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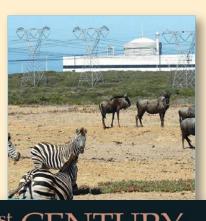
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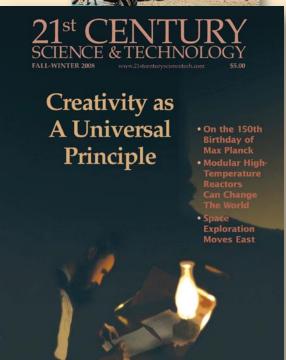
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#### From the Managing Editor

Washington is still reeling from the aftershocks of Lyndon LaRouche's two April webcasts, in which he did what no one else dared do: to lay it on the line to President Obama, that he is being played by a gang of fascist economists, led by the increasingly disposable Larry Summers. The Summers mafia has been manipulating the President around his well-known personality disorder, his Narcissus complex, which leaves him vulnerable to their scheming. The so-called behavioral economists are attempting to impose Schachtian austerity through the back door, by telling the President, and the American people, that they must sacrifice their living standards, and those of their children and grandchildren, on the altar of "sustainable development," "comparative effectiveness research," "quality adjusted life years," and other euphemisms for giving up their homes, their jobs, their health care, and, ultimately, their lives, in order to save the Anglo-Dutch financial empire.

Now, as a result of LaRouche's intervention, an open fight has broken out within the Administration, as Summers blasted off into a flight forward, publicly defying the President and his top foreign policy and national security team, on the question of Middle East policy (see *National*). LaRouche himself addressed the Middle East crisis, in our cover story, in a lecture at a Connecticut university, sponsored by the noted scholar Prof. Norton Mezvinksy, in which he advised the 200 students, faculty, and others, that only by burying the Anglo-Dutch imperial power, and adopting a Hamiltonian credit system, can peace be brought to the Middle East.

The British Empire's dirty work can also be seen in South Asia, where the entire Subcontinent—India, Pakistan, Nepal, and Sri Lanka—are suffering the effects of continuing imperial predations. The British have ignited long festering conflicts among various religious and ethnic groups, on the model of the Roman Emperor Julian the Apostate (see *International*).

Yet, both Lyndon LaRouche and Helga Zepp-LaRouche have indicated a pathway out of this emerging New Dark Age. See LaRouche's interview with an Ohio radio show (*National*), and Zepp-LaRouche's intervention in Denmark (*International*).

Next week, we will bring you LaRouche's "The Real New Bretton Woods: A Dollar-Based Global Recovery."

Fornie Jame

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Funerals like this one take place every day in the Gaza Strip.



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In a May 4 speech at Central Connecticut State University, Lyndon LaRouche stressed that it is a mistake to talk about Middle East policy, without situating it in the context of a global conflict dating to at least the end of the 19th Century. The British Empire, which sparked World War I in order to destroy Europe's continental powers, then carved up Southwest Asia (with the French), in the infamous Sykes-Picot Treaty of 1918. The legacy of ethnic and religious hatreds fostered by that secret accord continues to fan the flames of conflict in the region to this day. There will be no peace between Israelis and Palestinians until the British manipulation is exposed and its agents driven from power and influence.

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## **Feature**

#### LAROUCHE ON THE MIDDLE EAST

# The End of Sykes-Picot: Moving Beyond Colonialism

One of the greatest threats to mankind today can be summarized in the familiar saying: "Those who fail to learn the lessons of history are doomed to repeat them."

It was in this spirit that Lyndon LaRouche delivered the following lecture, before an audience of approximately 200 faculty, students, and guests of Central Connecticut State University on the afternoon of May 4, 2009.

From the moment he was invited to deliver the lecture as part of the Middle East policy series, chaired by the distinguished Middle East scholar Prof. Norton Mezvinsky, LaRouche contemplated how best to use the limited time alotted, to deliver the most thought-provoking message.

As you will read below, LaRouche stepped outside of the rigged game of the Middle East per se, to deliver a message, intended to reverberate in the Obama Administration as it prepares for an urgent round of diplomacy, and within governing institutions around the world.

LaRouche's message was: Unless the fundamental global struggle between the republican and oligarchical outlooks—expressed most clearly, still today, in the struggle between the American (republican) and British (oligarchical) systems—is understood, no Middle East peace is possible.

LaRouche's words did, indeed, reverberate instantly

in Washington, where key policy-makers have already taken up the LaRouche challenge to learn the most vital lessons of human history, and to move, decisively, to defeat the British Empire today. That empire, as La-Rouche reiterated during his CCSU lecture, is not based upon the English, Irish, Scottish, or Welch people. It is a global financial empire, centered in the City of London, but with tentacles on Wall Street and in every financial capital around the globe. It is the power of the Anglo-Dutch Liberal system that must be defeated today, if humanity is to survive, and if the Middle East is ever to enjoy true peace and prosperity.

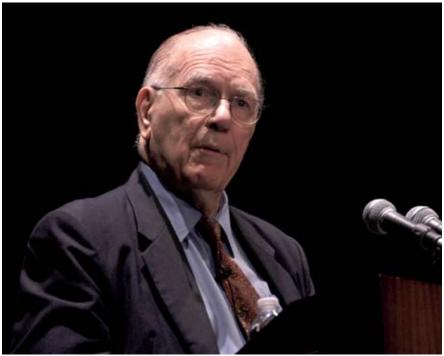
Hence, LaRouche titled his lecture, "The End of the Sykes-Picot System."

#### 'A Controversial Speaker'

Lyndon LaRouche gave this address to the Middle East Lecture Series at Central Connecticut State University, in New Britain, Conn., on May 4, 2009, at the invitation of Prof. Norton Mezvinsky. Professor Mezvinsky spoke at a Schiller Institute conference in Germany on Feb. 22 (see EIR, March 13, 2009).

**Prof. Norton Mezvinsky:** Thank you all for coming. As many of you know, my name is Norton Mezvinsky,

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EIRNS/Christopher Jadatz

Lyndon LaRouche urged his audience at Central Connecticut State University: "Don't look at the history of the Middle East; look at the Middle East in history." That's where the solution to the Arab-Israeli conflict can be found, he said.

and I'm a professor of history here at Central Connecticut State University. I also plan and coordinate the CCSU Middle East Lecture Series. Today's lecture is the last of the 2008-2009 series, and in addition, it's my own addition to the series. By that, I mean, as has happened in previous years with this series, the money allocated has previously been used. Hence, as I have previously done the last couple years, I have, out of my own pocket, provided the funding for the expense of bringing today's speaker.

Because of some controversy that had arisen over this session, I want to state this specifically: Those of you who have some objections to today's speaker—you have only me to blame. Controversy, of course, is endemic to the Middle East lecture series. We have had speakers who have presented views that, to some other people, are controversial. Different speakers have presented diametrically opposed points of view. This is a university, so therefore, so be it.

My standard, my requirement, for a lecturer in this series, is that she, or he, is knowledgeable factually, about one or more important issues within the context of the Middle East, and that she or he has presented orally, and/or in writing, useful ideas, and/or has engaged in

useful activity in regard to the serious issues.

Today's speaker, Lyndon La-Rouche, measures up to the standard I have just said. A controversial individual for many decades, Lyndon LaRouche is a leading political economist, and prolific author. He has been a precandidate for the Democratic Party presidential nomination. LaRouche has produced a series of economic forecasts, dating back to 1956. He forecast, for example, the present global economic collapse, in an international webcast, delivered from Washington, D.C., on July 25, 2007.

LaRouche was born in Rochester, New Hampshire in 1922. He has authored more than a dozen books, and hundreds of articles, many published in *Executive Intelligence Review*, a weekly magazine he founded in the mid-1970s, which is, I have personally discovered, *must* 

reading for numerous members of the United States Congress, United States State Department officials, other politicos in Washington and around the world, and many academics.

LaRouche has been dedicated to a just peace in the Middle East for decades, working tirelessly for economic policies that can provide an underpinning to a lasting solution to a crisis that, in some ways, is rooted in the topic of his discussion today, the Sykes-Picot Agreement. LaRouche has travelled in the region, visiting Iraq in the mid-1970s, and delivering a lecture in the early 2000s at the Zayed Center in the United Arab Emirates. He collaborated with members of the Israeli Labor Party in developing what became known as the Oasis Plan, for high-technology regional development, centered upon nuclear power-driven desalination, and high-speed mass transportation throughout the region.

At major Middle-East-oriented think-tanks in Washington and elsewhere, factual information, supplied by the LaRouche group, at least some of his views, are regularly studied and considered. During the past year, especially, when I have been in Washington starting a new Middle East political think-tank, I have witnessed this personally.

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One final word, before bringing Lyndon La Rouche to the stage to speak. Some sharply negative attacks upon him have been made by some people, on and off the CCSU campus. Material is being handed out, as you know, even though I wrote on the listserv that I urged groups not to distribute material at the sessions of the Middle East Lecture Series. There are other fora and other channels to hand out material. I told La-Rouche supporters, before



EIRNS/Christopher Jadatz Prof. Norton Mezvinsky invited the "controversial" Lyndon LaRouche to address his Middle East lecture series.

the lecture, not to hand out material. I have seen much of the materials being handed out, and believe that much of it, that I have seen, is at best problematic factually, and some of it clearly inaccurate. But we can discuss that at another time. Because unwarranted attacks have been made against me for at least the last four decades, I suppose it's fair to say that I am especially sensitive to this kind of thing. My hope is, that you in the audience will pay close attention to what Lyndon LaRouche has to say about an important topic.

I shall field questions and answers after his lecture, which is titled "The End of Sykes-Picot: Moving Beyond Colonialism in the Middle East."

#### The Middle East in Context

Lyndon LaRouche: Thank you very much.

I shall suggest it is an error to talk a Middle East policy. That is, I think, one of the reasons we have a problem with the Middle East, is, we keep talking about a Middle East policy. Instead of talking about a conflict in the so-called Middle East, we should talk about the Middle East as a conflict, and a conflict that is largely global, especially within the context of nearby European and related civilization.

This is demonstrated, especially, since the British took over the Middle East, in a process which began with the development of petroleum in what is now called Kuwait, by the British monarchy. And the petroleum development, of this monopoly, was to change the British naval fleet from a coal-burning fleet, at least in principal capital ships, to an oil-burning fleet. The ad-

vantage of the use of petroleum, as a fuel, rather than coal, was a decisive margin of significance for the British in World War I.

Out of that, the breakup of the Turkish, the Ottoman, Empire, came a new situation, in which the British, with their puppets in France, formed what was called the Sykes-Picot coalition, under which the entire area was intended to be carved up between France and Britain, as a joint colony, as such.

It didn't work out that way, because you had an able Turkish commander [Mustafa Kemal Ataturk], who embarrassed the British very much, during the First World War. Who defeated the British, and the French, and set up an independent Turkey, which he consolidated by proceeding to make agreements immediately with Syria, in order to keep Turkey out of the Arab world, to save it from being embroiled in the Arab world. And who also made an agreement with the Soviet Union, in respect to that border, and, in that way, created a nation-state of Turkey, which, in a sense, has been a success. Not that everything has been successful, but that the existence of the state of Turkey has been a success, with all its peculiarities, which have been shaped in its history.

Now, if you look back on this thing, and look at what the conflict in this region is, since the developments of the late 19th Century, this has always been an area of conflict. But people look at this, and say, "This is a conflict among this person or that person." And, more recently, since the end of World War II, it's considered a conflict between Israelis, or Jews, and Arabs—which is also, not quite true.

What we have to do, is think of this area, as I said, as being an area *within* the world—the Middle East is a part of the world!—the conflict in the Middle East is a part of the world conflict, not the other way around.

But then, look at it from the standpoint of economics: What is important about this area, which is called today the Middle East? Why is it such a cockpit of conflict? Why has it been such a cockpit of conflict since way before anybody knew of a Jew in the Middle East? In the ancient wars, among Egypt, among the Hittites, among the people of Mesopotamia, and similar kinds of wars. The wars of the 7th Century B.C., which involved essentially, the Greeks, allied with the Egyptians, against Phoenicia, and the extension of Phoenicia in the Western Mediterranean, being combatted and controlled by another civilization, there.

So, the conflict is ancient.

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The so-called "Arab-Israeli" or "Arab-Jewish" conflict, is, in fact, one which has been played, from the outside, in our time, by the British Empire, whose intention is to control the vast oil resources of the region. Shown here: Israeli tanks advance in the Golan Heights, during the "Six-Day War," June 1967.

#### The Difference Between Man and Ape: Fire

Now, why this conflict?

Well, we have to go back a little more to ancient history, to understand these things. Because men are not animals. Human beings are not animals. Animals have no history; they have a biological history, but they have no cultural history. Mankind's conflicts of today are the product of cultural conflicts, in cultural history. And we must look back, perhaps a million years, to get some glimpse of this.

For example: In our archeology, with the frail evidence we have of mankind's probable, or actual existence then, say up to a million years ago: How do we distinguish between ape and man? There's one simple explanation. If you can find evidence of a fire site, together with fossils which look like they might be either anthropoid or human, if you find a fire site, that's human.

The primary difference of man from ape, is fire. But fire is only a symptom. Fire is an expression of the nature of the human intellect, of the creative powers of man that do not exist in the ape.

In lower forms of life than man, in the so-called biosphere, development is built into the physiology, the physical circumstances. In the case of man, as the case of ancient fire sites, which distinguish *man* from ape, in anthropology, we have the secret of man, which is *ideas*. Fire is the illustration of the concept of discovery of ideas, of the concept of culture, of the concept of development of the human race, development of civilization.

And therefore, to understand human behavior, we must look back as well as we can, to ancient times, to see, as much as we can, this pattern of distinction, between the ape, and man. Between the biosphere, and what is called the Nöosphere—the sphere of the human mind, and its creative potential—and the ape, lacking that kind of creative potential; and all

beasts, lacking that kind of creative potential.

So, then we have to look at this question from the standpoint of humanism. And what do we mean by humanism? We also mean language. We mean cultures which are transmitted by or with the assistance of language. So we study man in terms of language, not merely because of the use of language, but because of the invention of ideas, which do not start and end with the life of an individual, but are the transmission of ideas from one generation to the next. And so it is the *development* of ideas, the *development* of mankind, over thousands of years, over even a million or 2 million, perhaps, where we find the secret of human behavior at any point or location within history.

And this is no exception, this so-called Middle East conflict.

This conflict arose long after the period of about 17,000 B.C., when the last great glaciation, of about 100,000 years ago—these glaciations are never quite simple, but they do have demarcations—and we're coming to the end of a warming period. As a matter of fact, we're already, contrary to some rumors, we're in a cooling period. And the lowering of sunspot activity, is one indication of a 10- to 11-year cooling period now in process. It's global.

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There are other factors involved, but, as far as the Sun is concerned, sunspot activity and changes recently, indicate that we're in an 11-year cycle, typical of the past, of sunspot decline, and therefore a cooling period.

We're also in a long-term cooling period, because we have another 100,000-, approximately, year cycle, to deal with, which determines long-term glaciation, and deglaciation.

So, in this process, there's a lot we don't know, because a good deal of this planet was buried under many layers of ice, especially the Northern Hemisphere, for a long period of time.

#### The Shift from Maritime to Inland Culture

And during this long period of time, culture was primarily located in transoceanic, or at least other maritime cultures, not land cultures. As far as we know, culture, human culture's progress, is determined by maritime culture, which in its navigation, discovered the significance of astronomy, discovered its importance for man, and for navigation itself. And these were the leading cultures in the Great Ice Age period, in particular, when many of our calendars, as we know them today, the ancient calendars, and the markings of these ancient calendars, became apparent.

And then, the ice began to recede, about 20,000 years ago. And the rate of melting increased. Gradually, the oceans rose by about 400 feet, changing the definition of coastline. Making India much smaller than it had been, in an earlier period. The Mediterranean was opened up into a longer and lake-like formation that became a sea, a salty sea. And then, about 10,000 years ago, as the Mediterranean rose, it broke through the so-called Dardenelles Strait, and transformed what we call the Black Sea, changing it from a freshwater lake into a saltwater lake, with a freshwater underbase.

So, in this process, these changes are going on. Man is reacting to these changes. Gradually, as the glaciation recedes, civilization moves inland. It moves along the coast first, as we see in the 4th and 3rd Millennia B.C., in the Mediterranean region. It goes through various crises, but there's a gradual inland movement. The first movement is along the coast: maritime culture. Secondly, it begins to move upriver, along the major rivers, particularly the rivers that were being flooded by the melting ice, from the glaciation.

And, in this situation, something happens. You have a culture whose leading characteristic, in this known period, was that of a maritime culture, not an inland culture. There were inland cultures, but they were not progressive, in the sense that the maritime cultures were progressive, scientifically, or the equivalent of science, and culture.

So, what now is the meaning of this area we call the Middle East, at that point? It's an area between the Mediterranean, which becomes a center of growing culture, and the Indian Ocean, and Asia in general.

For example, let's take the case of Sumer, which is the first major civilization which emerged in the southern Middle East. This was an Indian Ocean culture, it was not a Semitic culture. It progressed. It was a very advanced culture in many respects; much of the idea of language, of written language, was developed there, and influenced the entire region for a long time after that, with the cuneiform writings.

But then, it degenerated. And the lower part of Mesopotamia became salinated, because of a physical economic degeneration in the area. Then you had the Akkads. Then you had the Semitic cultures, which were based upriver, on the structure which they had adapted to, in the earlier Indian Ocean cultures. And in this process, now, you have a development, a powerful development, between the Indian Ocean, and the Mediterranean, as an area. That remains to the present day.

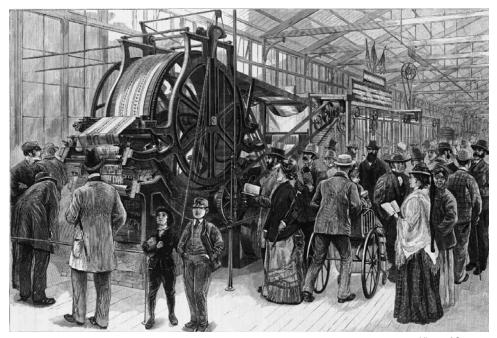
#### A Fundamental Change in World History

Then there was a change, a change in the middle of the 19th Century, or slightly afterward. The victory of the United States, in defeating the British puppet, called the Confederacy, in the Civil War, resulted in a fundamental change in world history.

Up until that time, the superior cultures in power were cultures which were based on maritime culture, because the ability to move by seawater, and up rivers, which were the large parts of the rivers, became the places where civilization, where economic power developed. Inland movement was difficult, compared to movement across water. And so, until about the 1870s, the world was dominated, in terms of powers in the world, by maritime cultures. And the British Empire's emergence was a product of that process.

But, in 1876, there was a change. The change was the Philadelphia Centennial celebration, in which all of the achievements of the United States, especially those

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A history-changing event occurred in 1875, at the Philadelphia Centennial Exhibition, where the great industrial achievements of the U.S. were put on display. Nations from all over the world sent representatives, who took home the ideas of the American System. Here, a wallpaper printing press, in the Machinery Hall of the exhibit.

of the recent period, were put on display in Philadelphia. People from all over the world, prominent figures from various countries, came to see this. Japan came to see it, and Japan was changed, and transformed from what it had been, into an emerging industrial power, through visits to the United States, in the context of the Philadelphia Centennial.

Russia, the great scientists from Russia, came there, and adopted a policy which results, among many other things, in the Trans-Siberian Railroad.

In Germany, Otto von Bismarck, the Chancellor, had direct representation, and negotiated directly with the circles of those who had been associated with Abraham Lincoln, and transformed Germany, with many reforms instituted in the late 1870s. Among these reforms were the imitation of the United States on one crucial point: We, as had been intended by John Quincy Adams, when he had been Secretary of State, had defined a policy for the United States, as one nation, from the Canadian to the Mexican borders, and from the Atlantic to the Pacific Ocean. Not merely a territory, but a nation which was developing in an integrated way, through the development of the Transcontinental Rail-

road system.

Germany then adopted that policy, for Eurasia, a policy of developing Europe, continental Europe and continental Asia, on the basis of transcontinental railway systems, and the things which go with that.

Suddenly, there was a transformation in the character of economy, for as far back as we know much history, from national power based on maritime power, to national power, a superior national power, based on the development of inland transportation, rail transportation, and the industries that went with that.

This was recognized by the British as being a great threat to the existence of the British Empire—which is

not really a British empire; it was a financial empire, with headquarters in the Netherlands, and in England. It was not the British people that were the empire; it was an international financial group, based on maritime power, which thought they could create a power dominating the world.

So, from that point on—from Lincoln's defeat of the British puppet, the Confederacy, through the 1876 Centennial celebration in Philadelphia—there's a great conflict between the British Empire, as a maritime power, and the United States, as a model of transcontinental internal development of national areas. And the pivot of this thing, which became known as World War II—what started the first war was actually the assassination on the President of France, Sadi Carnot, on behalf of British interests. Which made a mess of things, and therefore, allowed the British to begin to Balkanize.

In 1895, the British organized the first Japan-China War, and continued that policy as an attack on China, up until 1945, Japan's attack on China. Japan was also dedicated to a war with Russia. Then, the Prince of Wales, who actually ran the place for his mother [Queen

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Victoria]—she was kind of dotty at that point—the Prince of Wales planned to have his two nephews go to war with each other. One of his nephews was Wilhelm II of Germany, the other was the Czar of Russia. And they were determined to start a war.

Bismarck knew this, and made an agreement with the Czar of Russia, that if anyone tried to get Germany to support Austria in a Balkan war, that Bismarck would kill the operation. And on that basis, peace was preserved, for a while. But then, Bismarck was dumped in 1890, and the process of war began. First, through the assassination of Sadi Carnot of France, who was close to the United States, and close to its policy. And, with the dumping of Bismarck beforehand. Then, with the launching of the Japan-China warfare, which continued until 1945, until August 1945.

So, we went into what was called a Great World War, but really a whole series of great world wars, which had been ongoing since 1890, to, in fact, the present times.

The conflicts of the world today, are, proximately the echo of this long conflict, between the idea of the internal development of national territories, and across national territories, as typified by great transcontinental railway systems, and by technological progress, and the other side: the idea of maintaining a maritime supremacy, a maritime financial supremacy over the world at large. We're still there.

## There Was Nothing Accidental About Franklin Roosevelt

Now, in this process, a time came, at which Franklin Roosevelt had intervened in this process, and had broken it up. Up until that time—frankly, from the assassination of McKinley, which was a key part of getting us into World War I, and then World War II—from that time on, the United States was going in a bad direction. We had bad Presidents. Theodore Roosvelt, who was the nephew of the organizer of the Confederate intelligence service, became President. And he



National Archives

President Franklin Roosevelt, whose ancestor Isaac Roosevelt was a collaborator of Alexander Hamilton, adopted Hamiltonian policies to rebuild the U.S. out of the Great Depression. FDR is pictured here at the CCC camp in the Shenandoah Valley, August 1933.

was a loyal British subject. He made a mess of things.

Then we had Woodrow Wilson, whose family was notorious for its leading role in the organization and tradition of the Ku Klux Klan. And it was Woodrow Wilson who, personally, from the White House, as President, launched the reorganization of the Ku Klux Klan in the United States, on a scale far beyond anything that was in existence ever before.

Then we had the case of Cal Coolidge. He kept his mouth shut, because he'd incriminate himself if he talked, in public.

Then we had the case of Hoover. Well, we say, Hoover sucked. He was a bright man, but he had bad politics, and worked for people who controlled him, and he was their puppet.

Then comes in, a man who's a descendant of a friend of—guess who? Our great first Secretary of the Treasury, Alexander Hamilton. And that friend was Isaac Roosevelt, and Isaac Roosevelt had started the Bank of New York. Isaac was a close collaborator of Hamilton, and Franklin Roosevelt, who was a descendant of Isaac

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Roosevelt, wrote a paper, in his Harvard graduation period, honoring his ancestor Isaac Roosevelt and his policies.

There was nothing accidental about Franklin Roosevelt. Franklin Roosevelt, who had to struggle against the people in New York and elsewhere, who we would call fascist today—and they were fascists—they're still fascists, some of them. He turned the tide against them. And while he was President, despite the difficulties under which he labored, he went into the Presidency with a very clear intention, and a very clear perspective. Roosevelt, in his Presidency, made and implemented policies faster than anybody else could think of them. You look at that from his first steps in office. He knew exactly what he was going to do. He had to improvise in some degree—and all leaders in societies do improvise. They know what their mission is: Now they have to find out how to bring the forces together to accomplish that mission in principle, even if it has repercussions. And that's the way our system works.

We are a people with many different views, and the way you get the job done, is find a common interest in the nation, awaken the people to a common interest, and then figure out how to get the job done. And do a lot of bargaining and negotiating in the process, to get the thing through.

The thing you count on, first of all: Can you innovate? Can you innovate the way which is in the right direction? Are you laying the foundation for further steps which may correct what you have failed to do in the previous action? And you have to also educate the people. You have to educate them, not by preaching at them as such, but by organic methods, by influencing them to see things about themselves, and about the world, they have not seen before. And as people come slowly to a realization, sometimes with a jerk: "This is right!" Then they make another leap forward.

And had Roosevelt lived, the world today would be far better, and also far different than we're seeing since Roosevelt died. The world as it existed, on April 12th of 1945, when Roosevelt died, and the day after, April 13th, when Truman became President, were two entirely different worlds.

And I know it. I was in military service abroad during that transition period. I was in India and Burma. When I came back, in the late Spring of 1946, after a beautiful experience with the attempt of India to achieve its independence, my United States had

changed. It was no more the United States of Franklin Roosevelt. The same fascist crowd that Roosevelt had kept under control while he was President, was back in power, under a puppet called Harry Truman. Harry S Truman—no point, no initial, no name. His mother had planned to have a name with S in it, at a point at some time, but she never got around to filling what the rest of the S was. I don't think she cared, and I don't think he cared

#### **A Great Cultural Degeneration**

So, we had this process. Truman was a catastrophe. Eisenhower was a relief, but he came in weak. He didn't have the strength to control the situation politically. He did many good things, but he was not in control of the forces. Kennedy got the idea that he was going to control the Presidency—then he got himself killed, by having that kind of commitment. When Kennedy was killed, Johnson-Johnson was not a bad person. He was a politician, with all that goes, good and bad, in that appellation. But, he was convinced that the three guys who killed Kennedy, who were of French provenance, who had attempted to kill de Gaulle, would get him next. The three guns pointed at his neck was the thing he referred to before he left office, that had frightened him all along. So, he gave in on the Vietnam War.

Then we had the '68 phenomenon, and what happened after that.

Then we had a fascist President, called Nixon. The guy was a fascist—don't kid yourself. He was exactly that. Then we had Ford—he didn't exactly know what was going on in there. He was a pleasant guy, but a lot of bad things happened under him. He didn't notice what was going on. The guy's sitting there, he's happily sitting at the dinner table while rats are running all over it, and he doesn't notice them.

Then you had Reagan, who was a complex creature, with some good instincts. He belonged to my generation, an older version of it, and was very strong under Roosevelt, but, as we saw immediately, he adapted to the Truman Administration very quickly, and that was his problem. I had some dealings with him which were very important, and could have changed history for the better—and they did change history, but we could have done much better, if he'd been able to stick to his guns. But otherwise he was a mistake, he just went rolling on.

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The Emperor Napoleon, shown here in a detail from "The Battle of Jena," by Horace Vernet, was a tool of the British Empire. His Seven Years War ruined Europe, allowing Britain to emerge triumphant in 1815, until the U.S.A., after 1876, checked its power.

Then, 1987: We had a recession which was as bad, or worse, than the Depression of 1929. And then we had a terrible man, Alan Greenspan, and what he came out of, that [Ayn Rand] cult he came out of, was not very good. The result was terrible.

So, we've gone through a process of degeneration of the United States, since the death of Roosevelt, with ups and downs in between, but the cultural degeneration is great.

Look, for example: You're sitting here in a university. And think about what came out of universities about the time I was coming back from military service, to today. What's a typical situation? What kind of professions do people undertake, leaving a university?

I'll give you a case. We just had an affair, I partici-

pated indirectly, in Ukraine, a scientific case. And we looked at the population composition of Ukraine, in terms of different age groups. We found that the scientists, those who could actually think in terms which were significant to Ukraine, were usually over 60 years of age, and the leaders were in their 80s, like me. In Russia you find a similar thing going on. In the post-Soviet period, there was disorientation, which had started in Russia earlier, under Andropov, and then Gorbachov: the destruction of the ability of produce. The destruction of the power of the creative process. And replaced by greed, to get money for money's sake, and for the sake of the power of money. Not to build a nation, not to make conditions better.

And we had the same thing in the United States, in general.

We're now at a point, that our nation is disintegrating. It has actually been disintegrating in the direction it goes, since April 12, 1945, since Truman became President. And I could go through the details of that, but I won't here, because that's too far from the subject.

But we have been destroyed step by step, step by step by step. And because it came on slowly, like the boiled frog, we didn't react. We just sat in the pool while the heat came to a boil, sitting there contentedly in the pool, while the water reached

the boiling point, and the frog died. We're like the frog that died, in the pool. We've been going step by step, down the wrong way.

#### The British Empire

Come back then to the situation in the so-called Middle East. And see the Middle East, not as having its own history, but the Middle East as something *within* the process of history.

And the other part is, don't look at the Israeli-Arab conflict. Don't ignore it, but don't look at it. Because the conflict is not determined by the Israelis or Arabs. It's determined by international forces which look at this region. How? As a crossover point between the Mediterranean and the Indian Ocean, the relationship

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of Europe to Asia, the relationship of Europe to East Africa, and so forth.

Therefore, what you're seeing is that.

Now, go back and say, where did the British get this idea—as they did with Sykes-Picot—where did they get the bright idea of keeping the Arab population, and what became the Israeli population, at odds with each other permanently? Killing each other over land that wasn't worth fighting over, in terms of its quality.

Ask yourself, what is the *development* of this territory? What is the *development* of the conditions of life of the people? The development of the conditions of life of the typical Israeli? Look at the Israeli of the 1950s and '60s, and even the '70s, the early '70s, where there was progress. What do you see today? You see decadence. Accelerating decadence, and an increase in warfare.

What do you see in the Arab condition? Decadence. And you sit there with despair, and you say, are these people just going to kill themselves into extinction? Kill each other into extinction? What's wrong here?

Well, somebody's playing them. Somebody's playing and orchestrating the situation. Who? How do the British come in on this?

Well, go back, for example, to the time that Lord Shelburne, who was the boss of the British Empire—which at that time was *not* the empire of the British monarchy; it was the empire of the British East India Company, which had private armies, and private navies, and private funds, and a lot of drugs. What do we learn from that?

Well, how did Shelburne come into power? How did he become the leader, in February of 1763, of what became the British Empire? Which was really the empire of the British East India Company, not the empire of the British monarchy. That came later, under Victoria. It came because of the Seven Years War.

What was the Seven Years War? The Anglo-Dutch interests, which were largely banking-financial interests, orchestrated a period of warfare among the nations of continental Europe, back and forth, playing the very skilled military commander of Prussia, Frederick the Great, in perpetual warfare, which resulted in the ruin of the nations of continental Europe, through mutual warfare and its effects, such that, in February 1763, the British walked in and dictated a treaty called the Peace of Paris, which established the British East India Company as a private empire. Which led, later, to the formation, under Victoria, of the so-called British Empire.

Since that time, this group, which is not a group of people, as such—I don't think of British bankers as people, because they don't act like people. They act like clever apes, with the instincts of apes. What was done in this whole period—especially in dealing with the Lincoln process, and the 1876 effect—was not to engage in direct war against the United States, which they intended to destroy, but to subvert it. To neutralize the United States in its own development, by various kinds of crises.

But mainly, it was to destroy Continental Europe, and to destroy it by warfare, like the Seven Years War in Europe. For example, shortly after 1890, when Bismarck was commenting on what had happened to him, he said, the purpose of this thing was to ruin continental Europe through a new Seven Years War, like that which had led to that.

We also had another example of this, the case of Napoleon Bonaparte. Napoleon Bonaparte was not an enemy of Britain; he was a tool of Britain. He ran a Seven Years War on the continent of Europe, as a dictator, to the point that he ruined Europe, so that Britain emerged as triumphant in 1815. And it was only the emergence of the United States as a power, essentially after 1876, that checked [the British Empire], and therefore, the British were determined to destroy *us* then. But they weren't quite ready.

When we had the assassination of McKinley, and the introduction of British puppets, such as Teddy Roosevelt, Woodrow Wilson, Coolidge, and so forth, as Presidents, and what that signified, and we became a tool of the British imperial policy, rather than representing our own interests, or representing what we *should* represent, in our dedication to the establishment of a system of republics throughout the planet.

So what happened was, the British created, beginning in the late part of the 19th Century, what became the Sykes-Picot Treaty.

#### Fighting for the Common Aims of Mankind

Now, one thing is crucial about this, in all of this, which angers me greatly. Because I'm angered, not at them—I despise them—but I'm angered at my own people, who, like fools, will kill each other over things that are not really worth fighting about, when there are all these other solutions to the problem. And thus, making themselves the common prey, in their own fighting of each other, of an empire.

It's like the principle of the Seven Years War: Get

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the other guys to kill each other; then you come in and take over the mess. That's the way the British Empire has always operated.

This was conscious too. Because, remember what Shelburne's advice and counsel was: the model of Julian the Apostate, the Emperor Julian the Apostate. What did Julian do, which caused Shelburne to admire him so much? What he did was, he abandoned Christianity. He cancelled it—but not really. What he did, is, he put it into a kind of temple, of various religions, and began to play these against each other.

Now, Shelburne's conviction was, on the basis of the study of the rise and fall of the Roman Empire, that the way the British Empire should operate, was the way he had operated in the Seven Years War, and the way it was to operate in the Napoleonic Wars, and so forth. It was to get the fools to kill each other, to play one against the other.

Now, this is easy to do. If you get people who don't understand the principle of Westphalia, the 1648 Peace of Westphalia, who don't understand this. Our interest as human beings, is not to kill each other, or not to engage in killing each other for the purpose of trying to get power over other people. Our purpose should be, to set up a system of sovereign nation-states, under which each group of people, using their own language, and their own culture, is self-represented. But these nations, as such, so formed, must have also a *common* interest, in the betterment of the general condition of mankind.

The only thing that's worth fighting for, is to prevent evil from happening to this effort, and to promote this effort, for the common aims of mankind. Because the human mind is based on creativity. And because creativity is associated with Classical poetry, the best expression of Classical poetry, of a language culture. In order to evoke creativity in our people, so that our people may prosper, and humanity may prosper, we have to promote the welfare of the other nation as much, or more, than our own.

Because it's by promoting in them that which is good, which is creativity, which is the development of culture, the development of a physical contribution to the human effort: That's what our purpose should be. Our purpose is not to compete with each other, as such. Yes, compete in another sense. But not to compete as hostile forces, but to compete in doing good, in sharing the good, and realizing that you must *develop* our people's creative powers to the stage of enriching their use

of language, especially as typified by poetry and music, to think. And that should be our purpose.

#### The Solution: End the Imperialist System!

The problem, when you look at this thing in the Middle East, you say, this is a disaster. What are these two groups of people going to do with this damn warfare? They're going to destroy each other. They're going to destroy civilization by spreading this disease. What are they fighting *for*? To kill somebody else? To eliminate somebody else?

Or are they fighting to make their own people more successful, as human beings, by finding ways of cooperation with people of a different religious or similar culture?

The principle of Westphalia.

We get so involved with the issues of the Middle East, that we find we can never solve them! The way we're playing it, we'll never solve them.

We will make efforts: Maybe the United States, if it had the right President, could *force* a peace, with the support of other nations. But without some force, there's no tendency for agreement in this region. There's a tendency for perpetual killing. And what many of you can do is, to try to ameliorate that thing, and slow down the killing rate, try to keep it from spreading. To get them not to do it for another day. There are no guarantees.

There is a solution, a solution in principle. And the solution is: End this blasted imperialist system! And understand that we, as a people, must develop our spiritual culture; that is, the creative powers of mankind, to carry further the development of mankind, from some brutish character by a campfire a million years ago, or so, into mankind as we desire that mankind should develop today. That's the issue.

In the meantime, we will fight. We will do everything possible to try to get peace in this area, because we want to stop the killing. But we're not going to tell somebody, we've got a solution that's going to be accepted, that's going to work. We're going to say, we've got a hopeless cause, and we're going to continue to fight for it.

But you have to understand, the problem comes not from these people, except that they're playing themselves for fools, by fighting each other. They're both extremely poor. Do you know what the condition of the average Arab is, in that region? Do you know what the condition of life is, the deteriorating condition of life, of

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the Israeli? What the hell are they fighting about? Where's the benefit in the fighting?

But the passions are deeply imbedded. The habits are deeply imbedded. We can try to impose the influence of restraints. Try to prevent these crazy Israelis from thinking about an attack on Iran, because that would be really a hellhole operation. In other words, we try to intervene through diplomacy, through other influences, to moderate the tendency for self-destruction of the peoples.

But don't believe that there's some solution for the Israeli-Arab conflict. There is no solution, in *that*, per se. That's why I said at the beginning here: Don't look at the history of the Middle East; look at the Middle East in history. And there you find the solution.

Because it's being played! The whole region. It's being played like a puppet.

I've got a similar situation in India. I've got a worse situation in Pakistan: Pakistan is about to die, it's about to be killed, by U.S. advice, and British management. The dumping of Musharraf was *insane*. He's not a good person, but he kept the country together. The disintegration of Pakistan would uncork all kinds of hell in the entire region.

So, that's the point. We must grow up, and those of you who are in the university, presumably approaching now the point of where people are graduating, either from that term at the university, or going on to some other education, should think of yourselves not just as being university graduates, or prospective graduates. But think of yourselves as respecting the *need* for young Americans, in particular, to get out of the habits of thinking which have dominated our press, and our conversations, in recent times. To realize we're on the edge of a disaster beyond belief. And to realize that what's needed, is an understanding of history, not an understanding of something that's happening in some section of history.

#### A Credit System; Not a Money System

For example, the power of the United States, just to conclude here: The United States has great power it doesn't know it has. I'm greatly worried about this President, because I think he's cuckoo at this point. He's being managed by a bunch of people who are evil.

But we have a mission. For example: We have now a disintegrating world financial and monetary system. We have gone through a depression phase, since July of 2007. We're now entering a hyperinflationary phase. It's a process which has a striking resemblance to what happened in Germany, in the early days of the Weimar Republic. The Weimar conditionalities imposed by Versailles, put Germany, at that time, first through a great depression. We in the United States have, since the Summer of 2007, the United States has gone through a great depression. The collapse of the economy, the collapse in the conditions of life, the accelerating rate of collapse in the conditions of life now, have been those of a depression, a deep depression, like that which Germany experienced in the early 1920s.

But then, in the Spring of 1923, there was a change. And between the Spring of '23, and November of 1923, the German mark disintegrated. The economy disintegrated. And was bailed out by outside forces. It wasn't really bailed out, because what happened is, that the people who had left, came back and took over. And this led to Hitler.

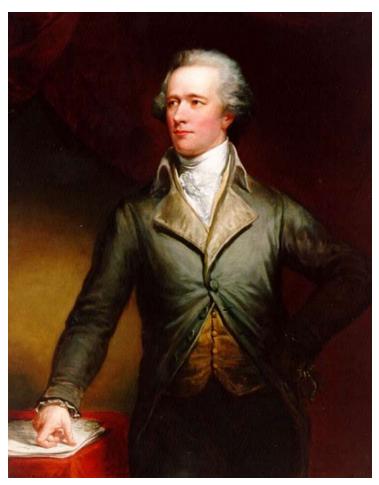
That was the year that Hitler came to power, in fact. Became a phenomenon. 1923. And it was *that*, that made Hitler possible. Allowed that to happen. Which was done by the Versailles Treaty—which you don't do.

So, now we're in a situation in which we have to change our monetary system. We can reorganize our monetary system and the world monetary system. We can cooperate with Russia, with China, India, and other countries, whose situation, as it stands now, is hopeless. There's no future for China, under the present conditions. It has lost the means of employment for a large part of its population. It can not carry itself under these conditions, and there's no prospect for increase of markets, for China's goods. Russia is also in that kind of condition. India, because it has a low export dependency, relatively speaking, is not as badly off. But the blowup of Pakistan will have an effect on India, to blow India up too. That's Asia! A major part of the world's population.

Africa's already a disaster.

So, how do you do this? Well, we have a system; we call it the American System, defined by Hamilton. We can shift the world economy, from being a monetary economy, to being a credit system, as specified by Alexander Hamilton. That is, we do not try to run a money system. The money system is finished! This monetary system, as it exists, can not be saved. It's doomed. But some people are greatly attached to it. It's like being attached to a certain lead weight, which may drown you,

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Only by shifting to a U.S.-based credit system, as established by our first Treasury Secretary Alexander Hamilton, and away from a monetary system, will it be possible to rescue the world's population from the onrushing New Dark Age. This portrait of Hamilton was painted by Daniel Huntington (1865).

by trying to carry it.

Therefore, we can go back to a Hamiltonian approach, the same approach that Hamilton used, which led to the formation of our Federal Constitution. That is, Hamilton was in a situation, where he was a key figure in Washington's policy, and he had a situation in which the banks of the United States, which were state banks, state-chartered banks, were essentially bankrupted by the costs of fighting the War for Independence. Therefore, he had to create a national government, a Federal government, which, by being able to reorganize bankrupt banks, to prevent a chain reaction collapse, would save the United States from disintegration.

It was this consideration, of the bankruptcy of the state banks of the former colonies, at that time, which prompted, and motivated, the formation of the Federal Constitution.

Our system, from the beginning, was therefore, a *credit* system, as our Constitution provides. You can not print money, as such. You can utter money, you can utter credit, by a vote of the Congress, and the President. But what you can do, and how far you can go, is limited by this vote, by this action. So *we* create a debt, a debt commitment of the Federal government. This is our system. It's a credit system, not a monetary system.

European systems are monetary systems; they don't work. We have experimented with monetary systems, and we have now destroyed ourselves by doing so, during this period, because we did not think about physical values. We thought about money values, and said, "The money values will save us. The money values will help us."

Like this printing of fake money now, which will never be paid. Debt will never be paid under these conditions. Not the existing debt. Then we have to go back to the same thing, again. Go back to a credit system, as Roosevelt had intended on April 12, 1945, as opposed to what Truman did, on April 13. And that difference, between April 12 and April 13, is the key to understanding U.S. history since that point.

We go to a credit system: We can organize credit agreements, like treaty agreements, with Russia, China, India, and other countries. Europe can't do it. Europe is in a hopeless situation—

Central and Western Europe right now. But if we do this, they will come in on it. We *can* rescue the system.

We have to move, therefore, from thinking about conflict among nations and regions, to the alternative to conflict, by finding that which unites us through our common purpose, as independent sovereign nations, rather than seeking resolution of a conflict we are now enjoying among ourselves. That's the only chance we have. And when you look at the possibilities for this region, like Southwest Asia, the only chance will come, not from inside Southwest Asia. We will do, and must do, what we can, for that area, to try to stop the bloodshed, the agony, to prevent the war. But we will not succeed, until we change the history, change the world in which this region is contained.

And that's my mission. Thank you.

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# Jerusalem in Flames

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## **National**

# Larry Summers' Flight Forward

by Jeffrey Steinberg

May 9—On April 29, White House economic advisor and wanna-be White House Chief of Staff Larry Summers attended the 61st anniversary celebration at the Israeli Embassy in Washington, D.C. and delivered what he claimed were official remarks, sanctioned by President Barack Obama.

According to an account in the Israeli daily newspaper *Ma'ariv*, and confirmed by eyewitnesses, Summers promised that the upcoming White House visit of Israel's Prime Minister Benjamin Netanyahu would be warmly received, and that the President would not pressure Israel to sign a peace agreement "at any price." Summers said that the Administration would only seek "peace that defends innocent people, peace that guarantees freedom, peace that does not reward terror, peace that the Middle East deserves after such a long time."

Summers' self-professed "official" remarks immediately sent shock-waves through official Washington. Israeli officials took the statement as a welcome signal that the Obama Administration had dramatically shifted policy—away from the anticipated intensified pressure on Netanyahu, to accept the idea of a two-state solution, an idea the Prime Minister has explicitly rejected, along with any peace agreement with Syria that would involve a return of the Golan Heights.

Within the Obama Administration itself, Summers'

actions produced a firestorm of behind-the-scenes protests, particularly from Secretary of State Hillary Clinton and Middle East peace envoy George Mitchell, who were both reportedly furious at the idea that Summers had gone behind their backs to deliver assurances to Netanyahu that he could get away with his well-known stall-and-evade tactics, to subvert any serious peace process.

According to sources close to the Administration, both Clinton and Mitchell are still "on the ceiling," over Summers' actions, which not only explicitly contradicted clearly defined Presidential policy, they raised a very real question about whether the President had, indeed, authorized his notoriously pro-Likud economic advisor to bypass the State Department and national security team, to offer Israel and Netanyahu a free ride.

While Summers was apparently given Presidential authorization to attend the Israeli anniversary celebration, U.S. intelligence community sources expressed doubt that Summers' remarks were fully vetted by the President or his top advisors. Indeed, the question is: Did Larry Summers pull one of his classic flights forward, and were Summers' actions part of a premeditated, move to box the President into a policy change, on the eve of the annual meeting of the official Israeli lobby, AIPAC (American Israel Public Affairs Commit-

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tee), and the upcoming Netanyahu visit to the White House?

Following his devastating April 11, 2009 international webcast, in which he warned of Obama's "Nero Complex," and the President's impulse to crush all critics, regardless of the validity of their criticisms, Lyndon LaRouche warned that if Summers' actions in any way reflected the President's actual intentions, it would represent a serious break with Secretary of State Clinton and the entire national security team, which represents the best of the Obama Cabinet.

In his April 11 webcast, LaRouche had warned, that if the President is not brought back under the control of those sane Cabinet advisors, who represent the larger institution of the Presidency, LaRouche would expect to see an early

break with the Secretary of State—despite her substantial early successes in reversing some of the most egregious foreign policy crimes of the Bush-Cheney Administration.

LaRouche warned, on May 2, in a statement posted on the LaRouche Political Action Committee (LPAC) website, that unless the President repudiated Summers' treachery, his failure to act would likely bring about the rapid collapse of his Presidency.

On May 6, LaRouche commented further, in discussions with colleagues:

"What I did over the weekend, and have been doing all along in respect to Obama, is to put pressure on the President, to ensure that he does not cave in to Larry Summers, who has been attempting to manipulate the President. Summers' intention with his policy statement last week at the Israeli Embassy, was to bluff the President into going with his policy on Israel. He was acting under the assumption, that he could brainwash the President. However, Obama did not cave in. What Summers doesn't understand, is that this President may turn on someone whom he perceives as trying to ma-



World Economic Forum/Remy rand wanna-be Chief

White House economic advisor and wanna-be Chief of Staff Larry Summers is battling it out with the sane elements of the Obama Administration.

nipulate him.

"The stated intention of what I have been doing in criticizing President Obama, is to ensure that he breaks free from the brainwashing by Summers. He must become alert to the fact that he is being used. The only hope, is that Obama comes to his senses, and recognizes that he is being duped and used by these clowns.

"I am using a high-risk operation to get the President angry at the people who are brainwashing him. My purpose, is to make him into a President, by setting him free. I know his personality. So, I am putting maximum pressure on him, to liberate him from his brainwasher, Larry Summers.

"Summers is jittery that Obama is uncontrollable. Therefore, he is trying to preemptively box him in, based on his psychological vulnerabili-

ties. That is why Summers tried to preemptively set a policy for the Obama administration.

"Summers' primary personal affinity is as an extreme pro-fascist, right-wing Israeli agent, a type we are not unfamiliar with. His agenda is to swindle the President, by pushing him into capitulating to that agenda. But the President did not take the bait.

"Summers has thus made a big mistake. It is time to get rid of him. Summers went out of control. The President doesn't need such people. When your enemy makes a mistake like that, don't mishandle it."

#### Other Fronts of Attack

U.S. intelligence community sources report that, since his failed Israeli Embassy gambit, Summers has been weakened. But he remains on the job, and his efforts to manipulate the President in a disastrous policy direction, on behalf of Wall Street and the City of London financial oligarchy, are buttressed by other top Obama advisors, like White House Office of Management and Budget director Peter Orszag, who is pushing a FY 2010 budget that slashes vital infrastructure proj-

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ects, and promises the biggest cuts in social welfare programs since Herbert Hoover and the 1929 Crash.

Orszag is part of the "behavioral economics" mafia that has surrounded the President, and has so far successfully elbowed out any qualified economic advisors from access to Obama. Summers played a pivotal role in shutting out Paul Volcker, the former Federal Reserve chairman, who has repeatedly called for the return to Glass-Steagall, and other banking regulations.

In a May 7 White House press conference, President Obama announced harsh budget cuts, that would reduce "discretionary spending" to levels not seen since 1962—two years before the creation of Medicare and Medicaid. The President, with Orszag standing beside him, announced that he would also seek "bipartisan" reform of Social Security, a buzzword for the kind of privatization schemes that were crushed in 2004-05, when then-President George W. Bush tried to bum-rush it through Congress. At that time, at the strong urging of former Treasury Secretary Robert Rubin, and with the help of a massive mobilization by LPAC, Democrats refused even to discuss the issue. Now, the behaviorists, led by Orszag, are trying to revive these murderous schemes, and use President Obama's personal approval ratings, to achieve what Bush was never able to accomplish: rip out the heart of the Franklin Roosevelt general welfare provisions.

Lyndon LaRouche is not alone in his devastating critiques of the Obama Administration's disastrous bailout-the-banks-and-kill-the-people policies. There is a growing popular revolt against the President's failure to deliver on any of his campaign promises to create jobs and improve the lives of average Americans. And, a number of leading economists—including some who are part of the Volcker advisory commission to the President—are speaking out in sharper language than ever before.

The 1980s savings and loan regulator William K. Black said in an interview May 6, that the policies of Summers and Treasury Secretary Timothy Geithner "will destroy Obama's Presidency." (Black's audio interview is posted on www.truthout.org.) Black said, "Accounting fraud is again the driver" in the current banking crisis.

Black pointed to three elements which led to the 1980s S&L fraud: gutting the underwriting, gutting the internal controls, and a Ponzi scheme for very rapid growth. The same elements are dominant in today's

bank fraud, Black said, but, "Instead of arresting bankers, we're funneling more money to them."

"None of those people in the [Obama] senior ranks have ever been successful regulators," said Black. "Summers and Geithner worked in the Clinton Treasury Department; they helped make the Asian crisis worse. They used the IMF-type policies that made things worse. Then he [Geithner] went to the IMF and made things worse. The guy has a track record of failure everywhere he's gone. Now President Obama has picked him as Treasury Secretary."

Asked about Credit Default Obligations, Black said, "The idea that we should re-establish these markets—which seems to be the driving force of Summers and Geithner—is disastrous. It will produce future crises, as well as making the current crisis worse. It will destroy the Obama Presidency. We are bailing out favored, rich, foreign shareholders and bankers; and eventually the American people are going to be incredibly outraged when they get the facts.... This is the greatest looting of the American people in our history."

In a May 6 interview with Truthout's Matt Renner, University of Texas economist James K. Galbraith once again blasted the Obama Administration's bank bailout schemes, and the "stress test" scam, as a coverup of massive criminal fraud by leading bankers. Galbraith noted that the bank bailout is an extension of the Bush Administration's Paulson Plan, and is based on the false assumption that the toxic assets on the books of the banks have some value—which most do not. Galbraith warned that the consequences of bailing out the big banks will be to bankrupt many smaller community banks, which will be hit with substantial increases in insurance charges. Asked whether the bank fraud, exposed by Black, is part of a willful Bush-era policy, Galbraith said that it is willful—and that the fraud is widespread throughout the entire financial sector.

"In the savings and loan crisis," Galbraith elaborated, "there were 1,000 felony convictions for S&L insiders, and about 700 or so went to jail. This is a bigger crisis, so you could easily be talking about a larger number of convictions.... Aside from the Department of Justice, the regulators are highly important. In the case of a troubled bank, the FDIC has the power to install new management. One of the responsibilities of the new management is to cooperate in criminal referrals as appropriate."

Asked what kinds of emergency measures he

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would like to see enacted immediately, Galbraith called for three actions, addressing the emergency needs of the population. "First would be enhancing Social Security. Second would be to enact a holiday on the payroll tax, and third would be to reduce the Medicare eligibility age to 55. I think if you get those things, you will greatly help American households get through this recession and greatly help the elderly population survive the collapse of their stock portfolios and home values.... People-centric measures would be very, very helpful."

LaRouche endorsed Galbraith's recommendations, calling for their immediate implementation.

#### Pelosi's Treason

In tandem with the antics of Summers, Geithner, and Orszag, Speaker of the House Nancy Pelosi, a notorious asset of such Wall Street and City of London swindlers as George Soros and Felix Rohatyn, moved to kill any serious probe into the biggest global looting spree since the collapse of the Lombard banking system, and the 14th-Century Dark Age.

On May 6, Pelosi killed a House version of the Dorgan-McCain Senate bill, creating a Congressional Pecora Committee, to get to the bottom of the current onrushing financial crash. The original Pecora investigation, run through the Senate Banking Committee during 1932-34, exposed massive criminal fraud by top Wall Street bankers, and created the political climate for FDR's successful reorganization and regulation of the U.S. banking system, including Glass-Steagall, the Securities and Exchange Commission Act, and other vital New Deal legislation.

While claiming to support a "Pecora Commission," Pelosi killed a House bill sponsored by Rep. John Dingell (D-Mich.), and instead rammed through a Republican bill to create an independent commission, modeled on the disastrous 9/11 Commission, to produce a report in late 2010!

The treachery of Pelosi, Summers, Geithner, and Orszag threatens the very survivial of the United States, and must be crushed, by a coordinated effort, involving a mobilization of the American people, as well as a sharp intervention from within the institution of the Presidency. If Summers, Geithner, Orszag, and Pelosi are allowed to get away with their looting and austerity schemes, the Obama Presidency will be destroyed, and the United States along with it.

# CAMERA: Summers' Israeli Fascists

by Anton Chaitkin

When Larry Summers attempted to hijack the Obama Administration's foreign policy in a speech at the Israeli Embassy in Washington on April 29—claiming that Israeli Prime Minister Benjamin Netanyahu will find a good reception when he visits the White House on May 18, and vowing that President Obama will not force Israel to sign a peace at "any price"—this was not Summers' first intervention on behalf of the fanatical Israeli right wing.

As president of Harvard University from 2001 to 2006, Summers waged political war against campus advocates of Middle East peace, on behalf of an Israeli intelligence front of extreme right-wing propagandists, whose operations are centered at Harvard. The Boston-based "Committee for Accuracy in Middle East Reporting in America" (CAMERA) steered Summers' assault, until faculty resentment at his McCarthyite tactics led to a "no-confidence" vote and his resignation from the Harvard presidency in February 2006.

Harvard professor Ruth Wisse, a key sponsor of CAMERA in Boston, often functioned as de facto public spokesman for Summers while he circulated the lie that criticism of Israeli policy is anti-Semitic. Ruth Wisse's husband, Leonard Wisse, is secretary of CAMERA and chairman of its advisory board.

While Summers clung to his post, backed by a British-Boston Brahmin-Wall Street axis against the simmering resentment of the Harvard faculty, he married Ruth Wisse's close friend, Harvard Holocaust-studies/literature Prof. Elisa New, in December 2005.

CAMERA co-founder Charles Jacobs also founded the ironically misnamed "American Anti-Slavery Group," which instigated the push for an American war against Sudan, in accord with a century-old British Empire hatred for that African nation. In 2003, Charles Jacobs, CAMERA, and anti-Muslim racist Daniel Pipes steered Summers in the rejection of a \$2.5 million gift to Harvard Divinity School,

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thereby blocking the creation of an Islamic Studies progam.

Harvard CAMERA leader Ruth Wisse is the Martin Peretz Professor of Yiddish Literature; her professorship was created by Marty Peretz, the neo-conservative editor of *New Republic*. Ruth Wisse, Marty Peretz, and Harvard law professor Alan Dershowitz, a fanatical defender of Israeli militarism, were the most strident proponents of Summers in his attacks on Harvard faculty Mideast peace advocates.

#### What is CAMERA?

CAMERA was launched in 1982, at the height of the Jonathan Pollard spy operations, ostensibly to promote "accurate and balanced media coverage of Israel and the Middle East." However, its actual mission has always been to suppress any news coverage critical of Israel, especially of Israel's ultra-rightist Likud apparatus. Among its board members has been the late Rep. Tom Lantos (D-Calif.), who sponsored Congressional resolutions endorsing Ariel Sharon's "preemptive assassination" and bulldozing policies as legitimate "anti-terrorist" actions. The group's mission has also been endorsed, according to its literature, by one-time Israeli Interior Minister Natan Sharansky. Sharansky has his own ties to Russian and Israeli mafia networks, some of which have been implicated in the spy/dope operations in America.

One key to understanding CAMERA, is to look at the role of another CAMERA director, David P. Steinmann. An investment counsellor to the Rosenwald Family (Sears Roebuck), Steinmann has served as the CEO and president of the Jewish Institute for National Security Affairs (JINSA), and also as chairman of the New York Board of Governors of *Middle East Quarterly* and a director of the Center for Security Policy, whose founder Frank Gaffney has long been believed to be tied to the "X Committee," the Reagan-era network of Defense Department and National Security Council staffers suspected of having colluded with Pollard, who is still imprisoned for spying for Israel.

In 2001, when Fox TV produced a story on Israeli spy operations in the U.S., involving telecommunications companies, phony "art students," and their suspected ties to the events of Sept. 11, CAMERA launched a pressure campaign, demanding that the story be pulled—which it was. Since Israel's bloody assault on Gaza in 2008, CAMERA has been targetting any news outlet critical of Israel's brutal offensive.

## Obama 'Climate' Advisor Was Big-Time Lobbyist

by Richard Freeman

May 7—*EIR* has uncovered a major conflict of interest scandal in the Obama Administration, featuring circles around former Vice President Al Gore, in imposing the genocidal "cap-and-trade" ponzi scheme, just as the U.S. economic-financial system is in complete breakdown.

In January, long-time Gore lieutenant, Carol Browner, took over the newly created office of Assistant to the President for Energy and Climate Change Policy. She is on a rampage to force Congress to adopt cap-and-trade legislation. Before joining the Obama Administration, Browner was one of the leading lobbyists for cap-and-trade legislation, and earned millions of dollars in fees from the high-powered D.C. lobbying firm Downey McGrath Group. Browner's husband, former Congressman Tom Downey (D-N.Y.), cofounded the company with with former Rep. Ray McGrath (R-N.Y.); the firm represents cap-and-trade outfits that stand to make tens of billions of dollars the moment such legislation is secured.

According to Congressional records, one of Downey McGrath's top clients is the Intercontinental Exchange (ICE), which controls the Chicago Climate Exchange, the primary U.S. cap-and-trade exchange. At a May 8, 2006 Senate Democratic Party Policy Committee hearing, Sen. Carl Levin (D-Mich.) excoriated the ICE and its London-based division, the International Petroleum Exchange, the world's largest petroleum futures and options market, as the key factor adding \$20 to \$25 to the price of every barrel of oil in the world.

#### An Acolyte of Al Gore

The Dec. 8, 2008 *New York Times*, in its profile of Browner, labeled her "long an acolyte of Al Gore." From 1988 through 1991, the rabid environmentalist Browner served as then-Senator Gore's legislative director. In 1993, Gore lobbied successfully for Browner to be appointed head of President Bill Clinton's Environemental Protection Agency (EPA), and for the EPA to be made a cabinet-level position. In 2006, when Gore

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founded the Alliance for Climate Protection to run mass propaganda on global warming and greenhouse gas reduction, funded by the proceeds of Gore's movie, *An Inconvenient Truth*, and Live Earth concerts, he invited Browner to serve on the Alliance's board.

Browner's service at the EPA was not without controversy. Among other things, she was accused of using her office to send out mailings to environmentalist groups. When she left the EPA in 2000, she ordered that everything on her office computer hard drive be deleted, despite a court injunction issued by U.S. District Judge Royce Lamberth against her doing so. Two years later, Lamberth held the EPA in contempt of court for the systematic file destruction, describing it as "contumacious conduct."

After leaving the EPA, Browner joined Downey and McGrath, where she became a rising star, and, in 2007, she and Downey married. Downey McGrath prize client, the ICE, is one of the world's biggest and most predatory derivatives traders, trading futures and options in oil through its Londonbased International Petrleum Exchange, whose chairman, Sir Robert Reid, is a former CEO of Shell Oil UK; the firm also trades derivatives in currencies, stocks, and sugar. In 2002, the ICE took effective control of the newly formed Chicago Climate Exchange (CCX), the institution created to trade carbon emissions through cap-and trade. CCX chairman Richard Sandor is considered to be one of the fathers of the derivatives market. The ICE also grabbed effective control of the European Climate Exchange, a sister organization, so that it now dominates cap-and-trade in the U.S. and Europe.

#### The Great Scam

Under the cap-and-trade ripoff, the government would either sell or allocate to substantial carbon-using companies, carbon emission certificates. A recipient company could either use the certificates to offset its carbon emissions, or sell them to other companies. Each successive year, there would be fewer carbon emission



Creative Commons

Carol Browner, a former top lobbyist for companies standing to make megabucks from cap-and-trade legislation, is now pushing the policy as an advisor to Obama.

certificates issued by the government (the cap), forcing a drastic reduction in carbon-based energy use, and a deliberate collapse of the manufacturing, agricultural, and infastructure sectors that depend on such energy. The companies would offset part of the cap-and-trade levy by charging consumers higher prices.

Meanwhile, according to the plans, a thriving market in a new form of derivatives—carbon emission certificates—would take place. In 2006, a CCX representative boasted to *EIR* that there is "plenty of money" to be made in this mad scheme, were Congress to pass national legislation.

It is reported that Browner's stake in Downey McGrath, which has lobbied for the ICE's schemes, was worth between \$1 and \$5 million, when she quit the firm to become Assistant to the President

for Energy and Climate Change Policy. The U.S. House of Representatives keeps a lobby disclosure directory. According to House records, Downey McGrath Group, registrant ID #31805, still lists ICE as a client.

Browner was also active with, and appointed to the board of directors of, the cap-and-trade firm APX Environmental Market Depository.

Not incidentally, Browner, who was a co-founder with Madeline Albright of the Albright Group in 2001, was the chief lobbyist in the U.S. for the attempt by Dubai World Ports, a front for the British and the drugmoney-linked government of Dubai, to take over six major ports in the United States in 2006.

Now, what Browner is doing from inside the Obama Administration, is attempting to impose a cap-and-trade scheme that would earn billions of dollars for her former, and her husband's current, clients. It would create a speculative bubble, and also vitiate the U.S. economy. Up until now, the news media published reams of stories on the failure of Obama Administration appointees to pay some tens of thousands of dollars of income taxes. But about the Browner conflict-of-interest scandal, which makes the others look like pennyante affairs, they have not uttered a peep.

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# Ohio's 'Straight Talk Live' Radio Interviews 'The Legendary Lyndon LaRouche'

Lyndon LaRouche was interviewed April 26 on radio host Khari Enaharo's "Straight Talk Live" broadcast on Magic 98.9 in Columbus, Ohio. Here is an edited and abridged transcript.

**Enaharo:** Good morning! And welcome to Straight Talk Live. We've got a lot to cover in this next hour with the world-renowned expert on economics and a whole bunch of other things.

But let me open up by saying, economic demand is falling faster than any time since the 1930s. Inventories have been trimmed, and budgets cut to muddle through the down times. Foreign trade has slowed to a crawl, auto sales are down by 40%, some say even more now. Unemployment is rising, at 650,000 per month. Policymakers have pushed through an \$800 billion stimulus plan, but it won't be nearly enough, many say, to stop the steady rise in unemployment, or take up the slack in the economy, where industrial output has been cut in half; some say even less than that. New construction has dropped to record lows; manufacturing has fallen off a cliff, and economists warn that when the government doesn't step in to provide stimulus to increase aggregate demand, consumers cut back sharply on spending, and push the economy deeper into a depression.

Joining me to discuss this, is the legendary Lyndon LaRouche, who said, on July 25, 2007 in a worldwide webcast, and I quote: "There is no possibility of a noncollapse of the present financial system. None! It's finished now! The present financial system cannot continue to exist under any circumstances, under any Presidency, under any leadership, or any leadership of nations. Only a fundamental and sudden change in the world monetary financial system will prevent a general immediate chain-reaction type of collapse, at what speed we don't know, but it will go on, and it will be *unstoppable!* And, the longer it goes on before coming to an end, the worse it will get."

Mr. LaRouche, how are you doing?

**LaRouche:** Well, I'm holding up; the country's not doing too well.

#### A Collapsing Global System

Enaharo: Talk to me. Now, we've got a lot of things I want to talk about, covering that. But before we even get to the collapse of the system: You mentioned on your website—I just saw it, and I've been following it very closely—the swine flu outbreak. You're saying that this could—and I remember you mentioning that one of the things that the world leaders, the British as you say, wanted to do, was to cut the world population dramatically. Are we beginning to the see the beginning of a widespread pandemic, or is it possible that this could be the thing that they're putting in place to make that happen?

**LaRouche:** Well, you've got an epidemic condition, more than any one disease. What's happening is, the feeding of the population, the health care of the population, the physical conditions of life, are all presently in such a form that disease is spreading, all kinds of disease is spreading in an epidemic form internationally. It's a global economic breakdown crisis which is the principal cause of this.

**Enaharo:** Now, when you say "global economic breakdown crisis," what do you mean?

**LaRouche:** That the present financial system can not exist in any form. The only chance is to create a new economic system—which we could do on a dime, if we wanted to—to get us out of this mess. But the present system, the present financial system with all its bailout features especially, *can not* survive. And either we change the system, or we don't survive.

**Enaharo:** Now, when you say we don't survive, you're talking about the entire world is crashing down?

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White House/Pete Souza

"Obama's mistake was that trip to London, to kiss the Queen," said LaRouche. Here, President Barack Obama and Michele Obama call on Queen Elizabeth at Buckingham Palace on April Fool's Day, 2009.

**LaRouche:** I'm talking about an *intention*, by the British monarchy, explicitly said, the World Wildlife Fund: The intention is to reduce the present world population from over 6.5 billion people to less than two.

Enaharo: Whooaa! Whoa, whoa, whoa! You mean that—now isn't that Prince Philip?

LaRouche: Yep, that's him....

Enaharo: What can we do? What steps should be taken right now, to get us out of this?

LaRouche: Well, if the President of the United States wished to save the nation, he has the power to launch proposals with other nations, and this would include Russia, China, India, other countries. We could have an international change in economic policy, and by that cooperation, we could reverse this trend.

**Enaharo:** What kind of change would that be?

LaRouche: He'd have to say, "First of all, stop the bailout." If my proposals had been carried out, that I made back in July of 2007, we would have been out of the mess by the Fall of the year. But what happened instead of taking those kinds of measures, what they did, is, they went with this process which we call bailout. The bailout has simply created a lot of money to bail out a bunch of thieves—Wall Street and similar

types around the world—instead of trying to save the economic system. They're shutting down our industries; they're shutting down our agriculture; shutting down our infrastructure; breaking up, ruining our health-care system. So, all the things which are happening now, are things which, if they are allowed to continue, will put this world into chaos internationally.

#### **Insane Economic Policies**

Enaharo: If you were talking to President Obama right now, what would you say to him?

LaRouche: [chuckles] I'd probably say to him, "C'mon, cut it out, kiddo. Wake up! Get these bankers out! Get out of these crazy ideas."

Enaharo: Now, you've talked about these behavioral economists, that are developing economic policy, like Larry Summers, who was the former president of Harvard. You seem, according to your website, that you've got a big problem with them.

LaRouche: Of course. They're terrible. I would say that they have to be fired immediately, or there's no chance that this Administration, Obama—it won't exist; it'll collapse under this crisis. For example, he's still maintaining a surface popularity of about 64%, something like that. But his actual popularity, in terms of the economy, is down to about 35%.

**Enaharo:** It's 35%? Based on what?

LaRouche: Based on what people just don't like about this economy. They think his policy is crazy; they think the present policies of the United States are crazy. And they're right!...

Enaharo: It's crazy? Whooa, whoa, whoa, whoa. People love Obama! What do you mean when you say it's crazy?

LaRouche: It's crazy! This policy, this bailout he's going with now, the rate of collapse of mortgages, the rate of evictions, is skyrocketting, and that doesn't have to be the case. But the President has been induced, by Larry Summers and other people, to take this kind of cover-up policy instead of telling the truth. If the Presi-

May 15, 2009 **EIR** National 25 dent were to tell the truth, he wouldn't have any prob-

**Enaharo:** So, you want Obama to fire the behavioral economists and get them out of there so that he can move forward. What's wrong with these people?

LaRouche: Well, they're evil, actually. Larry Summers is evil. I know his record, I've known him for a long time. I don't know him personally, but I've followed him. I followed him when he came into the Administration before, the Clinton Administration. And he was the guy who sank Glass-Steagall. It was his sinking of Glass-Steagall that led to this crash. This was back in the last period of the Clinton Administration, while Clinton was in trouble. And Summers took over, and rammed through this cancellation of Glass-Steagall, which had been put in by Roosevelt, to protect us from exactly this kind of problem. Now, he's on record as a thief, from Harvard, where he had a swindle with Russia. And he's on the record on that. The amount of money he's stolen in effect, is enormous, even personally. He's tied to a bunch in Britain who are trying to bring us down

And Obama's mistake was that trip to London, to kiss the Oueen.

Enaharo: What do you mean, his mistake? That's something he had to do. He was going to the G20 summit. Why was that a mistake?

LaRouche: He shouldn't have gone there. He should have simply said, "I'm not going." He should have stuck to the policy he had when the Prime Minister was coming here. He should have stuck to that policy. He went over and kissed the Queen, and it's the British that are sinking us.

The British Empire and Drugs
Enaharo: Now, what's wrong with him paying homage, or acknowledging the Queen? All Presidents have done this.

LaRouche: Well, not good ones.

Enaharo: What? Wait a minute! Maybe I need an understanding. Many people have this view of the Queen as being this kindly old woman, who has led Britain all of these years. What is your problem with the Oueen?

LaRouche: She's a poor imitation of the Witch of Endor.

**Enaharo:** Oh! You calling the Queen a witch! Oh, my goodness!

LaRouche: Well, that's what she is, in effect. She's evil.

Enaharo: Okay, give me documented evidence of her wickedness.

LaRouche: How about drugs?

Enaharo: Okay, let's start with drugs. Go ahead.

LaRouche: The British Empire, since the 1790s, has been running the international drug traffic. And the Queen, as head of state, is responsible for this. For example, let's take Afghanistan. Now, in Afghanistan, a farmer who is working under duress, that is, the gangsters who run this drug operation, force the farmer to grow opium. They say, we'll kill you if you don't. He grow opium. He doesn't get paid much for it. He gets maybe the equivalent of a few hundred dollars a year for his crop. That crop, when it gets into Europe, or the United States, is peddled as opium products for well over \$1 million. The dope traffic, just as it was under the British who launched this dope operation against China back in the 1790s when it began. And this thing has been run by the British Empire ever since then.

Enaharo: You mean—whoa, whoa, whoa! We have heard just the opposite, as you well know. We have never heard, except through you guys, that Britain has been associated with *any* drugs; the British Empire's *ever* been associated—well, there's something historically, but certainly not now, we haven't heard this.

LaRouche: Oh yeah. This is all the time. It's what you hear about George Soros.

**Enaharo:** All right, tell me about George Soros.

**LaRouche:** George Soros is the world's biggest drug pusher, and he does it for the British Crown. He's an agent of the British Foreign Office.

Enaharo: Now, where's the Queen's hand in all of this?

LaRouche: The British monarchy is behind it.

**Enaharo:** The British monarchy is responsible for the world's drug trade?

LaRouche: Yes.

**Enaharo:** But wait a minute. We've heard about the

National **EIR** May 15, 2009 guys down in Colombia, we've heard about everywhere else but the British Empire. Is it because they control the media?

**LaRouche:** Well, that's why I got into a lot of trouble, you know, because I exposed this stuff. And the Colombia thing is run by the British. You see, we had people like George H.W. Bush, who was also complicit in this operation. I had a big fight with George Bush, you know, especially back in the 1980s.

**Enaharo:** I remember that.

**LaRouche:** And it over his deal with the drug pushers. He wanted the money!

**Enaharo:** Oh, my goodness! Whooo! What people don't know! What we really don't know!

Okay, now let me be clear about this. That means that the Queen of England, according to what you're saying, the Queen of England is the number one controller of the illegal drug trafficking on the planet.

LaRouche: Well, as the head of state, she is.

**Enaharo:** As the head of state, she is. Now, when you say British Empire, give me a definition of what you mean, because I know you're not talking about the nation of Great Britain, are you?

**LaRouche:** The British Empire is actually an international financial cartel, which happens to control the seat of government of the United Kingdom. It also is the greatest oppressor of Africa. I mean, one of my concerns is, there's only one way to save Africa: the first thing you've got to do is get the British Empire out of there.

**Enaharo:** Are they running drugs into Africa now? **LaRouche:** Not so much drugs; they're killing people. They had a policy. It was a policy Henry Kissinger supported back in the middle of the 1970s. The policy was, Africa has natural resources. "We don't want the population of Africa to increase. We don't want'—we and the British, and that's Kissinger—"We and the British don't want Africa to maintain its present level of population. We want them to reduce their population and not get modern technology. Because we want to conserve the raw materials of Africa for *our* future use," that is, the British Empire and the United States. That was the policy that Kissinger and others enunciated in the middle of the 1970s, and that is the policy today. The policy today for Africa, is

mass murder, and leading elements in the United States are behind it....

#### A New World Currency?

**Enaharo:** We've heard a lot about the possibility of a world bank and a new world currency replacing the dollar. What's your take on that?

LaRouche: That it's an idiotic idea. What you have to do is, you have to save the U.S. dollar. But you have to save it according to our Constitution, not according to British ideas. If we put the world into bankruptcy reorganization, under what we in the United States understand as bankruptcy law, we then freeze things that can't be paid, or we cancel them. If they're swindlers, we cancel them. What we have to do also is save our dollar, and save our banking system, under Glass-Steagall standards.

**Enaharo:** Now, for people who don't know about Glass-Steagall, and there are many people who don't, what was the Glass-Steagall Act?

**LaRouche:** It said that the regular banks, the banks upon which the economy depends, and the people depend, individually, cannot afford to put their savings at risk because of high-binding Wall Street-type operations. Therefore, Roosevelt introduced the Glass-Steagall Act, which actually is the intention of the Constitution, to prevent banks, real banks, banks of deposit, so-called chartered state and Federal banks, from engaging in Wall Street-type speculative practices, such as Goldman Sucks, as I call it.

**Enaharo:** Ha, ha, ha! Not Goldman Sachs, Goldman Sucks!

**LaRouche:** So, what's happened is, that what I proposed, back in 2007, is that the Federal government must look at the general collapse coming on, put the banking system under *bankruptcy protection*. That means, *freeze* the situation on these mortgages, until we can sort the thing out. And we have to keep the people in their homes, because we cannot have people evicted from their homes. That's the beginning of the end for the economy....

**Enaharo:** Now, we're seeing the collapse of the U.S. automobile industry. I mean, I'm even afraid to go out here and buy a new car here from General Motors, because I don't even know if they're going to be around. They're giving me these great guarantees,

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EIRNS/Stuart Lewis

but they may not be around.

averted.

LaRouche: That's right. They're being collapsed; they're being collapsed intentionally. Look, I was involved in this, in reorganizing the auto industry in 2005. At that time, you know, I was involved in defending Social Security. We succeeded in defending that; mobilizing people to do that. But then, in February of [2007], under Pelosi and company, we went in the opposite direction. And we haven't had any decent legislation out of the Congress since February [2007].

Enaharo: Now, wait a minute. You're a Democrat, and yet, you are really angry with Nancy Pelosi, who is the Speaker of the House. Why?

LaRouche: She's no damn good!

**Enaharo:** [laughs] Okay, why is she no good? LaRouche: She's just a stooge for these high binders, you know, financial high binders like George Soros, the drug pusher....

#### **Obama Is Heading for Disaster**

Caller: I need to ask Dr. LaRouche a couple of questions on Barack. Are you honestly, are you trying to tell the American people that he's not aware of what's going on? I'm concerned with African-Americans. Is he going to help them in the long run, or is he going to end up hurting them in the long run?

LaRouche: That's what I've been trying to get him to change. I've been warning him, scolding him strongly, that what he's doing under the influence of Larry Summers and people like that, and under the British influence, is against the interests of the United States, and against what he said he stood for when he became President. He changed his policy from what it had been when he was still in the United States, when the British visited here. And he went to London, and he kissed their butt.

But I'm still trying to save the guy, but he's headed for disaster.

Caller: African-Americans love him. They worship him. Why can't he see what's happening to them, what's going on in this country?

**LaRouche:** That's a question I posed; exactly that. You've got to start with the basics, without speculation. What we know is, that his policies are destroying the United States, his current policies. These policies were a change in policy from what he initially stated were his intentions when he became President. So, he underwent a change in policy. The guy who has most of the face-

28 National **EIR** May 15, 2009 to-face time with the President, is Larry Summers, who is a crook. So, it's Larry Summers who is the strongest influence on the President. My proposal is *fire Larry Summers now*, while you still have a country to save....

**Enaharo:** Now, Mr. LaRouche, let me go back a little bit. I want people to try to understand behavioral economics. We're hearing it more and more and more. What is behavioral economics?

**LaRouche:** It's brainwashing. Mass brainwashing of the population. Trying to fool them.

**Enaharo:** Give me an example of what you're talking about so it can connect with people.

LaRouche: Well, what they're saying is, the policy now is environmentalist, and the policy is to get people to accept a lower standard of living, even if it means their death. Now, what you have to do is try and find some way to *sell* that garbage to a credulous population. And that's all it is. You say, "Do you want a choice? You can have a choice. How many deaths do you want? You can have more this way, less this way. Which do you want?" In other words, all they're doing is giving you choices between two bad things, and asking you which is your democratic preference. Do you want to die this way, or do you want to die that way? Do you want to hang yourself, or be shot? It's that kind of policy.

**Enaharo:** So, in effect, we're being hoodwinked into a sick acceptance of two evils. Is that what you're telling me?

LaRouche: Well, more than that. What I'm saying is, the American people are generally not too courageous. They're worried, they're frightened. Now, you have two layers. You have the upper income brackets, which tend to be, tend to go along with this stuff more. You know, the upper 20% will say, "Look, I'm not a bad person, but I've got to take care of my own interest. I can't take care of all those poor people. I cannot sacrifice my interest for all these poor people. I've got to keep my money. I've got to protect my financial interest. I've got a health-care policy; I've got this. You want me to sacrifice this for those poor people?" That's the policy; that's the way it works. Now, what's happening though, is you'll find—see, the people still defend Obama, because they remember George Bush.

**Enaharo:** Aah! Good point; good point. Because Bush was so bad.

**LaRouche:** They were so glad to get rid of this bum....

**Enaharo:** Mr. LaRouche, should we get rid of the Federal Reserve, or should we keep it?

**LaRouche:** We should put it in bankruptcy reorganization, and create a Bank of the United States, to reestablish our private banking system under Federal protection....

The Federal government walks in to the Federal Reserve system: "Hey, buddy, we own you. You're bankrupt. We're putting you into bankruptcy reorganization. We're taking all your assets, we're taking them over, we're parking them in a new place under reorganization. We're foreclosing, buddy. You got bankrupt, and we're foreclosing on you, and now everything you have, we own. And we're going to reorganize you."

**Enaharo:** Mr. LaRouche, how long do we have? At present course, since you have been an accurate predictor of economic issues and how they relate to social issues, if we do not change our present course, how long do we have?

**LaRouche:** We're on a runaway train, a runaway locomotive, on a track that's crumbling. We don't have any time to waste. We've got to start acting *now*, not down the line. We don't have any maneuvering room. The disease factor we have now, there's no protection against disease. Our health-care system is disintegrating, under this Administration as it was under the previous administrations. The health-care system is collapsing....

**Enaharo:** In closing, what do you recommend we do, Mr. LaRouche?

LaRouche: I think we have to have a gut move from people in leadership, who are beginning to move in that direction, to put my measures through. Because there's nothing else on the table, there's nothing else competent on the agenda. And I think there are a lot of people out there who agree with what I'm saying. People of influence. If Obama would simply get rid of this bunch of creeps, there are people in the Administration—that is, on the Cabinet level, and on other levels of the Federal government—there are people in the Administration who will respond to reason and take reasonable action.

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## **EXECONOMICS**

# Obama's Budget Cuts Mean People Will Die

by John Hoefle

May 8—The Obama Administration, under the influence of economic advisor Larry Summers and his gang of Malthusian behavioral economists, continued its headlong rush into fascism this week, pushing policies that, whether the President and his functionaries/handlers understand it or not, will inevitably lead to crushing austerity of the sort that can only be imposed by totalitarian measures. The issue is not what they may think they are doing, but the effect on the nation of the policies they are pushing.

The combination of the Administration's continuing efforts to rescue the bankrupt financial system, and the President's announced intent to institute sharp budget cuts, define a policy trajectory that, unless changed, guarantees a continuing collapse of the economy and a breakdown of the social safety net upon which an increasing number of Americans depend. Far from rectifying the problem, the Administration's policies will make things far worse than most people can imagine.

#### **Bad Economics**

In remarks introducing his fiscal 2010 Federal budget, President Obama declared his intention to "cut the deficit in half" by the end of his first term. "Over the next decade," he said, "we'll bring non-defense discretionary spending to its lowest level as a share of Gross Domestic Product since 1962."

"The 121 budget cuts we are announcing today will save taxpayers nearly \$17 billion next year alone,"

he said, adding that the ultimate target for cuts is the most basic social safety net for elderly Americans, Social Security.

Obama also called for a "pay as you go" policy. "This rule says, very simply, that Congress can only spend a dollar if it saves a dollar elsewhere," he said. "This is the principle that guides responsible families managing a budget. This is the principle that helped transform large deficits into surpluses in the 1990s."

Some of this may sound good to people struggling to meet rising expenses with falling incomes, and no reasonable person would argue that there are not expenditures which should the cut—the bailouts and the funds paid to pirates like Halliburton and BAE Systems being prime examples—but what usually gets cut are the social safety net programs, the very programs which are more essential now than ever before. When you cut these programs, people die.

Medicare is a good example. While Obama's words make it sound as if he is targetting the health insurers, we all know that the people will pick up the tab one way or the other, be it through higher premiums, higher deductibles, or cuts in service. Health care, already outrageously expensive, will become even more unaffordable, and people will suffer.

#### **General Welfare**

Were the government serious about reforming health care in this nation, the place to start is with a national

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health-care system based upon the principle that medical care is a basic human right, and that basic public health measures are a necessary component of a properly functioning society. This is especially true in times of economic collapse, when an increasing number of Americans lack any kind of health insurance, and most of the rest are inadequately protected.

We would be far better off junking our overly complex, corrupt, and predatory private health-care system, and replacing it with a national health-care system. The goal should be providing medical care, not maximizing profit. That also means that the pharmaceutical industry would be brought to heel, ending its looting of the American people through artificially high drug prices.

The issue here is not money, but physical economy. The most important assets in any society are the creative minds of its people, and thus, society should be organized around protecting and nurturing that creativity. Nations which do so thrive, those which do not, collapse. The U.S., dominated by predatory financial cartels, is increasingly treating its people like cattle, and thus accelerating its decline. This is why, under Bush, and now Obama, the government is willing to write virtually a blank check for the bailouts, but is miserly when it comes to protecting its citizens. It is incompetent as an economic policy, unacceptable as a social policy, and will ultimately destroy us.

#### Genocide, by Design

The conjunction of Obama's budget-cuts announcement and the publishing of the results of the bank stress tests is indicative of the mindset in Washington and Wall Street. They are all in denial, acting as if the world were not blowing apart.

The stress test was little more than a public relations stunt designed to manipulate the public into believing that the financial system still functions and the banks are still solvent. That's what the people on Wall Street and in Washington desperately want to believe. They had hoped that the three-month stress test process would buy time for the bailout to begin to work, but it hasn't. All that has happened is that the losses have continued to grow, the crisis has continued to deepen, and the damage to the physical economy and the people have continued to increase.

The methodology of the test, as it has been explained by regulators, is based upon projections of how the banks would fare under both "baseline" and "more adverse" economic scenarios this year and next. Both baseline and more adverse scenarios project modest declines in GDP (-2% and -3.3%, respectively) this year, and *increases* in 2010 (+2.1% and +0.5%); modest unemployment this year (8.4% and 8.8%) and next (8.8% and 10.3%); continued decline in home prices this year (-14% and -22%) and less decline next year (-4% and -7%). Using these wildly optimistic numbers as a guide, the regulators determined the likely losses to be incurred by the banks, and thus whether they were likely to need additional capital.

The whole exercise is a fraud, based upon false assumptions and accounting fiction.

We are being played for suckers by the international financier oligarchy, spending trillions of dollars to bail them out, while destroying our own nation. The bailout policy is a trap, designed to play upon our greed and stupidity, and so far, it is working. It's not the only trap we've fallen into, though.

The goal of this wanton destruction, as indicated by Britain's Prince Philip, is a sharp reduction in the world's population. The financiers of the Anglo-Dutch Liberal system want to reduce population as a way of maintaining their control over a growing world. They want to destroy the United States as a sovereign nation and make sure no more United States-style nations develop. They understand that progress, in the form of scientific, cultural, and economic development, is most rapidly fostered in a nation-state setting, and that such development would inevitably move the world beyond their medieval methods of control.

Thus, the imperial financiers have set out to destroy the very concept of the sovereign nation, targetting governments and their populations financially, culturally, and intellectually, to make us too stupid to resist their plans. Their methods include wars to destabilize and depopulate, impoverishing populations to create the conditions under which diseases can quickly spread, blocking food production, manipulating energy prices. There is a name for this: genocide.

There is also an antidote: human creativity. We have the capability to halt the destruction, and begin to rebuild civilization. It means going to war, epistemologically, with the empire, but more than that, it requires correcting those errors in our own belief that allow us to fall victim to the imperial tricks. It is time for us to stand up on our hind legs, and show these oligarchs why they fear us.

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# Behavioral Economics In Europe: Who's Who

by Dean Andromidas

As *EIR* has shown, a tribe of behavioral economists—foremost among them, U.S. Office of Management and Budget director Peter Orszag—has gained control over President Barack Obama's economic policies, with disastrous consequences. The behaviorists treat their human subjects—U.S. citizens—like rats in a maze, calculating how best to induce them to do what the economist wants them to do, "for their own good." These kooks have their counterparts in Europe, who permeate the policy establishment that has promoted the extreme monetarist, free-market policies of the Anglo-Dutch financial oligarchy. They teach at leading European universities, serve on government commissions, and are featured as "expert" talking heads on business news programs and in press interviews.

The Behavioral Economics Roundtable, where this cult's 29 high priests sit (see *EIR*, May 1, 2009), includes three Europeans. It hosts an annual Summer Institute on Behavioral Economics at Italy's University of Trento, where all 29 members come to initiate 30 select graduate students into their secrets.

From May 29 to June 1, Trento University will dedicate its annual Festival of Economics to "Psychological Economics and Economic Psychology" (better known as "psycho-economics") and **George Akerlof** will speak on his new book, *Animal Spirits: How Human Psychology Drives the Economy, and Why It Matters for Global Capitalism.* The conference is cosponsored by the Italian oligarchy's Rodolfo De Benedetti Foundation, whose director **Tito Boeri**, a professor at Italy's top neoliberal school, the University of Bocconi, is the scientific director of the Festival. Dozens of speakers will participate, as well as bankers and politicians.

#### A Tour of the Grand Academy of Laputa

A look into the European behavioral economic institutes is like Jonathan Swift's Gulliver visiting the Grand Academy of Laputa, where he finds "projectors" work-

ing on such projects as trying to extract sunbeams from cucumbers, or to reduce human excrement to its original food.

For example: At the elite Stockholm School of Economics, Sweden's number-one behavioral economist, Professor of Health Economics **Magnus Johannesson**, has just published the results of a project, conducted with five other researchers, in the *Proceedings of the National Academy of Sciences* (April 21, 2009) under the title, "A randomized trial of the effect of estrogen and testosterone on economic behavior." This experiment allegedly disproved earlier studies that claimed that sex hormones affect economic behavior, such as risk taking.

Johannesson's team is working on trying to isolate the genes that affect risk behavior. He told a journalist: "We have pioneered the work on the study of the genetic effects on especially risk behavior. Now one person from my group is participating in a big American study. Especially one gene has been identified. The studies have been done on twins, in the ordinary way genetic studies are done."

Johannesson's colleague at the University of Stockholm, **Henry Montgomery**, a professor of Economic Psychology, when asked to comment on the tumbling stock markets by Swedish radio on April 28, described a potentially positive effect of the swine flu pandemic, in that it would make people forget about the markets. "What is special in this situation is that we have another big crisis," he said. "Maybe this will take the public interest away from that, which could be a possible side effect." In his irrational world, the economic crisis is a manifestation of irrational behavior that could be "cured" by another irrational fear.

At the University of Zurich's Institute for Empirical Research in Economics can be found Roundtable member **Ernst Fehr**, an Austrian who directs the institute. Fehr led a study, published in the *Proceedings of the National Academy of Sciences* (Dec. 11, 2007) under the title, "Other-regarding preferences in a non-human primate: Common marmosets provision food altruistically."

The study purports to demonstrate that man's "unsolicited prosocial behaviors" among "genetically unrelated strangers" also exist in at least one non-human primate. Chimpanzees, despite evidencing cooperative activity, reportedly do so only as "part of self-interested cooperation and reciprocal exchanges" (a trait also demonstrated by the philanthropic urges of mega-spec-

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ulator George Soros). But "unsolicited prosocial behavior" among "genetically unrelated strangers," at least in terms of sharing food, *was* demonstrated in marmosets. There is an obvious lesson here: While chimps would make good market players, marmosets are too wimpy for the dog-eat-dog world of the free market.

In Germany, at the University of Mannheim, home of the annual Mannheim Empirical Research Summer School, where U.S. Roundtable members Daniel Kahneman and David Laibson participate, can be found Prof. Dr. Martin Weber, chairman of the School of Business Administration, Finance and Banking. Characterized by Germany's financial daily Handelsblatt as one of Germany's "Masterminds of Business Administration," he has been the number-one behavioral economics "missionary" in Germany, according to the weekly Die Zeit. He has been busy writing papers such as "Financial Literacy and Mutual Fund Investment: Who Buys Actively Managed Funds?" and "How Riskily Do I Invest? The Role of Risk Attitudes, Risk Perceptions and Over-Confidence." While the German financial press considers him a top "forecaster," in January 2008, he told *Die Zeit* that the crisis at Hypo Real Estate, Germany's largest real estate bank, had hit "rock bottom" and would improve. Four months later, it has become Germany's biggest bankruptcy, so far.

In France, there is the Institut D'Economie Industrielle, in Toulouse, where Roundtable member **Jean Tirole** is based. With a \$50,000 grant from the Russell Sage Foundation, Tirole set up the Toulouse Summer Institute, which held its first session June 16-24, 2005. Courses were offered on neuro-economics, self-regulation, the theory and practice of experiments, and the economic implications of cognitive research on decision making.

Tirole testified on the financial crash in October 2008, before the financial commission of France's National Assembly. He declared that "it was impossible to regulate hedge funds," defending asset-backed securities and derivatives, and telling France's lawmakers, "There is absolutely no question of eliminating them," because in spite of certain flaws, they "have contributed greatly" to the economic process.

As Gulliver said, after visiting the Grand Academy of Laputa, "I visited many other apartments, but shall not trouble my reader with all the curiosities I observed, being studious of brevity."

#### La Puta: The Whore

Swift's Grand Academy of Laputa was modeled on the British Royal Academy, while the Island of Laputa itself was modeled on Venice, which, in Swift's time, dominated the English monarchy. Since *la puta* is the Spanish word for whore, Swift was aptly defining the relationship between the Grand Academy and the Venetian Court. There is an obvious parallel between behavioral economics and today's Venetian-style Anglo-Dutch financial system.

Behavioral economics has been promoted by the leading institutions of the Anglo-Dutch oligarchy: the European Commission, the central banks of Europe, including the European Central Bank and private financial institutions dominated by the City of London. This is who the economists serve.

In April 2004, the European Network for the Advancement of Behavioral Economics (ENABLE) was created, in cooperation with Harvard, Princeton, and the European behavioral economics institutes. These include the Center for Research in Experimental Economics and Political Decision Making (CREED), Universiteit van Amsterdam; Ernst Fehr's Institute for Empirical Research in Economics; Jean Tirole's Institut D'Economie Industrielle; the Stockholm School of Economics, where Magnus Johannesson is experimenting with sex hormones; the University of Munich and its Munich Experimental Laboratory for Economic and Social Sciences, founded by Klaus Schmidt, one of the key behavioral economists in Germany; and the University of Mannheim, where "Mastermind of Business Administration" Prof. Dr. Weber is based.

Virtually all of Europe's behavioral economics institutes, including the Center for Psychoeconomics at the University of Konstanz, in Germany and the Tilburg Institute for Behavioral Economic Research in The Netherlands, interface with the above institutions in one way or another.

Financed by the European Commission's Marie Curie Actions Program, ENABLE held Summer schools and conferences on behavioral economics between 2005 and 2008.

A key coordinator and funder of ENABLE was the Center for Economic Policy Research. Headquartered in London, the CEPR is a network of 725 economists, and although not all of them are behaviorists, many behaviorists receive their support and appointments from there. According to the CEPR website, they receive financial support from the European Commis-

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sion, all Eurozone central banks, as well as the Bank of England, the Bank of Sweden, the Bank of Denmark, and 17 other central banks. Thirty-three private financial institutions support the center, including Crédit Suisse, Barclays, BNP Peribas, UBS, and Lloyds TSB.

CEPR fellow **Anne Sibert**, who is British, is on the board of the Central Bank of Iceland; **Jean Pierre Danthine**, of the University of Lausanne, is on the board of the Bank of Switzerland; and **Karolina Ekholm** was named deputy governor of the Central Bank of Sweden. A German professor of behavioral economics, **Armin Falk**, director of the Bonn Laboratory of Experimental Economics, just received the Gottfied Wilhelm Leibniz Prize for his work in behavioral economics—an award which must have made Leibniz turn over in his grave.

CEPR is key to the European oligarchy's ability to shape economic policy. For example, in 1993, the Center issued a report that led to making the Bank of England totally independent of the government. Another report set the criteria for enlargement of the European Union. The group also helps establish neoliberal economic institutes such as the Institute for Economic Research at the University of Bocconi, where the abovementioned Tito Boeri works. Boeri is also a director of CEPR.

The CEPR was founded in 1983 by **Richard Portes**, an expert in credit default swaps and professor of economics at the London Business School, and director of studies at the Ecole des Hautes Etudes en Sciences Sociales in Paris. Portes was named a Commander of the British Empire in 2003.

The CEPR's board of trustees reads like a target list for a European Pecora Commission. It includes Petr Aven, chairman of Russia's Alfa Bank and one of the leading "reformers," who destroyed Russia's real economy in the 1990s; Guillermor de la Dehesa, chairman of Spain's Banco Santander, vice chairman of Goldman Sachs, and deputy governor of the IMF; Quentin Davies, a former Conservative Party MP in Britain who crossed over to become a Blairite Labour Party member; Fransico Giavazzi, also at the University of Bocconi and a spokesman for neoliberal economists in Italy; Pehr Gyllenhammar of Sweden, the man who bankrupted Volvo, and is now with Rothschild Europe; and Herman Verwilst, who is responsible for the bankruptcy of Fortis bank, which required the governments of France, Belgium, and The Netherlands to bail it out.

### A Dialogue with Lyndon LaRouche

## Barack Obama and The Nazi Doctors

May 3—In his interview in today's *New York Times Magazine*, President Barack Obama uses his "difficult decision" on whether to pay for an operation for his grandmother, to illustrate his discussions with behavioral economist and Office of Management and Budget director Peter Orszag on "Comparative Effectiveness Research." Obama would have paid for his grandmother's hip-replacement surgery, even though she was "terminally ill," but he makes it clear that "comparative effectiveness research" dictates that *your* grandmother will *not* be covered, unless you have the money to pay for it yourself, as Obama did.

"This interview, the way he did it, gives you a real insight into his mentality," Lyndon LaRouche advised. "He's being conditioned to say the right thing. He's saying these things, none of which he actually believes. If he got a recommendation, 'Why don't you have a member of your family killed?' he'd probably say, 'Yeah, you've gotta do it.'"

Near the end of the interview, the swinish *Times* reporter David Leonhardt asks Obama, "Do you think this recession is a big enough event to make us as a country willing to make some of the sorts of hard choices that we need to make on health care, on taxes in the long term—which will not cover the cost of government—on energy?" Obama answers, "Well, part of it will depend on leadership. So I've got to make some good arguments out there. And that's what I've been trying to do since I came in, is to say now is the time for us to make some tough, big decisions."

"That's his brainwasher speaking," LaRouche said. "This is an ominous day today, the President's advisors have been brainwashing him again. And of course he looks a little bit the worse for wear, as usual."

Orszag has been issuing Comparative Effectiveness Research from the Congressional Budget Office since 2007. What's not usually recognized, even though Orszag is pretty brazen about it, is that all this is based on placing a monetary value on human life. First, how are two drugs or therapies compared for "effective-

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White House/Pete Souza

OMB director and behavioral economist Peter Orszag (shown here with President Obama in the White House) and his evil twin Richard Thaler, are pushing the President to adopt a Nazi policy that would place a dollar value on human life. LaRouche says, "This is Nazi stuff.'

ness?" The answer is Quality Adjusted Life Years—QALY. If a therapy will prolong your life for two years, but with great pain, such that its "quality" is only 50%, then it has added one QALY.

#### How Much Is a Life Worth?

What if one therapy is slightly more effective, but it costs more? How do you make a judgment between them? You have to place a monetary value on a year of life. Orszag writes that some consider it sacrilegious to put a dollar value on life, but the experts agree that a QALY is worth \$100,000.

"I've got to interrupt now, Dr. Orszag," LaRouche interjected, "because the monetary value of the continuation of your life has just ended with those remarks. The cash register just said, 'You're finished, Dr. Orszag.'"

This is bad enough, but top behavioral economist and Obama advisor Richard Thaler is even worse. He has been obsessed with reducing the value of human life to a dollar value for over 30 years. On March 14, he told the London *Times*, "When I was doing my doctoral thesis, which was an exercise about the economic value of saving lives, I began to ask the question, How much would people need to be paid to take risky jobs?"

"But why should he assume there's a monetary motive," LaRouche asked, "beyond the question of just being able to live?"

Thaler has continually returned to this question, "How much is it worth in dollars to save a human life?" again and again over the years. "This guy is a

moral menace to humanity, and he's a threat to humanity, who should be kept out of government," LaRouche observed.

His dissertation, in 1974, was "The Value of Saving a Life: A Market Estimate." In 1975, he authored a follow-up paper, titled, "The Value of Saving a Life: Evidence from the Labor Market." "It's Aldous Huxley!" LaRouche interjected. In 1977, "Some Research on the Value of Saving Lives." 1982: "Public Policy toward Lifesaving: Should Consumer Preferences Rule?" "What does he want," LaRouche asked, "to adopt cannibalism?" Thaler returned to the subject in 1982, with "Precommitment and the Value of a Life."

"What the hell is the difference between this and Adolf Hitler?" LaRouche asked. It's pulling out the teeth of the dead Jews for the gold fillings!

In a footnote to a "dictator game" paper he wrote with the satanic Daniel Kahneman, Thaler said, "This is related to the well-known phenomenon that people are willing to pay more to save a 'known' life than a statistical life. At the societal level, leaving a girl in a well to die is beyond rude, but doing nothing about an unsafe highway is acceptable behavior."

"Dr. Thaler, would you be willing to be an experimental subject to test that principle?" LaRouche asked.

For the National Bureau of Economic Research, one of those organizations which represent the present-day continuation of the 1930s pro-Hitler opposition to Franklin Roosevelt, Thaler wrote a chapter, "Public Policy toward Lifesaving; Maximize Lives Saved, vs. Consumer Sovereignty," published in 1980. In its Abstract, he wrote, "We begin by demonstrating that the allocation of health expenditures to maximize lives saved may be inconsistent with the willingness-to-pay criterion and consumer sovereignty."

"This is Nazi stuff; there's no other way of describing it," LaRouche said. "These guys are all Nazis. And we should say, from what they write, they are really Nazi doctors.

"We have no mercy on these bastards, and we should say it openly. This is Hitler-type stuff. We're looking for what is the difference between President Obama and Hitler on health policy. We've done a lot of research, and we've not yet been able to discover the difference.

"But you can't blame Obama too much, because obviously he's been brainwashed. Obviously brainwashed. He couldn't be such a bad guy as to actually believe this stuff; he has to have been brainwashed," LaRouche concluded.

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# Obama's Health Program: Designed by Kevorkian

by Michele Steinberg

May 5—The Obama Administration is developing miracle solutions to wrinkles, bad backs, bad knees, and other age-related maladies: an early death—"solutions" like those of the notorious euthanasia killer, Jack Kevorkian.

Kevorkian killed more than 130 chronically ill people, before he was convicted of second-degree murder in Michigan, and sent to prison in 1999. Paroled in 2007, Kevorkian lives on, lecturing about how euthanasia, or "mercy killing," must be "decriminalized." In 2008 and 2009, Kevorkian's lectures drew crowds 4,000-plus and 2,000-plus, respectively, at two universities in Florida. At the February 2009 event, he unveiled an American flag, altered so that a star-studded swastika replaced the usual field of 50 stars.

#### **The Dartmouth Institute**

Kevorkian lives on in the works of Peter Orszag, the behaviorist geek who runs Obama's Office of Management and Budget, and in Orszag's cronies at the Dartmouth Institute for Health Policy and Clinical Practice. EIR has uncovered a nexus of foundations, led by the Robert Wood Johnson Foundation (RWJF), working in tandem with the Open Society Institute's Project on Death in America, that is deeply integrated with the "efficient" health-care reform model being pushed by Orszag, and developed by the RWJF-funded Dartmouth Institute. The Johnson Foundation and George Soros's Project on Death in America have been the major funders of the drive to end human life through euthanasia, denial of medical care, denial of food and water, even to those patients able to eat and drink, and similar Nazi-doctor policies.

The work of the Dartmouth Institute's Jack Wennberg was featured in a conference call on May 4 sponsored by Sen. Max Baucus (D-Mont.). It turns out that the Dartmouth Institute wrote one of the main papers that Orszag and other behaviorists are using to brainwash Obama, and eliminate health care in the United States. Written in December 2008, The Institute's study

is titled, "An Agenda for Change: Improving Quality and Curbing Health Care Spending: Opportunities for the Congress and the Obama Administration." It is intended to be the blueprint for eliminating health care for the lower 80% of the population.

It was Wennberg who pioneered and invented the "small area analysis" of health care in 1973—inventing the rationing of health care and "big-brother" monitoring of physicians. Wennberg's work—focusing on why are there more tonsillectomies in one town than another—which is extensively used by Orszag, as well as by other fascists like Newt Gingrich, *eliminated* the popular beliefs that "more health care is better," and that hospitals should be located where people live, as in the Hill-Burton legislation. He seeks to eliminate physicians who recommend "unnecessary surgery."

#### 'This Is Nazi Stuff'

In a May 2 LaRouche PAC statement, Lyndon La-Rouche blasted Obama's health-care policy as no different than that of Nazi Germany. "This is Nazi stuff; there's no other way of describing it," LaRouche said. "We're looking for what is the difference between President Obama and Hitler on health policy. We've done a lot of research, and we've not yet been able to discover the difference."

If you think this is an exaggeration, consider the following information on the Robert Wood Johson Foundation, moneybags for the Dartmouth Institute, provided by the anti-euthanasia organization Life Tree, in its report on "Two Decades to an American Culture of Death." Life Tree writes, on the culture of euthanasia, that, "While RWJF provided the lion's share of funding, Soros's Project on Death in America funded the leadership."

RWJF has concentrated on "seed money" and "demonstration projects" that have now made the following practices and beliefs commonplace:

- withholding/withdrawing nutrition and hydration, even when the patient is able to assimilate food/fluids (perpetuation of the myth that a death by dehydration is painless);
- non-reversible sedation, usually through the use of opiods
  - chronic disease is terminal disease;
- redefining "imminent." A prognosis of "imminent death" can mean that the patient might die in a day or so; or within a year.

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# Harry Hopkins: The American System Versus Feudalism and Fascism

by Anton Chaitkin

Lyndon LaRouche and his associates have brought to light the American System of Economics—economic nationalism and humanism, distinguished from, and opposed to the British imperial system. This is the republican legacy from Plato; from the 15th-Century Renaissance; from the American Revolution, Alexander Hamilton, Henry Clay, and John Quincy Adams; from Abraham Lincoln and his economic advisor Henry C. Carey; continuing until the murder of President William McKinley.

In the 20th Century, this legacy was revived by Franklin D. Roosevelt, and it must be revived again today if we are to survive the present catastrophic collapse.

Here are excerpts from a July 16, 1938 policy address by FDR's principal relief administrator and close advisor, Harry Hopkins, entitled, "What Is the American Way?" which shows how *conscious* FDR's team was of this legacy. The speech was given at the Chautauqua Institution in Chautauqua, N.Y., and reprinted as a pamphlet by the Works Progress Administration, which Hopkins then headed, and which had put millions of unemployed back to work.

Here, Hopkins makes plain that though these are his own "personal views," this is also the thinking of the President, who is promoting the interest of the whole nation by battling for the interests of people in the lower 70-80% of income brackets.

Hopkins is answering the attacks on FDR from the openly pro-Fascist Wall Street financiers and their American Lberty League—an attack force which continues hammering against Roosevelt's ideas today, through the American Enterprise Institute, the *Wall Street Journal*, and other British-run outlets.

For comparison with the Lincoln legacy, we have appended, at the conclusion of this excerpt, a short section from Henry C. Carey's 1851 book, *The Harmony of Interests*.

Franklin Roosevelt had pointedly made clear his

own economic nationalist heritage from Alexander Hamilton, through FDR's proud identification with Hamilton's New York State lieutenant, Isaac Roosevlt, FDR's ancestor.

The Hopkins speech is noteworthy for its direct treatment of such historical questions as the protective tariff—which the Democratic Party, as the former party of the Southern pro-free trade slaveowners, was not known for supporting. He does not use the term "American System of economics"—but that is the content and message of the speech.

Hopkin's here defends labor unions, and the Roosevelt Administration's actions to promote and protect them (such as through the Wagner Act). This is fully in accord with Lincoln, Carey, and their followers in the later 19th Century, who created the Knights of Labor and fought for labor rights against the growing malicious power of the London-Wall Street axis.

Subheads have been added.

## What Is the American Way?

I should like to discuss three or four of the principal subjects on which some people have been most critical of the Government. I am going to talk about these controversial policies on the basis of whether they square with American traditions—whether they are in line with the much-discussed and often ill-defined American Way....

I welcome the opportunity to express my point of view upon these national problems. It is a personal point of view, but one which from the beginning has been closely identified with that of the Administration.

The American Way is not just a rhetorical phrase. It has deep and significant implications. America was the new land of opportunity to which men came from a tired Old World—an Old World of little land and feudal overlordship and labor surpluses, an Old World of pov-

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FDR Library www.artoday.com

President Franklin Roosevelt and his ally Harry Hopkins (left) formed a powerful team which consciously set about to revive the America's republican legacy, dating back to Plato, in their fight against the Fascist financial predators.

erty and human resignation.... Here ... the rights a man might enjoy, the heights he might scale, were not limited by his family tree but rather by his own individual ability....

Our colonies were peopled, not by aristocrats, but chiefly by the lower third of Europe's population. The scum of Europe, certain haughty Old World rulers called them. Our colonists knew from experience the bitterness of social injustice, of living in lands where there were opportunities only for the few. They started anew with the democratic ideal of the dignity and value of the individual.

Democracy is not exclusively an American idea. It goes back to the ideals of the Greek city-states. But we gave it a peculiarly American slant. We gave it a vigor and a reality which the eighteenth- and nineteenth-century democratic revolutions of Europe never approached. Over there the democratic revolutions superimposed a veneer of political equality upon a social system that was anti-democratic through and through, a social system dominated by economic and class inequalities.

Over here, during the period when we were a country of pioneer farmers without much industry, we had a

thoroughgoing democracy—a democracy which worked so well that Thomas Jefferson actually was afraid of spoiling it by encouraging industrialism and the development of large cities. He preferred to have us continue to import our manufactured products from Europe....

We did not remain long in Jefferson's Arcadia. We embarked actively and aggressively upon a career of industrialism. And as we progressed ... our businessmen made certain basic assumptions as to their rights and privileges. [In their view,] the government was to keep the peace, carry the mail, protect the borders, and defend the rights of men against trespass. Business, or the citizens who were in commerce, were to have charge of the earning of money, the investment of it, and the distribution of it.

...Government began to step in with corrective action more than 100 years ago. Government protected American industry with the tariff as far back as 1816....

[In 1816, the newly revived nationalist movement led by Henry Clay and Mathew Carey elected Monroe President, restored the Bank of the United States, and passed a protective tariff.—ahc]

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#### Big Business and the Threat of Fascism

To be blunt, predatory business refused to take responsibility along with the privileges....

Big business grew steadily richer and more acquisitive. Surely, I don't need to repeat the tragic story of the little merchants who lost their stores and stayed on as managers or clerks, of the farm owners who became tenants, of the army of trustful workers who lost their savings in bad securities or bad banks, of the holding companies which milked the operating companies and kept up utility rates, of the margin buyers and the sucker lists. Even in times of panic, monopolies held up prices and cut production, creating mass unemployment.

The American people ... turned for protection to the only agency to which a democratic people *would* turn—to their Government. That is why we have the present Administration in Washington.

...In early 1933 the country was on the brink of calamity. Millions of farmers and homeowners were about to lose their land, their homes, and their savings. It would have meant such a redivision of ownership, such a concentration of feudal overlordship at the top and economic serfdom at the bottom that the American Way would have become a mere memory.

We could have lost, at one stroke the whole American system of free enterprise, and we could have lost it with all the paraphernalia of due process of law which was designed precisely to safeguard it. One must not forget that dictators have come into power without violating the legal forms, and that but a few weeks ago a once-proud people committed suicide as a nation in the proper constitutional manner....

[Hitler's German army had moved into Austria on March 12, 1938. Within a month—three months before this speech by Hopkins—the Nazis conducted a fake plebiscite through which the Austrians, under the gun, voted to merge their country into Hitler's Third Reich.—ahcl

#### The General Welfare

Government, by consent of the governed, *must* be concerned primarily with the welfare of the Nation and all of its people. It has no choice. Our system is so designed that if public officials do not show this concern, they will be replaced by officials who do. Concern for the national welfare means concern for the practical success of all parts of it....

[The] Administration's attitude towards labor unions

has been that of the reasonable, progressive American, who has the interests of the common man at heart. Unions are designed to protect and improve the conditions of labor—the interest of the common man, which bulks very large in the general welfare.

Unions counter balance the growth of corporations and the concentration of economic power. In these days no individual worker, unprotected by labor unions, can hope to bargain on equal terms with aggregations of great wealth and economic power. Since unions are necessary to protect the worker in his human rights and aspirations, it is necessary to protect the right of the worker to join unions and to select representatives of his own choosing....

How many people reading the newspapers and listening to partisan political speeches are aware of the fact that large public spending to prime the pump of business is no new departure in our history?

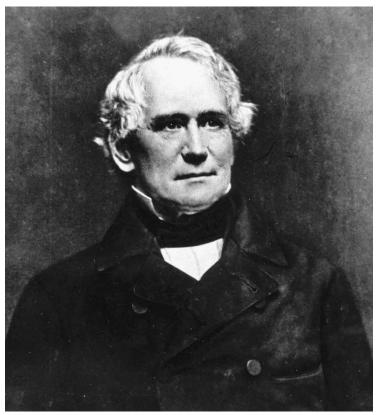
Pump-priming has been carried on from the very beginning of our national existence. It is true we didn't call it pump-priming in the past—but names don't matter, it is the reality that counts.

The very Constitutional Convention which drafted our present Constitution was called for the express purpose of formulating the principles of a strong national government capable of fostering and developing the general welfare, capable of laying taxes and incurring debts for the promotion of the general welfare. From the very first years of Washington's administration the National Government intervened with all its resources frequently and aggressively in order to develop commerce, agriculture, and industry.

Pump-priming in those days took forms which kept us from recognizing it for what it was.

It took the form of giving away the national domain in free land to veterans and then to all settlers, of giving away vast areas to railroad companies to help them build their systems. It took the form of great internal improvements, of building roads, subsidizing canals, dredging waterways, and building harbors all with government funds. It took the form of a protective tariff to subsidize infant industries and expand American employment. It took the form of giving away certain sovereign powers of the people—those intangible parts of the public domain—such as franchises to public utility enterprises, the power to issue currency and create credit to banks, and exclusive patent rights for inventions—by means of which we deprived others of the right to engage in these enterprises but enlarged

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Library of Congress

Henry C. Carey, President Abraham Lincoln's chief economic advisor, elaborated the unbridgable difference between the republican American System and the feudal British System.

our industries, put men to work, created buying power.

#### **Real and False Accounting**

These are a few examples of the pump-priming which our American Government has engaged in for 150 years. Pump-priming is as American as corn on the cob.

Let me ask the people who deplore pump-priming in 1938 and complain bitterly about the growing national debt: Why were not similar complaints made while we were pump-priming away our national domain? Is it not because the national domain was never in the Federal balance sheet? When it was turned into purchasing power, it was just that much *net* purchasing power. Its loss did not create a bookkeeping deficit.

Today as we struggle with the problem of mass unemployment, we realize that the loss of the public domain was a very real loss regardless of its failure to result in a red mark on our bookkeeping ledger....

Today when pump-priming requires an increase in our liabilities we are misled by the same sort of bookkeeping absurdity. In the past week we cashed in our assets without counting their dissipation on our books. We are spending billions of Federal dollars to give jobs and purchasing power to millions of our unemployed. Those unemployed are rebuilding the whole broad face of America. All their work is public work. They are replanting and protecting forests, saving the land and the wildlife, controlling floods and dust storms. They are building better schools and hospitals, better roads and bridges. Jobless teachers have taught more than 1 million adult illiterates to read and write English. That is almost 1/4 of all the illiterates in the country. The unemployed are improving the health and the culture and the scientific knowledge of the entire Nation.

How do we keep books on this? Every dollar we spend to put the unemployed to work is carefully entered on the red side of the ledger. But for all the national wealth they have created in permanent improvements in public services, not one dollar is entered on the black side of the ledger as assets or credit. All this money is listed as expenditures, none as capital investments.

I do not care how the bookkeeping is done, except that it should not confuse the average citizen about the actual fiscal condition and operations of his Government....

[Our program has created] social assets represented by the increase in the social wealth of the Nation, which a proper form of bookkeeping might well count as assets.

The problem of financing the public debt—any debt at whatever figure—is in the last analysis a problem of stimulating and maintaining the wealth-creating activities of the nation, whence come the taxes to pay the interest and principal on the debt.

#### The World Is Looking to the United States

All over the world, men and women who love human freedom are looking to the United States to find the answer—the proper economic and social balance that will make democracy safe....

We are learning that if our democracy is less secure today than it was a century ago it is not because men and women esteem liberty less but because our de-

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mocracy has failed to give them the essential ingredients of that liberty which they esteem. Men and women do not value the right to starve or even the right to a dole. They demand the right to earn a self-respecting livelihood.

While other nations are building vast armaments, we are building parks, libraries, hospitals, and schools on the wartime scale; while other peoples are learning to use gas masks and bombproof shelters, we are improving the lot of the underprivileged, eliminating illiteracy, opening up opportunities for work and play.

While some other nations are outraging the rights of minorities, we are determined that our priceless tradition of personal freedom—of free speech, free press, and freedom of worship—shall not be qualified or abridged at any time or under any circumstances....

We too have frontiers to conquer. And they are to be found in the determination to abolish poverty, to assure the security of our homeless neighbor, to destroy injustice, to protect our personal liberties, and so to live in a disturbed and threatened world that this Nation will achieve its democratic destiny in security and peace.

### **Appendix: Henry Carey**

Here, in his The Harmony of Interests, Henry C. Carey contrasts the American and the British systems:

Two systems are before the world; the one looks to increasing the proportion of persons and of capital engaged in trade and transportation, and therefore to diminishing the proportion engaged in producing commodities with which to trade, with necessarily diminished return to the labor of all; while the other looks to increasing the proportion engaged in the work of production, and diminishing that engaged in trade and transportation, with increased return to all, giving to the laborer good wages, and to the owner of capital good profits.

One looks to increasing the quantity of raw materials to be exported, and diminishing the inducements to the import of men, thus impoverishing both farmer and planter by throwing on them the burden of freight; while the other looks to increasing the import of men, and diminishing the export of raw materials, thereby enriching both planter and farmer by relieving them from the payment of freight. One looks to compelling the farm-

ers and planters of the Union to continue their contributions for the support of the fleets and armies, the paupers, the nobles and the sovereigns of Europe; the other to enabling ourselves to apply the same means to the moral and intellectual improvement of the sovereigns of America. One looks to the continuance of that bastard freedom of trade which denies the principle of protection, yet doles it out as revenue duties; the other to extending the area of legitimate free trade by the establishment of perfect protection, followed by the annexation of individuals and communities, and ultimately by the abolition of custom-houses.

One looks to exporting men to occupy desert tracts, the sovereignty of which is obtained by aid of diplomacy or war; the other to increasing the value of an immense extent of vacant land by importing men by millions for their occupation. One looks to increasing the necessity for commerce; the other to increasing the power to maintain it. One looks to underworking the Hindoo [Hindu], and sinking the rest of the world to his level; the other to raising the standard of man throughout the world to our level. One looks to pauperism, ignorance, depopulation, and barbarism; the other in increasing wealth, comfort, intelligence, combination of action, and civilization. One looks towards universal war; the other towards universal peace.

One is the English system; the other we may be proud to call the American system, for it is the only one ever devised the tendency of which was that of elevating while equalizing the condition of man throughout the world.

Such is the true mission of the people of these United States.... To raise the value of labor throughout the world, we need only to raise the value of our own.... To improve the political condition of man throughout the world, it is that we ourselves should remain at peace, avoid taxation for maintenance of fleets and armies, and become rich and prosperous.... To diffuse intelligence and to promote the cause of morality throughout the world, we are required only to pursue the course that shall diffuse education throughout our own land, and shall enable every man more readily to acquire property, and with it respect for the rights of property. To substitute true Christianity for the detestable system known as the Malthusian, it is needed that we prove to the world that it is population that makes the food come from the rich soils, and food tends to increase more rapidly than population, thus vindicating the policy of God to man.

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# **International**

# British Anti-Nation-State Warriors Attack South Asia

by Ramtanu Maitra

May 7—South Asian nations, victims of their colonial past, have been steadily weakened over the years by violent forces undermining their sovereignty. These anti-nation-state warriors have adopted methods of religious and ideological warfare to change the governments and polarize the population. Recent events in Pakistan, in particular, indicate that if this threat is not fully understood, and acted upon adequately, this entire region, comprised of more than 1.6 billion people, will embark on the dangerous path of perpetual war.

The growing evidence of the Pakistani Army's willingness to cohabit with the Pakistani Taliban inside Pakistan, stems from the adoption of the model of the Roman Emperor Julian the Apostate, which is the foundation of British intelligence. Julian the Apostate ran religious cults and religious wars, pitting one group against the other, as a way of managing a certain phase of the Roman Empire in the 4th Century, as Lyndon La-Rouche has pointed out.

Recent developments in Pakistan, particularly since September 2001, suggest that the country is not only slipping into the hands of anti-nation-state jihadists, but the powers-that-be in Islamabad are tacitly accepting these forces as partners, even at the danger of breaking up the country. Pakistan's northern and western parts, except for Baluchistan, are now virtually under control of the violent jihadis, who are indoctrinated with the

ultra-conservative Wahhabi version of Islam, and funded by Saudi and opium money. Although average Pakistanis do not find the development comfortable, the Army, the guardian of Pakistan's sovereignty, has begun to accept these jihadis as its partners to "protect" the nation from the "evil designs" of India, which the jihadis, and some of the highest officials in Pakistan's military establishment, label as "Hindu India."

#### **Pakistan and Clueless Washington**

This fact went virtually unnoticed in Washington over the years, where the understanding of Pakistan and of its rulers has remained confined to the Cold War mindset. The wake-up call came only recently, when the Obama Administration noticed that the jihadis, instead of being content with having secured control of Pakistan's North and West, bordering Afghanistan, and staying put there, began to move south and east in late April, in a bid to gain control of the capital, Islamabad. Hell broke loose and furious words were issued from Washington by senior administration officials, urging the Pakistani Army to deal with the jihadis, or else! Although it is not clear whether Washington's present level of concern has more to do with fear of Pakistan's nuclear weapons falling in the hands of the anti-U.S. jihadis, or the crumbling of Pakistan's sovereignty, what is certain is that Washington has realized that something

FIGURE 1



"unforeseen" is happening.

Lacking the insight on the situation, but loaded with facts, what Washington failed to realize is that the Pakistani Army, as well the establishment, were always under the influence of the anti-nation-state British ideology. A great friend and helper of the United States and its allies in fighting the godless Soviet Union, the Pakistan Army's internal font of strength is its focus on fighting India. Having weighed the pros and cons, the Army now finds the jihadis better partners, ideologically, than the somewhat unreliable democracy-seeking, and Western-influenced, Pakistani middle class, when it comes to perpetual war against India. As a result of this development, Washington must realize that the Pakistani Army has no real intent to annihilate the jihadis. That is neither physically possible—since the vast majority of the jihadis are home-grown—nor does the Army find any advantage in doing it, considering the fact that the Americans and the reluctant NATO member-nations, will be leaving the area sooner or later.

#### An 'Open Conspiracy'

There is no real mystery as to why the Pakistani Army is acting the way it is. Although threats of religious and ideological warfare abound in South Asia, the Pakistan situation is a particularly serious threat, because of both the size of the population and the numerous ethic contradictions within the country. It is the British colonial ideology, directed against sovereign nation-states, that particularly shaped the current crisis. Britain spread its empire, starting in the 18th Century, by conquering nations and then preaching about how "evil" nationalism is. That had always been the hallmark of the British imperial method, and remains so today. Take, for instance, the statement of then-British Foreign Secretary Jack Straw, who wrote in The Independent on Nov. 22, 2001, that "in a world where states and the interests of their citizens are so obviously interdependent, we need to rethink our attitudes to concepts like 'independence' and 'sovereignty.'" Then-Prime Minister Tony Blair agreed. The war against terrorism, Blair said, has made national sovereignty out of date.

To illustrate where Straw and Blair came from, consider the following, written in 1932 by the British Empire's "historian," H.G. Wells. In his book The Open Conspiracy: Blueprints for a World Revolution, he cited nationalism as the greatest evil afflicting mankind, and proposed the long-range goal of conditioning nations to willingly abdicate their own sovereignty, in favor of a world government. "The fundamental organization of contemporary states," Wells wrote, "is plainly still military, and that is exactly what a world organization cannot be. Flags, uniforms, national anthems, patriotism sedulously cultivated in church and school, the brag, blare, and bluster of our competing sovereignties, belong to the phase of development the Open Conspiracy will supersede. We have to get clear of that clutter."

To that end, the forces bent on tyrannizing mankind have used religion, politics, globalization, and nongovernmental organizations, among other weapons, to weaken the nation-states.

This is the trap that all the South Asian nations, some more zealously than others, have walked right into.

FIGURE 2

Tamil Tigers Theater of Operations

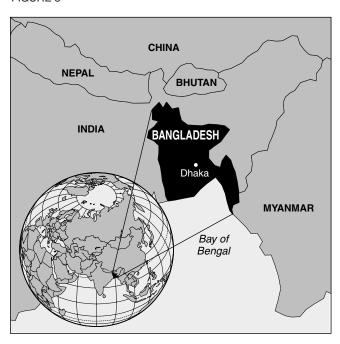


#### Religious Wars: Sri Lanka, Bangladesh

Besides Pakistan, religious wars are raging in Sri Lanka and Bangladesh. In Sri Lanka, the inability of the Buddhist Sangha-influenced leaders of the Sinhala ethnic group to implement the key elements of the India-Sri Lanka peace accord, signed by then-Indian Prime Minister Rajiv Gandhi and then-Sri Lankan President Julius Jayewardene in July 1987, led to the rapid growth of the terrorist Tamil Tigers, backed by Britain and Canada, in particular. The key elements of the accord included acknowledging that Sri Lanka is a "multi-ethnic and a multi-lingual plural society" consisting of Sinhalese, Tamils, Muslims (Moors), and Burghers; recognizing that the Northern and Eastern provinces have been areas of historical habitation of Sri Lankan Tamil-speaking peoples, who have hitherto lived in this territory along with other ethnic groups; the official language of Sri Lanka shall be Sinhala; Tamil and English will also be official languages; and the government of Sri Lanka shall ensure free, full, and fair participation of voters from all communities in the Northern and Eastern provinces in electoral processes.

The failure of a particular religious community to implement the accord, provided the terrorist Tigers the opportunity to bring along a large number of Tamils who

FIGURE 3



identify themselves as Hindus. The ensuing civil war caused the death of thousands and allowed the colonial forces to fish in murky waters, with the intent of breaking up Sri Lanka. It is likely that if the accord had been implemented, the Tamil Tigers would have been pushed aside by the majority of the Tamil ethnic group in Sri Lanka.

Colombo is now on the verge of eliminating the Tigers and restoring peace in the island nation. However, the key elements of the India-Sri Lanka Accord of 1987 still have to be implemented to the satisfaction of both sides. The religious nature of the conflict must be eliminated, and a democratic political process must take over, to restore peace and tranquility in Sri Lanka.

In Bangladesh, whose independence from Pakistan in 1971 came about through a violent struggle, the jihadists, trained in Britain and funded from Saudi Arabia and Kuwait, over the years, have blatantly and violently undermined the democratic forces in power. The process continues unabated, and the religious warriors launched a massive attack in February, with the intent of assassinating the Army Chief and the Prime Minister. The attempt failed, and subsequently some Britain-linked cells that had been set up to unleash a religious war, have been dismantled; but the threat remains.

The modus operandi of the religious warriors in Bangladesh is not that different from the one adopted in Pakistan, but with one caveat. Bangladesh has adapted

to a democratic system, although a fragile one. But the Bangladeshi Army, unlike the Pakistani Army, does not pose as the guardian of the nation. The religious warriors, however, consider that "Hindu India" is a threat to Bangladesh's sovereignty. The mindset of these religious warriors has been emboldened by the help offered generously from Britain and Saudi Arabia, and also by the Pakistani intelligence services.

#### Ideological Wars: India

India, the largest South Asian nation, has been ravaged since Independence in 1947 by a number of secessionist movements, ranging from the disputed state of Jammu and Kashmir in the North to the Myanmar borders in the Northeast. In the Northeast, the secessionist forces are mostly tribal, people who had been kept in quarantine from the rest of India, by the British Raj during its 200 years of rule. These groups had close contact with London, mostly through Christian proselytizing groups. Following India's independence, these tribal groups set out to secure separate, independence states. Although the situation locally remains dangerous, these groups, because of their internal contradictions, have not been able either to coalesce, or to expand beyond the region.

However, the ideological movement of violent Maoism has grown rapidly in India in recent years. Unlike the problem in the Northeast, the Maoist problem has spread far and wide, and is linked to the Maoist movement in Nepal as well. The Maoists in India have taken control of a huge swath of land, running from the state of Bihar in the North to the state of Tamil Nadu in the South, encompassing the highly underdeveloped areas of the states of Jharkhand, Madhya Pradesh, Chhattisgarh, Orissa, and Andhra Pradesh. The common thread that runs through this massive stretch of land is: underdevelopment and poverty.

According to an Indian analyst, the states of Chattisgarh, Madhya Pradesh, Orissa, Bihar, Jharkhand, Karnataka, Maharashtra, and north Andhra Pradesh are but a few of the states in east India that have been grappling with this problem for quite some time. Maoist organizations such as the Maoist Communist Centre (MCC), Communist Party of India (Maoist), People's War Group (PWG), and their alleged sympathizers such as the Andhra Pradesh Civil Liberties Committee (APCLC), have been attacking police stations, government offices, panchayats (village councils), banks, and the media. The Maoist organizations have control over 19% of India's

FIGURE 4



forests in these areas, and had expanded their influence from 55 districts in nine states as of November 2003, to 155 districts in 15 states as of February 2005.

According to press reports, these Maoists, who are extremely violent, have established a corridor between Jharkhand on one side and Andhra Pradesh on the other. The corridor passes mostly through forests, crossing human habitats at a few patches. The area where the Maoists exhibit their strength through violence is bereft of physical infrastructure, lacking educational facilities, health-care centers, power, water, and railroads. Because Himachal Pradesh, Punjab, Jammu and Kashmir, Nepal, and Uttar Pradesh are contiguous, development of drug trafficking, and some drug production, in Himachal Pradesh, would further undermine the security of India, and provide a potential financial base to the Maoists.

# Indian Parliamentary Elections: Electorate Got a Raw Deal

by Ramtanu Maitra

May 5—India's marathon five-phase 15th Parliamentary elections, which will conclude on May 13, span over a month (April 16, April 22-23, April 30, May 7, and May 13), but the overall impression one gets is that the Indian electorate, known for its keenness to exercise its voting rights, is mostly disinterested. The voting percentages in the first three phases confirm that. The principal reason behind this lack of interest, is that India's political parties have not addressed the issues that haunt the electorate, and instead, went on serving the old wine in the old bottle.

The primary culprits in disappointing the population are the two largest parties, the Indian National Congress (better known as the Congress Party) and the Bharatiya Janata Party (BJP). The outgoing government was a coalition, the United Progressive Alliance (UPA), forged under the leadership of the Congress Party. Its performance was mixed, in the sense it catered heavily to the middle class, in order to cash in on India's growing muscle in information technology and the financial institutions, to generate foreign exchange, mostly in U.S. dollars.

Having spent its energy in trying to accomplish these two objectives, the government ignored the vast rural areas, where most of the Indian people live and die. As a result, India's agricultural sector—the key to its emergence as a powerful nation—and the small- and medium-size industries, were allowed to stagnate and weaken. Meanwhile, the global collapse of a fraud-ridden financial system saw the dashing of the UPA's dream of showcasing the financial institutions and the export-oriented information technology sector.

#### **Politics of Zero Content**

If the UPA faltered because of its bull-headed misunderstanding of what India needs, the BJP has done no better. Although not in power at the Center, the BJP, which has strong ties to both Washington and Tel Aviv, has remained focused on articulating why Hinduism should be given due importance in the political arena. While few would argue that the Hindu religion deserves anything less, the BJP hacks away at it, without being able to make the point, about how India's 650 million people, or perhaps more, who live in dire poverty, would directly benefit from what the BJP is trying to drive home

Moreover, in the present context, the BJP's close association with the United States and Israel, and its leaders' half-hearted (sometimes full-throated) promotion of the Hindu religion, makes it a party under suspicion, not only to the 150 million-plus Muslims, who have long made India their country of residence, but also to hundreds of millions of Hindus. Needless to say, the present election campaign did not indicate that the BJP leaders have shown any capability to rise above this controversy, and present to the majority of Indians a clear picture of what it would do to make their, and their children's, lives better.

Meanwhile, the Congress Party, which is top-heavy with septuagenarians and octogenarians, has also a young brigade, led by Rahul Gandhi, son of the assassinated Prime Minister Rajiv Gandhi. Neither the young brigade nor the old brigade address the realities on the ground, and instead continue to harp on how much better the last five years were, compared to the BJP-led government between 1999-2004, and why the Indian people should reject the religion-centered BJP.

The other aim of the parties in this election campaign, is to convince the population that one or the other could provide a stable government. Whether they can or not, most of the people in India believe that neither party will be able to garner a sufficient number of parliamentary seats to form a government on its own. Each will have to depend upon support of regional parties, which have no vision for the nation and cater only to the state they belong to, and the caste or ethnic group they identify with.

Despite the shortcomings so blatantly exhibited by both the Congress Party and the BJP, simply because of their nationwide support, it is expected that, under ad-



India's two major parties have failed to address the most important issue in the current election campaign: the urgent need for economic development, to solve the appalling lack of electric power, health care, and education, for hundreds of millions of impoverished Indian households. Shown: a polling station in Chhattisgarth, April 16.

equate leadership, which may emerge in the coming years, both these parties can be rejuvenated. The same, however, cannot be said of the regional parties. They will eventually die, or may emerge in a slightly different form. But, long before their death, they could turn downright dangerous, pandering to global criminal elements to sustain their political aspirations.

In the present context in South Asia, this is a threat to India and the Indians. Instability rules supreme all around India. Ethnic violence, conflicts brought on by religious zealots waving political banners, aided by opium money and opium money-backed gun runners, have made Pakistan, Sri Lanka, and Bangladesh—all neighbors of India—highly unstable.

#### What the Majority of Indians Want

No matter how callous or irresponsible the present set of Indian politicians is, India must emerge as a power that plays a role in worldwide development. However, in order to get there, India will first have to set its own house in order. That means adopting policies which are not going to benefit 20 or 25% of its population, but which would enable every Indian to contribute to building up the nation.

It is time that the new generation of Indian political leaders understood how India survived the ordeal it faced in the aftermath of 1947 when the country was born, following 200 years of British looting in the name of free trade; and the Empire's parting shot—the partition of India—dividing the country on the basis of religion. Those who took power at the time in New Delhi, made clear their intent that India should become a technologically first-rate nation, and that the massive population not fall victim to outside manipulation due to the shortage of the basic essential—food.

Since then, Indian leaders have added a few other important elements to safeguard the nation. However, the spirit to build the nation ebbed steadily, and evaporated altogether, beginning in the 1990s, with the beginning of globalization and privatization.

What the majority of Indians want, is a better and more productive life for their children and grandchildren. But they cannot convert this "dream" into reality, unless the powers-that-be realize that the order of the day is to develop India's physical economy to provide the majority of the people the power to improve their lot. It means a total commitment to enhance India's power generation, making drinking water available to all, railroads and waterways to move large quantities of bulk items, and education and health care to one and all. These are the goals to make India the nation it deserves to be. It cannot be done in a year, or even a decade, but it must start now. Or else, all the politicians who are vying for power in the coming years will be unceremoniously dumped in the garbage can of history.

#### Develop, or Perish

To make the case, it is enough to cite the Indian leadership's failure to provide electrical power to all the people, as can be seen abundantly in the lack of drinking water, quality education, railroads, etc.

India, which has mastered and developed the capability to produce indigenously all available power technologies, still keeps almost 400 million people without electricity. This shameful fact cannot be hidden; India's most widely read business magazine,



Nearly 400 million Indians are without electricity, and power shortages are increasing for millions more. Nuclear energy for electric power and desalination must be rapidly expanded. Here, the Tarapur Atomic Power Project 3 & 4.

www.dae.gov.in

Business India, reported on July 29, 2008, that over 78 million Indian households, or roughly 390 million people, lack access to electricity. On Aug. 13, 2008, the news daily *The Hindu* carried an article by S.K.N. Nair, a former member of the Central Electricity Authority and a former consultant to the National Council of Applied Economic Research (NCAER), New Delhi, pointing out that "power shortages are worsening, hardly an encouraging sign for a country aiming to take electricity within reach of over 80 million more households (40 per cent of total) within the next four years. The all-India energy and 'peak power' shortages increased by a percentage point each in April-May this year compared to the corresponding period in 2007."

To sum it up: To remove its poverty, India has to divert its developmental strength in power generation and distribution, and the development of sources of potable water, by building nuclear-powered desalination plants all along the coasts. It needs the development of a large network of telecommunication systems; it needs to build faster railroads, and to open up channels in major rivers to be used for barge traffic; and it needs to build roads to connect the myriad villages that dot the countryside. In some of these areas, particularly with the railroads and telecommunication system, this would simply entail broadening the networks and enabling them to operate at a faster speed.

Once the basic infrastructure begins to make a dent

in the rural areas, and quality education and health-care facilities are in place, the entrepreneurs will move in to set up large-scale industrial and agro-industrial facilities. Simultaneous broadening of India's most productive employment base, the small and medium-scale sector, must be rejuvenated through technological upgrades. As demand increases, larger and more capital-intensive industrial facilities, such as steel, cement, petrochemical, engineering, auto, locomotive, and so on, would start attracting investments.

In other words, instead of catering to the world's consumer demand—which, in any case, is now collapsing—by using India's skilled manpower, such a policy would develop India's domestic agro-industrial sectors, while meeting the basic needs of the people and empowering them by creating meaningful employment.

#### **Regional Fiefdoms**

According to all available poll analyses, the outcome of the elections will be fractious. The Congress Party and BJP will emerge as the two largest parties; but analysts say that neither party will be able to garner more than 180-200 seats—leaving both at least 70 seats short of securing an absolute majority in the 543-member Parliament. In the worst-case scenario, neither party will be able to win more than 150 seats—leaving an extremely wide gap to be filled to form the government.

As a result, almost all analysts point out that both of the major parties will have to form a post-election alliance with state-based regional parties, including various Communist parties. A handful of regional parties could come to post-election alliance talks, holding anywhere from 25 to 40 seats each. Under such circumstances, any regional party that could win more than 25 seats can be expected to have a strong voice in post-election alliance talks.

During formation of the government, both major parties will be confronted with a decision to seek the support of one, or all, major regional parties. Some of these regional parties have been in existence for years; the Samajwadi Party (SP), headed by Mulayam Singh Yadav of Uttar Pradesh; the Rashtriya Janata Dal (RJD), headed by Laloo Prasad Yadav of Bihar; the Lok Janshakti Party (LJP), headed by Ram Vilas Paswan of Bihar; the National Congress Party (NCP), headed by Sharad Pawar of Maharashtra; the Bahujan Samaj Party (BSP), headed by Mayawati of Uttar Pradesh; the AIADMK of Tamil Nadu, headed by Jayalalithaa Jayaram; and the Telegu Desam (TD) of Andhra Pradesh, headed by Chandrbabu Naidu; among others, have remained confined to their respective states. None have grown over the years; nor do they show any sign of breaking out of the caste or state confinement into which they were built.

#### Dirty-Money Crowd Masquerading as Political Leaders

During the recent years of political stagnation, many of the regional party leaders have become corrupt, and some have become downright dangerous because of their links to questionable individuals and groups who provide them with the funds to run the party and contest elections. The funds come with strings attached, and this is where the danger lies. It is also evident that the Indian electorate is not unaware of this, and in the ongoing elections, some of these leaders may get the heave-ho from the voters. But that itself is not enough, particularly in light of the inability of the national parties to provide the electorate with an alternative which is not mere semantics.

Looking at the field, some of the regional party leaders, particularly the four mentioned below, seem like everyday opportunists, along with the socialists and communists. But, behind this facade lies something which could be more sinister. The four regional party leaders who are controlled by outside (international)

dirty money are: Sharad Pawar, Mulayam Singh Yadav, Laloo Prasad Yadav, and Ram Vilas Paswan. While Sharad Pawar and Mulayam Singh Yadav could be in a position, following the elections, to stake claims for top Cabinet posts, including the job of Prime Minister, Laloo Yadav and Ram Vilas Paswan would have to depend on Pawar's and Mulayam Singh's clout to secure ministerial berths.

The most dangerous of the lot is Pawar. Pawar, who had been a Congressman and Defense Minister in the Congress-led P.V. Narasimha Rao government in the 1990s, is a darling of Israel's Mossad, and has a close relationship with the Dubai- and Karachi-based drugand gun-running mafia of **Dawood Ibrahim**. A Mumbai politician, Pawar was a beneficiary of Dawood's rise as the Mumbai mafia don in the 1980s. By providing protection to Dawood, Pawar staked a claim to piles of his dirty money.

In addition, Pawar's close relations with the Israeli defense and intelligence communities are also well known and of concern. They came to the fore suddenly on Feb. 23, 1992, when then-Defense Minister Sharad Pawar declared that normalization of relations with Israel had paved the way for "drawing on Israel's successful experience to curb terrorism." (But Israel's chargé d'affaires, Giora Becher, who had then moved to New Delhi from Bombay, and was holding the fort till the nomination of the first Israeli ambassador, clarified that "it [was] not the right time" to discuss defense cooperation between India and Israel.) It is to be noted that the Israeli drug- and gun-running mafia has developed a conspicuous presence inside India, and there is little doubt that Pawar has played a significant role in this development.

Next to Pawar, surely the most dangerous political leader in India is Mulayam Singh Yadav. While he feeds on caste politics, he is avowedly anti-U.S. and protects the drug and smuggling mafia inside Uttar Pradesh run from Mumbai by Dawood's extended empire. This operation is run through Nepal, as well. One such drug kingpin was a Nepali legislator, **Mirza Dilshad Beg**, who was eventually gunned down by the anti-Dawood mafia network. It is said that Beg was involved in helping the Pakistani ISI (Interservices Intelligence) to set up the hijacking of Indian Airlines flight IC 814 in December 1999. The hijacked plane was taken to Talibancontrolled Kandahar, Afghanistan, paving the way for the release of Ahmed Omar Saeed Sheikh, who, in 2001, killed the American journalist Daniel Pearl.

# The Influenza Virus Was Incubated 27 Years Ago

The following statement was issued in Mexico City in early May, by the international LaRouche Youth Movement (LYM), as the nation of Mexico was reeling from the impact of A(H1N1) swine flu.

In 1982, Mexico had food self-sufficiency. The minimum daily wage then, was the equivalent of 8.2 kilos of eggs, or 23 liters of milk, or 33 kilos of tortilla, or 364 pieces of bread. Eighty-five percent of the people had access to medical care that was offered by the country's health institutions. Seventy percent of the population enjoyed potable water. In less than one six-year Presidential term, the number of metro lines doubled, and the entire fleet of public buses was not only replaced, but increased by 65%. Electricity generation was 9.6 million kilowatts, double that of the previous decade. Petrochemical production was 14 million tons, the product of the construction of 23 petrochemical plants, 21 support units, and 58 marine platforms, as well as the petrochemical complex La Cangrejera, the largest in the world at that time. PEMEX's \$27 billion investment program in oil and petrochemicals during the 1977-81 period, nearly three times the size of that spent on the U.S. Space Shuttle Columbia, which was developed over the course of ten years. Mexico went from 18th place to the 4th place in the world, with respect to the ratio of oil reserves/production.

Despite the world financial crisis in those years, Mexico was fifth in the world in GNP growth. Not all problems were solved, but Mexico had chosen the correct path to turn itself into an industrialized country.

The prescription of the international financial cartels in the face of the world crisis was that Mexico enter into free-trade through the GATT, to rescue the multinationals by buying up their products with its oil surplus, a direction which would collapse the nascent domestic industry. Mexico rejected that prescription. Mexico's policy was to turn a transitory asset, like oil, into a permanent source of employment and production, in order to industrialize the country, processing our own re-

sources and encouraging technologies like nuclear energy. So advanced was the conception of President José López Portillo, whose energy policy contemplated the construction of 20 nuclear power plants.

Mexico rejected the policy of the financial empire, but the empire did not give up. The entrance of Miguel de la Madrid as President marked the surrender of the country to the financial vultures, and the economic virus of influenza began to incubate when de la Madrid decided to spit on the legacy of López Portillo.

#### Globalization: Reduce Population to 2 Billion

What would the idea of doing away with two-thirds of the world's population mean?

How to decide who would live and who would die? Why did the Olympian Zeus subject Prometheus to eternal torture for having given fire to mankind? What makes the human species uniquely capable of using fire? Just as Zeus punished Prometheus, so the financial gods punished López Portillo and Mexico.

As of Dec. 1, 1982, the financial policies of the British Empire took over the reins of the country, erasing all the achievements, and putting Mexico in the orbit of free trade. Within a short period of time, the prescriptions of the IMF and World Bank were followed: GATT was signed, and the banks were privatized, along with more than 1,000 state-sector companies. Finally, NAFTA was signed, which destroyed our food self-sufficiency. This left Mexico with nothing to offer but cheap labor and the export of raw materials. There was a total break with the idea of using the oil to industrialize the country, to build our own machinery, and make the transition to nuclear energy.

In sum, we were denied the use of fire.

What happened to Mexico happened to the entire world. Today, we are in a crisis of disintegration of the entire international financial system, just as U.S. statesman Lyndon LaRouche uniquely forecast, the same LaRouche who in the early 1980s worked shoulder to shoulder with López Portillo to defend Mexico from the assault of the international financial pirates, and to build a new international economic order, as he detailed in his 1982 document "Operation Juárez."

The ideology of the Empire, of accepting this destruction, had already been sown with the counterculture of the hippie 68ers, who, wittingly or not, disseminated that ideology: hatred of industrialization, of

<sup>1.</sup> General Agreement on Tariffs and Trade

<sup>2.</sup> Read Aeschylus' tragedy, Prometheus Unbound.



IFRC/José Manuel Jiménez

The breakdown of the physical economy and social fabric, since Mexico abandoned the general welfare policies of President José López Portillo, are the underlying cause of the swine flu pandemic today. Shown: a Red Cross volunteer distributes face masks in Mexico City.

science, of agriculture, and of nuclear energy. Fascism came disguised as "freedom" and irrationality.<sup>3</sup> Freedom was reduced to smoking pot and having sex with Mother ... Nature. In other words, hatred of progress and of the development of the modern nation-state was inculcated.

This irrationality yielded such insidious hybrid products as Al Gore, Mario Molina, Ernesto Zedillo, and other 68ers from the George Soros stable.

This ideology not only was designed to make the individual reject development, but to accept—as unavoidable—the miserable conditions which globalization brings, and to view people as nothing more than a plague upon the world which needs to be culled from time to time.

This is environmentalism, another creation of the British Empire, as demonstrated by the Queen's Royal Consort Prince Philip,<sup>4</sup> who founded the World Wildlife Fund, and who, in the forward to his autobiography, *If I Were an Animal*, wrote the following: "In the event that I am reincarnated, I would like to return as a deadly virus, in order to contribute something to solve overpopulation."

And as the perverse Nobel Prize laureate Lord Bertrand Russell wrote in his book The Impact of Science on Society: "At present the population of the world is increasing.... War so far has had no great effect on this increase.... I do not pretend that birth control is the only way in which population can be kept from increasing. There are others.... War has hitherto been disappointing in this respect, but perhaps bacteriological war may prove more effective. If a Black Death could be spread throughout the world once in every generation, survivors could procreate freely without making the world too full.... The state of affairs might be somewhat unpleasant, but what of that? Really high-minded people are indifferent to happiness, especially other people's."

But don't swallow the myth of overpopulation. This is just another face of globalization: the idea of a single world empire which sets a limit of 2 billion brutally stupefied people, who never exceed that 2 billion figure, in fact, who never go above the current population of China, of 1.4 billion people, all at the service of the financial oligarchy.

#### Against Influenza: the PLHINO<sup>5</sup>

The natural effect of the economic conditions of globalization has been to create the potential for a real global pandemic. Perhaps the H1N1 influenza was a synthetic virus created in a laboratory? Who knows? But the capacity to do something like that exists, just as the British created LSD. The intention is there, just as Prince Philip himself declared in the forward to his autobiography. Whether the influenza virus was explicitly intended or not, we don't know, but it is, in fact, the effect that these people seek to bring about with their policies.<sup>6</sup>

Therefore, we must act to prevent a global pandemic. We assume the worst, but we must work for the

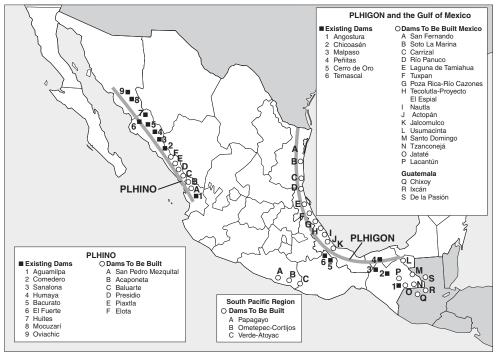
<sup>3.</sup> What is called sophistry, or colloquially, pure bullshit.

<sup>4.</sup> Or, as LaRouche put it in his May 28, 2009 webcast: The Queen of England is the female version of Satan.

<sup>5.</sup> Watch the video: http://espanol.larouchepac.com/media/2009/01/24/nawapa-plhino-elfuturo-de-las-americas.html

<sup>6.</sup> http://spanish.larouchepac.com/media/2009/04/30/la-influenza-porcina-y-la-poltica-genocida-de-la-wwf-brit-n.html

#### Mexico: The PLHINO and the PLHIGON



Source: EIR, January 7, 2000

recovery of the general welfare, and not just sit back and wait for it to arrive by itself. And this doesn't just mean the emergency measures the nation has taken, but an intensive policy to rebuild the productive capabilities of the country.

The Northwest Hydraulic Plan (PLHINO) represents for Mexico precisely the kind of project that is needed to leave behind the backward policies of the environmentalists and the globalizers, and to return to the best times of Mexico, as with José López Portillo. The PLHINO is the best contribution Mexico could make to a new international economic order. Its more than 600 kilometers of infrastructure across the length of Nayarit, Sinaloa, and Sonora is the spearhead for national economic recovery. This represents the path of recovery for food self-sufficiency, producing food for 10 million, and jobs for more than 7 million Mexicans. The PLHINO not only means jobs and food, but lays the necessary foundation for the expansion of civilization, through: public health, education, urbanization, electricity, potable water, communications, transport, etc. In other words, the conditions of human life for current and future generations.

This, nonetheless, must be carried out as part of the fight LaRouche has described for a new system of pro-

ductive credit at low interest rates, for great infrastructure projects, of the kind originally conceived for the Bretton Woods system of Franklin D. Roosevelt. Because with each day, it becomes more and more clear that the current system is unsalvageable, and the more financial bailouts they make, the more bankrupt we are. What is needed is an initial allliance among Russia, China, India, and the United States—but open to all nations of the world to consolidate this new economic system and to be able to guarantee a future for the generations to come.

If you want to prevent

people from falling into a panic or denial, make them see that the situation is worse than they think, that it is not just another influenza story, not just an influenza virus, but the economic collapse of the entire system. And now, the British imperialists and their lackeys, like George Soros, want to impose drug legalization on us, knowing full well that this will increase consumption of narcotics. There is no better way to reduce the immunological resistance of the human body to pandemics, than by creating a parallel epidemic of drug consumption. This is like throwing gasoline on a fire. Only an idiot or a coward would accept the legalization of drugs, whether through "decriminalization" or some "narcomenudeo" [personal drug use], under the current conditions of the influenza crisis.

We must declare the current system of globalization in bankruptcy, and implement a new international economic order of cooperation among sovereign nationstates.

We are not animals who will accept policies that view us as mere cattle. Resources might be finite, but our potential to discover new uses of fire are not. Let us use nuclear energy as a motor for the development that has thus far been denied us. Let us return to the Promethean idea of bringing fire to mankind.

# Helga Zepp-LaRouche Organizes in Denmark

by Michelle Rasmussen

April 30—At the same time that Lyndon LaRouche was addressing the Obama Administration and the world during his April 28 webcast in Washington, D.C., his wife, Helga Zepp-LaRouche, the founder of the Schiller Institute, was delivering an urgent message to international audiences in Denmark—her first visit there in 18 years. During three days of public and private meetings in Copenhagen, she told Danish politicians and citizens, as well as foreign diplomats and press, that the world is facing its greatest crisis in history. It will result in a hyperinflationary blowout and a new dark age, she said, unless nations move quickly to put the current financial-monetary system into bankruptcy receivership, and to create a New Bretton Woods credit system.

From April 28-30, Zepp-LaRouche had a public meeting, a diplomatic seminar, a press conference, as well as private meetings with Danish politicians, a ministry official, an ambassador, and the Schiller Institute in Denmark's core activists. In her meetings with Danes, she confronted the prevalent state of denial: that the crisis is "out there," and won't really affect them.

The diplomatic meeting was attended by representatives of seven nations, and a journalist from the Russian news agency ITAR-TASS (see box).

#### Free President Obama

Because of the key role the United States must play in forging a new credit system, Zepp-LaRouche warned that if President Obama is not freed from the control of Wall Street, notably through his chief economic advisor Larry Summers and a group of behavioral economists, there is no hope for the human race. Obama has a short window of opportunity to act to protect the general welfare, before he becomes as intensely hated as was President Bush, provoking social unrest, chaos, or even civil war. The speaker briefed her audiences on her husband's two most recent webcasts (April 11 and April 28), the mobilization of the LaRouche political movement in the United States to pass the Homeowners and Bank Protection Act, and the drive for establishment of a new

Pecora Commission, to investigate the criminal activities of Wall Street and allied financial oligarchs in creating the current crisis. These mobilization efforts, she stressed, could produce the needed dramatic policy shift.

Zepp-LaRouche renewed her call for such investigative commissions to be convened in Europe as well, so that the rotten axioms that caused the financial and economic collapse may be uprooted, and replaced by the sound principles of physical economy taught by Mr. LaRouche. In her private meetings with members of a Danish parliamentary committee, she appealed to them to invite Lyndon LaRouche, hold a hearing, and/or establish such a commission in Denmark, where several banks have collapsed, with others in the danger zone.

The United States, together with Russia, China, and India, she said, could form a four-power alliance to initiate a New Bretton Woods agreement, begin the reconstruction of the world's physical economy, and take on the moral responsibility to alleviate the growing poverty in the world. Other nations could also join in.

#### The Worst Crisis in World History

Zepp-LaRouche began her meetings by painting a bleak picture of the devastating physical economic effects of the collapsing financial system—from the collapse of production and trade, to the decline of living conditions which will lead directly to a breakout of pandemics, of which the current swine flu that originated in Mexico is just one example.

This is not a financial crisis, but a civilizational crisis, she said. We are facing a new dark age, worse than that of the 14th Century, which could reduce the world population from more than 6 billion to 1-2 billion. Already now, two thirds of the world's population lives in poverty.

The G20 strategy of bailing out the speculators, as formulated at the group's London meeting on April 2, will not solve the problem, but, through what is euphemistically called "quantitative easing," will lead to a hyperinflationary blowout, similar to what occurred in 1923, in Weimar Germany. Since that meeting, President Obama has adopted the Gordon Brown-City of London "bail out the banks" strategy pushed by Summers and the behavioral economics kooks, including Office of Management and Budget director Peter Orszag.

Zepp-LaRouche stressed that these people are not really economists at all, but are bringing behaviorism's



Helga Zepp-LaRouche met with Danish activists, political leaders, and the press during her three-day visit to Copenhagen. She is shown here with Schiller Institute leader Tom Gillesberg.

EIRNS/Michelle Rasmussen

bestial image of man into economics. They submit that chemical processes in the brain determine a person's actions before the human will does, thereby reducing man to a robot or animal. They believe that man is not rational, and cannot be expected to rationally pursue even motives of greed. No, they say, there are other psychological factors, which economists can and should manipulate, to control the behavior of potential consumers. Now, in the behaviorists' view, the population must be manipulated to accept fascist austerity measures. These behavioral economists, many of whom are from Chicago, have been affecting Obama's policies for a long time, and since the G20 meeting, they have dominated his economic thinking.

President Obama must immediately fire Larry Summers, she said, and rely on the competent Cabinet members and economists, to shape an economic policy based on the principles of Frankliln D. Roosevelt and La-Rouche.

As for Europe, the Eurozone is about to disintegrate. German taxpayers, for example, will neither be willing nor able to bail out the indebted countries of eastern Europe, the Mediterranean, and the Baltic region—or rather, the Swiss and Austrian banks that they borrowed money from.

#### **Program for Economic Recovery**

Zepp-LaRouche then outlined her husband's plan to revitalize the economy, rather than attempting to bail out the bankrupt financial system: 1) write off "toxic" so-called assets; 2) change from a monetary to a credit system, by establishing national banks, as first developed by Alexander Hamilton; 3) establish an international New Bretton Woods agreement; 4) resume building the Eurasian Land-Bridge, with infrastructure and development corridors across the continents.

She concluded by urging her listeners to rise above our culture's fixation on money; instead of inscribing on your tombstone, "He ate five tons of caviar," she said, help us to revive the cultural and moral values which are worthy of the dignity of man, based on the unlimited perfectibility of cognitive powers, to achieve the advancement of mankind, and create a family of nations, each happy at the development of the other.

Asked what Germany's 18th-Century poet of freedom, Friedrich Schiller, has to say to people in crisis-ridden 2009, she replied that Schiller's notion of the beautiful soul, who passionately does what is necessary, and his concept of the Sublime, can help people

develop their emotions through aesthetical education, to nourish creativity, passion, compassion, and love.

She pointed out that since Denmark was once a great ally of Schiller, the Danes ought to celebrate his

250th birthday this year. Zepp-LaRouche's visit thus commenced a new era of closer collaboration between the nations of Friedrich Schiller and Hans Christian Andersen.

## Russian News Agency Covers Zepp-LaRouche in Denmark

The following dispatch was issued by the Russian agency ITAR-TASS on May 1, 2009, under the headline, "German Schiller Institute President Helga Zepp-LaRouche calls for creation of a new international financial architecture," and signed by Nikolai Morozov. It has been translated by EIR, and is printed with permission.

COPENHAGEN, May 1 (ITAR-TASS)—The world economic crisis is "neither a recession nor a depression, but the collapse of an incredibly bloated speculative financial system." German Schiller Institute President Helga Zepp-LaRouche made this statement Thursday [April 30] in the Danish capital, calling for creation of a "new international financial architecture."

The current economic crisis, she said, resulted from the operation of a "casino economy," which led to unlimited globalization and predatory capitalism.

Attempts to fight the crisis by pumping liquidity into the economy, Zepp-LaRouche asserted, serve only to compound the catastrophe. Such injections "only lead to hyperinflation, like in Weimar Germany in 1923, and they help to destroy the productive capacities of society."

In her view, the results of the recent G20 summit "were an attempt to prolong the agony of the current system by a hyperinflationary policy, aimed at supporting financier interests, rather than defending the welfare of the population."

It has to be acknowledged that the previous economic model is bankrupt and that we must now "shift from monetarism to the real economy," the president of the Schiller Institute said.

For this purpose, the governments of sovereign nations should overhaul the international financial

system by putting it through organized bankruptcy, she asserted.

This means, in particular, the establishment of fixed exchange rates, the elimination of speculative financial instruments—derivatives—and the reduction, and, in some cases, write-off, of debts.

After the field has been cleared, then large state credits should be extended for the development of projects in the area of technology and infrastructure, in particular, for "the creation of a Eurasian development corridor, as the basis for reconstruction of the world economy."

Zepp-LaRouche emphasized the need to hold an international conference, which would make the decision to create a new world financial architecture. The institution of this New Bretton Woods system should be initiated by the U.S.A., Russia, China, and India, with other countries joining them later. Only these major economies are capable of posing and successfully acting on the question of a new financial order, in her view.

Helga Zepp-LaRouche is the wife of the prominent American economist and philosopher Lyndon LaRouche, who, for many years, has advocated the need to develop the real economy, rejecting the postulates of monetarist theory. "Trade and the market are tools of a health economy, but not an end in themselves," in his view.

LaRouche's principled scientific and civic stance brought the hatred of the financial oligarchy down on him. A legal case against him was fabricated in 1989, and he served several years in prison. As a result of a wave of international protests, however, the authorities were forced to release LaRouche before the end of his sentence, thereby acknowledging that he was a political prisoner.

LaRouche and his wife have visited Russia several times. Books and numerous articles by him have been translated into Russian. The American scholar highly values the works of Mendeleyev and Vernadsky, who influenced his system of philosophical views.

### **Editorial**

# Stop Nazi Health Care!

On May 9 Lyndon LaRouche launched an all-out campaign against the Nazi health-care proposals which are being put forward by members of the Obama Administration. "This is not an ordinary political campaign," LaRouche said. "This is an existential question for the United States, and the state of humanity demands that this evil be defeated. Anything in the direction of these budget-cutting proposals, which measure human lives in dollars and cents, and declare whole sections of the old and the sick to be 'useless eaters,' is a violation of human rights."

LaRouche was responding to a series of proposals coming out of OMB chief Peter Orszag, in particular, which aim to apply a new measurement of "cost-effectiveness" to health care, in order to cut \$700 billion from U.S. health-care costs. In sync with this drive, leading sections of the Democratic Party, and even the President himself, are floating the idea of setting up an "independent commission" to decide on means of cutting Social Security, Medicare, and Medicaid costs—in the name of fiscal responsibility and paying for only "effective" care.

Such an approach to health care was denounced most clearly by the late Dr. Leo Alexander, a psychiatrist who was a key medical advisor to the U.S. Prosecution team at the Nazi doctors trial at the Nuremberg Tribunal. Writing in the *New England Journal of Medicine* in 1949, Alexander identified the "small beginnings" of the monstrous crimes against the sick in Nazi Germany as "a subtle shift in emphasis," . . . "the acceptance of the attitude . . . that there is such a thing as a life not worthy to be lived." A "utilitarian philosophy," he continued, "puts you on the path to monstrous crimes.

Such a "utilitarian" approach has been increasingly pervading U.S. medical practice for decades, especially since the introduction of health maintenance organizations (HMOs), in 1973. But now, under cover of the need to "save money" in the midst of the economic and financial breakdown crisis, this approach is taking off. What else can you call an analysis which measures life in "Quality-Adjusted Life Years," estimated at \$100,000 a year?

In fact, LaRouche argued, the basic problem with medical care in the United States is the cost of regulating and manipulating doctors and medical facilities. Administrative costs, imposed by insurance companies, and particularly the HMOs, conservatively comprise more than 25% of healthcare costs. Yet, the Obama Administration plans do almost *nothing* to cut those costs.

"It's time to eliminate all HMOs, and return to the Hill-Burton standard of providing medical facilities adequate to provide for the population," LaRouche insisted. "We can save money by eliminating the HMOs, who are nothing but parasites, fattening themselves off the system."

Proposals in the right direction have been put forward by both Rep. John Conyers, who calls for a system of "Medicare for all," and by economist James Galbraith, who has called for not only *increasing* Social Security and Medicare benefits, but for lowering the age of eligibility for Medicare to 55.

"If we set up a system of Medicare for all, and rebuild our economy following a bankruptcy reorganization, as we must, we can provide for our people," LaRouche added. "Nazi medicine cannot be tolerated."

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## See LaRouche on Cable TV

#### INTERNET

- BCAT.TV/BCAT Click BCAT-2 Mon: 10 am (Eastern Time)
- LAROUCHEPUB.COM Click LaRouche's Writings. (Avail. 24/7)
- MNN.ORG Click Watch Ch.57 Fri: 2:30 a.m. (Eastern Time)
- QUOTE-UNQUOTE.COM Click on Ch.27. Tue. 6 pm (Mtn.)
- SCAN-TV.ORG Click Scan on the Web (Pacific Time). Ch.23: Wed. 7 am Ch.77: Mon. 11 am
- WUWF.ORG Click Watch WUWF-TV. Last Mon 4:30-5 pm (Eastern)

#### INTERNATIONAL

#### THE PHILIPPINES

MANILA Ch.3: Tue 9:30 pm

#### ALABAMA

UNIONTOWN GY Ch.2: Mon-Fri every 4 hours; Sun Afternoons

#### **ALASKA**

ANCHORAGE GCI Ch.9: Thu 10 pm

#### CALIFORNIA

- CONTRA COSTA CC Ch.26: 2<sup>nd</sup> Tue 7 pm
- COSTA MESA TW Ch.35: Thu 5:30 pm
- LANCASTER/PALMDALE TW Ch.36: Sun 1 pm
- LONG BEACH CH Analog Ch.65/69 & Digital Ch.95: 4<sup>th</sup> Tue 1-1:30 pm
- ORANGE COUNTY (N) TW Ch.95/97/98: Fri 4 pm

#### COLORADO

DENVER CC Ch.56 Sun 10 am

#### CONNECTICUT

- GROTON CC Ch.12: Mon 5 pm NEW HAVEN CC Ch.23: Sat 6 pm
- NEWTOWN CH Ch.21: Mon 12:30 pm; Fri 7 pm
- NORWICH CC Ch.14: Thu 7:30 pm SEYMOUR CC Ch.10: Tue 10 pm

#### DISTRICT OF COLUMBIA

WASHINGTON CC Ch.95 & RCN Ch.10: Irregular

#### **FLORIDA**

ESCAMBIA COUNTY CX Ch.4: Last Sat 4:30 pm

- CHICAGO CC./RCN/WOW Ch.21: Irregular
- PEORIA COUNTY IN Ch.22: Sun 7:30 pm
- QUAD CITIES MC Ch.19: Thu 11 pm
- ROCKFORD CC Ch.17 Wed 9 pm

#### IOWA

QUAD CITIES MC Ch.19: Thu 11 pm

#### **KENTUCKY**

- BOONE/KENTON COUNTIES IN Ch.21: Sun 1 am: Fri Midnight JEFFERSON COUNTY
- IN Ch.98: Fri 2-2:30 pm

#### LOUISIANA

ORLEANS PARISH CX Ch.78: Tue 4 am & 4 pm

#### MAINE

PORTI AND TW Ch.2: Mon 1 & 11 am; 5 pm

#### MARYLAND

- ANN ARUNDEL CC Ch.99; FIOS Ch.42: Tue & Thu: 10 am; Fri & Sat: midnight
- P.G. COUNTY CC Ch.76 & FIOS Ch.42: Wed & Fri: 6 pm
- MONTGOMERY COUNTY CC/RCN/FIOS Ch.21: Tue 2 pm

#### MASSACHUSETTS

- BROOKLINE CV & RCN Ch.3: Mon 3:30 pm; Tue 3:30 am; Wed 9 am & 9 pm;
- CAMBRIDGE CC Ch.10: Tue 2:30 pm; Fri 10:30 am
- FRANKLIN COUNTY (NE) CC Ch.17: Sun 8 pm; Wed 9 pm; Sat 4 pm
- QUINCY CC Ch.8: Pop-ins.
- WALPOLE CC Ch.8: Tue 1 pm

#### MICHIGAN

- **BYRON CENTER** CC Ch.25: Mon 2 & 7 pm
- DETROIT CC Ch.68: Irregular
- GRAND RAPIDS CC Ch.25: Irreg.
- KAI AMAZOO
- CH Ch.20: Tue 11 pm; Sat 10 am
- KENT COUNTY (North) CH Ch.22: Wed 3:30 & 11 pm
- KENT COUNTY (South) CC Ch.25: Wed 9:30 am
- LAKE ORION
- CC Ch.10: Mon/Tue 2 & 9 pm
- LANSING CC Ch.16: Fri Noon
- LIVONIA BH Ch.12: Thu 3 pm
- MT. PLEASANT CH Ch.3:
- Tue 5:30 pm; Wed 7 am SHELBY TOWNSHIP CC Ch.20 &
- WOW Ch.18: Mon/Wed 6:30 pm WAYNE COUNTY CC Ch.16/18: Mon 6-8 pm

#### **MINNESOTA**

- ALBANY AMTC Ch.13: Tue & Thu: 7:30 pm
- CAMBRIDGE
- US Ch.10: Wed 6 pm
- COLD SPRING US Ch. 10: Wed 6 pm
- COLUMBIA HEIGHTS CC Ch.15: Tue 9 pm
- DULUTH CH Ch.20: Mon 9 pm; Wed 12 pm, Fri 1 pm
- MARSHALL Prairie Wave & CH
- Ch.35/8: Sat. 9 am
- **MINNEAPOLIS** TW Ch.16: Tue 11 pm
- MINNEAPOLIS (N. Burbs) CC Ch.15: Thu 3 & 9 pm NEW ULM TW Ch. 14: Fri 5 pm
- **PROCTOR** 
  - MC Ch. 12: Tue 5 pm to 1 am ST. CLOUD CH Ch.12: Mon 6 pm
- ST. CROIX VALLEY CC Ch.14: Thu 1 & 7 pm; Fri 9 am
- ST. LOUIS PARK CC Ch.15: Sat/Sun Midnite, 8 am, 4 pm
- ST. PAUL CC Ch.15: Wed 9:30 pm
- ST. PAUL (S&W Burbs) CC Ch.15: Wed 10:30 am; Fri 7:30 pm
- SAULK CENTRE SCTV Ch.19: Sat 5 pm

WASHINGTON COUNTY (South) CC Ch.14: Thu 8 pm

#### **NEVADA**

- **BOULDER CITY**
- CH Ch.2: 2x/day: am & pm WASHOE COUNTY
- CH Ch.16: Thu 9 pm

#### **NEW HAMPSHIRE**

- CHESTERFIELD CC Ch.8: Wed 8 pm
- MANCHESTER CC Ch.23: Thu 4:30 pm

#### **NEW JERSEY**

- BERGEN CTY TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- MERCER COUNTY CC Trenton Ch.26: 3<sup>rd</sup> & 4<sup>th</sup> Fri 6 pm Windsors Ch.27: Mon 5:30 pm
- MONTVALE/MAHWAH CV Ch.76: Mon 5 pm
- **PISCATAWAY**
- CV Ch.15: Thu 11:30 pm UNION CC Ch.26: Irregular

#### **NEW MEXICO**

- BERNALILLO COUNTY CC Ch.27: Tue 2 pm
- LOS ALAMOS CC Ch.8: Wed 10 pm
- SANTA FE
- CC Ch.16: Thu 9 pm; Sat 6:30 pm SILVER CITY
- CC Ch.17: Daily 8-10 pm
- TAOS CC Ch.2: Thu 7 pm

#### **NEW YORK**

- ALBANY TW Ch.18: Wed 5 pm.
- BETHLEHEM TW Ch.18: Thu 9:30 pm
- BRONX CV Ch.70: Wed 7:30 am **BROOKLYN**
- CV Ch.68: Mon 10 am TW Ch.35: Mon 10 am RCN Ch.83: Mon 10 am FIOS Ch.43: Mon 10 am
- **BUFFALO**
- TW Ch.20: Wed & Fri 10:30-11pm CHEMUNG/STEUBEN TW Ch.1/99: Tue 7:30 pm
- ERIE COUNTY TW Ch.20: Thu 10:35 pm
- **IRONDEQUOIT**
- TW Ch.15: Mon/Thu 7 pm JEFFERSON/LEWIS COUNTIES
- TW Ch.99: Irregular MANHATTAN TW & RCN Ch.57/85
- Fri 2:30 am ONEIDA COUNTY TW Ch.99: Thu 8 or 9 pm
- PENFIELD TW Ch.15: Irregular
- QUEENS TW Ch.56: 4th Sat 2 pm RCN Ch.85: 4th Sat 2 pm
- QUEENSBURY
- TW Ch.71: Mon 7 pm ROCHESTER
- TW Ch.15: Sun 9 pm; Thu 8 pm ROCKLAND CV Ch.76: Tue 5 pm
- SCHENECTADY
- TW Ch.16: Fri 1 pm; Sat 1:30 am STATEN ISLAND
- TW Ch.35: Mon & Thu Midnite. TW Ch.34: Sat 8 am TOMPKINS COUNTY TW Ch.13: Sun 12:30 pm; Sat 6 pm

- TRI-LAKES
  - TW Ch.2: Sun 7 am, 1 pm, 8 pm
- WEBSTER TW Ch.12: Wed 9 pm
- WEST SENECA TW Ch.20: Thu 10:35 pm

#### NORTH CAROLINA

- HICKORY CH Ch.6: Tue 10 pm
- MECKLENBURG COUNTY TW Ch.22: Sat/Sun 11 pm

#### OHIO

- AMHERST TW Ch.95: 3X Daily
- **CUYAHOGA COUNTY** TW Ch.21: Wed 3:30 pm
- OBERLIN Cable Co-Op Ch.9: Thu 8 pm

#### **OKLAHOMA**

NORMAN CX Ch.20: Wed 9 pm

#### **PENNSYLVANIA**

**PITTSBURGH** CC Ch.21: Thu 6 am

#### RHODE ISLAND

- BRISTOL, BARRINGTON, WARREN
- Full Channel Ch.49: Tue: 10 am EAST PROVIDENCE
- CX Ch.18; FIOS Ch.25: Tue: 6 pm

#### STATEWIDE RI INTERCONNECT CX Ch.13; FIOS Ch.32 Tue 10 am

### HOUSTON CC Ch.17 & TV Max

Ch.95: Wed 5:30 pm; Sat 9 am KINGWOOD CB Ch.98:

#### Wed 5:30 pm; Sat 9 am **VERMONT**

- BRATTLEBORO CC Ch.8: Mon 6 pm, Tue 4:30 pm, Wed 8 pm
- GREATER FALLS CC Ch.10: Mon/Wed/Fri 1 pm
- MONTPELIER CC Ch.15: Tue 10 pm; Wed 3 am & 4 pm

- ALBEMARLE COUNTY CC Ch.13: Sun 4 am; Fri 3 pm
- ARLINGTON CC Ch.69 & FIOS Ch.38: Tue 9 am
- CHESTERFIELD COUNTY CC Ch.17; FIOS Ch.28: Mon 1 pm
- FAIRFAX CX & FIOS Ch.10: 1st & 2nd Wed 1 pm; Sun 4 am.
- FIOS Ch.41: Wed 6 pm LOUDOUN COUNTY CC Ch.98 & FIOS Ch.41: Wed 6 pm
- ROANOKE COUNTY CX Ch.78: Tue 7 pm; Thu 2 pm

- WASHINGTON KING COUNTY CC Ch.77: Mon 11 am, Wed 7 am BS Ch.23: Mon 11 am, Wed 7 am
- TRI CITIES CH Ch.13/99: Mon 7 pm; Thu 9 pm
- MARATHON CH Ch.10: Thu 9:30

TW Ch.14: Sat 4 pm; Sun 7 am

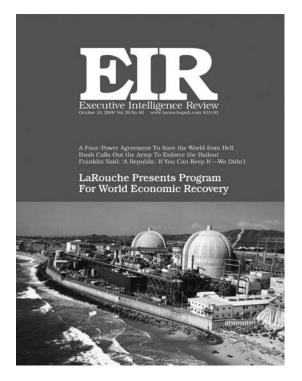
- pm; Fri 12 Noon MUSKEGO
- WYOMING GILLETTE BR Ch.31: Tue 7

MSO Codes: AS=Astound; BD=Beld; BR=Bresnan; BH=BrightHouse; BS = Broadstripe; CV=Cablevision; CB=Cebridge; CH=Charter; CC=Comcast; CX=Cox; GY=Galaxy; IN=Insight;

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