the policy of Bertrand Russell: Assuming that the Anglo-Americans had a monopoly on nuclear weapons, to prepare to build an arsenal of nuclear weapons they did not yet have, because they had used up the last two prototypes they had in Japan, and to conduct a "preventive," so-called, nuclear attack on the Soviet Union, to compel the Soviet Union to submit to world government.

That was the Truman policy! It didn't work, because the United States' production of nuclear weapons was delayed, and because the Soviet Union developed nuclear weapons much earlier, in the 1940s, than the British and Americans had assumed. And not only that, but went beyond that and developed a thermonuclear weapon, when we in the United States had none.

So, Truman was told, "Git!" That's what you tell a man like Truman: "Git! Git y'self outta heah, raht now!" And he "git!" He done git.

And Eisenhower was brought in. And Eisenhower was a part of the apparatus of Roosevelt, along with MacArthur, along with Lucius Clay, and others. Because Roosevelt knew, the day he entered office, that World War II in some form was inevitable. The confirmation of Hitler as a dictator, in February of that year, in Germany, meant that the plan which the British and French had for World War II, that that plan was operational.

So the recovery operations of President Roosevelt were based on two considerations: First, a recovery program to undo the damage done by Coolidge and Hoover. Remember, under Hoover, following the 1929 crash, the U.S. economy had collapsed by one-half, by the time Hoover left office. One half. Serious destruction. I was there, I saw it. Amelia [Boynton Robinson] saw it! Some of the others of us around here saw it, too.

Roosevelt had to rebuild a shattered economy. He turned to elements of the military, such as Lucius Clay, such as Eisenhower, such as MacArthur, who worked on industrial development projects for the United States, projects in the spirit and design of the type we need now: To take our broken nation, our broken economy, take its resources, and start to rebuild—rebuild spirits and souls as well as economy. And we did it. We were preparing for *war*, as well as for peace. And our enemy, at the time, were the British and French, primarily, those governments, those forces.

And the chief agent in France was the Synarchist International, centered around the forces of André Meyer, which are the authorship and heritage of Felix Rohatyn today. The intention of Rohatyn, the intention of these guys, *is the same thing*. To destroy the United States!

## Enter: The 68ers

Now, some people don't understand it, because 68ers have difficulty understanding anything, particularly those in the upper 20% of family-income brackets; the so-called 68ers—who were against blue-collar workers, against farmers, and against everything else good in the United States. Who marched in the streets, and were virtual fascists! And did everything possible to wreck our economy. This is the base on which Nixon was able to become President. This was the base for what was done under Carter. Carter didn't understand what was going on—it was done to, or done for him, by Brzezinski and Co. We *destroyed* the United States! We destroyed our system of regulation! We destroyed our housing programs. We began to destroy our transportation systems, destroy our power plants. Destroyed our health-care system. We did these things in the 1970s.

And the 68er generation: These were the people who were groomed, from childhood, to get into this new, fashionable kind of ideology, who were aimed at going into the best universities, the Ivy League and similar kinds of academics, aimed for careers of influence in communications, and busi-

ness, and government! The ruling class, so to speak, American-style. And to corrupt them—quite successfully—from 1947 through 1957 and beyond. And this generation said, “Blue collar’s no good, production’s no good, farmers are no good!”

And they divided the forces of the Democratic Party and the traditional Republicans, which made the Nixon Administration possible, which made the Carter Administration possible.

And over this entire period, while this generation, that’s in power today—people generally between 55 and 65 years of age, approximately that, who are now running most institutions, including the Congress, especially the Senate, were part of this corrupted generation! They didn’t know they were corrupted. The sophists of ancient Athens, who went to the destruction of Athens in the Peloponnesian War, thought they had to do it that way, even though the destruction of Greece was obvious. And they destroyed their own country.

We have destroyed our own nation, in large degree, with this philosophy! Under the direction of the upper 20% of family-income brackets, in the age group of between essentially 50 and 65. *We have destroyed our own nation.*

## Machine Tools: The Last Bastion

Now the last bastion for recovery of this economy, depends upon the machine-tool capacity of the nation. The machine-tool capacity of the nation is represented today, largely in science, which is almost non-existent, and largely forbidden, but otherwise located in the machine-tool sector, which is chiefly located in the automobile industry.

Now the machine-tool sector has two aspects to it: in machine-tool design, in principle. In machine-tool design, you take the same principle you apply in a laboratory to test and prove a fundamental physical principle of nature. In other words, you design an apparatus to test for the accuracy of your estimate that a certain universal principle is operating out there in the universe. Then you turn around, if you’ve proven it—you now take the same knowledge that you’ve gained from a successful experiment. You now go back into the factory, and you have the machine-tool designer take the lessons of a successful proof of principle experiment, and apply it to industry: to produce better products, new kinds of products, to produce improvements in technology, to increase the productive powers of labor, to raise the standard of living. That’s what Roosevelt did, with his program for rebuilding the nation, in preparation for World War II and beyond.

*That is what we are destroying!* What they’re doing is taking and looting the factories, which are scheduled to be shut down. They’re moving the machine tools out of the United States, into Europe and elsewhere. What we are seeing and experiencing is the destruction of the United States! And this is occurring at a time when the entire world economy is





EIRNS/Philip Ulanowsky

*The destruction of the United States—housing, health care, education, transportation and so on—was carried out by the corrupted 68ers, who didn't even know that they were corrupted by the ideology foisted on them by the oligarchy: hatred of blue collar workers, technology, farms—hatred of all that is good about the United States. Here, a view of the South Bronx, New York in 1983.*

never learned the difference between a man and ape. He's like Thomas Huxley, or Frederick Engels, none of whom ever understood the difference between a man and a monkey. Matter of fact, Engels almost made a point of insisting upon it, that it was the same thing.

I say, don't monkey around with mankind.

## Life Is Taking Over the Planet

What is the difference? You have three categories that we know today, three categories of existence on this planet, and in the universe as far as we know it. One are things and processes we call "non-living processes." They're the subjects of ordinary chemistry. Then you have the chemistry of processes, which we call living processes, or products of living processes. Now, even though the so-called elements, or chemical elements involved in the two kinds of processes, living and non-living, or formerly living, are the same chemical elements according to the Mendeleev Periodic Table, they're not the same processes. Because living processes deal with the same elements differently, than non-living ones.

As the case, for example, of the famous discoveries in France, the initial discoveries in the 19th Century, of the difference between living and non-living processes. So there's a different physical principle, which differentiates the way in which the same chemical elements, so-called, function in a non-living process and a living process.

Now, the planet is becoming increasingly more and more a residue of living processes, and less and less a residue of non-living processes. *Life is taking over the planet.* That is, the fossils produced by life, together with living processes, are a greater part of the total weight of this planet, as time goes on. Life is more powerful than non-life.

Then, you have human beings. Human beings do not have a fixed relative population potential. Animals do. But human beings are able to change their societies' relative population potential. For example, if man were an ape, like Frederick Engels—if man were an ape, we would never have had more than several million living human individuals on this planet, under the conditions of the past 2 million years as an available opportunity. But we have, today, over 6 billion people living on this planet. Why? Because of discoveries which correspond to Classical artistic discoveries, discoveries of universal physical principle, discoveries made by individual minds, and shared with other minds, which enable mankind to increase our power *in the universe*, especially on Earth.

And therefore, where we would only have several million individuals living, if we were gorillas, or gorilla-like creatures, we now have over 6 billion people living. And we have the prospect, as we've seen over the past centuries, the past

about to go into the greatest depression that European civilization has known since the 14th Century.

All of these problems can be addressed. These problems can be solved. The lessons we had under Franklin Roosevelt will work. The challenge is greater today than it was then, because our relative condition of decay is worse today, than it was then. But if we work, and mobilize around this, we can save the nation. We can reorganize the international monetary system! We can reorganize the banking system! We can do all these things; there's nothing unfeasible about it! Roosevelt pioneered in showing just exactly what we could do in that direction. And I know what needs to be done—and I'm an expert, hmm?

We can do it! But, we have to be *willing* to do it! We have to commit ourselves to the *action* of doing it! We have to go into this, as if we were going to war, to save the nation from an invading enemy. And what do you think of those laggards, those slackers, in the Congress, who *refuse* to mobilize and defend this nation, when its very existence is in danger? What kind of leadership is that? *Is there any person in that Congress fit to be President of the United States?* Because we had one stinking President, like this George W. Bush, Jr., do you have to have *all* stinking Presidents!? Can't we have an honest one, for a change? One with a brain, for a change? One with some guts, for a change? Not a draft-dodger, or a virtual draft-dodger, who went into the National Guard to avoid military service.

That's our problem.

This is an old problem. It's a problem of civilization in general. See, the problem with the Baby-Boomer, is that he



EIRNS/Stuart Lewis

*We can have a world population of more than 6 billion today, because man is able to make discoveries, and increase our power in the Universe. "All this depends upon the ability of the human mind, to do what no ape can do—and what the President of the United States today, can not do: Think!" Here, LYM members at the webcast.*

thousands of years, of increasing the potential population-density, but also increasing per-capita quality of life of the individual: the longevity, the quality of life.

We also increase the humanity of the individual, in the sense that when you improve productivity, you don't have to kill yourself from morning to night, just to get by. You have also the energy and time, to develop yourself. You're able not to have child labor, to send people to schooling for a longer period of time, to develop themselves. We're able to give them the options of studying and working through things, that a poorer population couldn't afford to do! And therefore, the quality of life, the quality of personal life, of personal relations, is uplifted. And this is the nature of mankind.

All of this depends upon the ability of the human mind, to do what no ape can do—and what the President of the United States today, can not do: *Think!* Actually do human thinking, creative thinking, either to simply absorb and apply discoveries made by others, or to actually contribute to making those discoveries. And thus, we are each, in a sense, immortal in that way. Because we have very short lives in the skein of things; when you think about potentially 2 million years of mankind on this planet, our lives are very short. But they're also very important. Because in this short life we have, we have the ability to assimilate, to develop, and to transmit discoveries to mankind as a whole, which live for the future.

And thus, in a sense, we never die, because the contribution we make to mankind, while we live, is a permanent asset of mankind, a permanent source of the improvement of mankind, and leads mankind to the kinds of powers he should have, in order to find what man's role in the universe at large is. We don't have to say, "this is what is," or "this is what's not"; we know our role is to *improve* not only our planet, but to improve the management of the Solar System, and whatever overtakes us as necessity in times to come.

Mankind is necessary in God's universe, a necessary being of immortal significance in the universe. That's us. This is our morality, because our attitude toward our fellow human being is agony over the *lack of development of those human beings!* When you see a person who is not a monkey, acting like a monkey, that is very depressing! If it's George Bush, you can explain it away.

But to take a child, and take children, and when we see abandoned children throughout the world today—who have nothing! They have no means to connect themselves to their human identity, the role they have to play in shaping the future of mankind; they have no access to that! They're barely able to survive, if that. What kind of a society is it, that denies to a child, who is the instrument of immortality in society for humanity, to deny that child the right to development, by means of which that child can make a useful contribution to humanity, and find a sense of identity in making that contribution? That's what's taken away from us.

## History Is Very Short

Now, I want to take this [see photo on cover]. All right, this is what the true model of a Democrat is, especially the Democratic Leadership Council, DLC-type of Democrat. It's funded by all the kinds of people who funded the attempt to impeach President Clinton—fine Democrats of that type. And the key thing—the two are very closely related, which typifies again part of the problem we have. Because Rumsfeld, and George Shultz, and Rohatyn, all have a common policy. And the policy is, to destroy the U.S. military as a government operation, and to hire private corporations to replace the government-controlled military. Why?

It's like the Crusaders: The military power of the planet is to be turned over to private organizations, which are funded and controlled and managed by large financial syndicates, such as that Nazi-like syndicate to which Rohatyn belongs. They *all* are on that side. That's the relationship.

Is this a Democrat? Is this *thing* a Democrat? This man of evil, this thug?

Look at the history of this planet. You know, known history is really very short. The existence of the human race is very long. We know a great deal about that, and the earlier history, because there are records of calendars, which are the products of studies of astronomy. In that sense, we know something about the minds of people who lived tens of thousands of years ago, or maybe 200,000 years ago, from these calendars. And it can be proven, the dating of these calendars can be determined by astronomical calculations.

But the known history of mankind, that is, where we know the thoughts and words of people that governed society, is relatively short. It's only a few thousand years, maybe 10,000 or 12,000 years. That's what we know. Out of all of the hundreds of thousands of years that mankind has existed, we know actually directly, how they thought, what they said, what it means.

So therefore, when we're talking about principle, it gets very narrow: The existence of European civilization in particular, as European civilization, as a civilization we know as such, dates from about the time of about 700 B.C. in ancient Greece. Coming out of a dark age, from an earlier period of Greece, and out of the region generally, you had the influence of ideas from Egypt, in particular, which went into Greece in the form of the work of Thales, the Pythagoreans, Solon of Athens, and so forth; and this is the beginning of the European civilization. There was no European civilization as a culture, until that time.

So the whole of European civilization, of which we are a part, in the Americas, and wherever European civilization has touched the world as a whole, culturally, we are a part, a very short part, of the actual history, existence of mankind—a few, 10,000 or more years. We know this fairly well, inside. Because we can trace it. You had ancient Greece, the Peloponnesian War, the things that followed; the rise of this pestilence

of evil which contributed nothing but filth to mankind, the Roman Empire. The Byzantine Empire following that. You had an attempt to raise civilization to a higher level, under the Augustinian influence, manifest by Charlemagne. The attempt to bring the Jewish world and the Islamic world together with the Christian world, under Charlemagne.

That was destroyed. It was destroyed by campaigns against Judaism, against the Jews, against Islam, called the Crusades, financed by the financier-oligarchy of Venice; and run by a bunch of butchers called the Norman chivalry. This went on for about 300-400 years: It was the Middle Ages, and became known as the Dark Ages. Civilization did not disappear, but the civilized currents of mankind were a tiny, very much endangered minority.

It was only with the 15th Century, that modern European civilization emerged around the Council of Florence. But then, immediately, the residue from Venice came back with this religious warfare: from 1492, the expulsion of Jews from Spain, into 1648, the Treaty of Westphalia, all of Europe was *torn apart!* By the butchery of religious warfare.

And during this period, you had the emergence then, of the developments in North America, of the colonies trying to find a way of expressing *civilized* European ideas in life, away from Europe where it was seemingly impossible. You had a brief period of development of France, around Mazarin and Jean-Baptiste Colbert, a florescence of science. That, in turn, was then crushed!

We had the rise of the British Empire, in 1763, which was the *casus belli* for our war of revolution against Great Britain. And since that time, Anglo-Dutch Liberalism as an imperial force has dominated the planet, and has been the persistent enemy of ours, as a nation, our republic.

Now, we come to the point very simply, that Felix Rohatyn, with the Nazis for whom he works, is now trying to destroy the United States, as part of the process of creating a global empire, called globalization: In which no sovereign nation-states exist, in which humanity is depleted by death, disease, hunger, destitution. And depleted to levels, which *they themselves* say are below 1 billion people—preferably 500-700 million people, the greatest rate of death in all mankind. To bring the population down to levels of stupidity, at which a minimal population can survive, under the tutelage of the kinds of people which Rohatyn and his owners represent.

History is very short.

## The Seeds of Greatness Within Us

So we have this United States, which is the only place from which a successful reversal of that threat can occur—here. You may not think that. I have a much higher value of estimate of the United States, than many people do. Because I know *what's inside us*. Not just inside us, as our impulses today. I know what's inside our culture. I know where the seeds of greatness within us lie.

If we moralize our people, give them a sense of hope, a sense that we can beat this, a sense that we can overcome, as Franklin Roosevelt looked at matters in his time, as he entered office; if we have that sense, there is still greatness within us. I went through this: Remember, I was born back then. I don't have quite the credentials of my friend, Amelia, on this count, but I have a few: I was born in 1922, and I was rather a conscious young lad, and I was well aware of the degeneracy in which the people of that time, the 1920s, lived in the United States. And I saw them crawl out of that degeneracy in the course of the 1930s. We were not very good then. We were pretty corrupted. But we did a good job, and we established an optimism around the Roosevelt recovery, and around our *mission* to try to free the world from this Hitler menace.

Let me just explain that: 1940. The beaches of Dunkirk. Hitler had a policy which underwent a change. The original program assigned to Hitler by the British and French, who put him into power, with support of people like Mr. Bush, Mr. Prescott Bush, in New York City, was to have Hitler move against the Soviet Union. And then, when Hitler was deeply tied in the Soviet Union, to unleash British and French forces on his ass, and thus make a mess of everything, and finish off Germany forever. The German High Command said to Hitler, "Uh-uh, uh-uh, we don't go with that. You never attack Eastward first. You attack Westward first." So therefore, the Nazis developed a second plan. The second plan was to go Westward, and to get the French and British to surrender to the Germans; the British under the Nazis, would make an agreement, and then they would, *all together*, march Eastward—

and destroy everything in sight. That was the plan.

Now the reason this plan worked, as it seemed to, was because the French command, of the people who represent what Rohatyn represents today, *rigged the French defense*. The French had a superior military power to Germany at the time of the invasion of France by German forces, in 1940. A superior power! Why did they lose the war then, so disgracefully? Because of the inside, the fifth column: The French government and intelligence services, military, were controlled by pro-Nazis. And they arranged to keep the gap, the Ardennes Gap, open, without French opposition, so the Germans could come in through that open door, to hit the French forces on the flank, and the French forces were routed. The French immediately, being Nazi-controlled already, surrendered to Hitler, in two contingents, the Laval government in the North, and the Pétain government in the South. And they worked for the Nazis! Jewish bankers worked for the Nazis! On the French side, that's what it was.

The British were about to do the same thing. But Roosevelt had intervened in the internal affairs of England, in such a way, and playing upon certain things in Winston Churchill's instincts, to prevent the British from surrendering. And what Churchill did, with Roosevelt, was to order that, if the invasion of Britain should occur, by Nazi forces, the entire British fleet, and the fleet of the colonies, would congregate *under U.S. command*, and go across the Atlantic to join U.S. Naval forces in a joint command against Hitler.

That prevented Britain from joining the French, and becoming vassals, and flunkies, and lackeys for the Nazis. But for the strength of the United States, and the intervention of Roosevelt, with the British, you would be living either in a Nazi empire today, or the remains of a Nazi empire today. And what Rohatyn represents, is the same group of financier agencies. He may not wear a swastika—but he should. Because he's as guilty as hell, and he's typical of those people who were really the power *behind* the Nazis—not the Nazis themselves, but the power who owned them, who deployed them, who used them—who were not prosecuted at the end of the war.

And those people who were not brought to account for their role in bringing the Hitler menace into existence, those people are the people who are trying to destroy the United States today. And the Rohatyn phenomenon is a symptom. If you like Rohatyn, you must love treason.

Thank you.



Composite by EIRNS

*"And those people who were not brought to account for their role in bringing the Hitler menace into existence, those are the people who are trying to destroy the United States today. And the Rohatyn phenomenon is a symptom. If you like Rohatyn, you must love treason."*

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## A Message From Amelia Boynton Robinson

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**Freeman:** While you're thinking of your questions, we have a special guest here today, and Lyn thought that it would be very useful for people here, to hear from her. And I really couldn't agree more. She is somebody who has played a critical role in this movement for several decades, and who played a critical role long before this movement even existed in its particular form. I'd like to call up to the podium now, somebody who really needs no introduction: the vice chairwoman of the Schiller Institute, and somebody who does stand as a national monument here in the United States, Mrs. Amelia Boynton Robinson.

**Amelia Boynton Robinson:** This is really a wonderful privilege to stand and look at you, and in your faces. But I know when our chief, our leader—the leader of the world!—was speaking, while I was sitting up here, I was thinking, “Gee, aren't our hearts burning within us?” And I know you have questions to ask, and I'm going to try to make this short, but in the meantime, you will be thinking about the questions you're going to ask.

I'm thinking of how often Mr. LaRouche has stood before us, and has talked about what is happening, the forecasting of what is going to happen. And I thought about a minister, who had a very big congregation, and when he gathered them, he said, “Repent ye! For the Kingdom of Heaven is at hand.”

The next Sunday, he took his text on “Repent ye! For the Kingdom of Heaven is at hand.” And every Sunday, he would have the same text.

And one of the deacons said to him, “Brother Jones, why is it that you don't change sometime? Why is it that you keep on preaching the same sermon? Why is it each time you add something to it, and add something to it, but the foundation is the same?”

He said, “Well, I'm going to keep on preaching that the Kingdom of Heaven is at hand, until all of the people will realize that, and straighten up and fly right.”

So, this is a message that needs to be preached! All of the time! You can not look and say, “Well, that will never happen, and this will never happen.” But it happens, and we have seen, by the forecasting, that we are really getting to almost the end of time, if we don't straighten up and fly right. And I think each of us here can be a messenger, to our communities, and to our cities, and to our states. And let the people know just what's going to happen.

I'm quite sure that many of them are really feeling the pinch now, but they may ignore it. They realize that, they have to pay so much for even a loaf of bread, \$2 and something for just one loaf of bread! And then I think of the time that my grandmother said, that they would have a wheelbarrow full of money to get a loaf of bread. And then I remember the time

that I could take \$5 during the Depression, go to the grocery store, and get what I needed, and particularly meats, as well as some of the staple groceries—and come back with change. But now, if you get a good steak, I mean just for one or two persons, you're going to have to pay \$8 or \$9 for a good steak! So, isn't it time for us to straighten up, and fly right?

I also think of a song that Mother used to like so well, and it was Tennessee Ernie's song, with reference to the coalminers in the northern part of Pennsylvania. And it goes somewhat like this—and I can't sing, but I'm going to tell you the words:

“Sixteen tons, and what d'you get?

Another day older, and deeper in debt.

St. Peter don't call me, 'cause I can't go,

I owe my soul to the company store.”

So, we actually owe our souls almost to the mortgager, to the credit cards, and to anybody else who would loan us some money. Now, don't we owe our souls to everybody else? And isn't it time to listen to the message, and to say that, “I have an obligation to spread this message,” and to know that we have to save this country? And by saving this country, we will be able to save the world. Why? Because we have enslaved ourselves to the company store: We have gotten to the place where the credit card company owns us, the mortgage holder owns us, and anybody else who loaned us money, they own us. So, we can not just sit down, and say, “let the other fellow do it.”

I am so proud of Lyn having thought of saving not only this country, but the entire world. I am so happy, that through the eyes of the young people, he has been able to see that we're going to be able to do a better job, and to shake up these people. Because if we don't shake them up, we'll never be able to save this country, and this world. And just like other countries looked at us for help, and for example, particularly from the time that Roosevelt became President, we can do the same thing again! We can put our country back on a standard, where all of the other countries would look at us, and say, “We would like to emulate the things that the United States of America is doing.” And this will be through the eyes of the young people.

### The LYM Comes to Tuskegee, Alabama

And it was either the latter part of last year, or the beginning of this year, when Lyn and I were talking, and I thought about the struggle that we had, back there in the '50s, the '40s, and the '60s, and I thought about the man who came in, the young man, a student from Fisk University, who came to Selma, and how he gathered these young people. And today, we have the Civil Rights Bill and the Right To Vote Act. It was only through the young people, that we got these things that we should have, according to the Constitution of the United States.

So, I said to him, “You know, I would like for some young people to come down to Tuskegee.” And he immediately thought it was a good job! And good thing to do! Why? Be-



EIRNS/Stuart Lewis

*Amelia Boynton Robinson, Civil Rights heroine and vice chairwoman of the Schiller Institute: "You can't go to Heaven, unless you know how to live on this Earth! And if you do that, as these young people are doing everywhere, you will be able to set the world on fire!"*

cause, like before 1965, adults, business, and professional people were asleep, both black and white. The blacks were asleep, because they figured, "We can't do anything about it. The white people got all the money and everything, so we have to obey them." And it was almost a "Yassuh, boss!" type of thing.

The whites had been trained by the Ku Klux Klan mentally, to "keep the darkies asleep on the cotton, don't wake them up." And blacks were afraid to wake up, and white people, though many of them didn't have anything, they thought they could have "self-esteem" by keeping this man down—made them feel like they were "somebody." And there were many ways, even financially, they didn't have what the others, what the people of color had. And they needed to be awakened. And it's the same thing, now, not necessarily racially, because we all are sitting down in the entire country, and the entire world are going to pot.

And when Mr. LaRouche sent these people in, he sent four people. And you know, they shook up Tuskegee! I mean, shook Tuskegee up! They came for the purpose of helping the Democrats—see, we had an election, and they were campaigning. And the objective was, to campaign with the Democrats. And there was one man who was running for sheriff, and this man was one that I talked with, I had meetings with him, and I found out that he was the type of man who had a clear conscience. He didn't believe in hatred, he didn't believe in being bossed, and then being bought, like a whole lot of

people are, who have offices. And there were people who actually came to him, and said, "I'll give you some money on your campaign." He said, "No, thanks. I don't need it. I will just take the money that I have in my pocket. And even if I have to mortgage my house, I want to live in such a way that I will not owe anybody anything should I become sheriff." And of course, the man who was sheriff, and who was reelected, is a man who has been bought, and he's being bossed.

And, unfortunately, the eyes of all people have not been opened, and I'm talking about the citizens.

And that reminds me of a little boy, who had some puppies. As soon as the puppies were born, he decided he was going to sell them. So he got a basket, and he put these little puppies in the basket, and he started going around to sell them. He went to one lady's house, and the lady said, "How much do you want for a puppy?" And he said, "I'll take 25 cents for it, for one." And she looked at the puppy, she said, "I don't think I want

it." Because the little eyes were closed, it was little and emaciated, and even wet. So she said, "No, thanks. I don't want it." And he went on.

A few days afterward, he came on back, to sell the puppies that he had not sold. And he went to the same lady. And said, "Lady, won't you buy this puppy?" She said, "How much do you want for it?" "I want a dollar." "Well, you came by here a few days ago, and said you wanted 25 cents for them. Why do you want a dollar for them now?"

"I want a dollar for them, because their eyes are open now, and they were closed the first time."

That is what the young people are doing in Tuskegee and the state of Alabama, and in the South! The little time they have been down there, they have been able to touch a lot of people who are in different parts of the state. And I see, personally, I see that if we were to keep on, the South will be just like this state, and other places where we have districts.

The beautiful thing about it is, they came in with their boxing gloves on, and they didn't even stop long enough to eat. They said, "Where's the fire? Or, where's the land?" But they have been able to go into places that I have never heard of, in Tuskegee. They have gone into the rural districts; they have gone into communities; they have gone into the elderly people's places. And I mean, they didn't go there, and say, "I want you to vote for Frazier for Sheriff." But they went and sold themselves to these people whom they contacted. They got them to the place that they began to think! Their eyes are

becoming open!

And the beautiful thing about it is, they're not through, yet! They came to Tuskegee, they worked, they fell in love with Tuskegee, and Tuskegee fell in love with them. And you know what they said? "I want to come back." Now, all of them aren't here. There's one fellow, Carlo, who is still down in Tuskegee. And I heard this morning that he has gathered a number of people, the potential sheriff, his wife, an attorney, and two or three others—about seven people—and said, "Come to the house: we are going to listen at the webcast." Isn't that beautiful?

I say to you, that if we were to listen to the things that Mr. LaRouche is saying, if we were to not keep it within ourselves, but spread the Gospel—it's actually the Gospel! You can't go to Heaven, unless you know how to live on this Earth! And, if you do that, as these young people are doing everywhere, and particularly down in Tuskegee, you will be able to set the world on fire!

Thank you.

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## Dialogue With LaRouche

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**Freeman:** Well, based on what Amelia said, I also add a special welcome to the audience in Tuskegee.

We're going to proceed to the questions, now. I have a bunch of questions that have been submitted by various people on Capitol Hill, and from some of the think-tanks here.

### A Message From Sen. George McGovern

I also have a very brief contribution from a former Presidential candidate and United States Senator that I'll just read to you quickly. This is from Sen. George McGovern. His name may be familiar to some of you, although certainly for the LaRouche Youth Movement, he was an "item" before you

*Former Senator George McGovern sent a message to the webcast saying that he thought the audience would be interested in a bill he had sponsored in the Senate, the Economic Conversion Act of 1963. One of its aims was to get workers involved with Congress in discussing how to convert the wartime machine-tool capability for peacetime uses in agriculture, industry, and infrastructure.*



guys were born. It says:

"In a discussion with one of Lyndon LaRouche's representatives this morning regarding the U.S. Economic Recovery Act of 2006, former Senator and Presidential candidate George McGovern said that he thought people attending this meeting would be interested in a bill that he had sponsored when he first entered the Senate. It was called the Economic Conversion Act of 1963. He had about 30 co-sponsors for this bill, which included a section which called for workers in each factory, discussing with Congress their input about how to convert the crucial World War II machine tools into new peacetime uses in agriculture, industry, and infrastructure. As the Vietnam War escalated after President Kennedy's assassination, most of the co-sponsors of his bill faded away. If this bill had been passed, it would have become a normal precedent for government-labor-industry cooperation, and would have averted the kind of crisis we are faced with now.

"Senator McGovern has been travelling, and has not had a chance to go through the draft U.S. Economic Recovery Act of 2006 thoroughly. He especially wants the LYM members whom he talked to at the Massachusetts Democratic Convention, to know that while he was signing autographs in the big crush after the meeting, he misplaced the pamphlet they had given him to study. But now that he is back in South Dakota for a few days, and has the legislation in front of him there, he wanted the LYM members to know, that he intends to give it his careful attention."

So, we thank him for this contribution to the meeting. And I think now the LYM members know they can expect a direct response from Senator McGovern, soon.

### Can't Globalization Work?

Now, the first question that we have for Lyn, comes from someone who's currently at the Brookings Institution, who's associated with the new Hamilton Project there. And he has submitted what he calls a "basic economic question."

He says: "Mr. LaRouche, for those of us in this field, the choice between globalization, on the one hand, and strong national economies, on the other, represents a choice between two diametrically opposed philosophies of political economy.

"But this is not necessarily immediately obvious to the layman. Most of the opposition to globalization that we see among the population comes from those whose opposition is born of job-loss as a result of outsourcing, but their overall understanding is fairly limited. The question that comes up repeatedly, is: Why not reorganize the world economy in such a way that is 'more efficient'? Let Latin America produce our food, let Asia make our cars and our clothes, and let the U.S. move beyond that to a 'New Economy.'

"I think it's very important for you to take this up, because what may be obvious to us, is not obvious to everyone. Why not do it this way? Must each nation be

able to produce adequate food, energy, and other such necessities within their own borders? Or can we move to this kind of rationalization of the global economy, and live happily and healthily? Please respond.”

**LaRouche:** One of our biggest problems today, relative to what we used to have as problems, prior to 1968, is typified by what I first encountered around Harvard Business School, and MIT also, in the late 1950s and early 1960s: That I wouldn’t give you two cents for corporate management today. There’s no comprehension in what you get from the garbage of techniques in management and so forth, then or now—it is worse. For example, in the case of the auto industry, I said, it’s obvious to me that you fire all of the top management, on the basis that Enron was no good! Because there’s no difference between the thinking, which is like a Pyramid Club-thinking going on in top management in these large corporations, and what was going on at Enron.

The Enron philosophy pervades the United States!

Now, the result of that is, that the essential problem of management is no longer understood. Management used to be leadership, when it was good. And if it wasn’t good, it went bankrupt. Because, leadership meant providing ideas, or coordinating people in developing ideas. You didn’t have this kind of touchy-feely kind of management, mixed with whips and lashes. It’s nonsense! It’s pathetic! It’s a ’68er mentality.

Now, the problem here, is that most managements don’t know anything about anything of importance. They’re good at grabbing money, but that’s all. You look, for example, at the rate of profit, or profit margin today. It’s absurd! You can not run an economy on those kinds of profit margins! You have very little product cost and much margin. And it works on the basis of so-and-so owns this, and so-and-so owns this, and everybody has their “take” on top of cost of the product. I used to say, back in the early 1980s, the way the U.S. economy was going, you were going to end up with Detroit with one giant skyscraper. And this skyscraper would have different layers of offices and management on each floor. In the basement, you have one guy with a hammer, producing the product! And that’s the direction we’ve been going in!

What is not understood, because of the way in which economics is taught, and management is taught, especially economics, people don’t understand the relationship between infrastructure and production. For example, if I take two plants, and I put people in who are trained to do the same



*“No more cheap labor policy”: The advocates of globalization don’t understand the relationship between infrastructure and production. You get a better product when the production workers have a high quality of infrastructure, schools, and a functioning community. Globalization, “saving money” relegates workers to abysmal conditions of poverty, as in this “maquiladora” in Mexico, to which U.S. production has been outsourced.*

thing in these plants, as workers; if I put it in one location, one part of the country, I will get high productivity. If I put it in another part of the country, with the same kind of program, same investment, I’ll get low productivity. What is the cultural level in the schools? What is the cultural level in the neighborhood? What are the quality of the schools? What are all the things that go together to make life? See, life is not going to work, and doing a job and leaving. Life is life in a community, a functioning community. And if you have a community which has a high level of infrastructure, quality of infrastructure, good schools, good education, a stimulating intellectual environment—.

You saw the thing, the “Go South” operation, and the first stage of globalization was going South. You move the factories from the North, where you had infrastructure, and fresh water, to places where they had stinking water, and very little infrastructure! And you said, “Now, you’re going to save money.” The runaway textile industry was a pioneer, going South on that. Then the things came in after them. You get poorer production.

Production is dynamic, the organization of good production is dynamic. You don’t have one guy following a recipe to do one thing, when some guy is standing over him, to direct him. You have an interaction of things. How intelligent are the people in your neighborhood? How intelligent are the people in your town? What’s their standard of living? What is their ability to innovate?

We used to have the thing, I used to study, in the old days,



Soviet literature—translations of Soviet literature; I never learned Russian; but translations—on reports by Soviet authorities themselves, on the problems of management in Soviet factories. And the typical story was, that a new machine was brought into a factory. And the “woikahs” in the factory didn’t like the new machine because it wasn’t like the old machine! And they would find some way to push the new machine aside, and say, it doesn’t work, and demand a replacement for the old machine! In other words, the characteristic of the Soviet economy as a whole: You had a military sector on a very poor productive base, which performed scientific miracles in terms of producing military capabilities. But at the same time, the production of civilian goods, under the management of the “woikahs,” stunk! Because the idea of management and the idea of creativity, the idea of leadership—you’re taking a population in Russia which can come one or two generations out of poor peasantry, almost slave peasantry, and you put them in a factory, to run a factory, in the way the workers are going to run the factory—it’s not going to work! They need leadership! Because they’re not familiar with the ideas of science. They’re not familiar with the ideas of technological progress. Only a minority are.

And the key thing is, in the old days, you wanted to build an industry: Look at the local schools; look at the local hospitals, libraries; what’s the thinking in the community? What are the kinds of social activity going on in the community? You would search the whole community before putting it in that area, because you wanted to know what was the total dynamic environment in that community. Because you’re going to move a few key people in there, where you’re going to find people who would be agreeable to the kind of production you were doing. If you needed a high degree of innovation, and this became more and more characteristic to maintain U.S. industry, you need more innovation! Well, an innovation factor, means that the cost factor that you build into total production, is higher. You had much more on research and development, much more on science, much more on advanced training; you send your people out to be trained in advanced courses in this and advanced courses in that, to new experiences; ship them over to see what the other guys is doing. And you get a higher potential for creativity, and just plain innovation in production, in a quality of product.

You would have, in a good factory, in the old days, with the suggestion box or other methods, you would find out that you had a *high degree* of improvement, in quality of production and technology through the workers themselves! Because you had a stimulation. People would be staying up nights on weekends, working out something they were going to put in the suggestion box. The auto industry in particular, particularly from the World War II experience, was *full* of this stuff!

And when the industry began to go to hell, we began to lose to the Japanese, is when that stopped. With the Black Lake project, where people began to say, “No! We got to drive

these guys, harder, *harder*, get more! Speed up! Speed up!” You have some jerk with a clipboard running around, called an “engineer”; and he’s got an incentive to cut the pay, or to speed up the job. And you get junk.

I remember in the 1950s, surveying the auto industry on the retail end: You would find Coke bottles and sandwiches in the car, because somebody had put their lunch down, and it had gotten trapped in the process of assembling this particular vehicle—“what’s the stink here? Oh! That’s the Coke bottle.” The speed-up was crazy! Whereas originally, the idea was, you had a craft—yes, you worked hard—but you had a craft, a sense of pride in the product you were producing. And having pride in the product you’re producing, you pay attention to things that are not on the schedule! You know it’s going to make the product bum, so you don’t let that go out! You take pride in your work. You’re concerned about the quality of life your family has, not just, you know, what it’s like to go home and drink a beer in front of the television set, or something. That’s not the important thing.

Because you’re going to die someday. And the biggest problem you had with industrial workers in the old days, is, they died too quickly once they retired. You get the gold watch, and then two days later—die! Because they’re cranked up to work like hell, and they come to retirement age, and they take the first vacation—beep! Gone!

Because then life is not organized in such a way that they have a personal life in which work is simply an essential part of that personal life. But they have primarily a personal life. They think about the life of their children, not just sending their kid to be successful: But a personal life, a community life.

And so what good management represents, is an understanding that there are certain costs, which cheapskates don’t like to pay, the time-study people don’t like to have paid. But these costs are not really lost costs: These costs are factors which, properly understood, become the basis for the improvement in product and design of product. You want to develop the people. And that is good management.

Sure, not waste, not slop. That’s easy to get it. But people today think in a mechanistic way about production. And production is dynamic. It’s human production. Why not hire gorillas? Why not have chimpanzees? Why do you have people? Why not have automatons? What do you want people for? Because people have creative powers in their mind. You want to develop those creative powers, and you want to, above all, not merely produce a product which you *sell*—yes, you do want to sell it—but you want to produce a product which improves the people who make it. Because it challenges them, and gives them a sense of satisfaction: “I made it better.”

This was, you know, in World War II, this was the pride. We could produce something out of nothing, and make it work, and make it better!

Everyone’s going to die: So what kind of a life are you leading that’s leading to death? Are you a chimpanzee, an

animal? Or, are you a human being? Or do you have a sense of some kind of immortality embedded in your living? Are you trying to do something which is good for all time for mankind, in your own way? In some degree? Something that your descendants can be proud of? Something your community can be pleased with?

And it's the motivating of this intellectual power, this creative power in the individual, which is absent in the animal, which is the essence of good management. It's the subjective factor of management, and that's what's missing.

And therefore, the problem today is, is we need to think about designing production—first of all—this is an important question. Let me take one other aspect of this thing.

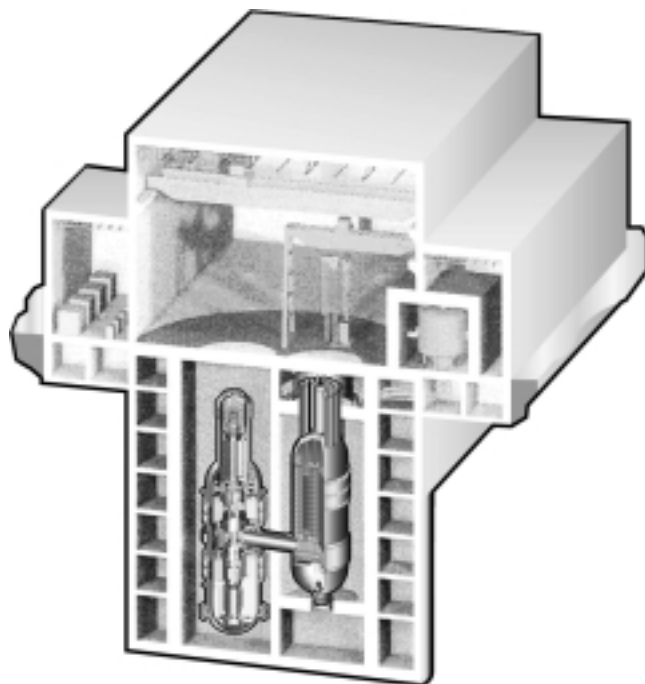
## What Is the Division of Labor?

Look at the world—because it's implicit in the question. The world today, the question is, what is the division of labor? Let's take the case of China and India. Now, China and India are not wonder-miracle stories. Yes, the Deng Xiaoping leadership in China, was part of a change in the character of Chinese production, Chinese economy. It was in a certain sense successful, but don't exaggerate that. There are lots of problems.

One of the biggest problems is that China is leaving a lot of its population undeveloped, while using a lot of its population as cheap labor to produce American and European goods by cheap labor for an American and European market. What happens if the European market and the U.S. market collapses, what happens to China? Not very good. What happens to India, which is a somewhat different case, but has a somewhat similar problem?

What's the problem? Well, in China there's not adequate development of water management. Well, they're working on that with these large dams, like the Three Gorges Dam, things like that. Absolutely essential. No excuse for not doing it. But they don't have enough power. What do they need? They need nuclear power, *lots of it!* India's prepared to go with a nuclear power program, a high-temperature thorium reactor from 120 MW up—in multiples, 100, 200, 400, 800. You can produce synthetic fuels, you can produce from water, you can produce hydrogen fuels. Ah! Water! Well, we've got a water shortage all over the world! You can't get drinkable water! We've lost it in the United States. So, what do we need? We need nuclear power to produce potable water so you can get safe drinking water out of the faucet again, as we used to be able to do, 40 years ago. Can't do it any more—get worms, instead.

So therefore, what you have, is you have a Chinese population of 1.4 billion people probably, at this stage, or more; over 1 billion people in India. The rest of Asia in a similar condition. What are you going to do!? You're going sit back and say, "We're talking about competition"? Hey, you're an idiot! We're not talking about competition: We're talking about survival of the human race for the future! *These people*



Courtesy of General Atomics

*The high-temperature gas-cooled reactor is needed as the power source of the immediate future: to desalinate seawater, produce hydrogen for fuel, produce process heat for industry, and provide enough electricity to power development. In this General Atomics design for the gas-turbine modular helium reactor, the reactor (right) and power conversion system (left) are located underground, with the support system for the reactor above ground.*

*need more raw materials.* To raise their standards of living, to develop their economy.

The population is going to increase: We're headed toward 8 billion people on this planet! We're already beginning to draw down the best natural resources at rates more rapidly than we can replace them. So what're we going to have to do? We're going to have to have within 25 years, we're going to have thermonuclear fusion. Why? Because we're going to have to use plasma torches to reprocess poor-grade raw materials, and turn them into high-trade raw materials. To deal with the water problem, you've got to have high-temperature gas-cooled reactors, in order to take salt water, other kinds of water that's not drinkable, usable, and process it.

You're going to use petroleum forever? Move this petroleum in cans all over the world? Cheap stuff like petroleum, move it at high prices in cans? When it's becoming more expensive? No! You're going to have a different fuel: You're going to have a much more efficient kind of chemical fuel, hydrogen-based fuels. How do you make hydrogen-based fuels? With a high-temperature gas-cooled reactor: 800 degrees, that sort of thing.

So you can produce hydrogen-based fuels locally, by the same power station, nuclear power station, that produces your

power, that produces industrial process heat for your factory production, and so forth and so on. Now suddenly, you have, instead of a dirty community, you have a clean community.

All right, therefore, we have Europe, we have the United States. Reorganize the United States to say, cut this cheap labor out. We don't want Americans doing cheap labor. We'll do what we have to do to maintain the economy, but *no more cheap labor policy!*

We now go to a high-temperature gas-cooled reactor type of technology; high capital-intensive technology! We have a cultural standard that enables us, as I've proven it with these young guys, in our educational program for the Youth Movement: We can do it! We can produce a better educational

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*Instead of whining about the fact that a Congressman is no damn good, we're going to go to the voters, mobilize the citizens to bring the Congressmen in line.*

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program for science orientation and cultural orientation, than exists in universities today! We know how to do it! We're already in that direction. We're going to do it! We can take the existing population, inspired by young people in their 20s, to get off their butts and begin to think again, begin to feel it again. We can start, and shift the United States into a high-gain, capital-intensive, science-intensive production, to *produce the needs of the world!* Together with parts of Europe which have a similar capability.

Therefore, we're going to specialize, not in dividing product among this nation and that nation. We're going to specialize in being—we are going to be the planetary *science-driver capability*.

What we need is a Congress which gives up its '68er, masturbatory policies. Gets back to reality, despite being born as a '68er. You're going to have to orient this economy for an emergency, to prevent a general collapse *which is coming on now!* It's coming on this year, unless we change.

So anybody who doesn't change, now, from the current trends in the Congress, is an idiot—or worse! Therefore, we're going to have to do it. What are we going to do? We're going to adopt a policy, beginning with rescuing the machine-tool capacity associated with the auto industry now, for new products which will provide the ground base for a high-intensity driver program for the U.S. economy. We are going to enter into 25- to 50-year contracts, long-term agreements, treaty agreements with Asian countries and others, on long-term development, at 2% credit rates, borrowing costs for long term. Because we don't need a high profit rate: We need a high growth rate. That's the difference.

## The Voters Feel Betrayed by the Party

**Freeman:** Okay. Next question comes from a Democratic Party strategist here in Washington. He says, "Lyn, in a recent somewhat informal discussion among leading Democratic strategists, it was proposed that what you've laid out in your recent piece on FDR's Legacy, as well as in the newer pamphlet on the Economic Reconstruction Act, be incorporated into our party platform for the upcoming Congressional elections. I assume that you've been briefed on the rather lively debate that followed that proposal.

"One immediate question that has come to my mind, on rereading both those documents, if I'm reading you right, it appears that you're arguing that the election is already far too late, and that action has to be taken now. The fact is, that while incorporating your proposals into the 2006 Platform will by no means be a cakewalk, I can envision that happening. I'm a lot less optimistic about the possibility of getting action before the elections. I'd like to hear your thoughts on the overall timeframe that we're operating within."

**LaRouche:** The typical Democratic voter, or potential voter, today, would like nothing better than to have his Congressman come back to the district, while the voter is waiting there with a lit blowtorch to apply to the rear end of the Congressman.

This is what we're getting from around the country! The voters are enraged against the Democratic Party leadership and the Congressmen! Because they think they're a bunch of corrupt dummies, who've lost their testicles. They feel betrayed! They say, "You guys were trying to be heroes in 2005. We thought you were going someplace. Look what you've turned into! You've turned into dead jellyfish on the beach! You disgust us!" That's what they're saying out there!

See, what the problem is with the member of Congress is, he's an idiot. They also have another side, but the predominant side at the moment, is idiocy! What they're saying, in effect, is, "I need money!" What for? "For my campaign." Well, why should anybody vote for you; what do you need money for? The citizens out there, the active citizens who think of themselves as Democrats—and also many Republicans, similarly—are saying, "What's wrong with this Congress? What's wrong with these guys? Where are their guts; where are their brains? What's wrong with them?"

Look, the DLC is key to the problem. What is the DLC? The DLC is an organization based on lynching Bill Clinton; that's what they did. This was the organization which misrepresented all the rest of the clowns who are out there to impeach Bill Clinton, to make way for a Presidency which would be more to their liking—like perhaps George W. Bush, for example. So, the DLC, which has become a conduit for syphilis, is now offering bonuses for those who will accept the infection! And these guys think that they need that money for the campaign.

Now, any campaign needs money. You need a certain amount of ability for logistical capabilities, and nobody better

than our youth has demonstrated that. We can produce miracles with a few youth, and we get by on virtually no logistical capabilities, and that's about it. *But that's what does the job!* You've got to get out and realize you've got to go back to the 80% of the lower-income brackets of the American people, and mobilize them *now*. And you have to terrify the Congressmen and say, "We're not going to vote for you! Why don't you take your money and go someplace, you know, enjoy yourself? But just don't bother us, 'cause we're not going to vote for you, because you're *no damned good for us*. You're not *doing* anything for us. You want to take our jobs, give us a token pension, buy us out and throw us on the street, and throw our family apart, in the gutter. That's what you're doing? We're going to vote for you for that? We don't need to vote for you to get that. We don't have to vote *at all* to get that! So why should we vote for you?"

No, the problem is that the prostitute comes out in them—you know, by daylight, at nighttime—that's when they need the money. That's the problem! What's going to happen, what we're going to do, you know we're not just counting on these Congressmen to come through; we're counting on them coming through, but we know it's going to take a little *assistance* to get them to do that. A little mental and other assistance, encouragement, uplifting experiences, hmm? What we're going to do is, instead of whining about the fact that a Congressman is no damn good, we're going to go to the voters. *Go to the voters; go to the citizens*; mobilize the citizens to bring the Congressmen in line. And we're going to say, "You son of a bitch, you change your ways or you're out!" And they'll listen to that; they understand that language, oh boy!

**Freeman:** Just before I ask the next question, in the way of expediting the implementation of what Lyn just said, I can tell you that when we first made this new discovery, which I guess really is not such a new discovery, but it just provided evidence for what we already knew about the pedigree of Felix Rohatyn, and certainly his involvement in the bankruptcy by globalization of Delphi, it certainly explained a lot of things about what was going on, or what was *not* going on on Capitol Hill. But some people commented, when we put together the White Paper that all of you now have, that this was it, and that now they were going to have to fight.

But I can tell you, that after having spent this week on the Hill, briefing members of Congress on this, that this is a fight that they *really do not* want to have, for I think the reasons that Lyn very colorfully outlined for you. So, the question is, how do we encourage them to actually have that fight? And it was very interesting, because one of the questions that came up, as everyone reviewed this White Paper, and it was a question that was asked nervously, was something along the lines of, "Well, this is all very interesting. Where exactly are you getting this out? Where, exactly, are you distributing this? And, how many do you plan on distributing?" And it was very clear that the unspoken comment was the heartfelt wish that

it would somehow be limited to the geography inside the Capital Beltway.

Now obviously, that is not our intention. Our intention is to get it out everywhere, and to get it out in very large numbers. But in order to do that, we need a couple of things. I mean, certainly, the energy and the tenacity of the LaRouche Youth Movement, I think is well-documented, and I don't have to embellish it; people are well aware of it. But the fact is, that we are not everywhere. And in order for this to really get everywhere, it means that people here, as well as people who are listening over the Internet, really have to become part of this fight.

It also means that we need the continued inflow of funds to make sure that we can continue to do this. And I think it's obvious that the funds for this are not going to be provided by the wealthiest layers in the United States. It really *does* have to come from the very people who are being hardest hit by this crisis. We understand that people do not have a lot of excess money in these times, but the fact is, that there is no money better spent than making sure that we flood the nation with this White Paper, with the proceedings of today's event, with the continued publication of both Lyn's Prologue to the 2006 Democratic Platform, and also the Emergency Reconstruction Act itself.

So, for those of you are here, I hope you plan on leaving here loaded down with lots of material, and since carrying all that stuff is heavy and cumbersome, we'll try to make it easy for you, by relieving you of some of your money, so that your overall burden will be lighter. And we're happy to do the same for people who are listening over the Internet. And members of the LaRouche Youth Movement will help.

Otherwise, before I ask the next question from Washington, I have something submitted here by Mark Sweazy, President of UAW local 969. . . . He says, "Lyn, thank you for your in-depth research regarding Felix Rohatyn's involvement with the Delphi bankruptcy. You may find it somewhat amusing that the United Auto Workers' Convention is being held next week in Las Vegas, at the MGM hotel owned by Kirk Kerkorian."

## Presidential 'Signing Statements'

This is a question from the U.S. Senate, from the Democratic side of the aisle: "Mr. LaRouche, in January of 2001, you warned about the nature of this administration. Most Democrats on Capitol Hill are still reluctant to use the term Nazi, but an increasing number can now see that you are quite right. This Administration has systematically disregarded both the spirit and the letter of the U.S. Constitution, and while it's true that some of it occurred in the wake of 9/11, the fact is, that a greater measure of what has occurred, has absolutely nothing to do with 9/11 or the so-called War on Terror. Most specifically, there are questions now that have been blown up around the separation of powers. This came up during the time of the nuclear option, but it is exploding

on Capitol Hill this week.

“Two developments that we’re looking at: One is the recent conflict that has been widely covered in the press, that I won’t review here, between Vice President Cheney and Arlen Specter, the chairman of the Senate Judiciary Committee, where Specter is infuriated over Cheney’s direct intervention in the business of the Congress. The other is the keen attention of Democrats to the announcement that the American Bar Association is now investigating the legality of Presidential signing statements, and also the legality of this President’s repeated decisions to simply ignore past legislation already signed by his Presidential predecessors.

“My question is this: Is it possible to effect positive policy initiatives as long as Bush/Cheney remain in office? We could pass the Economic Recovery Act, and Bush could sign it, and issue a Presidential signing statement, like he does with everything else, and still do absolutely nothing.”

**LaRouche:** I think the estimate is that the President’s popularity is about 10% of the population, if you’re talking about affirmation of his policy trends, as opposed to something else. And his Vice President is probably down below 10%, or maybe even in negative numbers.

The problem is, simply, what you have is, you have something tantamount to dictatorship in process, on behalf of something which is itself a principle of dictatorship. And remember this—what all these lawyers we have in the United States, and most of them forget Constitutional law, and the origin of natural law and Constitutional law, is that—We have a fight; there was a German scholar, who is an international authority on law, who died some years ago, about a decade ago, a little over a decade ago. And he wrote a book published in 1952, after interruption of his studies by war, on the rise of the modern, sovereign nation-state. Now the point he refers to, which is not unique to him, but it’s a point which was taken up by Dante Alighieri and others over the long history of modern civilization and medieval civilization. That from the time of ancient Greece under Solon of Athens, and the expositions by Plato and others; the idea of the existence of a natural body of law of the people of a republic—that is, in which the binding control over a government, the executive powers of government, other powers of government, have to be based on some principle of natural law. And the processes by which law is adopted, or legal action taken, have to be according to natural law.

Now the essence of natural law is, essentially, first of all it’s the idea of not just the nation-state, it’s the idea of humanity as a whole. In earlier times, as in ancient Babylon, and the Roman Empire, and the Byzantine Empire, in the ultramontane system under the crazy Spanish Inquisition and things like that, there was no regard for natural law. Natural law, of course, is reflected in the idea of *agapē* in Plato in the *Republic*. It’s the same thing as *agapē* is reflected in the concept in *I Corinthians* 13 of Paul: the idea that the love of mankind as a whole is the guiding principle in understanding that mankind

is in a sense an immortal being; that each life is part of a skein of immortality in which the development of the individual in society, and the contribution that individual makes to the future of society, and realization of aspirations of the past, is the nature of love of mankind.

So, one must never act against the idea that mankind is a special species. The ego, for example, in Frederick Engels is this concept that man is nothing but a dingle-toed ape or something, right? This kind of thing. Mankind is sacred, because mankind is capable of making discoveries of universal law, being guided and acting on that basis, and changing the universe through those discoveries. No other living creature can do that, except the human individual person. And this is not some kind of game, like playing canasta together; this is done by the individual mind, with interaction among individual minds which stimulate this process. So the individual has an immortality located essentially in his or her contribution to these ideas, which have perpetual value for humanity and its mission as a whole. This is the principle of law.

Now, the question of how do we organize a republic? First of all, we say we reject the idea that some people do the thinking and other people take the orders. The idea that some people should not discover anything; they should just do as they’re told, while a few people give the orders. The idea of a ruling caste, a ruling class, and a bunch of people who are treated as human cattle, as under the Babylonian Empire, or the Roman Empire, or the Byzantine Empire, or under the feudal system of the Crusades, or under the Habsburgs, or under Hitler; that this is not law.

And the signing-statement concept comes directly from the idea of the executive principle, which is an attempt to resurrect, from what’s called the conservative tendency of law, to resurrect the idea of empire. It comes up at this time precisely—what does President Bush say? Regime change. You go to war to effect regime change. You don’t like a government, you go to war to impose regime change. Who gave you the right to go to war to change the character of a regime? We don’t have that right; no government has that right to do that to another, to other people. You can do certain things, but you can’t go to war for the purpose of imposing regime change by force. It’s immoral; it’s imperialism; it’s dictatorship!

Now, the history of our republic says that a guy who does that is impeachable for, simply for trying to do it. Yes, the President of the United States must have executive powers, but what are those executive powers? Executive powers are to fulfill the *intent* of the law, which can not be done by a parliament. Idiots think parliaments can govern competently; no parliament can govern properly. Our Congress is not a parliament; we’re not a parliamentary system. We’re an executive system; a Presidential system. The President is responsible to all the people for initiating the things that must be done for the sake of realizing the purpose of the republic. He’s responsible. How does he make these decisions? He gets a lot



From "An Inconvenient Truth"

*In the course of answering a question from a Democrat in the Senate, LaRouche said: "You shouldn't have run Al Gore for President; it was a big mistake. That's how you got George Bush, by running Al Gore for President; that's your punishment." Here, Gore in his new film, designed to scare up support from the environmentalist loonies.*

of help; a lot of help, advice, and so forth. And if you don't want an idiot in there; you shouldn't have let George Bush in there. You shouldn't have run Al Gore for President; it was a big mistake. That's how you got George Bush, is by running Al Gore for President; that's your punishment.

## We Need a Constitutional Revolution

So therefore, the responsibility of the individual, the personality of the President is great, but the President is *accountable*. He's accountable to the law-making bodies not to violate the Constitution, to respect the laws. If he doesn't like the law, *veto it*, and fight it out. Don't say, "I'll sign this thing into law, but I have this signing statement; I just changed the law." You are taking over the authority which was assigned to those branches of government. You are establishing a dictatorship. You are becoming a Napoleon Bonaparte, who got himself Emperor that way. You won't get an Emperor Bush, because they don't know which way to go.

So, this issue is *key*. There is no way, and there is no way we can tolerate—and how do you do that? You bring down the damned government. How do you do that? Our way; our Constitutional way. You mobilize to tell the guy to change his ways or get the hell out. How do you do that? You bring him down; you put him up against the wall, until the people decide they're going to support you, in which case you impeach him, and replace him. We never had to make a revolution in the United States in order to effect the purpose of our government. We're one of the few governments in the world, one of the few systems in the world that never had to do that. Our system provides in principle all of the means to remedy

our evils among us. We don't need to get to extraordinary measures.

Now the key problem here with the signing statements is simple. Over the period since 1968, since the evil 1968er demonstrations, which said blue-collar workers are no damn good, and farmers are no damn good, and technology is no damn good. And having to wear clothes is no good. The 68ers, who were educated from the privileged layer of the population, which was sent to the better communities, so-called, targeted for Harvard and other places like that; intended to become the leaders of society in some capacity, professional or other. They were specially conditioned by a dirty operation called the Congress for Cultural Freedom, which is modeled on ancient Greek sophistry, which destroyed ancient Greece.

So this generation, which is born after 1945 to 1957, this generation in 1968 exploded, took its clothes off, threw away its morals, and said, "We hate working people.

We're going to bring progress to an end. No more nuclear power, no more progress. We going back to Nature."

And therefore what happened, as a result of enforcing this, enforcing these policies, as under Carter, which were enforced not just by Carter, but by Brzezinski and the Trilateral Commission: Under these policies, we had a breakdown of the U.S. society. We had built up, under Roosevelt and following, we had built up a system in which the rights of people, the social rights of people and the idea of protectionism, were built into the system. What was done under Nixon and under Carter, was—for over a decade—the destruction of precisely those things which are the so-called "Roosevelt reforms."

So, now suddenly, the lower 80% of the population has no rights; and they know it. And therefore, you have a split between the upper 20% and lower 80%, especially the upper 5% and the lower 80%. So, the lower 80% says, "Well, we vote for the party, but we don't have any say in the party." Look at the size of the meetings held by the local Democratic Party organizations. Who says what is decided, what is discussed? Nothing is happening. So therefore, you say, "Well, I'm a citizen, I have the right to vote. What the devil does that mean?" You don't have a right to influence the decision of what to *choose* as the issue to vote.

Like this case of the auto industry—you have over 300,000 people who were employed in the area of the auto industry and its auxiliaries, who are now—with their families, and with their communities—are about to be extinguished, and turned into virtual slaves, or cast-offs. Who had the right to oppose that decision? Or who *should* have had the right to

oppose that decision? Where is *vox populi*? What you have is the people—*vox populi* is the DLC, which represents the big moneybags which are swindling and ripping off the United States and the world; they buy the politicians, and the politicians say, “That’s our constituency, the DLC, and the people can go to hell. We’ll pass sandwiches out on Sundays.”

Now that’s our problem here. The problem is, you need a revolution. You need a revolution by simply enforcing the intent of our Constitution. The way to enforce it is: “We are in danger; we are suffering; we are about to lose our country; we’re about to lose our way of life. You can’t take it away from us, and have us sit back and allow you to do that. We are going to just pull down any politician who continues this policy.”

And if the American people decide that they’re going to do that, or a large number of them, believe me, the change will occur. The problem is, that the lower 80% of the population has no confidence and belief and trust in the upper 20%; that’s what the problem is. And they say, “There’s nothing we can do about it.”

How many people tell you, when you talk about these issues, “Yes, you’re right, but there’s nothing we can do about it”? And by saying there’s nothing you can do about it, you excuse yourself from doing something, whereas if you were organized properly in a political organization, you *do* have something you can do about it. With the number of people in the auto industry, and the families and the people affected, we could pull down the whole structure of policy overnight. But the people aren’t together; they’re discouraged, and they don’t have many leaders they can trust.

And people say, they’ll say to me, directly or indirectly, “Yeah, you’re right, but uh, we can’t ” they say, “We can’t vote for you; we can’t support you.” And therefore with that statement—they’re saying to me, in effect, “We can’t support you”—they condemn themselves to Hell.

The way you deal with this problem is simply stop the process. This is our republic; the people created it. We fought for it, we maintained it. We fought for it under Roosevelt, we fought for it in World War II. We saved the world from Hell by fighting Hitler, and without our help it wouldn’t have happened. We are the people; if we will get together, we will find that we have the power in our hands to deal with this problem.

## The Issue Is Not Iran; It’s Globalization

**Freeman:** Okay, Lyn, we have a lot more questions on various aspects of economic policy, but we also just have a pile of questions on the situation vis à vis Iran and your recent warnings, so I’m going to try to pull them together for you. There are several questions that have come in from Democrats in the Senate. I think this one pretty much characterizes it: “Mr. LaRouche, there is currently a raging debate on Capitol Hill regarding the recent offers that have been made to Iran. Although I agree that it would be naive to think that these developments erased the danger of an early military assault on Iran,

they do seem to represent some change in policy direction, although some of my colleagues disagree, and say that this is nothing more than a ploy or cosmetic gesture. I’d be interested in knowing what your view is. Do these offers represent a policy shift, and if so, is there something of substance behind it, or is it simply a tactical retreat by an embattled administration?”

**LaRouche:** The problem, as I see it all around, is—and it’s international, as well as in the United States—is a complete misunderstanding, a fallacy of composition in discussing this whole issue. There is, in fact, no substantive Iran issue; there never was. There never was really a substantive Iraq issue. The policy was not reacting to some problem; the problem was a scheme for dictatorship, like the Rohatyn scheme—globalization.

The point is, and it goes clearly back to 1990s, when Cheney was Secretary of Defense, and Cheney was pushing for destroying the U.S. military and replacing it with private armies, funded by financial interests such as Halliburton. Now that is *happening*. The game, the purpose of this operation, of the people behind it, is very simple, and the problem that people have is they keep looking for the *issue* of Iran, the *issue* of Iraq, and so forth. Yes, these things have become issues, but that is not the way you can understand the problem and the dangers inherent in it.

The issue is, simply, that there is a plan in process, which has been going on essentially, *effectively* since the Vietnam War, a process intended to eliminate the United States as a nation, among other things. The objective is to eliminate the sovereign nation-state and to set up a form of imperialism which is now globalization. And since people are ignorant of what the issues are of globalization, they simply say, “Well, that’s nice. Lowest price gets the contract.” That’s crap! What you do by globalization, by driving the prices down through this kind of competition with cheap labor markets, what you do is you destroy the quality of production and productive potential globally. When you go to virtual slave labor in some country in South America or Asia or Africa—although there’s not much employment opportunity in Africa, but Asia—when you go to a cheap labor area, you are driving the culture of production to a lower level of culture! And what you’re doing in the country from which the jobs are exported, you are destroying the country which the jobs left!

What’s the effect on the world? The effect on the world is, you destroy the human race! You’ve reduced it to barbarism. That’s the intention. The intention is—there’s a group, a financier group typified by the Venetian oligarchy, typified by the Synarchist International, typified in particular by Felix Rohatyn, who’s not a thinking man, he’s a brute! Their intention is to eliminate the class of people who can think, by creating a condition by which the population is reduced, by which the power of development of ideas is reduced, by which whole sections of the population are eliminated, and you have only stupid people. Because what they understand is that it’s



*The financier group, typified by the Venetian oligarchy and the Synarchist International, intends to destroy the human race, by reducing it to barbarism—by eliminating the class of people who can think. The genocide in Cambodia, the evidence of which is seen here, was carried out by Henry Kissinger, “who is treated as a highly respectable personality, when he’s really a criminal.”*

an intelligent population, the kind of intelligent population which is based on technological progress, and modern progress in general, and a high standard of living, this kind of population can think! It has the ability to think. It’s not that they’re biologically superior. It’s that they have the opportunity and development to be able to think.

Now, if you want to eliminate the nation-state, a state which they see—especially since Roosevelt, since the formation of the United States—as a threat to the oligarchical system, therefore they want to eliminate the sovereign nation-state republic from this planet. They want to eliminate intelligent people from this planet. That’s the objective.

Now, how do you do that? Well, you start crises, regime change. Look what they did in Southwest Asia! Look what they’ve done! The whole region is being destroyed. Central

Asia is being destroyed. Africa *has* been destroyed. The genocide in Africa, in sub-Saharan Africa, was conducted by whom? By the United States, by Great Britain, by France, the Netherlands, and other countries. There has been deliberate genocide against Africa with the intent of reducing the population of Africa, and Henry Kissinger said so in 1974. That, in order to conserve the raw materials of Africa for the use of future—our—population, the United States, he said—we have to make sure the population of Africa declines, is reduced. That they do not get access to technology, eh? And they’re reduced by natural causes, famine, disease, and *homicide*.

Now, what have you seen in Africa, in sub-Saharan Africa, since 1974? Since Kissinger wrote this operation—it was one of his last pieces as a National Security Advisor there. You’ve seen that in Africa. Kissinger is the conscious author of genocide against sub-Saharan Africa. And he’s treated in the United States as a highly respectable personality, when he’s really a criminal! And this is what we did in Cambodia. And Kissinger *did that* in Cambodia, in Kampuchea! Kissinger was the one who extended the war into Kampuchea. Kissinger was the one who, together with George Shultz and Felix Rohatyn, who put the Nazi dictatorship of Pinochet in charge in Chile, and which organized Operation Condor, which was a Nazi-style mass-murder operation in the Southern Cone of South America.

You have to understand these guys, as I understand them very well. They are murderers. They are as bad as Hitler. They are worse than Hitler! And we call them “respectable”! And as long as you call these advocates of this kind of thing, of the destruction of the economy, of this kind of mass murder in Africa, attempted genocide in various parts of South America, what they’re doing in the Middle East. What happens? They want a target of opportunity. Look what happened in Iraq. From the beginning, everybody who was competent in a military sense said, “Don’t do it!” And they said why. They explained why. They warned what would happen if it was done. And they did it. They destroyed the country because they *intended* to destroy it. They destroyed Afghanistan, which was already half-destroyed. Now that thing is boiling up again. They’re out to destroy Iran. They’re out to destroy the states of Central Asia. They’re out to destroy Transcaucasia. They’re out to destroy Turkey. They’re out to destroy India. Target China. Target Russia.

What you’re dealing with is not an issue of this country or that country. You’re dealing with a global policy. And if you are going to allow, as a member of government, this kind of policy to go on, and say, well, this is an Iran question, this is an Iraq question—it is *not*. It’s a question of global policy. It’s a question of global strategy. And you have a bunch of Nazis, typified by Cheney and Rumsfeld and George Shultz and Felix Rohatyn and people like that. These Nazis, in fact—they may not wear swastikas, but they deserve them—these guys are shaping the policy of the United States. Are you



allowing that to continue? Are you making excuses for them, saying we have an Iran problem?

Well, on the Iran issue itself, what do you say? Well, first of all, the thing is totally untrustworthy. A diplomatic approach to the situation which has been created is perfectly correct. Do it! Negotiate. But don't get hard-nosed about it. Get in there, soft approach, don't push for anything. Just try to find out what we can work out, and don't lay down hard preconditions. Iraq: We've got to get out of there! The longer we're there, the worse it's going to be. Forget it.

So, in those areas, you have areas of flexibility to apply to a mess we created, but the danger lies in the fact that these guys *want* a war! And the first time that Cheney and company manage to convince somebody that Iran is not playing by the rules: Boom! Boom! Cheney has command of the Stratcom operation, ready to pull the plunger himself, and launch that war without warning! It's ready. Get him out of there! If you're not getting Cheney out of there, you're not serious about the future of the United States.

But the policy here is *not* an Iran policy. That's not the issue. The Iraq issue is not the issue. The issue is, they're looking for a chance to start a ripple which will eliminate the nation-state from this planet. And their targets include not just Iran; they include India, Pakistan, China, Russia, and so forth. The whole works. This is pure evil! And the problem is, many good members of our Congress just aren't willing to think in real terms.

You know, they have this thing in the *Timaeus* dialogue of Plato, referring to some Egyptian priests who say, "You Greeks"—referring to a conversation with Solon of Athens—"You Greeks are children. You don't have any old men among you. You don't know anything about the history of mankind. You don't understand the forces that are moving history now. You're too much tied up with your own immediate experiences, your reaction to the immediate circumstance. You don't think about the future. You don't think about history."

I mean, here we are. You have the Apostle John, speaking about the Whore of Babylon. Now, why would John talk about the Whore of Babylon? Well, the Whore of Babylon is the Roman Empire! The Roman Empire was established under Augustus, as a deal with the religious cult on the Isle of Capri. It's called Augustus. Christ is born in the time of Augustus. Christ is killed on the order of the Emperor Tiberius, from Capri, through his son-in-law, or legal son-in-law, Pontius Pilate. That's why John, who was a disciple of Christ, refers to the Whore of Babylon. Because he knows, as everyone knew intelligently at that time, that Rome was the son of the Whore of Babylon. The Babylonian imperial model. A Rome which made no contribution whatever to human culture. None! The contributions that Rome had were stolen from the Etruscans and the Greeks and similar people. Nothing!

Then we had the Byzantine Empire, another abomination. Then, to destroy the efforts of Charlemagne and others, to deal with the problem, then you had this system of chivalry

and racial hatred, anti-Islamic movements, Jewish persecutions organized by Venice, again. And people lose sight of the lessons of history. They lose sight of the ideas which are transmitted in experiences from generation to generation, and fail to see that the present in mankind, unlike animals, in human society, which is a society based on ideas as animals are not, it is the transmission of *ideas* and the struggles of ideas over many successive generations, which determine the current issues of any present moment. It's the struggle between us and the Whore of Babylon, and once you think in that way, you've got it!

## The Death of al-Zarqawi

**Freeman:** One more question on a similar topic, which you covered in large part, but I think I'm going to ask you, because it comes from a Democratic member in the House who's on a committee that has to deal with this. It's on the death of al-Zarqawi.

"Mr. LaRouche, President Bush, Tony Blair, and Mr. Rumsfeld have all hailed the death of al-Zarqawi as a critical victory in the war in Iraq. And somehow that would seem to be true if our principal enemy in Iraq were indeed al-Qaeda. However, many others, most specifically Congressman John Murtha, have pointed out that the nature of the conflict in Iraq has now moved not to a war against terrorism, but a full-fledged civil war. I'd like your overall assessment of that situation. Would you call it a civil war?"

"And also, I know you have proposals of your own in this area, but we are right now looking at John Kerry's call for withdrawal by the end of the year, and want to know if you think that there is any viability to his approach?"

**LaRouche:** I would make a very simple statement in part on this, though it requires more attention, of course. I would say, well, since we have an act of murder committed—and this was simply an act of murder, which settled absolutely nothing. Killing individuals does not settle issues of this type. Whether he was or was not a Shia agent or whatever, is irrelevant. That killing was a Nazi-like act of murder, and that is what we've been protesting against in the United States, and talking about the barbaric acts, about some action organizations in military and operation sections in the CIA in the past. This is what we said we must not do. You do not go out and take out people for political reasons, because they're your enemy! Because what you do is you sow dragon's teeth. You spread the disease. You spread the conflict. We didn't *have* to do it. Somebody wanted to do it because they had a political ego trip they wanted to make. Period!

Now, that is all the more reason for supporting Kerry's motion. Because the United States government under the present administration can't be trusted with anything that looks like war, or occupation of war. We've got to get the United States government out of that area, for the simple reason that one of these Congressmen will simply not say: The U.S. government under its present Presidency can not be

trusted with the conduct of war, or the declaration of war. It's corrupt, we should have impeached it! And whatever happens to us, if we don't impeach it or get it out some way, we're guilty of everything it does. And the American people have got to wake up and stop being children on this question.

No, Kerry's right. We have to take drastic action to get us out of there, because the guy we've got loose in there is a raving lunatic, a homicidal lunatic, and he's going to make everything worse. Whatever is bad by pulling out, is less bad than allowing Bush and company to be involved in that area. You're saying, I'm saying, implicitly, you've got to impeach the guy. Or get him to resign. That has to happen. I'm not sure the United States can survive in the coming year, if we don't impeach these two characters in the meantime. And sooner is better than later.

That's the situation we have. You've got to be realistic. Don't say, let's formulate the issue, let's discuss the issue. The point is, with this jerk in power, this lunatic up there—even his father can't get to him—get him out of there! The only reason we don't want to get him out first is because we don't want to leave Cheney in there! Get Cheney out now! It can be done, if the requisite number of people in the Congress decide that the nation is more important than their special agendas.

If they really cared about the United States, they would get Cheney out now. And what's already in the Fitzgerald brief, contains the essential evidence for a bill of impeachment against Cheney, in what's in that brief alone. In that brief, he stated a motive for a crime committed by his subordinate. It's like the famous case of the Death in the Cathedral. The king said, get me rid of this priest, and some soldiers went out and killed the priest. Was the king guilty? Of course he was.

Cheney committed a crime, he's impeachable. Get him out!

## Rohatyn's Nazi Pedigree

**Freeman:** I'm going to take a question from one of the people here in the audience. This is from Jack Mallory from Nevada. . . . He says, "Lyn, do you think that many of the Bush Administration's economic policies resemble what Felix Rohatyn did in New York City in the mid-1970s? It's also the case that Rohatyn and company developed recommendations to the incoming Bush Administration, including the slashing of so-called entitlement programs like Social Security and Medicare. It appears that there is a connection between Rohatyn, the Bush family, and perhaps it comes via their old Skull & Bones buddies Harriman and Rothschild. Will you please comment?"

**LaRouche:** Well, I think that Bush may have caught some of the policies of Rohatyn the way that someone might catch syphilis in a house of prostitution. I don't think it was an intellectual effort on the part of this President, who I would not be inclined to accuse of any intellectual effort whatsoever.



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*The Synarchist bankers' Hitler project was modelled on the Venetian bankers' partnership with the Norman chivalry, who organized the bloody Crusades to destroy the beginnings of the nation-state system of Charlemagne in Europe. This portrait of Charlemagne is by Albrecht Dürer.*

The problem here is the transmission, the cultural transmission, of influences which are associated with institutions. Now obviously, Rohatyn is a pig, a thief, a fascist, a Nazi, everything you want to call him—and more. His policies in Big MAC are typical of the policies of what? Not Rohatyn. Rohatyn is a creation of Lazard Frères. Remember what Lazard Frères is? Look back to 1940. Lazard Frères was the core of the French government at that time, a French government which treasonously planned its defeat at the hands of an inferior military force, the German military, as part of its attempt to conduct an international pro-Nazi policy. Rohatyn is a Nazi, he's institutionally a Nazi. That is, he may not wear a swastika badge, but he represents the institution of Lazard Frères and so forth, which is the mother organization which created a whole bunch of Fascist operations in Europe, including Hitler, and which collaborated with Hitler in what Hitler did during the wartime period, against Jews and others. It collaborated.

And it came out of the war, it was not persecuted, prosecuted either. It came out of the war, generally intact, and rose to greater power today than it had when it was a collaborator of the Nazis then, because the corrupt Truman Adminis-

tration covered up for these guys we should have put in prison, because they were the actual *authors* of the crimes which the Nazis committed, at least those in France and in certain other places. They should have been tried and convicted. They were war criminals. They plotted war. And the least that should have happened, they should never have been allowed to practice finance again. There should be a criminal ruling; they should not be in the banking business in any way at all.

And Felix Rohatyn is a continuation of that policy. And the problem lies not with Bush, but, remember that Bush's granddaddy—the President's granddaddy—Prescott Bush, was the guy who, as an executive for Brown Brothers Harriman, wrote the order to rescue the Nazi Party in 1932, at a time the Nazi Party was in danger of being bankrupted and dissolved, to save the Nazi Party in time to have Hitler appointed Chancellor, and then dictator. And this continued among the Morgans and the other Wall Street crowd for a long period of time. The crowd in Wall Street which is associated with this policy, which changed its tune when Roosevelt and Churchill forced a change in tune. But the minute that Roosevelt was dead, they went back to the same policy as quickly as they could. And therefore, you've got this poor piece of crap, this degenerate called a President—he's a pitiful wreck, a piece of garbage. As someone said recently, he had his first chance to meet a real actual National Guard unit—this piece of crap is simply a tool of people like George Shultz.

Remember, according to Bush's own account, George Shultz told him, "Hey, he has a good, promising future before him." Mortimer Snerd from Texas. "You're a genius. You're going to be President." He goes down to get blessed by a Baptist minister, and now you're purified. You're no longer a drunk and a dope user. You're now going to be a big guy, because your brother's a crook and they couldn't make him the candidate, so they put you in instead. That's the situation.

Therefore, you have this situation where you have this guy, this piece of crap called a President. He's controlled by this crowd. He can't think for himself, and he's easily manipulated. They tell him, "Mr. President, you're the President. You do this." ("Grunt, grunt, grunt!") Mortimer Snerd.

## The Ethanol Hoax

**Freeman:** Well, I would have liked to avoid asking this question, because I know the way Lyn is going to answer it, but I can't avoid it because we have half-a-dozen questions coming from members of Congress, and there are questions from people in the audience, and members of the LYM have questions on this. The subject is ethanol. Just by way of preface, George Turner sent in something, and he said, "Lyn, as an old country boy, I'd like you to remind folks just what ethanol really is. We used to call it 'Old Stumphole' or 'King

Kong.' That's right. Moonshine. Corn liquor. Takes more energy to make than you get out of it? No problem. There is plenty of renewable biomass that can be harvested right here in and around the Congress. Dried and ignited, this fuel provides much heat."

So, in that spirit, a number of Democratic members of the House say, "Mr. LaRouche, your supporters have repeatedly ridiculed the various ethanol/alternative fuel proposals. And I'm sure you are aware that this is on the way to becoming part of the Democratic Party platform. Would you please explain why you are so opposed to this?"

**LaRouche:** First of all, in a hungry world, we're going to produce a useless fuel, absolutely useless, because it takes more power to produce the power of ethanol than you get out of it. In other words, you're talking about 60%, at best, about 60% of the power that you would get from ethanol, is offset by the fact that 100% is required to produce it. Secondly, to produce ethanol means largely, apart from all these gimmicks, means largely taking most of the cropland of the United States needed for food, which I believe is important, and devoting it to produce athol, or whatever it is, athanole, whatever. Now, this is energy deficient. In other words, you're consuming more energy than you're getting. And you're destroying agriculture.

What's happening is, it's popular among some farm states, because you have farmers in the "tweener" age group who don't give a damn about the human race! Who have an eat-your-neighbors policy, about grabbing the land next door; who no longer are really human, but are still farming. And they're ecstatic about the fact that the Federal government is going to buy them out by subsidizing the difference between the cost of equivalent amount of gasoline, for them. They're going to be bought off, out of Federal funds, for something that is going to ruin the U.S. economy.

Now, the other side of the thing is, therefore, these farm states are considered critical by some corrupt politicians, including Democratic politicians, in the Congress. Therefore, they're going for the bill, because they're *crooked* and *dishonest*! And if the Democratic Party is going to buy this policy, the Democratic Party is going to go down, hard, in this election. If the Democratic Party sticks to an ethanol policy, it's going to be dead in the water in this coming election, because it shows the Democratic Party leadership would be willing to do a thing like this, and neglect the people.

Now, you can't blame the people if they don't vote for the Democrats. This swindle will not be accepted by the people. Yes, a few crooked farmers who've lost their morals and are busy eating their neighbors—they don't worry about food—they're eating their neighbor.

The only power available that will meet the problems of the United States, which means not merely just producing power, is essentially hydrogen-based fuels which we can produce with nuclear power. But they don't want to lose the loony



National Archives

*President Bush's grandfather, Prescott Bush, and his wife, Dorothy, in 1952. In 1932, as chief executive for Brown Brothers Harriman, Prescott Bush ordered the funding of the then bankrupt Nazi Party so that Hitler could be made dictator of Germany in January 1933.*

vote, the anti-nuke people, so therefore, they're appealing to corrupt farmers and lunatics, who are against nuclear power. And you should see the campaign against nuclear power which is being done by the same people who are pushing the ethanol.

What's coming out as opposition to nuclear power is pure fraud. They talk about nuclear waste, as if it can not be solved. Bunk! It's a lie! There's no truth to it. With a complete reprocessing cycle, there is no nuclear waste problem. Anyone who says so and says they're an expert, is either a mental case or a liar, and possibly also a degenerate, and that's not combustible.

So therefore, this problem is one big hoax. It's typical of a political party which wants to commit suicide—again—as the Democratic Party has committed suicide repeatedly since the assassination of Jack Kennedy, and they're just going to Hell. They're going to take the whole thing to Hell, and this time, there may not be a planet fit to live on as a result of they're doing that! If they have any morals at all, the Democratic Party will not adopt an ethanol policy.

## It's Not Just a Housing Bubble

**Freeman:** Okay, we have a couple more questions from the House of Representatives. The next one is on the question of the housing collapse. It says, "Mr. LaRouche, you have long warned about the impending possibility of the bursting of the housing bubble. Everything that we have received in the way of information these last few weeks, suggests that that process has now begun. Our expectation is that the Summer months are likely to bring dramatic events in this area of the economy, that will affect hundreds of thousands of American families. Right now, there is nothing on the table to address this, and the Democratic leadership argues that it is an issue more appropriately addressed by the states. Some of us disagree, and believe that a problem of this magnitude requires emergency Congressional action. Do you agree and, if so, what do you suggest we do right now?"

**LaRouche:** Well, what you're going to have to do is this—and boys, you can not duck it now! It's come home to roost. What is going down is not the housing bubble. What is going down is the international banking system, and it can go down in a matter of weeks, or months.

The collapse of the housing bubble is merely an integral feature of the collapse of the international banking system. Nothing can save the present international banking system in its present form. It can not be done! I specified what has to be done. There's only one thing you can do. Boys, I'm speaking as an expert: You've got no choice! You can take a dive or you can do as I tell you. You got nothing else you can do! Okay.

As President of the United States, what would I do? Well, I would kick the Congress, because the Congress is not the place really to deal with an issue of this type. It requires legislative action, but it requires a living, breathing President. A real one, like Franklin Roosevelt, or someone of Franklin Roosevelt's inclination. Maybe you should talk to John Kerry about something like that. He might be interested in that. I understand he's running again, or about to run again. But the point is, what do you have to do?

Look, the banking system is bankrupt. What does that mean? Think! What does it mean? The international banking system is not only bankrupt, it's *hopelessly bankrupt*. There's no simple ordinary adjustment that will work. You're not looking at a depression. You're looking at a general breakdown crisis, whose precedent is what happened with the Lombard League in the middle of the 14th Century. Every central banking system of Europe, the United States, Japan, is hopelessly bankrupt. Nothing you can do about it. It's bankrupt. Therefore, the banking system has to be taken into receivership, for bankruptcy reorganization by the federal governments.

Now, this means, in the United States, the Federal Reserve System is bankrupt. Period. That's a fact! You don't want to believe it? It's a fact. The fact will hit you in the back of

the head, if you don't pay attention to it. It's coming. It's inevitable. It could happen this month. It could happen by September. It's that close.

Once it starts, it's going. And the rate of collapse is accelerating rapidly, at an accelerating rate. Just the same kind of overall underlying rate as the German 1923 crash of the deutschmark. The same rate of increase of increase. You've got a combination of acceleration of prices as in raw materials, so-called, and you have at the same time an acceleration of the rate of collapse of even whole hedge funds. And the big problem today, is people are trying to cover up the magnitude of the hedge-fund collapse. Hedge funds are going under. They're over-bidding. What's being run in association with the speculation in primary materials, is a ponzi scheme! The major banks, with hedge funds, are running a ponzi scheme in inflationary acquisition of assets. And when one falls by the wayside, the other banker comes along and eats him! Or the other hedge-fund eats him! Or the banks order the hedge fund to call in the deposit and collapse the thing.

So, you have a process of hyperinflation and hyper-collapse going on at the same time. You're in the terminal state of turbulence of a bankrupt system. There's only one thing you can do: You have to say, money has no intrinsic value. The monetary system of the world is dead. You have to go back to the American System, in which the monetary aggregate is controlled by the principle of Federal control over the issue of currency. We are a credit system, not a monetary system. We've been corrupted by monetarist policies, but we are a credit system.

Therefore, the Federal government has to put the Federal Reserve system as such into bankruptcy receivership. And this is to prevent disorder. The prime thing is to prevent disorder. You've got to keep things that must function from day-to-day functioning. People are not going to be mass-evicted from these properties, if they're living there. If the property is for rental, it's on speculation, and nobody's there, okay, foreclose on it, right then. Wipe it out. If the property is occupied, you want to keep the occupant in occupancy, if possible. You do not want to create a social disaster.

You must maintain employment. You must do the things that maintain stability in the communities and in the states. You must defend the states. The states can't do anything with this. The idea that the states should handle this is pure idiocy. There's nothing the states can do with this. It's beyond their capacity. *The states can not utter currency!!* The ability of the state to create monetary credit is limited by the power of the Federal government, under our Constitution. And that's the way it should be! The problem lies with the Federal government.

Now, if you don't do that, when the crash comes, it won't be just the housing crisis, it will be *everything*. It will be chaos. It will be a 14th-Century-type disaster, like the collapse of the Lombard League. Because the only way to stop this, *if* the United States takes Federal action, takes the Federal Reserve

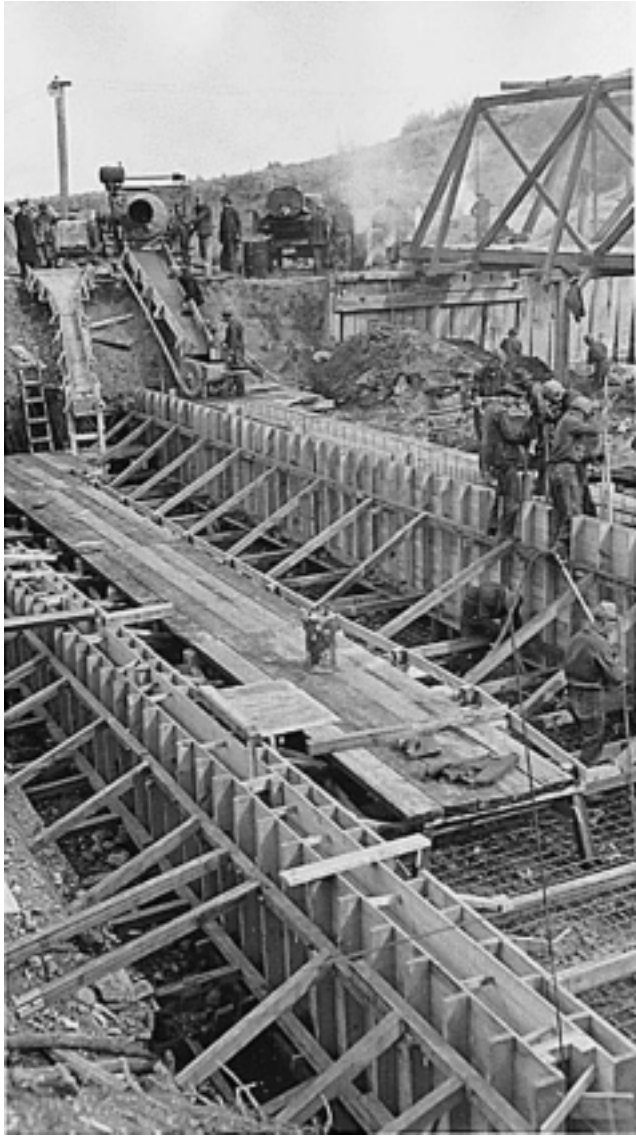
system into receivership, which is the way of taking the member banks into receivership—you can put it under regulation! And the point is to prevent chaos. Your greatest danger is chaos. You say, everybody is going to stay on their job. The stores are going to open. Essential things are going to be open. Everything is going to function. You live in a house, you stay there.

What do you want? You want the alternative? Do you know how massive this thing is? Do you realize that you've got places, shacks, at \$800,000 in the Loudoun County area, which are worth less than \$200,000, which are barely held together with tacks which are poorly aimed, by unskilled labor? You're kidding! You can't do it. Do you realize that the entire state of Virginia could go bankrupt as a result of this thing? You want to have the *state* take care of the problem? The state can do nothing about it. The Federal government must act. You've got to have a President, the right President in there, quick! Because it's coming on fast. So you do what Roosevelt did. You declare bank holidays. You take the whole thing under Federal control.

And how do you bail out? Well, there's only one way you bail out, without going through hyperinflationary methods, which you already have enough of already. What you do is you create large-scale projects, of the type that I've outlined, for legislation now. You employ a large number of people in order to bring the actual operating level of production in the U.S. economy above breakeven, for the economy as a whole. In other words, if you've got enough people producing wealth, so that the value of wealth being currently produced, exceeds your current obligations, you can manage the problem. The only way you can do that is Roosevelt's method. You go to the Harry Hopkins method.

Now you create an employment program which takes people off white-collar work, and off this kind of nonsense that they're going to be out of anyway, and puts them into productive jobs. What do we do? Well, how can we do that? The Federal government can give credit to the state. For what? For infrastructure projects! How many water projects do you have on state level that are crucial right now? How many power stations are required to keep the United States in shape? How many hospitals have to be rebuilt? How many railroad systems have to be built, to get this nation functioning? This would more than absorb the total capacity, idle capacity of the automobile industry. And it will enable us to rejuvenate the aerospace industry. We're going to have to rebuild this economy that's been wrecked over the past 40 years. So, get at it!

And this means long-term financing, at 1 to 1-1/2 to 2% simple interest rates over a long term. The money has to go into, not bailouts; the money has to go into investment in employment of people in productive jobs. And the way we can start it with the Federal government as we have in the past, you start with basic economic infrastructure—power, water, transportation, and so forth. And you do it that way.



National Archives

*There's only one way you bail out of the current collapse, without going through hyperinflationary methods, LaRouche said: "You create large-scale projects. . . . You employ a large number of people in order to bring the actual operating level of production in the U.S. economy above breakeven, for the economy as a whole." Here, the Roosevelt-Hopkins method in action, with the Civilian Conservation Corps in 1940, building a canal in Colorado.*

We want to keep people where they're living now. You can not unemploy people in one area and—they have a family! What do you want to do? Create a "Baltimore effect"? You create a situation where a family is broken up because one person was earning a living and no longer has a job. The family is struggling to get by. He leaves home to take the burden of his presence off his family, he goes into a slum or criminal-type behavior, and you have people wandering all over the country in this kind of state? Do you want that? You

can get it! The way the Congress is thinking now, you'll get exactly that!

No! If we put people to work in things where they may not be too productive right away, but in which they'll become productive, and you issue 1-1/2 to 2% credit, of Federal credit, based on the monetary power of utterance of the U.S. Constitution, we can get enough work going so that we can say that, on current account, we are now producing more physical net wealth than we are consuming. Once you are above breakeven, you can manage your way out of the crisis. If you're not above breakeven, you'll never manage your way out of the crisis, except through a lot of dead people.

So therefore, that's what we have to do. So, forget all the other problems. That's what we have to do. It's not a housing collapse.

The housing collapse is an integral part—remember, the housing collapse is the Greenspan bonus. We had a 1929-style collapse of the stock market in October 1987. Volcker was on the way out, and Greenspan was on the way in. So, they brought this guy Greenspan in—"Bubbles" Greenspan—who went to the methods of the Pyramid Club and similar kinds of ponzi schemes, and he created a giant ponzi scheme called financial derivatives. Fannie Mae and Freddie Mac were two of the targets which he used to pour in credit of this type, through the housing market, through the financing and purchase of bundled mortgages. And this created a speculative boom in the housing area. In terms of physical values, there was nothing to hold the thing up, except a ponzi scheme. And that's what happened.

The result is, the entire international financial system is tied into a bubble of credit and related derivatives beyond what anybody knows. You have a market which is registered, and you have an unregistered market. This ponzi scheme is beyond anyone's imagination. You're going to have to wipe out hundreds of trillions of dollars of so-called assets, because they're purely fictitious. One guy has an asset which is another guy's debt. No good. So, there's only one thing that can be done. The Federal government, action by the President with the support of the Congress, takes legislative measures in emergency action, using precedent, to put the whole thing into bankruptcy, to put the Federal Reserve system into bankruptcy, and match that with a Harry Hopkins-style program of increased job production in things which start with basic economic infrastructure. If you start with basic economic infrastructure, you will stimulate the entire productive sector of the economy.

## **Forget Monetarism! Go Back to the American System!**

**Freeman:** Lyn, I'm going to ask you this question because it's unique in that it comes from a Republican office in the House of Representatives. I'm bipartisan. It says, "Mr. LaRouche, over the last several weeks, the market has been crashing, and events that would normally result in an upswing

in the market have had little or no effect in stopping the downslide. Under these conditions, there is a growing fear among all of us that if the Federal Reserve Open Market Committee raises interest rates again when they meet in mid-June—and all indicators are that that's exactly what they're going to do—that it will touch off a panic that has the full potential to become a systemic crisis. If you were chairman of the Federal Reserve, what would you do?"

**LaRouche:** It's very simple. I'd say to the President of the United States and the Congress: Be smart. Put this thing into bankruptcy now.

Because, you see, this is a product of monetarist thinking. And if you think of the number of people who have been to school and gotten degrees in this or that, who say you don't have to raise interest rates, lower interest rates, to deal with these problems, it's nuts! You don't want to raise the basic interest rates. You want to control the flow of credit. Different thing. What does it mean?

We want a 1-1/2 to 2% basic credit rate in the United States for expansion of the economy. We want this concentrated largely in long-term loans which will go toward 25-year development projects. What we want to do is put caps on prices, to keep prices in line. The thing is bankrupt anyway, and this idea of managing an economy by monetary methods of this money management by interest rates, is absolutely insane! All you're doing is driving up the basic ratio of debt. You're increasing the degree of bankruptcy! You're going too far! So therefore, you go the opposite way. You freeze the thing by putting the whole banking system, the whole financial system, under Federal regulation because *it's bankrupt!* Remember, the Federal Reserve system essentially controls this whole monetary mechanism anyway. So if you bankrupt the Federal Reserve system knowing that the banking system is bankrupt, you put it under regulation for reorganization, now you impose a low interest rate, but you steer—you don't let it float—you steer where the credit goes.

You steer it into things you want to have happen. You want this industry to exist. Okay, it gets a 2% long-term rate on borrowing. Somebody else wants to bet on the horses. Aha! Well, we've got a 150% rate for you. You want to bet on the stockmarket? Well, that's going to cost you 15-20%, per month.

I say it lightly, but that's what you do. That's exactly what you do. Forget the so-called truisms of management of a monetary system. Forget monetarist policies altogether. You have to go back to the *American* System, instead of the British System, otherwise known as the Brutish System! Go back to the American System. We have a Constitution which specifies accountability of the Federal government for the utterance and regulation of U.S. currency, a monopolistic power of the Federal government, subject to control by the House of Representatives. Fine. Okay, we control where that money goes. Other money, aha, well, there are no other sources,

buddy. But we'll help you out.

So therefore, you don't want to shut something down, as a way of trying to bid prices down, by raising interest rates higher. What you want to do is keep interest rates lower, but freeze the flow, through Federal control over the monetary system, by taking the Federal Reserve system back into receivership. And the Federal government now has to run—the Treasury Department of the U.S. government now *takes charge* of dictating policy to the Federal Reserve system. Because the Treasury Department is the agency of the Federal government. The Federal Reserve system is a coalition of banks under special sponsorship by the Federal government. It goes into bankruptcy, therefore you put it into bankruptcy. Then, the U.S. Treasury takes over, and the Treasurer of the United States, who would be Paulson at this moment, takes over from poor Ben Bernanke, who is a distress case.

And you cut out this nonsense about trying to manage the economy, or manage inflation, through interest rates. You manage it by direct intervention, because you have to decide what your purpose is, and Federal government credit will be given only for purposes in the Federal national interest. Our interest is to keep people employed, to keep them housed, to keep essential functions working, and to expand the physical economy, expand production, raise the level of productivity. And to take a view of one generation to two generations. We have a mess. If it takes us two generations to get out of the mess, we'll take two generations to do it. If we can do it in one generation, we'll do it in one generation. But we're going to have to have the Federal government take this thing in charge, function through the Treasury, not the Federal Reserve system. Bring it under control. And adopt a program of public works, which will be a *driver* for stimulating the overall economy.

## Nation-States vs. the Tower of Babel

**Freeman:** The next question, from Sen. Joe Neal, is the last question that we'll entertain. We have many more questions. I will submit them to Mr. LaRouche, and he will answer them as time allows.

"Lyn, there are many people who are listening to this webcast, who probably do not understand exactly what you mean when you discuss the destruction of the nation-state. I'd like you to explain what the result of this destruction would be, and who could possibly be the beneficiary of it, who could benefit."

**LaRouche:** This came up, I had this lecture I gave in Frankfurt, Germany a week or so ago, in which at the conclusion, I dealt with the crucial nature of this problem. Why the nation-state? Why not world government? What defines what a nation-state should be, in terms of boundary conditions? Why should this be a nation-state? Why does that not fit the requirement of a nation-state?

The point is that human beings are not animals. With

animals, you don't have nation-states, because they all speak the same language, and they have no ironies, except those that they get by relationship to human beings. But with human beings, idiots think—for example, one of the idiotic suggestions in history was the idea of Esperanto. Let's have a universal language. That's like saying, let's have universally stupid people, because a language is not merely the literal terms used in expression of a language. A language is associated with its ironies. These are the connotations and associations which occur in the use of language, as in poetry.

Take poetry, a perfect example of this. In poetry, if a poem is simply rhymes and so forth, it's a piece of crap. Please take it away! I don't want to remove that myself. But in true poetry, in great poetry, you touch upon what's called irony, which are discontinuities in the literal meaning of a passage, but they're meaningful discontinuities because they involve allusions to something which is shared in the culture of the people, which a speaker of a foreign language would not easily recognize.

So therefore, since the important thing in society is to communicate the kinds of ideas that are associated with creativity, it's important to base nations on national languages, but cultured national languages, because the things that make the difference between a talking machine—now you see all these computers that correct your punctuation and everything else, which are usually *wrong*, because the guy who designed it doesn't know what he's talking about; he's just trying to make it fit the computer—but if you're not a computer, if you're a human being—. If you're a computer, you can't write poetry. No computer could ever write poetry. It could write junk that imitates poetry, but it would be a farce. There'd be no content to it. In poetry, there's irony, the hidden meaning which the human mind understands, hidden meanings which are located in the usages of the people. And therefore, it's these areas which poetry expresses, and which the use of a language expresses.

So therefore, in order to have people participate on a cognitive level, rather than simply an animal grunting level, according to some computer program, to do that, you need to have decision-making, thinking done by a people in its interests, in terms of the capability of a language expressing productive irony, Classical irony.

And therefore, while we should agree ultimately on what is right and what is wrong, what is truthful and what is not truthful, the problem to be faced is how do you get there? We're trying to bring a community of nations to agree on certain common interests which correspond to natural law, the natural interests of mankind. But how do you get there?

Well, first of all, you have to start by having the characteristics of the national language's capacity for metaphor, for irony, used where you communicate ideas among the people. Without that, you have no participation of the people in the cognitive processes of reaching conclusions. They can shout

at each other. They can make deductive arguments. They can have computers argue for them. But they can not actually think as human beings, but only as animals or machines. Therefore, you want people to think as a people. We want them to communicate among each other in that mode. Then you want to bring the results of that process within the nation into interplay with other nations, where you're all bound on the intent to understand one thing: What is universal natural law? What is the natural law? What should be our legitimate purpose as human beings in existing? How can we cooperate as people of different cultures on this planet, to common ends?

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*You do not go out and take out people for political reasons, because they're your enemy! Because what you do is, you sow dragon's teeth, you spread the disease. You spread the conflict.*

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You do that, not by dissolving the nation-state, but by elevating the cultural level of the nation-state to a higher level. And that's what's required.

And the problem today, is just as today's taught science does not recognize a physical principle. It only recognizes a mathematical formula. You mention the name of a principle, they don't see the principle. They don't think about the principle. They think about a mathematical formula, which you can put into a computer. It's not human. No need for you. Doesn't require your brain, if a computer can do it. And therefore, as in science, which requires the irony, the ironies in which discovered principles of the universe are located, so in social relations: You require this power of irony expressed as metaphor and other means, within the terms of a language, and thus you bring the people with their ironies of different cultures together. And the interaction of these cultures, in understanding one another, understanding the common ironies of one another, then you can find a way to cooperate, to a common purpose.

So therefore, the proper system of mankind is not the Tower of Babel. There, the Bible had it right. The Tower of Babel is a loser. You need the different cultures and the different languages, but you need also at the same time to understand why, and you have to be based on the idea of discovering true ideas, including scientific principles. And you want to share these ideas one nation, one culture, with another, so we can cooperate with understanding our intention, our common intention concerning the goals of this planet.