

Immediate Measures for U.S Economic Survival!

Lyndon LaRouche outlined these urgent measures on Oct. 6.

First of all, what is required is to put all regular commercial banks through reorganization in bankruptcy. What will happen is, we'll go back to the Constitution, which specifies a credit system, *not* a monetary system. So the act of bankruptcy will be to declare that the United States Constitution is being enforced: that we are a credit system, *not* a monetary system.

Number 2: We will now take the accounts which are in commercial banks—the other banks, you can forget for the time being, but the commercial banks—these banks will be put into reorganization in bankruptcy, such that those accounts, in the banks, which correspond to a Glass-Steagall standard, will receive full protection and will be assigned protection under the category of a Glass-Steagall qualified account.

These banks, which we will clean up in that way, have to be under *bankruptcy protection*, even though they've been purged of this garbage. Therefore, they will be operating under bankruptcy protection, *as necessary*.

Now: Once we've taken a lot of this crap, which is essentially worthless paper—"Bernanke money," we call it—this crap will not receive protection. This crap is out on its own, begging for whatever it can get.

Okay, that being done, now we are in a situation, where, having cancelled a lot of Federal obligations which are charged to worthless accounts, they'll just be wiped out in bankruptcy; there's no obligation. The Fed bailed them out, that's it. It's gone!

All right, now we're going to issue credit, Federal credit, and the Federal credit will go principally into—apart from the usual government accounts, various government projects, and so forth—it will go generally into infrastructure investments. The reason for infrastructure investments is that we have very little basic industry left; we have small retail operations, and you are not going to get a recovery, or even a survival of the U.S. economy, based on small business. You won't. You've got to go into large-scale infrastructure projects, and

these will be Federally backed.

But, in addition, there, you have a second, direct category: That will be, that any Federal project, for building infrastructure, for example, interstate investments, will require the assistance of subcontractors who are private entrepreneurs. A private entrepreneur, who is qualified, as under war production during World War II, by virtue of a contract involving an infrastructure project, which is a Federally protected infrastructure project, will receive protection, and the access to credit.

Therefore, we will use the large-scale infrastructure categories, which are our main instrument of actual recovery—we're talking about blue-collar jobs: The basic thing is blue-collar jobs, in industry, infrastructure, and agriculture. Blue-collar jobs! And don't try to sneak in an accountant with the white collar, or a blue collar.

All right, blue-collar jobs—agriculture, industry, infrastructure. That's the rule, because this creates real wealth. White-collar jobs, service jobs, do not necessarily create real wealth, and particularly, the paperwork jobs, they don't create real wealth. We want real wealth produced. Because we're a bankrupt country, we've got to get back into solvency. We do that only with blue-collar emphasis on jobs, blue-collar contracts.

So, you have the contract, which is a Federal or state project, backed by the Federal government, and you have subcontractors, who are private businesses, which have contracts, or contract relationships, or a service equivalent of contract relationships with a Federal project. These contractors will receive protective cover, by the Federal government or state government.

All right. On that basis, now, we've opened up a whole new approach to get the economy moving again. We're on the road to growth. Under those conditions, *we can begin to reorganize the economy successfully*.

October, or Bust!

Now, the urgency of this, is the fact that if we don't do that, either within the month of October, or some time not too long after that, the whole nation will disintegrate. So therefore, *we must do this now*. This means that we don't have any time to waste on the usual bullshit: "Wouldn't this help?" Forget it! It won't help. Green jobs are generally going to be out! *No green jobs!* There can be green jobs, but they'll be on the periphery of the system. It's going to be blue-collar jobs, or jobs which involve a majority of blue-collar employees, and the more skilled, the better. These are going to be in the form of blue-collar jobs, concentrated in Federal infra-

structure projects, or state projects backed by the Federal government, cooperative state-Federal projects. It will also include subcontractors, private firms which are subcontractors, and under protection as that, to Federal projects. That's our basic program of recovery.

We also are going to have to do, on the health-care area, one thing: We are going to eliminate the HMO system—*gone!* HMO: gone! We're going back to a Hill-Burton policy, and we're going to have to build our way into a Hill-Burton policy. It's the only way to do the job. That policy will have to receive Federal government assistance. So, we're going back to a Hill-Burton standard. It's the only way that we're going to rescue the health-care system, so we're going to do it.

Now, what this means is this, looking at the world around us: There's no part of the world, which presently has an ongoing program, or capability, to independently survive the present financial-monetary crisis. The only way it's going to be done is the same way the United States is going to have to do it. So therefore, you'll find out there, there is no government in the world, at present, which is presently committed to do anything to save its own butt from the breakdown crisis now in process. No one out there, who is not thinking exactly what I'm thinking, is qualified to provide any solution for any of these problems. It can't happen.

We're in a breakdown of the entire world system, and there's no government in the world which presently has the slightest idea of what to do about this crisis. So all these ideas about "this" or "that" or "this" or "that"—forget it, drop the subject! Do not bring up the subject! Cancel the discussion! Only certain things will work under this condition, and we've got to do those things: *We're in a real, global emergency.* We're in the situation of a global breakdown crisis.

Now, don't imagine that the British have any brains. The British are playing people, but the British system does not have the intellectual ability, this time, to come up with anything that is useful. The Russians, others, don't have any idea of what to do. They have ideas which are useful, but they don't have the context in which to put them, to make them work. That's our general situation throughout the planet. Only the United States can do that.

Monetary Systems Are Dead Animals

Now, the other thing that has to be emphasized, is that if the United States goes under, every nation, every economy on the planet, will go under *in rapid-fire succession*. There is no part of the world that will survive a

collapse of the U.S. economy—none! That's a reality. There's no government in the world, which is thinking in the terms I'm talking about now, which is qualified to even run its own affairs. So, we, in the United States, with our credit system, which is in our Constitution, is the only agency capable of inspiring a program, which can save the entire world, from a general, chain-reaction, breakdown crisis. That's where we are now.

So that means, that all the bullshit—"if, maybe, whatnot..."—sort of thing, forget it. Don't waste your time even talking about it. Get back, always, to the main subject: If you want to survive, you're going to go with this part of the program. We're going to put the commercial banking system through a Glass-Steagall-standard reorganization; we're going to use the end-product of that reorganization to reestablish the full support of the Federal system, as a credit system, *not* a monetary system. We are committed to destroying the monetary systems of the entire planet. Not by going in to crash them, but by saying, "We do not recognize them as valid, as legitimate."

That's another rule we have to stick to: We don't discuss any option, based on adjusting, or adapting to, or utilizing, a monetary system. Monetary systems, as far as we're concerned, are dead animals. We don't even talk about them; they're not useful. They should just go away!

The world has to go to a system of nation-states, which are sovereign, which are each running as a credit system, and the credit system can be established by a treaty agreement between that nation and the United States. We're going to create a *global credit system*; a credit system based on a system of perfectly sovereign nation-states, themselves operating in the international market, as a credit system, *not* a monetary system. We're not going to raise Keynes—we're going to bury him. Finally!

So, we have to restrict ourselves, not to waste time and energy, on discussing "maybe" questions which are not in conformity with what I just told you. That has to be our policy. Everything else is bullshit.

Remember: No government in the world, presently, by its avowed policies, is competent to deal with this crisis. The British, above all, are not geniuses. *We stick to our program as I just identified it.* That's the core.

And that's what we have to make clear now. So, don't waste our time, bringing up subjects that are not worth discussing! Because, either we're going to do what I just indicated, or we're not going to exist. *So there's no point in discussing anything different!*