Organizing the Recovery From the Great Crash of 2007

Here is Lyndon LaRouche's address to a LaRouche PAC webcast on Nov. 16, 2006. About 220 people attended the event in Washington. In addition, there were many "satellite" showings, among them: one group in Paris; five locations in the Mexican Congress and environs; one university in Mexico; four universities in Bolivia; five universities in Peru; two universities in Argentina, and one additional site in Cordoba; and in Colombia, the CUT labor federation invited all members to watch and participate in the dialogue.

The proceedings were moderated by his spokeswoman Debra Freeman. The video and audio can be found at www.larouchepac.com, with simultaneous translation into Spanish, German, Italian, and French.

EIRNS/Stuart Lewis

Lyndon H. LaRouche, Jr. addresses the webcast, from Washington. Our purpose, he said, is two things: Define the reforms which will prevent a general bankruptcy from plunging the planet into a dark age; and inspire and mobilize the generation between 18 and 35, especially those from the lower 80% of income-brackets.

Freeman: Good afternoon, everyone. I'd like to welcome you on behalf of the LaRouche PAC. My name is Debra Freeman. I serve as Mr. LaRouche's National Spokeswoman and his representative here in Washington. . . .

I think there's really no question that today's event takes place in a much happier environment, than events in the past may have, and I hope everyone is happy, because happy people work harder. And we have a great deal of work to do.

So, if everyone now will take their seats, we're going to close the doors for the next part of the presentation, and then I'll come back, and when I come back, we'll open the doors again. But right now, I'd like to bring Mr. LaRouche up here, and he'll introduce the next part of the program. Lyn?

LaRouche: Thank you. As you will understand better, I think, in the course of the next three hours, the subject we have to address now, is of momentous world importance, and you will appreciate better, later, as we get into the discussion, that the moments which in past history, in past history of European civilization, correspond to what we're going through now, should remind us of 1648, the Treaty of Westphalia: Where, as over a period from 1492 with the beginning of the expulsion of Jews from Spain, through the Treaty of Westphalia, the question of European civilization's existence

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John Sigerson conducts the LaRouche Youth Movement (LYM) chorus, singing Bach's "Jesu, meine Freude." LaRouche chose this complex motet as a principal focus for the LYM's educational work, "to use that as the emphasis for a cultural orientation which corresponds to the same mentality in physical scientific creativity."

as civilization, was in doubt, as today. Similarly in the middle of the 14th Century, Europe was plunged into a dark age, after centuries of cruelty under the Norman/Venetian tyranny.

So, in 1648 and immediately afterward, Germany in particular, as the center of the great conflict of the Thirty Years' War, rejoiced in liberation from religious warfare through the Treaty of Westphalia. This is comparable to the great terror which threatens us today, a monetary crisis like that of the middle of the 14th Century, the so-called "new dark age crisis." Today, at this time, as will become clearer not only from today's discussion, but from the events which are about to occur on a global scale, you're living in one of the *most terrifying periods of history* known to you. Now, right now.

In this circumstance, in the rejoicing in the liberation from religious warfare, in Germany, around Lutherans, of all things, a hymn was developed, called *Jesu, meine Freude.* Later, in the course of the early 18th Century, Johann Sebastian Bach re-set and treated this as the greatest of his several motets. Today, we're going to have a performance of it, to begin this, in celebration of the kind of the great moment of history which we're trying to bring forth again on this planet, in this time of great danger.

Unfortunately, we're in a hotel, where the acoustics are not those you would get in a good church, so you will not get the full beauty of the performance, because it doesn't fit these walls. But, with a little stretch of the imagination and some good hearing, and some insight into music, you will appreciate what they're about to do. And after you hear them sing, I'll get back to you.

[The LaRouche Youth Movement chorus performs Bach's motet *Jesu, meine Freude.*]

Freeman: Once again, let me welcome you to today's event. Certainly, after the last few weeks of this campaign, it's with a certain amount of pleasure that we can say that the Democrats now control both Houses of the U.S. Congress [cheers, applause] and I think that there is broad recognition, both here in Washington and across the United States, that that victory was in fact, sparked by Mr. LaRouche and by the Youth Movement that is associated with him. Because, in fact, the Democratic Party itself was not in the greatest shape during the course of this Spring, when the campaign really did take off in earnest.

The situation now in Washington is an interesting one. Because, for many of us who work here and who represent Mr. LaRouche, we've listened to our Democratic colleagues on Capitol Hill tell us—for months!—that they agree with Mr. LaRouche, and that they absolutely agree with Mr. LaRouche's economic policy. But the only problem, you see, is that we Democrats are not the majority party! And what would be the point of introducing this legislation? The Republicans would just strike it down.

And we've heard that refrain, over, and over, and over again. But *now,* the Democrats are in control. So, there's really no reason at all, why we should not expect that they will, in short order, introduce all of this legislation, and we can get on to the important tasks at hand. And it actually—and I'm not being facetious: It's my full expectation, that that is in fact the way we will start the new year, because it's the way we *must* start the new year. The fact is that the Democratic victory is an important one.

But now that the election is over, we also have to face the simple reality that the onrushing strategic, financial, and

economic collapse will accelerate. And now, the question on the table, is not a question of who will run for President in 2008. The question on the table is how, in fact, the American people, and this nation, are going to organize their way out of the Great Crash of 2007. And there is no better person to address that, than Lyndon LaRouche. Please join me in welcoming him.

LaRouche: Thank you, young lady. Thank you.

Just to start with a few observations, our subject will essentially be the question of the economy as such, which requires a lot of attention. It will get more attention: I will producing, this weekend, for publication over the weekend, in *EIR* and in other publications, a study of the U.S. economy and how to save the U.S. economy. The title is "Saving the U.S. Economy." It will cover some of the same area, that I'm addressing here today, but it's a more in-depth treatment, of the type due to an audience for a written publication, as opposed to an oral presentation. And there are some things which I shall say here, I will not say there, because this is an oral discussion between me and people out there and people here. So, that's a different kind of communication than writing to a reading audience.

Now, there are three subjects which I would call to your attention as reference, and then I shall return to the one, which is the economy.

What Bob Rubin Knows—And Doesn't Know

First of all, you may know that Bob Rubin, the former Secretary of the Treasury, made some remarks recently, and some other people made similar remarks, but he in particular: In which he did not exactly go all way, but he did warn that we are facing an immediate crisis, an immediate collapse of the present monetary-financial system, which he has been saying for some time. He did not propose the remedies for this, but simply indicated the need to address the reality of the threat, which he much understated.

But I don't object to that, because Bob Rubin is committed to two things: He's a professional in the banking field, which is his basis for having been Secretary of the Treasury. He's a very bright person, very intelligent, and very courageous. But he is a banker, not a politician. He's not a commander of a field army. I'm more inclined to the latter profession, as you know.

But I agree with him on this point: that he is what he is, and I am what I am, and I have no objection to the fact that he's greatly understating the problem, and not identifying the solution, even to the degree that he does have a solution. Because his job is to move things forward, to get people off their butts, so to speak, to recognize that there is not a happy economy out there, there is a terrible economy, in which the lower 80%, even the lower 90% of family-income brackets of the United States, in particular, are suffering greatly. In which every nation-state of continental Western and Central Europe is in the process of disintegration. In which there is some recovery in some parts of South America, but the extent of misery is *massive.* The situation in Africa is unspeakable. And if the United States goes down, as I shall explain, in that case, China will go down, India will go down, and the rest of the entire world will go down! Go down in a chain-reaction, not into a depression, but into a general breakdown crisis, comparable to what happened to Europe in the middle of the 14th Century, a period which became known as a New Dark Age: in which half of the municipalities of Europe disappeared from the map, and one-third of the level of population, in a period of one generation.

Former Secretary of the Treasury Robert Rubin: an intelligent and courageous man, but he's not offering any solution to the economic crisis which he sees clearly.

We're now facing a condition which potentially threatens that on a global scale. So, I don't object to what Bob said, because his job is to try to move some dead-heads to life, to realize that this is not a happy situation, that we're in a very deadly situation, which requires rather strong and exceptional remedies. Fortunately, those remedies exist, if we have the will to adopt them.

The Iraq War

You have a similar kind of situation around the Iraq withdrawal issue. Now, we are all committed to the Iraq withdrawal, I presume. But there are practical problems in executing the withdrawal. So therefore, we have to be concerned that there's a serious commitment to getting out of there. That it's not a "baby" commitment, it's not an "if" commitment, it's an absolute commitment. But we are not going to simply leave the place! Therefore, as generals have said, leading generals, who oppose the war, have made the same observa-

Lance Cpl. Lameen Witter

Gen. Anthony C. Zinni (USMC-ret.) warned on Nov. 14 that a quick withdrawal would accelerate civil war in Iraq. As long as Bush and Cheney are in office, he's right.

EIRNS/Stuart Lewis

Rep. John Conyers (D-Mich.), incoming chairman of the House Judiciary Committee, will tell you that to put a President on trial for impeachment, Congress must follow due process. But the job of those of us who are outside Congress, is to press *for impeachment.*

tion: You have to adopt a *process* by which you successfully disengage, and don't increase the mess which already exists, created by the Bush Administration and its policies. So therefore, I agree with both those of us who say "immediate withdrawal," but who also say, "We've got to have a scheme for withdrawal, which fits the requirement."

Impeachment: We Press, They Process

There's another question of the same nature: Some Democrats are not saying "impeachment," if they're in the Congress. Why? They're for impeachment. We are for impeachment. But why are they saying that, apart from the deadheads—like, we have a Democratic deadhead, he's called Lieberman, from Connecticut. He was elected by the Republican Party, and he's called a Democrat. But in general, they're right. Why? Because, as they will tell you, as Conyers, for example, who's the head of the relevant incoming committee of the Congress, will tell you, that when you are putting the President on trial, where you have to be a judge and jury, you can not be a prosecutor from the outset. You must conduct the proper procedure, because you can not destroy law itself and due process, in the process of seeking to do something which is even necessary.

However, *we,* who are not in the Congress, who are not in the Senate, who are not in the House of Representatives, have the responsibility to press for the impeachments we know are necessary: Cheney, number 1. So therefore, we press, they process. And as long as their processing corresponds to our pressing, we're going to come out just about all right.

This is the nature of the function of leadership, and function and process in government: You must have a strategic outlook as to what must be done, an understanding of the problem to be corrected. But you must also have respect for the process, so in the process of getting to where you want to get to, you don't destroy your destination.

So therefore, I speak as I do, and it's my job to do so. I'm the tough guy. They're the soft guys. They speak softly; I speak toughly.

Now there's another reason, which I'll return to, the main point here today, is, that Bob Rubin doesn't have a solution. None of the well-meaning, leading financial authorities, and economic authorities, in the United States, or in Western Europe, or in the world at large, have any conception of *how to solve the presently onrushing international financial-monetary and physical crisis: None! I do!* Now, in this case, therefore, it is my job to state frankly what that solution is, and to identify the nature of the problem to which this remedy, this medicine, is to be applied, in order to cure the sick patient. If we don't do what I know we have to do, if we don't take some of the necessary steps, then in the attempt to deal with the crisis, we'll make the mess *worse.* And if we make the mess worse, now, in a crisis which is far more serious than the 1929-1933 period—if we do that, we get a dark age.

So therefore, action must be taken *now,* decision must be made *now;* the medicine must be the right medicine; the solution, the plan, must be the right plan—and we can get out, alive and well. And be free of some of the diseases that have gotten us to this point. That's my job.

It's my job to say what has to be done, because others *don't know what is to be done.* Bob Rubin doesn't know what to do, and he's about as smart as they come in the United States, on this question. Nor does former President Clinton. Nor do any of the leaders of the committees in the Congress, the Senate or the House: None of them know what to do. They

FIGURE 1
LaRouche's Typical Collapse Function

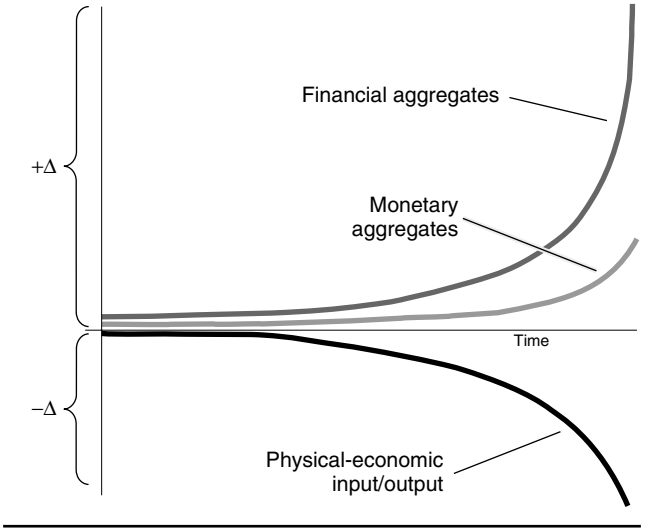
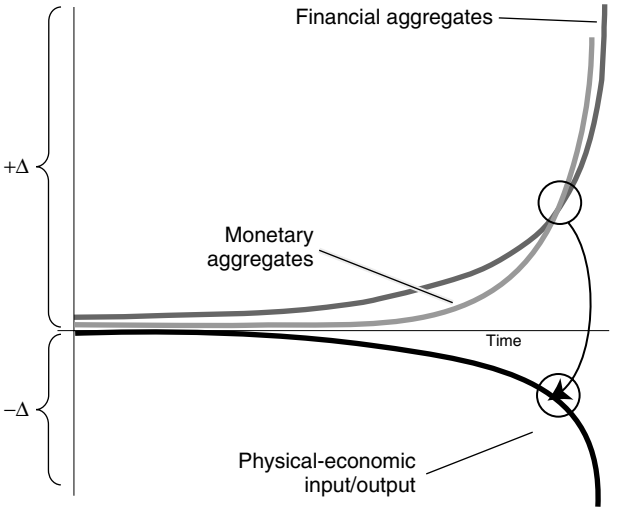


FIGURE 2
The Collapse Reaches a Critical Point of Instability



LaRouche's "triple curve" heuristic diagrams illustrate the tendency for hyperinflationary expansion, once an economy's physical productive output is cut to the bone. The second figure shows the point at which monetary aggregates overtake the growth of financial aggregates generally: a hyperinflationary blowout.

have the intention, the best of them, of doing something. They want to know *what* to do. My job is to tell them what the solution is, and what to do.

And let's hope they agree, for the sake of us all, and for the future generations of humanity.

What Happened to the Economy

Now, the present crisis is something which I warned of in particular, at the end of 1995, when I was a guest of a Vatican conference on health policy questions. And during the conclusion of that session, I presented a paper, in support of the proceedings, in which I specified the general nature of the crisis which we face, in which the whole health question had to be situated. The economic aspect of how do you address the growing health situation, the deprivations which were occurring, the failure to meet requirements around the world. And I published this same material in the form of what I called "The Triple Curve," publicly, in January of 1996, as the launching of my then-Presidential primary campaign [**Figure 1**]. Since that time, there's been some change: One aspect of the curve relationship changed, as I noted around the year 2000, 1999 to 2000 [**Figure 2**]. *But!* What I had said then is absolutely true.

What has happened, the reality of the economy, is, that over the period, especially since about 1987, and the measures taken under Bush I—"Bush 41" as he's called—a process was set into motion under a raving fascist lunatic, otherwise known as Alan Greenspan. And this process resulted in a *decline* in the physical income, and productive output, of the United States. But this decline was apparently offset by an increase in financial aggregates. Because the Federal Reserve System and other mechanisms were printing money, in the wildest way imaginable, on the basis of so-called "financial derivatives." And therefore, you had a financial growth, a hyperbolic tendency in expansion of the amount of financial aggregate, while the *physical* aggregate per capita of production *was going down!* In the meantime, you were driving this financial aggregate, by expansion of the monetary aggregate, by new ways of creating fictitious money, which some people try to take to a bank. And every banker knows, you don't do that. You take fictitious monetary assets and you sell 'em to some sucker, to get whatever you can get in terms of physical assets, or negotiable assets.

So now we've reached the point, at which the rate of monetary expansion required to support financial expansion, to keep the whole blasted bubble from popping, or to cause it to pop, is such that we're now at the fag end of the system. We've now reached the point with the collapse of production. . . like for example, the Congress did *nothing,* the Congress did *absolutely nothing* definitive, during the entirety of 2005, to deal with the collapse of the auto industry. We said, "Change it." The Federal government should bail out the auto industry, by taking the sections of the auto industry which are not needed for production of automobiles, and use that section for other things we *do* need: such as fixing up the rivers, which are no longer functional; fixing up our infrastructure in general; producing new power plants. Basic economic infrastructure, which is what government does well, as

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"Congress did absolutely nothing definitive, during the entirety of 2005, to deal with the collapse of the auto industry. We said, 'Change it.' " Here, unsold cars on a lot in November 2006. The car in the foreground has been unsold since July.

opposed to the private sector. And use that driver, of using the high-technology section of the auto and aerospace industry, which is not needed any more for automobiles—use that sector, keep it fully in function, because it has a machine-tool capability, the ability to produce almost anything. So use that to build up our infrastructure, to expand our production in the private sector generally, and to go away from being a post-industrial society, which is another way of describing death, back into an industrial society, which means physical progress per capita and per square kilometer.

And all you have to do is look at the conditions of life of the lower 80%, even now, the lower 90% of family-income brackets in the United States, and you see that the President of the United States is, as we've all suspected for some time, a raving lunatic. There's nothing true in anything he says. I mean, a President who wants to go out and kill "tourrists" is not exactly doing something good for the United States, hmm?

Don't Sink the Dollar

Now, what has to be done? To get to the essence of the matter, what is the solution? Well, the first thing, is, *don't sink the dollar.* Because if the dollar is devalued, today, in a significant degree, say 20 or 30%, it would mean the entire system, the entire world system, would go, chain-reaction fashion, *into a global dark age.* Because the whole world system is dependent on a dollar, which intrinsically has no intrinsic value. The dollar has a conventional value, not a physical value.

In 1971-72, we destroyed the dollar. We took it off the Bretton Woods system, and we said it was "floating." What does it mean, "floating"? You know what floats, huh?

But the point was, the dollar was still used as the currency of account and denomination by the International Monetary Fund. So the world system is a dollar system, Despite the fact that some parts of the world are trying disengage from heavy implication in dollars, to other currencies, that's no escape either. Because the entire world system is based on the ability to collect on *the U.S. dollar!* If you can't collect on the U.S. dollar at parity, then you are bankrupt, too! Every nation in the world: China goes into a crisis. India goes into collapse. Every part of the world goes into a collapse, if the dollar goes down by 30%!

So, the first thing you have to understand, is, there is no solution unless you prevent the dollar from collapsing. How can you prevent the dollar from collapsing? Well, two things have to be done: The United States government has to get rid of this President, and Vice President. If you want to save your rear-end, get rid of this President. And have him go where you put your rear-end.

An FDR-Type Solution

Because, unless you can make a change from *his* policy—and the guy's pretty stubbornly insane—unless you can do what I want to do, what President Franklin Roosevelt would have done, unless you want to do that, you are useless; you are worse than useless; you are an impediment in the wheels of progress. If I'm President of the United States, or can get somebody else who is President, to do the right job, we can stop the crisis. By political power: We can say, "We are going to defend the dollar at parity, on international markets." On condition that other countries will cooperate with us in doing it!

So what we do, is we agree that we're going to set up a *return* to something like the Bretton Woods system that Nixon shut down in 1971-72. We're going to say that the policy of the United States is to establish a fixed-parity relationship with other currencies, other nations and currencies of the world; we're going to create a new system, which will be denominated in dollars, but at a fixed ratio. We are going to convert short-term obligations, *en masse,* into long-term obligations of up to 25 to 50 years by treaty agreement. And therefore we can stabilize the world, on the basis of the agreement with countries that are willing to do that.

We can then, on that basis, we can issue new credit, at 1% to 2%, as fiat credit of governments, or under treaty agreements, long-term trade and credit agreements among governments. For example, take the case between Germany and China, a good example, because Germany is pretty much a trading partner of Russia and China. That's the key to Germany's having any economy at all.

All right. So, these countries have different kinds of political, economic, and monetary systems. But therefore, if you have a treaty agreement, covering a 25- to 50-year period, at 1% to 2% simple interest rates, of government to government, over this period, you can now create a new vehicle of credit to finance the major projects, which Asian countries in particular

require, because they don't have enough facilities now, to do the complete job they need to do for their own countries.

So, we can fix this at low rates of borrowing costs. We crank up Europe, starting with Germany. We crank them up to produce the product that Asia requires, particularly for capital goods, capital investments, capital improvements. We finance the thing on a 25- to 50-year basis, in bulk. We also use a reformed monetary system, of a Bretton Woods *type*—not the Bretton Woods system, but a Bretton Woods type—a fixed-exchange-rate system, and we lock the world up into a set of agreements for physical economic recovery and growth.

End the Greenspan Financial Casino

Now, we also do something else: The reason that this crisis is so severe, is because of Alan Greenspan. That man was no good. Wherever he is today, he's still no good. And you don't know where he might have gone in the meantime—if you know anything about him! Any follower of Ayn Rand might have gone anyplace. He may still be following her, for all I know! And when you look at the Ayn Rand supporters, who turned out to be some of the nastiest fascist types of neocons, in existence on the surface of this planet, you have to know, that Alan Greenspan, was, as they say of Satan, "no damned good."

So therefore, this is the mess. We have created by, instead of investing, instead of creating debt for investment, for investment in creating new plants, new production facilities, basic economic infrastructure, scientific and technological progress, large-scale investment in nuclear power plants, things of that sort; instead of doing that, we have invested in gambling! How many parts of the United States have opened up *casinos,* and legalized gambling, as a substitute for tax revenue? As a mode of employment? What is that worth? It's gambling! Now where in the Hell did gambling come from?

So, what we have, is, we have the entire world is based on a gambling system. Hedge funds: gambling system! The banking system is *bankrupt,* implicitly, because of its tie to hedge funds.

We're now getting to the point where the hedge funds are going to start collapsing, one after the other, by bubble-pricking. We have the real estate bubble. It's a fraud! The entire real estate investment in the United States is a fraud! Right where we're standing, across the river in Loudoun County, it's ground zero for the biggest financial real estate crash in all human history. It's going into a chain-reaction collapse, and other parts of the country are not far behind. That's the situation we're in. It's because we have incurred a mass of debt, of financial debt, in the system, based on a gambling system.

And instead of being honest gamblers, who accept their losses, after they've lost their money, they demand to be paid for their losses! At a profit.

So therefore, what we will do, is simply go at this through financial reorganization: We must save the banks. I agree with Bob Rubin on that. You must save the banking system. Why?

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"How many parts of the United States have opened casinos, and legalized gambling, as a substitute for tax revenue? As a mode of employment? What is that worth? It's gambling!"

Because of the *function* of the banking system in the circulation of credit, deposits, and so forth, and organization of communities and private and family life, and so forth, huh?

But they're bankrupt.

All right, we still save them: We put them through *bank*ruptcy. We keep the doors open . . . in *bank*ruptcy. Guess where the word "bankruptcy" came from? From banks!

So, the Federal government now moves in, and takes over the bankrupt banks, and says, "You guys are going to keep the door open, by Federal order. We're taking the Federal Reserve System into receivership by the Federal government. And the Federal government is going to operate it. We are now going to take accounts, which can not be currently paid, we're going to put the entire system through bankruptcy reorganization! You can't close your doors! We will tell you what accounts you are allowed to pay. We'll tell you what accounts should be guaranteed, whether they're paid in order or on account. We will regulate where you can take your unpaid balances in the banks, and you can draw upon them, at nominal rates, for your own purposes." In other words, you may have savings, or something lodged in a bank, in a bank account. The bank doesn't have the money to pay you for your investment. But we can decide by Federal law that certain kinds of investments of that sort will be guaranteed, and therefore we can negotiate that a person who can not withdraw

money from the bank because the bank doesn't have it, can get a loan at minimal charges, in which to use their own money, until we can get to the point that we can liquidate this, as we did with the bank holiday procedure—a much milder problem—back in the 1930s under Roosevelt.

So therefore, we can keep the banks functioning! We can selectively protect those things which are of highest priority to the functioning of communities and families. That we can do!

We will then, simply take the financial derivatives, and similar kinds of phony investments, and we will cancel them! Write them off. They're gone anyway! So why not write them off? The banks are bankrupt. You have to settle so much on the dollar. We may end up settling on 20 cents on the dollar for the entire banking system, financial system, in terms of assets, like that.

But if we do it, we go from an *unregulated* situation of chaos, to a regulated system. We turn short-term crisis into long-term stability. We eliminate things that should be eliminated from the accounts; we protect things that should be protected; and we enter into international agreements to expand physical production and development of infrastructure.

At that point, *we really don't have a problem.* Because, if we are keeping enough of the people of the United States working—not in McDonalds, but in actually useful things where you dare eat—you know, in your own kitchen you dare to eat the food, most of the time, don't you? When you go to McDonalds, you wonder, "What am really eating? *Who* am I eating?" [laughter] "It tastes like somebody from Australia. What's this pouch doing in my hamburger?!"

So, the problem is not insuperable. And you can look at what Franklin Roosevelt did during the 1930s, and turned an economy which had collapsed by one-third under Hoover, and he turned it into the greatest economic machine the world had ever seen. A machine which was the only thing which saved the world from a Hitler dictatorship—was the United States and its partnership with other countries, including the Soviet Union. Including an unwilling ally, Great Britain.

Great Britain had been fully for Hitler. And Roosevelt and some other developments convinced some people in Britain *not* to go for Hitler. The leading bankers of New York City were all for Hitler. They'd been for Mussolini, too. Roosevelt beat them over the head! Said, "Now you're against Hitler"; they said, "Okay! Yessir, ma'am." (They get confused on these things.)

So we forced these guys, who were actually the authors of the Nazi system, in the United Kingdom, among the French Synarchists, among the U.S. bankers, including the granddaddy of the present President of the United States, Prescott Bush! Who was a Hilter-backer! *He, personally, signed the order which moved the money into the Nazi Party,* as a loan, which guaranteed the non-collapse of the Nazi Party, in time for Hitler to become the dictator of Germany, and almost the dictator of the world. That was the "gran'daddy of this heah President!" This guy who wants to kill "tourrists." Not good Presidential material.

FDR Library

President Franklin Roosevelt took an economy which had collapsed by one-third under Hoover, and turned it into the greatest economic machine the world had ever seen. The problem we face today is tougher, but not insuperable.

We're Coming to the End of the Road

Anyway so, the issue here is, that we can, as governments, if governments agree—and you need a conspiracy among some good governments in the world, and the rest will have to go along. This comes to another question I'll get to later: But we are now involved in a general collapse, where the amount of debt and the acceleration of the amount of debt, unpayable debt being paid off with more unpayable debt, is reaching the point, as typified by the housing crisis or the debt-mortgage crisis in the United States, that we're coming to the end of the road—as Bob Rubin says. As I said, I support Bob Rubin, because he's trying to awaken some idiots in the United States, to the fact that there is no prosperity, that the system is about to collapse: That we're already *overripe for an immediate collapse—any day, any morning, any afternoon.* And once it starts, if the U.S. government and some other governments don't do the right thing, the whole world will go into a dark age. We're at that point. That's why I have to do something.

Now the problem is, the psychological problem, is people believe in money. For example, the British have theories of money. Marx got his ideas from the British, therefore the Marxists have silly ideas about money. They have a theory of value about money.

Money, whether in metallic, or paper, or computer language form, *has no intrinsic value.* None. It is a *medium,* it's a contract, that's all. Or it's a medium of a contract.

Defeat the Oligarchical System

Now, especially in modern society, since medieval society, in fact, since ancient Greece, money, as a notion of value, has always been a characteristic of what's called imperialism. Now in the old days, they didn't call it "imperialism." In those days, in ancient Greece, for example, it was called "the oligarchical system." The oligarchical system—and this is where the problem arises inside the United States—it's where

the problem arises inside the Democratic Party leadership. The oligarchical system, where you had people who were running the Democratic campaign, Howard Dean's Democratic campaign, who were looking at people like Felix Rohatyn, who is by all credentials a fascist—after all, he financed bringing Pinochet to power in Chile. That is not exactly what we consider a first-class Democrat!

But they said, "We're going to the upper 3% of family-income brackets to finance the Democratic election campaign. " I said, "Nonsense." They said, "No, we're going to do it, anyway." So the Democratic campaign organization, particularly under the Democratic Leadership Council and under Howard Dean, was going in this direction, to get money. From whom? From the upper 3% of family-income brackets. Now, what's the problem in the United States? The big problem is the lower 80% of family-income brackets! Even the lower 90%, these days, as some of you may have discovered. It used to be a safety valve to be in the upper 20%. Now, you have to be in the upper 10%, or the upper 3%.

So the Democratic Party politics was oriented toward the *upper 3%!* Because, whose butt did you have to kiss to get the money in order to run your campaign? Why did some Democrats want to work through Felix Rohatyn? Because they wanted the *money* that he controlled! Therefore, he could dictate their politics, based on their desire to *ple-e-a-se* him, in the way they ran the campaign. It's still a problem. We're going to have to sort it out.

Whereas, real politics is, the lower 80% of the family-income brackets, that is, in terms of physical standards of living, conditions of life. Of communities in which they live. That's real politics. That's *real, American* politics, as opposed to some European oligarchical system, where you have landlords running the world. This is called the "oligarchical system": A group of wealthy families run society, the way they ran ancient Sparta, where the helots were hunted down for pleasure, by the young bad guys of the wealthy families; where the poor were persecuted and treated as animals; where society was based on treating human beings as animals.

Take Quesnay, for example, the so-called author of the Physiocratic system, who said that wealth comes from what? From production? He didn't say that! What he said was, the property title, the title of nobility to property and land, for mining and farming, was the magical thing which produced wealth. And the people on the estate, engaged in production of mining and agricultural production, were no different than cows! Who should be fed enough straw in order to continue to produce milk and meat. But, the fruit of production, the *gain in wealth,* had been produced by that lazy bum with a title, sitting in his estate, and it was this magical *title* to that estate, which secreted this surplus value, this wealth. That's the oligarchical system.

That was the system of Sparta. That was the system created in European history by the Apollo Cult of Delphi, which created Rome. This is what created the Roman Empire; this

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"Money, whether in metallic, or paper, or computer language form, has no intrinsic value. None. It is a medium, it's a contract, that's all."

is what created the Byzantine Empire; this is what created the form of empire of the Middle Ages, where the Venetians were running these bums called the Crusaders, the Norman chivalry, in running a system of persecution of Muslims—"Hey what d'ya know about that? Back then?" The anti-Islamic movement? Medieval! The Crusaders, who were not Christian. They were out to crucify everybody. And they were working for the Venetian bankers! This was the medieval system that led to the Dark Age.

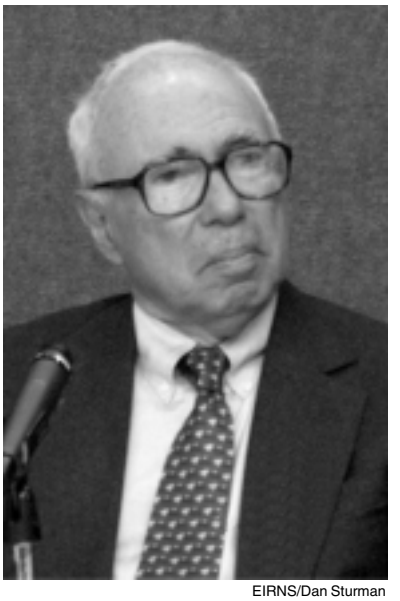
This was what was restored in Europe, again, with the Fall of Constantinople, where the Venetians took power again. This is what led to the formation of the British Empire, the Anglo-Dutch Liberal system, which is the same thing. They reintroduced slavery. Now, again, they've reintroduced the anti-Islamic movement, have a war against Islam! Same thing all over again.

So therefore, the system is to manage the planet, by treating the majority of the human population of the planet *as animal life,* which you can cull, kill, or maintain as a pet—and then eat—as you do a pet cow in a barn. The oligarchical system.

What was achieved in the Renaissance was the kind of idea represented by Solon of Athens, represented by Plato: the idea that the totality of the people—the people contain something which is not an animal. The people contain a spiritual, intellectual power, which distinguishes man from the beast. And therefore, human beings can not be treated as animals! And society exists for the benefit of humanity, for *future* humanity, and future humanity is the *children of all of people living now!*

A Community of Sovereign Nations

So therefore, *real* politics is not democracy. Real politics is *care* for the welfare of all of the people, for the benefit of future humanity. It is the respect for the sovereignty of cul-



EIRNS/Dan Sturman

Democratic National Committee Chairman Howard Dean (left) turned to the upper 3% of family-income brackets for financial support—notably, the circles of banker and synarchist Felix Rohatyn (right). The lower 80% were basically ignored.

tures. Because different people have different cultural backgrounds, they can function only in terms of their language, their culture, which they communicate in. Therefore, people organize themselves in language-cultures, or cultures of tradition. Why? Because they *think* in those terms. If you want to have representative government, you have to give the people the access to the system which is *theirs,* in which they do their thinking, in which they can develop ideas.

And therefore, at the same time, you must then have a fraternity among relations of different cultures on the planet. Roosevelt such had such intentions, Franklin Roosevelt. Truman had the opposite intention. Franklin Roosevelt's determination, as he said repeatedly, was at the end of war, the great economic production machine which the United States had developed to defeat Hitler, would now be converted as a source of productive power, to enable the colonial nations of the world, and the suppressed people of the world, to develop their own government, independent. And to create on this planet, a fraternity among national self-governments of peoples. That was Roosevelt's intention.

What Truman did—Truman was a stooge for Churchill. The British did not intend to give up their Empire. Truman let the British occupy their colonies, again. The Truman Administration gave Vietnam back to the Japanese in order to turn it over to the French. The British government and the Dutch suppressed the people of Indonesia; the cause of freedom in Africa was brutally suppressed, repeatedly, throughout most of the post-war period. So that's the difference between Truman and Roosevelt.

That's the difference between the American System, the American Constitutional System, which we created in this country. We were able to create it, because we were at a distance from Europe, where the oligarchy was dominant. And therefore, we were able to take the *best* ideas, that had developed in Europe, and build a culture and a nation around the *best ideas* of Europe, but at a safe distance from the European oligarchy. Not completely safe, but relatively safe.

That's the difference in politics. That's the issue today.

The Indispensable Role of Youth

Look at what won the election. What won the election? And it's no exaggeration, as Debbie said: That our role, particularly the role of the Youth Movement, and what we were pushing as our policy, was crucial during the last weeks of the campaign, in securing a landslide victory for the Democratic Party in the House of Representatives. Where did the votes come from, that won the election in that way? Well, it came from the people between 18 and 29 years of age. Some of you people are acquainted with some people of that age group. It came, also, from a surge, a great surge of the population between the age of 25 and 35. That is what won the election! This was a part of the population which the Democratic campaign had done *nothing* to win over. The leading policy had been doing *nothing* to win them over.

That's where we played a role. We pushed. And the youth pushed hard: *We won the election.* Because we sparked a reaction *in* the population by the methods we used, here, to create a mass effect. You have a few people with *ideas,* you produce a *mass effect.* Not by person-to-person conversions. No religious conversions—please. By mass effect: You spread *ideas.* You deploy in such a way as to spread *ideas* among the people! And the spreading of ideas among the people, when the ideas are attractive to them, cause them to have a better relationship to each other. And the people who develop this better relationship to each other in terms of ideas, *then* become influential in the entire community around them. And that's what happened!

We went to everybody, in our campaigns, in the recent period. But we went especially to those in the 18 to 25 age group, as the base. And we also went to those in the 25 to 35 age group. And that's exactly where we had our success! We went to other people, but we never had the success in the older generation that we had in these two sections of the population. And this is particularly true of the college-educated population, or quasi-college-educated population—you have quasi-universities today. They're called universities, but they ain't really that.

EIRNS/Joe Smalley

The LYM rallies for impeachment at Union Station in Washington on Nov. 13, in the Week of Action building up to the webcast. Their combining of Classical singing with political organizing has made them a unique feature of the political landscape.

So that's how we changed it: We created a mass effect. What happened? Where did we stimulate it? Well, tell me about people who are between 25 and 35. Tell me about people in the United States who are between 18 and 25: How many of them are rich? How many of them can afford a university education? How many can afford the effects of having had it? [laughter]

So therefore, there are two things about these two groups, 18 to 25, and 25 to 35: What is characteristic of them? Baby-Boomers are approaching the fag-end of existence, and in their cases you call it the fag-end of existence. 'Cause they don't believe in the future: They believe in their pleasure. [dumbo voice] "History stops with us." That's the Baby-Boomer.

Whereas people who are 18 to 25, either are going to go on drugs and kill themselves; or they're going to say, "I want a society with a future. I'm going to be around here at working age for 50 years to come! What kind of a future do I have in the coming 50 years? Can I produce children? Can I have a family? And if I try, what's going to become of them?" The person who is 25 to 35 faces the same problem: "I'm around, I may have 40-50 years of fight in me, of working life. I want to have a family, somewhere along the line. I want to have a family that can live, where the children can live! I want to look forward to grandchildren, who will be in a society which is at least as good as ours, and perhaps better."

Our Culture Was Destroyed

This is the motivation of people who have not yet reached the Baby-Boomer age as a result of the post-war culture. The 68ers *have no sense of the future!* They didn't believe in production! They hated people they caught wearing blue shirts! So they took their own shirts off completely! [laughter] Because, they were using, taking in stuff, and you couldn't tell what the color was—so, to get rid of all shirts.

So what you had, our culture was destroyed, by what was called in Europe, the Congress for Cultural Freedom. With the Truman Administration, various social measures were taken, especially in the upper 20% of family-income brackets, especially in suburbia, in educational systems, through television and so forth, in order to condition the population which was born after 1945 to about 1957, to condition that population to have no values; to condition them to be complete sophists. In Europe it was called the Congress for Cultural Freedom. In the United States, the same thing was done.

So the young people who went into universities in the 1960s, were generally products of this cultural indoctrination. The same thing that was spread in Europe, as the Congress for Cultural Freedom. And therefore, when they exploded in reaction to the fact that they were about to be drafted—they didn't explode as long as they could get exemptions from the draft by being in a university. But when the day came that the U.S. government said they could be drafted, that the college exemptions were cut back, they went wild!

And what did they do? They demanded clothes and took them off. They demanded freedom of the mind, and took drugs to destroy their minds. Like LSD: They would set up parties, where they would have parties, they would have coke, wine, and pot. And then when they had finished going to pot, they would say, "This no longer is a thrill, I want a real ride

War Resisters League

Burning draft cards in 1965. The Boomers who were in the universities in the 1960s didn't explode as long as they had draft exemptions for being students. But when those exemptions were cut, they went wild!

into insanity," and they would take some LSD. They were against technology; they were against production; they were against people who worked in factories; they were against farmers; they were against every system on which the welfare of the general population depends, and they called this "the new freedom."

And this is what happened to us: These were the Baby-Boomers. In Europe, as in the United States, the Baby-Boomers destroyed society. Not because they had intended to destroy society, but because they themselves had been destroyed by the Truman-Age culture to which they were born. Especially if they were in the upper 20% of family-income brackets of that period.

Now that generation has been running society, and therefore, leading members of the Congress, political parties, and so forth, are not exactly in the best mental condition. They have certain . . . [parodies goofy mannerisms]. [laughter] And they don't really believe in anything. They believe in their pleasure. They believe in their advantage. They're looking for thrills of various forms, like getting elected or something. But they don't believe in a *mission* for the benefit of future humanity. They haven't got that kind of commitment.

Therefore, the future of mankind rests on the shoulders of people between 18 and 35, today. Because, unless they're destroyed already, they're thinking about a future. They're thinking of the outcome of the years to come. They're looking for a meaningful life in 50 or more years to come, whether they have children or not. *As we used to!*

In all my experience, and I go back a good ways, in terms of grandparents and so forth, well over 150 years—and in terms of people I know in the family, whom I didn't meet actually, go back over 200 years—so, in a sense, sociologically, I'm 200 years old. And I'm working on a third . . . I think.

So, that's the situation: This generation is what we depend upon. This generation are in motion, as you saw in the election results! This generation will inspire even some of the deadheads of the Baby-Boomers to come back to human life. They won't initiate it, but they'll follow it.

This is not entirely unusual in history, that you will find that all revolutions and wars are fought by people, generally, mostly, between 18 and 25. All great changes in society originate, within the development of people between the ages of 18 and 25. This is the way history has been run. Look at history! Look at what age-group in each generation played what part in shaping history: It's been the same. I used to warn people about this, I said, "You know, at the age of 27, you change your sex, if you're a university student. As you're about to get your doctoral degree, suddenly your mind drops away—because you don't want to destroy the perfection of what you already know by learning something new. If you're a professor at the age of 27, and you start to teach, and you begin to 'repeat after me' from index cards the same lecture you got, and you pass it on to the suckers in the next class to come that you're teaching."

So there's a phenomenon in society, where a lack of creativity in the development of the young people results from the age of about 27, 30 and so forth. At that point, they develop a kind of "the end of progress," "the end of development." They may learn new things, they may acquire new skills, they may gain in effectiveness, but they're not really *creative* any more. They really are not *human* any more. They're sort of an animal-like version of a human being. What they've learned and been conditioned to up, to that time, stays with them, until the memory begins to fail. But they don't progress. They don't undergo personal, internal revolutions in knowledge, in breaking free. They tend to become stagnant. Oh, a minority can differ: You have an Einstein here or there, and so forth. But the majority of people, in a society of our time, still goes stagnant at about the age of 27 to 30. And very few actually continue to be creative beyond that point.

And so therefore, the key thing in society, is always focus upon what leads into the 18 to 25 age group, the 18 to 35 age group in our society: Focus on that; instill creativity, or a sense, an association with creativity, as a normal social process, in that age group. Because, if you can instill that in that age group, then you have set a new direction in society into motion. And then your life means something, because you're doing what the Baby-Boomer generation didn't want to do, is create their successors. "History stops here with us, and after that, we don't care."

So therefore, you see precisely in these election results, that.

What Is Economics?

So therefore, we're coming, in this time, to a point where my conception of economics is crucial: What is that conception? What's the difference between man and monkey? Bush

could never tell you. His mother was never able to tell him. And if she'd been able to do so, she wouldn't have been willing to do so—because she's a very cruel person. She doesn't like children—uses them like Kleenex tissues.

The difference between human beings and the animal is creativity. It's typified by the discovery of a universal physical principle. Or what we've done with the Youth Movement, in terms of the work of Bach, which we celebrated again today: That, in Classical musical composition and its performance, if properly understood as Bach understood it, and the great composers after Bach, and the great musicians, the great performers, is creative. It is *not* playing the note. It's playing between the notes. It's playing the passage. It's playing the interplay of voices. And in this, this difference, between the literal note, and the music, is creativity. It involves the same powers of mind, applied to a *social process,* that the scientific discovery of principle applies to an object in nature.

Science and Classical art are the same. They involve exactly the same specific kind of creative mental powers. In the one case, the object is something in nature or animals. In human beings, it's something social, it's something in the cooperative relationship of human minds. And this is best expressed in art, in Classical art. When we organized the East Coast youth operation, Youth Movement, we had a meeting, and we decided—and my proposal was accepted—to take *Jesu, meine Freude,* the work we performed here today, and to use that as the emphasis for a cultural orientation which corresponds to the same mentality in physical scientific creativity. And to develop the practice, and development of this work in vocal music, with that in mind. As playing between the notes, or the kind of thing that in John [Sigerson] has been working with the choruses on doing, on the question of the comma: What does the comma mean in music? When you get to the idea of *irony,* irony was the comma, as an ironical development, which distinguishes the music from the notes, it's irony! It's something between the notes. It's the same thing as the irony of the infinitesimal in physical science as defined by Kepler, in the discovery of universal gravitation, or the organization of the Solar System.

Irony: Because a universal physical principle *is never an object of the senses.* The effect of a universal physical principle is an object of the senses—but not the principle itself. Why? Well, gravitation is as big as the universe. Now how can you see an object which is as big as the universe? With what will you compare it? What you see, is the effect of that object, as it rolls over you, so to speak. "Oh! There's something there!"

And this is reflected as something that happens, that hits you in each instance. Well, how big is the instant? Well, the instant is as small as you can get . . . and smaller. The same thing is true in poetry, Classical poetry. It's true in all great art: It's not the literal, mechanism interpretation, which defines the art. *It's the irony!* It's something between the cracks, which is universal, a universal principle. *That's* what defines art. That's what defines science, as Kepler defined science. As the ancient Greeks defined science, in terms of the concept of *dynamis.*

EIRNS/Tyler Iketubosin

"The difference between human beings and the animal is creativity. It's typified by the discovery of a universal physical principle." Here, a LYM cadre school in Santa Barbara, California, works on geometry, October 2006.

The Difference Between Man and Ape

So therefore, the function here, in economics, is what? The difference between man and the ape is creativity. If man were an ape, you wouldn't be bothered with more than a few million neighbors of that type, at the most. Because you couldn't sustain a larger population of apes, or gorillas, chimpanzees, and so forth. Human beings: We've got over 6 billion of them. How'd we get that? Because of development. What kind of development? Because humanity developed, in terms of art, in terms of the equivalent of science, humanity made discoveries. These discoveries were reenacted by successive generations, became part of the practice of society: Man's power in and over the universe increased. And the more individuals who expressed this power, and gained it, the more prosperous and better the society was; the more powerful the society was; the more we could conquer the world around us, to provide for a better standard of living for people, for future humanity.

So therefore, this is what's crucial. Now, in oligarchical society, the oligarch does not want the majority of people to understand this. It wants to reduce, like Adam Smith, or the Physiocrats, to degrade man to the status of being an obedient cow! And to tell himself to be happy. Tell the cow to be happy. Tell the cow to "shut up and be happy! Stop that noise at night! I want to sleep! The cow's keeping me awake, or I'll slaughter it in the morning!" Hmm? And people are treated as cows: You're supposed to "learn" things. Learn how to behave. Behave as your ancestors did. Behave as you're taught in school. Don't learn a principle by yourself. Don't learn something the teacher doesn't know. You'll be thrown out of class!

But that is the difference. In a society, which the United States was intended to be at its inception as a nation, even before then, even in the 17th-Century colonies, the Massachusetts Bay Colony, that was the intention: It was the development of the *fullness* of the creative powers of the individual, of *all* of the individuals, all possible individuals. To develop creativity! This creativity resulted in—Massachusetts was, up until 1688 when the British cracked down on it, was one of the most prosperous areas of the world! Why? Because creativity was fostered in that Commonwealth at that time.

It is *creativity,* the development of the creative powers, the nourishment of the creative powers, and the use of the creative powers of the individual, which defines the difference between man and the ape. It is also what is *not* understood, by the people I referred to, the so-called economists: That's the secret of economy! If you develop people and develop those powers in people, if you invest in the use and promotion of those powers, their realization, then you create a population which is capable of growing in its power per capita, per square kilometer: through creativity. Through the fostering of the creative powers of the individual. And that's what the oligarchy doesn't want.

Return to a Creative Economy

Now what happened to you? What happened is, we used to be a productive United States: We had farms, we had industries, we had skilled professions, and so forth. We prized these things. The more skilled professionals we had in a community, the more doctors, nurses, and so forth, all this sort of thing, the better off we were. And we knew it. But now, they said, "No, factory jobs are no good." That's what the Baby-Boomers said, factory jobs are no good. We'll take away the factory! So you won't have to *slave* at a factory. "What do I do now?"

"You work at McDonalds."

"What do you do at McDonalds?"

"You flip hamburgers."

"What do you do that for? What don't you do it at home?"

"I don't know how to flip hamburgers at home. I only know how to flip hamburgers at McDonalds—never at home."

So you have a degeneration of the U.S. labor force, into what's called a "service economy": of labor-intensive, non-productive, forces. The amount of product which we are producing per capita, physically, is not sufficient to maintain the existing population! We're dying! We're dying of Baby-Boomerism!

We have to go back to become a creative economy. *This is what the problem is they don't understand!*

We have a population on the planet, which is mostly very poor, the population of Asia, the population of Sub-Saharan Africa is extremely poor! They don't have the power, under existing conditions, to maintain their existing population safely! We need for them, an improvement, not only in infrastructure, but the creation of the conditions under which their productive powers, their intellectual powers are increased. To create the conditions of *development,* under which the power of generating their *own* prosperity is given back to them.

And that's what these guys don't understand. They think that value lies in money. An exchange system of value, that's where the Marxists failed, terribly, as in the case of the Soviet Union. The biggest characteristic of failure in the Soviet Union, was the Marxist theory of value! They didn't understand, that the promotion of creativity of the individual in society, is the source of production of wealth. And that money is simply a means of exchange which must be created and managed, to *assist* the process of transfer of wealth, in one form or another, among people.

Therefore, the secret of economy lies not, in management of money. The management of money is a system of slavery. Where some people control the money, control the economy, for the purpose of getting more money. They do not allow development, because they want to steal. They steal so much that the economy goes into negative growth, as has happened to us, as has happened to the world. They don't understand that *value is a physical value,* not in the sense of physical objects, but in terms of the increase of the productive powers of labor per capita and per square kilometer, as a result of this process.

And that's what they don't understand! That's what they don't *wish* to understand! That's what Baby-Boomers don't want to understand, because they would have to admit, that what they were in 1968, they were the *poison* that was going to destroy this society! Not because they intended to be poison, but because they were conditioned and brainwashed, to be poisonous. They lost culture! They lost science! They lost jobs. They lost the opportunity of being productive. They lost the hope of getting health care. They lost the hope of a future for their children and grandchildren: because they didn't understand value. They assumed that getting more money is value. But getting more money, without increasing the physical powers of production, has no value.

It's to the extent we develop, not "democracy" as such, because democracy's a bad word—but *freedom!* The freedom of the individual as expressed by the *development of the individual.* And the opportunity for expressing those developed powers, in a useful way in society, in a way that makes you proud of being yourself. That makes you proud of what you're doing for the next generations that are coming after you. *That's freedom!* And the right to influence the process, influence the process of thinking, which pertains to thinking in this way.

And that's what they don't understand.

So therefore, *if* we can do two things—and this election has proven it! We've proven it by the turnout by young people as voters, in the 18 to 25 group, and the 25 to 35 group: It proves, that reposing inside the young people of America, the young adults of America, there is a core of young adults which does have an orientation toward the future, which will respond to the idea of a future. Where the Baby-Boomers in general

have given up on the future, and have tried to cling to what they can salvage from their own past. That's what the problem is.

Therefore, the secret, which is universal—the secret of making this work, what I outlined, simply reorganizing the monetary-financial system, the secret is to take young people, 18 to 35, who are still open to the ideas of being useful in society, who are still open to the idea of being truly creative, who want Classical art, who want science, who enjoy it, and who have a future orientation.

So therefore, our purpose is two things: Define the reforms which will prevent a general bankruptcy from plunging the whole planet into a new dark age. But do that in a way, which involves inspiring and mobilizing the generation between 18 and 35, which still have an orientation toward the future, at least latent within them, as they've shown in this recent election. Concentrate on *them,* and realize that you have to look at the lower 80% of family-income brackets among these youth. Because it's not sufficient to inspire youth from the upper 20% of family-income brackets—that's not enough. If you can not inspire young people, from the lower 80% of family-income brackets, you do not have a future for the United States or the world.

Yes, inspire everybody you can. But never lose sight of the fact, that what you do for the people in the lower 80%, young people in the lower 80% of family-income brackets, is what is going to determine the future of this nation, and all humanity.

And *that* is what the Democratic Party leadership has forgotten.

Dialogue With LaRouche

Debra Freeman: . . .To start, I will try to, wherever possible, group the questions by subject, just because it lends some order to the discussion. The first question is one of strategic concern that was submitted by a group of senior, retired military officers, who we have been in discussion with, particularly over the course of the last week or so. And what they say is: "Mr. LaRouche, the Baker-Hamilton Commission report is expected to be released sometime soon. Some of us here in the United States have expressed concern that domestic political considerations could override the best overall strategic approach to the Iraq crisis, which is rapidly devolving into a sectarian civil war and worse. How would you respond to these concerns, and how would you update or modify your own 2004 doctrine for Southwest Asia?"

LaRouche: Well, what I've not mentioned so far is, who is the enemy? Now, around the world, people think the United States is the enemy. The United States is not the enemy; the United States has become a *puppet* of the enemy. And there are people in the United States who represent the enemy—like George P. Shultz, Henry Kissinger, and so forth. They represent the enemy, but they're not really Americans. They represent another interest: a foreign interest, which is the Anglo-Dutch Liberal system. It's centered in the imperial system that wants globalization. If you wish to destroy a great nation like ours, you destroy it by first inducing it to discredit itself. And then you look at the way in which we are induced to discredit ourselves as a nation of the world. And the degree of discredit which we have suffered since the year 2000, is the greatest in our history. This Presidency, this Bush-Cheney Presidency, has been the instrument of our destruction, of our self-destruction, which now opens the door to the destruction by other forces besides our own.

Who did it? Who was our enemy in 1776? Who was our enemy in 1812, 1815? Who was our enemy in 1861? Who has been our enemy? Who organized wars on the continent of Europe, in order to build up an imperial power, or a maritime power? Who did it? The Anglo-Dutch Liberal forces, which have always been committed, since 1763, since the Peace of Paris of 1763, have been committed to destroying what became the United States. These are the people who have moved in and taken our Presidency a number of times. These are the people who created the Confederacy. These are the people who were behind Woodrow Wilson, Teddy Roosevelt, who owned Coolidge, who owned Hoover. These are the people who owned Truman. These are the people who owned Nixon. These are the people who owned the Trilateral Commission. These are the people who owned the right wing inside the Reagan Administration—my enemies. These are the people who were behind George H.W. Bush. These were the people behind the Bush-Cheney government, created by George P. Shultz, an accredited fascist.

Who was it? The international financial oligarchy. Who is it? It's a sort of a slime mold, composed of financier interests in the Venetian tradition of Paolo Sarpi, who emerged by Venetians changing their names to Dutch names and English names, and so forth. Instead of Venetian, they became known as Anglo-Dutch Liberals. These are the people who created the British Empire, who are determined to have a world empire modelled upon the medieval model of the time: that Venice, as a financier oligarchy, controlled a bunch of *scumbags*—to use a technical term—called the Crusaders, the Anglo-Dutch Liberal, or the Norman liberals, or the Norman chivalry, who raised hell in Europe, and almost destroyed civilization in the medieval period. They were reincarnated, in a sense, as the Anglo-Dutch Liberals, and became a power, an imperial power, in 1763, with the Peace of Paris.

Since that time, they ran wars repeatedly in order to induce continental Europe to destroy itself. They worked to destroy *us* in various ways. And all of our patriots from earlier times, knew that. Only the poor fools of today don't know that; don't know who the enemy is. Who did we fight in wars? Who is the enemy? It was always the same one. Sometimes we were the suckers; we joined the enemy.

But it's the same thing today. *People wish to destroy us,* and we are destroying ourselves. And when the professional military, who are men of conscience and patriotism, react to

PRNewsFoto/National World War II Museum

George P. Shultz

EIRNS/Stuart Lewis

Henry Kissinger

www.arttoday.com

Napoleon Bonaparte

Adolf Hitler

What do these four have in common? They are all agents of the Anglo-Dutch financier forces who have been committed to destroying the United States republic since its inception.

the mess in the Middle East, so-called, they are reacting—they may not understand exactly what they're reacting to historically, because they're younger than I am, and therefore, they weren't around soon enough to find out what this thing is all about. But we patriots—look, I came back as a simple soldier from Burma, into India and back here at the end of the war. And I saw us betrayed! When I hit the shore here, I knew we had been betrayed—betrayed by what Truman represented.

In 1947, for example, I wrote a letter to Eisenhower, who was then the president of Columbia University. In a couple of paragraphs, which is what you write to a former commander of forces, I laid out the case of why he must run for President, for the Presidential nomination on the Democratic ticket. And he wrote back and said he agreed with me, but the time was not right for him to do it. Because patriots who went to the war *understood what we were,* in saving the planet. *We saved this planet from Nazism.* And when Truman came in, we began—by 1948 we brought the Nazis back into their positions in France and elsewhere. We put them in the jug; we tortured them for a while, and we brought them out and gave them back their old positions, and they are the force in the world today. What do you think this thing is we're dealing with in the United States—this right wing? It's the same thing.

The British Method

But it's British method. Remember what the British did. Here's France, the Treaty of Westphalia: The Treaty of Westphalia was organized by Cardinal Mazarin of France, who succeeded this idiot by the name of Richelieu (a clever idiot, but an idiot nonetheless), who had as his key man, Jean-Baptiste Colbert, who organized France as the leading nation of the world. What happened to France? Why was France the leading nation of the world, the greatest power in the world at that time. What happened to it? Well, an inside job—Louis XIV.

And so what, they did, the Anglo-Dutch Liberals, our familiar friends, our ever-loving English-speaking brothers and sisters (or English-squeaking brothers and sisters, as the case may be). They induced this idiot, who allied himself with a bunch of gangsters called the Fronde, with imperial delusions, and he fell into a war trap with the Anglo-Dutch Liberals, and there wasn't much left of the French monarchy, except one little infant, at the time that Louis XIV died. At that point then, through various operations, the Anglo-Dutch Liberals took over the throne of England and established it as Great Britain, the British government, 1712. Leibniz dies in 1714; there's a phase change in history. More wars! Always on the continent! The Anglo-Dutch Liberal system wins. Why?

Take the Seven Years' War; that's how the British got to be an empire. It was the British East India Company, not the British monarchy. You had the greatest military commander of that period—Friedrich der Grosse [Frederick the Great]—who was very good at winning battles, but he lost the war! Because he was a puppet of the British in getting the forces of Russia, of Austria, Austro-Hungary, France, and so forth, all involved in this war. What comes out of it? France, which was a great power, is stripped of much of its power, and now the English have established an empire—the Anglo-Dutch Liberals of the East India Company. The same thing all over again.

We beat these guys; we were an inspiration in our Revolution. But then these guys organized the French Revolution, through the Martinist freemasonry. And the British freemasonry ran France; they ran the Revolution. They created Napoleon. "They created Napoleon? Weren't they enemies of Napoleon?" Yes—not really. Because Napoleon did more to destroy continental Europe than any other single force, and then he was gone. And the same Anglo-Dutch Liberals created Hitler, and they were about to make an empire and play with him the same way, by having him get stuck in the Soviet Union someplace, and then they were going to jump on his ass, which is what the British like to do.

And in the same way: We got stuck in this thing! We won World War II. *We saved the planet!* With all our faults, we

saved the planet. Yes, other people fought the war, too, but without us, they'd have never won it. *We saved the planet from Nazism.*

I come back from the war; just a simple soldier, but I know what's going on, like anybody who's intelligent knows what's going on. I come back and I find out we've been betrayed. We went over to the same crowd we fought against. Yes, we joined the British against Hitler, in order to defeat Hitler. But Roosevelt knew what the British were; he told Churchill to his face what he was.

So our people *forget* who the enemy is. They think of the enemy in terms of some guy in a prize fight or something; you go out and kill somebody. The game is not to win wars like winning prize fights. The game is—and this sometimes requires military capability—is *to orchestrate history!* To bring forth on this planet the kind of system of government, the system of society which we need. We were the leader of that; we were created as the leader of that, because Europe was so polluted by oligarchy, that even the best ideas of Europe could never succeed, because of this damned oligarchy. We were independent; and after Lincoln's victory, after Roosevelt's victory, we were repeatedly betrayed.

Now, therefore, to talk about policy in a negative way, in respect to Southwest Asia, is idiocy! It's not a simple military question; it's a strategic question of the highest level. We've come to the point where it is not possible to fight general warfare. We are in the age of nuclear weapons, and traditional ideas of warfare are no longer workable, except for defense in special situations. But it's the idea of general warfare, declaring warfare—you don't go to war. You may defend, but you don't continue warfare; you defend, and you seek the end of war as soon as possible. Get out of there! And you're prepared for that.

But, on the other side, one of the reasons you can't fight war is because we have asymmetric warfare, irregular warfare on a mass scale. And no military force can stand up as a permanent occupying force against asymmetric warfare. The Israelis got their nuts kicked off them in Lebanon—because asymmetric warfare defeated them. Yes, they bombed like hell; they bombed with air power, but what can you do? You live on the ground, you don't live in an airplane forever.

What happened in the Soviet Union, in Afghanistan? Asymmetric warfare. What happened to the United States in Indochina? Asymmetric warfare. What's happened in Iraq? Aggravated asymmetric warfare, complicated by that idiot that was put in there [Paul Bremer], who, when the United States had control of the situation, disbanded the treaty agreement with the Iraqi military and the Ba'ath Party. Under normal military rules, you would do the right thing, but Bremer did everything wrong. Accept the surrender; adopt the forces of the country you just defeated; have *them* do the job of running the country, under an agreement which aims toward a peace treaty. Don't try to do regime change. It was regime change that made asymmetric warfare inevitable.

We're now at the fag end of asymmetric warfare. We're losing the situation in Palestine and Israel. The situation becomes more impossible. We're about to have a Sunni-Shi'a war in the region—maximum destabilization.

What we have to do, therefore, is go to a higher level than simply these simple military questions. *Yes,* we do have to have an exit policy. But we're going to get out of there. What that means is, we're going to have to engage the entire region of Southwest Asia in a comprehensive approach to getting out of there. Now, as long as this President is in power, as the President of the United States, you can't do it—*you can't do it.* The generals are right, in one sense, but you can't do it as long as you've got this President in there, for two reasons: not only because of him and Cheney and his apparatus, which is sunk too deeply already into the institutions of government of the United States. It's going to take a little work to get rid of those rats, which were brought in as part of the Bush Administration. They've been in there for six years now. They've planted their poison; they've destroyed institutions; they've destroyed ideas; they've planted their agents all over the place.

The point is, the United States is not respected as long as Bush is President, and as long as Cheney is influential. If the United States wants to do something in Southwest Asia, it's got to get this bum out of the White House, and it's got to have a spokesman for the United States, whom people will believe.

Now, I'm involved in exploring what the diplomatic options might be, in part of that arrangement. I'm personally involved in that. I've got a sense of what the situation is; and unless we can inspire the people of the region to give up the things they're planning to do right now—for example, what do we have to do? We have to go directly to negotiate, not "conditions" with Iran; we have to negotiate a general diplomatic relationship with Iran, period. Because, once you do that, you change the dynamic. You've got to go to Turkey, and lay the thing out to them, because we are, in a sense, creating the Kurdistan problem. So, we're going to get Turkey involved in this mess. We've got to cut the Israelis off on this thing; they're going to have this agreement with the Palestinians *now!* Period.

You've got to be as tough diplomatically, in these respects, as you would be in warfare. If you're tough enough in the right way, for the right thing, you can win the war without having to fight it. The problem is, is that the kind of thing that's being proposed, about disengagement, the process of disengagement, is you have to have the right factors that will make it work. Right now, everything I'm reading is that the situation is so damned deteriorated, that merely a simple procedure like that, there is no one to do it. There is no way you can enlist forces from that region now, to an agreement by which we can disengage the U.S. forces from Iraq. We're going to have to "git."

Now, the alternative to just "gitting," is to do what I said. If you want to get the job done, do it. You're dealing with

a dynamic situation, not a Cartesian mechanistic situation. You've got to control the dynamics of the region.

I believe we can do it. I believe we can handle it with Russia, with Germany, with France; it's difficult with Turkey. [We can] negotiate a general open diplomatic agreement with Iran. No conditions; we have regular diplomatic relations, period. Bring in India; bring in the Pakistan factor, which can be done. Don't make a mess of Darfur, the way some people want to do. Don't do any of these things. Don't let Egypt be destabilized. Force it by getting a nice little conspiracy among some powers. We're going to shove it down the present Israeli government: We're going to have a peace, a Palestinian-Arab-Israeli peace. We're going to have it! And we can do it, actually; we can do it. The danger is, those nuts may go off and start throwing bombs at themselves, almost as on a suicide mission, on Iran, and that can start the whole hell-mess going forward. That's the situation.

So, they're right on their assessment of the situation; they're right on their assessment on the consequences of simple withdrawal. But when you start to define an alternative, then you find you've got a real mess on your hands. You say, well, with this President, with this Vice President, with the present policies, we can't make it. So therefore, you take, on the other hand, the Baker-Hamilton proposal. The Baker-Hamilton proposal does touch on things which are important factors to be considered, and in that sense, it is positive. But, are you willing to go far enough to *win the war,* as opposed to simply pretending to make a gesture to win the war? You've got to have the guts to think it through. And I believe it can be done. If I were President of the United States, I could do it, and I would do it. But, I'm not President of the United States; that's your problem.

The SDI Approach and Geopolitics

Freeman: Now, that's a problem we might be able to deal with. I'd like to call Jeff Steinberg up to the microphone to ask the next question, because I can't make it out.

Jeff Steinberg: Yes, thanks Lyn. This is a question that was sent in from Judge Carlo Palermo, who was one of the leading investigative magistrates in Italy, investigating many aspects of the whole terror campaign, Strategy of Tension, from the 1970s through the '80s. He's now retired from his position as a magistrate, and he's a criminal lawyer. He's involved in a case, and he's asked for your insight into some of the background on the case. Basically, in April of 1991, there was a collision of two ships in the harbor of Livorno, Italy. One hundred and forty people were killed, and he's now representing the families of some of the victims. And it turns out, that the reason for this collision, is that this was at the tail end of Operation Desert Storm, and the United States was beginning Operation Provide Comfort. Large amounts of weapons were being covertly smuggled into northern Iraq, along with a number of U.S. Special Forces. This was also the period that there was a big upsurge in smuggling of weapons into the Balkans as well, for the Balkan War.

Judge Palermo's question is: Number one, can you shed some further insight into what was going on during that period; and second, would you estimate that Dick Cheney played an important role in this whole episode?

LaRouche: Oh, Cheney is obviously key, but Cheney is not the architect of this. The policy is obvious; it's what we were concerned with, and I was concerned with back at the end of the 1970s, the beginning of the 1980s. It was what was involved in our consideration of what became known as the SDI. It was obvious that with the Soviet Union at that time, we were either headed toward an unthinkable—because of the crisis which was building up inside the Soviet Union already—or we were going to find some remedies.

Now, the danger was—and it was typical of Reagan: Reagan had two sides. Reagan's relationship to me, especially in terms of the SDI, was one thing. And, if by some chance, if Andropov had not become the General Secretary of the Soviet Union, then I think the deal could have been made, that Reagan offered, which is what I had negotiated with the Soviet government, as an offer, as a proposal. And the President presented exactly my proposal to the Soviet government, and the Soviet government turned it down without discussion. And Gorbachov later did the same damn thing.

Our concern was, that knowing the system was going to collapse, and knowing that you could not actually fight, successfully, the kind of thermonuclear war which was building up, that you had to negotiate anew and induce a change in the structure of world relations. The strongest support I had on this, was partly from Italy, from the military in Italy; from leading circles in France, and from much of the German military, who understood exactly what I was saying: That our objective was, by eliminating the kind of condition which this thermonuclear confrontation represented, we could bring the factor of national power back into play again.

Now, our opposition in this, was always moving in the direction of the idea of globalization. So, what did they do? To understand this, you've got to look at the British-French, Thatcher-Mitterrand agreements on Germany, which were imposed to destroy Germany. You look at the German economy today, and look at the elements of it, and you find it's been destroyed. You look at the European continent—largely destroyed. Every state in the former Comecon, is far worse, has far worse conditions of life than it had under the Soviet Union—except that they have political freedom: political freedom to starve and die, peacefully, maybe.

So, where we could have had a controlled situation—which is what the SDI represented, as a strategic move from a higher level—we lost it. But these idiots in the United States, the Democratic Party, who were a pack of idiots; the Republican Party generally were a pack of idiots, and worse. And Reagan was the only one in the leadership of the Republican Party who stuck with the SDI. Me, and Reagan: a funny kind of relationship on this thing. And I was sent to prison because

Conner Soules

As a consequence of rejecting President Reagan's offer for a joint Strategic Defense Initiative, the economy of the Soviet Union collapsed, leaving the population with far worse economic conditions—"the political freedom to starve and to die." Here a market in St. Petersburg, 1999.

of what I did in this thing, exactly—no other reason.

So therefore, once this started, once this collapse of the Soviet Union started, which none of these jerks understood was going to happen, and it did happen. Then you had the Gulf War. Now, the Gulf War was orchestrated by the British and the United States—especially the British, not the United States. Remember Thatcher saying, "Don't go wobbly on me, George." That's how the war got going. So, we got into that. The minute we cut that off—the continuation of the war with Iraq—we went into the Balkans. Now, if you know something about European history, let's say we're starting a Balkan war. What does that mean?

Now, it also is complicated, because you had people like Cheney and company and their friends, who are part-time murderers and part-time thieves. And once this crowd gets into an operation, you're going to get that kind of effect. The corruption, the degree of corruption, corruption per se, becomes the key decisive factor in these things. And what you're getting, is you get military operations; not military, they become criminal operations. And criminal operations and military operations become indistinguishable. That's what Cheney represents.

Remember, what are they going for? Don't just follow the reaction to this or that situation. Look at this thing from above. Look at the geometry of the situation, not the mechanistic, statistical patterns. Look at the geometry of the situation. What is the policy? *The policy is called globalization.* What is globalization? The elimination of the sovereign nation-state; that's globalization. Who wants to do that? *The Anglo-Dutch Liberals.* It's a continuation of the same thing that was called "geopolitics" before, ever since Lincoln won the Civil War, and the Crown Prince Edward Albert had to face the reality that the United States had won the war against Lord Palmerston's Confederacy.

So therefore, from that time on, the danger was, the spread of the influence of the United States' economic model in Germany—1867, 1877, 1879; 1877 and 1879 Japan; Russia, the same period—1877, 1879. You had a developing spectacle; "Uuh!"—said the British. "Uhh!"—Eurasia; Japan; movements in China, Russia, Germany. The new unified government in Italy. Rumblings in France, after the collapse of the crazy Napoleon III operation. Forces on the continent of Europe are following the American model. Throughout Central and South America, the American model, the U.S. model of economy, the American System of political economy is spreading its influence.

So, suddenly, the British are faced with the fact that their empire, which is based on maritime power, a geopolitical conception, is now threatened, and Edward Albert and his crowd, the Prince of the Isles, decided to go to world war. Another war like the Seven Years' War, which brought the British into an imperial position back in the 18th Century—all over again. *The goal of that crowd has been the destruction of the United States.* Our loving ally: They embrace us, but they don't love us. They screw us, but they don't love us.

So, this is where the problem lies. Then, we have people in our own system, who have been traditional traitors, ever since Aaron Burr. There's a direct line, since Aaron Burr, of traitors to the United States. And you have people in Wall Street, who are chiefly traitors, major financial institutions owned by London; part of the Anglo-Dutch Liberal system. They don't believe in our people. They don't believe in the lower 80% of our population. They don't believe in us as a nation. They believe in us as a territory, which they want to control through their friends. It was called the "white shoe" crowd at the end of the war. When the OSS [Office of Strategic Services] crowd came back, the people who I got to know later, who were one faction of OSS, along with [William] Casey, who was part of that; [William] Donovan was a key leader of it. And you had the other side; the white shoe crowd, the Wall Street crowd, the pro-Hitler crowd behind Truman,

behind the whole operation.

So therefore, what you saw was the process of inducing the United States to adopt policies by which we destroy our own vital interests, to induce us into that kind of thing. And we, like stupid jerks under the influence of white shoe-type mentalities, we go along with it. We represent not a nation as a power—that's not the essential thing to think of. We represent a principle that the best people of Europe contributed to creating on this continent: A nation, a republic which would be a model for liberating humanity as a whole from the oligarchical system. That's what we were; we were weak, we were subject to things, but that's what we were. That is our national interest; that's where our patriotism is located, not in little greedy things, but in that. To save what this nation was created to be, and not to compromise that for the sake of an alliance with something.

And what we had, in the period of the collapse of the Soviet Union was—"aw, we can play all the games we want to." And so they went through the Iraq operation first to bust that one up. Then they went into the Balkan wars, the same way the British organized the Balkan wars at the beginning of the last century, same purpose, same way.

That's the only answer to the judge's question. Yes, corruption; pure corruption. Was the United States involved? Probably. Were the British involved? Probably, in terms of that specific thing. In terms of the overall operation, they were involved. The United States was guilty. U.S. forces were involved in those operations; British forces were involved; French forces were involved. And they were corrupt; they were rotten. And my approach to this thing is: I don't know how we can win cases in isolation.

On the Italian case and Judge Palermo, we have some very interesting developments right now, which is a result of the work I did earlier on the idea of developing a New Bretton Woods policy. The New Bretton Woods policy comes up now as the present government of Italy is on the verge of toppling. And so, some of the forces of the other government have picked up again on the New Bretton Woods policy, which I laid out and they adopted in Italy. So, you may find that Italy becomes a factor. Under those conditions, then, what Judge Palermo is talking about, may become an active possibility from the standpoint of Italian jurisprudence and government.

But that's the way to look at it: Can we get a struggle for the nation-state, agreement on the defense of the nation-state against globalization, against the Anglo-Dutch Liberals in our own country as well as in Europe? Can we get that? If we can get that, we can clean the mess up. But I don't think we can clean the mess up unless we can do that; because up to now, the enemy has been winning.

'Go Back to the American System!'

Freeman: Interestingly, we have a lot of questions coming in from Italy, including from a group of young boys in Ascoli Piceno. But, we will get to those.

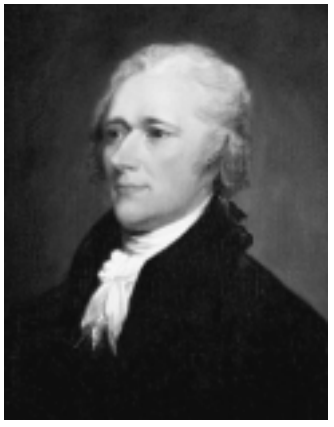
Lyn, I want to switch to some questions concerning the U.S. economy, that are coming in from members of the professional staff of various Congressional offices and committees, who after 12 years of having been the minority party, are now finding that they have to draft policies, and they are having some problems, and they want your help. And judging from these questions, they really need your help.

The first question, and I won't go through all of them, because they're all kind of similar so I'm synopsizing some of them. This is a question that came in from a staffer on a number of different committees, but most specifically, on the Senate Democratic Policy Committee. And she says: "Mr. LaRouche, you've often pointed to JFK's mobilization to put a man on the Moon, as an historic model or precedent for the kind of mobilization that we need today to rebuild our nation's decaying infrastructure. But, in Kennedy's day, we were in much better shape as a nation, and the mission itself was defined in terms that seem relatively narrow by comparison to what we face today.

"As I understand it, the problem today is different. If former Treasury Secretary Rubin is correct, we don't even have enough cash to cover even the most basic commitment that the government has made to its citizens. So, how on Earth can we begin to adequately address the actual needs of an increasingly impoverished population, without massively increasing the Federal deficit, which we obviously don't want to do?"

LaRouche: Well, first of all, I've got some areas—reversing some tax cuts, particularly in the upper 3% of family-income brackets. I think we should melt down some of those golden parachutes! The point is, this is a totally immoral swindle, and we have to understand that that's the nature of the thing. Secondly, if you don't make a change—which is what I addressed today—if you don't make a change in the structure of the international monetary system, of the type I outlined today, there's not a damn thing you can do! So either do it my way, or be damned, because what I propose will work. It's based on principles which were tested, in a sense, under Roosevelt. They're traditional for us. They're based on concepts which are understood, and it's only that we are enslaved—we're like brainwashed zombies, as a nation. We believe in economic liberalism. Anybody who believes in economic liberalism has to be brainwashed! They should be put under protection. They should not be allowed to print or have money!

We have to go back to the principles of the American System. That means we have to reorganize the world monetary-financial system. How can we do it? Easy! Put me in the right position in the United States—I don't even have to be President. All you have to do is take my orders, Eh? And I can guarantee you I know exactly what to do, which *will* work, given support. And it will work. *Why?* Because the world is going to become suddenly panicked, and they're going to say, "Somebody, anybody, please do something." And that's the



REPORT ON MANUFACTURES.

DECEMBER, 1791.

The Secretary of the Treasury, in obedience to the order of the House of Representatives, of the 15th day of January, 1790, has applied his attention, at as early a period as his other duties would permit, to the subject of manufactures; and particularly to the means of promoting such as will tend to render the United States independent on foreign nations for military and other essential supplies; and he thereupon respectfully submits the following report:

The expediency of encouraging manufactures in the United States, which was not long since deemed very questionable, appears at this time to be pretty generally admitted. The embarrassments which have obstructed the progress of our external trade, have led to serious reflections on the necessity of enlarging the sphere of our domestic commerce. The restrictive regulations, which, in foreign markets, abridge the vent of the increasing surplus of our agricultural produce, serve to beget an earnest desire that a more extensive demand for that surplus may be created at home; and the complete success which has rewarded manufacturing enterprise, in several valuable branches, conspiring with the promising symptoms which attend some late spontaneous essays in others, justify a hope that the obstacles to the growth of this species of industry are less formidable than they were apprehended to be; and that it is not difficult to find, in its further extension, a full indemnification for any external disadvantages which are or may be experienced, as well as an accession of resources, favorable to national independence and safety.

There still are, nevertheless, respectable patrons of opinions unfriendly to the encouragement of manufactures. The following are, substantially, the arguments by which those opinions are defended.

"In every country, (say those who entertain them,) agriculture is the most beneficial and productive object of human industry. This position, generally, if not universally true, applies with peculiar emphasis to the United States, on account of their immense tracts of fertile territory unin-habited and unimproved. Nothing can afford so advantageous an employment for capital and labor, as the conversion of this extensive wilderness into cultivated farms. Nothing, equally with this, can contribute to the population, strength, and real riches of the country.

"To endeavor, by the extraordinary patronage of Government, to accelerate the growth of manufactures, is, in fact, to endeavor by force and art to transfer the natural current of industry from a more to a less beneficial channel. Whatever has such a tendency, must necessarily be unwise; indeed, it can hardly ever be wise in a Government to attempt to give a direction to the industry of its citizens. This, under the quickened guidance of private interest, will, if left to itself, infallibly find its own way to the most profitable employment; and it is by such employment that the public

Alexander Hamilton, one of the framers of the American System of Political Economy, with the frontispiece of his 1791 "Report on Manufactures." "We have to go back to the principles of the American System," LaRouche said.

only way you can do this, is when they scream: "Somebody, anybody, *help us!* We'll accept anything! Help us!" Then, you can come in with a calm voice, make a proposal, and say well, you can do this. "But I don't *want* to do that!" Well, okay, then go to Hell.

Under those conditions, history has proven time and time again, that that's the way you act. Look, real leaders and architects in history have always functioned on this basis. You're working in terms of cycles which are like astronomical cycles. You don't know how long they are, but you know that's the nature of the situation. You know, sooner or later, the system that you have is not going to work. And it's not going to work means you're going to come to a point of crisis, where everybody's going to scream, "It doesn't work. What are you going to do? Save us! Save us!" Now, that's a dangerous point. You can either get a remedy, or you can get a dictatorship—or wars—at that point.

So, you have to have people who beforehand have understood what has to be done, and are ready to do it. The idiot says, "But we can't propose that because they're not ready to do it." Say, "You damned idiot! Don't you realize that's history?" You prepare to do something that has to be done, and you never say it can't be done because they're not ready to do it. You wait until they're damned good and ready, when history kicks them in the ass! And that's how you do it.

Look, those of us who have fought, as I have fought: We don't give up! We're right. We know we're right. We keep at it, and we wait for the time that comes when what we're proposing will be accepted. And if it takes time, that's all right. Because what can we do about it? There's nothing we can do about it. You can't artificially change history. You provide ideas. Some ideas will creep ahead, independently of you, and go forward. But at the same time, you know that you're coming to a point where decisions are going to have to be made. You base yourself on preparing yourself and others for that decision, which is the only solution. The problem is the Nervous Nellie—the coward in warfare—says, "We're losing the war. We've got to make a deal with the enemy now!" The coward. And therefore, if you're not a coward, and you have the right policy, stick to it. If you don't win right away, stick to it, because it's the right policy. That's the only way to look at it.

So, we can do it. I've prescribed what has to be done, today, again. It's brief, but it contains the core of the argument. The theory of money is crazy. Our policies are crazy. We are already bankrupt. The system's coming down. There's no way within this system in its current bankrupt state that you can—within the system, as presently prescribed—save this nation. Are you prepared to save the nation? Are you prepared to give up your illusions to save this nation, or are you going to choose to go to Hell, for the sake of ideas that don't work? That's leadership.

'Change the Architecture of the Monetary System'

Freeman: Okay, this is another question like that. This is from a group of fellows at the Hamilton Project, with one speaking on behalf of the other four. He says, "Mr. LaRouche, I've studied your work for quite some time, and I've never had any argument with your critiques of both the U.S. and the global financial systems. The problem I have now though, is that I just cannot seem to wrap my brain around what you're saying has to be done, or rather, how it *can* be done. The fact is that, as a nation, we are bankrupt, plain and simple. You say that the government can create long-term credit earmarked to rebuild the nation's infrastructure. I *do* understand that once something like that is under way, that a mobilization like that would boost employment and therefore increase the tax base, yada, yada, yada.

"What I *don't* understand is the first step. If a bankrupt government can create credit out of nothing, then why can't any Third World nation do essentially the same thing, to re-

build or to initiate building of their own national infrastructure?"

LaRouche: Well, the fact is, they can't. The United States can, because the system is denominated in dollars. This is a dollar system. The world system is a dollar monetary system. The world monetary system is about to collapse. The Chinese are not stupid. The Chinese know that if the dollar collapses, the Chinese economy goes into a crisis. Other countries are intelligent enough to know that, maybe not the British or maybe not some other people like that—but that's a fact!

And in this situation, you've got to give up all mechanistic, statistical ideas, statistical chain reactions. Forget them! *What you have to do is change the architecture of the system.* The problem of your objection is, you're trying to find the way in which what I propose can be introduced into the system. *It can't be introduced into the system,* because it challenges the essential assumptions, the axiomatic assumptions, upon which the system is based. I'm saying, change the system. The first step is not to start coming up with some program for investment. First of all, you've got to have a system under which you can do that. How do you do it? The Federal government announces—Ahh! It's astonished!—"We have just discovered that the entire banking system is *bankrupt!*" Which it already is. All they have to do is announce they have discovered that fact! Once you've announced you've discovered that fact, then you say, "Ah, what do we do?"

Well, the first thing you have to do, before discussing my proposals, is, you have to follow my proposals in the *right order!* First of all, number one, the entire U.S. banking system is hopelessly bankrupt! *Number one!* Get the point? "Them is bankrupt!"

Number two: The Federal government must *acknowledge* this fact. Now, acknowledging this fact under the Constitution, under the Preamble of the Constitution, which is the fundamental law of the Constitution: the General Welfare. Then, in the defense of the General Welfare, which can be defended officially, and no other way, because a chaotic disintegration of the banking system is not acceptable; therefore, we must act to defeat the disintegration of the banking system. Well, how do you defend the banking system when it's bankrupt? Well, elementary, Watson. You put the bankrupt system into *bankruptcy protection!* How do you do that? The Federal government, in one statement by the President of the United States, declares the Federal Reserve System bankrupt and takes it into receivership, *for protection* and management. Right?

Then, we decide under bankruptcy arrangements, how we deal with this bankrupt mess. We've taken it over. Some accounts have to be postponed. Some have to be cancelled! Ah! Some golden parachutes just got holes in them! They're cancelled, because the golden parachutes involve assets larger than banks. The discretion of the bankrupting agency is to find that protection comes into play. It may make a big argument, make a big fight about it, but that's where you are.

So, now what do you do? What do you do in a bankruptcy? You convert short-term obligations into long-term obligations. That's what you do in a bankruptcy. You write off part of the claims. It's what you do in a bankruptcy. And they don't have much choice but to consent to something like that. They can argue about the equity of this against that, but we're in the situation. "Look buddy, you ran the system. You, the Federal Reserve System and the member banks, you ran the system. You created the bankruptcy. Yes, the Federal government was complicit, but we got rid of them. We got rid of the ones who did it, like Alan Greenspan. We got rid of 'em. Now, we're cleaning up the mess this bunch of crooks created. We're now going to defend the United States, and defending the United States means defending its people. Defending its people from starvation, from a breakdown of the health-care system, things like that. We're going to do it. The whole world has to do the same thing. Europe has to do exactly the same thing."

Well, then, do it.

Political Will and a New Bretton Woods

Now, what have we got? We've got one thing. We've got a tradition, and we've got certain skills still left, as Western Europe does. We're going to use those skills. We're going to rebuild ourselves for the biggest world market there is, and the biggest world market there is, is poor countries, in poor regions of the world, where the populations are desperately poor, who need the benefits of modern technology, including basic economic infrastructure. So we're now going to hock ourselves, to agree to supply to those countries the assistance they need, in capital formation, to build up their economies. We're going to extend credit; that is our promissory note—our promise to produce for the next period of 25 to 50 years. Now, we're going to say, under this agreement with other nations, let's do the same thing among ourselves, as nations. Let's get ourselves a few big ones to join with us. And we say, let's recreate the Bretton Woods System, in principle, but in a new form, under terms defined by present conditions.

See, it's a matter of political will. It's a matter of understanding what conditions exist that have to be changed. It's seeing the situation in a different way. Not trying to sneak in with a little proposal, shoving a piece of paper under a door, a suggestion, and hoping that somehow it'll fly in the morning. If you're going to do this kind of thing, you come in from the top. The top is the United States, still, because it's our dollar. Not really ours anymore, but it's denominated in U.S. dollars. The ability, the promise of the United States government to pay against the dollar, that's our power. Therefore, we exert that power, to force a reorganization of the international financial monetary system. What we do essentially, is we put the Anglo-Dutch Liberal bankers *out* of political power. And we do that by making agreements with nations on a nation-to-nation basis, or group-of-nations basis, that we have to

Transrapid

A panoramic view of Shanghai's maglev train. To rebuild itself as an industrial nation, the United States has to join with other industrial nations to supply modern technologies and infrastructure to the poor nations of the world, under a reorganized world monetary system.

reorganize this world, because the way it's been run by these international financier interests has ruined the world! This is the syphilis of the world—Liberalism! And syphilis has been liberally distributed.

The time has come: We have to make a general reform in policy, under which we declare that liberalism is now outlawed. It's a disease. We have to create an equitable system, which is equitable to governments, equitable among people as human beings, and we have to subordinate any other claims on government to that principle. We go to the same principle which is stated in the Preamble of the U.S. Federal Constitution: the principle of the General Welfare, essentially. We say on the basis of that constitutional principle, which is ours, and on the basis of the power we represent, even for purposes of default, that that should be the ruling principle among nations. That we agree to that, and that we make agreements covering 25 to 50 years in the future, based on that agreement. We reconstruct and rebuild a brand new international monetary-financial system, and put the other, old system into bankruptcy reorganization. We then treat the process of treating this in bankruptcy equitably. The first thing we care about is *people.*

The next thing we care about is the kind of institutions, the productive institutions, which are necessary to meet the obligation to people. We operate on the basis of justice for people. To take people in poor parts of the world who are suffering, and say, they have a claim against us, for us to assist them. We think about our nation from the standpoint of what people three generations from now, or two generations from now, will think about the United States because of what we have done today. And that is our security, not our muscle power. The great power, the greatest political power, the greatest power on this planet, is the power to do good.

'Defend Our Borders From What's Infested the White House'

Freeman: . . .We're going to move away from Washington for a moment, because a Congressman from Mexico has submitted a question. Lyn, this is from Congressman Roberto Mendoza. He is a Deputy from the PRD for the state of Tabasco, where things are hot. He says, "Mr. LaRouche, how do you think the Congress of Mexico could participate in the economic change which you are proposing nationally and internationally?"

LaRouche: Well, I think the first thing to ask is what should we do? Not how could Mexico participate, but what should we do? The first thing we always think about is how we in the United States present ourselves to other countries, especially our neighboring countries. For example, the crucial issue right now, is the piece of idiocy which is this border legislation, U.S.-Mexico.

People from Mexico and other points south who come up through Mexico into the United States involve a number of generations in different categories. People who have been here for several generations, but still identify themselves with the Spanish language and with relatives left back, for example, in Mexico. Those who have come more recently, are more inclined to have more important ties to relatives in Mexico. For example, there are whole states of Mexico in which the population depends upon remittances from relatives in the United States. The whole state depends upon remittances from the United States, from their relatives!

Then you have people who have come in as "illegals," and this is encouraged by certain forces in the United States which want the cheap labor. This is a big problem in California; it runs from Texas through Chicago, for example. They, of course, have many relatives. We know of cases where people run drugs, so the drug-runners will sneak them across the border. They're not drug-runners themselves, but they will carry drugs, in hope that their carrying that one piece of loot will get them across the border. You have sections of Mexico which are run by private armies, whole sections of territories of Mexican states are not in the control of the state

James Tourtellotte

The U.S. Border Patrol in All Terrain Vehicles, patrolling the border with Mexico. The Bush Administration has done the "worst possible thing in the world" regarding the Hispanic minority, importing cheap Mexican labor and then harassing them. "So stop it!"

or the Federal government of Mexico. They're private armies, sometimes recruited from the Mexican Army or from security forces, are working with others and running things, like the Colombian gangs in Mexico. And near the border they are key in the smuggling across the border. If you wanted to eliminate the smuggling, you would go down and do two things: One is you'd go down to get those guys out by cooperating with the Mexican government to shut them down. And our muscle would back up the Mexican government in that, by methods which are appropriate, without breaching their sovereignty.

The point is, you've got this situation: The largest single designated cultural minority in the United States is Hispanic; most of it associated with Mexico. This is a big part of our citizenry! It's larger than the African-American minority. So therefore, you're dealing essentially with the General Welfare question, and what the Bush Administration has done with this problem—which is a problem—what it's done is the worst possible thing in the world. So stop it!

Bush's friends wanted cheap Mexican labor from across the border into Texas. They wanted it! Other people, governors, political organizations, wanted it! Now you want to pick on these poor people who came over out of desperation, because of what we did to Mexico, since 1982? We destroyed Mexico's ability to develop. We looted it. We shut it down! Now, these people are desperate for jobs, they're desperate for incomes; they're coming across the U.S. border because they can't get jobs in Mexico! Whole communities depend upon this system. This is rank injustice, a criminal kind of injustice, a lack of care for a nation which is our nearest neighbor, in this respect. And this holier than thou, "We're going to defend our borders!" We've got to defend our borders from what's infested the White House!

Vote Fraud: Clean the Mess Up!

Freeman: The next question comes from a senior Senate staffer, and we have just an incredible number of questions on this topic, so I thought I should ask you to address it. He says, "Mr. LaRouche, because the Democrats won a majority, this has gotten very little public attention, but the fact is that this election was rife with voter suppression, outright vote fraud, and a whole host of other dirty tricks, all perpetrated by the GOP." One of the things that this person brought up, in particular, were these robo-calls that went on.

But the question is: "How do you think this should be addressed? Do you think that Congress should hold hearings on these actions, and should these crimes be prosecuted, or should we just brush them away because we managed to win a majority?"

LaRouche: Ah. Well, isn't robo-calling spam? Don't we have legislation on that? Why don't we apply it? A crime has been committed. Why not enforce it?

You have to have a multifarious approach to this thing, to realize that there's a systemic problem, which takes many forms. You look at what you have in terms of legislation, which is on the books, institutional practices, on the books, and you use the normal institutional practices on the books, if you think they're just, to deal with the problem. You undercut it. If you undercut it, you'll find some people who will be encouraged: "Oh, oh, oh," panting at your door, ready to confess. "I'll confess if you'll get me out of this." So, just go at it with a straight law-enforcement attitude, that kind of attitude. It's obvious criminality, it has to be known as criminality, it's subversion of justice, it's subversion of our government, it's the destruction of our sovereignty. And, the integrity of the ballot is extremely important. The right to vote and the integrity of the ballot, and the integrity against pollution of the ballot by fake votes, or by fraudulent methods of inducing people to vote, which is not of their own free will. So, therefore, every measure which is possible on the books, and such additional measures of legislation as might be needed, should be simply put to work as a package, and get this thing cleaned up.

EIRNS/Neil Martin

Long lines of people waiting to vote in Cleveland, Ohio, in the 2004 Presidential election—one example of deliberate voter suppression. Use legislation already on the books, LaRouche said, "to clean the mess up."

Now, usually what happens is that this goes over a couple of electoral periods. They go through these electoral cycles, so it's tough to clean these out under present procedures. So what we need is clarification on general legislation which realizes this is a national emergency, and expedites the procedures which are needed to clean the mess up. So, put 'em in the jug. Little brown jug.

Calling a Skunk a Skunk

Freeman: The next question is from Jason Pintar from Democracy Now. "Mr. LaRouche, over the last ten days, we've spent a lot of time discussing what the new Democratic Congress should do, and that discussion will obviously continue. but the one thing that we've not discussed is what the other side will do. I'm actually somewhat optimistic about the Congress, because although the Democrats don't have a veto-proof majority, the general mood of the population has not gone unnoticed by a good number of Republican members, and the White House's ability to maintain strict party discipline as they have in the past, is likely to suffer greatly. I'm more concerned, however, about what the Administration will try to do, especially between now and the swearing-in of the new Congress, and I'm sure that you are too. I know that you do not have a crystal ball, but I was wondering if you could discuss specifically what you expect they may try to do, and how you think we can respond to it in advance."

LaRouche: Well, the first thing to do, is to do something which I referred to today, and put some emphasis on it here: Is that the problem of the United States is not that it's the number one evil in the world. That is the blackmail. That's the problem, the myth. The United States is the victim of the Anglo-Dutch Liberal system, whose goal is a form of imperialism called globalization. What has been done, largely through those Anglo-Dutch Liberal interests, inside and outside the United States, is to impose upon us a couple of fools, a Laurel-and-Hardy team called Bush and Cheney. One guy does the slugging, the other guy does the screaming. You have a congenital idiot and a thug, who are being deployed to discredit and destroy the United States from within.

Now, once it is made clear that that is the case, then you break the back of Republicans' commitment to be party-loyal in this matter. See, the one thing is, you've got some Republicans who are not human. You've got a couple of Democrats who are also not human—I know that very well. I know some of them personally, and I watch them on all six legs and I realize they are not human.

So, the key thing here is to start from the top. What's the problem? That the evil which our nation is credited with creating, is not our evil. It's something we took into the house, that we should have kept out of the door. A foreign influence induced us—look, how was this done? You can't blame the Republicans if you don't take into account that you had a Gore-Lieberman ticket in 2000. You had a President, Bill Clinton, who was the most popular President that ever walked since Roosevelt, or Kennedy at least. And he had a successor, and he drowned what should have been an easy victory over a congenital idiot—he drowned it in Gore, who is still doing idiotic things today!

I mean, Gore and his wife Tipper are not exactly the brightest bulbs in creation. And what Gore did: Gore has brought in imported policies which are absolutely *insane and un-American.* And if you think this nation has a responsibility and a mission, a duty of honor, to itself and to the world, to be what we're supposed to be, then you have to realize that there are certain influences in politics which should be recognized for what they are.

And the first thing you do is, you talk about it! The worst thing you can have is a sacred cow or a white elephant. In other words, in the old days in Asia, the way you could ruin the arrival of a new Raja is by giving it a white elephant, and it would have to feed this thing, and care for it. Bankrupt the Raja by giving it this white elephant as a gift. We have white elephants. George Bush is a white elephant. He insists that he's white, eh? You have Al Gore, who's not quite sure what his species is, but it's really much the same thing.

So why can't we say, as I did, what a ridiculous menace this Gore was? And I was not too popular with a guy called

We have one Laurel-and-Hardy team, Bush and Cheney, and another one in the wings, McCain (the ranter) and Lieberman (the thug, on the left here, with Al Gore). Tell the truth about them, LaRouche said.

Podesta and so forth, because I said so. I wrote a profile and published it, which was intended for the edification of the Clinton Administration, that this guy [Lieberman] is a damned menace! And it was Al Gore who picked up this creature, this fascist running around as a Republican, a Buckley fascist, working with a Cuban gang—whom I knew from the time when I was down in Cuba where these gamblers, these gangsters, who were running the country under Batista, came to be called "freedom fighters" in the United States, in Florida. And this was where Lieberman went for support, and he got the support from a certifiable fascist, Buckley, the Buckley family. How does somebody call this a Democrat? You'll be calling a six-legged monster a Democrat, the next thing you know.

The problem is public opinion: "You can't say that about him! He's a public figure! *He's respectable!*" Well, if you get rid of two of those legs, he might be less unrespectable! The problem starts right there: we've become total hypocrites. We've become Sophists, and we don't call things by the right name. . . . You don't go around having people deprived of rights because they're traitorous or stinking or stupid. What you do is, you simply identify them, truthfully, for what they are. You don't abuse them. You don't libel them because you don't like them, but you tell the truth about them. And when you're going to attack somebody, be very careful about telling the truth, so you don't have the guilt of perpetrating an injustice in the process of doing so. But when the guy is a skunk, you point to the white stripe.

Fighting the Nazi Forces in the U.S.

Freeman: The next question comes from Ira Hirschhorn, from the ACLU. He says: "Mr. LaRouche, during the electoral campaign, your organization exposed a widespread homogenization operation on U.S. campuses that would have made the Nazis proud. Not surprisingly, we learned that the wife of the Vice President in charge of torture was the wicked witch who presided over the effort. Can you say more about this? Will your organization continue its work to expose this operation? And do you think that there are potential constitutional violations involved?"

LaRouche: Well, there are simple human rights violations involved in the attempt of this bunch of thugs, using thuggish methods to enforce it. We've had some discussion about this matter, about how we approach it, particularly with the youth trying to deal with it. And therefore, we find that when we get smart, we find a better way of exposing it than simply the simplistic approach. But the point is, our intention is to destroy it.

Look, this is a Nazi force. It's the equivalent of it. Goebbels would love it. It's a Goebbels-type of Nazi thing. I mean, it *is* Nazi, actually, the people behind it, when you look at the Ayn Rand crowd. These are real Nazis. Same thing. But it's not that they're a Nazi essence. There are certain forms which may appear in different colors and different costumes. Nazi, Fascist, this or that, but which are essentially the same thing, and they represent an attempt to tyrannize a population. You have this, for example, in German universities. Most of the German universities have an SS-equivalent, or thug bunch on the university campus, which is an enforcement agency—the suppression of ideas in institutions which are supposed to deal with the ideas, eh? And this is used as a political weapon. This is organized thuggery on university campuses in Germany.

We have a different form in the United States, and this form all goes back to Buckley. It goes to Lieberman. Remember, Lieberman was part of the operation. And he's actually a Republican. Count the votes that he got in Connecticut that got him re-elected as a Democrat. They were Republican votes! The Republican Party gave up its votes and dumped its own candidate, to elect Lieberman so that they could control the [Senate]—and the intent, of course, is to have Lieberman run as the Vice Presidential candidate for McCain. So this is sort of a new caricature version—you know, it's like a Hollywood remake of Laurel and Hardy, or something. Or of Bush and Cheney. Lieberman will be the Cheney of the next administration. McCain will be the ranting and raving guy, and Lieberman will be the thug, and organize the hitmen. He won't go out and make thuggish statements. He'll be Mr. Sweetie Pie, but he will organize and order the hits, while McCain's up there ranting and raving, "We're going to kill this guy, we're going to kill that guy." You can imagine, that's what they have in store for us.

So therefore, we do have to recognize, however, that this is a force. We know what it is. It's the same thing as the Nazis.

EIRNS/Philip Ulanowsky EIRNS

LaRouche Youth members are forcibly removed from a lecture by Ayn Rand Institute fascist Yaron Brook, at the University of California, Irvine, Nov. 6, 2006. Our intention is to destroy the campus Gestapo operation, founded by Lynne Cheney and Sen. Joe Lieberman, LaRouche said, pointing out that this form of Nazism goes back to William F. Buckley (left, in 1977). Right: The LaRouche PAC pamphlet, "Is Goebbels on Your Campus," which members of the LaRouche Youth Movement have distributed on campuses in hundreds of thousands of copies.

It's in our country; it's in South America. It comes from the Nazis, directly. Buckley is that, exactly, the Buckley crowd. And they're in this area, around Washington. They do the same thing around here; we've run into them. We've run into them in New York. This *is* a proper thing for the ACLU to be concerned about, because the liberties of Americans are in jeopardy. And if you look at how Hitler came to power, how it was orchestrated, and you say, this is the [same] kind of thing, we've got to do a better job than the Germans did, or we'll find a Hitler here.

Youth Must 'Pick Up the Baton,' To Make a Revolution

Freeman: As is always the case at these events, we have far more questions than we will have time to ask. We're coming very close to the end of the time that we have, and it is also the case that many of the questions that have been submitted are questions that Lyn has already answered. I will pass on to him, as we always do, questions that we couldn't get to, but I'd like to end with a question which was submitted by a group of young boys from Ascoli Piceno in Italy. Their question has aspects which are specific to Italy, but I think that it's a fitting question to end with, because it does raise a kind of universal question that's reflected in many of the questions that have been submitted by young people who have been listening to this webcast, including some who are sitting here.

It says, "Dear Mr. LaRouche, we're a group of young boys from Ascoli Piceno, and we'd like to ask you: Why do you think that in Italy, as well as in other places, there is such a complete lack of search for truth? We see it here in the media, not only in the media controlled by Berlusconi, but really throughout the entire political class, not to mention among economists. The question that we have is, what could a common citizen do to actually help its nation regain a pivotal role in a new world renaissance? For instance, how could any individual citizen acquire a real and full knowledge of the political and economic facts? How could an individual search for truth, especially when they find themselves in a position, as we do, of living in a small provincial town?"

LaRouche: Yes, Ascoli Piceno. I'm quite familiar with the place. It has its own problems. But the key problem in Italy has been, that Italy, under exceptional circumstances, including the friends of [Enrico] Betti in science, went through a brilliant development in northern Italy around the circles of Betti, which were also the close friends of Riemann. This was the Italian aerospace program; many things in Italy were developed around this group of people. But then, at the same time, on the other side, all the great things Italy used to do have been shut down now. Instead of having factories in Milan, you have poor naked starved girls wearing stinking rags parading in the fashion industry of Italy. And the point is, they're so skinny, that the skin is inside the bones, and they rattle as they walk. I don't recommend that ladies be fat, but I think they should be sort of—normal!

So anyway, to have this, instead of the science-related things around Milan. . . .

And then, when I visited several times in Florence, and I'm looking at these objects, the history of Florence, and I'm looking at the work of Brunelleschi, for example, who's the first to develop the application of the catenary as a physical design feature in building the cupola of the famous cathedral. I got involved with this, with scientists in that period, and I

The Brunelleschi dome on the Cathedral of Florence. The science that characterized the Florence of the Renaissance and the aerospace program that came out of the circles of Enrico Betti and Bernhard Riemann, LaRouche said, were overturned in cultural warfare that destroyed the population. It is up to the youth now, he said, to mobilize a revolutionary force, based on a mastery of science and art.

looked at this, and I said, "This is it! This is it! This is the catenary! This is one of those things!" And [my guide, an expert on Brunelleschi] said, "Yes, yes, yes." And all of this wonderful art work that comes out of there.

And then you look at the population of Florence. Disaster! Cultural disaster! And then you look at another thing that hit me hard, that I was very much concerned with in the 1970s, especially in the early 70s, with what is called the Cassa per il Mezzogiorno, because Italy was divided into two parts, the North and the South. And Italy was never one nation, because the countries to the South—called the Mezzogiorno, the twilight area—never developed: desperation, mass insanity, in whole communities. In Calabria, for example, mass insanity in cities. Like an epidemic, a disease. Like a fatal epidemic disease. And, the whole idea of the Cassa per il Mezzogiorno, which was to integrate Italy so that the people from the southern part of Italy would be part of the same country as the people from the northern part of Italy. This was shut down.

Cultural warfare. Everything was done to destroy the potential of the Italian population, which included some very great intellectual talent, despite the decadence which went through, like many other parts of Europe. To me, I would think that the very crisis we have, in Europe, as well as in the rest of the world, the hopelessness of the situation under present policies, would inspire young people to think of themselves as a generation who will lead the older generation to make the necessary reforms. I do not think that the older generation—the Baby Boomer generation—people 50 and older and so forth—I don't think that they'll do it. I don't think it's in them anymore. I think they're broken, *unless* younger Italians in the 18-35 age group, pick up the baton, and start to do the kind of things that we're trying to do from the standpoint of the youth movement here in the United States, and to some degree in other parts of the world. That's the only solution.

You've got to mobilize a revolutionary force, which doesn't mean violence, but it means to make a fundamental change in policy, and you've got to bring forth in Italy a concerted group of people, young people, who will do in Italy what we're trying to do with the youth movement in the United States. And you've got to do what we do, what we're doing with the Kepler projects and similar projects: You've got to do that. Because you've got to build this around a competent scientific foundation and also a competent musical foundation. Because music is the only medium in which we have some degree of control, as you do not over acting. We're trying to do something with acting, including with some professional actors, but the music gives you a control in terms of meeting the standard of the composer's intention, which you do not get in any other form of art.

And therefore, by getting people to, at the same time, master the conceptions of scientific principle, as by Bach and so forth, by actually learning what this means, you get the kind of personality which has the confidence of certainty of knowledge, which gives them the confidence to make revolutions, of one kind or another.

And we need to see that in Italy, as in other parts of the world. It's the only hope. The only hope lies with a new generation, who will lead and get the world out of a rut, and who will inspire people from older generations still living, to join them in the cause. The older generation will not initiate the effort, but many of them will be inspired by the example of the younger generation, and that's the only solution.

Freeman: Well, I think so far we've done a good job, but we have a lot of work to do, and I think that today, without question, Lyn gave us the tools and the weapons that we need to get that job done. It would also help, for those of you who are listening on the Internet, if you took the opportunity, since it is becoming very close to the end of the calendar year, to max out your contribution to LPAC, which will do a great deal to support the brilliant work that this youth movement is doing under Mr. LaRouche's direction. We can certainly talk about that later. Right now, I'd like all of you to join me in thanking Lyn for this historic event.