

JULY 20TH WASHINGTON WEBCAST

## LaRouche Acts in Crisis

**Debra Freeman:** Good afternoon. On behalf of LaRouche PAC, I'd like to welcome all of you to today's event. My name is Debra Freeman and as some you know, I serve as Lyndon LaRouche's national spokeswoman and as his representative here in Washington, D.C.

There probably is no more timely occasion than this for Mr. LaRouche to address this audience, and in fact the nationwide and international audience that is listening. I'd like to remind people that it was approximately a month ago, on June 22, that Mr. LaRouche wrote an editorial that appeared in the weekly magazine *Executive Intelligence Review*. The title of that editorial, was "Time Is Running Out." And in that editorial, Mr. LaRouche made an attempt to prepare both the population and our elected representatives for what was coming. So that, in fact, they could take action.

The recommended action was not designed to stop the impending collapse. There really isn't anything that can do that. But it was designed so that those in a position of responsibility could take the necessary action to mitigate the suffering that that collapse would cause the American people, and at the same time, to make sure that we preserved our capability to build out of that collapse.

At the time that that warning was issued, although it was taken seriously by many here in Washington and around the world, it was, as is often the case, taken also as a somewhat metaphorical statement. And many people responded, by saying that, yes, indeed, these were very difficult times and we were dealing with a strategic situation that could, in fact, be referred to as a crisis. But to say that, in fact, we were on the brink of World War III, that we were on the brink of not only a financial crisis but a strategic crisis of enormous dimension, well, the response was that that was "just Lyn trying to make a point."

Well, here we are, less than four weeks later, and once again, I'm in a position where I can take the podium and say,

unequivocally, that "LaRouche was right."

Now, I wish I could bring you a whole series of items that would represent good news, but, in fact, I can't. And, if one were to base his state of mind on the current behavior of this government and the current behavior of the United States Congress, well, you'd really not be a happy person at all. Because, in fact, point after point, when this Congress has had the ability to take action, they have not. And I think that what we saw this week, with the Senate's unanimous passage of a resolution supporting the barbarity that is currently being carried out by the government of Israel, we see that very often we should be grateful when they don't do anything, because, when they do something, it is all too often the wrong thing.

Many people will say to those of us who represent Mr. LaRouche: "You know, I think that what LaRouche is saying is true. I think he's right. I wish your group was bigger, or had greater resources . . . because I just don't know if you can win." And then they look at you, and they say, "Do you really think you can win?" And, you know, it's a fair question to ask, I suppose. And the answer, if one answers honestly, is that: Yes, we can win. But, that in fact, based on the manner in which they assess things, the odds of winning are not necessarily that good.

But there actually is an element of good news in there, and that is, that while we have no guarantee of victory in this situation, we've got a shot at it. Our enemies cannot say that.

The one thing we can say, with absolute certainty—and for those of you who are familiar with this organization and familiar, in particular, with Mr. LaRouche, it is very rare that we issue guarantees. But the one thing that I am prepared to absolutely guarantee, is that our enemies, the enemies of this nation and the enemies of humanity, absolutely cannot win. And under those circumstances, the wise thing to do, as well as the moral thing to do, is to take the shot that we have, at preserving this nation, and preserving this nation as a leader



EIRNS/Stuart Lewis

*"We're talking about something worse" than World Wars I and II, LaRouche said at the July 20 webcast. "We're talking about the danger of a general disintegration of global civilization."*

of a drive toward progress.

Mr. LaRouche is one of the few people who is prepared to actually stand at the helm of such a movement. And in fact, that is precisely what he has done, week-in week-out, despite the less-than-courageous actions by some of the people whom we are seeking to assist.

That is the backdrop of today's event. That is, in part, the message that the LaRouche Youth Movement has spread throughout the city during the first three days of the week, and which they will continue to spread throughout this city, into today and tomorrow. It is also the message, along with what Mr. LaRouche says today, that will be carried across the United States.

And now that I'm certain that there's no longer a line outside, without further ado, I'd like to introduce Lyndon LaRouche.

**Lyndon LaRouche:** Oh, thank you. Thank you. Thank you very much.

An Israeli friend of mine, who is well-known in Israel and outside of Israel as a leading strategic thinker, had a discussion with my wife in the past 24 hours, on the situation in the Middle East. And he said, in his opinion, from the standpoint of Israeli interests, that what is going on now would not be continued much longer, in terms of Israeli aggression in the Middle East. *Unless*, he said, unless this is a strategic move, by other sources which are now pushing for an immediate

response to an impending, general economic collapse of the world economic-monetary system.

In point of fact, the world economic-financial system, and much of the political system at the same time, is presently in the process of collapse. And for that reason, because there's a correlation between what's going on in Southwest Asia, what's going on in India, what was going on in the context of the G-8 summit in St. Petersburg, in Russia, *we're on the verge of a condition tantamount to the Guns of August of 1914 and 1939. Now.* We're not looking at a war of the type, we would class as World War I or World War II. We're talking about something *worse*, not less dangerous. *We're talking about the danger of a general disintegration of global civilization.* And it all is tied together with the present economic situation.

This being the case, and the facts to this effect having been presented to leading circles in the U.S. Congress and elsewhere, the U.S. Senate in particular: *Why has the Congress behaved like a bunch of braying asses?* And being a braying ass does not qualify you as a Democrat! But they seem to have thought they were.

It's because they're Baby-Boomers. Now, a Baby-Boomer is not exactly a generation. And I shall speak to you today as being nigh on to 84 years of age, and therefore have a corresponding experience of life which is probably richer than most people of my age-group, because I was active in certain ways as a youngster. I lived through the 1920s, through

a generation of my parents and older people, who were better called *de-generates*: Because they were corrupt. This was the age of Coolidge, and the age of Wilson. Our society was immensely corrupt.

But when the time came, and when the Hoover Administration had led the U.S. economy *down by one-half* in physical condition, over the period from 1929, the end of '29 to the end of February of 1933, we had a President, who fortunately was not assassinated, though many in the Democratic Party leadership of that time *wanted* him assassinated! And even planned to do it. But didn't succeed, because an honest general and some other people, a Marine general, blew the whistle on it, and they couldn't pull off the coup d'état, to do a Nazi-style coup inside the United States. We were fortunate to have a President Roosevelt, who led this nation, to save the world from what otherwise would have been inevitably a Hitler dictatorship, worldwide. A Hitler dictatorship *conceived* by leading banking interests, financial interests, which are the same interests behind Felix Rohatyn and similar forces in the world today.

So, we are facing today, *exactly* the same evil, that we faced in the form of Adolf Hitler, and Mussolini, and so forth. And we are facing it at the hands of the descendants of *exactly* the same circles of financiers, and other circles, which were behind Hitler then, circles *inside* the United States, *inside* France, *inside* the Netherlands, *inside* Britain, as well as *inside* Spain, Italy, and inside Germany. The same thing, the same crowd, with the same ultimate objectives.

## The World Was Bankrupt

Now, I lived through these experiences. I lived through the moment that Franklin Roosevelt died. And I came back to the United States from military service abroad, in the Spring of 1946. The country had changed. The passing of Roosevelt had meant a moral degeneration of our country. I saw my friends, who had been heroes in warfare, who had been courageous, turned into stinking cowards under the Truman Administration, and what it represented. Because Truman was on the *opposite side* from Roosevelt! And did everything he could to destroy the life's work of Franklin Roosevelt, at the moment that Roosevelt died!

But they couldn't get rid of one thing: The whole world was bankrupt, and only the United States, as Roosevelt had led it to recovery, was capable of providing the basis for a recovery of the world economy. And so, until the middle of the 1960s, the Bretton Woods system, and some of the other essential economic intentions for the domestic United States and abroad, were carried through. So we had a period of recovery of much of the world, over a period of 20 years, even after Roosevelt had died. And that continued until about the beginning of the war in Indo-China, which was made possible by the assassination of a President of the United States, Kennedy, who was one of a series of targets of assassination and similar things, like President Charles de Gaulle of France,



President Harry S. Truman in Belgium, July 1945, on his way to the Potsdam Conference in Germany. From the moment that Franklin Roosevelt died, Truman "did everything he could to destroy the life's work" of Roosevelt, LaRouche said. "He betrayed the United States."

was a target of assassination by the same forces, the *Nazi* forces, *the same force*, *exactly* as behind Felix Rohatyn in the United States and abroad, today!

So, we had the Indo-China War. It was a demoralization of our population, to be in such a war. This was the *worst* kind of war to be involved in, *long* wars! It has been called a dark age war, as it was called Armageddon, later. It had many of those characteristics of the kind of war *you never fight*, if you can avoid it, unless it's forced on you. You never seek it out. You never try to fight it. You never declare it. You may declare against it, but you never declare it. Not if you're human. Not if you're sane. Not if you're moral.

As you wouldn't have started this war in Iraq. If you had been sane, you wouldn't have done it. If you had been moral, you wouldn't have done it. There was never a reason. It was based on lies! And it's still based on lies—by a President who is not called a criminal, because he's insane. And I mean it: *He is insane*. He's a puppet, but a dangerous puppet, a malicious puppet. We lived through this. I lived through these things before.

## A History Lesson

The object here, and I'll give you two lessons today, which I give in other locations, but I'll give them here in this context. One is a history lesson; the other which is crucial, is an economics lesson. Something that no one in the Congress apparently seems to understand is, the basic principles of economy. They don't! You would have to say, if they're innocent, it's because they're stupid, when it comes to economics, because, what they're allowing, what they're doing is stupid. And I'll make that clear.

All right, in the history of the thing: Remember what we are, as I know it from my experience, and people from my same age-group know. We saved the planet. We saved the planet from Hitler and what that meant. Oh, other people did it, too, but without us, without our President Roosevelt, and without our support for that effort, you wouldn't have had the period of growth and peace and so forth, that we had, relatively speaking, in recent times. We'd have been living under Nazism or its aftermath.

But, what happened was, not only did Truman betray the United States—and he betrayed the United States, because we knew what the interest was of the United States at the time the war ended. We knew that. What did this bum do? This stinking bum. What did he do?

Now, before the war had ended, the Emperor Hirohito of Japan had extended a negotiation to the United States and other nations for a peace treaty, or an armistice. He had processed it through the diplomatic channels into the foreign office of the Vatican, the Secretary of State of the Vatican. And into the office of a special part of the Secretariat of State of the Vatican, which was the Extraordinary Affairs group, then headed by a Monsignor Montini, who later became Pope Paul VI. The conditions for the surrender were arranged, with the United States *while Franklin Roosevelt lived*. Hmm?

I had a friend of mine who was the head of OSS in Italy at that time, who was a personal observer of the details of that negotiation. This friend of mine was also a friend of General Donovan, the head of OSS. Both were attached to the Roosevelt tradition. So, the facts are known. The facts of this case have been verified by the Vatican, more recently, to a member of that friend's family.

What did Truman do?

Japan was defeated! Its situation was hopeless! All that was left was the main island, and you couldn't get a ship in or out of the main island, because the United States Air Force, Navy, and Army had the thing so securely blockaded, that Japan had to surrender.

But now, Truman became President. Why didn't the United States offer to honor the agreement of armistice with the Emperor of Japan, which would have ended the war? Because, Truman said, "No. We don't honor the agreement." And why didn't he? Because Truman, working with people in Britain and elsewhere, knowing that we had nuclear weapons—Truman didn't know about this until he became President. We had two prototype nuclear weapons, one a uranium bomb, one a plutonium

bomb. These were laboratory devices, not production-line devices. So, we dropped one on Hiroshima, another on Nagasaki, which were civilian cities, civilian populations: *Why?*

## Roosevelt vs. Churchill

We had a defeated enemy, Japan, whose head of state was prepared to surrender! We postponed the surrender in order to bombard two Japanese cities with nuclear bombs, the only two we had. We'd had a third one, but used it as a prototype for testing in Los Alamos. Why did we do that?

Because: The Truman policy was directly opposite to Roosevelt's! Roosevelt's policy, as he said to Churchill during the war, and said to others, "When this war ends, Winston, we're not going to have your British system any more on this planet. We're going to have the American system. And that means, that those colonial nations are going to be freed! We're going to help them develop." He said that repeatedly. He said it in a visit to Morocco, where he laid out the details of the plan for Africa, while he was there.

What happened? Truman not only dropped the bombs on Hiroshima and Nagasaki—on a defeated enemy, unnecessarily!—he saved not one American life by that effort! None! He would have saved American lives by giving the armistice terms, presenting them earlier, because attrition did kill some people. So therefore, you stop a war as soon as you can. Because simply keeping the war going will mean more people



Russell: Library of Congress

"Bertrand Russell was probably the most evil man of the 20th Century." His infamous support for a nuclear first strike ("preventive nuclear bombardment") against the Soviet Union was published in *The Bulletin of the Atomic Scientists*, Oct. 1, 1946. If war were to take place soon, before Russia gains nuclear weapons, Russell wrote, America would surely win, "and American victory would no doubt lead to a world government under the hegemony of the United States—a result which, for my part, I should welcome with enthusiasm." And if Russia didn't welcome this world government, Russell stated, "there will be war sooner or later: it is therefore wise to use any degree of pressure that may be necessary."

will die, even if you don't make any new attacks.

What did Truman do? Well, Indo-China had been liberated—by whom? Well, by people from the OSS, and by Ho Chi Minh, who was a collaborator of the United States. What did we do? Well, the British requested, and Truman allowed: We had Japanese prisoners of war, in camps, in Indo-China. The orders were to release these people from the camps, give them back their weapons, and have them occupy Indo-China all over again—which had been liberated by forces associated with the U.S. OSS forces. We did the same kind of thing in Indonesia, which also had struggled for its liberation. The Dutch went in there with allies, and butchered the resistance to recolonization. Recolonization was on the agenda, this was the Truman policy.

So, what happened? Well, as a result of this, Truman was committed to a policy crafted by Bertrand Russell. Bertrand Russell was probably the most evil man of the 20th Century. He was the one who devised a policy of using nuclear bombardment, preventive nuclear bombardment, as a way of causing the Soviet Union and other nations to give up national sovereignty—i.e., globalization—and to submit to world government.

### An Economics Lesson

That was the Truman plan: Recolonize, loot, suppress, lie, kill! Betray everything he dared to betray. That's what he did.

We did something else. In this process, we formed a series of organizations, presumably to "fight Communism." Presumably. But what did they actually do? They targetted the section of the population born approximately between 1945 and 1957. This section of the population which was targetted, were families whose children would probably go to universities and become the leaders of society, the upper crust of society, once they came into maturity. Not the whole generation, but the generation of the upper 20% of family-income brackets, the future upper 20%, which became later known as the 68ers. The people who, in 1968, massed on the streets, and took their clothes off to demonstrate their sincerity—hmm?—and had all kinds of things they did; smoked everything, did everything, and so forth; and decided that people who worked for a living in blue collars, blue shirts, were no good; that farmers were no good; scientists were no good; technology was no good, and scientific and technological progress were no good. And having to work was lousy. This is called the Baby-Boomer.

These people were called the "Golden Generation"—which I used to refer to as the "Golden De-Generation": known for its brass! Right?

So, what happened is, we have a generation which is now between 50 and 67 years of age, from this particular stratum or influenced by this stratum, which has created a culture called the "Golden Generation" culture, or the Baby-Boomer culture, or "we don't fight; we kill, but we don't fight." We got a victim, we kill him. We don't fight. If he's got a gun, we



EIRNS/Philip Ulanowsky

*Baby Boomers today in leadership positions, 30 years ago glorified the destruction of industry, technology, science, and workers, and worshipped the all-natural Sun. This is the Sun Day celebration in New York, May 1978. "That isn't a day of worship," LaRouche said. "That's a day of devilry."*

don't fight.

What we have done, if you look at the figures on what's happened sociologically to our country, since the beginning or the middle of the Vietnam War, when the 68ers moved, we moved *against* infrastructure development, on which our economy depends. Fifty percent of a healthy economy depends upon basic economic infrastructure, power, water, so forth, municipal care, these kinds of things—50%. Most of this investment is in the form of investments in facilities or institutions, which have a half-life of 25 years, and a full life of 50 years or more. The kinds of things that are wearing out and breaking down and failing, today, in the United States, because we haven't repaired them; we haven't fixed them or replaced them during the past 40-odd years. And it was the Baby-Boomers that did it. They are the ones that came in with the "Green Revolution," with Sun Day—and that isn't a day of worship. That's a day of devilry.

So we have destroyed our economy deliberately. What we've done is, we've destroyed the kind of economy and the kind of society, an egalitarian society, which we had, and fought for, under Franklin Roosevelt, to get it back. After a lot of bum Presidents, like Teddy Roosevelt and Woodrow Wilson, who were Ku Klux Klan types, and they obviously are not egalitarians, are they? And people like Coolidge. And people like Hoover, who was personally not a bad guy, but he was an instrument of a bad policy, and he did rotten things accordingly.

We were being destroyed; we got our country back. Under Roosevelt and a group of people around him, who inspired our people who were being oppressed and immiserated—and I saw it—and who had done something else. We were a stinking population still in the '30s, I can tell you, I was there. I was in schools, I was in college and so forth, and I saw it.

## Reaction to Pearl Harbor

I was on the streets of New York on Dec. 7, 1941, a Sunday morning. And I was going over to a business appointment from the streets of New York to a hotel, where the relevant meeting was occurring. I got there. There was a strange mood in the hotel lobby. I couldn't understand it. And then I heard: Pearl Harbor had been struck.

Now, how did our people react? How did my generation react to that bombardment, to that news? You couldn't keep them from volunteering! There was no good news. There was no easy promise of victory. This was Hell!

But, in fact, for the alliance of the United States, the United Kingdom, *and* the Soviet Union, but for that alliance, you'd be living under Hitler, or an after-Hitler period, today. Those were the odds. We, in the United States, were the gut that saved humanity. And it was people of my generation reacting to '41, *and to Franklin Roosevelt*, that mobilized and turned the world around and saved humanity from what would have been otherwise inevitable Nazi terror, and occupation of the planet, and whatever came after Hitler. And it is *exactly that*, that is being betrayed, and it is *exactly that*, which is the purpose: That betrayal, *is the purpose of the policies* under which the Baby-Boomer generation, which now dominates the Congress, and dominates other leading institutions of society, was raised.

And you find, the fact of the matter that I have to deal with, and you have to deal with in life, you find that over the process since these events, since the events of 1968 to 1971 and beyond, that people who used to work for a living, and trade unionists, or farmers and so forth, who had pride, over the course of that period of the 1970s, began to lose their pride. They began to lose their sense that they were important people whose voice was important in shaping the policies of government. You saw a period, in the '70s and into the '80s, in which the typical person, who was in a Democratic Party organization as the popular part, began to drift away from parties. There's a separation of the political population; the

majority of the population was *separated* from the idea that government *was theirs*. That *they* owned the government—not completely, but had a voice in the government. It was what *they* said were their interests, which were their interests, or had to be heard as such.

Now, they don't believe that any more. The problem we have in the population, is the Golden Generation, so-called, generally 50 to 65 years of age, which runs most of the institutions, as a group, with their ideology, and says, "We make policy." Look what's happening right now to this Senate that wouldn't do a damned thing for the country! They said, "We want our riches. We're going for the upper class." What do you mean by the "upper class"? The upper 20% of family-income brackets. We're orienting, we're going to the right wing! We don't want to hear about the lower 80% of the population! We want the lower 80% of the population to be grateful for the fact that we're there! But don't come up to us, and ask us to do something for you. Don't ask us to listen to you. Don't ask us to remedy the evils that are done, with your consent, to us, to our communities.

And that's the cultural change. That's what we're up against.

## Our Cultural Problem

Now, I'm not saying that these people, of Golden Generation so-called, or the "Brassy Generation," are evil. I'm saying, they're corrupted. They're sophists! They have the same kind of mental disease that Greece had in Athens, that led Athens under Pericles, which had been at that point the leading civilization of the Mediterranean region of that time, and led it into an *act of murder*, on the island of Melos: a Nazi-like murder, which was the beginning of the total corruption of Greece, and led to the Peloponnesian War, which was the *end* of the hegemony of Greek civilization at that time.

We in the United States, the Athens of America, we have allowed the generation, just the way it was done in ancient Greece, in Athens before the Peloponnesian War, we allowed the young generation, people being raised to become adults, to rise at the time of their maturity, when they reached about the age of 20 and so forth, to be the "Golden Generation" of Pericles, of the "Golden Age" of Pericles: which was the *doom* of Greece!

We created a Golden Generation among us: the Baby-Boomer generation, the upper 20% of family-income brackets that bought into this deal.

And the way this was done, was by a very evil organization, led formally in the United States by Sidney Hook, a personal enemy of mine. Or the American Family Foundation, another evil institution. Large think-tanks, influential institutions, evil institutions, the corruption of our universities, the corruption of our campuses; the destruction of competent education; the brainwashing of people in all categories of education. This is what was done to us.

We have become the Athens of America, self-doomed:



CIA

*Under the guise of anti-communism, the CIA bankrolled the Congress for Cultural Freedom to attack all aspects of Classical culture, and produce a postwar generation of dummies. Here, LaRouche-hater Sidney Hook speaks at the opening session of a Congress for Cultural Freedom conference in Berlin, Germany, June 26-29, 1950.*

### *Because of the Golden Generation!*

Now, the only way you're going to get this thing solved, is in part through an upsurge of the masses of people who do not wait for "permission" for the voice of the lower 80% of our family income-brackets to speak of their rights, to speak of their interests, to speak of the interests of their generation, the coming generation, their children, their grandchildren.

And the second thing, we have to find *among* the Golden Generation, people such as Bill Clinton and others, who are decent human beings personally, and have good intentions, though they have the taint and corruption of being part of their generation: We have to get them to treat their generation as a disease, and set out to cure that disease, instead of adapting to it. The tendency of the Baby-Boomer is, they will not share anything except their diseases, especially their mental diseases. And that's what they do. And we want Bill Clinton to reform. And to become a prophet of what *has* to be done, rather than what he wants to adapt to. I know that'll take a lot of guts on his part. I think he's got the guts to do it, under the right circumstances, with the right kind of support from people immediately around him.

### **How To Save the Nation**

But that's our problem. We *can* save the nation. We *can* save civilization. There's no guarantee that it will work, but it's the only shot we have! Just as on Pearl Harbor Day, 1941: *It's the only shot we have.* It's either fight that war, or give up. And give up everything we live for. And give up the future of our people. We're going to fight, because *we have to fight*, because we have *no alternative but to fight*. Not because we seek war, but because it has been forced upon us: a fight to

save civilization.

Now, as you know, most people aren't civilized. That's a problem. And this comes through economics.

The basic problem—that's why I'm turning to economics here, today, not just economics as a subject per se, but economics as moral issue, an issue of personal morality, which most people lack. They don't know what personal morality is, in terms of economics. They don't know what the difference is, between man and an ape. That's the problem.

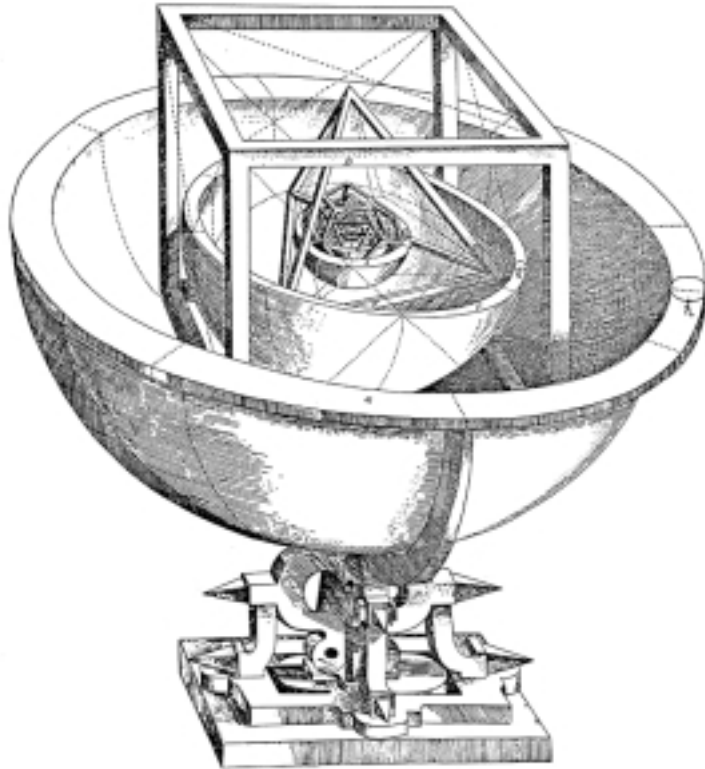
Every species of animal has a general limitation on its population-density. The limitation is relative. It's relative to the conditions under which the animal lives, or the animal species lives. But it has a limit. Man does not. If man were a higher ape, our population on this planet would never have exceeded several million individuals at any one time. We now have over 6 billion. How did that happen? And the greatest part of this growth in population, the rate of growth, and improvement in condition of life of the average human being on the planet, miserable as it is in some parts, has occurred since the beginning of the 15th Century, with the Golden Renaissance. And it began in Europe.

So, in European civilization, in the 15th Century, there was a beginning of change, where the life-expectancy and size of the population, the conquest of disease, the improvement of powers of man in production and so forth, and improvements in statecraft in the organization of society, all began there, that is, in a significant stage. We now have over 6 billion people. And that involves some problems, some challenges we can meet, so that's not the problem. But we have 6 billion people! Why do we have 6 billion people? Because we're not apes—much as many members of our Congress seem to believe they are. What's the difference in economics, and it's an issue which is central to my work in economics in particular? It's called creativity.

Now, people use the word creativity loosely. I mean, if a guy learns how to unzip his fly, it's called creativity. This is not what I mean. If he can't unzip his fly, that may be a lack of creativity, but that's a different kind of problem. And if he knows when to do it, and when not to do it, that's also very important.

### **Universal Principles**

Now, it's the discovery of a universal principle: In the first instance, we think of universal principles as universal *physical* principles. And one of the paradigms for this is Johannes Kepler's unique discovery of the principle of universal gravitation. And nobody else but Johannes Kepler made it, hmm? What is this difference? It's that mankind, the human mind, is capable of discovering universal physical principles in the universe, which no animal could do. We transmit these discoveries, if we're decent about it; we transmit the reenactment of these same discoveries to other human beings, who can reenact this discovery, because they, too, are human! We concentrate on educating our populations, so they are pre-



Engraving from Kepler's *Mysterium Cosmographicum*

*Creativity distinguishes human beings from animals, the ability to discover universal physical principles, "which no animal can do." Kepler is one of the paradigms of such creativity, LaRouche said, with his unique discovery of the principle of universal gravitation.*

*Here, Kepler's geometric ordering of the planetary orbits, which fit into a nesting of the Platonic solids, each solid having an inscribed and circumscribed sphere. At the center is the circumscribed sphere, which defines the orbit of Mercury; next are the octahedron, icosahedron, dodecahedron (of which the insphere is Earth and the circumsphere is Mars), tetrahedron, and cube.*

pared to go through the experience of reenacting these kinds of discoveries. To some degree, this is limited to professions. But it spills over from one profession to the population more generally.

And this is creativity.

Creativity also occurs in a different form. It occurs in the form of Classical art, true Classical art. Not Classical because it's ancient, or Classical because it's habitual. But because it has the same principle in it, as the discovery of a universal physical principle such as gravitation. For example: We concentrate in the Youth Movement on things like the Bach *Jesu, meine Freude* motet, because, in order to perform this competently—and that takes some help from people who are masters of it—in order to perform it competently, you have to do something—except you don't sing the notes. You have to do something much more: You have to understand how to integrate the performance of the voices in such a way, that



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*Although they may try, chimpanzees can't sing Bach.*

the intention of Bach comes forth. This means that you can not simply read a score, note by note. "I sing my note. I know my note. I sing my note!" A monkey can do that. But monkeys can't do Bach, just can't do it—some try, but they can't.

Because, in Classical art, you have the same thing: You have social processes, social relations, such as Classical polyphony, the singing of it. The same kind of processes which you use for physical scientific discoveries, are

now applied *to social relations*. This includes not only music, as in the Bach tradition, it also includes natural law, the formation of law; all the other kinds of things we do, to impart and share the potentialities of the human mind, *as unique*, as different from the apes, in our social life. Creativity.

Now, let's stick to Kepler, his discovery of gravitation. Now, the usual explanation is nonsense. What Kepler discovered was the basis for the Leibniz calculus: That is, that the principle of gravitation, the way it functioned, as Kepler measured this very precisely, is a constant rate of change in motion within the orbit. That is, the elliptical orbit does not determine the motion, the motion determines the elliptical orbit. Now, what Kepler emphasized is this particular characteristic, a principle of the universe.

Now, as others understood after him, such as Einstein in the 1950s when he commented on this thing in some detail, is that the principle of gravitation is universal: It exists as a



universal, in the universe, as an acting universal. So that the universe is therefore finite. Because there is nothing outside the reach of gravitation. There are other principles, which, like the principle of gravitation, are universal. And to the extent they are determined to be validly universal, we know that they reach as far as the universe does, at all times. And the universe is *finite* in respect to these principles. This, man discovers.

## Discoveries of the Human Mind

Therefore, these kinds of principles and the discovery by the human mind—something no animal can do—are what define the human being. And the just society, particularly modern society with our access to things, a just society does two things: First of all, it demands that every child be brought into this world, and developed with the ability, which is natural to them: with the development of the ability to understand and recognize universal principles, both physical principles and principles of Classical artistic composition. In this way, scientific progress is necessary for us, not merely because we need it materially to meet human needs. Scientific and Classical artistic progress is necessary because *we need it for our souls' sake*. We need to be human.

And we need to be human, in the sense that what we discover, that we transfer to people after us, when we die, lives on. So that, our brief life, our brief mortal life, is a moment in eternity, which lives in eternity, *because our living life participates in the universe, for all time*.

And, it's this perception, this understanding of oneself, and what it is to be human, which defines a moral society. Which is the willingness to die if necessary, for one's nation, in order to perpetuate these values for future generations of humanity, and also to honor the previous generations which have given us these gifts to share. We require technological progress, scientific progress, *not* merely to become richer, or more powerful, though we need that. We need scientific and technological progress and cultural progress, *because we need to be immortal*, as no animal can be. We need to participate in the discovery and application of universal physical principles and artistic principles that no animal could do. *And when we find our motivation and our morality, in that, we are morally invincible*.

## Immortality of the Individual

And what happened with the Baby-Boomer generation, is many of them will pretend to be Christians. I laugh: "Go tell God."

Because, they are *not* committed to anything! Typical: Look at your gaping audience of stupid creatures, these Tweeners. You see these films, these television programs of these masses of Tweeners, with a couple of old fakers on the platform, going through fundamentalism, like Tim LaHaye's fools. Dupes! They call themselves Christians? They love Jews so much, they're going to go out and kill them? Like



"Pretend Christians" like fundamentalist preacher Tim LaHaye and his popular "Left Behind" book series, support Zionism because they need to have Jews in the Holy Land in order to fulfill their ideological scheme of getting "raptured" into Heaven. The only problem for the Jews in this scheme, is that if they don't all convert to Christianity in LaHaye's version of the End Times, they'll all be killed, including some of the converts!

"This is fakery," LaRouche said, not Christianity.

Pictured are Drs. Tim LaHaye and his wife, Beverly, and one of his books.

Tim LaHaye? Hmm? They are Christians?

No! This is fakery.

But there is something real. There is the reality of the importance of recognizing the nature of the immortality of the individual, as distinct from the animals. And that the motive in life, is to serve that sense of immortality in an efficient way. And to honor those who have gone before us, as immortal for us, as we must commit ourselves to future generations of all humanity.

Because there are no human races: There's only one human race. All human beings, of whatever background, have biologically approximately the same potential for creativity. It's just a question of what happens to them, and how they develop. And whether we help them develop, or not. So therefore, that should be our motive.

Therefore, when you face a situation like this, the threat of war—and we are facing a threat of war, worse than anything we could imagine from World War I or II. That's what we face, now. We face *global asymmetric warfare*: We're facing a form of Hell which no man knows.

## Rohatyn Is a Nazi

But you have the force of evil, and Felix Rohatyn is *evil*. Some people say, "You shouldn't call him a Nazi." Why not? He is. "Well, he doesn't like it." Well, tell him to wash! Wash himself for a change.

No, the problem is, Felix is really evil. He's not evil in the sense that he stole a tart. He's evil in the sense that he's made himself immortally, intrinsically evil. Because, he's dedicated to the destruction of humanity. And he represents a group of people—*just exactly like that behind Hitler! Exactly the same!*—which has a conception that they want a



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*The privatized warfare plan of Felix Rohatyn and the Cheney crowd would replace the control of the military by governments with private armies—like Halliburton. “We had a proposal like that before,” LaRouche said. “It started the late part of the mid-1940s. It was called the international Waffen SS: Where the bankers behind the Nazi system were going to replace the Wehrmacht finally and totally with an international SS.” Here, SS storm troopers on parade in Nazi Germany.*

planet with less than a billion people on it. They want the elimination of the nation-state. They want globalization, controlled by these financier interests: *the same thing that the Hitler movement was for*, the same thing the people behind Hitler were for: Return to the Crusades.

Remember, look at the history of this thing. Charlemagne develops a world order, in collaboration with the Islamic culture of the Arab Baghdad Caliphate. In collaboration with Jews who were the mediation, largely, in the work between Haroun al-Rashid of Baghdad and Charlemagne. These forces moved to destroy what Charlemagne was trying to build. And they took a bunch of gangsters, who were called the Norman chivalry, working for Venetian usurers, and they set up a system called the Crusades. And they killed everybody: Muslims, Jews, everyone. And destroyed society, destroyed civilization.

What Rohatyn represents is a process, a movement, which has continued to exist in the Venetian tradition, since that time, which has moved in and is determined to create what is called a globalized world order, a globalized world order, in which much of society is destroyed, in which most nation-states which presently exist, disappear from the planet, in which the population is down to, say, three-quarters of a billion people, or less, in a fairly short order, and in which the world is run by syndicates of bankers.

Privatized warfare: What happened? For example, the case of Halliburton—what is Halliburton? And Rohatyn and George Shultz, and the Cheney crowd, Rumsfeld crowd, are all for this. *Destroy the control of the military by governments. Turn military functions over to private armies—like Halli-*

## HALLIBURTON

*The name of the privatized army today?*

*burton. Destroy the regular military, and let private armies, controlled by syndicates of financier power, run the world by force! We had a proposal like that; it started the late part of the mid-1940s. It was called the international Waffen SS: Where the bankers behind the Nazi system were going to replace the Wehrmacht, finally and totally, with an international SS, the international Waffen SS. Which is what Michael Le-deen represents in his proposals today.*

This is the kind of thing we’re dealing with. This is the enemy of civilization. We must destroy it.

### Generalized Irregular Warfare

Now, what happened? Israel did not start this current war—yes, there’s a war situation that’s been going on there in the region of Southwest Asia for a long time—*Cheney did! And Bush did!* Cheney didn’t dream it up. They’re the instruments which are used to launch it. The Israeli generals, the Israeli leaders, the senior ones, know this is crap! They know what the Israeli government and others are saying about this situation, is crap! The Hezbollah is not going to puffed away in a short period of time. We’re looking at generalized irregular warfare, throughout the entire region.

There is no solution in Iraq! Iraq will not be solved for a long time to come. The United States has made an unholy mess of Iraq which can not be repaired for a some time to come. Afghanistan, which we went into first, is now *far worse, far more menacing, than it ever was before!* We have the spread of chaos, throughout the world, bloody chaos! You’re looking at something like the beginning, the onset of a new dark age.

And some people wish to bring it on! This is what my Israeli friend said. He said there’s no likelihood that anybody would be involved in extending this war, which is being conducted nominally by Israel now, but which actually, Israel is doing *under orders*, from Cheney and company, and Bush—not on their own volition. That’s why they’re shutting up! They’re shutting up about the facts. They know the facts! They know the situation is hopeless. They know what, apart

from all the propaganda, they know what the forces are involved in, in southern Lebanon. They know the correlation of forces in the Middle East.

*This is insane!*

It is absolutely *insane* for Israel to be involved in that kind of war! It means the destruction of Israel and everything around it—in a fairly short order. Why do they do it? They're doing it, because they're being pressured to do it. And the pressure comes nominally through stupid Bush, who's a psychotic, and Cheney, who is a sociopath. But it's coming from higher levels, typified by the bankers who are associated with Felix Rohatyn.

## Turning Point

And therefore, we're at a point, where the problem we have with the Senate is *sophistry*. And the sophistry problem is what I've described: It's the Baby-Boomer generation, the Golden Generation-type of sophistry. And therefore, they don't accept reality! They reject reality! Because they assume that their *will*—hmm? The *Will*! Like Hitler: *the Will*! As at a Nuremberg rally: The *Will*! The All-Powerful *Will*, will do everything for us. "It is our *Will*, that it will happen. Therefore it'll happen." "We *Will*—we have *agreed*, that this will happen." "We in the Senate have *agreed*!" "We in the House have *agreed* (except for a few holdouts). There, it will happen. Because we have *agreed*!" "Heil Hitler!"

What's the difference? The act of the *Will*! The Triumph of *Will*. "I believe! I don't care what the truth is, *I believe*. I don't care what you say, *I believe*!" Like a fundamentalist rally: "I believe!" They're worshipping Satan; "I believe Christ." "Why do you believe in Satan, then? Why do you serve Satan?"

They say, "I'm all for the Jews."

Why?

"Because we're going to kill 'em." Tim LaHaye: When we get in power, we're going to give 'em one chance. You either become a Christian now, or we shoot you! Or something else!

The most vicious anti-Semites on this planets are called Zionists, like Tim LaHaye.

No, this is the problem: We don't have rationality. And we who fight for the tradition of the lower 80% of the population, we find ourselves outnumbered by the upper 20%. We produce—"Oh, you just produce. We are the ones who get the pensions. We get the golden parachutes. We are the important people."

"What do you do?"

"Oh, we take the money."

That's what you're dealing with!

So, the problem here, essentially is, these poor fellows, these Baby-Boomers, because they're sophists, do not believe in the soul. They may have thought they *sold* it for something or another, or it went out with garbage, went out with the bag full of garbage. They don't believe that they have an

immortality, they don't believe that they're accountable to past and future generations. They don't believe that their pleasure and what they get, physically, is not the end of life. Animals get that—you want to become an animal? Okay, become an animal! Take your citizenship card, tear it up. "I'm not a citizen any more, I'm an animal." Turn yourself in to the Animal Rescue League.

## Take Moral Responsibility

If you're a human being, then you have a moral responsibility, which is innate in the fact that you're a human being. And as you say in religion, you're out to save your soul! That's what you do things for. You don't have to be religious, in the formal sense of being a member of this or that religion: You have to know *that's what essential*. You do it *because it's the right thing to do*! You risk your life because it's the *right thing to do*. You take the pain, because it's the right thing to do. You take the risk, because it's the right thing to do.

How the devil do you think we got this far, in the United States? How do you think we got through Hitler, and got through the other problems we've had, except by people who took that? And who concentrated on trying to inspire and encourage other people to do likewise. It was always a minority of the total population that was the fighting edge of mankind, and everything good that happened. But much of the rest of mankind would follow along, and take the benefit, and say, "Hey, this is good, I gotta be something like that, myself."

So, this is inspiring people to understand, and find their morality—and I admit, it's very difficult to get a Baby-Boomer to accept morality, because they have a completely different agenda. But you have a few people like Bill Clinton and others, who are worth saving, and should be saved, and must be saved. In the sense, that these people are Baby-Boomers who can face up to the reality of their guilt, and do have a higher sense of morality, a commitment to do something for their future while they're still alive; something for the future of mankind, while they're still alive. And face the reality of the challenge and the risks we face, in doing that.

And that's what is lacking.

## The System Is About To Come Down

And thus, what's happened is you've come to a point, a watershed: We're at a point, where by approximately September, not precisely—forecasting is not predicting, it's not predicting something's going to happen in a mechanical statistical way—but approximately September, as it stands now, you can expect the whole system to come down. The way it's going now, it's finished. And most people in high places around the world, who are in this area, would tend to agree with me. "Yeah, you're right. You're probably right. This is what we're worried about."

We're getting that in Russia, we're getting it in Europe, and so forth. All these financial circles are saying, "It can't go on like this. The system is about to come down." And it'll

probably come down about September—plus or minus, who knows? There can be changes.

Then, that's the war situation. We're up at the point where you must estimate: We have to be prepared for the expectation that the system will come down in September. Maybe it won't, maybe it will. Maybe it'll come down later. If there's a change for the better, it might not come down. I could fix it, I could fix this thing. If I were President of the United States, I could deal with it. This jerk couldn't, of course.

But that's where we stand. Therefore: The enemy knows that, too. The people behind this stupid jerk, Felix Rohatyn know it, too. They know that approximately that time, they've got to figure the system will come down then. Their issue is, they want to get control of the world through chaos, *by the time the crash occurs*. To make sure that no Franklin Roosevelt, or his like, would intervene, as Roosevelt intervened in early March of 1933, to respond to a general crash of the world system, with initiatives from the United States, which, in fact, could save the world from Hell.

And that's what the issue is. And that's what my Israeli friend's problem was, in what he said: That, if the war is coming soon, if the breakdown of the system is coming soon, then, what is happening with the United States pushing Israel into a war which the Israeli leaders, at least all the sane ones, know is an *insane* project, well, then that's almost inevitable. We've got to stop it.

But we'll only stop it, by making clear what the issue is. This is not an "Israeli" issue. This is an issue of Felix Rohatyn and what he represents, the people behind poor, stupid Bush, and Cheney. They're the ones who are pushing this war. They're pushing Israel on a *suicide mission* for the greater glory of Cheney, and Felix Rohatyn! And we've got to stop it.

And therefore, we need people in the Congress and elsewhere, who have the *guts* to give up this sophistry of theirs, and face the facts about the economy and about the system. And be prepared to join us, and do what is necessary.

*I know what to do to deal with this financial crisis.* I know exactly what to do. And that's what I'm prepared to see done. *I need their permission to do it.*

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## Dialogue With LaRouche

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**Freeman:** Lyn, the first question actually comes from someone who directs one of the progressive think tanks here in Washington. And he says, "Mr. LaRouche, I was familiar with your organization long before I came to Washington to try to affect national policy. In fact, although I was never prepared to fully commit, I was on the fringes of your organization during a good portion of my college years."

He says, "Back then, you were harshly critical of people like George McGovern and Gene McCarthy. Yet, today, it does in fact seem that they are both counted among your friends.

"My question is, has your view of that period changed? Or have you simply decided to put differences aside for the sake of the greater good? I ask the question not simply out of personal interest, but I ask it, because it seems to me that if there is any way that we are going to make it through the current period, that people are going to have to take what are minor differences and put them aside, in the interest of a greater national interest."

### The 68er Takeover of the Democratic Party

**LaRouche:** Well, in that period of time, I was right, but I also did not disregard the personal merit of people like Gene McCarthy and McGovern. But they were wrong in their policy. Because, they were, in a sense, trying to adapt to the Democratic Party. Gene, less so; George, more so. But trying to adapt to the Democratic Party framework. Now, Gene was going outside the party, largely, in his Presidential campaign. So it's a different case, and he was blocked out, quite successfully in a sense. But his position was clear. And at that time, I had no real disagreement with Gene McCarthy.

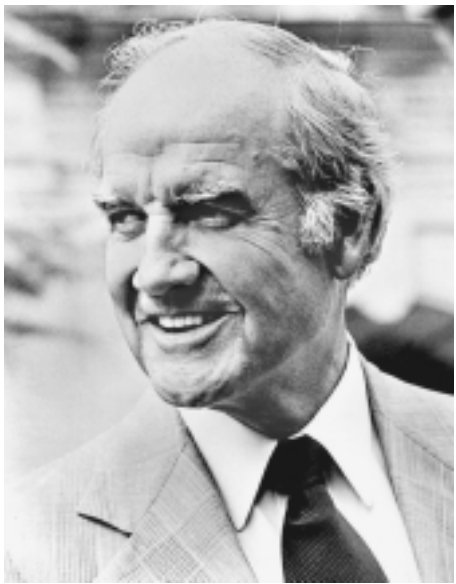
But, what I saw, was the Democratic Party was headed toward Hell. It was headed toward Hell, especially in the post-Kennedy period, by trying to adapt to the 68er phenomenon. And I knew what the 68er phenomenon was.

For example, I wrote a short paper, in June of 1968, having just observed the events, among others, at Columbia University during the spring. And the paper was entitled, "New Left, Local Control, and Fascism." Because, what I saw, in the second demonstration of the uprising at Columbia University and similar locations, I saw what was called the "Mathematics," or "RYM II": I saw fascism as nakedly out there, in terms of the 68er generation. The first strike at Columbia, was of one character. But then, what happened, is the people behind the Congress for Cultural Freedom moved in, corrupted and brought in other elements, and they staged a second strike of no purpose, which had a spirit of violence, and I watched what they were doing! And I said, "This is fascism! This is exactly what we saw on the streets of Berlin, in the relevant period in the early 1930s."

So, I wrote this thing on fascism. And at that point, the point I recognized in the Democratic Party, we saw that in the 68ers generally. The 68er movement was essentially, sociologically, and intellectually *a fascist movement*.

Now, McGovern got in on the idea of trying to deal with certain tendencies in the party, and regrouped the tendencies, and regroupment of forces around issues. I was opposed to that. Because, here we had the greatest financial crisis since the Depression, had just struck, in '71. I had just dealt with the thing—I'd forecast this thing. I knew it! I understood its implications. And McGovern was adapting to these layers, on a sort of a coalition within the Democratic Party, which I knew was a loser.

And the most important thing at that time, was to fight these tendencies! Not to say, "Let's try to build a coalition



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Left: George McGovern. Right: Sen. Eugene McCarthy on the Presidential campaign trail in 1968.

*In answer to a question about his past criticism of McCarthy and McGovern, LaRouche said that he “did not disregard the personal merit of people like Gene McCarthy and McGovern. But they were wrong in their policy. Because, they were, in a sense, trying to adapt to the Democratic Party—Gene, less so, George more so. Now, Gene was going outside the party, largely, in his Presidential campaign. So it’s a different case, and he was blocked out. . . . And at that time, I had no real disagreement with Gene McCarthy.”*

around them.” Don’t try to build ourselves into a corrupt organization! Because, what this country needs now, is leadership *away* from this direction. And you’re not going to give leadership worth anything, against this direction, which we’d gone into, unless you *oppose* this. So, I opposed it.

McGovern, I respected, as a person. But he was on the wrong tactic. And that’s what the problem was.

That’s often the case in life. You’ve got somebody who’s a decent fellow, wants to win the right war, but he’s got the wrong general. And he’s fighting the wrong war, not the war he thinks he’s fighting. But he’s compromising with forces which are going to lead to his destruction.

Look what happened in France, in 1940: The French were under the leadership of a fascist government. The fascist government wanted the German army to conquer France, the problem was that the French army, the French military was more powerful than the German military. So therefore, the only way they could get the German military to conquer France is by treason inside the French command. The treason inside the French command let the German military come through, in a known area; just as in the First World War, and come through and outflank the French forces, and put corrupt generals in the command of certain divisions, move the good troops in the wrong place, and the bad troops in the wrong place. So, you put poor troops where the fight was going to

be on, and you put the troops who were capable of fighting in places where the conflict was going to be less. And you kept the door *wide open*, for this flanking maneuver by the Wehrmacht. And the Wehrmacht came in with a flanking maneuver, and a fifth column inside the French government.

So therefore, in these kinds of situations, you have to think about winning the war. And when you run a campaign, you run a campaign to win the war.

See, people will say to me, “Well, why don’t you just try to not make so much—be so stiff in the Democratic Party?” “Why do you demand that they listen to you, so much? Why don’t you just quietly accept and work your way in there, and be accepted?”

I say: “Bullshit! I know what to do, and you don’t! Now, c’mon! You’re supposed to have brains, you’re supposed to recognize that I’m right, and you’re wrong. C’mon, wise up!”

### **First of All: Rohatyn Is a Nazi**

**Freeman:** Lyn, you’ll recognize who the question is from, when I ask it. He currently is a university professor, but he was in Washington not too long ago.

He says, “Mr. LaRouche, I have a couple of questions or points of clarification about your recent statements regarding the infrastructure policy that Felix Rohatyn has proposed. Let me preface my questions by saying that I locked horns with

Mr. Rohatyn over questions of economic policy back during the first Clinton Administration, and it was a very unpleasant encounter. My question, though, is this: Is your disagreement with Rohatyn's infrastructure proposal actually based on the proposal itself, or by what you believe is behind the proposal?

"The second part of my question is related, but a little bit different, and I think I know the answer to it, but I would still would like to hear it from you. Because some have taken your recent statements as supporting an argument that the government has to do it all, essentially as a transformation to what's commonly referred to as a command economy, if you will. However, my distinct recollection was that during Ron Brown's service as Secretary of Commerce, when Ron worked to put together a public-private consortium for reconstruction in the Balkans, and also for the construction of nuclear energy facilities in China, you were generally supportive of those efforts. I'd like you to explain a little bit more, some of the way these issues are posed."

**LaRouche:** Well, my opposition to Rohatyn is twofold. First of all, he's a Nazi. It's that simple. And his infrastructure policy for the United States is that. Now, there's a book which was written by a gentleman from Massachusetts, called *The Confessions of an Economic Hit Man*, which describes exactly Rohatyn's policy, in these confessions, and describes them as the policies of people like George Shultz and company.

Now, the question is, is what do we mean by infrastructure? What Rohatyn does, is he preys upon people who don't really understand economics in principle. They may understand something *about* economics, but they don't understand how an economic *system* works.

First of all, the typical training in economics—even among people who I respect as doing good work in economics—is they think in terms of statistical mechanics of monetary procedures, and things attached to it. They don't think of a dynamic system. And social processes are dynamic systems, like living systems. They are not statistical mechanic systems. Therefore, you can not argue the merits of something by itself, on the basis of, is this a good product or not? In the case of the economic hit men, the point was that many of the projects that were put in were based on good ideas of infrastructure as such, but the way the thing was structured was such that the very idea of having this dam or having this other project, was being used to indebt the country, to *wreck* it, and to conquer it, and ruin it, which was done to various countries in South and Central America, Asia, and so forth. And it's typical. So, therefore, you have to think about *how* the whole process is done.

Now, in government control, under our system, there's a certain element of it that has to be government controlled. Unlike European systems, which are not really civilized, the American System is based on a principle in the Constitution that the Federal government, with the consent of the Congress, has the power to utter currency. *No other agency has the*

*power to utter currency.* Thus, under the U.S. Constitution, when followed—and the U.S. Constitution is not merely a code of law, it is the definition of a system of economy, and was designed as such, as a *system of economy*, not as some kind of a legal partnership agreement or something. Therefore, the U.S. government has the *unique power over the utterance and management of its currency.*

That means that the Congress votes up a bill, which authorizes the Federal government, through the Department of the Treasury, to utter currency. Now, this utterance of currency may occur simply as a simple, direct utterance of currency as greenbacks on the street. Or it may occur simply as the transfer of Federal credit, through various banking institutions and other special institutions, to *fund projects* with Federal credit, such as large-scale infrastructure projects in particular. Or also, to provide credit to private enterprises which the government feels are in the vital interest of the nation.

We're now in a period in which the whole banking system, European and American banking system, is hopelessly bankrupt. There is no possible way that the banking system as it presently operates, could continue to operate on its own. Therefore, what is needed right now, is: *The Federal government must take the Federal Reserve System into receivership in bankruptcy.* Because the Federal Reserve System as representing its constituent elements, including its private elements, is now hopelessly bankrupt. Therefore, we are faced with a situation in which we must protect the stability of U.S. society and the U.S. economy, and the financial system as such. Therefore, the Federal government must put the Federal Reserve System into bankruptcy, into receivership.

Now in Europe, that can't be done, because in Europe, the governments are subject to control by private banking interests called independent central banking systems. European economics, what is called Keynesian economics included, is nothing but a remnant of a feudal society, in which private interests—as typified by ancient Venetian cartels, or by the Lombard League, which went down in the Dark Ages, the 13th Century—these institutions *have the power to regulate government*, and to dictate terms to government. And the government obeys, usually. There are exceptions, of course, but generally, that's the case.

In the U.S. Constitution, the banking system must submit to the government in the matter of the government's authority, which is Constitutional in respect to currency and Federal credit, and regulation of the banking system. Now, we have a situation where the private banking system is hopelessly bankrupt. There is no way this private banking system, as it presently exists, could continue to exist much longer. It's ready to blow, in a hyperinflationary explosion, which you see reflected in part in the hyperinflation in primary materials such as petroleum, metals, and so forth. It's gone! Finished. Over.

So therefore, if we're going to save the economy, save the nation, prevent chaos, the Federal government must now act

to put the Federal Reserve System in bankruptcy receivership, and take control and *management of it, under law*, to prevent chaos. Because we're going to have freeze this, freeze that, cut that out, do this, and so forth. We must keep the level of employment and production up. We can not allow anything to break down that's essential, and that becomes the primary responsibility of the Federal government.

Now, this is always implicit. It was implicit from the beginning of our nation. The idea of the Hamiltonian system, is that the Federal government is responsible, through the Treasury Department and through its obligation to the Congress, to regulate the currency and to manage its utterance, and the creation of Federal credit, which can be converted into currency through the banking system. That we must have an objective where we decide what are the goals of the nation. What has to be done to the nation as a dynamic system to keep the nation together?

### A Breakdown in Basic Economic Infrastructure

The basic problem we have yet, in the United States, is we have a breakdown in our basic economic infrastructure. Since approximately 1970, 1971, actually since about 1969, we've had a breakdown in the maintenance of the essential, basic economy, basic infrastructure. River systems; power systems; everything is broken down. Health-care systems, all are broken down. It's not the health-care system that has failed, it's the government, that has deliberately sabotaged the process, and broken the thing down, since the Nixon Administration was responsible for putting through the HMO legislation.

So therefore, we have to fix things that have been broken by neglect or otherwise, over the past period. We must have a functional economy. We must have health care for our people. We must have education. We must have combat against disease. We must have water management. Without these things, the private economy doesn't work.

Now, the infrastructure portion of the economy is about 50% of the total economy, if we calculate it in terms of requirements. Therefore, the Federal government has to follow somewhat like a Kennedy policy, John F. Kennedy policy. Which is the last time the U.S. government was moving in this kind of direction, was under Kennedy: Where he challenged the steel bosses, who subsequently rewarded him by shutting down the steel industry. So therefore, we have to have the public sector driving the economy with things like space projects. You know, we got ten cents back on every penny we spent on NASA, in terms of technologies spilling over with benefits into the economy in general. So therefore, we have to take those kinds of things, including education, which is related to that, we have to push these things that will drive the economic potential of the nation higher. We emphasize particularly the machine-tool sector, which is the driver for all technological progress in industry and agricul-



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*"We must look at the percentage of our population which is being thrown into the wastebasket, especially young people who are being destroyed. . . . We must get them integrated into the process and back into the productive system."*

ture, and other things. So, these things must be priorities.

We must, then, find people who are entrepreneurs in the private sector; we must promote their activity, by which they can prove to a reasonable bunch of people in the locality that they're competent. We will get them credit and give them a chance to succeed, because we need to have them succeed. We need to shift this economy back from a so-called service-economy orientation, to a productive-economy orientation. We have a vast amount of people who are becoming useless people—we don't count them, we write them off the lists. They're *nowhere near* a productive job, they're nowhere near the kind of employment and careers, where they could survive and raise a family into their later years.

So therefore, these kinds of objectives have to be our primary objectives.

So therefore, the idea of command economy, this is gobbledygook which is spread by people, like people from—Sidney Hook's friends, for example—the Congress of Cul-

tural Freedom, or the Congress for Cultural Obscenity.

This is what the problem is. And therefore, what you have to understand is that infrastructure is the territory of the nation as a whole, *the improvement of the territory of the nation as a whole*: which means water systems, water projects, power systems, everything. It means we need a high-technology orientation. You can calculate it at about 50% of the total annual expenditure of the United States government on current account; capital account may be larger.

Then we must promote, also, a reversal of the trend *away* from productive employment into a so-called services economy. We must look at the percentage of our population which is being thrown into the wastebasket; especially young people, who are being destroyed, thrown into the wastebasket. We must get them integrated into the process, and back into the productive system. We must educate them, we must give them job opportunities.

And this has to be an integrated policy. The freedom comes in the expression of creativity. That the object of wise government will give bright young people of promise and commitment, every possible chance to succeed. And we'll create the opportunities for them to succeed.

So, our country is not a free-trade society—hopefully not! Our economy is a land of opportunity for everyone. And the private sector is essentially the primary land of opportunity, where people are able to express their freedom in life, by doing good for society, and are encouraged to do so. And have a future and have honor, in which the people who do this work in the private sector find that the necessary infrastructure is next door, waiting for them, to support the local industry.

So, the problem is, people do not understand this. And therefore what they do is, they get taken in by people like Rohatyn, who is a complete swindler and liar. Rohatyn doesn't know *anything* about economy. He's a loan shark. That's essentially what he is. He's an organized-crime loan shark—that's his career profile. And he lies. And he works for an organization which created the Nazi system, which is still the same organization; the personnel have changed through attrition over the years, but he's still a Nazi, he's part of a Nazi system. You want him? You want him in our society, running our society? You want him taking away the functions of government and taking them over, and saying who lives and dies, according to what his private holdings decide?

That's fascism!



Stuart Lewis

*New York City was swindled by Felix Rohatyn and his Big MAC backers, so now there is an infrastructure emergency, with a general breakdown in water and power facilities. Here, the aftermath of a water main break in downtown New York, at 23rd Street and Broadway.*

## Rohatyn's Big MAC Swindle

**Freeman:** Okay, Lyn, the next question is from a Democratic Senator. He says, "Mr. LaRouche, I don't know if your D.C. audience is aware of it, but right now, about one-third of the City of New York is in a state of shutdown. Basically, the current heat wave has led to a severe overload of the city's energy grid. The problem is not simply expressed as rolling brown-outs, as have occurred in the past, but fires are currently breaking out along power lines that are ancient, decayed, and overloaded. The resultant damage will not be easily repaired.

"While I'm principally concerned with my home state, I suspect that this is not a unique circumstance. In fact, I need only read reports of the continued problems in New Orleans, to be convinced that much of what you say about the current infrastructure crisis in the United States is true.

"My question is this: While I understand your overall position, that broader questions of the organization of the financial system have to be addressed, why not simply go with a straightforward, basic infrastructure bill, and just pose that to both Democrats and Republicans, since it seems very hard to deny the nature of the problem? They probably are more likely to agree with that, than they are prepared to take on larger questions of global finance."

**LaRouche:** Well, I wouldn't be opposed to such emergency legislation, but it won't work in the long run unless you do something else as well. The problem, the way that New York got into the mess, which Rohatyn made worse—and really worse, because he's a thug, he stole, or his crowd stole—is, New York had a certain character going into the



World War II period. And coming out of the World War II period, there was a process immediately, which started with Levittown—is that you had a city which was decaying, in many aspects, in whole regions where the housing and so forth had been decaying.

Remember: New York had been the leading industrial city of the United States! And this was destroyed in the post-war period. Now, in the earlier period, New York, with all its faults, had been built up on the basis of its role *as chiefly an industrial power*, an industrial state! Not as a commercial state. Not as a financial community. But as an industrial state.

So, you saw the breakdown in several ways. First of all, you had the failure to *renew urban infrastructure*. Secondly, you had a destruction of the industrial character of the region. And then you had, of course, a complication: The tax revenue base structure was corrupt as Hell! Because the financier interests of the city pulled a vast swindle. An associate of mine and I did some work on this, of going back to the history of titles, of land titles, of property titles and mortgages in New York City. We went through this thing: New York real estate was a bubble, *a vast swindle*. And the people who lived in New York were paying for that swindle. So, the people who should have been taxed, on the basis of the swindle they were pulling, were not taxed. The renewal which should have occurred was not made. The industrial renewal which should have occurred was not made.

So therefore, as I said before, Rohatyn got in there. In testimony I gave before a New York City Council meeting, I said, “You guys have got to wake up. The city is going to revolt against you. You’re making promises, and you’re not delivering. Conditions are becoming worse, and you’re not correcting them. You’re making policies and proposals on the basis of things that you say will be good, but you don’t back it up. So therefore, the people of New York are subjected to promises, but no performance! And you’re going to face a crisis very soon as a result of this.” And they faced a crisis. But instead of fixing the crisis, they did the *worst possible thing*: They went Rohatyn’s way. They should have gone exactly the opposite way.

And you look at the way Victor Gotbaum operated, and the way other things operated in Big MAC—it was a *pure swindle*! The people of New York City were swindled! The State of New York was swindled. The government of New York City was swindled, by Felix Rohatyn and his backers.

Now today, therefore, we have we have two problems: Yes, you have an emergency. It’s like a forest fire emergency, as you described. I’m not surprised. We’re going to have this in many parts of the country. We have a general breakdown of power facilities and many other things—water facilities. Look, take the New York City municipal water system: How about that? Look down in the drains, look down in the piping: What’s coming through? Think back to the day when you could turn the faucet on, and get drinkable water out of the faucet. Look around the country for places where you can still

get drinkable water out of the faucet, if you don’t mind a worm or two.

So the point is, yes, emergency legislation, if you can get it through, get it through, because you have to make the repairs. But the repairs are the relatively shorter-term problem. Now, you have to find out how you’re going to pay for sustaining the repairs.

Therefore, you have to build a system. The problem here is a generic one for the nation. We have been going to a post-industrial society. Look at the ratio of people, what they are employed in. Look at the lack of capital investment per capita. Look at the breakdown in levels of technology per capita. There is no way this United States economy can function as it’s functioning. It has been *destroyed* by the 68ers! It has been destroyed by post-industrial ideology, and its application, and by financial swindles. We’re going to have to rebuild it *like it used to be—or better*.

And therefore, what you need is a 30- to 50-year kind of investment program, which is going to bring the factors into balance. The factors which expend what must be expended to maintain the population, and meet needs. But also, which will generate the income, which enables—from the private consumption and expenditure and public consumption, the money will be there, the support will be there, in terms of generated income to enable us to keep these projects going.

The mistake is when you come in with an approval, “I’m going to give you this nice thing in this city.” Who is going to pay for it? “Well, we’ll give you a loan.” But who is going to repay the loan, with the interest on it? Where is the industry, where is the income, that’s going to supply the support of this loan, of this debt?

So therefore, in the short-term, yes, it’s right to have the debt. It must be fixed, for human reasons. But, you must also think at the same time, of another category of action, a larger one, which creates the structure under which the continued financing of this process is generated through expansion of production and employment in that region.

**Freeman:** Once again, for those of you are listening via the Internet, you are listening to an address broadcast from Washington D.C., by the international economist and statesman, Lyndon LaRouche.

I’d like to, before I ask the next question, recognize a new audience for today’s webcast. It is my understanding that this webcast is being broadcast at the San Simon University in Cochabamba, Bolivia. This is a public university, and one of the three most important universities in the nation of Bolivia. As far as I know, we have never had a formal audience for one of these webcasts in that country, and therefore, I’d like to welcome them to the network that listens to and participates in these events internationally.

### **What Happened to the Democratic Party?**

Okay, the next question is from a Democratic consultant. He says, “Lyn, I probably should be better able to answer this



www.murray.senate.gov

*A Democratic Party consultant asked LaRouche what happened—why the Democrats fell apart after their fight to stop the privatization of Social Security. In brief, LaRouche replied, Felix Rohatyn “moved in.” Here, Democratic Senators at the FDR Memorial during the Social Security battle in February 2005: (From left) Harry Reid (Nev.), Charles Schumer (N.Y.), Jim Jeffords, (Ind-Vt.), Patty Murray (Wash.), and Jon Corzine (N.J.)*

question than you, but the fact is, that having spent a lot of sleepless nights trying to do just that, I failed.

“My question is this: Beginning with Barbara Boxer’s support of the Ohio delegation’s efforts to protect the vote, up through the vote to defeat the nuclear option and to stop the privatization of Social Security, I could say without reservation, that I was proud to call myself a Democrat. But somehow, things really started to fall apart around the time that the Senate was considering the Alito nomination. And today, we seem to be right back where we were the day after John Kerry prematurely conceded the Presidential election to George Bush. Some could argue that we’re actually in worse shape than then, because we actually proved during the Social Security fight, that we could win a fight, despite having a minority of votes in the Senate.

“My question is really a very simple one: What happened?”

**LaRouche:** Well, what happened, essentially, was Felix Rohatyn. On May 1 of last year, at the time I was proposing the follow-up to the then-ongoing fight to save Social Security, Felix Rohatyn had moved in. And we found that when I was warning of the auto crisis, that the Federal government had to act immediately to save not only the auto industry, but to save the U.S. economy, the Democrats were shifting away from me on that. “Well, well, well, it sounds a little leftist to us, you know?” Where was this coming from? It was coming from Felix Rohatyn. And, of course, Senators like Senator Dodd and a few others of that type in the Senate. So therefore, these guys being what they are, backed away. And they backed away more and more. They began to look at the pro-

posal for dealing with the auto crisis as well, a good thing to be on record as supporting, but not a life-and-death issue, a gut issue for the nation, of immediate urgency. And therefore, they backed more and more away.

Now, when we went into Nancy Pelosi’s address at Harvard University, there was still a commitment to a technological-driver orientation of the Democratic Party, particularly from the Senate, but elsewhere in the House. By mid-February, the time the Alito nomination issue was up, that had been dropped. A complete back-off on all of the issues. The Democratic Party had gone over, in certain large parts, to the Felix Rohatyn crowd, the Nazis, to put a plain name on it.

So, people have to reckon with their conscience on this one.

Now, You know how these things work. People belong to certain religious denominations, certain Freemasonic clubs, and other things of that type, and they depend upon this for their re-election, or whatever, and pressures on the family, pressures on this kind of circle. And over Christmas/New Year’s year-end, they got beaten up, back home, by the local boys working them over, in a coordinated way, and said, “Felix Rohatyn says this. Felix Rohatyn says this. This guy says this. This guy says this.”

You know Lieberman was against it. We know Dodd was against it. And the sabotage was going on. Howard Dean was against it. Howard Dean was very unhappy with what we were doing. And Howard Dean, and George Soros, and Felix Rohatyn are pretty much the same thing. And Dean is the leader of the Democratic campaign organization, which was a big mistake anyway! I mean, a guy who has a nervous breakdown in public, in the middle of a Presidential campaign, is not the desirable leader of a national political party! But, such is life.

So it’s that simple.

Now, the point is, people think there’s a certain “go along to get along” policy in the Senate, in particular, the Democratic Party in particular. And therefore, when a bunch of people get together and say, “Well, this is our club. And yeah, well, he has some ideas, interesting ideas, yeah. We maybe can use them two years from now, after the next Presidential election. But no, no, let’s not get too hot on this thing. You know, Felix doesn’t like it. We want to keep party unity. We want to keep unity, cooperation with certain Republicans, and so forth. C’mom. Let’s—‘go along to get along!’ ”

Go to Hell, to get to Hell!

Look, the only way you can deal with this in history, the *only* way: You’ve got to realize there’s one value which comes above all other values, and that is *truth*! Stop lying! Stop saying you believe in something, and then vote against it! Stop saying, “Yes, I agree with you, but we had to do this.” “Well, I know the guy was innocent, but we had to send him to the electric chair, because I didn’t want a quarrel among the family.” Hmm? That’s the state of the thing!

*It’s moral rotteness!* And the problem is *sophistry*! The

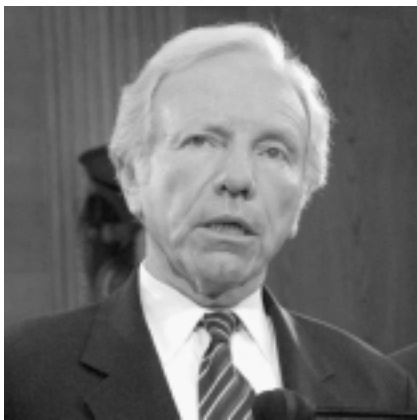


EIRNS/Dan Sturman

*Democratic Party saboteurs: (Clockwise from upper left) Felix Rohatyn, George Soros, Howard Dean, Christopher Dodd, Joe Lieberman. "People think there's a certain 'go along to get along' policy in the Senate, in the Democratic Party. . . ." The only way to deal with this in history, LaRouche said, is to realize that there's one value above all others, "and that is truth! Stop lying."*



EIRNS/Stuart Lewis



EIRNS/Stuart Lewis



U.S. Navy/Photographer's Mate 1st Class Shawn P. Eklund



DeanForAmerica/John Pettit

Baby-Boomer generation, especially those who are educated in this upper 20%, the Ivy League-influenced modalities of the Congress for Cultural Freedom: That's the *rot* in our society! That's the Delphic curse in our society, which corrupts—you know, as they say, "Fish stinks from the head." From the upper 20% of the population.

### The Trouble With Truman

**Freeman:** The next question is from one of the national directors of MoveOn.

"Mr. LaRouche, first—although this is certainly not the position of MoveOn—I'd like to personally commend you—indeed, to thank you—for everything you've done, especially since the convention in Boston. Taking note of what you did there, and what you did afterward, I decided to pursue a better understanding of your ideas. And since then, I've engaged in a lively and perhaps at times contentious dialogue with your representative. She's usually very patient about answering my questions, but there is one thing that I've noticed in your recent statements that I've not had the opportunity to ask, and this regards your view of what occurred in the United States in the post-World War II period. I happen to agree with you that we suffered a terrible loss when Franklin Delano Roosevelt died. But I'd like you to say more about why you have

such a negative view of Harry Truman, whom most Democrats hold in such very high regard."

**LaRouche:** Well, you know, of course, I answered this in part today, earlier, on Truman. I would also say that some people are, maybe not by intention but otherwise strongly attached to their habitual diseases. And the belief that Truman is a great Democrat is a typical sophist rumor, which has the quality of being a disease. This guy was a real bum! And what I said the other day, on the [June] 9th, you know: When they took one smell of him, when they totalled up the score, they said, "Git! You git! You stink!"

And they got him out. You know, being the Democratic Party, they got him out of there in a discreet way: "Go home." They let him wander the streets of New York for a while, and express his opinions on his daily walks. He's jauntily walking up and down the street, up towards Central Park, along Sixth Avenue and similar kinds of places. But he stunk! And his daughter didn't sing too well, either

So, it's just a fact of life. It's nothing. Just the fact that people revere something. You know, look at obesity in the U.S. population: Why do people become obese? Well, sometimes there are medical reasons. Sometimes, it's because of their habits, and they won't give up the habits. Or they live in the wrong neighborhood. Or they eat in the wrong joints.

Or they don't have enough money to buy a decent diet, and therefore they try to get the energy to go along by taking fatty foods of the type that we're stuffing into our children these days. The cheap foods which are flavored to attract children and make them expand, so they get a wide view of life.

So, this is the case of Truman. I have no apology for what I say about Truman, it's factually true: The guy's a bum. I could also talk about some other bums in the Presidency. Well, take—you got two guys—you got Teddy Roosevelt, who is not only the nephew of the head of the Confederate intelligence service, but was trained by him, and acted accordingly as President. You had Woodrow Wilson, who was a life-long supporter of the Ku Klux Klan, and who, from the White House itself, *launched the mass organizing of the Klan, again*, during the World War I period and during the 1920s. He's a no-goodnik!

Coolidge shut up, because he had the sense not to let people know what he was saying. Hoover was not a bad guy, but he was under the control of the people who owned him. And therefore he was a house servant of Andrew Mellon. He was not an independent figure as President.

And Truman was a bum, too. And Carter didn't know what the Presidency was, but he was President. Nixon was no good, but many of the people around him were worse. Reagan had a good side to him, but he also had a susceptible side to him. George H.W. Bush, of course, being the son of the guy who helped put Hitler into power, is not the greatest authority on morals and American interests. And his son is an idiot, which he came by honestly.

Clinton is a great guy, personally. I didn't like many of the things he did—I thought they were mistakes, but he's a great guy, personally. And I hope we can find a great guy, who also will not make many mistakes, as the next President.

## Time for a Third Party?

**Freeman:** After this question, I will actually start to entertain some questions from the audience.

This is a question that came in from a senior staffer to a Democratic Congressman, who also serves on the staff of the Progressive Caucus. She says: "Mr. LaRouche, I am extremely distressed by the unanimous passage of the resolution in support of Israel, and by what I also expect will be overwhelming support for that same measure in the House of Representatives. While nobody would argue that a nation—Israel or any other—has a right to defend itself against terrorism, I can not abide by what is currently going on. The Israelis are bombing a sovereign nation, that has committed no crime against them. I also don't understand how destroying the Beirut airport will stop Hezbollah.

"In my mind, what's happening couldn't be clearer. The administration wanted to open up a new front in their global war, by bombing Iran, and they were turned back. For a while, they played around with the prospect of war against North Korea, but it seemed that there was no appetite for that. Now,

they've given Israel a green light to start a new war, which I expect will spread to Iran and Syria.

"I simply cannot believe that not a single Democratic U.S. Senator would stand up and simply say that. Up until this week, I was still fairly optimistic that the Democratic Party would do the right thing. But the fact is, that if they would stand silent, simply for fear of angering the Zionist Lobby prior to an electoral campaign, when they are going to ask them for money—well, I just don't know what to say.

"Right now, I'm seriously considering resigning my post, although I really need this job. My question to you is this: Is it too late for the Democratic Party? And, even though I know all of the problems that are contained in this idea, has the time come when we have to think about a third party option in the United States?"

**LaRouche:** Well, there is obviously a case for a prospective change in the composition somewhat of the party alignments, in two ways. First of all, parties sometimes are exaggerated in their significance. They don't have airtight integrity, although they like to pretend they do. At least the leadership likes to control the membership, so they pretend that this is an airtight organization which is run from the top down. Some trade unions have the same problem. They sort of become a bureaucracy, which sits on the membership, rather than being a servant of the organization.

But, several things are obvious. First of all, United States policy should not be party policy. It should be United States policy. And parties should be instruments in the process of shaping that policy, not dictators of the policy, not one party, winner take all, as we had recently under the Bush Administration, particularly after the first midterm election. No, that's wrong. But, there are obviously, between certain Republicans and other Republicans, there is a deep gulf, moral and otherwise. And there are several subdivisions of that. There is a vast part of the U.S. population that has no attachment to any party. And some of these are large constituencies, which really don't have any strong attachment to any party. Although they may meddle with a bunch of them, they don't trust any of them.

So therefore, the time has come for a realignment of politics. And because of the nature of things, it means that it probably will have to be an evolution which functions in terms of some rescrambling of the structure of the two leading parties. I think we could have the fascist Republicans could go off in one direction, the fascist Democrats could go off in another direction, the honest Republicans and Democrats could go off in another direction, and somehow in that process, and with the process of election of representatives at the state level, we can make something out of this mess.

But the problem here, essentially, is to have a principled policy. When you're running something like a campaign for selling merchandise through public relations stunts, you don't get good politics. You have to start, and say, "Primarily, what is the interest of the nation? What overall, must we do now?



Sitio Oficial de Andrés Manuel López Obrador

*Mexican citizens rallying in support of Presidential candidate Andrés Manuel López Obrador, in his call for a recount of the July 2 vote. LaRouche said that he is sticking his snout in the situation now, because election fraud was created. American citizens must have a policy about Mexico, he said, because Mexican-Americans are the largest single designated minority in the United States. The illegal immigrants come here, he stressed, because of the lack of opportunity in Mexico, “created by a coup which was run by the United States government against President José López Portillo,” who drew the ire of the international financiers when he rallied Mexico in support of nationalization of the banks.*

What must we do in the world? What should be our policy about the world? How are we going to live in the world? What are we going to work with?” And start from that. And then, in that context, look at many of the regional and local issues.

### **The Mexican Elections and Immigration**

Let’s take for example, a concrete question: The question of the Mexico elections. Now, I did not stick my snout into the Presidential campaign in Mexico City, when I was in Monterrey. And I was very explicit about why I didn’t do that. Now, I stick my snout into the situation. Why? Because election fraud has been created. We have in the United States a very large Mexican-American population—many citizens, many non-citizens; many legal, some illegal, millions of illegals, too. Now, the illegals from Mexico, as Mexicans, largely come from sections of Mexico, which are suffering from the lack of opportunity created by a coup, which was run by the United States government against President López Portillo, at the end of López Portillo’s tenure as President.

So therefore, we have now got the largest single designated minority in the United States, is Mexican-Americans—of all these categories, citizens and non-citizens. The largest single group. We have across the border, we have the same population, largely from northern Mexico, the agricultural regions of the northern states of Mexico, which are now being hit by this, and Mexico as a whole is being hit by this. And what happens to us, in the United States, is with the insanity of these right-wing bills, these border bills, combined with producing a fascist-like turmoil and instability in Mexico below the border, what is going to happen inside the United States?

Therefore, we as American citizens must have a policy about Mexico. It’s not a party policy, though the parties should take a position on this. Other groups should take a position.

We have the strongest reaction on this in the state of California, where we have a significant responsibility, in the Democratic Party. And where there is a large concentration of

Mexican-American citizens and non-citizens, legals and illegals, all there. And many of them are the same *families* that are represented in northern Mexico! You want to have a crisis in northern Mexico? With a crisis already here in the United States, in terms of the living conditions of the people in the lower 80% of the family-income brackets? With a racist atmosphere being built up around this border bill, by the Bush Administration? You want that?

Democratic Party: you want that? You want the largest single minority—now you’ve estranged the African-American minority totally! They’re going over the Republicans, for the money being offered.

You want the whole United States torn apart, from the inside, because you’re *negligent* on this issue? Because the Bush Administration has played a role in taking a guy who has fascist credentials, Calderón, that is, of the Synarchist International, an organization that was brought into Mexico from Nazi headquarters in Berlin! And which is a part of the same faction that went into Chile and the Operation Condor in the Southern Cone under the benefit of Felix Rohatyn, George Shultz, and Henry Kissinger. You want that?

So, these are the kinds of problems that come up, which distinguish the men from the boys. The parties have to face up to the sociological reality of the conditions of life which threaten the great majority of our population. And large parts of the population which are called minority population, as this affects relations with other nations, especially neighboring nations, is of crucial importance! And when a party fails to step up to the line, on these kinds of issues, we have to—for example, we have to bring, if possible, unity. And this is where the Democratic Party *should* be acting: We have to bring unity among the African-American, so-called, and the Hispanic-American—the two largest minorities in the United States, as indicated minorities—together around the party, not for particularist issues, but for the issue of the benefit of the nation as a whole. The key thing with these groups, which are treated as minority groups, is that they are citizens of the United States, or would like to become citizens of the United States. And therefore, our willingness to enable them *to participate*, in an efficient way in shaping national policy, is a test of whether we’re going to have a nation or not, whether we’re going to have a republic any more.

So, the key thing is we have to have the question about: What is the best way to represent our functional interests as a republic? And let the parties develop around those ideas. Let the differences which may occur around them, let them be expressed. But let them be expressed with the view that we go into the functions of government, and we fight out and develop a unified policy for the nation on these issues.

## Take Action That Is Effective

**Freeman:** We do have some more institutional questions, but I’m going to start mixing in now questions from people who are here with us, and also some of the questions that are



EIRNS/Stuart Lewis

*Nevada State Senator Joe Neal asked LaRouche about the “will to act.” The ability to fight, the ability to function in action,” LaRouche said, depends upon something much more than just having an opinion. . . . Having a reasoned knowledge of what you should do, is worth a great deal.”*

coming in via the Internet, so that if people wish to submit questions and have not done so already, you still have time to do that.

Lyn, there’s a question from Sen. [Joe] Neal of Nevada. He says, “Lyn, at these meetings, you always add to my education. Please enhance my education by responding to the following question. Your expression of will seems to rule out action. Is it not true that independence of thought is hampered without the will to act?”

**LaRouche:** Well, I certainly am disposed to action, as I think you know. I get myself in a lot of trouble because I don’t just think, I act. I recommend that to people who have the courage to take that position. It’s most gratifying, though sometimes physically painful. You see, the problem, people become weak. You ask what makes cowards of people. Anyone who has been in military service, for example—and I was in a very minor position in the training cadre for a period of time in my military service—you ask the question as you look at the people you’ve got, whom you’re supposedly training, people you’re associated with, and you say, “What’s going to happen when this well-known substance hits the fan? Which guy is going to go in which direction?” And when you’re even in a training situation, you’re thinking in those directions. You’ve got some troops you’re supposed to train, they’ve been brought in in baskets, practically, from various parts of the country. You line them up on the company’s feet and you say, “We’ve just lost World War II,” you know. And so you think in terms, are you training people to become part of an effective, functioning unit where one person in the unit can trust another, and have confidence in one another, and how do you structure this thing to make it work that way? It comes to you automatically, if you think about it. Simple kinds of duties, simple kinds of things, of the most routine type. When you have an organized situation, an organized function, that’s

what comes up. How are the various people in the association going to function?

So, the ability to fight, the ability to function in action, depends upon something more than just having an opinion. Having an opinion isn't worth much. Having a reasoned knowledge of what you should do, is worth a great deal, because if you think of immortality, as I emphasized it here today, if you think of the difference between you and an ape, then you are inherently immortal, because you are in the process, even in the time of your mortal span of life, you are in the process, hopefully, of contributing something and perpetuating, at least, and adding to the store of knowledge which will determine the improvement of the condition of humanity in times to come. And therefore, what is important to you is ideas which correspond to that mission, and you'll stake your life on that, because you couldn't live with yourself if you didn't do it. This is having a conscience. Without that, you really don't have a conscience. If you are ashamed of doing this, or ashamed of doing that, that's not a conscience. A conscience is a commitment to a sense of principle of what you're willing to spend your life for, either over a longer term or the very short term, sometimes.

So, that's the issue. And thus, the function of education is to really give the individual a sense of what it is they should be willing to die for, either by the expenditure of the span of their mortal life, if it comes in a peaceful way, or if you are confronted with something where you must choose to act or not to act, are you going to defend your immortal soul? And that gives you the maximum capacity to act, and also the maximum capacity to act with constraint, not to do something which goes against your morals. To do good, but not to abuse the power to act, by doing something wrong, to anybody or just by negligence.

## Who Really Runs the Federal Reserve?

**Freeman:** I'll take another question from the audience, and then I'm going to go back and entertain a couple of institutional questions. I'd like to call Joe Joseph, who is president of UAW local 1970 in Detroit, Michigan, up to the microphone.

**Joseph:** Hi, thank you. My question, Lyn, is about the Federal Reserve, plain and simple. Who is really running it, how is it run, and who does it take off the hook when it goes into receivership?

**LaRouche:** Well, first of all, I look at it this way, because there are many things about it. It was snuck in as an attempt to introduce a European parliamentary form of government into the United States, and it was done by the combined efforts of two Presidencies, in particular, though others were involved: the two Presidents Teddy Roosevelt and Woodrow Wilson, and it was done under Wilson, initially, but it was done with the impetus supplied by Teddy Roosevelt, both of whom are two pro-Confederacy pigs, racist pigs, and not exactly good citizens of the United States.

In a sense, it is tolerable in some degree, but it's not tolerable the way it's being run now. What it represents essentially is a group of leading banking institutions, directly, and other institutions are tied to them. The stock market, for example, is very closely tied to them right now. So, these institutions form a body. It's a private body, largely, with some government restraints, some government individuals involved. But it tries to function as a control over the U.S. government. It tries to function like a European independent central bank, like the European Central Bank, which has no government. There is no government. There's no nation. It's a group of nations which are run by a private bank, the European Central Bank, the ECB. It's a swindle.

It's part of the process of globalization, and the Fed tries to act that way. This is why I endorsed [Henry Paulson], although I wasn't exactly enthusiastic about his appointment as the new Treasury Secretary, but the idea of reinforcing the position of the Treasurer of the United States as an authority *above* the Federal Reserve chairman, was a step in the right direction, institutionally. Because under our Constitution, the existence of debt of the United States—and it is the debt of the United States which is one of the key factors here in this system, in the Federal Reserve System—this is a responsibility of the constitutional authority of the Federal government, with the consent of the House of Representatives, essentially.

So therefore, what has to be done with the Fed—it's bankrupt now, because all of the major banks inside the Federal Reserve System are directly or indirectly bankrupt, and hopelessly bankrupt! Now therefore, acting as President of the United States, I've got to save the U.S. economy. I've got to defend the U.S. dollar. For example, if some idiot comes up with the idea of devaluing the dollar, say dropping it to 80% of its present value, you know what that will do to the world system? It will immediately blow out the world financial banking system. One of the most stupid ideas anyone could think of. So therefore, as President of the United States, I would have to be able to say, "We in the United States are going to defend the current value of the dollar at parity, at current parity. That's the policy of the United States." That statement, made by a President who knows what he's doing, and who can convince others that he really *does* know what he's doing, will be sufficient to stabilize the world system or provide the levers with which to do it.

Now, what does that mean? Inside this Federal Reserve System, in dollar denomination, I've got the biggest mass of bankrupt paper you've ever conceived of. Most of it is financial derivatives, and different kinds, like credit derivatives, largely created by Alan Greenspan. Eh? So therefore, I simply say, well, financial derivatives are not covered by us. They're not debts of the normal kind. We didn't incur these debts. People issued financial derivatives, gambling on our money! We're not responsible for you gamblers! Who had no control over you! You didn't *allow* us to have any control over you;

therefore, we're not responsible for you! Forget your credit derivatives-related obligations. They're gone, buddy! Ahhh! Now you can start to breathe.

We are also going to immediately issue, through the power of the Federal government with the consent of a willing Congress—and the citizens of this country, will they please help make the Congress willing?—we're going to issue a series of long-term credits, authorized by the House of Representatives, for large-scale infrastructure projects like the recovery program we proposed on the auto industry. We're going to put up the credit to take these facilities, productive facilities, and do similar kinds of things in infrastructure, and we're going to expand productive employment in the United States, to the degree that the actual income, the genuine income, of the United States is going to be increased. It's not only going to be increased in total amount, it's also going to be increased per capita. Because when we take people and shift them from non-employment, or employment in unskilled services, and put them back into manufacturing, or agriculture, good agriculture, now what we're doing is we're increasing the total income per capita at a high rate. National income. Therefore, we now have larger tax revenue, in just the normal process of the tax rate! Communities which are shutting down, now begin to be able to finance some of their own activities, like schools and hospitals and normal things of that sort.

So our job is to have a project to increase the total production of the United States, using infrastructure as the starting point, because if you build infrastructure, you issue contracts to private contractors, to do this and that and so forth. You have subsidiary private industries that come in on this thing, so suddenly you have a multiplier factor. You increase the total product, and now you also increase the tax revenue income base, to sustain local community, state activity as well as Federal. So now your rate of income, as against your rate of current operating costs, is dropped back into balance. All you have to do is increase the level of production in the United States, per capita, in the right form of capital-intensity and technology, and suddenly you are above breakeven, where presently we're operating at a substantial ongoing loss.

So therefore, if I do that then, I can defy the world, and say, look, we'll not only honor this dollar and defend this dollar, we're going to make the dollar the strongest in the world, so you'd better hold onto it. And we're going to bring you in on the goodies, by coming into long-term agreements among nations, which will give *you* a share of the benefit of this kind of recovery, which you can't do under *your* Constitution, but which we can do under ours. You work with us, you get part of the pie.

So that's the way you have to operate. You need that kind of vision. It's not a fantasy. This is the way that economy really works. When our system of economy, when the American System of Political Economy, works the way it was in-

tended, this is what we can do under modern circumstances. And that's what we need. And Joe, you know what we can do! We can just take these plants they were stealing, closing down, and just what we could generate out of that sector, of the extended automobile sector, is enough to give an impetus for going over from a loss economy to a growing economy. And all we need is the Federal credit and the rules and the laws to make it work.

## Why Is the DLC Coming Back Into Prominence?

**Freeman:** Lyn, the next question is from a Democratic member of the House of Representatives, who is also a member of the Congressional Black Caucus. He says: "Mr. LaRouche, the Democratic Leadership Council's policy of triangulation, or of 'two Republican parties,' seriously damaged Bill Clinton's Presidency. The continued failures of Democrats to clearly differentiate themselves from the Republicans on questions of foreign policy, and to stand up and fight as well for an economic bill of rights, led to several other defeats, most notably John Kerry's defeat as a Presidential candidate. But, when George Bush made the mistake of trying to privatize Social Security, leaders of the Democratic Party locked ranks, stood before the FDR statue and made clear that they would not allow this. The message that they delivered, went beyond simply the issue of Social Security. It seemed that what they were actually saying is that the Democratic Party was reasserting itself as the party of FDR. At that time, I don't know how many people actually believed that the Democrats would prevail, given the fact that the Republicans had a majority in both Houses, but in fact, they did prevail. My view at the time, was that if nothing else had been accomplished, the DLC and this idea of two Republican parties had once and for all been discredited and put to rest.

"However, in the last few months, the DLC has come back, and has come back strong, and they are exerting enormous influence in shaping the approach of the upcoming national elections. What do you think accounts for their ability to come back, when they were so significantly discredited, and why has no one spoken out against it?"

**LaRouche:** Well, there was some dirty work on the inside. It happened to Clinton, as you referred to in the question. We saw that, I saw that personally. I saw it coming. I can give you a list of some of the names I know, on the inside of the Democratic Party, on the inside of the U.S. Presidency at the time, who were responsible for this. Just think about the people who publicly urged Clinton to resign, so that Al Gore could become President. Who these guys were. And look at them today.

Let's take another side to this thing. There are people in the DLC who have controlling interests in it from the beginning, whose personal roots are in organized crime, or were in organized crime. Eh? And those who were not in what is



called organized crime, but which *should* have been called organized crime, like George Soros and Felix Rohatyn. So you have a type of mentality, which historically we associate with an organized crime mentality, and these guys operate in the Democratic Party the way an organized crime boss in New York City in the old days, operates in his ward. And they make threats, just as Rohatyn makes threats, just as Soros makes threats, just as Al Gore made the biggest ass in the world of himself in Southwest Asia against Malaysia, against the Prime Minister of Malaysia, on a visit there. He should have been fired! He should have been impeached for that performance! It was a disgrace to the human race; he should have been impeached from the human race for doing that, let alone the Democratic Party, let alone the U.S. Presidency.

So that's where the problem lies. When you're living in a neighborhood, and your family is faced with threats from organized crime—and that's the way these guys operate! Steinhart, Rohatyn and company, Soros and company, how do you think they operate? With bait and switch! If you're nice to me, I'll smile at you. If you're not, I'll kill ya! And there are various ways to kill you. I'll kill your career. I've got something on you. I can cause a Federal prosecution against you. I can cause an impeachment. I got something on members of your family. I control the people in your church. This and that and so forth. That's how it works.

So you have to have the guts of a soldier to stand up against these kind of guys. And when they're coming to get you, you meet with the other people who they're coming to get, and you develop a battle plan. You see, we did that! Remember what happened after the defeat in the election in 2000, and then again the defeat in 2004. In both cases, I responded. At the end of November in 2000, I responded, and we got something going. It was later destroyed. I warned what was going to happen exactly, and it did happen, didn't it? I said before Bush was inaugurated, because Bush is stupid and the economy had already begun to collapse, that the Bush Administration would collapse, and therefore you would have to look for something like what happened in Germany, when Hermann Göring set fire to the Reichstag, in order to create the condition under which Hitler was given dictatorial powers. And Hitler didn't give up the dictatorial powers until the day he killed himself. And I said we had to expect that. Then we had 9/11.

Now, how did *that* happen? You think it was a bunch of "A-rabs" did that? Eh? Or do you think that something like the Kennedy assassination had happened? Or a similar kind of thing? Or what was done in Bombay, or Mumbai, just a couple of weeks ago. A major terrorist incident comparable, maybe not in scale, but comparable in type and backing, to what happened on 9/11 in New York City! It was done as a strategic move; a global strategic terrorist action was run in Mumbai, and it was run against Russia and the Shanghai Cooperation Organization, as well as India. And it was run as an integral part of what the Israelis were being induced to do,

under Cheney's backing and other backing, in the case of what is going on now in Southwest Asia. Strategic move!

We are now on the verge of going into something like World War II, but of a different form, and worse! Because the system is more vulnerable today than it was then. Assymetric warfare spreading globally. You want it? You can have it, if we don't stop this thing in Southwest Asia and don't stop what Bush and Cheney are doing now! It's not the Israelis. The Israelis are being pushed! They're being demanded they do it! And they know it's stupid, but the United States is behind them, and pushing them from behind, and that's the only reason they're doing it. And that, of course, is the reason why the cowardly Senate voted up endorsement for what Israel's being pushed into doing.

So, the point is, in this kind of situation, you have to understand the situation. You have to understand what you fight for, what you should fight for, and fight for it. You're up against something like the DLC, and say—look, as I will say here and now and as I've said before, I don't *like* those guys! They're no damn good! What do we need them for?

## The Evil, Malthusian Mind

**Freeman:** Lyn, the next question has come in a variety of forms, by about a dozen people who have submitted questions via the Internet, so I'm just going to kind of summarize the questions and let you deal with it. The question has to do with the fact that, in your recent paper, you say that the Anglo-Dutch bankers have the intention of decreasing the world's population to less than 1 billion people. The question is, why would they do that, and how does this benefit them to reduce the world's population to this level? And also, how exactly do they intend to do that?

**LaRouche:** You have in northern Europe, in the area which is Dutch in its provenance, you have the Flemish and the Dutch, which is essentially the same population, next door to each other—one inside Belgium, one inside the Netherlands. Now, let's look at the profile of the life expectancy on both sides of the border, among what is essentially the same cultural population. If you're 70 years of age, and get the sniffles inside Dutch territory, you're dead! You look at the profile, by age group, of the Dutch population, above 70, you're likely dead. You look at the Flemish population next door—the same population, the same essential culture—plenty of people over 100 and in their 90s. On the Dutch side—[slices hand across throat]. If you have an accident or an illness in the Dutch medical system, you have two levels. You have the actual emergency case, additional care—surgery and so forth—then you're given into care. If you're given into care, and you're over 70, good-bye! Now, that gives you some idea, if the Dutch will do that to themselves, their own people, what are you saying about the Anglo-Dutch crowd?

Now the Dutch have this significance. Of course, people are people. Remember, these are Dutch. They have the same culture on both sides of the border, essentially. Essentially,



*"Population purification" wasn't invented by the Nazis, LaRouche said. The American financial oligarchy "introduced euthanasia to European civilisation. . . . The German euthanasia program came from the United States, from the Harrimans and company. It was practiced in South Carolina and Virginia, earlier. . . ." Here, the elite eugenicists pose at the Third International Congress of Eugenics, in New York City, Aug. 22, 1932.*

the same morality on both sides of the border. So the same population, the same culture on one side of the border has medical care for people up through their 100s, and a significant number in their 90s. On the other side of the border, empty, empty. So therefore, it's from the top, isn't it? It's not from the people, it's from their government. That's what the difference is.

Now, what's the Dutch government? Well, the guys who created Felix Rohatyn, out of mud or some less noble material, Meyer and company, the Worms family, were the connection of the Synarchist International based in Paris, into Royal Dutch Shell of Deterding. Now, Deterding was one of the major funders of Adolf Hitler. Dutch! Power in the Dutch Royal Family. Deterding and company were also tied to the British royal family, through institutions such as the Bank of Scotland, which is the British Royal Family's private bank, and similar institutions of the London system. So, what you have is you have a triangle, which historically goes back to the days of Napoleon Bonaparte, to the time when Napoleon was defeated, in which the Banque de France, which was created by Napoleon, together with the Dutch and the British banking system, the Anglo-Dutch Liberal banking system, formed a triangle of power, of imperial implications. This is what we fought against in defending our United States. This is what we fought against in the American Revolution.

Now, this crowd wants an empire. Now, it's very difficult to maintain an empire with intelligent people as victims. You want people to be stupid. Now, the first thing you want to do,

is you want to kill off people who are too smart, because they're troublesome, they're trouble-makers. "Kill 'em! Imprison 'em!" That's what they did with me. "Get him out of the way. Too dangerous." Now, you also take some other steps: Make 'em stupid. How do you make them stupid? Well, don't give them intelligent employment. Eliminate technological progress; limit technological progress to know-how, to repeat and carry out certain recipes, formulas like recipes, but don't have scientific thinking. Eliminate Classical culture, because Classical culture breeds a high quality of intellect, where popular music destroys it, for example. Eh? Don't educate them much. Give them menial labor to do.

Now, what does that mean? That means that if you reduce the intellectual level, the skill level of the population in general, you lower the productive potential of the population and of the society. We now have over 6 billion people on this planet. If you go to a post-industrial orientation, you can't maintain a population of 6 billion people. If you do what they're doing now, the trend that's going now, you're going to reduce the world's population potential to between a half-billion and three-quarters of a billion people. That's a fair estimate. And you do that in a fair share of time. Therefore, if you know these are your policies, you know that you're going to have to reduce the population. If you want *your* population to be significant as a factor in the empire you're creating, together with your accomplices, then you want to manage your population the way you manage a herd of cattle. Seventy, buddy? You're out! Lame, sick, incurable illness?

You're out! Serious accident? You're out! You *purify* the population. Population purification, in anticipation of a general collapse. That's the mentality you're dealing with!

People don't know that this is what you're dealing with. This is the enemy! Read the stuff. Know it. Even the American financial oligarchy, they have the same ideas! Who introduced euthanasia to European civilization? It wasn't Germany. The German euthanasia program came from the United States, from the Harrimans and company! It was practiced in South Carolina and Virginia and so forth, earlier, here!

This is the mentality of what we're up against. We're up against the most evil people of importance on this planet today. And we have many of them right here, as well as in the Netherlands. And if you want to see it, all you have to do is look at the facts. Look at health care, look at the HMO system. What do you think it is? It's a population-reduction system! And the rate of population reduction under HMO is about to increase savagely. Don't we know that? It's already ongoing. What about pensions? Useless bums getting high salaries at General Motors, who are not qualified to wind a watch, let alone run a corporation! Look at the golden parachutes they get after a few years of disservice to the corporation! What about the guy who's worked for the airlines or General Motors or something else, what happened to *his* pension? The guy who produced, who thought he had a pension, who thought he had a health-care plan. What happened to it? It was taken away. Why? Well, they have this important guy who needs a golden parachute! And you guys, we don't need you anymore. So, you know what you can do! You can go off and die. You don't have health care? Oh, you may die. So what? It's not important, is it? You don't have a job anymore, do you? No reason to live, do you?

No, people have to learn the lesson, and stop covering their eyes when they're looking at pure evil. Some of it's abroad. We have a lot of it right here. Some of it even in the leadership of the Democratic Party.

## How Retooling Industry Can Be Done

**Freeman:** I'd like to call on someone from here in the audience. Tony Currington, who's the vice president of UAW Local 696 in Dayton, Ohio. Do you want to ask your question, or do you want me to read it? Oh, you want me to read it? Okay. It says, "Lyn, you've spoken many times on the subject of retooling the American automotive workforce. My question is this: Could you please explain how the government, precisely, should intervene to make this a real possibility, and then the reciprocating effects of this massive undertaking?"

**LaRouche:** Well, what I probably would do is, I'd probably have the government—in this case, a corporation—take in these idle capacities as integral parts. We know that we can have one big cost saving. We can eliminate most of the management, because they don't do anything! Without going into detail—I could give you technical details and so forth, but these guys are nothing but parasites. They're overlords,

and they're in there for a short term. They're not building anything! Look at the deterioration in the relative quality of GM, Ford, and other products, relative to their competitors. The technological improvement is not there. They're not mission-oriented! They haven't been mission-oriented since 1990! They gave up the mission orientation, when they went to computer design as opposed to machine-tool design, *real* machine-tool design, *original* machine-tool design.

Now, we have a lot of things which are high-gain tasks. We have labor force in cities, towns, where the town as a whole depends upon these industries. So, the point is to keep these things in place where they are, because every one of them—and look at this by going through the list of what their potentials are—every one of them has a potential, as a part of building things the United States actually needs. So we're not merely trying to restore and maintain the U.S. economy, where we have a productive labor force as opposed to people who have no training whatsoever, but we also are going to create new products which are better and more useful for the United States, than the kind of automobiles they were producing!

For example, fixing the locks and dams and so forth of the river systems is high gain. Shifting over into high rates of developing high-temperature gas-cooled nuclear reactors, in which these kinds of capabilities can be mastered. Building a national rail system again, in modern technology. Eh? These plants have the ability, within a year or so, to start making things which are relevant to these kinds of projects, for which some of the designs already exist. So therefore, if the government takes over, we keep the jobs, but we produce new things. We don't need as many automobiles. We've had too many. If we had a mass transit system—if you look at the traffic jam around any part of the United States, you see what the lack of mass transit does. You see the way the cities are organized. They're getting too big! And the traffic jams, the inefficiencies of the cities, are too big! They should be smaller! And more diversified. Less emphasis on a single product.

So therefore, we build up that sort of thing, and in that way, we actually increase the productivity per capita of the whole U.S. population. Producing automobiles at ridiculous prices relative to the way they've been doing—giving away this and giving away that—not overproducing automobiles, but shifting automobile capacity, especially its machine-tool capacity, into these categories, means automatically, immediately, an increase in the productive powers of labor in the United States, and improving the economy. And by shifting this to the kinds of products which will be beneficial to the entire economy, we increase the productivity of the labor force.

Now, you don't need the management, because all you have to do is have some responsible people who represent the corporation which was created to take over these entities, and you can find among the people who are working in the plant, that is, the actual plant managers, plant manager types, the



Army Corps of Engineers

*We need to restore and maintain our infrastructure, LaRouche said, such as repairing locks and dams, and other high gain tasks, as well as creating new useful products for the United States—railroads, nuclear plants, and so on. Here, a gate lifter positions a temporary gate in place for a Quad Cities, Ill. lock, as part of a repair program. a temporary gate in place.*

product manager, design manager, you put *them* in charge of the plant, because that's what they're going to do! They're going to come up with these ideas. Wherever you have good machine-tool operatives, senior machine-tool design operatives, in the automobile industry, you have people who are innately innovative. If you have a system of communication and government participation, to fight out what the projects will be and where they'll occur, you'll find design engineers can do the job. Maybe it can be done better, but it will be good enough, which means you start to move the population into new categories, a new expansion of technology.

Then we can do something else. We have a lot of youth, who are being destroyed. We've got to move these youth out of the places they live, because what's happened is, the place they live has become a disease in itself. They're being raised in a disease. If you move them out as we did with the CCCs—you move them out of there, as AmeriCorps represents the potential for doing that. And move them for a period of a year or two, into development, and special projects, where they're going to be educated, where they're going to get some of the rot out of their system, from the old 'hood, eh? Get the rot out of the system.

And they will amount to something, on their own.

So, now you take a section of the population, which is a cost factor, and a waste, and a human obscenity, and you move these young people into an area where they can become part of the future of the nation. And have a future of their own. And make the nation richer by their being employed in things which are useful to the nation as a whole.

And you don't need these guys with their golden para-

chutes. I would suggest a cast-iron, or a concrete, parachute would be better.

### What Role for the Banks?

**Freeman:** We have another question, Lyn, from the House of Representatives, from a Democratic member of the House. "Mr. LaRouche. Although there was some early opposition to some of FDR's programs to get the United States out of the Depression, ultimately, FDR prevailed because of two things: one, certainly he did organize the support of the vast majority of the American people; but second, he actually was able to employ cooperation from industrialists, and, to a certain degree, from some bankers. Can we actually launch a reconstruction effort in the United States, without the cooperation of the American banks? And I ask you this very specifically, because of your criticism of Felix Rohatyn."

**LaRouche:** Well, the first way to improve the United States economy is get rid of Felix Rohatyn. Ship him back to Paris, where he can be the parasite he loves to be.

These guys are no damned good. NDG—No Damned Good.

You don't need them. There are enough people in the banking area, as professionals, as bankers, who know enough about what they do, that they can do the job that needs to be done.

Now, first of all, the banks are going to be closed *down*. They are dead. They are dead things sucking on the blood of the living. Now, I'm on the side of the living, not the dead things, the NDG, no good dead things, right? We don't need them. No one can convince me we need any of them. It's a

disease! I do not need diseases! My body does not require diseases. I'm old enough! I don't require any new diseases—or even some of the old ones.

So, therefore, what we need is a Federal banking system, which is based on salvaging some of the most talented bankers we have in the system, who are personally talented, and giving them a mission, to work with the government, to take banks which are otherwise going to go “bang,” out totally. Take these banks, with all the assets, the deposits, all the things associated with it, and keep them functioning—under government protection, until they can stand on their own feet. And the Federal money will be funneled in a large way, the Federal credit will be funneled through these banking institutions, to where it has to go.

Look, we have to maintain a supply of credit to communities, both private and public. We have to maintain the level of functioning of essential institutions. We have to keep the level of employment in the country, up above breakeven. This we will do with the cooperation of the Federal government, and the banking system, largely, because the banking system will be responsible also to make sure that states, and localities, also have a program of credit coming in through there, to keep these communities functioning. We can not have a disintegration of the United States, in part or whole.

So, we need bankers for that. Felix Rohatyn is simply a predator. You want to see what his predators do—. Now, the difference between Felix and his predecessors, the people behind the Nazis, in the 1920s and the 1930s and 1940s: These guys commanded technological competence. The people associated with Felix Rohatyn do not have technological competence. They belong to the post-industrial society. They are the epitome of it. You want to keep them out of it, no matter how much money they might have had, and I don't think that Felix has much honest income, to lend to anyone. You take away the dishonest income, I don't think there's much to lend.

So, therefore, you don't want them, because they're useless, at best. And if you turn them loose, they're criminal. You see what they're doing. You see what they do in various parts of the world. There is no rational reason, honest reason, for any Democrat to defend Felix Rohatyn. There's no intelligent and honest Democrat, who could make a rational case for justifying Felix Rohatyn in the system.

### Why Wasn't Rove Indicted?

**Freeman:** The next question is from a Washington, D.C. journalist, and syndicated columnist. He says, “Mr. LaRouche, you made no public comment regarding the Fitzgerald decision not to indict Karl Rove. However, recently published statements by Mr. [Robert] Novak leave little doubt that Karl Rove did exactly what we suspected that he did, in leaking Valerie Plame's name to the press. Why do you think the decision was made not to indict him, and how harmful do you think this is, in terms of the overall drive to undermine Cheney's influence in this Administration?”

**LaRouche:** Oh, the basic responsibility for what should have been done on Rove, is that of the Democratic Party. The Democratic Party became almost a fellow-traveller of the Bush Administration. And that happened with the Alito nomination issue, fight, in February of this past year. And the rate of the degeneration of the Democratic Party in terms of behavior, in terms of morals and practice, and timidity, and plain, sheer gutlessness, has created a wide-open situation, where there was no significant pressure on Rove any more. And because some of the right wing in the Democratic Party, typified by the Down, Lousy, and Cheating, the DLC, where this thing became such a factor, that wanted to reach an accommodation with the Bush White House.

You had an offer from that side, from Texas, from a well-known law firm down there, which is associated with George H.W. Bush, and they thought they could have a manageable deal with the White House, and the Democrats thought they could buy into it.

However, I think that the damage should be not be exaggerated. Fitzgerald has crafted a case which, from my understanding, he intended to prosecute *after* the November election, on the idea that his office should not be involved in a situation where this case would be a factor going into the mid-term election, but to deal with it afterward.

I think in a sense that still stands. I think what Joe Wilson is doing, Ambassador Joe Wilson and his wife are doing, it makes sense. It's probably what they should do. But let's not exaggerate the significance of Fitzgerald's apparently letting Rove off the hook—let's not exaggerate that, after taking note that probably the Democratic Party's weakness, and moral weakness, was a factor in there.

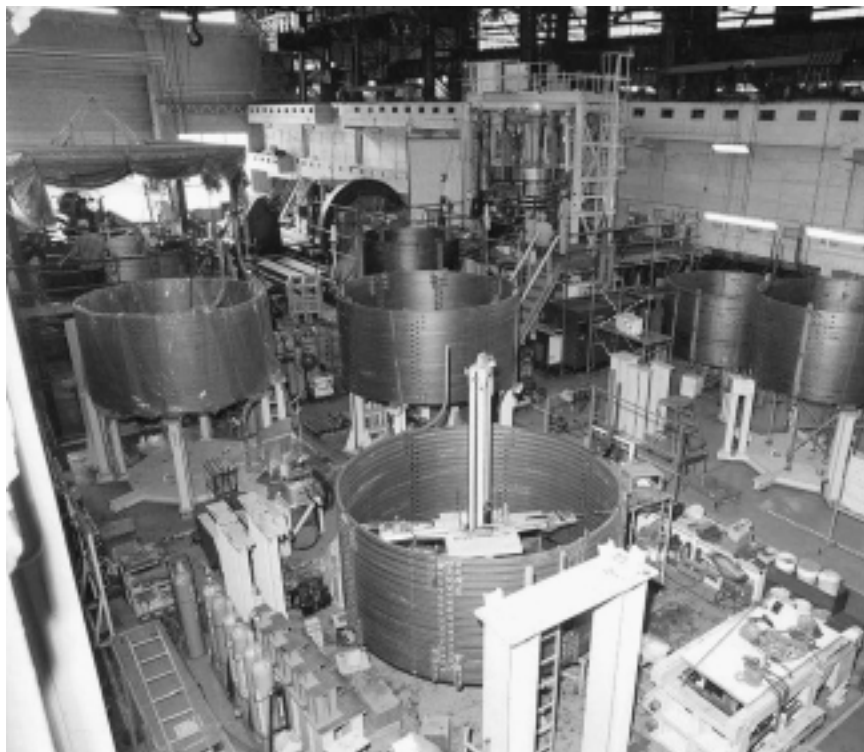
The thing isn't done yet. And besides, in the meantime, if we don't get rid of Rohatyn from the Democratic Party, and from the government, we're not going to have an election. It doesn't mean a damn thing. And the Fitzgerald trial of Libby doesn't mean a damn thing, if the Democratic Party continues to play footsie with Rohatyn, and people like him. It doesn't mean a thing—we're going to lose the country anyway.

### Beyond the Petroleum Economy

**Freeman:** Okay, just a couple more questions. One is from an international guest, and the other is from the LaRouche Youth Movement.

This question is from Mr. Larry Fajuko, from the Center for Political Leadership and Communications Research in Lagos. He says, “Mr. LaRouche, what will be the fate of the oil-producing nations, and of OPEC, over the next ten years, especially with increasing inflation, and political instability in the emerging democracies in Africa?”

**LaRouche:** The day in which petroleum continues to be the primary source of power, among nations, is coming to a close. Now this doesn't mean that the use of petroleum, as such, has come to a close. It means that—apart from the fact that the present rise in the price of petroleum product is the



ITER

*"We must go to the point of changing our conception of chemistry, in going to what might be called an isotope economy, . . . and we can do that best, economically, with thermonuclear fusion. Therefore, we must proceed fairly rapidly toward thermonuclear fusion." Here, construction of a research module for the International Thermonuclear Experimental Reactor (ITER), at Toshiba of Japan.*

result of speculation by people like the friends of Rohatyn; if you don't like high gas prices, gas Rohatyn instead! The reality is, there is no hope for this planet in the medium term, without a full-gain shift to nuclear power, as the primary and rapidly expanding principal source of power on this planet, for various kinds of uses, including industrial applications.

One benchmark of that is that people are brainwashed into believing that by counting calories, you can compare different sources of power. To understand and define power, you have to go to your chemistry manuals. And you have to take the level at which certain kinds of reactions, such as simple chemical reactions, nuclear reactions, or atomic reactions, occur.

Now, we're in a period where we need a high gain, at fairly low cost, of desalination and processing of water, in order to meet the primary requirements of consumable water by populations. Probably 20% of the world's consumption of fresh water depends upon fossil water sources. As you see in the United States, in the Ogallala Aquifer case, we're losing large, principal amounts of fossil, or semi-fossil, stocks of water. We're turning the West into a dustbowl, by the way we use water.

Now there's plenty of water on the planet! The question is, you have to process it. And you have to process it at an acceptable price for mass use. That means along our coasts,

in particular, we should build many nuclear power plants, particularly of the high-temperature gas-cooled reactor type. These plants, if you go into the 800 megawatt class, it will also be useful for turning water, such as salt water, into fuel. The Great Lakes, other areas, can produce carbon-based fuel, methane essentially. Or methane-like fuels, or methane-related fuels. And reduce these—which are more efficient than natural gas otherwise, because natural gas contains many other things—and more efficient than petroleum. We should be powering our planes by methane, or synthetic methane.

So, therefore, in order to meet simply the requirement on a global scale, of even simple things, like freshwater supplies for human consumption, and producing fuels to replace the diminishing (at economical prices) sources of fuels, we require high-temperature gas-cooled reactors.

Now, we at the same time are going into shift over the next quarter-century, to a thermonuclear fusion economy. Already, one of the biggest parts of our economy, which is shown in the medical, health-application area, is isotope

management. That is, isotope variables of elements play a crucial part in dealing with cancer drugs and things like that. But we're using a lot of these. We're using a great amount of it. What is going to happen as we go further, with a growing world population demanding raw materials, finished raw materials, to sustain human life? We're going to shift into an isotope economy, from a simple atomic economy. That is, we're going to be using isotopes in new ways, to make new kinds of products, which are needed to meet a growing demand. Because actually the Biosphere, in which all of the things that we normally consume, from which they are extracted, is finite. It's large, but it's finite. It's a major and growing part of the planet. But we are using up the richest lodes of certain kinds of atomic elements and so forth; we're using these up more rapidly than they can be replenished by natural means. Therefore, we must go to the point of changing our conception of chemistry, in going to what might be called an isotope economy, in terms of energy, and we can do that best, economically, with thermonuclear fusion. Therefore, we must proceed fairly rapidly toward thermonuclear fusion.

Now, this means, contrary to President Bush's stupid ideas about Iran, that every nation has the right and obligation to become qualified in these technologies, because they're going to have to apply them. They have to be qualified to

administer them, and to use them. And that should be our purpose.

Now, what we will do, therefore, is we will develop petroleum resources, but instead of shipping petroleum around the world, as a raw fuel, we're going to—if we're intelligent—we're going to use it as a production feedstock for chemical production, producing plastics and other things in places where they are extracted. These will then be shipped, if they're shipped, as a higher-value-per-ton product, to various parts of the world, thus reducing the cost factor in moving this stuff around the world. And also, in relieving the pressure on the high rates of consumption of petroleum as a simple fuel.

So, that's our project. So, in the case of Nigeria, there should be an orientation toward both a combination of nuclear power development, *and* the development of petroleum with the view of getting a high-technology petroleum industry, based where the petroleum is, to produce products which are based on petroleum as a raw-material stock. And that will be our future. For the next tens years or so, that is what we should be doing.

## A Challenge to the Youth Movement

**Freeman:** Okay, Lyn, the final question comes from several members of the Washington, D.C. LaRouche Youth Movement. I mean, you have to admit that these guys have their work cut out for them.

(I have to say, when a Member of Congress submits a question saying: Why is it that no Members of Congress are standing up and speaking out against the Democratic Leadership Council?—you have to laugh. You have to take it with a certain amount of humor. Sometimes I think I should just walk around Capitol Hill with a mirror, and hold it up every now and then.)

The question is, “Okay, Lyn, from what you've said, as far as our work in Washington, D.C. is concerned, just to be clear: Our message to the Congress seems to be, in no particular order: Impeach Cheney, dump Rohatyn, and support LaRouche's economic reconstruction plan. Is that about right?

**LaRouche:** Well, let's not get off cheap! Now look, these are all tasks, but that's not enough. Because you have to think about: Somebody's going to get a job done; what's going to nourish their strength in doing it? All right.

Bach. Bach! To develop your soul. Because without a soul, you'll find that you may collapse easily. And also it makes you a more social human being, which is what you have to be. Particularly when you think of the background you come from. You think about your parents' generation—yuuuuuh! You got a problem, buddy. You've got to deal with that.

Secondly, you have to have a scientific orientation, of the type I indicated.

Now, what we've done, we referred again to it today, this question about: What is creativity. Now, we're going to be

running a program out of Leesburg, in which we'll be doing more in the direction that you need, of showing you how to handle this concept of animations. (It's not “wipes.”)

The point is very simple: I give two functions. Let me give you a function, say; I use the case of Kepler's principle of gravitation, and take a subject like the Mars orbit, which is done by a number of our people, they've done this repeatedly, so you know that quite well.

Now, how did Kepler isolate, from that question, how did he isolate the idea of a universal principle of gravitation, which he, and he alone, discovered, originally? No one ever discovered it before him, or actually made a claim to an original discovery of it afterward, that was competent. What's the difference? An elliptical orbit doesn't explain anything, as you know. You've been through that, I presume. Because you have a rate of change of the vector, at every infinitesimal point in the orbit.

Now, you could have an estimate of another different orbit. You can compare the two. How can you compare an orbit conceived as functioning without gravitation as a principle, simply as some kind of pathway, and the orbit as actually generated, by the motion along the orbital pathway? Because what happens is, the two measurements you would make, would be two different curves, and you would find the answer lies between the two. Where does the answer come up? It comes up as an infinitesimal.

Now, how's an infinitesimal reflected? When you have two so-called linear, and simple, algebraic formulas, and somewhere between the two of them, the answer lies, and the answer lies with an infinitesimal. The infinitesimal is what? The infinitesimal in this case is gravity. Gravity is as big as the universe. It defines the finiteness of the universe, right?

But can you locate gravity at a point? No, you can't. You can locate the action of gravitation at a point, at an infinitesimal. So, gravitation doesn't exist as an ontological thing, at any point; it exists as something which is universal, which has an effect on every point. And at every point, it appears as an infinitesimal.

Now, how can you represent an infinitesimal in mathematics? You can't, except by a complex function. What does a complex function mean? It means that.

Now, what do you do—let's take towns and cities in the United States. We're trying to find out, what is the effect of a certain principle, which means a mode of action, like a technology, in that town or that county? Well, you study the case of having the two curves: one the curve of development, by using the simple kind of thing we do, with our county studies on animations; you compare the animation for one state, and another state. The other state is after the introduction of a principle to that county.

So, now you're looking for the effect of the introduction of an application of a *principle* to that county, or the result of *removing* that principle, as a principle of action in that county.



EIRNS/Stuart Lewis

*LaRouche in discussion with members of the LaRouche Youth Movement after the webcast. He responded to a question from the LYM about their Washington work: "First of all, improve your soul, by learning to sing better. . . . And improving your ability to cope with the specific kind of questions which any politically relevant person would raise with you." He stressed the LYM work with animations, especially analyzing the effect of the introduction of a principle of action.*

It will be reflected as a discontinuity, on a second-order curve, or a third-order curve. So, that's how, in analyzing in animations, in analyzing county-by-county, you can determine what is the effect which is caused by taking something out of a county, or adding something into it. In other words, what's the effect of going from an industrial economy, a high-agricultural economy, to a post-industrial economy in that county? What is the principle?

You look at the data, and the data will show that there's a discontinuity, either added, or being subtracted, at the point that change is made. It doesn't show itself as a *thing*, as a point. It shows itself as a change, a sudden change, in the direction of curvature. It shows itself as a discontinuity.

So, therefore, it's extremely important in your understanding, and arguing with people, and trying to explain to people what is happening to the U.S. economy, *how* we were degenerated, how we were deindustrialized, and what the effect of the deindustrialization was, what the effect of going to lower technology was, what the effect of greening the economy was. And looking therefore at those principles, what will be the predictable effect of putting the principles into application that should be there?

For example, what would be the effect of increasing the amount of the water in certain counties in the United States, like the Ogallala Aquifer, particularly in the southern part of the Ogallala area? What would be the effect? You want to know, for the purposes of economic policy, what the effect would be, and judge your priorities accordingly. So, how do you know that? You have to be familiar with making these kinds of studies, instead of just doing the simple kind of thing

that's generally done in the government operations, to locate, pinpointing, singularities. The singularities which, by adding or subtracting, effect certain changes in the economy.

So, therefore, you need to do your daily work, but when you're walking in with someone in Congress, or an official, somewhere here and so forth, and trying to explain something to them, it's important that you sharpen yourself. First of all, improve your soul, by learning to sing better. Bach, for example. And improving your ability to cope with the specific kind of questions which any politically relevant person would raise with you.

"What do you think is the effect of this, and what do you think would be the effect of that?" Therefore, familiarity with animations, which deal with this thing in this way, is very important. Because now you know how to think, in order to answer, or get the answer to those questions.

So, that is the thing that makes you feel *strong*. And when you feel strong, because you're learning to sing better, and you feel strong because your mind is improving, then you go out as a *stronger* person, rather than just going out and doing something.

**Freeman:** Okay, I think that brings today's event to a close. I would ask people as they exit to visit the literature table outside, and make sure that you're well-supplied with ammunition for this fight. It will definitely improve your soul, and probably, if you take enough literature, your body as well.

Otherwise, please join me once again, in thanking Lyn. [applause]

*The LYM close by singing one of the "Rohatyn Canons."*