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Stop the Militarization of the European Union!
Will Cheney's Mideast Trip Launch New Wars?
Italy's Tremonti Backs LaRouche's New Bretton Woods

**'Tantamount to Treason':
LaRouche Blasts Rohatyn**



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EIR

From the Managing Editor

A perusal of our cover and the Table of Contents will quickly convince you that Lyndon LaRouche and *EIR* are “taking the gloves off.” Felix Rohatyn is a fascist, and “guilty of something tantamount to high treason.” Speaker of the House Nancy Pelosi is perhaps not qualified to be a fascist, but she “has been recruited to a fascist movement.” Treasury Secretary Henry Paulson is “f**king incompetent.” And Europe’s Lisbon Treaty would bring fascism there.

Some readers will undoubtedly soothe their nerves with the self-assurance that we are exaggerating. But study carefully the evidence we present. The stakes are too high to blow this off, as many have, too many times before. “Well, let’s just wait and see who’s right,” is not a justifiable or moral response.

I’ll use the rest of my space here to itemize some of the fascinating topics that came up during the discussion period at LaRouche’s March 12 webcast, whose transcript we publish.

- A Democratic Senator asked whether Dick Cheney, who is now calling for an anti-missile defense system, has “come around” to LaRouche’s point of view, as the intellectual author of the Strategic Defense Initiative (SDI). LaRouche [with feeling]: “Brother Cheney has come around *to the point of my spear!*”

- Someone from the Hamilton Project asked how to defend the dollar—by economic stimulus or fiscal stimulus? LaRouche made it clear that the only way to save the dollar is to rebuild the physical economy; no shortcuts!

- Is Barack Obama being used? If Hillary Clinton were elected, would this prevent fascism?

- What’s behind the targetting of New York Gov. Eliot Spitzer? LaRouche: “Check everybody’s closet!” Look at what’s behind the timing. Why was the scandal sprung now, in the heat of the Democratic primary race?

- Wasn’t John Maynard Keynes the designer of the Bretton Woods system? LaRouche: No. FDR had nothing to do with Keynes, the pro-fascist defender of the British empire. FDR wanted to destroy the colonial system after the war, as his conflicts with Churchill show.

- From a Democratic consultant: What do we do about the divisions and bitterness in the Democratic Party? LaRouche: Tell the truth, like I do. If someone’s a fascist, say so.



Cover This Week

*The burning of
Washington by the
British during the
War of 1812.*



Library of Congress

4 LaRouche: Rohatyn Crimes ‘Tantamount To High Treason’

Lyndon LaRouche opened his March 12 webcast address from Washington, D.C., asserting that investment banker Felix Rohatyn “was guilty of something tantamount to high treason against the United States” for working “with sources which are intent on destroying the United States.” LaRouche’s strategic overview of the global situation showed how we arrived at the danger of fascism again in the world today—including in the United States—and what we must do, immediately, to prevent that from occurring.

Included in the transcript is an extensive question and answer session, dealing with virtually all aspects of the economic and political situation in the country and the world.

The Lisbon Treaty

34 No to Europe as an Empire! The Militarization of the EU Must Be Stopped

By Helga Zepp-LaRouche. Moves are afoot to change the European Union into a military alliance, closely integrated with NATO, which for its part, would be transformed and used as for interventions all over the world, under all possible circumstances.

38 France and NATO: Solidarity, Yes; Surrender, Never!

39 France Must Oppose the NATO-ization of Europe

40 LaRouche Allies Join Anti- Lisbon Meetings

Economics

42 LaRouche Declares: Paulson Is 'F**king Incompetent'

The Federal Reserve emitted \$400 billion to bail out the U.S. banking system; Treasury Secretary Henry Paulson released a report by the President's Working Group on Financial Markets (PWG), which maintained that the system was fundamentally sound, except for a few excesses which need to be curbed. These actions reflect axiomatic blindness so profound it boggles the mind.

44 Tremonti Places LaRouche's New Bretton Woods at Center of Debate in Italy

46 Congress Converges on Bailouts To Block HBPA

LaRouche's Homeowners and Bank Protection Act (HBPA) is a political hot potato.

National

48 LaRouche: Rohatyn Fascism Is 'Tantamount to Treason'

The future of the Democratic Party and the survival of the United States as a sovereign republic, both hang on whether leading circles in the party wake up to the fact that Felix Rohatyn is, as LaRouche has now, once again, publicly declared, a fascist, an enemy of the United States, and an agent of the City of London-centered British oligarchy, which is going for the end-game destruction of the American Republic—right now.

50 AAAS Meeting: Judith Rodin Spews Dark Age Propaganda

51 National News

International

52 Will Cheney's Mideast Trip Launch New Round of Wars?

54 Will 'Londonistan' Succeed In Dismembering Pakistan?

57 The British Oligarchy Turns the Philippines Against China

60 What's Behind the FARC Cartel's South American Operation?

The American Patriot

62 Georgia vs. South Carolina: The Battle Over Slavery in the American South

The history of the South is far more complex than most would believe, and is determined by the battle over ideas, not geography. James Edward Oglethorpe (1696-1785), the republican founder of Georgia, created the colony to outflank the Anglo-Dutch oligarchy. Georgia was the first colony to ban slavery, and the last to legalize it! If Oglethorpe had succeeded, the South might have led the way in overthrowing slavery. Fred Haight reports.

Editorial

72 The Hour of Decision

LaRouche: Rohatyn Crimes ‘Tantamount To High Treason’

Lyndon H. LaRouche, Jr., delivered this international webcast on March 12, 2008, sponsored by the LaRouche Political Action Committee, in Washington, D.C. The webcast was moderated by LaRouche’s national spokeswoman, Debra Freeman.

What I’m going to present today, in order to be an effective presentation of what’s important to be heard, is far-ranging in some respects. And therefore, with some precalculation, I have sorted out how much I will say here, pending the question period, to a number of topics which are essential. That leaves out many things, that many people do not know, which are pertinent to these subjects. However, much of what is needed to be known, which I will not introduce here in the opening remarks, is already available in several public sources, largely through the Internet; through *EIR* itself, a magazine, weekly; and also through the LPAC website, particularly the research features of it, more even than the current breaking developments. And my own work in these areas, in *EIR*, published on the website, as longer feature articles, do cover, in depth, the principal considerations which everyone *must know*, in order to competently address the subject before me.

Now, to indicate the nature of this, I start by saying something I shall qualify in the course of these remarks. First of all, Felix Rohatyn is guilty of something tantamount to high treason against the United States, in the fact that he is supposedly a citizen of the United States, but is working, to my knowledge, with sources which are *intent on destroying* the United States. And therefore, the man is a traitor, and should be regarded as such by any honest citizen who is not absolutely stupid. But to understand that, to call him a traitor—which I’m not calling him; I say what he’s doing is *tantamount* to treason, because the conviction of treason requires the evidence of his actually being in cahoots with somebody. I have the evidence, but it’s not in the form that the ordinary citizen would immediately understand without a lot of explanation. But the man is guilty of a crime of implicit treason, by virtue of the intention, which he has expressed, and by virtue of the international forces which he’s operating with, in the attempt to destroy the United States, by his program.

With that, I shall proceed.



EIRNS/Stuart Lewis

Lyndon LaRouche began the webcast with the blunt statement that “Felix Rohatyn is guilty of something tantamount to high treason against the United States . . . by virtue of the intention which he has expressed, and by virtue of the international forces which he’s operating with, in the attempt to destroy the United States by his program.”

The FDR Legacy

In 1932, particularly in March 1933, on the day that President Franklin Roosevelt first entered his office, he found nary a pencil in the office with which to begin governing. And on that day, according to the historians’ records, he called the two secretaries in from the outer office, and began to dictate the outlines of action which saved the United States. What he did, was, he worked against a party, whose leadership, *then, as today*, was working *for fascism*. That is, the Democratic Party leadership, of the period 1929 to 1932, *despite* Roosevelt’s candidacy, was actually working to install a fascist program of government, in the United States, comparable to that which was then installed in Germany. Remember, just a few days before Franklin Roosevelt was inaugurated as President of the United States, Adolf Hitler, who had been put into power in Germany by the British, had been installed as the dictator, not just the Chancellor, but the dictator of Germany, given constitutional dictatorial powers, by an overthrow of the German constitution.

And under these conditions, Roosevelt entered office, on the day he actually occupied that office, when *World War II had been made inevitable!* And in response to that challenge, Franklin Roosevelt led not only in the recovery of the United States, but mobilized the United States as it never had been mobilized before, to become the greatest power this planet had ever known, in economics and in military power, and through that mobilization, he saved the nation, and he saved civilization from the virtually eternal persistence of fascism from abroad, which had been set up by the British.

Before the end of the war, when Roosevelt had died, he

had a successor, Harry Truman, who came in. Harry Truman was working for the other side—not as a traitor, but actually working with the ideas of Winston Churchill. President Roosevelt’s intentions for the post-war period had been expressed in several forms: number 1, the Bretton Woods fixed-exchange-rate system. The world economy was *destroyed*, as an economy. Only the United States represented power then, real economic power, as well as military power. Therefore, Roosevelt was committed to eliminate empire, including the British Empire, especially. And he said many times to Churchill and others during the course of the war [adopting FDR’s tone of voice], “Winston! When this war has ended, your imperialist system is going to end. The colonies will be freed—we will free them! We will help them develop as independent states. We will organize a United Nations Organization, as a vehicle for bringing nations back together in cooperation, according to the Treaty of Westphalia, the Westphalian principle; and in order to eliminate imperialism entirely from this planet, and to have instead a planet which is composed of sovereign nation-states, each working in sovereignty, *for common aims of mankind!*”

When Roosevelt died, that ended.

No Truman, or no one else could suddenly reverse the effect of Roosevelt, even though the conservative tendency inside the United States had gone back to virtual fascism. Because after the breaking of the wall in Normandy, when U.S.-led troops had broken into France, then the British knew the game was up. And they mobilized the people who had put Hitler into power initially—Americans! Like the Harriman family! Leading Democrats, who had played a part in putting

Hitler into power in Germany, directly from here; and the grandfather of the present President of the United States, who was a fascist: the guy who wrote the letter to the German bank which financed the Nazi Party to come into power! Harriman, the great Democrat, another fascist! And these people came back into power, over the corpse of Franklin Roosevelt.

But they couldn't change everything! Because what Roosevelt had evoked in my generation, among the American people, was a force which was not easily overcome—despite Truman, despite everything else—not easily overcome. They counted to have a generation pass, and then they would make their big move.

And so, beginning with the inauguration of a Kennedy, a real Kennedy, who was committed to the policies of Roosevelt, and avowed this from the time he campaigned, and throughout his period in office—John F. Kennedy—the world was faced with attempted coups against the peace. Adenauer in Germany was pushed out of government, under British orders. De Gaulle was subjected to about 100 different assassination attacks, organized by Britain, and organized in part from the fascist base in Franco's Spain. Similarly, coups, deaths, everything, happened. But even in that period, there was still strength.

Shock After Shock

Then: John F. Kennedy was assassinated. And if you recall—some of you are old enough to recall this—recall the shock waves that went through the American population when John F. Kennedy was assassinated—and it wasn't by some lone gunman! There were three other guys, and others involved, to kill the President of the United States—what did it do? First of all, it shocked the people, as 9/11 shocked the

The anti-Roosevelt forces used the shock of the assassination of John F. Kennedy, followed by the fraudulent war in Indo-China, to eradicate the FDR policies in the United States. Here, JFK greets Peace Corps volunteers in 1961.



Kennedy Library



National Archives

The Vietnam War was a fraud, just like the fraudulent Iraq War which the Britain of Tony Blair foisted on the United States. Shown, Marines evacuate a wounded soldier in Vietnam, in 1967.

American people. It was a shock effect. Without 9/11, the Bush Administration would have disintegrated in its early years. It was only 9/11 that enabled Bush to stay in power. And it was done for his benefit—not his personal benefit, but for the benefit of the Presidency which he was going to assume nominal leadership of. Hmm?

Shocks of that type, assassinations of Presidents. The shock of killing of Bobby Kennedy was also crucial, like the killing of Martin Luther King was also crucial, in shaping the cowardice which took over our population, during the

generation of the so-called Baby Boomers. This did a great deal to craft the attitudes of the Baby Boomers, why they're so impotent and useless today. They have never recovered from this effect of their young adulthood and late childhood.

And so it was with Kennedy. The killing of John F. Kennedy made possible the Vietnam War, which would never have happened, had he not been killed. He would have stopped it. He had the support and the advice of Douglas MacArthur, who was still alive then. He had the support and advice of Dwight Eisenhower, who was still very much alive then. It

wouldn't have happened. And the Vietnam War was a fraud! Just like the fraud which Tony Blair of Britain foisted on the United States, the Iraq War, the same kind of thing. And these things happened.

Now, after the killing of Kennedy, and the attritional effects of the War in Indo-China, and the 68er phenomenon, the United States of the Franklin Roosevelt system, was essentially destroyed. And we began to destroy the economy.

Now, the 68er phenomenon split the social forces which had been the base of the Democratic Party, such that the 68ers, the youth—young 68ers—were against Roosevelt. They were against industry, they were against nuclear power, and I'll come to the significance of that a bit later. And therefore, the division of the Democratic Party, of blue collar against no-collar, or blue collar against no shirt—this division corrupted the Democratic Party and enabled Nixon to become President.

Now, Nixon was not important; that is, he was not a historical factor. He was a reflection of a historical factor, but he was not a historical factor. What the Nixon Administration did—which was controlled by certain outside forces—was the Nixon Administration proceeded to destroy the United States.

Destruction of the U.S. Economy

Now, there are three key steps in the destruction of the United States, between 1969 and 1981: The first was Aug. 15, 1971, the fixed-exchange-rate system of the world was taken down. By Nixon, nominally, under the direction of a fascist who's known as George Shultz, who orchestrated this as part of a process. The second phase was, once the U.S. dollar was no longer a Bretton Woods dollar, but was condemned to float on the international market, the second shoe was dropped, under Nixon. And this is the reason why, when the Saudis today, pay \$3 to produce a barrel of crude, loaded it onto tankers in the Gulf, *you* pay \$4 a gallon for gasoline in the United States. *We don't have a U.S. dollar any more! We have a Eurodollar, which is controlled by the oil spot market, based in Amsterdam. It's a part of the British system.*

There is an empire, an empire based on this use of petroleum as a controlling device, to control the world economy. The United States dollar is not owned by the United States, it is controlled by this combination—the same thing as the BAE, the British BAE Systems. There is an empire, an empire which is not controlled by oil, but is pivoted on oil speculation, which was launched with the great petroleum hoax, the oil shortage hoax of the 1970s. There was never a shortage of petroleum at that time. Tankers were kept away from ports! Or stuck in harbors, moored off the coast, at that time. The world was *flooded* with petroleum—"We had an oil shortage."

The effect of the oil shortage was to create the spot market, and under the spot market, the U.S. dollar became a creature of petroleum: of European petroleum, of Anglo-Dutch Liberal petroleum! And the British enemy became openly the

enemy of the United States. Not all at once, because they work from stabbing you in the back, not the front—that's British methods, backstabbing; or, getting somebody else to do it for them. Hmm? They orchestrate the politics.

So as a result of that, we lost control of our economy. And what did they do?

The second phase was the Brzezinski phase, the Carter Administration. Now, they had wrecked the U.S. dollar. They had wrecked the position of the United States in terms of world affairs. They had done that within the period, especially from the assassination of Kennedy, through 1971 and the oil-price crisis.

Now, what was their second move? The Trilateral Commission, under Carter, under Brzezinski, and the whole crowd from Wall Street—this crowd, the Council on Foreign Relations crowd. They put through a program, the Trilateral Commission program, which systematically destroyed the United States. It destroyed every element of the Franklin Roosevelt structure of the U.S. economy, with massive deregulation. Not only the destruction, the purging and halting of nuclear power—remember, with nuclear power, we would not have been prisoner to the spot market. And think of all the idiots who are against nuclear power! They don't intend to be traitors to the United States, but they are, in effect. Because only by not breaking the power of this oil monopoly in controlling the dollar on the world market, could these things have happened. They destroyed our physical economy! They destroyed our farmers! They destroyed our farms. They destroyed our industries. They destroyed our protected, mortgage-based security power—they destroyed the right of people to have homes. They destroyed those parts of the banking system. They drove the prime interest rate up to *above 20%*, under Carter.

And they made a cultural change in the United States. No longer were we the world's leading agro-industrial power. No longer were we the leading power in technology. Suddenly we were half-destroyed—not fully destroyed, but half-destroyed. And the measures which would have corrected this were prevented. We went into a recession, a deep one, in 1987, October of '87. That so-called "recession" was a depression! It was comparable in its immediate effects to what Hoover experienced! It was a Hoover depression!

And what happened then? Alan Greenspan came in! And what did Alan Greenspan do? Hmm? Alan Greenspan used fake money. In other words, we had a system before, under Roosevelt, which was consistent with the American tradition from the time of Alexander Hamilton, and even earlier. Our system was based on governmental control of our own currency, and a defense of that control, to give us a stable currency, and to give us an accountable one. What they did, by destroying the Bretton Woods system in the way they did, and going to a funny-money system, and then going to a hyperinflationary system, like that under Alan Greenspan—we now have obligations in the world in order of magnitude of *hun-*

dreds of quadrillions of dollars of nominal claims. These claims will never be repaid! They could never be repaid.

Under the Alan Greenspan system, we destroyed the United States and destroyed the morals of people. You have whole parts of the labor force, who don't know what work is! They may have jobs, but they don't know what actual productive work is. They couldn't farm; they're no good in industry; they have no skills, no knowledge. People graduating with scientific degrees from universities who don't know what science is—but they get a degree in it, even an advanced degree in it. Such is the nature of things.

We have been destroyed.

So what has happened is, looking from the death of Roosevelt to the present, we've gone through a process, in which *the greatest economic power for Good which ever existed on this planet*, has been virtually destroyed by foreign influences on its domestic behavior.

Our problem is, to get the American people to realize: *They have been screwed! But they did it, to themselves.* But under influence. They had advisors. Like Booz Allen Hamilton, and so forth, their advisors. And that's how they were induced to screw themselves; they were told, "This is the smart thing to do." And they broke their back trying to screw themselves.

A Conspiracy for Fascism

So now, the time has come, we're now at the end of the rope. Probably by April or May of this year, it's as early as that, the decision on what's going to happen to the world as a whole will be made. This is not merely inside the United States, it's also inside Europe. You have now a great conspiracy, by the same people, on both sides of the Atlantic: one destroying the United States, with help of the election campaign-orchestration now; the other in Europe, by the introduction of what's called "a new European system." It's called the Lisbon Treaty system—wild-eyed globalization, and *pure fascism*. The policy of the British, who created this agreement, the Lisbon Treaty agreement, is fascism throughout Europe. Not only fascism, but *war throughout the Eurasian continent*. War against Russia! War against China! Destruction against Asia, generally! That is the policy. It's British policy.

And the complement is the British policy for the United States, which is expressed *typically*—only typically—by Felix Rohatyn. And Felix Rohatyn is a *thorough fascist*, in the same sense that Adolf Hitler was a fascist, and the same sense that Mussolini, before Hitler, was a fascist.

And the *folly*, the *stupidity*, of Americans in the Senate, in the House of Representatives, being controlled by Felix Rohatyn and others like him: This is stupidity beyond belief! You get the impression, that there's not a single committee in the House of Representatives, which is able—even those who want to—who is able to get anything through, which resembles a defense of U.S. interests. The Congress now is hopelessly corrupt, under the influence of Pelosi, who's under the influence of Rohatyn, the fascist. And she either is a fascist

herself—or probably too dumb to be one, but she is at least intelligent enough to be his puppet. And the minute anybody tries to do anything useful in this Congress, she steps in on behalf of Felix Rohatyn to stamp it out.

We, for example—beginning at the end of 2004, I was a leading part of a process to try to defend Social Security against the Bush Administration. That policy was generally adopted, during the early part of 2005, by the leadership of the Democratic Party, with whom I cooperated, significantly, in the Congress and elsewhere. We saved Social Security. *But!* By about March to May of that same year, Felix Rohatyn had stepped in to prevent the next step. What I had recognized, was we were about to lose our automobile industry, so we would no longer have an American automobile industry; we might have a Japanese automobile industry inside the United States, but not a U.S. automobile industry. So, through this operation that was run internationally, the automobile industry was destroyed. Yes, the management was somewhat stupid, but they were stupid under British influence. And other influence which was radiated from Britain, under stupid policies.

We could have saved it. What I had proposed would have saved it. Simply by dividing the auto industry between producing autos on the one hand—which you could produce more than enough of—and on the other hand, taking the auto machine-tool capability and its associated employees for large-scale infrastructure, Federal infrastructure programs, to rebuild our highways—not the highways so much, as our railway systems, to have modern railway systems, power systems, river systems, and so forth; things we needed. And employ the labor force and the management, which was the most skilled management in the world, formerly, to producing this new infrastructure, under Federal credit, which is the only way it would ever get built.

You will never get any significant infrastructure program, in the United States, under the present system. Only with a change in the system will you get it. Anybody who says they're going to give you infrastructure, they're lying to you. And if you believe them, you're stupid. But that's Rohatyn's program: Take your street, put a "poll tax" on the street or something, and then collect taxes on it. You don't *buy* the street, you lease it. And the people pay to make the lessees happy! And the people are screwed. Some people call this an "infrastructure program." It's a pocket-picking program! And when you're traveling from, say, West Virginia to the Washington area, as a daily commuting operation, you're traveling at least two hours each way in traffic; you're paying about \$8 on tolls on the way, and all these other things. And on top of this, this kind of life means that family life, in the people who are living out there, is ruined. If you're spending four hours a day in commuting, and you're paying more than you can afford, say up to \$8 a toll, and \$4 a gallon for gas, what's happened to your life?

People are being screwed.

Why has this happened? Well, we used to have a policy of



The oil speculation today that has the Saudis paying \$3 to produce a barrel of crude, while we pay \$4 a gallon at U.S. pumps, began in the 1970s, after George Shultz floated the dollar. "We don't have a U.S. dollar any more! We have a Eurodollar, which is controlled by the oil spot market, based in Amsterdam. It's a part of the British system," LaRouche said. Here, a Saudi natural gas plant.

balanced management. We used to say, we would take the whole territory of the United States—which is something we began to do on a design made by John Quincy Adams, when he was Secretary of State, when the idea of the unification of the United States between the Atlantic and Pacific, and the Canadian and Mexican border, was established as our policy: to take this entire territory of the United States, so defined, and develop it, in each part! And to settle it, in each part. So that you lived in communities, where you could get to work, or to school, within 15 minutes to a half an hour a day commuting. That was the idea. So you would have a distribution of places to work, which would provide opportunities for employment for all the members of the community. You would have the community specialize in things which were appropriately located in that area, with enough diversification so the community was not dependent upon any single industry.

We were against giant corporations. We were for cooperation among more closely held, community-related, high-

technology industries, high-technology agriculture; locally controlled. Because, in this way, by decentralizing much of production, and life, you enable people to have a better life, more economically, and so forth.

Now, we have destroyed whole sections of the country, like Michigan, like Ohio, like whole sections of Pennsylvania, which was once the big industrial center of the United States. The Western farmlands are essentially destroyed. Oh, they grow things there, but it's still destroyed, essentially. The water systems of the United States—the Ogallala aquifer system is essentially destroyed. We're being destroyed totally, all by this system.

And *thus*, did Winston Churchill's heirs destroy the United States, over this period. We, who represented the greatest power on this planet, at the close of World War II. We, who were prepared and committed to free the people of colonized nations; we, who were committed for justice, a system of sovereign nation-states on this planet. An end of these managed imperialist wars, which is Roosevelt. We went from that! And we were corrupted—step, by step, by step, by step, as I have outlined this here today—until we're at the point, now, where, as early as May of this year, the United States may be doomed. And most people don't have the knowledge or guts to do anything about it.

What the Oligarchy Is Planning

What's the plan, now? Well, the plan is, they use Obama, the way they used Giuliani in New York. Remember what happened to Giuliani, the mayor of New York (maybe the stallion, I don't know)? They built him up as a Presidential candidate. At the same time, they took his organized-crime record, which was rather generously equipped, and they ran the two things together: Run him as a putative Republican Presidential shoo-in, and then build up an organized-crime story, exposing what his activities are, and destroy him.

They did the same with the Democratic Party. They came over; Hillary was the front runner. They took Obama, who was the next Giuliani, who was intended to be brought down by an organized-crime scandal, coming out of Britain with a guy called Auchy, who is the financial backing for a guy out in Chicago who is now on trial, Rezko. And the British have orchestrated this. First of all, they built up Obama, and *then*, they set into motion the trials and the scandals which are going to bring him down. And he was kept in there, to destroy Hillary Clinton. The idea, the minute that Hillary Clinton was destroyed, presumably, by the Obama operation, then they would turn around and destroy Obama! Which they're also doing. So they're still engaged in this game of trying to destroy both Hillary and Obama. And they prefer Obama, because they could destroy him more easily than they can Hillary. Hillary is a front runner, who'd be tougher to destroy. Obama's very vulnerable, they could destroy him very easily.

It would have the additional benefit of discouraging the American population. If you build up a candidate as a populist

candidate, as Obama's been built up, then you bring him down, you demoralize a whole section of the voting population. And we have the greatest participation in campaigns, now, we ever had, in terms of the primary campaigns! You destroy the American people, just when they think they're going to get something good. And you give them a promise—*tease* them with a promise: Sex all night, you know? In the Obama campaign. Then you take it away from them. You demoralize them—and then you can do something else with them.

In the meantime, if you can use Obama to destroy Hillary, then you have no candidate, except McCain. Now, McCain has some interesting pedigree, in the fact that he comes from the Pacific-oriented Naval tradition of the United States military. And to the extent that we're operating, and that he listens to that influence, he's likely to do a number of good things, like junk the George Bush policies and so forth. Because only a traitor could support George Bush—you'd have to be stupid or be a traitor, one of the two. So therefore, that's interesting, but the point is, the guy has problems, and therefore he's vulnerable in various ways.

So, we are at a point where you would say, wait a minute! We don't have any Presidential candidates that're going to survive! If Hillary goes, we don't have anything! Oh-h-h! They have something! The mayor of New York—not the stallion, but the mayor—Bloomberg. Bloomberg is a pig; that's the kindest thing you can say about him. He is a complete fascist. He's controlled by people like Rohatyn, who *is* an absolute fascist, a Hitler/Mussolini type fascist.

Fascism, Bloomberg-Style

All right, what's this fascism, thing, then? Fascism is a medieval conception. It came into prominence as a system, after the Fourth Crusade, when the looting of the remains of the Byzantine Empire had occurred. There was still Constantinople, which called itself the Byzantine Empire, but that didn't really exist. The Byzantine Empire was destroyed. It was destroyed by the Fourth Crusade, organized by the Venetian bankers. As a result of this, what they did is they set up a system, where they based government, not on a central government, but on a league of cities. The league of cities, which in the middle of the 14th Century collapsed, when one of the cities, Lucca—the bank of that city, the Bardi bank—went bankrupt on its loans to England and to France, certain countries in France. These bankers had been engaged in financing wars and backing operations which were related to wars. They



The policy of Rohatyn, Bloomberg, Schwarzenegger, et al. is to eliminate the sovereign nation-state and central government, and replace it with a medieval-style league of cities under their control. Carcassonne, pictured here, is a French city whose walls survived the dark ages of the 14th Century.

destroyed society, and the destruction that occurred, immediately triggered by the bankruptcy of the House of Bardi, resulted in a collapse of the European population *by one-third*, in a short period of time; and resulted in the elimination of *half* of the parishes of Europe. This is the great dark age, of that period.

Now, what they're proposing now—as Bloomberg is, as part of it, and all the people associated with him, all the people behind him, all the people behind Rohatyn, associated with this—is to set up the elimination of the sovereign nation-state as an institution, and its replacement by a league of cities. Which means, you take the entire territory of the countries involved, you just *write off* a whole part of the area, and concentrate on cities, or city areas, which become governments of themselves and the area around them. They're not really governments, because they're vulnerable. And you control them that way, *as in the Middle Ages*, as in what led into the great dark ages, of the 14th Century.

That is Bloomberg's policy! That is the policy of Rohatyn! He says so explicitly, but people don't understand it. They're not thinking clearly! Even leading politicians are not thinking clearly. What does this mean? Are we going to have to *learn this* after the fact, as people learned this after the fact in the case of the Middle Ages? Aren't we capable of seeing that this is *now*, this is coming now? That this is the end of civilization, if we allow it to happen?

This is not just happening in the United States, it is happening also in Europe: In Europe, the form of this action is called the Lisbon Treaty. Now, the Lisbon Treaty is a complicated mechanism. It is both fascism; it is the elimination of the sovereignty of every nation-state, Presidency, and Parliament in Europe. They haven't gotten to Russia yet, or Belarus, but

they'll get there, if they can.

It also aims to be a permanent war organization, of a feudal type, where the power now resides in *cities*, and in the financial organization, the bankers who control these city operations. The purpose is then to use the power of a united imperial Europe, under British control, to destroy Russia, to destroy China, India, and so forth. And to destroy the world, and make the world malleable for the kind of things that Felix Rohatyn represents.

Felix Rohatyn is an enemy of the United States. He's a traitor to the United States. He's an agent of the British monarchy, those British monarchy interests which are behind this operation, which are running the same operation in Britain, under the name of the Lisbon Treaty organization, which is not yet official, but it's threatened. And at the same time in the United States, it's called the Bloomberg operation, which is run by not only Rohatyn, but George Shultz, etc., etc.—the known characters.

Wherever you hear this idea of "infrastructure," from that *son of a Nazi*, Schwarzenegger—his father was not only a Nazi, he was a killer! He was a police chief in a local region of Austria, who, when the *Anschluss* occurred, that is, the absorption of Austria into Germany occurred, under Hitler, became immediately appointed as a Nazi Party official, and during the war became part of a special police unit, which cleaned up the occupied territories of Eastern Europe. Not the SS, but a special police force.

It's the same mentality that's expressed by Schwarzenegger himself, in his public appearances. And therefore, he comes by the fascist policy which he adopted in California, in the embrace of Bloomberg, as his father's masters, the Nazis. He *is*, effectively, a Nazi. He comes by it by heredity, or by culture.

We have mayors who are stupid! We have governors who are stupid! Who think that turning your infrastructure over to private financiers, who then can set arbitrary prices on leases, that is, in fees you have to pay, to drive from one neighborhood to the next, or something similar; all public services taken over by private interests, under citywide organizations in a national network! Which is exactly what these guys have proposed. That is *exactly* what Bloomberg represents in New York City, already. That's what he's trying to do—that's why he has so many enemies on the elected Council. He's a fascist!

When they put this into effect in Italy, it was called corporatism. Exactly this policy. This was the policy of Mussolini! When Schacht consolidated Hitler's power in Germany, the same operation was done. The same kind of operation. The intention of the Nazi system, for its post-war policy, was the occupation of all Europe, under this kind of policy. Elimination of the nation-state for what was called "*universal fascism*."

So what we have, then, is we have the United States is being destroyed, from inside, by fools who don't recognize this threat to the United States; and by the instruction of people from London, such as Tony Blair, who set this policy into mo-

tion, when he was prime minister. This means the United States and Europe are both destroyed. And are turned into vehicles for destroying other parts of the world, as in South America, Central America, Eastern Europe, Asia generally. That's the policy. Do you want it? I can guarantee you, that I don't exaggerate in the least that that's what the policy is, and that's exactly what's in motion.

That's exactly what's behind the way the Obama campaign is being orchestrated, from London. London put Obama into his position. His money to support him, came in large part from Britain, from Auchi, who's an Iraqi-born asset of the British system. Auchi is the funder of the guy who's on trial in Chicago now, the guy whose funding went—Rezko didn't have the money! Auchi gave it to him. Auchi was the key seed money for this operation. That's what made Obama! That's why he behaves so peculiarly. He has no policy. He has no program. He says, "I'm going to do everything," but he doesn't say anything. "I'm going to make everything good."

"What is this good you're going to do?"

Well, that's not specified.

He's a tool they intend to bring down! And if they can get a lot of people to believe in him, they're going to bring them down, too. Because the suckers will just be demoralized, they won't fight any more. The stuffing will be taken out of them.

So that's the key question that faces us.

Defend the Nation-State

Now, this is *not* necessary. If we go back to the Constitution, which very few people in the Congress understand today, or in the Supreme Court either, for example—but if we go back to our constitutional foundations and look at the history of Europe, in which these constitutional foundations were laid. That is, European civilization was started somewhere between 700 and 600 B.C. It was started actually by an alliance among the Etruscans, together with the Egyptians, particularly in Northern Africa, who were a maritime part of Egypt; and the Ionians. And the collaboration against Tyre, by these three forces—in other words, the maritime power of these localities, against the maritime power controlled by Tyre. And this created a unification process, out of which you had the emergence of a united kind of European civilization.

That is, there is no such thing as a "European people." There are many people who have European historical characteristics biologically, but there's no such thing as "European people." There's a European culture. And, as we see in the United States, or as we see in some cases in Europe, or we see in Germany, for example—many Germans are not of German origin, in terms of ethnic origin. They're a product of a cultural process, into which their ancestors became assimilated, and they represent a certain cultural history which they share. As a matter of fact, the whole thing is composed of various cultural histories, among various kinds of European cultures.

In order to have a representative form of government, you must have nations, which are sovereign, which represent the

culture of that people. Not globalization. Because you do not have representative government, unless the people are fully, consciously capable of recognizing their own interests in their own government. Therefore, you do not want globalization; you want sovereign government, of a sovereign people, which is governed by its culture, and that these cultures *agree* on a common purpose for humanity. They don't make war, because they have differences; they cooperate, because they have differences. And that was the intention.

The United States as a melting pot nation, is a perfect example of this. We were a melting pot nation! And apart from some racists and other damned fools among us, we are that, today. We don't care what the color of the skin is or anything else. Doesn't mean anything to us. Do they represent, are they part of this culture? Are they a contribution to this culture, making this culture or building it? If so, they're part of our people. And that's our sovereign system of government. Better than Europe, because we have a representative system of government here; we don't have that in Europe. We have parliamentary systems there, which come down easily any time they get into conflict with the financial powers that be.

But in our case, we have this, and this is what we should defend.

The Unique Advantage of the United States

Now, what's the solution? The power of the United States, under Franklin Roosevelt, as exhibited earlier, is this specific cultural factor. Europeans did not come here in a flight from poverty in Europe. Yes, some of them may have; but the settlements themselves did not come in that way. The settlements came, as a result of Europeans knowing that as long as the oligarchy's running Europe, this place is no place to be. So therefore, they said, we must go across the ocean, to this territory which had been discovered, and set up republics in this area, where the ideas of European culture can be freely expressed, without this damned oligarchy sitting on our necks! That was what the United States is. And therefore, we are a truly representative system of government, at least in our constitutional roots, with this intention: to bring the best of European culture here, *away* from Europe, away from the oligarchy, away from the nobility, the aristocracy! Away from the looters. Away from the predatory bankers. And to be able to express the values of European culture, in a land of opportunity for developing that expression.



Library of Congress

European immigrants on the steerage deck of an ocean steamer passing the Statue of Liberty in a 19th-Century sketch. The Europeans fled to get away from the oligarchy and live in a true republic.

That has always been our secret power as a nation, whenever we've accomplished something. We are a part of European civilization, with an affectionate feeling about other parts of world civilization; and believe that we must cooperate with other nations, by arguing and developing common interests for common purposes. And that we must deliberate on that process.

Now, this is what Roosevelt intended to do. Roosevelt is not an accident: He's more American than any other President since, because he understood this, and practiced this. His intention was to eliminate all imperialism, in the post-war period. To use the power of the United States to help nations which had been colonized, to build up, and become true nations, expressing their own culture, freely. And to bring these nations together as sovereign nations, in a unit, which he intended by his proposal for the United Nations Organization: to create a receptacle, in which you could take nations and build nations up, and bring them into an institution, where they would become sovereign powers, together with the other sovereign powers. And to eliminate *all* colonies, all empires, from this planet, forever! That was the purpose. And that's the *natural, constitutional expression* of what the intention of the United States' existence is, and always was, and should be now.

The Collapse of the World System

So therefore, the remedy for anything which we do, we're required to do, from the United States, must be an expression of that historical view of who we are, and what we are, and what our constitutional structure means. That means, how do we intervene in this present situation? Money is worthless.

Money has no intrinsic value. What happened with the Carlyle Group and what the Carlyle Group's collapse *triggered* with other groups today, is a new acceleration of the crisis: The system is coming down.

We are *not* in a depression; we're in a general breakdown crisis. We are in a process of financial collapse, which is comparable in form, to what happened in Europe in the 14th Century, when the general dark age hit. *We are in the middle of an onrushing dark age!* The nearest comparison to what's happening to us now, inside the United States and worldwide, is seen in Germany in 1923. Germany was isolated, because it was under these conditions set by the Versailles Treaty organization. It had no power, and no ability to *resist* the Versailles Treaty forces. Therefore, it was compelled to inflate! And under these constrained conditions, it went through a form of hyperinflation, which led to the collapse of the German mark in 1923, in October-November 1923.

We are now going through a process of hyperinflation, which is very much like that which occurred to Germany under confined condition, especially between 1921 and the end of 1923. That's where we are now. There's no way that we can manage—the stimulus package. A “stimulus package”! *That's what they did in Germany!* In 1923, especially, '21 through '23, but especially '23. The stimulus package



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The Prince of Wales surveying part of the Empire in 1875. Roosevelt intended to eliminate all such imperialism in the post-war period, and “to use the power of the United States to help nations which had been colonized, to build up and become true nations,” LaRouche said. But after Roosevelt's death, the British faction gained control of U.S. policy.

coined a phrase: *hyperinflation!*

What do we have now? We have a collapse of that nature; in this case, a collapse of the world system. We don't have some outside power that's controlling this, as such; the world just can not take this system any more. So therefore, what happened in a localized situation in Germany in 1923, is now happening *globally*, but hitting primarily in Europe and the United States, the transatlantic powers. But if the transatlantic powers go under, China will go down, India will go down, everything will go down! The world will go down in a dark age.

Now therefore, money, as defined by the Federal Reserve System, *is no good! No damned good!*

Use Constitutional Powers To Get Moving Again

So what do you do? Well, we have, under our Constitution, the constitutional powers of the U.S. government, which are unique in the history of constitutional law. These are the constitutional powers which were used by Franklin Roosevelt: to take the United States out of a deep depression, and make it, once again, a great power, the greatest power the world had ever seen, in terms of economic power. How'd we do that? We reformed the currency. We took measures of bankruptcy, and similar kinds of measures. We got things moving again. And by the end of the war, we had created the greatest economic power the world had ever seen—with the American Constitution.

Well, how can we do that again?

All right, now, the immediate thing: We don't have a “housing” crisis. We have a housing crisis in the sense that people may not find houses to live in, that they're allowed to live in. But the housing crisis, or the so-called subprime crisis, is merely the tail end of the real crisis. It's the weakest point in the system. It is not the source of the crisis. The source of the crisis begins at the highest level: It begins with the financial institutions. The bankruptcy is occurring in the leading financial institutions of the world, in every financial institution of the world—that is, especially in Europe, the transatlantic ones, immediately—are in the process of disintegrating. So the disintegration is coming from the top, but is reflected at the bottom. It's reflected in the impact on the weakest section of the people, in the economy.

So therefore, what do we do? We have to protect the household. We have to keep people in their homes and their communities. Number 1. We can do that: How? Well, the Federal government has the power of bankruptcy! We bankrupt the system! And we put the homeowners under protection. And we negotiate an arrangement under which they will continue to be homeowners, until we can sort this mess out, and then we'll sort it out for the final solution.

But you can't save the homeowners, if don't save the banks! You have to save the local banks—not the filthy banks, but the local ones, the ones that are real banks: that take

deposits and loan money, and are vehicles for the Federal government and state governments to conduit funds through them, for local purposes or state purposes, and thus you stimulate the growth of the economy.

Now you put the banks into the business, with Federal help, of building up again, to make up for what they lost with all this foolishness, and now you have, without skipping a step, you have a continuity of the bank, yesterday, and today. No difference. On the outside, no difference. For the ordinary citizen, no difference. You go in, you make your deposits, you make withdrawals, it's your business. You get loans for your local business. You get loans for community purposes. But you also conduit *Federal credit*, created by the Federal government, which you put through, through various programs, through the private banks of these types, in order to rebuild the economy. You put people back to work—exactly the way Roosevelt did.

Then you have to set up another system. Second thing: You have to set up a two-level system, where you have one rate, 1-2% for loans, that's the Federal rate. And for programs that are authorized, they will get, through the banks—their local banks—or through the government directly, but preferably through the local banks—the Federal program will then be authorized to conduit money of this type, Federal created credit, through the local banks, the state banks and the national banks, in order to provide this credit for specified purposes for investments in the economy. And for employment, whatever the Federal government authorizes.

And so, now what you've done, is you've protected the banks, by putting them into bankruptcy protection, you've protected the people. So you now have protected the local communities. And that's your base of operation—that's what Roosevelt was allowed to do. The problem we have today is greater than Roosevelt faced, much more serious. But nonetheless, the same method will work—and it's the only method that'll work.

Then, you have to have a *driver* program, which is large projects. We need to free ourselves from this petroleum crisis. We need nuclear power. We have, in the third and fourth generation, so-called, with certain types, like the pebble bed reactor types, we can not only produce power, of greater power and cheaper, than you can get with any other means—and there is no cheaper power available than nuclear power, that's a matter of physical principle, not some economist gibbering. But not only is that true, but nuclear power, not merely in quantity is better, but it's better in quality. Why? Because it enables you to go to the higher levels of physical principles.

For example: With an 800 megawatt or a 900 MW fission reactor of the pebble bed type, you can not only produce many things, you can generate synthetic, hydrogen-based fuels, locally, from water! And the waste of the consumption of this fuel is—water! Not a bad investment. You create water; you use water for hydrogen-based fuel power. When the hydrogen-based fuel is consumed, it gives you back

water! Not a bad deal, huh?

So by going to high-technology programs which shift the economy and its technology to a higher state, we can raise the level of productivity of nations, and solve problems we can't solve in this system.

The other thing we have to do, is we have to break the world free of petroleum slavery. We still would use petroleum, but basically we should be shifting away from using petroleum as a fuel, to using petroleum as a chemical feedstock for production, and there are many things that you can use petroleum for in that way. So then, you would, instead of shipping oil, as crude oil, from Saudi Arabia into the ocean, where it sits parked, while people bid it up to your \$4-a-gallon rate for gas—instead of doing that, you take the petroleum where it's extracted, and you set up a chemical industry, which is based on the use of petroleum as a feedstock for producing various kinds of things. Then, when you ship something, the value of what you ship is, per pound, worth much more as a product, per pound, than petroleum. And therefore, the weight being about the same, the cost of production, the cost of shipping is now lower. So therefore, it's a better way to run the economy. And by those kinds of measures, we can make it.

What we have to essentially do, is to have the world awaken to the reality of these alternatives. We have only two ways to go: the way I've indicated, a Roosevelt kind of orientation toward dealing with a general breakdown crisis, as I've indicated; the other way to go, is to go to Hell. There is no other way. There is no middle ground, there is no compromise.

A Revolt of the Patriots

What we need is a revolt of the patriots: people who see what patriotism really means. It's not "I love my country." What're you going to do for your country? What're you going to do for the world? That's patriotism. Are you committed to some practical benefit for your nation, and the world? Are you committed to some necessary action, on behalf of the world or the nation? That's patriotism: The idea of acting in unity, for a nation to accomplish something to that purpose, is patriotism.

What we have to create is a world system, and a world system of nation-states, not a world system of globalization. We don't need the Tower of Babel: The Tower of Babel was a bad idea. We don't want it back again. It had a bad reputation in the Bible, that's a good reason.

What we need, therefore, is to have the United States do what it can do under its Constitution, which other nations, generally, can not do. They don't have the Constitution to do it with, and they don't have the tradition that goes with the Constitution needed. We, as the United States, must go to certain principal nations of the world, to create a nucleus of alliances of nations, which will do what? They will create a fixed-exchange-rate world monetary system, the equivalent in that sense, and functional sense, to the Bretton Woods system, as Roosevelt intended. And what we will do then—the United



Courtesy of PBMR

We need nuclear power! This is an artist's illustration of the Pebble Bed Modular Reactor (PBMR), now being developed in South Africa. This fourth-generation nuclear plant is highly efficient and virtually meltdown-proof. It provides electricity, at the same time that it provides high heat for industrial processing.

States, of course, has the Constitutional power to utter money, which is a unique authority of the U.S. government. But other nations don't have that kind of system. But when we enter into agreements, treaty agreements, with China, with Russia, with India, and with other countries, we now can enter into what are called "long-term trade agreements"—trade and investment agreements, at low interest rates, 1-2% again, and by this means, we're looking at 20-year, 40-year, 100-year kinds of advances of credit—which is what we need now; then, you now have a basis for organizing, by *revitalizing* international trade, by introducing a new factor of vitalization of productivity in international trade, you now have a way of getting out of the present debt structure, and similar kinds of things.

So therefore, these purposes, which are fairly elementary in history, to the historian, represent an understanding of the problem, and a solution to the problem—if only as I've sketched it. This is what we must do.

We must overcome the stupidity which seems to control the Congress, or most of the members of the Congress, and to control many citizens who prefer to be ignorant, because they like desperation better than solutions, in order to accept *these three simple steps*:

One: HBPA [Homeowners and Bank Protection Act]. We must provide for an indefinite period, until we can solve the problem, we must provide bankruptcy protection for the homeowner and for the banks, that is, for the legitimate banks for legitimate banking operations, not speculation.

Secondly, we must establish a two-tier credit system, between 1 and 2% for government-authorized credit, and let the interest rate float, to 7, or 8, or 9% for other things. *No stimulation package*. A stimulation package is called a "hyperinflationary package." Anybody who is for stimulation—like these sex freaks, like Paulson and Bernanke—they want "stimulation" all the time! Stimulation! Get 'em some Viagra, or whatever! But don't give them money. And don't float money out

there. You've got to have a conservative view, to defeat inflation. You must have a regulated view, an expansive view, for construction, for the security of people, the security of communities, and for the normal functioning of the country, as it used to function. That these habits are built into our system! Normal banking, no more of this hyperinflationary stuff, no more golden parachutes. One to two percent basic rate. Rebuild the economy! People can understand that.

So, have a system of credit which is anti-inflationary: 1-2% for authorized use of the Federal government, as a means of generating credit. For distribution, primarily—when not by the government itself—primarily through state- and national-chartered banks, functioning in a normal way, pre-inflationary. Shall we say, pre-Volcker, pre-Greenspan ways. We need that.

We also need a factor of world expansion and cooperation, which means we have to go to create a partnership among a number of leading powers, which include Russia, China, and India. China is one of the biggest markets for the United States, and we're one of the biggest markets for China. If China goes down, we're in trouble. Therefore, we have to worry about China. And China has to worry about itself, and has to worry about us—as it does! The Chinese government now understands that this is a problem. India may be not quite as quick on this one, but they'll pick up on it. They understand it, too.

If we bring together an alliance of the United States, Russia, China, and India, and bring other countries into the same alliance, on economic policy, we can create a new international monetary-financial system—like the Franklin Roosevelt system. Under those conditions, with these three measures, and measures which are required to facilitate their implementation, we can mobilize most of the world to *get the Hell out of this thing!* And come back to a system where human beings can decently live again.

Thank you.

Dialogue with LaRouche

Debra Freeman: Thank you, Lyn. . . . The first question actually comes from somebody who is associated with writing policy for one of the Presidential campaigns. And the question is as follows:

“Mr. LaRouche, as you may be aware, Senator Clinton has refined her housing proposal to adopt policies that forcibly reduce the amounts of money owed by homeowners in the following ways: 1) She wants to change the treatment of primary residences in bankruptcy proceedings. 2) She has called for a blocking of any interest-rate resets. 3) The blocking of foreclosures for a specified period of time: Initially she had said 90 days; she’s extended that to 120 days. 4) She is calling for legislation of mortgage write-downs, and finally, to allow current homeowners to stay on as renters.

“My question to you is this: Can this be done without the establishment of a separate and new Federal institution? It would seem very difficult for us to implement this within the framework of the current banking system.”

Hillary Clinton and the HBPA

Lyndon LaRouche: Well, what she has proposed on these accounts, is all friendly to what is needed, that’s clear; but, it won’t work by itself. And therefore, what it omits is where the problem lies. You’ve got to realize—what is not mentioned in this thing is banks. You’ve got to realize, with the Carlyle Group collapse, and what that’s going to mean for other institutions: We’re going through a new ratchet, an expanded ratchet of a hyperinflationary collapse of the U.S. economy, and whole sectors and whole chunks of its institutions. I don’t think the loss of the Carlyle Group is a great loss, in and of itself. It is not an essential institution of government. But, nonetheless, the losses of these institutions in a disorderly way is a threat. And therefore, postponing certain questions for the sake of compromise, is foolish. That’s what politicians tend to do: They compromise. And they become compromised in the process of compromising altogether too much.

Without my measure, *it won’t work*. Otherwise, the obvious intent, the specific intent of her other proposals, is a friendly one. I have no difference with those objectives, but it’s not enough. And not enough is failure. We must, on the one hand, have blanket protection of the householder from being evicted. We must keep people in their homes. There may be exceptions here and there, but let’s forget the exceptions for the moment. Let’s look at the main job that we have to do. Because, if you collapse the industry, you collapse whole communities.

Now, on the other side, if you don’t protect the banks, it’s all worthless! You shut down the communities! Without the banking institutions *in* the communities, you’re going to shut down entire communities. They can’t produce. You have to protect the banks, as long as they’re engaged in legitimate banking business, pre-Volcker and pre-Greenspan especially.

So, therefore, you have to have *bankruptcy protection for the banker at the same time, and in the same way, that you have bankruptcy protection for the householder*. Therefore, now you have stabilized the community.

You don’t put a time limit on it. What she says is fine in a sense, “Well, let’s see if we can do it in 120 days.” Well, it won’t be enough, I can tell you. You’ll never make it. You’re talking about years. Look back at some of the experiences we had with Roosevelt in the 1930s.

Look, when I was in consulting, back in the 1950s and 1960s, I was running into cases of banks that were just then cleaning out some of their banking problems from the 1930s. That was long term. So therefore, you have to have a flexible view which is based on *keeping the economy functioning*, keeping it functioning structurally in all essential features. And whatever it takes, however long it takes, you’re going to do it. That is, you don’t like to fight long wars, but sometimes you have to fight one, sometimes on certain fronts, and this may be one of them.

Put the Federal Reserve into Bankruptcy

So, that’s that. The Federal Reserve System is bankrupt. They don’t like to say that, but it is. The Greenspan Federal Reserve System is hopelessly bankrupt. Now, what do we do about that? Well, the Federal Reserve System is a corporation created by the government. It is not a part of government; it is a corporation created by government. It’s not a Constitutional institution—and it shouldn’t be. It’s simply a vehicle, a private interest, a private organization, created by the Federal government, by various acts called the Federal Reserve Acts—which are sometimes sexual acts—and this thing is bankrupt. What do we do? *We put the Federal Reserve System into bankruptcy!* And the government runs it, so there is no conflict. When the slave is working for the master, there’s no conflict. The Federal Reserve System has to become the slave of the Federal government.

It is implicit law of our Constitution. The Federal currency is the property of the government. It is created by the consent of the House of Representatives, and created by the Federal government. The President of the United States is the President of the banking system, but the Secretary of the Treasury actually carries out the function. The House Banking Committee—not with the present incumbent leader in it—is responsible for sponsoring legislation to assist in defining the programs and purposes of utterance of currency. That’s all we have to do.

But you have to have the guts. The problem here is, trying to make a reform of the kind that is required can not be done sneakily. Don’t try to do some little sneaky thing which you think will do something good. You have to tell the American people what you’re doing, what the reform is, why it is, how it’s going to work, what their role is, and where they go and what they do about this thing. You have to get the participation of the population with consent in this policy. Therefore,



EIRNS/Stuart Lewis

Lyndon LaRouche and Ronald Reagan at a Presidential candidates debate in New Hampshire, in 1980. "We had some fun together by remote control and otherwise on certain things," LaRouche said, pointing out that they were of the same generation, and thus had certain things in common.



National Archives

President Reagan addresses the nation on March 23, 1983, announcing the Strategic Defense Initiative (SDI). LaRouche had proposed such a plan since the late 1970s, and conducted back-channel discussions with the Soviet government on the U.S. government's behalf, prior to the President's announcement.

putting the Federal Reserve System where it belongs, into bankruptcy receiver control of the Federal government, under the Treasury Department, is what's required, along with the other measures. But, you can not take halfway measures in a case like this. The whole system is coming down. You can not reform part of a broken-down car. You have to reform the whole thing.

LaRouche's Role in the SDI—vs. Cheney

Freeman: The next question comes from a Democratic member of the Senate, who has close ties—historic ties—to the military. His question is:

"Mr. LaRouche, I don't know if you are aware of it, but today Vice President Cheney has taken the occasion of the 25-year anniversary of the SDI to call for an anti-missile defense system. You are repeatedly identified as the intellectual author of the SDI. Is it the case that Cheney has finally come around

to your point of view? Or, has your advocacy of an SDI changed?"

LaRouche: Brother Cheney has come around to the point of my spear! What he proposes has nothing to do with SDI. He's a liar! He lies all the time. Don't be surprised if he does it once again. He's also a degenerate, and he gets most of his degeneracy from his wife, who is the expert. She's the boss; he's the ugly dog out there, tethered on the front lawn. She owns him! She's a British intelligence asset; he's actually a British agent. In a sense, you could call him, in principle, a traitor to the United States. And he's a agent of Blair, has been most of the time.

Anyway, the SDI was a proposal concocted by me, devised between 1977 and 1979. It was a key feature of my Presidential nomination campaign, at that time.

Before Reagan was elected, I had met him briefly at one event in New Hampshire, and we had some fun together, by remote control and otherwise on certain things. See, he belongs to my generation, and when we got into people like George Bush, Sr., we'd say "Well, this clown." And I think, President Reagan always knew that George H.W. Bush was a clown. He's not as psychotic as his son is, but he was a clown nonetheless. He's not a very serious thinker.

So, what happened was, at that time—and it was stated later, in a famous trial testimony of a member of the National Security Council of an earlier time—that what I did is, I ran an operation: Something came through the intelligence community to me, certain questions on how to try to deal with Soviet relations. So, I responded to this on the assumption that I was simply delivering a recommendation to those people in the intelligence community, as to what I thought they should do with the Soviet Union. They came back to me and said, "Well, will you undertake doing this probe?" And I said, "yes," so I was sort of sworn in, and became somebody doing that. Then, when Reagan became President, my function in doing this was taken over, under the supervision of the head of the National Security Council. So, I ran an operation from that period, especially 1982 through 1983, on behalf of the Reagan Administration. And what the President proposed on March 23, 1983, was exactly what I had proposed. What he was doing, and the reason

he did it that way, was confirming to the Soviet government publicly, what I had told the Soviet government through the back-channel organization that I was doing for the U.S. government, at that time. And that was the SDI.

The purpose was—as in my address of Oct. 12, 1988, in Berlin, when I forecast the immediate collapse of the Comecon sector, beginning with Poland—for the immediate future, and what I recommended for the U.S. dealing with the Soviet Union under a chain-reaction collapse of the type I had anticipated (which happened). So, the purpose of this, was never a system for fighting war. It was a system for *preventing* war. And what you do is: Sometimes, you get in a situation where you have an adversarial relationship between states in history, and you don't want a war. Well, you can't settle the peace questions all at once. You sometimes have to take concrete steps toward coming to a cooperation on certain secondary things, which will lead toward cooperation on more fundamental things, by experience. Sometimes it's called building trust; sometimes I would call it building new habits.

Now, the way this thing started, was: the advent of the Carter Administration, whose policies I denounced before Carter was elected, as leading toward a threatened thermonuclear confrontation, accelerating the threat. My view was, let's get this under control. Because thermonuclear weapons are not the infallible weapons of all future. They have a certain power, now, as long as you give them that power. But we have technologies we could develop, or which we have the technologies *to* develop, by which we could outclass significantly any ballistic missile attack. We were not at that time, and we're not now, able to eliminate all attacking missiles. But, we could insure the survival of a nation under an attack, which would mean that this would be just another big problem nobody would want.

So, the idea that you can not have a complete victory by a preventive or preemptive thermonuclear attack, was the objective we were working against. And the idea was, we would work for two purposes: One, to take these technologies which we knew from a scientific standpoint existed, and to develop them. Number two, to use this vehicle as a way of promoting technologies which would increase the productive powers of labor in each of these countries. And I was involved in a number of technologies to be developed for this purpose. And the idea was, the Soviet Union would cooperate with us, in giving us what they knew, or were doing, on certain technologies. We would share that with them. We would jointly develop things that neither of us could develop alone. And by this, we would create a system to outflank the threat. Because once we enter into cooperation, and get away from this ultimatic confrontation, we had a chance of negotiating something out of this.

See, the point is: The idea of war being fought permanently, for the annihilation of some designated enemy, is the greatest piece of stupidity you can imagine. You have to live on this planet with other people. You can never declare a war of annihilation, or virtual annihilation against another people or a



Bundesbildstelle Bonn

Then-Soviet President Mikhail Gorbachov in 1989. Gorbachov “hated my guts” on the question of the SDI, said LaRouche. “I had a lot of problems with Gorbachov, and still do—who still hates my guts on this issue.”

nation. That is not moral, and it will not work; it will backfire. You must find a way of bringing about cooperation among nations, and making it more attractive than killing each other. You have to do that sometimes with the willingness to defend yourself in the process of trying to effect that result. But you're looking for peace, not for war! If you fight war, it's to try to preserve the possibility of peace; it is not to perpetuate war.

Now Reagan, in a sense, with all his fluctuations, up to the time of 1986, agreed with that, and probably agreed with that beyond that time. Gorbachov hated my guts on this question, and I had a lot of problems with Gorbachov, and still do—he still hates my guts on this issue. But, that was the issue.

So, there's nothing in Cheney, for whom I have absolute contempt. He's just an evil thug; he's not really a human being in any functional sense. And he's trying to get us into another war, again: an Iran war right now. That's what the Admiral Fallon resignation imports. So, therefore, there is no connection, no similarity whatsoever between me and Cheney. Cheney—I would like to lock him up with his wife, and let the two make each other suffer.

Defend the Dollar with Real Infrastructure

Freeman: I think the good Senator knew that, but he wanted you to go on record. Before I ask the next question, someone has submitted a quote that they thought might be fitting for today's situation. It's a quote by John Milton. And since before I became the world's leading expert on bed-wetting, I actually did my thesis on John Milton, I thought I'd

read it. The quote is: “You, therefore, who wish to remain free, either instantly be wise or as soon as possible, cease to be fools. If you think slavery an intolerable evil, then learn obedience to right reason, and the rule of yourselves.” So, whoever dug that up, I think did a good job.

The next question comes from a group over at the Hamilton Group, which is apparently listening to the webcast. And they say, “Mr. LaRouche, as you speak, we are grappling with the issue of economic stimulus versus fiscal stimulus. In this context, could you please address the question of a strong dollar? How would you defend the dollar in this framework?”

LaRouche: Well, I would defend it by the means I’ve already indicated, but there are some other specific things we’d do. For example, we do need some real infrastructure. You won’t get it from that traitor; you’ll get it from me, and you’ll get it from other people who agree with me. We do need to replace the automobile—our dependency on it, and our dependency on heavy trucks, on highways they destroy—by mass transit, which is largely, improved forms of rail or magnetic levitation. We do need large-scale operations of fresh water. We do need an operation to rebuild the Ogallala Aquifer, which I’ve been pushing for for some years [Figure 1]. We do need a massive program of high-energy-flux density production of power and its application through nuclear power. We need that now.

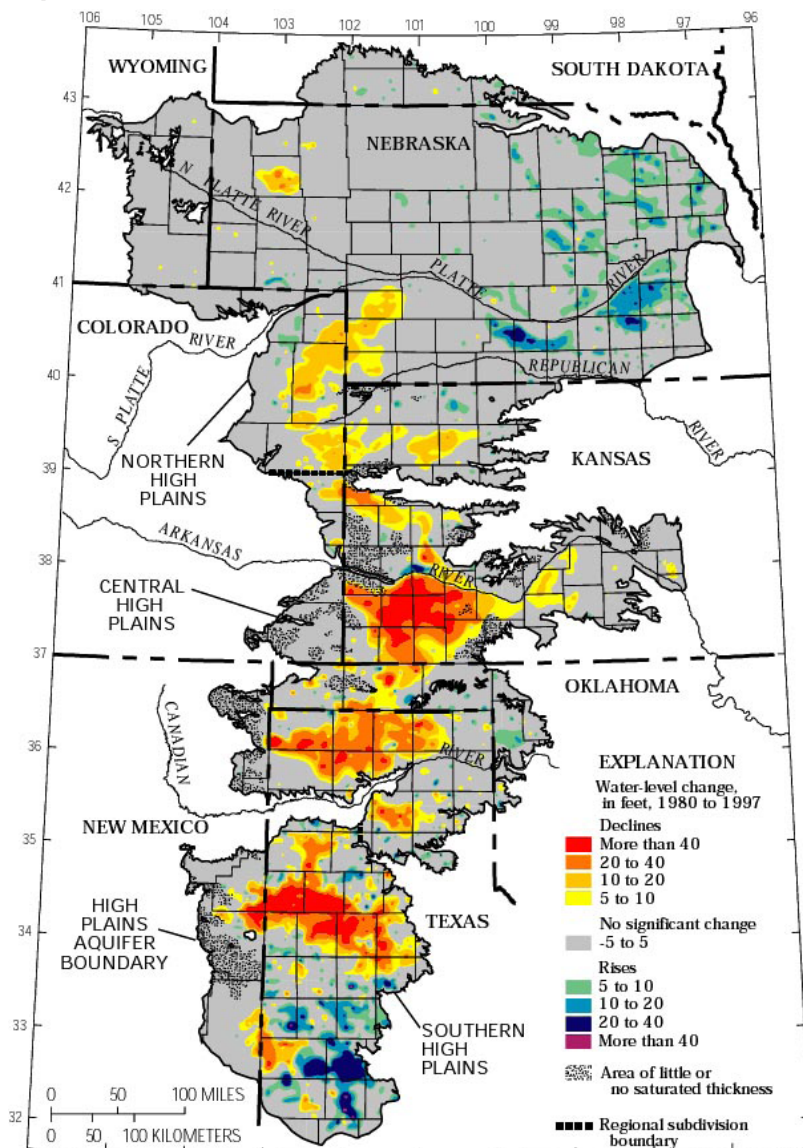
We need other things. For example, we do need a new health-care system. The present one is a mass-murderous, evil system, and most people know it, who deal with health care. This means institutions have to be rebuilt; it means other things of that sort. We have to have a Federal system of guaranteed health care production, not this collection of thieving, which is called private health-care programs. We can have private health care, but it has to be protected by the Federal government, so that everybody is guaranteed access to health care. And keep it simple: Don’t make it complicated! Keep it simple, with good administrators working within institutions, which are constantly improved to make the thing work. Flexible. No more of these long-term contracts, which are largely fraudulent because they got reinterpreted anyway.

The main thing is these kinds of things.

I could also talk about education. Our education system stinks! We never have had such a bad educational system probably in U.S. history. We have teaching *at* people, not actually the development of the mental powers. We’re running

FIGURE 1

Water-Level Changes in the Ogallala (High Plains) Aquifer, 1980-99



Source: V.L. McGuire, March 2001, United States Geological Survey. Fact Sheet 029091

To defend the dollar, build real infrastructure! The vast Ogallala aquifer, which spans 111 million acres, is drying up, as a result of extensive ground-water pumping. LaRouche has been calling for an operation to rebuild the aquifer, and develop other water projects, for years.

with the youth group, an expanding program of fundamental science research. And I’m telling you, our people are doing it. They’re doing work on a graduate level, which is superior to what’s being taught in universities today.

We have some cases of that, in a case of a scandal involving NASA. Our work on Kepler was good, sound. As a matter of fact, it contained work that had never been done before in

that way; the best educational program in that, that ever existed. And some guys up at Harvard produced an attempt to fraudulently copy that, and failed. They produced a piece of crap. They could not do the calculations. And therefore what they did was, they took our work, and *by pencil drawing*, tried to copy our findings on how this worked. And in the end, they had no understanding of what Kepler discovered. They don't know what gravitation is. They wrote a whole book about this thing, apparently, which is fraudulent, about the principle of gravitation, and how it works. They laid everything out there, about as well as anybody could, and they don't even know what gravitation is.

So, that's typical of what goes on in educational institutions today. We do have to think about educating, not on performance—we're not training seals to perform and bark in a certain way. We're trying to develop human beings who will have independent capability of creative thinking. We want to stimulate that creativity; you don't want to program them. You want to eliminate programmed learning, and anything like that. You want to eliminate achievement scores and education based on that.

So, there are plenty of things that are needed: Mass transportation, health care, water management, power development. These are the primary drivers of an economy. These are areas which you can generate rapidly.

For example, we want to recapture as soon as possible, the lost engineering potential of the automobile industry. We want to get these guys back to work. We want to use these cadres as a way of assembling people for large-scale construction types of work, like building railway systems, building canal systems, building water management systems in general, building power systems. And these guys could do it. We could have done it in 2006. Take this whole chunk of the auto industry we've shut down, and instead of throwing it away, employ the same people in the same places to do contracts on this kind of work. And they could have done it. They did it in World War II! That's how we won World War II. Just put these guys back to doing that kind of work. We have to recapture the skills we have as rapidly as possible, for high-technology, capital-intensive results in infrastructure. And that will be a driver, and it will work just the way Franklin Roosevelt's program worked. It will be a different program—the same thing, same purpose.

Is Obama Being Used?

Freeman: A number of people who are supporters of Barack Obama have submitted very upset questions, and in some cases, not questions but comments, which I will not read. But just to let you know, I got the message.

There was a question that was submitted by a member of the Black Congressional Caucus, who says, "Mr. LaRouche, do you actually believe that Barack Obama is a fascist, or is he just being used? Isn't it possible that he's smarter than those who think they're using him, and that he's really using them?"

LaRouche: Unfortunately, he's not smarter. I don't think he's a fascist, I think he's a bit of a dummy. He's a guy who has his own particular slick way of getting around in life, but he has not made *one single, substantive proposal on program, in a nation which is breaking down*, not a single, substantive proposal that's a workable proposal. Now, Hillary has. I don't think she's done enough. I don't think anybody's done enough. But the point was, Obama *is* being used. He was being built up, by people I know who built him up. They deployed him, and they plan to destroy him. They're using him like a piece of toilet paper, attractive to the man sitting there, who's in desperation and in need of some service. Then they plan to flush him after that.

That's the fact. And these guys have got to realize that. Obama is a fake, not because he's a concocter of evil, but because he's being used. And he hasn't got a damned idea at all about what's happening to him! Every sign is he's completely confused. He knows something is going wrong. He has no idea what it is, because he refuses to realize that what he's running is a nothing campaign. He could not qualify as President of the United States in performance. He's done nothing to establish any indication that he has competence in that. He has not mentioned *one single step of program*, which would actually work, which is relevant to what the people of the United States need! That's lousy: He's saying "Wait for me! I'm the miracle man. Superman! I'll come flying in! And I'll do miracles. I'm the man of Krypton!"

This is a great sucker game. And if you look at the history of the United States, the political history of the United States, this is typical of the butter-and-eggs campaign, in the time of the Depression. This is a Ponzi scheme. Similar kinds of schemes. The guy has not got a single conception of *how the U.S. economy works*. He has a sophist conception of what law is, by using law in a way, in which everybody can interpret the words, but nobody agrees on the meaning.

On Governor Spitzer: 'Check Everybody's Closet'

Freeman: This particular question comes from someone who holds statewide office in New York, but it's similar to a number of questions that have come in: "Mr. LaRouche, can you please comment on the targetting of New York Gov. Eliot Spitzer?"

LaRouche: I think, as I know politics, and I know people, and I know business: I don't think that there are many politicians in this country, who have achieved relatively high office, who aren't keeping herds of pigs in their closets. I don't think that organized-crime allows anybody to become their boy, without getting them to commit something they can use against them when they want to in the future. That's the way it works. I think that some people don't trust anybody, to promote them, unless they've got something on them, beforehand, to control them, to threaten them. I would say, "check everybody's closet."

Now, when you look at it that way, as I look at it because I have some experience in these matters—I've experienced some very nasty frauds and know how they're struck, when the Federal Department of Justice and others create them, in the name of justice. When you look at that, you say, "Why would they come up with something out of the Hell-box, at this time, and to what end?" Well, he had just confirmed an endorsement of Hillary Clinton, which he had made in a sense earlier, but he'd been pressured to withdraw that and change it. And when he refused to, a couple of days later—Boom!—what happened? Gee whiz! They had something on him, in the Hell-box, and they brought it forward, and said, "Git, git! And the next guy who refuses to take our orders better learn the lesson."

You should ask, who's the next target?

I don't think Spitzer has any particular claim on anything of that sort. I think the number of sex freaks in the Congress probably vastly outnumbers—I mean, this is not real! When people fall for this thing, say, "Okay, when did these guys know about this? They got this woman in the closet, huh? They got a number for her, Number something or other. How long did they have that number? Was it somebody in the Department of Justice, of the Bush Department of Justice? Was it somebody else? Why would they have this? Why did they rush to get this into the press now? Why didn't they report it when they had the information? Why did they wait?" So therefore, maybe the people you ought to convict, are the people who sprang this scandal.

Not that I recommend doing that kind of thing. It's not a nice thing to do, particularly if you're on the public till, because it impinges on your reputation. *But!* I know politics. I don't know how many other politicians in this country could escape some similar kind of problem. Why? Because that's the system. Not only organized crime, but intelligence services and others, as I know first hand: Before they promote somebody, they make them "trustworthy," by compiling evidence which could hang them any time they get out of line. *That's the way politics works.* So, I would say, let's open *all* the closets! Say: "If you've got something you think you ought to confess, confess now! Let's all get out there and



EIRNS/Stuart Lewis

New York Gov. Eliot Spitzer, who left office under a cloud of scandal. LaRouche emphasized that almost nobody is allowed to achieve high office today without "herds of pigs in their closets." That's the way people are controlled. LaRouche called for an investigation of who in the Justice Department knew about Spitzer's shenanigans, when did they know it, and why did they wait until now to get it into the press?

have this confessional. A good old-time revival meeting, let's everybody confess! Let's have an official agency to register confessions!"

Therefore, when you get a scandal like this, you can assess the situation based on what's going on in society. Well, what I know, this society is immensely corrupt, and people in power are the most likely targets to be entrapped into something which can be interpreted as corruption. We don't have the kind of system that's an honest system, and we have to think about things that way.

The first thing I would say is, I want an inquiry. Okay, Spitzer was called forward. I want to know, on what date did you have this information? Who did you get it from, and on what date? Then ask him: Okay, you passed this information on? Yes. When did you have it? Or, why did you all come forward now, at this particular moment, when he had just confirmed an endorsement of Hillary Clinton? You got the *New York Times*, and all of these people are out there saying,

"Ooohh! He's a terrible man, a terrible man." I don't think he's a terrible man. I think he's a typical politician. There are very few exceptions to that, I tell you.

Corporatism: A Self-Destructive Policy Sold to Sophists

Freeman: Another question from someone associated with a Presidential campaign: "Mr. LaRouche, on the threat of fascism, you've identified corporativism as the framework by which modern fascism was first introduced to Europe by Mussolini. In its early stages, it seems that this was a seductive idea, so much so that history books report that even FDR flirted with it. And, on the face of it, for many today, the policies that are being proposed seem reasonable. I know you addressed this in the main body of your remarks, but could you please talk a little bit more about what specifically corporativism is, and how it differs from what we know as the American System. Because I am well aware of the fact that many of my well-meaning colleagues are being sucked into what are essentially corporatist models."

LaRouche: Well, first of all, let's take the case of Ed Rendell in Pennsylvania, the Governor. I don't think Ed Rendell



LYM/Chance McGee

Michael Bloomberg, “still running.” He is “one of the most massive pieces of corruption I know of today,” LaRouche said.

has the brains to know what’s happening to him, frankly. I don’t think he’s a stupid person, but I think on economics and politics, this guy is really not very much there. I don’t think Schwarzenegger—or “Schwezenegger,” or whatever—really has any intelligence. He knows he’s “coming,” but that’s all.

But, Mayor Bloomberg: Now, Mayor Bloomberg, on his own performance and record, is one of the most massive pieces of corruption I know of today, as any individual. A guy asked, challenged him, “Well, you have \$11 billion.” “No, I have \$40 billion!” Nobody in this country or this world has earned \$40 billion in their lifetime! It’s impossible. And I want to know what this great achievement is? What did he do? Did he invent God, or something?

So, the point is, a lot of these guys are dummies, and they wish to be dummies. The American people—especially the age-group between about 50-65, active age-group, of the white-collar variety—have become sophists in the sense of Ancient Greece under Pericles that went down to Hell, in the Peloponnesian War. They’re stupid! Why are they stupid? Because they’re opportunist. They don’t think about the truth: They think about their appearance. They’re Baby Boomers, they think about getting ahead. They’re the people who spit upon, who rejected the blue-collar worker, rejected the farmer, rejected science, physical science. They rejected nuclear power.

They rejected technologies which are necessary. And they said, “Well, you’ve got to be practical. You got to be practical! Look, people need jobs, right? Well, this will give people some jobs.” “Doing what? Collecting?” Collecting fees on property which was created by the government—Federal, state, or local—which is now leased to some corporate shark, who is given the power to set any rate they wish to on the tar-

iff, on the price of walking down that street, that the government created.

Now, anyone who doesn’t understand that, is not qualified to govern! Of if they’re going to be qualified, you’ve got to take them back to a school quickly, and teach them how to govern. They don’t know what they’re doing.

See, we’ve gone from science to sociology, and very bad sociology at that. You’re looking for consent. You are a nation of sophists. Our politicians are elected for their powers of sophistry, or to perceive what the current sophistry is. They don’t really think about reality. They don’t think about this. I mean, they don’t think about what it is to take a highway, which was built by public funds, which people have to travel on to get to and from work, to do their job. Now you put a tariff on there. You put a toll gate on either end of this section of highway, and you collect the toll. What the Hell have you done?

What have you invested in? You’ve invested in creating a toll-gate! And maybe you will make a few repairs, from time to time along the way. But the basic thing is, you’re in to make a profit! And a profit is what you didn’t *earn*, in these cases. So you say, “Yes, but that gives jobs!” But it *robs* jobs! It robs the lives of people!

And the problem is, as long as people get the idea of this fragmented, Cartesian way of thinking, and don’t think of the consequences, don’t look for the global consequences of the decision they’re supporting, and don’t see the real consequences—just say, “Well, this would be good, wouldn’t it? How can you argue against that? It’d do some good, wouldn’t it?”

But the policy will destroy the country. “I’m just a practical man. Don’t ask me about that! I don’t know about the good of the country. I do know this will do some good.” Idiot! And if you elect such people, you deserve what you get.

Keynes’s British Empire vs. FDR

Freeman: I’m going to start grouping questions together, because we’re getting a lot of questions, especially from institutions, that are very similar. We’ve gotten several questions on the subject of Rohatyn, FDR, and John Maynard Keynes. Let’s put it this way: “Felix Rohatyn openly refers to himself as a follower of John Maynard Keynes. He recently tried to reverse his previous public hostility to FDR, by saying that he supported the New Deal. However, there are obviously issues at hand here. One can not have it both ways. But there are many ill-informed or, in some cases, lying authorities, who would insist that FDR and his Bretton Woods system were essentially Keynesian. Could you please address this?”

LaRouche: That’s because people don’t know their his-



World Bank

John Maynard Keynes addresses the Bretton Woods conference, July 4, 1944. Franklin Roosevelt's conception of the new world monetary system had nothing to do with Keynes, contrary to widespread belief. Keynes was a fascist, who supported the British Empire; FDR was committed to ending the imperial system after the war.

tory. And there are some people in Europe who, of course, came into adult life after World War II, who don't know their history on this thing, even people I respect as economists, otherwise.

What happened is, Roosevelt convened the Bretton Woods session under his authority in 1944. In the course of the proceedings, John Maynard Keynes made a proposal. Keynes—and leading British economists—had also endorsed fascism in 1938—in a book he wrote, part of the first edition of his *General Theory*. And so, Keynes made a proposal. Now, Roosevelt had not intended what Keynes meant. Roosevelt himself had not supported Keynes. Roosevelt was explicit during the war that, “When the war is over, Winston”—speaking to Churchill—“the British Empire is going to end.”

Now, Keynes's system is based upon the British Empire, in terms of system. Keynes was a fascist. That's his background, as he said in the German edition, which is the first edition of his *General Theory*, published in 1938 in Berlin. He said he preferred to have his book published in Germany, at that time, because it would have a better reception and be more applicable in Nazi Germany, than it would be in a democratic country. And he was right.

Well, what happened is this: When Roosevelt died, Truman came in and Truman was a pig. Now the crucial issue was this: Roosevelt's policy was: “Winston, when this war ends, we're not going to have a British Empire. We're going to free these people, and we're going to help them develop and have their own independent governments.” And Roosevelt had some very specific proposals he made, as at Morocco, on this

particular question, and all through the war.

Now, I come out of this tradition, by various channels of the pro-Roosevelt period, who, like General Donovan, the head of OSS, and others, were devoted to this intention of a post-war period, as Roosevelt defined it. And when Roosevelt was dying, while in office, shortly after his Fourth Inauguration, Donovan went into the office to meet with the President, and came out gray-faced, saying to a friend of mine, who was with him at the time: “It's over. It's over.” Which meant that Roosevelt's program for the post-war period, which had been the central driving force of all the real patriots of the United States, who understood this at that time, was ended, and the British were taking over.

Truman Re-established Colonialism

What happened is that Truman adopted the British policy of *not* encouraging liberation of the colonies, but of re-establishing colonialism. *And that's exactly what Truman did.* Now, under these conditions, the intention of the formation of the United Nations and the intention of the Bretton Woods System, were subverted, be-

cause the intention had been to *free colonial nations*, by large-scale infrastructure projects and other things of development of these nations, and to protect them while they emerged from colonial status into sovereign nation-state status. Once that was done—remember the policy was, at the end of the war, Roosevelt's intention was to convert the greatest economic machine ever developed for war, and convert that into a large-scale infrastructure and development program for the included purpose of freeing colonized nations and peoples, for independent nation-state status. Under these conditions, therefore, the purpose of the Bretton Woods System was subverted under Truman. No longer was it freedom, but if you recall from the period—at least from studying the period, since most of you are younger—you'll remember all the pro-colonial wars which the United States supported, as in Indo-China, as in Indonesia, and elsewhere, as in Africa, where they ran a dirty policy which is still running today. U.S. policy toward Africa stinks! It's murderous, deliberately so! Under Nixon, it got worse. It's colonialist. So therefore, Roosevelt's purpose for the Bretton Woods System was not carried out.

Under these conditions, where the British were taking more and more of a controlling role over the Anglo-American policy in the post-war period, the policies tended to go in the direction of Keynes's speech in 1944. So Roosevelt's intention was not Keynesian. But the British intention and Truman's intention, *was*. And that's what we've inherited.

Have we done anything, really done anything, to eliminate colonialism, except to found neo-colonialism? What's our policy toward Africa? What's our alignment, when we

come up against the British on the question of Africa? What's the policy of the United States, respecting British policy toward Zimbabwe, for example? Or other nations? What is the policy of the United States with respect to what happened at the Lisbon Conference on the question of Africa? The United States is the *enemy* of black Africa. The United States is the *enemy* of anti-colonialism, because we believe in the *free-trade, free market system*, free to steal and free to trade in people. Free to trade in governments. So what's the standard for government? "We don't approve of you because the British don't like you. We don't approve of your government because it doesn't support our policies." This is our problem.

That's what's really involved with the Keynes issue. Keynes's policy was based on a feature of central banking, which he explained generally in all his works on this. It's no mystery. He's a central banker, in a central banking system which is opposite in purpose and effect to what even the Federal Reserve System was conceived to be, and certainly what the U.S. Constitution conceived to be as an economic policy. So that's the issue.

Africa Needs Technology and Infrastructure

Freeman: After this question, I'm going to start mixing up some of the institutional questions with some questions of people, who are here in our live audience, so if you have questions, this is the time to identify yourself.

The next question comes from someone from Zimbabwe. Before I ask this question, though, I'd like to extend greetings to groups that are gathered on the continent, in both South Africa and Tanzania, who are listening to this webcast. This question, as I said, is from someone in Zimbabwe, who's not in Zimbabwe at this time. The question is: "Dear sir, I write to you as a Zimbabwean living abroad, who due to circumstances beyond my control, will be unable to take part in the upcoming Presidential elections in my country, which I would otherwise do. I would greatly appreciate your view on the current situation in Zimbabwe, and the upcoming elections, within the international political and economic sphere. I would also appreciate your views with regard to Africa as a whole, and how the current perilous state of the world political and economic system will impact my already extremely vulnerable continent."

LaRouche: Well, first of all, you've got to get a change in the world system, because otherwise, nothing you propose will work; nothing you'd want to propose would work. The problem with Africa—take sub-Saharan Africa as a specific, but it's not limited to there. Take sub-Saharan Africa as such: What's the problem? Well, on the best side, the indigenous African population has a very large component of relatively skilled agricultural workers, farmers, and so forth. The prob-



USAID

Africa has good farmers, and its potential for food production is vast, but it needs technology, infrastructure, and the inputs to protect crops grown in a tropical or semi-tropical region, from pests and other problems. Here, a farmer in Senegal.

lem is that because we're working in a country which is largely a tropical or semi-tropical region, if you grow crops, you have to protect them, because the things that could destroy those crops are running very wildly around these areas. Therefore, first of all, you have to develop the crop, protect the seeds, protect the conditions under which the crop is grown. You also have to protect the crop, when it's growing. You have to protect the crop when it's harvested, because the bugs and other things will get it. You have to transport the thing so it doesn't rot in the course of transportation.

So what happens is: Africa has the largest single agricultural area—it's a garden, virtually—but a very small portion of its growth potential, product potential, actually is delivered to be consumed by Africans, or others. And then when you take what it is shipped out of Africa: You know, British-run Zimbabwe is run still as "northern Rhodesia," in which English and related farmers are given all kinds of protection, to grow crops which are shipped to feed the people in London. The useless parasites in London, why do they feed them? And the African farmer in Zimbabwe is prevented from access to those measures, which are necessary to make the African farmer in Zimbabwe comparable, in terms of what he can do—because he can do it too, there.

So, then the basic problem comes down to technology—technology and infrastructure. Well, first of all, you need communities in the agricultural areas which are going to supply the technology to the farmers, like what we used to do with the

agricultural extension programs in the United States. You're going to have to do things about developing special treatment for the specific conditions of Africa to protect the growing crops. You have to protect the harvested crops. You have to have stations in which you can package, let's say, grains—package it in such a way that you use radioactivity as a way of neutralizing the diseases which get into a crop. Now, by that measure, you can increase the amount of food, *net produced* for consumption in Africa. To do this, means you've got to develop a high-speed railway system, a network that works. You've got to improve water works. You've got to control the pollution of various kinds in the streams. They've got streams that are full of very active and aggressive forms of life, and therefore you have to protect it.

The basic thing is, Africa needs the infrastructure to enable it to produce enough food for its own people. The policy of the United States, since the 1970s—the middle of the 1970s—has been, don't let it happen. Because, they say, the natural materials of Africa belong to *us*! The present population of Africa is already consuming too much of those raw materials, which we want to save for the future, *for us*. Besides, the population is already too large. We have to reduce it! How? By "natural methods." Natural methods: disruption, wars, other means.

It needs power. The ideal power for Africa is basically nuclear power. South Africa, if supported, has some nuclear reactors and nuclear reactor programs which are quite adequate for much of Africa. This is needed for Africa. It gives you the cheap power and the capability, flexibility, for doing many things. So therefore, if we *wished* to help the African, we could do it; the programs exist. But it is specifically those measures which will be needed to meet the needs of the African, which are *prohibited under present U.S. policy. The U.S. taking its orders from the British Empire, better called the Brutish Empire.*

Bankruptcy: To Protect the Human Being

Freeman: I said I was going to start mixing things up, and I am, because I need time to organize all these questions. From the audience here, John Ascher had a question.

John Ascher: Lyn, your discussion of the petrodollar and the Eurodollar reminded me, brought up the question to me, of the transition in the period of getting a New Bretton Woods: which is that, when Roosevelt first came to power, he had to deal with the collapse of the gold standard, the fact that the dollar was under massive attack. He took steps, actually went really to war against the speculators. And I'm just wondering, what's going to have to be the transition here, out away from this Eurodollar/petrodollar system, in terms of bringing in the HBPA and New Bretton Woods. What are we going to do about this monstrosity that exists around the planet in terms of these dollars sloshing around? I remember what you said years ago about all the drug money out there, and what would be done to kind of force people to account for a lot of those

dollars. So, I'm curious if there's anything beyond the two-tier proposal and the other things you've outlined that are going to have to be done in the kind of transitional period?

LaRouche: Well, see, John, I used to be a consultant, and I lived in an environment of consultants, and was involved not only in the things I was involved in directly, but involved in looking at what other people in consulting were up against. And naturally, if you're a consultant, you tend to be called in when you're dealing with a potential bankruptcy, or an actual bankruptcy. So, a lot of my best experiences, or most enlightening experiences—outside of technology—have been how to deal with bankruptcies. And very few people have the trained guts to deal with an actual bankruptcy. It doesn't bother me. It confuses other people.

What you do is, exactly as I have proposed. You look at the situation, as you would look at a company that has gone into bankruptcy, and you say, "Well, this thing has got to survive; we've got to keep this thing alive. It's needed for the community, it's useful, it has a lot of potential. Mistakes were made, oversights occurred. We've got to rebuild this thing." So, you're going to negotiate, hardball, with the creditors and others, and I'm used to that. I used to enjoy that. So, what you do then, is you simply get the creditors hardball, say: "Well, if you guys try to move in on this, you're going to get nothing on the dollar." That's my first point. They growl and snarl a bit, and so forth. And I say, "I don't care how much you snarl and growl, that's the situation. You're not going to get anything out of this, unless you go along with this. This thing can be rebuilt; you can salvage something out of the whole mess. Isn't that better than nothing?" And you start from there.

Now, we're in that kind of situation for the U.S. economy. And, for example, you've got these golden parachutes. Ha-ha-ha! There's no honor in that piece of thievery, and so forth. So therefore, what you start with, what you should start with, is the people. And you start with ordinary people, human beings, because the individual human being is the most important thing. Because the human being is sovereign: That is, the human being has creative powers which exist only in the sovereign human being. It's what makes him a human being, as opposed to being an animal.

So, the first thing you're out to do, is to defend the human being *as a human being*. You know, he's in a community, or he's in a firm in a community. You want to defend that, if you can. So you protect that, number one. In order to make that work, you've got to think about the community in which this is going to happen. Then, you've got to think about the enterprise you're dealing with, and what is actually required. What are the elements that are actually required to make this thing successful again? And that's what you do. What about the things that don't fit those categories? Well, let me tell you—we've got to talk about this. And that's exactly the way you do it. Most of the claims against the dollar *will never be honored*. If they try to get them honored now, they will get *nothing* in the end. If they're willing to go along with a settlement,

which lets everybody live, they can do quite nicely. They may not like it, but it's the only *real option* they have.

Now this is why government comes in. Who's the best arguer on these things? Who's the best litigant on these kinds of things? Government! The power of sovereign government is the only instrument that can sort out a mess like this. So therefore, we're going to put these guys through bankruptcy. And most of these guys—like Mayor Bloomberg! Never earned a nickel in his life, and he's got \$40 billion! And he wants to steal more. He's got no case with me. He's going to give; he's not going to take, as far as I'm concerned.

So that's the point. It is harsh, a national bankruptcy, when you know you've got out there, implicitly, claims in the order of magnitude of hundreds of trillions of dollars, and you look at the actual national product of each and all combined nations of the world today, in terms of physical product. How are you going to pay off those quadrillions? You're not going to pay those quadrillions off. How did you pay off the reichsmarks, or the marks in 1923? You're never going to pay them off! We are now in a hyperinflationary explosion. The U.S. dollar, if you have it on a free market, is implicitly worth almost nothing. It's essentially wiped out. You're just waiting for the executioner to come along, and do the job of taking the head off.

So therefore, before that happens, you have to organize the thing and say, "Okay, nobody's going to take an average cut on this thing. We're going to decide what will survive, and what will not." First of all, people must survive; that's your first standard. Secondly, the most productive features of society, which are essential to society, must survive. Everything else is up for grabs.

Hillary Is Not a Fascist

Freeman: We got a note from one of the writers from over at Truthout, which is a website, saying that they just posted a piece on the fact that Governor Spitzer was in the process of launching a significant initiative against predatory lending. And the author suggests that this may, in fact, also be involved in the targetting of him. So, we will in fact take a look at that, and we thank you for calling that to our attention.

The next question is from a Democratic staffer on a House Committee. And he says: "Mr. LaRouche, do you think that if Hillary Clinton were elected, that this would mean that fascism could not be imposed?"

LaRouche: Well, in a case like that, if she were elected, she would have my full support and assistance in dealing with just that problem. She's not a fascist. Hillary's not that. She doesn't fit the profile. Other people do, they fit the profile of people who would go along with it, like many Germans did. They weren't fascists, they just went along with it. They pretended they couldn't see the smokestacks, that's all. So, you



HillaryClinton.com

Hillary Clinton has a sense that people's immortality is achieved by what they have done with their life, for the future of humanity. "Parents used to think about their daughters like that," as Hillary and Bill look at their daughter Chelsea: "as an expression of the outgrowth of their own lives and mission in life."

have people who don't want to see the smokestacks of fascism.

But Hillary is not a fascist. I, at this stage, can read her from a distance very well—not in every respect, but I have clear sense of what her character is, including the things that I have found are not the best or most useful in her, and things that are the most useful. She is essentially an honest person. She also is an honest person who is trying to adapt to a society, which puts a premium on opportunism. And that is a problem these days. I think there are very few people in society, especially in politics, who are not victims of a large dose of opportunism, which they think is the only way to get ahead in this operation. She has shown that in a sense; her whole campaign at one point, on the emphasis on feminism, was opportunism. She was not thinking about the country as such, even though she was, in one sense. She was thinking about the cause of having a woman President, and the changes in society that implied. But that's running away from the real issue. If you want women to have a better status in life, why not think of them as human beings? And there are still a lot of people who are not capable of doing that, even women, in terms of practice.

So then you start to think about what is needed. What is the action *by government*, which is going to set a standard which raises the level of the condition of people, including women? What's your mission for the future of humanity? We live in a society, that pretends it's very religious, and I think sometimes stupidity is mistaken for a religion. But, they don't believe in the immortality of man, not in any meaningful sense. You go to some kind of a magic place, you go to some other department and get treated nicely, or you get cured of

your old age, or something. But the human being, as I keep emphasizing to people, is essentially immortal, as no animal is. And a human being who is qualified to lead human beings, is one who has a sense of immortality, in that sense.

The sense is, what do you do for humanity? What does your life mean for humanity in times to come? What will be immortal about what you have done with your life, in terms of the future of humanity? And it's only the people who think like that who are capable of responding to a crisis of the type, now. I think Hillary's capable of that; I think Bill in a sense, is also capable of that. I think that's his underlying, bottom-line morality. I think in the short term, he's very capable of being an opportunist, as Hillary was. But I think they would reject the idea of becoming anything other than that. They would object to the idea of not looking at what your life is doing for humanity after you're dead. They would reject anything like that.

I mean, for example: Parents used to think about their daughters like that. Chelsea is probably treated that way by Hillary and by Bill. That's their future, and they will look at their daughter, and look at what their daughter's life is before her, and look at that as an expression of the future of humanity, an expression of the outgrowth of their own lives and mission in life. That's the way it has to be looked at. And I think she does have that quality. I don't think it's perfected, but so what? I can't find many people in whom it is.

The Dangerous Miseducation of Youth

Freeman: Another question that's been submitted by one of the directors of one of the Presidential campaigns: "Mr. LaRouche, you repeatedly refer to your Youth Movement, and the role that they're playing in forwarding your political agenda. And I think we are all very familiar with them here in Washington. Yet, in what would seem to be something of an anomaly, those under the age of 22 or 23, are voting overwhelmingly for Barack Obama. Please explain this, because it would seem to me to be a contradiction in terms, and it disturbs me."

LaRouche: Well, this is like the question of education. Don't blame the young people for their own mistakes. Blame the people who are educating them, or influencing the way they think. For example, in the age-group between 25 and 35, I find the highest degree of relative achievement in morality and otherwise. In the generation, for example, 14 to 18, I find the greatest propensity for creating terrorists in the United States today, from among those who play too much on video games. They're the most susceptible. Around the world, it

seems to be that 14 to 18 is the age interval which is most likely to produce the greatest number of usable terrorists, who can be deployed by the companies which run the games—which is how it works.

You're on the games, you're 14 to 18, you're an adolescent—you're not a young adult, you're an adolescent. The company who creates the game is running the game, while you're playing it. The company that runs the game is keeping a record of your play, and your identity every time you play it. The company that runs the game, is orchestrating the game to affect you, to give you frustrations and to read your reactions. The company that runs the game now has a tally, through the aid of psychologists and sociologists, to determine which kid is likely to be ready to be sent out to commit a shoot-and-die operation.

Look at the attention span of the young people between 14 and 18, and 18 and 20, and 22, 23. Look at them. What's their concentration span? How long is the sentence they can keep their attention on? Is it ten words? Is it five words? Or two: "I want"?

Therefore, we have built up a terrorist potential inside the United States, which is comparable to what people experience in the Islamic-centered and related parts of the world. There, it's done one way. Here, it's done with video games. Here and in Europe, it's done largely with video games. The video game players are the greatest source of mass terrorist action, comparable to mass terrorist action you're seeing in Southwest Asia. Their attention span is very short.

Now, you get a little older, and you think about what does this mean? What about somebody who is between 25 and 35 years of age? What's different? Well, they became adult, in the course of the period between two terms of office of George



Counterstrike

A terrorist potential has been built up inside the United States, by the mass-marketing of violent video games to youth, especially those between 14 and 18 years of age. Here, the game "Counterstrike," a favorite of Cho Seung Hui, the Virginia Tech killer.

W. Bush. What happened in that period? What happened to life opportunity? Think of the economic circumstances of life. Think of the expectation; think of what happens in universities; think of what's happening in high schools.

Do you realize that while you're sitting there, thinking of the way that society is going, society is going to Hell, and you're not doing a damn thing about it? Then you want to blame the 14- to 18-year old kid who's the prospective mass killer, who will go out and kill 22 people and then shoot himself, at the sign "Game Over." You're producing him! Why? Because you're tolerating George W. Bush, and what he represents! So, you're allowing—with your mass education, with your mass entertainment, with your programs—you're taking the younger part of the youth generation, the adolescent, and the younger adults, and you're destroying them by the kind of cultural environment you're creating around them. And to some degree, you're deliberately orchestrating it.

And the other thing is, you have insulated them against any sensitivity of reality. The basic character of these kids, is *they're not in the real universe!* The basic character of MySpace and Facebook, is that people who are conditioned to that, are no longer in the real universe! They're in an artificial universe! They're not in real space, they're in electronic space. They're making up identities; they're telling lies, and sharing their lies. They're arguing in a way that has no cognitive content. They're acting like mice in a cage, an experimental cage; of course they are.

What we're depending upon in this organization, in the LYM: We are depending on a certain selection of young people, especially concentrated in the 25- to 35-year age bracket. Young people who have problems which they experience—social, cultural problems, psychological problems, which are produced by their society. But, within that age group, we find a scientific capability among these people, which exceeds that of the typical university graduate today. And we program it, in the sense that we have these task orientations. We have the task orientation on the fundamentals of science, from the ancient Greek Pythagoreans on, through the work of people like Riemann, Einstein, Vernadsky, and so forth. Because if you have that orientation and seriously—you really understand that, you're really able to get the concepts (as opposed to a blab response that passes the test or something, a smart answer on the test), but really know it—then you have the intellectual character and confidence and sense of identity which is needed to get some of the sophistry out of the older generation of this society.

You will find that young people in this category, this special category, have two qualifications: age group, which is an advantage, and being a part of that age group which is oriented toward science in a real sense; not how to pass a course, but how to make discoveries—the discoveries like the historic ones. Then you have a factor, which is the only factor we have, the best factor we have, of leading the society out of the garbage pail in which it is now dwelling.

An Alliance to Rebuild the World

Freeman: This next question is from the audience. It's from Alli Perebikovsky, regarding the proposed Four Power Agreement between Russia, China, India, and the United States. The question is: "What is the historic and cultural background of these nations? Specifically, what is it that allows them to be the best combination to change the current world system?"

LaRouche: Simple—it's me! What do I represent, and what do these nations see in what I represent? I found in China, that the current government of China is concerned about issues which I'm concerned about for China, and for us. I'm concerned about the long-term cooperation between China and the United States in particular. I'm a long-standing advocate of India, since I had served in military service over there for a while, at the end of the last war. And Russia I also know very well, in my way, and I have relations with leading Russians, not everyone, but a number of them, enough—and they know me, at least fairly well. And they also, combined with the United States, represent the dominant power on this planet today.

The combination of the United States, Russia, China, and India, are the major nations who, *with neighbors who want to work with them*, are the dominant power on the planet today. Therefore, if you can assemble an alliance of this type, among such a group of nations, the rest of the world knows that *we have the power*. And people being as they are, will come knocking at our door and say "Can we get in?" And we will say, "Yes, you can get in, as equals." And that's the way to rebuild the world.

Be Human: Give Up Malthusian Conceptions

Freeman: Lyn, the next question has been submitted by Carlos Cano, who is the president of the Consenso world organization: "Mr. LaRouche, why do you persist in restructuring the old neo-liberal model, when those tendencies keep us from a new world order, to be able to save the Earth from climatic changes through responsible consumption?"

LaRouche: Well, first of all, I stand for the principle, in answer to this question—which of course will come up for many people in many forms, but it will all be essentially the same question—first of all, *we are human beings*. There is no such thing in my work as the neo-liberal or liberal model. I don't want it. I want no part of it! I'm against liberalism, against neo-liberalism. They are afflictions of humanity. I have nothing to do with either of them, so don't worry about that.

On the other hand, I think people are unwilling to understand that the essential nature of humanity requires an emphasis on what is essentially *scientific progress*, revolutionary scientific progress. Which means: Increase in what is called by some former Soviet scientists, and now Russian scientists still, an increase of the energy-flux density of applied sources of power. That means nuclear power. If you're not for nuclear power, you're not in the real universe: Because the nature of



EIRNS/Rachel Douglas

Left: LaRouche's first visit to Moscow was in 1994. Here, he talks with participants in P.G. Kuznetsov's "President" program, held at the Russian Academy of Sciences in Moscow, April 28, 1994. That trip began a long and fruitful collaboration with Russian scientific circles.



Office of the Indian President

Above: Lyndon and Helga LaRouche meet India's President in New Delhi on Dec. 5, 2001. Left to right: EIR's Ramtanu Maitra, Indian President Shri Kocheril Raman Narayanan, Mr. and Mrs. LaRouche. LaRouche's love for India dates back to his wartime service in Calcutta.



EIRNS/William Jones

Left: LaRouche addresses the "Global Summit for China's Peaceful Unification," held in Rockville, Maryland on Nov. 17, 2007. Many Chinese influentials who were once dubious about his economic-financial forecasts, now see that he was right.

humanity is: Compare the size of the population of the planet, with that of the gorilla or the orangutan, the swinging orangutan. (That's why he has so many broken bones, he swings too much—people should take a lesson from that.) Or the chimpanzee.

These beasts and man, you would think, would have a similar potential population-density on the planet. And if we

were environmentalists, we would be like baboons, maybe nicer, not as violent as baboons. You have a baboon coming, with three baobab nuts under his armpits, and one in his teeth; that's a good picture of that. But we are immortal in the sense that no animal is, because we are able to increase the potential population-density of the human species, increase its life expectancy as well as individuals, in such a way that the indi-

vidual who lives, who participates in this process, has the immortality of *effect* on coming generations. He's not just a thing that comes and dies; he's not a dead dog in the passing.

And the human being has a creative power which exists in *no animal species*: the ability to make fundamental discoveries of natural principle. No animal can do that. Every animal has a relatively determined and pre-determined potential population-density.

Mankind is not so limited. Mankind is capable of increasing the population of the planet from a few millions to today's 6.5 billion—and we can go further—and of living longer. Mankind can do that, and if mankind stops doing that, man turns back into an animal.

The problem with the environmentalist, or the neo-Malthusian, is that by intention, he's an animal, not a human being. Because on the one hand, he opposes doing what human beings do. On the other hand, he becomes an obstacle to other people trying to do what human beings do. So, he passes rules that say that high technology shall not be introduced into society; we shall go back to a simple-minded society, like that of a monkey, or baboon, or something. And that's the problem.

Give up this idea of this Malthusian conception. It's an enemy doctrine. It's been an enemy of humanity for as far back as we know. It's the doctrine of the Olympian Zeus, of the *Prometheus Bound*. Prohibit man from discovering the principle of fire, and thus reduce man to an animal. I'm all for technological progress, especially scientific progress.

To Avoid War, Get Rid of Pelosi

Freeman: This question is submitted by several *EIR* readers and others: "Lyn, Dick Cheney is going to five to six countries in Southwest Asia, and many people fear the Iran war, or other preventive war is being set up. This is especially the case after the resignation of Admiral Fallon. What is your assessment of this region, and how do you think the U.S. can avoid war before the Presidential elections?"

LaRouche: Well, get rid of Nancy Pelosi, then maybe you'll get rid of Cheney. Nancy Pelosi has protected Cheney. The Congress was ready to impeach Cheney, and if Bush objected, to impeach him, too—up to the most recent midterm election. If you want to stop Cheney, impeach him! But to impeach him, you've got to get rid of Nancy Pelosi. And Nancy Pelosi is the trained puppy dog of a fascist, called Felix Rohatyn.

So Cheney is not your problem. Cheney is Mrs. Cheney's dog, and it's poor specimen of a dog at that. And she's owned by the British Establishment. Maybe you should impeach the Queen of England! That's the problem. Don't try to say, "Why can't we pick a little thing and fix it?" The engine is not there. Don't try to fix the transmission.



Graphic by Mark Samet

Speaker of the House Nancy Pelosi may not be qualified to be a fascist, but has been recruited to Rohatyn's fascist movement. Everything useful that Congress tries to do, she blocks.

An Education System Based on Morality and Creativity

Freeman: I'm going to take a question from the audience.

Q: Hi, Lyn. As you and those who have listened to you now, have a sign that this is Hell on Earth we live in, and there's reasons for that within our educational system, it's the nature of our educational system: It's nothing different than a living habitat policy. Therefore, what is your idea of our future educational system based on morality and creativity?

LaRouche: Well, first of all, there are two aspects of creativity. They're really the same thing, but they take a different target. One is the discovery of universal physical principles, by which man is able to change the universe, to make the universe better for man's life. The same power of creativity, which is expressed by fundamental discoveries such as those, for example, of Kepler, or Leibniz, or Riemann, and so forth—these are merely a reflection of the same kind of creativity which occurs in great classical art, and also in questions of social relations as such.

In physical science, you're looking at dynamics, because you're looking at the universe, actually. Because the universe means universal principles; and universal principles mean your point of reference is the universe, as we define it. But the principle of creativity, which is different than that of the animal, is based on the same mental powers applied to social re-



LYM/Chris Jadatz

Felix Rohatyn's corporatist public-private partnerships in action.

lations. Social relations means music, and so forth. The two should combine to the effect of seeing oneself as immortal—that is, to seeing oneself as a living being, who is going to die, but doing something now, which is going to be a fruit—which the people who lived before you will respect and benefit from—and to contribute something for future generations to come.

Therefore, great Classical art is of that form. It's to communicate the idea of what it is to be a human being, from a lower state or condition of life, to a better condition of life, in which you have more ability to think about the future of humanity, and to do things for the future of humanity. So, one is love of humanity as such, the latter, art; the first, is a love of the universe, in its physical capacity. The two things are the same kind of creativity, which exists in man but not in the apes. Therefore, that's the policy.

Love of mankind, as such, and love of mankind's mastery of the universe, as such, is the basis of a healthy culture. Because, if we don't advance scientifically, then what happens is, by using up the kind of resources which are on the surface, we go to a lower state of existence, and humanity degenerates, because we have not improved our technologies. If we've improved our technologies, then the attrition caused by using up this or that resource, or depleting it, is defeated. And the sense of triumph, in saying, "We have today done something which means that our children can *live*, and can live a better life than we had," and to think about the ways we organize our relations to accomplish that: That's culture.

But today, we teach people to behave. To behave! By somebody's standard! My problem is, how to teach people who set the standards how to behave. I mean it: Take the big,

pompous asses who want to set the standard for the rest of us to behave—I want to teach *them*, for a turn, *how to behave!*

Tell the Truth: Rohatyn Is a Fascist

Freeman: Okay, the next question is from a well-known Democratic consultant. He says, "Lyn, I like to think of myself as an optimistic guy, but frankly I'm very worried. [He's worried!] The current race for the Democratic nomination is being orchestrated in such a way as to cause bitter divisions among Democrats, and my fear is that those divisions may be too bitter

and too deep to be mended. It's ironic: Barack Obama is portrayed as the candidate who brings new layers into the process, and who can unify the party. But it has been people behind the Obama candidacy that have taken actions that have been the most divisive.

"If this continues, I'm afraid that we face the possibility of a GOP victory. I think that this is partially what you're referring to when you talk about the whole Bloomberg scenario, but I'm not sure. Given the pace of current events, I do believe that the world is likely to be a very different place when the Democratic Convention takes place, and I take some heart in that fact. But, do you think that there is some efficient way to deal with this problem now?"

LaRouche: Oh, I certainly do believe there is an efficient way to deal with this problem now, and I've been trying to do it today, for example. First of all, understand that Felix Rohatyn is, implicitly, not only a fascist—which he is explicitly—but also is implicitly a fascist and a traitor to the United States. Now, I'm sure that if you get that idea across, don't worry about Obama so much. Obama is just a fool, politically. He has nothing to offer, has offered nothing. He just had a lot of people who played with an image, like people masturbating with a doll, is what it amounts to. There's no substance to the man! He hasn't said anything that has any substance! And all of these people say he's great. Why do they say he's great? Because there's nothing there to criticize. He takes no position on anything. Probably not even on sex, I don't know.

If you say that Felix Rohatyn—and you understand what that means—that Felix Rohatyn is not only a fascist, and anybody who works with him and follows his line, is *also* a fascist, a recruit to fascism—like Nancy Pelosi! Eh? If you say

that Nancy Pelosi is not qualified to be a fascist, but has been recruited to a fascist movement, you've got it precisely. (Or fascist non-movement, if the threads on her face are tightened up too much, eh?)

So, if you say that Rohatyn is implicitly a traitor to the United States, and say it loud and clear, and make it clear, your problem is solved. If you say that Obama is merely a guy who's been set up and is going to be pulled down by these guys, because they want a fascist called the Mayor of New York *in*, you've made it very clear. If you don't say these things, then you leave the field open for the fascists.

So, the ability to tell the truth, rather than worrying about popularity of sophist explanations: *That's the problem*. And, as I've said today, I'm saying *implicitly*, that Felix Rohatyn is not only a fascist—which he is *beyond doubt*; he's a fascist just like Mussolini and the Hitler movement, the same, no difference whatsoever! He's not only a fascist and a British agent, which he is—Lazard Frères, British agent—but he also is a traitor to the United States. And I don't believe that we should support a traitor to the United States controlling the Democratic Party.

And I don't think we should have a Nancy Pelosi as Speaker of the House, who's controlled by a fascist and implicit traitor to the United States. I don't think that her judgment on what should happen in the House of Representatives is trustworthy! And I think that we're idiots if we tolerate it! I condemn her. And you say, "Well, it's not nice to condemn her!" Why not condemn her? She's condemnable. She's a condemnable structure, despite the intentions that are put on to keep her face from falling off.

Tremonti and Europe's Lack of Sovereignty

Freeman: If we had more housing inspectors, she would be condemned.

Lyn, I'm going to ask you this question, because, I'm not sure exactly what accounts for this, but we have six questions that have been submitted on this topic, and they're all almost identical. Five of them are from Italy, and one is from an Italian university student in Buenos Aires.

The question is, "Mr. LaRouche, as I'm sure you know, the former finance minister of Italy Giulio Tremonti, has recently written a book on the end of globalization, and the need for a new Bretton Woods. Unfortunately, Tremonti is part of a political movement, the Berlusconi movement, in which many are part of the old P-2 networks. They also support a platform which is racist, xenophobic, and generally deplorable. How do you think this contradiction is going to be resolved? Exactly, 30 years ago, Aldo Moro was kidnapped and killed by this network. Could you please comment on what is beyond Tremonti's actions?"

LaRouche: I think Tremonti is a professional, who knows what he's saying, and knows what he's proposing, and believes in it. But he's also in an Italy which has not been able to

have a government which Italians have controlled, for some time, because foreign powers, chiefly London, have controlled it, from the outside, by pulling strings.

And, you take the case of the Moro case: Who is guilty in the Moro case? Well, you could ask Henry Kissinger about that, because he knows something about that. But Henry Kissinger didn't do it. London did it. And Italy has been under the control, since the British yacht *Britannia* harbored off the coast of Italy, and a bunch of people went out there and set up a policy.

So don't look at a particular government or a particular party, to understand things in Italy. You have to look at the fact that you have a country, which doesn't like being controlled from the outside, but which is controlled from the outside. You have a country, which is dominated by Americans and Brits, in various places such as Bellagio, which is the Rockefeller headquarters in Italy. Other cities, the same kind of thing. So, people like him are trying to operate within an immoral society.

The British actually, in the post-Soviet period, broke up the parties of Italy, so to reduce them till they have no real power to control themselves. Or, if the government of Italy tries to do something, what do the British do, sometimes with American assistance? They cause the fall of the government! They assure that no party is strong enough to be a government, eh?

My view of the matter—and I look at this as I look at it in Europe, and I look at it as Helga and I look at it: *The nations of Europe have been disenfranchised*. Every nation of continental Europe, from Portugal to Belarus, and the Russian border, have been *ruined*. *They have no power*, as such. They could get some catalytically, but they're all controlled.

Look, at the structure of this thing. Thatcher, the Nancy Pelosi of her time, was the vehicle for dictating what became known as a policy, the Maastricht policy, which was imposed on Germany as the same kind of policy imposed by the British and the Versailles powers back in the 1920s. Same kind of policy. Germany was told that the condition of reunification, was that *it destroy its industrial and agricultural potentiality, that it destroy its scientific potentiality, and they did it!* On orders! With support of the United States! A similar thing was done to Italy. A similar thing was attempted, with partial success, in France.

All of Europe has been deprived of their absolute sovereignty. Now, they might get it back, as Helga is trying to assist that process. If they reject the Lisbon strategic policy, if they reject that policy, then Europe will be in a position to get some of its freedom back under present conditions. But no nation of Western or Central Europe has any sovereignty whatsoever today. And therefore, Tremonti is operating in a domain where Italy is not allowed to actually exercise actual sovereignty.

So, the struggle is the struggle for certain ideas and trying to influence the process; it's an intellectual process of

attempted defense. But without our intervention on the world scene, from the United States, with the cooperation of Russia, China, and India, Western continental Europe will not be free. It will be what it is today, simply a colony of the British.

On Evil in Individuals

Freeman: This is the last question, and this comes from somebody who was a super-delegate at the Democratic Convention in Boston. This person says, “Mr. LaRouche, four years ago, you and your organization launched an intervention into the Democratic Convention in Boston that almost saved the day. Unfortunately, while it didn’t win the election, there’s no doubt in my mind that it laid the basis for holding things together in the aftermath of the election, and certainly in the victory that Democrats scored in the fight to save Social Security.

“I’m very tempted to ask you, what your plans are for this year’s convention in Denver? But I’m going to ask you a very different question. The question that I ask you is this: How does evil manifest itself in individuals?”

LaRouche: Well, it’s a matter of degree, actually. When you actually say, you want to screw a certain part of the human population, you’re on the road to evil. Because, you know, in dealing with problem cases as individuals and so forth, in society, you sometimes throw up your hands and say, “This case is impossible.” But you really don’t wish evil to be done to these people. You just wish they hadn’t become what they’re like. In general, your concern is extended to individuals case-by-case, but really it is towards the future of humanity.

I mean, here I am, I’m 85 years of age. What am I doing at 85 years of age? What am I based on? Well, what I’m based on is the outcome of the generation which is now largely between 18 and 25-35 years of age, because that generation is going to determine whether we have a future or not, for all of us. And thus, you work that way, and that’s the way you avoid evil.

The other side is: It becomes a religious question, but the religious question is not a religious question in the way some foolish people like to talk about religion, because what they talk about is their own fantasy life, not reality. Reality is: As I’ve done often enough, take the first chapter of Genesis, which is a very interesting work, a very remarkable work. Because it says something which is said in a metaphorical way, but if you think about what I know about the universe and mankind, what it says is true. Especially the part about man and woman, and on this, I’m a real authority: That man and woman have a quality which is absent in any form of animal life. It is the power to change the universe—not all at once, or with lightning strokes or something like that, but by making discoveries and acting on those discoveries for the benefit of civilization, the benefit of the universe, in effect.

This characteristic, unlike that of any animal, is a quality

which is transmitted from a living person to coming generations. What you do in the way of adding to human knowledge, creative knowledge, like the discovery of scientific principles, or realization or implementation of a discovery which needs to be implemented for the sake of future humanity, that lives on. And it lives on as an embedded part of humanity, such that the individual may die, as a biological specimen. But what they contribute to society does not die. It does not simply live as something to be remembered, but as in school, it is relived as something a discovery *re-experienced*, or action *re-experienced* by coming generations, which becomes the foundation of their further progress of humanity.

In that sense, in a very real sense, in a very practical sense, the human individual who accepts that kind of role in life, is immortal. The flesh dies, but the contribution to humanity does not. And the main business of society, is to ensure that people who make that contribution, that their contribution is *not wasted, is not lost*. If that is rejected, someone says, “I! Me! Us! We are going to be the boss! We are going to make it! These other guys, they’re gonna go! Who cares about them? They’re schnooks!” That’s the beginning of evil. And when you start from that, and then you say, “Well, I enjoy killing these people, I enjoy doing this to them, they deserve it, heh, heh, heh”—then you’ve got evil. And there’s a lot of it. That’s Cheney, for example. That’s his wife.

That’s what Pelosi is doing. Pelosi, apart from her stupidity, and she certainly is abundantly gifted in that department, is nonetheless not so stupid that she doesn’t have some awareness of what she’s doing. Therefore, she’s acting out of evil motives. The evil motive is to be a thing for an evil man, Felix Rohatyn. That’s the problem. So therefore, there is such a thing as evil.

But the problem is that people try to simplify this thing in terms of comic-book-strip kinds of things, these cheap-shot explanations. Something like Harry Potter or something. And they make a farce out of something which is actually a discoverable universal principle, that mankind is not an animal. We have an animal body, but there’s something else about us, something more important, which doesn’t die, or shouldn’t be allowed to die, and that is the contribution a human being can make that no other animal can make, to the future of humanity, and to the future of the universe: And it’s the denial of that which is the essential evil.

Freeman: Ladies and Gentlemen, that brings today’s proceedings to a close. Clearly we have a long road ahead, but a clear path today. For those of you who are listening via the internet, I would urge you, if you have not already done so, to contribute the maximum that you can contribute to the LaRouche PAC, so that we can continue our efforts. I’d like to thank those of you here, in the audience; you’ve been a wonderful audience. And I’d like to ask you now, finally, to join me in thanking Lyn for a remarkable presentation.

NO TO EUROPE AS AN EMPIRE!

The Militarization of The EU Must Be Stopped

by Helga Zepp-LaRouche

Mrs. Zepp-LaRouche, the chairwoman of the Civil Rights Solidarity Movement (BüSo) in Germany, issued this statement on March 14. It has been translated from German, and sub-heads added.

The attempt by European governments to get the Lisbon Treaty ratified in a rush by their parliaments, without the population noticing that each nation's statehood and the remains of their sovereignty will disappear into a supranational dictatorship, is only one aspect of this unbelievable scandal. At the same time, the European Union would be changed into a military alliance and closely integrated with NATO, which for its part, would be transformed and used as for interventions all over the world, under all possible circumstances. The planned integration of the EU into an imperial strikeforce must, for every peace-loving citizen, provide a fundamental motivation for us to exercise the right of resistance secured in the Basic Law's Article 20, Section 4—while we still can!

The first hearing in the plenum of the Bundestag, on March 13, with less than one-tenth of the parliamentarians present, resembled the theater of the absurd more than a serious debate on the EU Treaty, which threatens to totally change the legal order of Europe. The Sophists of ancient Athens would go green with envy if they could have heard the representatives of the CDU/CSU, SPD, FDP,¹ and the Greens talking about "global challenges," "European credibility," and "preventive conflict solution." There was no word on the panic in the financial markets because of the dramatic dollar-collapse, the collapse of several hedge funds on the same day, or a reflection of how the EU Treaty would have an impact on

dealing with the possibility of systemic crisis.

How dangerous the militarization of the EU, through the Lisbon Treaty, is, and its planned integration with NATO, should be totally clear, if you look back at the changes that are under discussion in NATO itself. Among these are the proposed changes of the NATO statutes, which impose majority-rule, exactly the same thing as the right of veto by individual states which is being eliminated under the EU Treaty. The Treaty provides that the defense policy of the member states must be compatible with NATO, that the Solidarity clauses of the EU mean simply the same as NATO's, that the two institutions are melded into one imperial power, and that no member state could resist any military interventions.

Report of the Five Generals

Even though this is not yet the official policy of NATO, one must still take seriously the direction in which certain neoconservative circles want to alter the alliance. Under the title, "Towards a Grand Strategy for an Uncertain World," five retired generals have published a new strategic concept for NATO, in which a new defense structure of the United States, the EU, and NATO would meet six fundamental challenges: population growth (!); climate change; energy security; the increase of irrationality, and the decline of reason (!); the weakening of national-states and world institutions such as the UN, the EU, and NATO; and "the *dark side* of globalization," which includes international terrorism, organized crime, proliferation of weapons of mass destruction, the misuse of financial resources or energy control, migration, HIV/AIDS, and SARS. The paper, which is signed by the five former chiefs of staff, Dr. Klaus Naumann (Germany), Field Marshall Lord Inge (U.K.), Gen. John Shalikashvili (U.S.A.), Adm. Jacques Lanxade (France), and Gen. Henk van den Bre-

1. Christian Democratic Union/Christian Social Union, Social Democratic Party, Free Democratic Party. All notes are from the editors.



ISAF

Under the new European Treaty—if it is ratified—member nations of the EU will be obliged to participate in “anti-terrorist” military actions, like that ongoing in Afghanistan, under the Treaty’s “Solidarity” clauses. Here, an Italian contingent in Afghanistan, Feb. 10, 2008.

men (the Netherlands), is an extremely alarming document.

In an eclectic amalgam of truth and deception, the authors describe a world full of putative dangers and problems, in which the celebrity cult around pop stars must be suffered as much as population growth and climate change. In essence, the paper is in the very best tradition of the notorious NSSM 200 document, which Henry Kissinger had prepared in 1974 as National Security Advisor in the Nixon Administration, and in which, essentially, a global claim was made on strategic resources. The section on the misuse of the exertion of financial influence, so-called “rogue aid,” by, for example, China in Africa, is outrageous. China’s investments in infrastructure, railroads, hydroelectric dams, telecommunication systems, etc., for which it would receive raw materials and energy, would supposedly undermine the interests of the West. To that, one can only say that if the West itself had helped Africa in the last 60 years, this problem would not even exist in the same form.

In reality, from the standpoint of the authors of the document, the world is represented as a Hobbesian nightmare, in which one must now somehow, with malthusian and geopolitical categories, assert a claim to power for a transformed NATO, which must always remain open for further expansion. The authors argue according to the utopian doctrine of the “Revolution in Military Affairs,” when they speak of as a “new principle of minimizing damage and victory through paralysis,” through which the “surgical application of all instruments of power” may be appropriate.

In Chapter 3, in the section called “Principles,” it says: “Simultaneously observing proportionality and damage limi-

tation will become extremely difficult in cases where the use of nuclear weapons must be considered. The first use of nuclear weapons must remain in the quiver of escalation as the ultimate instrument to prevent the use of weapons of mass destruction, in order to avoid truly existential dangers. At first glance, it may appear disproportionate; but taking into account the damage it might prevent, it could well be proportionate.”

This explicit demand for the possibility of a nuclear first strike, as simply the final escalation in a “quiver of escalation,” blurs the fundamental distinction between nuclear and traditional weapons systems, as it has been applied according to the policy of nuclear deterrence; it ceases to apply. Thus, an attack with nuclear weapons has become thinkable, as an attack by so-called “clean mini-nukes” has already been argued for

by the utopian military faction. But in addition to the nightmare scenario which an asymmetric global war would develop into under these conditions, there is yet another, totally different, consideration. Namely, the question of whether the propagation of a nuclear first strike does not violate Paragraph 80 of the Criminal Code and the UN Charter, Chapter 1, paragraph 2, and possibly be considered collective punishment.

International law still applies, but if this new NATO strategy should ever become reality, then it would be put in the archives. The authors speak, as does Tony Blair, directly of the post-Westphalian world. Since the Peace of Westphalia established the international law of nations, this means in plain language: a “post-international-law world,” where, above all, the principle of national sovereignty is no longer recognized. And thus, in the third chapter, in the section called “Elements,” it says, that a new deterrence would be necessary, which would convey a single unambiguous message to all enemies: There is not, and never will be, any place where you “can feel safe; a relentless effort will be made, to pursue you and deny you any options you might develop to inflict damage upon us.” There will be no fig leaf large enough to conceal the true intentions behind “preventive military operations based on humanitarian grounds.”

Solana Provokes the Russians

Regardless of whether military sources are proven correct, that this paper by the five generals will be discussed at the upcoming NATO summit in Bucharest, unfortunately it cannot be dismissed as the morbid fantasy of Dr. Strangeloves. For already in the past week, EU commissioner Benita



European Community/Christian Lambiotte

EU foreign policy spokesman Javier Solana's new paper forecasts conflict over strategic raw materials in the Arctic, as a result of "climate change." The Russian press responded with fury, pointing to the militarization of the EU. Here, Solana (left), with Spain's José Manuel Barroso, at a 2006 conference on "Europe's Challenges in a Globalized World."

Ferrero-Waldner and EU foreign policy spokesman Javier Solana, presented an official EU paper, that directly took up some of the theses of the strategy paper. It is about the ostensible implications of climate change for the security policy of the EU, and in the same breath demands a new strategic concept for NATO.

In the Solana paper, climate change is identified as a "threat multiplier," which, for example, would intensify the conflict over strategic raw materials in the Arctic, where the melting of the polar ice cap would open up new waterways and trade routes. The London *Guardian*, in a report highlighting how the content of the two papers coincides, asserted that tension is rising between Russia and NATO member Norway, over the large oil and gas deposits under the ice on Spitzbergen.

The Solana paper immediately resulted in a flood of commentaries in over 50 Russian media. Characteristic was the point of view of the economic news agency RBC Daily, in whose report with the banner headline, "European Union prepares to battle the Russian Federation over the Arctic," the Russian political analyst Dmitri Yevstafyev is quoted: "Unlike similar positions, previously stated by European and American experts, this is an official document. It is the first official EU declaration that there exist points of antagonism with Russia."

RBC quotes another expert, Alexander Yakuba of Cross-MediaCommunications, who surmises that the U.S.A. could attempt to separate Greenland (the only EU territory with an Arctic coastline) from Denmark, in a Kosovo scenario. RBC writes further: "It is worth noting that the author of the report,

Javier Solana, is a former NATO Secretary General. He is not a novice in threatening Europe or advocating solutions for various problems by force. Suffice it to recall the role he played in the decision to intervene with force in the civil war in the former Yugoslavia. Accordingly, his statements can be taken as an attempt to influence the situation on the continent in favor of anti-Russian forces. And that means, above all, in the interest of the moving and directing power within the North Atlantic Alliance—the United States."

Even though the reference does not grasp the complexity of the influence of the British Empire in both the United States and Europe, and it were better to refer to a new U.S.-EU-NATO empire, the message has still been received: The EU is placing itself in an antagonistic relationship to Russia. Like the Solana paper, in general, the Lisbon Treaty and the new NATO strategy paper of the five generals will harden the impression in Russia, China, India, and other nations,

that ultimately no difference exists between NATO's eastward expansion and the enlargement of the EU, but rather that both are part of an encirclement strategy, above all in relation to Russia and China. The Russian government had also consequently assessed the over-hasty recognition of Kosovo by the EU as the beginning of the destruction of an international order emerging for hundreds of years—precisely the order based on international law, which had emanated from the Peace of Westphalia.

The NATO Summit

It is interesting in this connection, and to be regarded as positive, that German Foreign Minister Frank-Walter Steinmeier is now campaigning for a new version of *Ostpolitik*,² as it had been championed at the time of the Cold War. However, the question is, what shall be the substance of this new *Ostpolitik*? And does such an experienced foreign affairs politician and diplomat as Steinmeier, who, at the same time, makes himself into the advocate of the fastest possible ratification of the EU Treaty, really not see the implication of the merger of the EU and NATO? Even though Germany and France are half-heartedly pulling the emergency brake, and have argued against putting the admission of Georgia and Ukraine on the agenda of the NATO Summit in Bucharest in April, in order, as a German diplomat said, not to worsen even further the already very tense relations with Moscow since the declaration of the independence of Kosovo, that does not end the policy

2. The West German government's policy of détente with Eastern Europe, which began in 1963, during the Willy Brandt Administration.

aimed at confrontation.

An important topic for this NATO Summit, to which the outgoing President Putin is also invited, will be the situation and course of action in Afghanistan. While U.S. Secretary of Defense Robert Gates, just like Gen. Klaus Naumann (ret.), urges that Germany should deploy Federal Armed Forces troops into the south of Afghanistan in this war, which is lost under present conditions, Putin has made a sensational proposal: that Russia could participate in the fight against the Taliban—a proposal which can scarcely be rejected, in view of the desperate situation there on the part of NATO, without this raising the most unpleasant questions.

Another proposal is appropriate to the overall situation, namely that of Lt. Col. Jürgen Rose, who, one year ago, made a name for himself with his resistance to the Tornado attack aircraft deployment in Afghanistan. In view of the complete failure of military operations in Iraq, Afghanistan, and elsewhere, he argues that one should take note of the not-so-glorious end of a defense alliance. The definitive collapse of NATO would mean a unique opportunity for a more peaceful world.

Conclusion

In the face of an ever stormier collapse of the world financial system, in which the depreciation of the dollar to historic lows, collapsing hedge funds, a credit crunch which has lasted for eight months, and rising hyperinflation are only predicates, the attempt by the EU and NATO to merge into an imperial monster must be stopped under all circumstances.

It is obvious that the financial oligarchy, dominated by the thinking of the British empire, has no lesser goal than to throw the entire world into chaos. To that purpose belongs the encirclement policy against Russia, along with the current obvious provocations against China, with the intention of ruining the Olympic games there, as well as the massive interference into the internal affairs of India and Africa. It must be clear to every thinking human being, that continuing on this course, which may include immediate new wars, such as one against Iran, would lead sooner rather than later to a world war.

Therefore, the ratification of the Lisbon Treaty, which is an integral component of this imperial policy, must be stopped and ultimately abandoned. The Bundestag is challenged to immediately establish the rules so that a popular decision can be made on the EU Treaty, preferably at the same time as a referendum in all the European nations.



NATO

NATO was set up during the Cold War, as an Atlantic Alliance against the Soviet Union. Out-of-area deployments—such as that currently in Afghanistan—were strictly forbidden. Now, with a changed world situation, the institution should be disbanded! Shown here, U.S. Secretary of State Dean Acheson signs the NATO Treaty for the United States, on April 4, 1949. Behind him is President Harry Truman.

If we can stop the world from being thrown into a new dark age of depression, chaos, and war, then we must put on the agenda the question of a new financial architecture, a New Bretton Woods system, and a global New Deal—namely, the construction of the Eurasian Land-Bridge as the kernel for reconstruction of the world economy.

We do not need the paranoid Hobbesian image of man, which lies at the foundation of the strategy paper of the five retired generals, according to which man is misconceived as being a wolf toward his fellow man. And we should abandon the malthusian and geopolitical vision of the world, which follows from this bestial image of man. We should abandon a policy of nuclear first-strike, because it represents a kind of thinking for which, a good 60 years ago in Germany, people were brought before the Nuremberg Tribunal.

Today, more than ever, we need a reaffirmation of the principle of the Peace of Westphalia. And even more, we need love for mankind, and the idea of international community, which, through a universal image of man links us together, which is worthy of the best traditions of the great thinkers of all cultures. Beethoven and Schiller belong to that tradition, as well as Confucius, Vernadsky, or the philosophers of the Vedic scripture. We don't need to debate whether the chorus of Beethoven's Ninth Symphony should be the anthem of the European Union, but we should concern ourselves instead about whether our humanity is worthy of Beethoven and Schiller!

Solidarity, Yes; Surrender, Never!

by Karel Vereycken

On March 4, 1947, France and Britain signed an agreement of mutual military assistance. Rapidly joined by Belgium, the Netherlands, and Luxembourg, and with the winds of the “Cold War” blowing over Europe, a trans-Atlantic dialogue brought these nations to sign a treaty establishing an Atlantic Alliance with the United States and Canada, on April 4, 1949. This was joined by others, including Germany, in 1955. Its military structure is the North Atlantic Treaty Organization (NATO), whose Article 5 requires mutual defense assistance in case of an attack on the territory of a member state.

Over the years, many voices in Europe considered the creation of a European defense force. In 1950, the French head of state, René Pleven, proposed the creation of a European Defense Community (EDC), a plan that especially pleased Britain and a post-Roosevelt United States, which was at that time fully committed to creating a federal Europe (on the continent) capable both of “taming” France and preventing Germany from being an effective nation-state. The EDC treaty was signed in 1952, but it never went into effect because the Gaullist-dominated parliament refused to ratify it in 1954, considering it to be a threat to France’s sovereignty.

Contesting the “special relationship” uniting the U.S.A. and the U.K. on top of NATO’s political command structure, French President Charles de Gaulle sent a memorandum to U.S. President Eisenhower and British Prime Minister Macmillan in 1958, pleading for the creation of a tripartite directorate that would put France on an equal footing with both the United States and the United Kingdom. Dissatisfied with the answer, France started building its own independent defense capability.

Then, in 1959, France withdrew its Mediterranean fleet from NATO command, and banned the stationing of foreign nuclear weapons on its soil. The weaponry was transferred to Germany, and France developed its own nuclear “*force de frappe*,” tested in 1960 in the desert of Algeria, and operational in 1964. Although France showed solidarity with the United States during the Cuban Missile Crisis in 1962, all French armed forces were removed from NATO’s integrated command, and all non-French NATO troops were asked to leave France. In 1966, the Supreme Headquarters of Allied Powers Europe (SHAPE) was forced to relocate to Casteau in Belgium, and the NATO headquarters left Paris for Brussels.

A Return to NATO?

During the 1995 Balkans crisis, President Jacques Chirac renewed basic French coordination with NATO’s Military Committee and agreed to “insert” some French liaison officers into SHAPE. As a member of the Council of the Northern Atlantic, where decisions are taken only by a unanimous vote, France stands as NATO’s fifth-largest financial contributor and second-largest contributor in terms of troops (17% of all NATO troops engaged in battle in February 2005 were French). The “dispute” so far has never been about France’s solidarity with its allies, but about French concerns of losing its sovereignty, and its refusal to submit to NATO’s unspoken political objectives.

French President Nicolas Sarkozy’s recent election made many neoconservatives (both French and foreign) believe that a rapid return of France into NATO’s integrated command would happen. If Sarkozy’s interview with the *New York Times* of Sept. 24, 2007 is seen as a milestone in that direction, the best insight into the matter comes from the report written at the same moment by former foreign minister Hubert Védrine, at the request of the French President, on France’s role in the era of globalization.

Although Védrine says a simple return to NATO would be close to vulgar, he emphasizes that “for France, to rejoin a reformed NATO, thanks to the good management of its readiness for such a rapprochement, would have a far different appearance, and a meaning other than simply a ‘return to NATO.’” One should note here that “socialist” Hubert Védrine sits on the board of the French luxury goods producer LVMH with “Democrat” Felix Rohatyn, who recently called on France to fully reintegrate into NATO.

Encouraged by the U.S. ambassador to NATO, Victoria Nuland, the wife of former Dick Cheney advisor Robert Kagan,¹ the Sarkozy government is bargaining to send more French troops to Afghanistan in exchange for a leading role at the command of a “European pillar” of NATO. A 60,000-man European defense force would be created by a “G-6” (France, the U.K., Germany, Poland, Italy, and Spain), six countries each capable of contributing 10,000 troops and spending 2% of their GDP on Defense.

Also in Paris, the fact that the group of French experts in charge of negotiating with NATO is dominated by such French neocons as Thérèse Delpech of the Rand Corporation, and UMP Member of Parliament Pierre Lellouche—both in favor of preventive air strikes against Iran—makes things only worse.

The good news might be that the recent discussion paper released by the five prominent “first strike” generals, while pleading for a global reform of NATO and France’s return, could eventually trigger the exact opposite reaction. Besides the banalization of nuclear weapons and proposing a preven-

1. Nuland invoked NATO’s “solidarity clause” (Article 5) after the bloody events of Sept. 11, 2001, events that Tony Blair’s foreign policy guru Robert Cooper suspected were about to happen. Cooper remains the EU official in charge of EU/NATO relations.

tive nuclear “first strike,” the report’s proposals to suppress veto rights and abolish majority vote within NATO’s decision-making process might revive French opposition. Already, initial reports indicate that the upcoming Bucharest NATO conference, under French and German pressure, refused to put the question of Ukraine and Georgia becoming new members on the agenda. NATO’s provocative attitude is seen as irritating the Russian military, already furious about NATO’s role in Kosovo—an irritation that could militate against the new Russian President-elect Dimitri Medvedev’s allegedly greater openness to the West.

While the Lisbon Treaty allows the EU to become a military power, NATO proposes to become a political one, since military action is deemed “insufficient.” The conjunction of both processes in a time of financial breakdown means a return to imperial dictatorship. LaRouche’s co-thinkers in France, under the leadership of Jacques Cheminade, are calling the shots on this “hidden” agenda for a world government, and are committed to awake the French tradition in defense of the nation-state and the legacy of the Peace of Westphalia.

France Must Oppose Europe NATO-ization

by Jacques Cheminade

Jacques Cheminade is the head of the LaRouche-affiliated Solidarité et Progrès Party in France, and a former Presidential candidate. His statement was issued on March 13.

What is presented to us today under the name of “Europe” is in reality a new financial Sparta. Its two pillars are: a financial empire guided by a central bank not subjected to the people, and a military structure integrated into an Atlantic alliance extended throughout the planet.

If you don’t realize what is coming down on us, it is for the simple reason that it was intended to be so. In July 2007, Giuliano Amato, the vice-president of the European Convention that elaborated the Simplified European Treaty (SET, now named the Lisbon Treaty), declared in London that, “They decided that the document should be unreadable—if it is unreadable, it is not constitutional; that was the sort of perception” (BBC News, July 23, 2007).

Besides these declarations of the man whom the London *Financial Times* called “the most anglophile Italian politician,” one must take into account the words of Luxembourg Prime Minister Jean-Claude Juncker, who told the German weekly *Der Spiegel* in 1999 (No. 52): “We decide on something, and then we put it out and wait a while to see if anything happens. And then, if there isn’t any big outcry or revolt, be-

cause most people don’t understand what’s been decided, we keep on going, step by step, until there’s no turning back.”

With that same method, French President Nicolas Sarkozy forced parliament to ratify a treaty that it had to adopt or drop, depriving our parliamentarians of their right of amendment or initiative. Why such a hurry? In the context of the current financial disintegration, characterized by the crises in subprime mortgages, monolines, credit derivatives, investment funds (KKR, Blackstone, Carlyle, etc.), the financial oligarchy cannot wait.

Robert Cooper, formerly one of Tony Blair’s foreign policy gurus, who now is running directorate E of the Council of the European Union, in charge of economic-military affairs, openly fronts for the Lisbon Treaty. Cooper, like Giuliano Amato, is a member of the Ditchley Foundation, which is out to destroy the Europe of the Fatherlands of Charles de Gaulle, and the spirit of the Peace of Westphalia, which had guaranteed peace among nation-states.

A New Kind of Imperialism

All this for the triumph of what Cooper calls “a new kind of [liberal] imperialism, one acceptable to a world of human rights and cosmopolitan values,” but in reality, based on a principle of “double standards,” applying “the law of cooperative security” among members, while applying “the law of the jungle” to the rest.

Amato, for his part, claims that the Middle Ages are the model, abandoning sovereignty to “faceless entities: NATO, the United Nations, and finally the EU”—which means “a future of princes without sovereignty.”

Their plan is not to develop the world, but to control it. The return of France into the integrated command structure of NATO, as proposed by the Sarkozy government, has to be seen as a key element in this “new order.” The Lisbon Treaty stipulates that the EU’s clause of mutual military assistance shall be compatible with “those commitments agreed on inside NATO which remain for its member states the foundation of their collective defense and the body of their application.”

So why blabber? French Foreign Affairs Minister Bernard Kouchner, as reported by *Le Monde* on March 11, leaves no doubt on the issue: “There is a complementarity among both structures.... European defense and Atlantic anchorage are two aspects of one single defense and security policy.”

What kind of NATO are we talking about? The “new NATO,” which is to be shaped by the issues on the table for the upcoming April Bucharest summit: the “first strike” preventive use of nuclear weapons, the end of decision-making by majority vote, the implied end of the right to veto, and the use of force without UN authorization “if a great number of lives are endangered.”

In short, this implies that France must surrender to an empire using financial and military blackmail. The time is ripe for us to present to France, Europe, and to the world, an alternative project of an alliance for progress among sovereign republics.

LaRouche Allies Join Anti-Lisbon Meetings

by Michelle Rasmussen

From March 7-9, TEAM (www.teameurope.info), the umbrella organization of EU-critical movements from 23 European nations (though none from Germany), held their annual meeting, and anti-Lisbon Treaty activities, in Copenhagen. The Schiller Institute in Denmark, the Danish section of the LaRouche movement, and members of the LaRouche Youth Movement (LYM), participated in three of those events. This enabled us to bring to the other participants a deeper understanding of the current historical importance of preventing the Lisbon Treaty from being adopted: first, the larger issue of the international financial collapse; and second, the necessity of defending sovereign nations from the brutal austerity demanded by oligarchical financial interests.

The Status of the Treaty in Denmark

In Denmark, although there is a tradition of having referenda on EU questions, as in the other EU member-nations, the Treaty will only be voted on in the Parliament. In 1992, the Danish population actually voted NO to the Maastricht Treaty, the predecessor of Lisbon. This time, the pro-Treaty government, with the agreement of the opposition Social Democrats, offered the excuse that much of the loss of sovereignty could be offset by the four Danish “opt-outs” (designed to deal with the 1992 NO vote, which involves not participating in the joint military or legal EU pillars, and no euro currency, or EU citizenship), thereby circumventing the constitutional requirement for a referendum any time there is a reduction of national sovereignty.

The two Danish EU-critical organizations, the People’s Movement and the June Movement, have so far collected about 43,000 signatures for a Danish referendum on the Treaty, which is not yet enough to pressure the Danish parliament to agree. An expected court case before the Danish Constitutional Court can only be initiated after the ratification of the Treaty. Before voting, however, the government must first answer more than 700 questions about the interpretation of the Treaty, from Jens-Peter Bonde, the June Movement’s member of the European Parliament (MEP), and also many from Søren Søndergaard, the People’s Movement’s MEP. Now, the Schiller Institute has also joined the effort to demand a referendum in Denmark, and will make that a central issue in our upcoming 60,000-run campaign newspaper.

On March 7, three Schiller Institute organizers, including Danish chairman Tom Gillesberg, went to the small get-

to-know-each-other party for TEAM delegates, held at the office of the Danish People’s Movement against EU, and met delegates from Slovenia, Estonia, and Switzerland, as well as Denmark, where they were able to talk with them for several hours about the crucial larger issues involved.

The following morning, three LYM members joined about 20 TEAM delegates and members of the Danish movements in an action for a referendum on the main pedestrian street in downtown Copenhagen. Under a large banner demanding a referendum, they offered “Irish whiskey,” with just as little whiskey as the Treaty is without democracy. Signatures were collected for a referendum, and copies of the Treaty were distributed. LYM organizers collected around 100 signatures in just over an hour, which greatly impressed the organizer of the action.

That afternoon, there was a four-hour public debate attended by about 50 people, which 8 Schiller Institute/LYM members participated in. We distributed the article by Helga Zepp-LaRouche calling for a Lisbon referendum; the latest issue of *Prometheus*, the monthly newsletter of the Danish Schiller Institute, with the headline, “No to the Lisbon Treaty”; and a notice about Lyndon LaRouche’s March 12 webcast. Inside, we were able to raise the questions of the international financial collapse and the need for advanced technology, during the discussion periods, and meet the other foreign delegates who had arrived from Ireland, Finland, Sweden, England, Italy, and Denmark, including two Danish members of the European Parliament, from the two Danish EU critical movements, all of whom received a more in-depth literature package.

Assault on National Sovereignty

The meeting opened with speeches against the Lisbon Treaty from the two Danish MEPs. Jens-Peter Bonde’s speech was based on his books, *New Name—Same Content: The Lisbon Treaty—Is It Also an EU Constitution?* in English, and *From Constitution to Lisbon*, in Danish (available in the “Bonde’s Books” section of his website www.bonde.com). The MEPs especially stressed the Treaty’s elimination of the role of the national parliaments, representative democracy, and the destruction of national sovereignty. That, Bonde said, is the strongest argument against the Treaty in all member-states. In addition, they brought up the threat to the right to strike, the reduced role of small countries, the Treaty’s similarity to the rejected EU constitution, and the difficulty of finding out what the Treaty says.

Also, importantly, Bonde listed some of the country-by-country difficulties ahead to get the Treaty approved. In Slovakia, it has to pass a court case; in the Czech Republic, the parliament has demanded a consolidated version of the Treaty in the Czech language, and then they will pose questions before voting on it; in Germany, there is already a court case which may give a surprising result. The leader of the Karlsruhe court has already written against the Treaty. The differ-



EIRNS/Fabio Zizzari

The Danish Schiller Institute is part of a continent-wide campaign of the LaRouche-affiliated organizations in Europe, which are mobilizing for national referenda against the Lisbon Treaty. Here, organizers of the BüSo in Germany, campaign on the streets of Berlin, against the Treaty.

political establishment is for a YES, with only five Irish parliamentarians for a NO, but there are other movements campaigning for a NO throughout the country. The hitherto undefined position of the trade unions will be important, not only for their own members, but also because many others look to them for advice. Although the NO side has a lot less money for posters and literature, he said that their best chance is to organize debates, because if they are held, the YES side will always lose.

What World Financial Collapse?

While the speeches brought out many important reasons to defeat the Treaty, yet, there was no men-

ing national interpretations that appear as a result of the question process, including the many questions to the Danish parliament, can then be held up against each other. This will open up the process. Bonde stressed that if the approval of the Treaty can be drawn out until June, then the EU parliamentary elections could be turned into a referendum on the Treaty in all of Europe. (Video excerpts of his speech will be available at www.schillerinstitut.dk.)

Søndergaard's speech centered around some of the manipulation and lies involved in the attempt to push the Lisbon Treaty through. He received an answer from the EU that a section of the Treaty about a liberal economic policy which the French wanted removed, was just placed in a protocol at the end, and has the same effect. He was also informed that even though the Lisbon Treaty does not explicitly state that EU legislation preempts national legislation, the fact that it not stated, has no practical consequences—in other words, that EU legislation will take precedence over national legislation. He pointed out that in the countries where the population had voted NO to the European Constitution, or were promised a referendum at that time, the argument is that no referendum is necessary because this is a totally new treaty, whereas in the countries which voted YES, like Spain and Luxemburg, the people are being told that they don't need a referendum because it's basically the same content. Søndergaard also reported that the European Parliament had voted that it would not necessarily be bound to reject the Treaty if there were a "No" vote in Ireland!

The next speaker was Frank Keoghan from the Irish NO campaign, representing the National Platform and The People's Movement. Ireland is the only country to have agreed to put the Treaty to a referendum, though the date has not yet been set. Keoghan informed the audience that the bulk of the

tion of the world financial collapse, nor why there is pressure to eliminate national sovereignty. In the discussion period and during the breaks, Schiller Institute/LYM organizers helped to remedy that. During the first discussion period, this author introduced herself, and brought up that it is important to take up the economic issue and the specific historical context of the fight against the Lisbon Treaty: The international financial system is collapsing now. The financial interests want to eliminate the nation-state in order to prevent the institutions of the nation-state from protecting the common good, as President Franklin Roosevelt did in the 1930s. This is why the European branches of the Schiller Institute have decided take up this fight, and why we are fighting to prevent the fascist Michael Bloomberg from becoming President in the United States.

During the discussion, this author challenged the Swiss economist Urs Schuerch, who spoke about the EU's economic policy, on the already ongoing financial collapse. The economist, who works in the financial sector, interrupted and said that the bubbles are already bursting and we don't know if it is over now, or just beginning. The organizer then explained the creation of massive speculative financial growth at the expense of the physical economy and the standard of living of normal people. The financial interests want to protect the value of this massive debt through a brutal austerity policy, and want to eliminate any institutions which could defend the living standard of populations. She reiterated the necessity of national governmental intervention to implement bankruptcy reorganization and a new system.

There were many other discussions in smaller groups during the breaks, and the weekend of activities gave the Schiller Institute/LYM the opportunity to meet anti-Lisbon Treaty leaders from throughout Europe, and to encourage them to join our fight.

LaRouche Declares: Paulson Is ‘F**king Incompetent’

by John Hoefle

Within the space of a week, the Federal Reserve announced the emission of \$400 billion in cash to bail out the bankrupt U.S. banking system, and Treasury Secretary Henry Paulson released a report by the President’s Working Group on Financial Markets (PWG) which maintained that the system was fundamentally sound, except for a few excesses which need to be curbed. These actions, taken together, reflect a case of axiomatic blindness so profound it boggles the mind. The bankers and their regulators are acting on impulse, not intellect, and their impulse is to try to save themselves and their power at all costs. It is stupidity on a world-historic, civilization-killing scale.

“Paulson is f**king incompetent!” exclaimed Lyndon LaRouche in response to the PWG report. “They all are. It must be said directly: They are f**king incompetent.”

Strong words indeed, and entirely warranted, because what Paulson and Fed chairman “Helicopter” Ben Bernanke are doing, is attempting to have the Federal government bail out the U.S. banking system by transferring the losses to the government and, ultimately to the American people. Among the many problems with that approach is that the banks’ losses are so large, that creating enough dollars to plug the hole would destroy the value of the already plunging dollar through hyperinflation.

As LaRouche observed in his March 12 webcast, “We now have obligations in the world, in the order of magnitude of *hundreds of quadrillions of dollars* of nominal claims. These claims *will never be repaid*. They *could* never be repaid.”

Even Paulson and Bernanke have no illusions of bailing it all out—Paulson has made it clear that the banks and others will have to take painful losses. Saving the system, in their

terms, does not mean saving everyone within it. There have already been failures of small banks and billion-dollar hedge funds, and those failures will escalate. Many of the biggest banks and securities firms have already taken tens of billions of dollars in losses, and those losses will continue. Some may even be forced into shotgun mergers, but the plan is to keep the biggest institutions from openly failing, and even consolidate their hold over the economy as the smaller institutions collapse. A major reorganization of the system is already in progress.

When it comes to finance, the bankers are quite clever. Unfortunately for them, there is much more to economics than just finance, and it is what they don’t know, and refuse to understand, that will destroy them.

Helicopter Money

On Friday, March 7, the Fed announced two extraordinary measures, totalling \$140 billion in additional money. One was a series of term repurchase agreements (RP)—effectively, 28-day loans—up to a cumulative total of \$100 billion, to be made to primary dealers, a group of 20 securities dealers with whom the Fed deals directly. According to the New York Fed, it would accept as collateral for these repo agreements, “any of the types of securities—Treasury, agency debt, or agency mortgage-backed securities—that are eligible as collateral in conventional RP agreements.”

The second move was the expansion of its Term Auction Facility (TAF) to \$100 billion, from its previously announced \$60 billion, with \$50 billion to be provided on March 10, and the remaining \$50 billion on March 24. For both the repo agreements and the TAF auctions, the Fed said it would increase the amounts offered, “if conditions warrant,” and said

that the TAF auctions would continue “for at least the next six months unless evolving market conditions clearly indicate that such auctions are no longer necessary.”

Considering the way the markets are evolving—disintegrating, to be more accurate—it is a safe bet this was only the beginning of an escalating bailout operation. The proof of that fact came just two business days later.

On Tuesday, March 11, the Fed announced that it would lend an additional \$200 billion of Treasury securities to its primary dealers through a new Term Securities Lending Facility (TSLF). These loans would be for a 28-day period, and would have looser collateral requirements. For the TSLF loans, the Fed said, it would accept “federal agency debt, federal agency residential-mortgage backed securities (MBS), and non agency AAA/Aaa rated private-label residential MBS.” The TSLF, the Fed added, “is intended to promote liquidity in the financing markets for Treasury and other collateral and thus to foster the functioning of financial markets more generally.” At the same time, the Fed announced the expansion of its currency swap agreement with the European Central Bank (ECB) to \$30 billion, and of a similar agreement with the Swiss National Bank to \$6 billion—increases of \$10 billion and \$2 billion, respectively.

The March 11 action was coordinated with other nations in the G-10, and corresponding announcements from several major central banks. That same day, the ECB said it would “offer U.S. dollar funding to European counterparties,” as it also had in December and January, and would continue to do so for as long as “prevailing market conditions” require. The Swiss National Bank announced a similar action, while the Bank of Canada announced C\$4 billion in 28-day repo agreements. The Bank of England said it would accept a wider range of collateral for its open market operations.

Roach Motel

Obviously, the central banks would not be providing hundreds of billions of dollars in funding to the banking system were it not necessary, and the 28-day time frame for the bulk of this money means that repayment will not be required until after the end of the first quarter, when the banks must certify their books. That, by itself, buys some badly needed time, but does nothing to solve the problem.

The suspicion grows that, given the increasingly wide range of collateral the central banks are willing to accept, the goal of these moves is not the injection of cash into the banking system, but the absorption of the paper being taken in as collateral—that once worthless paper is taken in by the Fed, it never leaves, the financial equivalent of the Roach Motel. (“They check in, but they don’t check out!”)

Such an operation would, in a limited sense, address the issue of the solvency of the banking system, by soaking up bad assets. The problem with the banks is not that they are short of cash, but that they are carrying lots of worthless loans

and securities as assets on their balance sheets. Merely giving them money does nothing to solve their bad-paper problem, but “nationalizing” that bad paper by selling it to the Fed would.

Given the magnitude of the bad paper, however, the Fed cannot provide sufficient money to solve the problem without triggering a hyperinflationary blowout of the value of the dollar. Either way, the banking system is gone.

Paulson’s Incompetence

It is from that “damned if you do, damned if you don’t” context that the report by the President’s Working Group is revealed to be a fraud. In this “Policy Statement on Financial Market Developments,” and in Paulson’s remarks introducing it, the picture is painted of a financial system which, though troubled, is fundamentally sound. There are excesses which need to be curbed, regulations which need to be tightened, procedures which need to be changed, and even new “infrastructure” to be developed, but all of it should be done from within the context of the private sector. Paulson makes this explicit, saying that, “the markets, not regulators, will ultimately sort this out.” “Regulation needs to catch up with innovation ... but not go so far as to create new problems,” he warned.

The PWG report is written to sound plausible, to pour oil on troubled waters, but these are the very same waters the Fed’s extraordinary interventions are roiling. To the public, it paints a picture of a situation which is containable, but, at the same time, there are some signals to the insiders that significant changes are coming in the way securities will be created and valued, and in the way over-the-counter derivatives and other off-balance-sheet items will be handled. As we said before, the system is being reorganized before our very eyes.

What must be understood, is that this is a political, not a financial, solution. The financial system has already died, and the current rigor mortis-like problems, are the effects of that death. The new system the bankers are trying to put into place is based upon pushing the costs of the failed system onto the public, through a combination of austerity and Enron/Halliburton-style privateering, imposed by fascism. The financial measures are aimed at keeping the public in the dark while the fascist apparatus is put into place.

The soaring price of oil, and the consequent price of gasoline, are effects of this bailout operation. The price of oil is set, not by OPEC, but by the financial markets, and so every time you fill up your car with \$3-plus/gallon gasoline, you are paying a hidden tax to bail out the banking system. The same thing happens when you buy a loaf of bread, because of the speculation on wheat which has sent prices soaring. The hyperventilating you do when you fill up your car or buy groceries, is actually caused by the hyperinflationary collapse of the financial system, and these foolish attempts to save it.

Tremonti Places LaRouche's New Bretton Woods at Center of Debate in Italy

by Andrew Spannaus

Giulio Tremonti, the former Italian Economics Minister and one of Italy's leading political figures, has provoked a national debate at the highest level, over the urgency of abandoning the free-market, globalization policies which have brought the world into the current systemic crisis, and the need for a New Bretton Woods conference to reorganize the international monetary and financial system.

Over the past several months, Tremonti, who has publicly endorsed Lyndon LaRouche's approach to rebuilding the global economy, had already taken to regularly denouncing the radical free-market policies—"marketism," as he calls it—which have led to decreasing standards of living throughout Europe, and the threat of a 1930s-style depression, or worse. However, despite Tremonti's prominent role in Italian political life (Economics Minister, 1994-96 and 2001-05; Deputy Prime Minister (2005-06); and now, Vice President of the Chamber of Deputies), the political and economic establishment was intent on preventing a debate on the reality of the economic situation.

This continued a pattern which has been in place for several years. Starting in 2001, the LaRouche movement in Italy succeeded in convincing numerous members of parliament to raise the issue of a new international monetary system in the legislature. The Argentine debt crisis of 2001, and the bankruptcy of the multinational company Parmalat in 2003, brought the disastrous effects of speculative financial policies very close to home. In 2005, the Chamber of Deputies approved a motion for "a new and more just international financial system," with the objective of "preventing financial crashes and supporting the real economy." Nevertheless, the government refused to take up the issue, despite being required to do so by the approved motion, and the discussion of a New Bretton Woods has remained behind closed doors.

In June of 2007, *EIR* held a conference at the Hotel Nazionale in Rome, in front of the Chamber of Deputies, in which Tremonti and Undersecretary for Economic Development Alfonso Gianni discussed the question of "Marketism or New Deal" with LaRouche himself. On that occasion, Tremonti strongly supported LaRouche's proposal for Eurasian infrastructure development, concluding his speech by



EIRNS/Flavio Tabanelli

*Italian Economics Minister
Giulio Tremonti.*

stating that the LaRouche movement's ideas "must be spread." That event led to a qualitative shift in the level of the discussion in Italy and elsewhere, yet again, "mainstream" economists and the press wanted nothing to do with such a discussion of reality.

Financial Crisis Provokes Shift

The explosion of the financial collapse which began in July 2007, has provoked a dramatic change. The publication of Tremonti's new book, *Fear and Hope*, and his explicit call for a New Bretton Woods, has led to a national debate over globalization and free-market economics. The book strongly denounces the transformation of the global economy over the past

15 years, in which the new "techno-finance" has been used to create an illusion of wealth which is now coming to an end. Tremonti pinpoints the battle between two conflicting ideologies as that between "Rome and London," that is, between a Judeo-Christian notion of politics aimed at governing the progress of society on behalf of the common good, and that of the British free-market system, typified by the World Trade Organization and the speculative mechanisms which have taken over the economy.

In his book, Tremonti defines free-market economics as the "totalitarian ideology invented to govern the world in the 21st Century," pointing to the threats to Europe, and the destruction of the United States economy. In this context, he also cites Pennsylvania State Rep. Harold James, who, during a hearing at the state legislature on Nov. 29, 2007 on LaRouche's Homeowners and Bank Protection Act (HBPA) proposal, called on political leaders "to take national leadership, in the Spirit of 1776," to offer the nation "a bipartisan solution to the home foreclosure and banking crisis now upon us, a crisis which threatens to set off an economic collapse worse than the Great Depression of the 1930s."

In the concluding chapter, Tremonti makes a number of proposals. While he fails to take on the attempt to create a dictatorial government at the European level through the approval of the Lisbon Treaty, and also leaves the door open to those who wish to manipulate the question of "subsidiarity"—i.e., where the private sector assumes greater control over public



EIRNS/Daniel Grasenack-Tente

Lyndon LaRouche addressed a seminar in Rome Feb. 28, hosted at the Italian Senate, on “A Rooseveltian Solution to the International Systemic Crisis.” Left to right: Undersecretary for Economic Development Alfonso Gianni; EIR’s Andrew Spannaus; LaRouche; EIR’s Claudio Celani; Catia Polidori, leader of Confapi (Young Entrepreneurs).

services, thus calling into question the role of the State—he takes up what is destined to become the defining issue of the coming period: the reorganization of the international financial system. Tremonti calls for a New Bretton Woods, in order to control financial markets and reverse the direction of the economy.

In an interview with the TV talk show AnnoZero, Tremonti blasted globalization as a folly invented “by a group of madmen, of mad ‘Illuminati,’ who decided in the last two decades to divide the world into two parts: Asia for low-cost production, and the U.S.A. and Europe for consumption. The result is that the situation has become worse for us, and, in the end, will be worse for Asia, too.” These, he said, are the “madmen who invented techno-finance, sold mortgages, packaged them, and sold them around. Now, all this has failed. Globalization has failed. The crisis will get much worse.” He concluded by saying that the solution cannot come from one country only: “We are thinking about an agreement among large nations, like the one at Bretton Woods; a new Bretton Woods.” A few days later, in an online interview with the wire service Adn Kronos, he repeated the concept: “The New Bretton Woods is the key proposal in my book.”

Tremonti’s formulation of the New Bretton Woods echoes that of LaRouche: “The strong proposal in the book is about a new Bretton Woods, that is, a new global agreement on the terms of currency exchange and trade.” That means, a conference of heads of state and government, to discuss not only a system of monetary and financial rules, but also bilateral trade agreements instead of the current free-market, WTO-dominated system.

The Establishment Attacks

This time, the reaction from the pro-free-market circles came immediately: *Corriere della Sera*, the country’s leading

daily newspaper, has run numerous front-page editorials which openly, or indirectly, attack Tremonti; and once the floodgates were opened, “the only economic debate worthy of that name”—as one commentator defined it—became a central issue throughout the country. Every major newspaper has taken it up, and while the promoters of radical free-market ideology have done their best to reduce the debate to one of closing borders vs. opening up to the modern world, they haven’t succeeded. Tremonti has garnered significant support, and his decision to emphasize the solution to the crisis—the New Bretton Woods—has allowed him to gain the upper hand in a debate which has the potential to redefine the political situation in Italy, and throughout Europe. The effects of the

“marketist” policies of recent years are too obvious to be denied, and thus, even those who defend globalization are hard-pressed to find arguments that support their own claims. One of the most egregious “mad Illuminati,” the well-known “economist” Francesco Giavazzi, provides an example of the best that they can come up with: globalization brings both advantages and disadvantages, but the disadvantages can only be overcome with more globalization, more privatization and more deregulation. Not surprisingly, this argument hasn’t been particularly effective.

A second reason for the prompt response to Tremonti’s campaign is that Italy will be holding early elections on April 13. The fall of the center-left government of Romano Prodi, which failed to take any serious measures to stem the population’s plummeting standard of living, has left the door open for a return to power of the center-right coalition led by former Prime Minister Silvio Berlusconi. That coalition, as many have observed, is however a strange mix of pro-free market, pro-industry, and populist elements. Thus, Tremonti finds himself in the same party as numerous figures who have attacked him based on free-market orthodoxy.

Clearly, though, the key issue is the potential for a sea-change in the Italian institutions, away from the failed policies of recent years, and in the direction of the proposal advanced by the LaRouche movement. Italy is not a country capable of forcing a change in global policy on its own; indeed, in his recent visit to Rome, LaRouche emphasized that Italy is not a sovereign nation; it is run by the Anglo-Dutch financiers who have their centers of operation in cities such as Bellagio and Siena. However, Italy is certainly capable of posing the question in such a manner as to open the floodgates in Europe, which would represent a factor that the financial oligarchy will be hard-pressed to control in this period of crisis.

Congress Converges on Bailouts To Block HBPA

by Paul Gallagher

Even as it is confronted with the increasingly hyperinflationary failure of the attempted bailouts of the banks and financial markets by the Federal Reserve, the Democratic leadership of the Congress is lunging toward a tax-dollar bailout of its own, on top of its already inflationary appetizer, the “bipartisan stimulus.” The Wall Street news service CNBC frankly described House Financial Services chairman Barney Frank’s (D-Mass.) March 13 version of this “mortgage legislation” as “a mortgage bailout plan hatched between Wall Street and Congress,” and attributed the design of it to Credit Suisse, Citibank, and Bank of America, owner of the notorious Countrywide mortgage lender.

By transparently attempting to commit Federal dollars to rescue the “value” of trillions in now-nearly worthless securities of the collapsed mortgage bubble—mortgage-backed securities, collateralized debt obligations, and financial derivatives—these Congressional Democrats would join Fed Chairman Ben Bernanke in bringing on a hyperinflation that will destroy the U.S. economy and the households they claim concern for. At the same time, not one of these leading Congressional Democrats—with the single exception of Democratic Presidential candidate Sen. Hillary Clinton—will support a nationwide freeze of home foreclosures, necessary to stop social chaos and urban/suburban collapse in many areas. Clinton’s 120-day general foreclosure halt has been fought by Wall Street since she called for it in early December, and all of her Democratic colleagues—not to mention Congressional Republicans—have taken Wall Street’s side.

All of the recent months’ proposals for so-called “mortgage crisis legislation” have now converged on bailout schemes from Wall Street’s Representative Frank, House Speaker Nancy Pelosi’s (D-Calif.) other lieutenants, and Senate Banking Committee chairman Christopher Dodd (D-Conn.), which schemes are becoming increasingly identical—Dodd immediately endorsed and adopted Frank’s March 13 outline, for example. Speaker Pelosi is acting as the virtual puppet of the treasonous synarchist banker Felix Rohatyn, who dominates her “economics” soirées, and whose every idea becomes her legislative priority. Dodd was Rohatyn’s chosen Presidential candidate and legislative backer; Frank, Pelosi’s designated pointman and cen-

sor of all financial legislation, is openly claimed by Wall Street banks.

These, along with Frank’s subcommittee chairman Paul Kanjorski (D-Pa.) and others, have worked to head off any potential introduction of Lyndon LaRouche’s Homeowners and Bank Protection Act (HBPA) in Congress, despite its being supported by act of more than 80 cities nationwide, introduced into half the state legislatures in the country, and recently passed by both Houses in Rhode Island. LaRouche’s HBPA would put the crisis-wracked chartered banks of the United States under Federal bankruptcy protection, which would also compel them to write off the trillions in toxic securities immediately, making these banks capable of conveying Federal credit flows into rebuilding the collapsing real economy through infrastructure works, capital exports, etc. At the same time, HBPA would freeze all mortgages against foreclosure, an action taken by many states during the Great Depression and urgently overdue now.

By blocking the HBPA, and, at the same time, moving to create mortgage-buying bailout funds which, when you read between the lines, are in the hundreds of billions of Federal dollars, the Congressional leadership is setting a match to a hyperinflationary blowout like that of hapless Weimar Germany in 1923—nor will they succeed in saving the banks from the shutdown wave now beginning.

When Home Prices Plunge by 50%

Even as CNBC was hailing his March 13 scheme as a bank bailout, Frank continued to claim that it wasn’t, as he has with each of the year-long series of completely unworkable proposals that have come from his Financial Services Committee, such as increasing the capital of Fannie Mae and Freddie Mac by \$150 billion for the same purpose. Frank, Dodd, and company insist that they want to legislate taxpayer funds to buy up mortgage loans at “sharply discounted” prices, making those irresponsible mortgage lenders “take a haircut” on the original book value of the loan.

But two things have become clear from several competent surveys of the causes of the millions of home foreclosure proceedings underway, beginning with the one by the states’ attorneys general in February. First, the ineffectiveness of Treasury Secretary Henry Paulson’s “HOPE NOW” plan, and the state-level “mortgage refinancing” and counseling plans; the foreclosure tsunami has overwhelmed them, with each month’s foreclosure actions 50-60% above the already exploding levels of 2007, and actual home seizures rising even faster to 80-90,000 per month. Another 1.5 million homes are in the foreclosure mill right now, and 5 million homeowners beyond those are delinquent on mortgage payments, reports the Mortgage Bankers Association. And second, the primary and dominant cause of mass home foreclosures is, not subprime loans or ARM (adjustable rate mortgage) interest rates adjusting upwards, but the plunging

price of homes, which has probably now passed the 10% mark in national average year-to-year decline. The huge decade-long consumer debt bubble known as “real estate assets” has collapsed, and homes are now become debt traps for many millions of households hit with rapidly rising prices and losing jobs at the same time. This situation is causing even many thousands of homeowners who have already gotten “mortgage refinancing” to a supposedly affordable level, to default again and enter foreclosure.

Nothing Congress does will, or could, stop that price plunge.

As early as November 2007, housing economists such as Robert Shiller of Yale were telling Frank’s committee that prices were likely to drop at least 20%. As of February 2008, the worst-hit states such as California, Florida, and Nevada had already approximated that big a drop. Now, sober economists foresee a 30% or 40% drop, which would leave one-third to one-half the 86 million mortgaged households in America owing more on their house than it could be sold for. “American System” economist Lyndon LaRouche has, since first introducing the HBPA last August, forecast that the collapsing debt bubble would pull home prices down further than even the current “worst case” guesses of other economists; this is why LaRouche’s HBPA establishes an open-ended period of mortgage freeze and foreclosure ban, until the price collapse has run its course.

This price collapse means that what Dodd, Frank, and the Rohatyn-Pelosi gang call “a haircut for mortgage lenders” is, in fact, a dangerously inflationary and potentially massive bailout for those lenders and the holders of mortgage-backed securities, one in which Federal agencies would be “buying the losses” of the banks in the price plunge. Frank’s legislative proposal, for example, would set up the Federal Housing Administration (FHA) to guarantee up to \$300 billion in new, refinanced mortgages—which means buying the existing, defaulted mortgages, at what he says is “the current market price,” or 10% below, at most, what the existing mortgage debt was based on. Dodd, in a Senate bill, also proposes to have a new Federal agency buy \$150 billion of these mortgages in the same manner.

The bank or lender, promises Frank, would have “no further credit exposure to the borrower” or to the borrower’s household’s troubles as his home plummets in “value” by another 30%, 40%, or more. The bank could take the FHA-insured sale proceeds of 85-90% and pay off mortgage security holders, etc. But the FHA *would* be exposed to those losses; and the Government National Mortgage Agency or Ginnie Mae, which Frank says would stand behind the FHA and repurchase those new mortgages, would be “buying those losses” with what could easily be many hundreds of billions in Federal dollars taxed, borrowed, or newly printed.

What Frank and Dodd are pleased to call a 10% mortgage “haircut” for lenders, banks, and mortgage securities holders, is, in fact, a 30% bailout, or much more, of what

are actually worthless pieces of bundled, securitized consumer debt. The price of “buying those losses” is measured in orders of magnitude of the rate of inflation and the collapse of the U.S. dollar.

LaRouche has repeatedly denounced this kind of Congressional proposal as “buying into the bubble as it’s collapsing.”

This is what the City of London mouthpiece, the *Financial Times*, called for—as United States policy, of course—as “nationalization of the losses” in the securities markets, in its March 12 editorial. The policy was pushed hard in testimony in front of Frank’s committee on March 3 by Mark Zandi, chief economist for the ratings agency Moody’s, who urged that Congress must establish a “taxpayer-based fund of at least \$150 billion to buy mortgage-backed securities,” and claimed that nothing else but Federal buying could “revive” the moribund securities markets. On March 12, the other U.S.-based ratings agency, “Standard and Whores,” ran cover for what Frank, Dodd, Rohatyn, and Wall Street were doing, by issuing a report which claimed, outrageously, that the writing off of securities losses by Wall Street banks was now “essentially finished”! A few days later, Bear Stearns investment bank was seen disappearing into a swamp of new losses, and being thrown a one-month bailout lifeline by the Federal Reserve.

‘Too Little, Too Late’

Frank, Dodd, Rep. Joe Baca, (D-Calif.) and others have had the effrontery to call these bailouts “Franklin D. Roosevelt’s policy,” and claim to be reviving FDR’s Home Owners Loan Corp. (HOLC) of 1933. It was LaRouche’s *EIR* which first introduced the HOLC into the policy debate over the mortgage bubble collapse, a year ago. We made clear that the HOLC was successful in reversing the mass foreclosures of the Great Depression, *only* because FDR had first, in the March 1933 “Bank Holiday,” put the nation’s banks through effective bankruptcy reorganization—as LaRouche’s HBPA will do—and because, by 1933, home and farm prices had already been through their years-long collapse, so new government-backed mortgages could be issued.

Just a day after Representative Frank unveiled his bailout scheme, Citigroup CEO Robert Rubin called it “too little, too late,” at a Washington meeting of the Hamilton Project, which he was moderating. There is, in fact, no chance of saving those U.S. chartered banks which must be preserved for the economy to function and recover, by means of this kind of inflationary bailout. Their real losses in the collapse of the global debt “asset” bubble are much too huge.

Congress’s real job, is to save these banks from themselves, by putting them—and the Federal Reserve system—through a Federal bankruptcy process, which alone will allow them to stay open, and to conduit Federal low-interest credits for programs to rebuild the economy from a depression collapse.

LaRouche: Rohatyn Fascism Is ‘Tantamount to Treason’

by Jeffrey Steinberg

Lyndon LaRouche’s no-holds-barred indictment of investment banker Felix Rohatyn for crimes “tantamount to high treason,” during his March 12 international webcast, has sent political shockwaves through the United States, as the nation enters a crucial showdown phase of the 2008 Presidential election campaign.

LaRouche began his formal remarks by declaring: “Felix Rohatyn is guilty of something tantamount to high treason against the United States.” He elaborated: “Felix Rohatyn is a *thorough fascist* in the same sense that Adolf Hitler was a fascist, and the same sense that Mussolini, before Hitler, was a fascist.”

LaRouche’s indictment was the political equivalent of a nuclear bomb, and the impact is just beginning to be felt.

After exposing Rohatyn’s policies—including his pivotal role in the takedown of the U.S.A.’s vital automobile manufacturing sector, with its crucial machine-tool capacity—LaRouche made the point even more sharply, drawing the historical parallel: “When they put them [Rohatyn’s policies—ed.] into effect in Italy, it was called corporatism. Exactly this policy. This was the policy of Mussolini! When Schacht consolidated Hitler’s power in Germany, the same operation was done.... The intention of the Nazi system, for its post-war policy, was the occupation of all Europe, under this kind of policy. Eliminate the nation-state for what was called *universal fascism*.”

The future of the Democratic Party and the survival of the United States as a sovereign republic, both hang on whether or not leading circles in the party will, at long last, wake up to the fact that Rohatyn is, as LaRouche has now, once again, publicly declared, an avowed fascist, an enemy of the United States, and an agent of an alien, foreign power, the City of London-centered British oligarchy, which is going for the end-game destruction of the American Republic—right now.

Lazard and the Synarchy

Rohatyn’s passion for fascism is not exactly hidden. His entire history, as a leading figure and protégé of André Meyer at Lazard Brothers banking house, places him in the center of the Synarchist, “universal fascist” camp.

When Rohatyn was placed in charge of the bankers’ dictatorship over New York City, during the so-called “Big MAC” bankruptcy crisis of the mid-1970s, he administered classic fascist Schachtian austerity, from which New York City has never recovered. His corporatist protégé Michael Bloomberg has been pushing a string of fascist measures—including his current scheme to impose feudalist “congestion” taxes on anyone bringing a car or truck into Manhattan—that would have made Mussolini green with envy.

And it is for this reason that Rohatyn-clone Bloomberg is still being promoted as London and Wall Street’s preferred President or Vice President in January 2009.

Within the Democratic Party, Rohatyn’s idiot-princess, Speaker of the House Nancy Pelosi, has presided over the self-destruction of the Democratic majority, by blocking the impeachment of Vice President Dick Cheney (another British asset), and sabotaging every effort to take meaningful action to deal with the onrushing crash of the U.S. dollar-based global financial system, and the U.S.A. physical economy—beginning with her efforts against LaRouche’s own Economic Recovery Act of 2006 and 2007, and the Homeowners and Bank Protection Act (HBPA), which enjoys widespread grassroots support among Democrats, but has been killed in Congress by Rohatyn and Pelosi.

It is for these and other reasons, that LaRouche’s indictment of Rohatyn for fascist crimes against the United States, “tantamount to high treason,” is not only accurate. It represents an existential issue for the United States.

Electoral Sabotage

As LaRouche has been warning for months, Rohatyn's circles—his fellow-fascist George Shultz, and other London assets inside the U.S.A.—are intent on imposing Bloomberg, or some other like-minded fascist, in power in the White House, by means of the 2008 elections. Their gameplan depends on the elimination of Sen. Hillary Clinton from the Democratic Presidential race. Their preferred strategy: Build up Sen. Barack Obama as the Democratic nominee, use Obama's demagogic, populist appeal to knock out Clinton, and then bring down Obama, through a series of time-released scandals, already erupting.

The Rohatyn-Shultz scheme, however, has been dealt a series of potentially fatal setbacks. Key to all of their efforts was the need to eliminate Clinton from the race by mid-March. It was widely expected that she would lose the Texas primary, through the media-driven Obama hype. Rohatyn, in league with Pelosi and other soft-on-fascism Democrats, had been putting the squeeze on many of Clinton's superdelegates, attempting to organize a mass revolt, after the March 4 primaries in Texas, Ohio, Rhode Island, and Vermont. (Superdelegates are current or former office holders and party officials, who are seated at the party convention automatically, rather than through primaries or caucuses. They may support any candidate.) The goal was to orchestrate a media avalanche against Clinton, to force her to quit.

Sources within the Democratic Party have confirmed that at least 25 Clinton superdelegates, and 50 other superdelegates who were not pledged to either Clinton or Obama, were targeted by Rohatyn and his minions, for this post-March 4 assault. And the methods have been right out of the mafia playbook. Sources in the New York Democratic Party have confirmed LaRouche's own assessment, that the recent prostitution scandal that forced the resignation of New York Governor and Clinton superdelegate Eliot Spitzer, was a case of selective prosecution, targeting Spitzer precisely because he refused to bend to Rohatyn's demands that he break from Clinton. The targeting of the governor was intended to send a broader message to Clinton backers: Don't mess with Felix if you have any skeletons in your closet.

However, despite these heavy-handed tactics, reality intervened. In Texas, Ohio, and New England, LaRouche PAC organizers, led by the LaRouche Youth Movement, circulated widely exposés of the Rohatyn-Bloomberg fascist scheme. On the eve of the Texas primary, LaRouche issued a statement, praising Hillary Clinton for her perseverance and leadership courage, in the face of the Rohatyn-Bloomberg onslaught, and for her focus on the crying needs of the lower 80% of American households. The Bloomberg exposé resonated throughout U.S. political institutions, with added force, when paired with the exposé of the parallel London-led drive for fascism in Europe, through the Lisbon Treaty, to establish a European corporatist super-state.

March 4—and the Aftermath

On March 4, Hillary Clinton scored significant victories in Ohio and Rhode Island, and a narrow, but decisive victory in Texas. The Rohatyn-Shultz scheme suffered a serious setback: The idea of Clinton dropping out of the race was thoroughly discredited; and, the next contest takes place in Pennsylvania on April 22, where Clinton currently enjoys a significant lead.

Moreover, precisely as LaRouche forecast, Obama is coming under the kind of public scrutiny that he cannot survive. Since March 4, Obama has been hit with a two-pronged attack.

First, coming directly from London, Obama's ties to international organized crime are grabbing headlines, and throwing the Illinois Senator into public bouts of rage. Obama's ties to Chicago fixer Tony Rezko, whose criminal trial began March 3, provide the window into a much bigger international crime scandal, implicating Rezko's business partner, the London-based, Iraqi-born billionaire Nadhmi Auchi. Auchi was the subject of a Pentagon Inspector General's investigation, into contract fixing in Iraq, during the period of the Coalition Provisional Authority. Auchi's political and business ties cut into the very heart of the European black nobility, and this scandal is going to grab headlines for months, as the Rezko trial unfolds. Obama has belatedly admitted that Rezko provided at least a quarter-of-a-million dollars to his political campaign, in addition to their joint real estate venture.

On March 13, another Obama scandal surfaced, when news outlets began airing racist and anti-American statements from Rev. Jeremiah Wright, the just-retired pastor of Obama's Chicago church, and a member, until March 14, of the candidate's Afro-American Religious Leadership Committee. While Obama scrambled to repudiate Wright's remarks, he refused to "repudiate the man," with whom he had close ties for 17 years.

On March 14, LaRouche had called upon Obama to immediately distance himself from Wright, in a LaRouche PAC press release, which asked Obama, "Do you know the difference between Wright and wrong?" Hours later, the Obama campaign announced that Rev. Wright was no longer a member of the advisory committee.

Obama's accelerating demise, and the continuing support for Hillary Clinton among Democratic voters, sets the stage for an even greater political showdown in the weeks ahead. True to his fascist roots, Felix Rohatyn and his circles can be expected to take even more radical measures, to recoup their faltering Bloomberg schemes.

And sources in the Democratic Party have informed *EIR* that green fascist Al Gore is aligned with Rohatyn, and is working against the Clinton nomination, by positioning himself to be the super-broker at the Democratic convention in Denver in August. Gore, who now manages a hedge fund, also works as a policy advisor to Britain's Prime Minister Gordon Brown.

Judith Rodin Spews Dark Age Propaganda

by Meghan Rouillard,
LaRouche Youth Movement

“If the God of *Genesis* 1 were actually the Creator of the universe, and man and woman were made in the Creator’s likeness, and with comparable duties to perform on His behalf, why do men and women today, even scientists, think about the universe as they do?...”—Lyndon LaRouche¹

Anyone familiar with the writings of Lyndon LaRouche and other defenders of the American nation-state, knows that the British oligarchy has run out of options in its vain efforts to destroy the United States through military confrontation, and has decided instead, in favor of waging epistemological warfare against the population, with the ultimate goal of getting it to swallow actually deadly economic policies. Had it not been for the crucial intervention of the LaRouche Youth Movement (LYM), armed with the scientific method of humanists like Cusa, Kepler, Leibniz, and LaRouche himself, a fly on the wall at the February meeting of the AAAS (American Association for the Advancement of Science) might have thought that the British had succeeded.

The policy-shift which the oligarchy seeks is typified by its intention to insert Michael “Benito” Bloomberg as U.S. President or Vice President in 2009. It has begun an organizing drive, sophisticatedly named “Building America’s Future,” which has been led by “soul mates” New York Mayor Michael Bloomberg, California Gov. Arnie Schwarzenegger, and Judith Rodin, front-woman for the eugenics-promoting Rockefeller Foundation. Sadly, most of the thousands of scientists attending fawned over Rodin’s address to the conference on Feb. 15, after a day of seminars mostly pushing the Global Warming hoax. Rodin outlined the Foundation’s fascist vision not only the United States, but also the developing world.

A Dark Age Visionary

“‘Globalization,’ as proposed by the Jan. 19 Los Angeles event of the Rockefeller Foundation’s Judith Rodin, in company with Governors Arnold Schwarzenegger and Ed Rendell, with Mayor Bloomberg, is a scheme for a new imperialism, a new Tower of Babel, a form of fascist imperial system,

designed by the fascist Felix Rohatyn who played a culpable role, with George Shultz, in the work of the Nazi-inspired Pinochet government of Chile, an echo of the Shultz-Rohatyn Pinochet project, whose establishment now would destroy the essential foundations of any civilized form of human life among the peoples of this planet....”

—Lyndon LaRouche, “On Monadology”

The theme of the AAAS conference was “Science with a Global Perspective”; various seminars were put into context by the Feb. 16 presentation by Rodin, who spoke on the threat of the unplanned development of cities in especially third world countries, which would exacerbate the climate crisis (most attendees having been thoroughly duped or blackmailed into accepting this premise). She spoke in true sophist fashion about “smart globalization,” and that “the poor” (eugenics-speak for “those we want to kill”), in fact, will suffer the most if we *don’t* deal with climate change, since they rely on nature so much! “There are currently 50 million climate refugees,” Judith pleaded, full of emotion, to the audience, hoping no one had the brains, or guts, to challenge her.

A clear idea of the actual “Building America’s Future” program was given, when Rodin began to sing the praises of the thriving tourism industry in Africa, which in fact, totally misrepresents what the Rockefeller Foundation means when it speaks about “development.” The (actually bankrupt) private sector, she urged, must play a leading role in creating “green jobs” in the United States, too: “We will harness the power of global markets” to achieve this, she said. Rodin then reminisced about the conference held by the Rockefeller Foundation in Bellagio, Italy, in September 2007—the same location where the Foundation hosted a forum for the “Limits to Growth” depopulation movement, in 1968.

LYM members Alexandra Perebikovsky and Meghan Rouillard approached Rodin after her speech. Perebikovsky asked Rodin to clarify the following paradoxical point: “LaRouche PAC wants to know why the Rockefeller Foundation doesn’t call for a debt moratorium and the development of nuclear power for these poor countries if it’s concerned about the situation there?... Your plan, as stated, won’t work.”

Rodin became visibly disturbed, claiming that the Foundation is prevented by stringent laws from “lobbying,” so they can’t take a position on these things. The LYM challenged her again on why nothing less than nuclear technology will develop our human economy, at which point she hastily left the discussion.

The oligarchy’s world outlook was elaborated the next evening in a sophisticated presentation on “One Laptop per Child,” another thinly disguised prescription for mass-death, in a world where children die of famine and disease.

It would be wise for the AAAS to disassociate itself from Rodin and company. No scientist with any shred of humanity would want to be labeled as a collaborator in their plot to reduce the world population to less than 1 billion persons.

1. “My Early Encounter with Leibniz: On Monadology,” *EIR*, Feb. 22, 2008.

National News

Bloomberg Seeks Toll Tax To Fix New York Deficit

A New York City \$4.5 billion budget deficit has to be plugged. New York City Mayor Michael Bloomberg is pushing his Mussolini-styled toll tax on public city streets as part of the solution, which is due to start April 1.

Supporters of Bloomberg's plan flocked to Albany (the New York state capital) March 11 "to lobby lawmakers on the proposal," according to the March 14 *New York Sun*. The sweetener is a \$354 million grant from the Federal government if the toll plan is adopted by March 31.

The Democrats' tax plan is in opposition to Bloomberg's toll-tax scheme. While incoming Gov. David Patterson (D), at his first press conference, demurred on the toll plan, saying he's still looking at it, the *New York Daily News* reported March 14 that two of his advisors, Bill Lynch and Luther Smith, have been pressing legislators to adopt the scheme.

Nancy Pelosi Walks When Felix Rohatyn Talks

Less than 24 hours after fascist investment banker Felix Rohatyn's Senate hearing appearance on March 11, on "The Condition of Our Nation's Infrastructure and Proposals for Needed Improvements," Speaker of the House Nancy Pelosi held a press conference to dictate an early schedule for the House to take up the "national infrastructure bank to develop public-private investments," the *Congressional Quarterly* reported March 13.

Pelosi is calling for the House to take up Senate Banking Committee chairman Sen. Chris Dodd's infrastructure bill (S. 1926), which has been promoted by Rohatyn. Dodd's bill calls for a National Infrastructure Bank, which would, after initial funding by government appropriations, fund its programs by issuance of government-guaranteed bonds to private investors, leaving the taxpayers holding the bag.

CQ reported that Pelosi met "with experts." Premier vulture fund leaders of global

privatized infrastructure, such as Goldman Sachs, attended the press conference at Pelosi's side. "It's a high national priority and the Speaker understands this point," said Robert D. Hormats, vice chairman of Goldman Sachs.

Report Shows Saddam Had No Ties to al-Qaeda

A report produced on behalf of the U.S. military by the Institute for Defense Analysis finds—once again—that Saddam Hussein did not have ties to al-Qaeda. This provides more evidence that one of the central justifications for the invasion of Iraq was a lie. This report was based on 600,000 pages of captured Iraqi documents, making it particularly sensitive. According to Warren Strobel of McClatchy News Service, the study found that Hussein used terrorism against domestic enemies inside Iraq, and that he supported Palestinian rejectionist groups, but found no documents indicating a "direct operational link" between the regime and al-Qaeda.

On March 12, the Pentagon abruptly cancelled a plan for broad release of the report, which would have made the authors of the study available to reporters for interviews, and allowed its posting on the Internet. Anyone who wants a copy must now request it from U.S. Joint Forces Command.

Oregon Health Insurance Turned Into a Lottery!

Through its Oregon Health Plan, the state of Oregon has only enough money to serve 24,000 out of 130,000 low-income adults who lack private health insurance. There are 600,000 people overall in the state who do not have health insurance.

So, the state has decided to randomly select 24,000 individuals, out of the 91,000 low-income adults who have asked to enroll in the plan, which served 100,000 people before budget cuts slashed the number of enrollees. Names will be drawn in batches of 3,000 each, until 24,000 people have been chosen.

As one official who manages the Com-

munity Clinic of Bend, admitted to the *New York Times*, "Using a random process to decide who gets healthcare is a sign of profound desperation." The lottery idea emerged from a consensus among state officials and advocacy groups that "small steps can help."

Hearing on War Powers Act Held in House

The first hearing on H.J. Res 53, "The Constitutional War Powers Resolution," was held March 13 by Rep. William Delahunt (D-Mass.), chair of the Subcommittee on International Organizations, Human Rights and Oversight of the House Committee on Foreign Affairs.

After a panel of constitutional experts which included former Congressmen David Skaggs and Mickey Edwards, co-chairs of the Constitution Project's War Powers Initiative, Rep. Walter Jones, a seven-term Republican from North Carolina, and author of the resolution, gave an impassioned presentation, including a description of his profound change in view of the Iraq War, including the over 7,400 personal letters he has written to the families of those who have lost their lives in Iraq.

Jones stated: "Article 1, Section 8 of the U.S. Constitution grants the Congress sole authority to declare war. In 1793, James Madison said, '...The power to declare war, including the power of judging the causes of war, is fully and exclusively vested in the legislature....'"

Jones pointed out that the last time Congress declared war was in 1942, but Presidents of both parties have since engaged in numerous conflicts without the express consent of Congress.

The most important change initiated by Jones is to stipulate when congressional approval is required. Under the previous, 1973, resolution, the President could act in any instance without prior congressional approval. Under H.J. Res. 53, the President may authorize the use of the Armed Forces prior to congressional approval *only* in case of 1) an armed attack upon the U.S.; 2) an armed attack on the Armed Forces outside the U.S.; or 3) an evacuation of U.S. citizens.

Will Cheney's Mideast Trip Launch New Round of Wars?

by Dean Andromidas

Vice President Dick Cheney's visit to the Mideast, which begins in Israel on March 16, threatens to detonate a new phase of conflagration, at a time when the Middle East stands on the razor edge between another devastating war between Israel and its neighbors, and a peace process anchored on a negotiated agreement between Israel and Syria, which could put the region on a road to peace and development, as proposed by American statesman Lyndon LaRouche.

Cheney is expected to put impossible demands upon all the players in the region. He will tell the Israelis to make an agreement with Palestinian President Mahmoud Abbas, while isolating Hamas, the power in Gaza from which rockets are being fired into Israel. He will demand that the Lebanese government of Fouad Siniora continue to isolate the opposition, especially Hezbollah. Most importantly, he will prevent Israel from negotiating an agreement with Syria, which would be the keystone to peace in the region. This alone will keep the region on a vector towards war.

Cheney is also expected to up the ante against Iran. Particularly since the sudden, forced early retirement of Adm. William "Fox" Fallon as commander-in-chief of the Central Command (CENTCOM) on March 11, the prospect of a U.S. military attack on Iran before the Bush Administration leaves office, is again looming very large. Cheney's promotion of a preventive military attack on Iran is almost universally recognized, particularly among patriotic U.S. military and intelligence circles, who have battled for the past two years to tie Cheney's hands, and run out the clock on the Bush Presidency, without another disastrous war.

What is less well understood is the fact that, in all his war maneuverings, Cheney has been operating as a thug for London-centered interests that are out to destroy the United States,

far more than they are out to curb Iran's alleged nuclear weapons quest. It is the British, today, who are behind the various schemes to provoke permanent war in Southwest Asia, as part of a larger global drive for genocidal conflict. The ultimate goal is the destruction of the Westphalian nation-state system, and the extermination of a vast majority of the 6.5 billion human beings on the planet.

Permanent Religious War?

On March 7, a Palestinian gunman attacked the Mercaz Harav Yeshiva in Jerusalem, killing eight students; he was then killed by an armed student. No Palestinian or other group has claimed responsibility.

This is precisely the kind of incident which the British gamemasters would be inclined to use to detonate a permanent religious conflict in the area—as the background to the players involved indicates.

Mercaz Harav is not just any yeshiva. It stands at the center of the British-controlled radical messianic Zionist-nationalist movement, which was responsible for the assassination of Israeli Prime Minister Yitzhak Rabin in 1995. It is feared the attack could be used to justify a provocation on Jerusalem's al-Haram al-Sharif, Islam's third holiest site, known by the Israelis as the Temple Mount. Such an attack, triggered by British gamemasters, could ignite an Arab-Israeli war. The other fear, is that Israeli messianic extremists could assassinate leading pro-peace political figures, even within the Olmert government.

The *EIR* Special Report "Who Is Sparking a Religious War in the Middle East?" issued in 2000, details the history of Mercaz Harav and its links to powerful freemasonic circles in Great Britain.

Mercatz Harav was founded in 1924 by Rabbi Abraham Isaac Kook, who was a close collaborator of Vladimir Jabotinsky, founder of the fascist wing of the Zionist movement. Both were from Russia, and later lived in England, where they enjoyed sponsorship by leading British authorities. After World War I, Kook moved to Palestine, where he was installed by British colonial authorities as Chief Ashkenazi Rabbi, while Jabotinsky moved to Fascist Italy, where he enjoyed the sponsorship of Benito Mussolini. Under Kook, and later under his son, Rabbi Zvi Yehuda Kook, the yeshiva became the training center for several generations of the most radical messianic Zionists, including Rabbi Moshe Levinger, who was a spiritual guide to Yigal Amir, the assassin of Rabin. Its graduates founded the radical settlers movement Gush Emunim.

Mercatz Harav overlaps the fanatical Temple Mount Faithful, the organization which wants to destroy the mosques on the al-Haram al-Sharif, in order to rebuild Solomon's Temple. This entire apparatus is generously financially supported by Cheney's friends in the Christian Zionist movement in the United States, who hope the ensuing war will lead to Armageddon and their "rapture."

In a replay of the incitement that preceded the assassination of Rabin, Labor Party education minister and leading peace advocate Yuli Tamir was forced to flee for her life when she visited the yeshiva on March 9. The incident provoked Israeli National Infrastructure Minister Benjamin ben Eliezer to warn: "We've seen such things before, when Rabin was murdered, and apparently they haven't learned their lesson. Like then, the incitement now may lead to another political murder."

Israeli security forces have been put on alert for a possible attack on an important personage associated with al-Haram al-Sharif, or on the mosques themselves. Also, a group of right-wing rabbis have signed a statement calling for avenging the attack on the yeshiva, declaring, "Each and every one is required to imagine what the enemy is plotting to do to us, and to match it, measure for measure." In a thinly veiled attack on the government, they said it was necessary "to work to create a proper Jewish leadership," and quoted from the Book of Esther, saying that they look forward to the day when "Jews will congregate in their cities ... and strike those who wish upon them ill in those days at this time."

"In going to war," the rabbis write, according to the Israeli daily *Ha'aretz*, "the Cohen [priest] fills the people with motivation by giving [them] the knowledge that he is going to fight his enemies and he must not show compassion or mercy."

Talk to Hamas!

Another hotspot is the Gaza Strip, where Israel and Hamas, which governs the area, are in a dance of death. While Israel maintains a brutal economic siege, Palestinian militants launch home-made Kassam rockets, or more powerful Grad rockets, on neighboring Israeli towns and cities. Recent Israeli

punitive military operations left more than 100 Palestinians dead in one bloody weekend.

The Olmert government is currently planning a military invasion and reoccupation of the Gaza Strip, with the purpose of overthrowing the Hamas government. The only thing holding the operation back is the extremely uninviting prolonged occupation of a region that is virtually one big refugee camp, of 1.5 million Palestinians. The prospect that the operation could trigger a wider war with the Palestinians of the West Bank, the Hezbollah in Lebanon, and even Syria, is even less inviting. Nonetheless, the Israelis are drafting contingency plans and making preparations for the possibility of exactly such a war.

This situation is the direct result of Cheney's anti-Hamas policy, which calls for fomenting civil war between President Abbas's Fatah faction and Hamas. This was underscored in a March 8 interview for the Council of Foreign Relations given by Henry Siegman, executive director of the American Jewish Congress and peace advocate, who denounced the Bush Administration's anti-Hamas policy.

"The notion that the Israeli government leaders and our own government have that it is possible to exclude Hamas from peace talks and have a successful result from those talks is a fantasy. It's not going to happen. The question is," Siegman said, "is it possible to persuade the United States and Israel's government to allow Hamas to participate in this process." Siegman went on to denounce the widely known fact that the Bush Administration had armed factions of Fatah, to overthrow the Hamas government. This backfired, leading to the ousting of Fatah, and of Abbas's authority from Gaza.

Echoing Siegman, Shlomo Ben Ami, a former Labor Party member of the Knesset and foreign minister, said to the New America Foundation in Washington on March 13, "You can't reach a settlement with the Palestinians by discarding totally the Syrians," because the Syrians have leverage over the Palestinians and can act as spoilers. Ben Ami pointed out that an agreement is only possible with the participation of Hamas, by reason of its 2006 election victory. Ben Ami also called for the release of Fatah leader Marwan Barghouti, who is imprisoned in Israel, because he has "revolutionary legitimacy" which is needed to "coopt Hamas" for a "legitimate deal."

Both Lyndon LaRouche and former U.S. Secretary of State James Baker III have called for Barghouti's release.

Ben Ami is joined by no less a personality than former Israeli Mossad chief Efraim Halevy, who also opposes Cheney's anti-Hamas policy. Halevy, who was close to slay Yitzhak Rabin, told the American weekly *Mother Jones* (Feb. 19) that the idea that Hamas is linked to al-Qaeda or controlled by Iran is not only wrong, but that Israel should be negotiating with Hamas, and the Bush Administration should stop its anti-Hamas policy, especially the already failed attempt to foment civil war between Fatah and Hamas.

Will 'Londonistan' Succeed In Dismembering Pakistan?

by Ramtanu Maitra

Almost a month after the Pakistan elections on Feb. 18, President Pervez Musharraf announced that the National Assembly (NA) would convene on March 17. Ever since the elections results were announced, leaders of the political parties that were considered to be the winners in the polls—the Pakistan People's Party (PPP), the Pakistan Muslim League-Nawaz (PML-N), and the Awami National Party (ANP)—were thrashing out their differences, to provide the basis for a firm alliance upon which they could then form the government and administer the nation. It is evident that if the alliance holds up, it will have a significant majority in the NA. But the process of reconciling differences among these three political parties, which are all committed to a democratic form of government, as opposed to the more common military-run government, turned out to be much rougher than was expected. Internal contradictions and blatant outside interference by the puppeteers in Washington and London, made the process more difficult.

The Road Ahead

As a result, despite weeks of deliberations between the PPP leader, Asif Ali Zardari, and the PML-N leader, Mian Nawaz Sharif, it is not clear who will be the next prime minister, or whether the prime minister-to-be will be there simply to keep the seat warm for someone else, who will ultimately get the position. What has become known, however, is that Makhdoom Amin Fahim, a senior PPP party member and economic advisor to the late Benazir Bhutto Zardari, who was earlier considered for the position, may not be acceptable to the alliance because of his alleged closeness to both Washington and President Musharraf. Nonetheless, it is likely that these little streams will be forded without drowning anyone.

But what lies ahead for the forthcoming administration in Islamabad is not necessarily an extremely rough road; it is also an opportunity. There is no question that the road is dangerous enough to stall even a juggernaut, if the pilot, or pilots, does not have a clear understanding of how life-threatening and nation-breaking these dangerous forces are.

The first threat that the alliance will face will be from the violent extremist forces who have apparently infiltrated every level of Pakistan's establishment, and are rampaging at will even in the major cities of Pakistan where security arrangements are considered most effective.

Denying this fact would not only endanger the lives of the

pilots, but of the nation as a whole, which means a lot of Pakistani citizens. One after another, major Pakistani establishment facilities associated with Pakistan's military have come under attack by these extremists: the assassination of Benazir Bhutto Zardari on Dec. 27; the attempt on her life on Oct 18, the day she landed in Karachi after being away from Pakistan for eight years; a series of attempts over the years on President Musharraf's life, when he was the all-powerful Chief of Armed Services as well as President; the attempt on former Prime Minister Shaukat Aziz in 2004; and the attempt on the life of the PPP leader Makhdoom Amin Fahim recently, is only part of a long list of such examples.

Threat of Disintegration

More importantly, what the new administration will have to come to grips with, is what these extremists are seeking. There is no question that they are seeking power, but for what purpose? What is in progress now—and it is in an advanced stage—is a secessionist movement which is like a snake whose head is located abroad, and what the Pakistanis see is its tail only.

The so-called Islamic jihadist movements that are identified widely as the core of extremism in Pakistan are an amorphous outfit, which can be labeled Londonistan, as some analysts have already done. This outfit is headquartered in London, but not the way a military HQ is located. Londonistan is the old vise-like grip that the British colonials had over the Muslim nations in the 20th Century. This consists of a mix of dissident Muslims who have problems in their respective countries, British intelligence, a section of the Pakistani intelligence angered by Islamabad's various actions, and the British establishment. Londonistan serves the purpose of the British establishment.

At this point, Londonistan is working to separate the North-West Frontier Province, Balochistan, the Federally Administered Tribal Areas (FATA), and the Northern Areas, from Pakistan. In other words, Londonistan wants a nation west of the River Indus bordering Afghanistan and Iran. As the plan goes, this nation, born out of bloodshed of brothers and sisters, will be the eastern buffer between resource-rich Central Asia and Pakistan, preventing both China and Russia from developing a strong presence in that region.

For Islamabad, it is easy to ignore this warning. President



Pakistan is being threatened with dismemberment, by an amorphous secessionist movement referred to as "Londonistan." The separation from Pakistan of Balochistan, the North-West Frontier Province, the Federally Administered Tribal Areas (FATA), and the Northern Areas, will create a buffer between resource-rich Central Asia and Pakistan, and will prevent China and Russia from developing a strong presence in that region.

Musharraf is a prime example of someone who has done so. The prime reason why it is so difficult for Islamabad to understand this development, is the role played by Washington under the banner of what it calls the war on terror. Britain is, of course, the best ally that Washington's neo-cons have, and there is also no doubt that Washington has handed over oodles of money to President Musharraf to help him stabilize the country while joining hands for the war on terror. Because of Washington's relations with London, and the support that Washington lent to the military-led government in Pakistan, despite loud and ongoing opposition from many European nations, it is difficult for Islamabad to take a look with clear eyes at the problem.

Aggressive Stupidity

But the new Islamabad administration, if it has the will for it and the nation to survive, must understand the true nature of

the Bush Administration. For instance, in 2002-03, the Bush Administration, and its various auxiliary trappings that exist in the form of academics and analysts, had declared victory in Afghanistan and sung a long hosanna about the ease with which the Special Forces brought the Afghans to their knees. The only issue that was discussed at the time vis-à-vis Afghanistan, was how to net Osama bin Laden, the greatest terrorist of them all.

Now, listen to what the same people are saying. No one talks of Osama any more. Instead they talk of the resurgence of the Taliban, and what Islamabad must do to help the United States and its European allies to get through the difficult situation. No one would like to connect the doubling of opium production during the six years after this declared victory, to what is happening in Afghanistan; no one wants to link the strengthening of the druglords and warlords to the resurgence of extremist forces; and no one wants to talk about the steep

rise of suicide bombers who, as late as 2005, had not been seen in Afghanistan.

In other words, what the Bush Administration and its advisors suffered from all along—as opposed to the more sophisticated and manipulative British—was their know-it-all, belligerent, aggressive stupidity. By listening dutifully to this aggressive stupidity, President Musharraf brought Pakistan to the brink of a precipice. It is time for Islamabad to use its mind, and tell those who are aggressively belligerent and ignorant about reality, to locate the danger, and act.

The second major threat the nation faces is the economic breakdown. The most serious aspect of this is the emerging food shortages. Already, the prices have reached a level whereby it is getting difficult for the millions of poor to secure two square meals for the family every day. Meanwhile, opium-generated cash-rich warlords from Afghanistan are picking up wheat, at an extremely high price, from Pakistani grain merchants.

Marginalized Poor

Meanwhile, exports and the soaring cost of imports have widened Pakistan's trade gap to dangerous proportions, according to the trade figures recently released by the Federal Bureau of Statistics. Exports are stagnating because Pakistan still remains dependent on the textile and clothing sectors, which have not grown in the last two years.

Import costs are soaring because of escalating international oil and food prices. The international prices of food items have doubled in the last one year, while freight costs have also increased sharply because of rising fuel prices. By the end of the current year, the trade deficit is expected to reach a record level of \$15 billion, the report says. Given this situation, and that production of wheat, rice, and sugarcane grew by a yearly average of 1.23, 0.59 and 1.87% respectively during the seven years from 1999-2000 to 2006-2007, the survival of the incoming government will depend upon its understanding of the exigency of the situation, and its ability to rejuvenate the agricultural sector as its prime economic task.

In addition, as one Pakistani economist pointed out recently in a news article in *The Dawn*, the new government should undertake and promote massive investment in the rural areas, with prudent incentives to attract private and private-public partnerships in infrastructure and agricultural industries, which will produce exportable surpluses of quality. This should be done even at the cost of over-shooting the budget, because a fiscal deficit resulting from expenditure on productive areas does not cause any harm to the economy.

If the new government undertakes these two tasks as its priorities, the nation has a chance to survive. On the other hand, there will be pressure from various people, not only from abroad, but also from within, with the prime objective of letting the incoming government exhaust itself by battling the ghosts and shadows.

Get Rid of the Sideshows

One such ghost and shadow is President Musharraf. Having been led by the aggressive stupidity ruling Washington for at least six years, and thus allowing Londonistan to get a firm grip on the areas within Pakistan, Musharraf is now history. Once he took off his uniform, he lost everything. He is now more like Samson shorn.

But, there was a time when Musharraf had power, and he was considered by Washington as the only one that mattered. During this period, he did many things wrong; and what is happening in the country today can be directly attributed to his being duped because of his lack of understanding of the situation. Already, the leaders and the power centers in the about-to-be-formed government in Islamabad are restlessly preparing to seek revenge for what happened during Musharraf's watch. While the anger is justified, the act of seeking revenge is not—simply because the new government does not have the luxury of time to prioritize such secondary and tertiary issues.

Moreover, consider this for a moment: Despite his shortcomings and evil-doings, Musharraf kept his commitment of holding a relatively transparent election and granted the top political leaders, who led the winning political parties and who will be at the helm of power soon, a reprieve from their own alleged criminal acts during their previous tenures. Musharraf has also accepted the electoral verdict which went wholly against him.

Another issue like this, that is being played with by senior political leaders, is the plan to reinstate the judges of the Supreme Court who were unlawfully sacked by President Musharraf. This can be easily done by working out legislation in the National Assembly with the help of the majority that the alliance now enjoys. On the other hand, it would be utterly irresponsible and downright dangerous to use the issue to get people out on the streets, agitating against the President, and weakening the government, at a time when the country is under direct threat.

What the new administration must understand, and understand quickly, is that time is now against them. *The Dawn* reported the arrival of military experts from the United States in order to provide counter-insurgency training to the Pakistani military. This is happening despite the fact that Pakistan has rejected repeated U.S. requests to embed American military personnel with its troops in the tribal areas. The report said that "less than a hundred" U.S. military experts have started arriving to train the military's Frontier Corps. Another report, quoting a former Inter-Services Intelligence (ISI) chief, said that almost 750 American private warriors from the Blackwater company are waiting in the wings to enter the FATA to take on the extremists. If foreign troops are allowed to function on Pakistan's soil, undermining the nation's sovereignty, there is no doubt that it would give Londonistan a significant leg up, and it is likely that all the cities of Pakistan would come under attack from the extremists, bringing the new government to a standstill.

The British Oligarchy Turns The Philippines Against China

by Mike Billington

Consider the irony: An impoverished underdeveloped nation in Asia is being wracked by the doubling of food and fuel prices, due to hyperinflation being driven by the European and American central banks, while debt payments to those same Western financial institutions prevent any escape from hunger and social collapse, to the point where the nation survives only by breaking up its families, sending its workforce overseas to serve the wealthy. And yet, the entire nation is being riled up into a rage against its underdeveloped neighbor, China, over accusations of “corruption” in development projects, which are among the few offers of infrastructure assistance and energy development to that nation. Welcome to the Philippines, where ritual self-destruction, carefully nurtured by Western financial oligarchies, has become a national pastime.

The Philippines is today being pushed towards an act of self-destruction by the same British interests, operating from London and Washington, who ran the 1986 coup against President Ferdinand Marcos and the 2001 coup against President Joseph Estrada. While the current re-run of this process is publicly aiming at President Gloria Macapagal Arroyo for regime change, the actual strategic target of those running the operation, is the Philippine relationship with China (see “Shultz’s Boys Are Running Yet Another Coup in the Philippines,” *EIR*, Feb. 29, 2008).

Virtually overnight, every bilateral agreement between the Philippines and China—primarily Chinese investments in seismic studies of potential oil and gas deposits, agriculture, irrigation, and railroad development—has been denounced as corrupt, and even treasonous, by an alliance of the Philippine elites which has launched multiple investigations in the courts and Congress.

When President Estrada threatened to reassert that sovereignty, he was given the same treatment, by the same alliance of forces, controlled by the same Anglo-Dutch interests in London and Washington.

President Arroyo, who was placed in office in 2001 upon Estrada’s removal, has generally served the interests of the Western financial cartels, further reducing the Philippines to an economic basket case, while meeting every debt payment imposed by the speculators and the currency manipulators in the West.

Nonetheless, times have changed. The world is now experiencing the greatest global financial collapse in modern history. The oligarchs of the Anglo-Dutch financial institutions have unleashed destabilization and chaos on an international scale, aimed at imposing a global financial dictatorship. The Philippines, a critical link in Asia between European culture and Asian culture, due to the unique nature of its history, is a primary target—especially its links with China.

President Arroyo

The targetting of President Arroyo began in 2004, primarily over issues related to Iraq and China. She had agreed to the U.S. request after 9/11 to allow U.S. troop deployments in the southern province of Mindanao, for anti-terrorist operations and the training of Filipino troops, despite questionable constitutional authority to do so. She also agreed to deploy Philippine troops to Iraq, in non-combat positions, while thousands of Filipino civilians were recruited to work in Iraq as cooks, truck drivers, and similar service jobs.

When one of these civilian workers was kidnapped by Iraqi insurgents, the nation came together against the subservience of Filipinos to the imperial expeditionary policy in Iraq. President Arroyo negotiated the worker’s release, removed the small contingent of soldiers from the country, and ordered an end to Filipinos working in Iraq.

When the United States threatened retaliation (and eventually slashed U.S. aid to the Philippines) for this act of sovereignty, President Arroyo also upgraded a planned trip to China to a State visit, one which resulted in a dramatic improvement in both military and economic relations. Perhaps the most dramatic agreement was one establishing cooperation in seismic testing of the contested region of the South China Sea, around the Spratly Islands. The long-simmering conflict over the territorial rights to this area has several times reached the point of armed conflict, involving the Philippines, China, and Vietnam, and to a lesser extent Taiwan, Malaysia, and Brunei. The historic agreement between China and the Philippines to put territorial issues aside and jointly investigate the region for oil and gas potential, ended a major point of tension which had



PCPO/Jerry Carual

Philippines President Gloria Macapagal-Arroyo meets with Chinese President Hu Jintao in Shanghai, Oct. 2, 2007. Arroyo's 2004 agreement to set aside a dispute with China over the Spratly Islands, and instead to work for mutual economic development, has made her a target of the neocons.

long been exploited by the British. Vietnam, upon seeing the success of the China/Philippine agreement, joined the pact.

The neoconservatives in the U.S. went berzerk. Joshua Muravchik from the American Enterprise Institute, Dick Cheney's "Temple of Doom," penned an article for *The Australian* titled "Arroyo Does a Munich," referring to Neville Chamberlain's appeasement of the Nazis before World War II, and accused Arroyo of "yielding to blackmail from terrorists" and "cowardly opportunism." Her action had "sealed the deaths of untold other Filipinos whose names we do not yet know," he intoned. Dana Dillon from the Heritage Foundation accused Arroyo of "acceding to China's expansionist plans in the South China Sea," and allowing "terrorists and regional bullies to influence her more than diplomatic and financial aid from Manila's friends and allies." Dillon demanded cuts in U.S. aid.

The U.S. chargé d'affaires in the Philippines, Joseph Mussomeli (who had been at the Embassy during the 1986 coup against Marcos), began interviewing potential replacements for Arroyo—a fact that was revealed when Embassy

papers were pilfered from Cheney's office by a Philippine-American Marine, and released to the press.

Why Now?

President Bush did not, at the time, follow the advice of his Vice President's neocon friends. However, with the world financial system now collapsing, and with hyperinflation driving food and fuel prices into the stratosphere across Asia, the British imperial gamemasters (including the allied Shultz circles in the United States) are pulling all the old strings, and many new ones.

When accusations of corruption emerged concerning a major broadband network to be developed in the Philippines by the Chinese state-run telecommunication firm ZTE, some of the leading individuals propping up the Arroyo regime began to denounce her and her family for corruption. One of those key turncoats, Speaker of the House Jose de Venecia, is the father of the owner of the company which lost out to ZTE in the deal. Also of note, de Venecia has long been the darling of the Heritage Foundation, whose anti-China and anti-Arroyo diatribes were quoted above.

Suddenly, the Makati Business Club appeared again calling for "people's power," and financed a large demonstration against President Arroyo. Again, Fidel Ramos began to quietly organize military and political forces against her. Again, some bishops in the Catholic Church began calling for "communal action" against corruption. The old Shultz team has been reassembled.

There are some differences today. The Church, for one, is not united behind the political intrigue, as it was in the past under the direction of the late Cardinal Sin, who ran the 1986 and 2001 mobilizations on behalf of Shultz and the international financial institutions. It has long been known that the Vatican had instructed Cardinal Sin to cease and desist from his blatant political and treasonable actions, but that the well-named Cardinal had refused, telling the Vatican that he would resign rather than end his support for the military putsch and its foreign backers. Today, while some of the followers of Sin are walking in his footsteps, others are restrained by the clear message from the Vatican, and their consciences.

The leading Philippines establishment newspaper, *The Daily Inquirer*, reported on March 3 that the lead witness

claiming fraud against the Chinese and President Arroyo in the ZTE deal, Jun Lozada, told a crowd screaming for “people’s power” to overthrow Arroyo, that a sympathetic priest had told him that he would have “no problem had Cardinal Sin been alive.”

Lyndon LaRouche noted that the right-wing circles in the Catholic Church are backing the Philippines coup effort as a “test of the new Pope, Benedict XVI.”

Target: China

It is not only the ZTE broadband deal with China which is under attack. In the January-February issue of the Dow Jones’ on-line magazine *Far Eastern Economic Review*, former *Wall Street Journal Asia* editor Barry Wain wrote a ranting assault on the 2004 agreement to settle the Spratly Islands dispute through cooperation. Wrote British Commonwealth asset Wain: “Manila has given a certain legitimacy to China’s legally spurious ‘historic claim’ to most of the South China Sea.” Wain also claimed that President Arroyo had worked out the deal with the Chinese behind the back of her own foreign policy establishment, and against the interests of the other Southeast Asian nations.

The anti-Arroyo piranhas leaped at the British bait, including members of Congress who should know better from their own experience. Congressional hearings have been called to investigate corruption, or even treason, in the deal, foolishly offering to reopen a territorial clash which serves no one’s interests but the imperial forces in London and Washington.

But the foolishness does not end there. There are also new accusations and investigations into Chinese investments in developing the rail connections to the north and south of Manila, rail connections which have largely decayed for lack of infrastructure investment, and are desperately needed to deal with the transportation debacle in Manila and to open new areas for development outside the city. Also, several irrigation projects, port development projects, and agricultural investments are being challenged or investigated.

ADB Reports on the Collapsing Economy

While the elites engage themselves in this orgy of self-destruction, the Asia Development Bank issued a report with the stark truth about the Philippine economy. While national statistics show over 7% growth, this is only on paper, while investments in infrastructure are plunging. Power consumption per capita is one-third that of Thailand, one-fifth that of Malaysia, while energy costs are far higher



than the rest of Southeast Asia, due primarily to the privatization of the National Power Corporation—the first demand upon Arroyo after being given the Presidency in 2001.

Per-capita paved roads are one-sixth of Thailand’s and one-fourth of Malaysia’s. The industrial base has shrunk to only 23.5% of economic output, three-fourths of that in Thailand and Malaysia, with two to three times the rate of unemployment as these neighbors.

The Economic Planning Ministry released a report confirming that 4 million additional Filipinos have been driven into poverty, measured by earnings of less than \$1 per day, since 2003, reaching a total of 27.6 million out of a population of 90 million. The report placed the blame primarily on rising food and fuel costs, but added, “The government’s commitment to solve the fiscal deficit [i.e., to pay the foreign debt—ed.] also put upward pressure on inflation,” thus further squeezing the poor.

Is China the enemy? Or should the Philippines look squarely at the emerging fascist order being threatened in the United States and Europe, and take measures to undo the disastrous results of earlier “people’s power” escapades orchestrated from London?

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What's Behind the FARC Cartel's South American Operation?

by Gretchen Small

The capture of three computers belonging to “Comandante” Raúl Reyes, operations and finance chief for South America’s biggest drug cartel, the narcoterrorist Revolutionary Armed Forces of Colombia (FARC), has excited much speculation, and nervousness over the insight their contents may provide into the workings of the FARC’s international operations. How quickly, indeed, did *Wall Street Journal* hatchet-woman Mary Anastasia O’Grady point the finger southward, as to what might be revealed!

Lest games be played: *EIR* warns that any revelations which ignore the British and Wall Street masterminds of the FARC project—including direct financial links between the world’s major financial centers and the FARC, as reflected in the notorious Grasso *Abrazo* (see below)—will be a cover-up, and play into the hands of the British imperial interests provoking war and chaos across the globe.

Reyes’s computers were seized by Colombian military forces in the March 1 assault on a FARC encampment inside Ecuador, in which Reyes was killed. The Colombian assault had been precipitated by the drive to grant international recognition to the FARC, kicked off by Venezuelan President Hugo Chávez’s mid-January granting of “belligerent status” to it.

The Colombian move into Ecuador set off the gravest crisis in decades among the nations of Ibero-America, and brought the region to the brink of war. The immediate crisis has been defused by the decision of the Presidents of the region, after tense and often nasty discussions at the March 7 summit of the Rio Group of nations, in the Dominican Republic, that common interests must override individual conflicts.

Yet, the underlying problems which generated the conflict remain to be addressed. Only U.S. statesman Lyndon LaRouche has pointed to the elephant rampaging through the region: Ibero-America is up against Britain’s Dope, Inc., and the Anglo-Dutch Liberal oligarchy’s imperial drive to impose a Final Solution against the nation-state worldwide.

The good news, is that the system upon which the drug trade is pivoted, has collapsed.

From Chinese Opium to Colombian Cocaine

The narcotics trade has been organized centrally out of London, since the British East India Company set up the

opium trade in the mid-1700s. By 1830, opium was the largest commodity in world trade, and British finance—backed by British guns—employed the *legal* world narcotics trade as an instrument of state policy, until 1920.

Ibero-America’s subjection to the drug trade was organized as an integral part of the international coup which established the floating-exchange-rate financial system in 1971. That system, imposed under the direction of the fascist George Shultz, who also gave the world the Nazi Pinochet dictatorship, and eight years of Bush/Cheney hell, brought with it the explosion of offshore financial havens (the vast majority under British Crown control), and the iron law that money is the only criterion of economic activity permitted. Both of these factors are required for the vast expansion of the drug trade under “globalization.” Shultz went public with his support for it in October 1989, when he demanded legalization.

Bankrupted by the floating-exchange-rate system, the nations of the Americas were ordered by the International Monetary Fund (IMF) and bankers to *promote* drug cultivation and processing within their borders. Debts have to be paid, you know!

After three decades of assault, the drug trade has come to dominate the finances, economy, and social fabric of the Americas. Cartels rose and fell, and the London financiers and their Wall Street buddies pushed to legalize every one of them. The FARC, which by the mid-1980s had gone from providing security to other cartels, to running the business itself, has been no exception.

The Drive To Legitimize the FARC

The following chronology highlights the antecedent to the current pro-FARC campaign which nearly led to regional war, exposing the financiers’ offensive in 1999-2000 to legalize the cartel and, with it, the international drug trade, in the name of “peace” and “the global economy.” Had it succeeded, today, all of South America would look like Afghanistan: one big, hellish dope plantation. That is the aim today.

June 16, 1999: President Clinton’s anti-drug czar, Barry McCaffrey, launches a public war on speculator George Soros and his drug-legalization project, in testimony before a House Government Reform and Oversight Committee subcommittee hearing. The drug lobby seeks the “legalization of

not only marijuana, but other more dangerous drugs such as heroin and cocaine,” he said. They are throwing up a “haze of misinformation,” but legalization would mean “significantly higher rates of drug abuse, particularly among young people, and exponentially increased human and social costs to our society.”

June 26-29, 1999: New York Stock Exchange president Richard Grasso visits the giant FARC-controlled enclave in southern Colombia on June 26, to personally make a deal with the FARC. Upon his return, he calls FARC leaders such as Raúl Reyes “extraordinary” and “sophisticated,” welcoming them as future partners in the New York Stock Exchange (see “Raúl Reyes and the ‘Grasso Abrazo,’” *EIR*, March 14, 2008). In a June 29 editorial, the *Wall Street Journal* joins the clamor for legalizing the FARC and its “capital”: “Mr. Reyes ... is profitable, he’s global and he’s strategically positioned. Stay tuned, the NYSE chairman is said to have offered the guerrilla a floor tour of the exchange. What’s next, an IPO?”

June 28, 1999: An IMF spokesman confirms to *EIR*, on the record, that it was on IMF instructions that Colombia had begun including “illicit crops” in its official agricultural statistics, thus legalizing the drug economy. Bolivia has been told to do the same, he said. Ideally, heroin should be included, but the value of that product is hard to calculate.

July 8-12, 1999: The FARC launched its biggest and most destructive offensive in 40 years, assaulting 28 towns in 11 departments across the country, leaving homes, municipal buildings, bridges, and infrastructure in rubble. Reyes told foreign journalists that war, kidnapping, and executions would continue, should the FARC’s demands not be met.

September 1999: The LaRouche movement organizes a one-week visit to Washington, D.C. by Colombian Presidential candidate Gen. Harold Bedoya, in which he denounces Wall Street’s “Grasso Abrazo” and demands that the United States instead help Colombia crush the narcoterrorists, and launch a Marshall Plan to rebuild and develop the country.

Jan. 22, 2000: Grasso returns to Colombia, with America On-Line (AOL) founder Jim Kimsey, American Express chief James Robinson, former Canadian Prime Minister Brian Mulroney, and others, to constitute the so-called Millennium Group, to advise Colombia’s then-President Andrés Pastrana on the economic and financial side of a “peace” deal with the FARC. The organizer of the meeting is former JP Morgan officer Violy McCausland.

Feb. 1, 2000: Reyes and six other *comandantes* begin a 23-day, six-nation, all-expenses-paid trip to Europe, where they are received like royals to discuss “peace.” When over, Reyes declares that the European nations “put us on the same level as the government,” thus granting “de facto belligerent status.”

February 2000: U.S. Secretary of State Madeleine Albright tells a House of Representatives hearing that the FARC’s European tour is “very encouraging.”

March 4, 2000: AOL’s Kimsey and real estate baron Joseph Robert meet FARC Commander Marulanda (alias “Sureshot”) Reyes and others, in the FARC’s jungle enclave. At the end, Kimsey and Marulanda exchange FARC and AOL caps.

March 20, 2000: Kimsey and Robert publish an op-ed in the *Washington Times*, reporting that they have just returned from discussing “the new global economy” with the FARC. They call for the FARC to come visit the U.S. Congress and speak directly to the American people.

March 28, 2000: John Battle, Britain’s Minister of State with responsibility for Latin America, tells the House of Commons that Tony Blair’s government has informed the Colombian government that London, too, “would welcome” a visit by a joint FARC-Colombian government mission. He also promises various MPs calling for drug legalization, that the Blair government is focussing on “the economics of the drug market internationally,” as part of “that wider analysis of the drug trade.”

March 30, 2000: Accusing the U.S. government of “forgetting their own free-market principles,” the FARC issues a communiqué calling upon the United States to legalize drug consumption, inviting U.S. Congressmen to send a delegation to “their” territory, to get a first-hand tour of coca plantations.

March 2000: The Clinton Administration’s “Plan Colombia” for U.S. military aid for Colombia’s anti-drug fight is approved by Colombia. The plan is fatally flawed, but it establishes the principle that the United States *should* help Colombia in this fight.

August 2000: Mexico arrests a Colombian physician, whose testimony provides extensive proof of the FARC’s ties to Mexico’s Tijuana cartel.

August-October 2000: An international operation is run to oust Peru’s President Alberto Fujimori, whose successful crushing of two narcoterrorist forces in that country, with little bloodshed, was being closely studied in Colombia and by the U.S. Southern Command, for lessons in how to bring peace to Colombia.

November 2000: Kimsey and Robert hold a seven-hour dinner with Cuba’s Fidel Castro, to “explore” Castro’s support for their FARC plans.

February-April 2001: Colombia’s military, with U.S. intelligence support, initiates Operation Black Cat, a three-month military campaign in the FARC-controlled southern Guaviare region. Ten thousand hectares of coca and 12 cocaine laboratories under FARC control, capable of producing two tons of cocaine weekly, are found in first month. On April 21, Brazil’s top drug kingpin, Fernandinho Beira Mar, is captured in a FARC camp in the Guaviare region, where he has been living for the past year. Beira Mar controlled 60% of Brazil’s cocaine trade, and some 200 tons of cocaine a year were said to go out through the FARC-Beira Mar cartel.

GEORGIA VS. SOUTH CAROLINA

The Battle Over Slavery In the American South

by Fred Haight

Forward

Even many thoughtful people will tend to project the post facto geographical divisions of the Civil War, backwards, onto American Colonial history. They then fall victim to their own prejudice: that nothing both important, and good, could have originated in the American South.

The history of the South is far more complex than most would believe, and is determined by the battle over ideas, not geography. The Anglo-Dutch financier oligarchy moved into the Carolinas to combat the republican tendencies in New England, because the area south of Virginia was empty—at least of English colonies! James Edward Oglethorpe (1696-1785), the republican founder of Georgia, moved further south, to fight that oligarchy, to outflank them. Georgia was the first colony to ban slavery, and the last to legalize it! If Oglethorpe had succeeded, the South might have led the way in overthrowing slavery.

The author must acknowledge his debt to the late, great, historian H. Graham Lowry. Without his seminal work, How the Nation Was Won: America's Untold Story (EIR, 1988), none of the history herein would have been intelligible. Each time recourse to that work was necessitated, my respect for it grew.

My First Encounter

Like many Americans, I had heard the origins of the State of Georgia, dismissed, casually, as: “Founded as a prisoners’ colony, like Australia.”

You can imagine my surprise, when I found out, on a tour of Savannah, that General Oglethorpe, had, to the extent he brought over prisoners at all, brought, not criminals, but men he had personally campaigned to free from the virtual slavery of Britain’s debtors’ prisons! The slander of a prisoners’ colony, I learned, came largely from South Carolina and Virginia.

As the tour went on, I found that Oglethorpe had also wel-

comed persecuted Lutherans, Moravians, and Jews¹, and had limited individual land ownership to 500 acres.

He had also established excellent relations with Native Americans. We saw, in one of Savannah’s beautiful squares, a huge rock, placed in honor of Oglethorpe’s friend, the Yamacraw leader Tomochichi, which claims to be the first monument erected by people of European descent to a Native American.

“But,” I asked my guide, in what I thought was the definitive question, “surely he did not dare to oppose slavery as early as 1733?” “Oh yes,” she replied, “General Oglethorpe banned slavery; he believed that no man should do the work of another.”

Why had I never heard of this? Why were even leading historians of the American System unaware? Thus began a journey.

I found many books on the subject, though the main centers are Oxford University and Georgia. There are some serious historians around, who do painstaking research. Yet, they stop short, and refuse to make a conceptual leap that demands to be made: It is as if their minds were subject to an invisible electric fence—subtle, yet political, “peer review” control, which says: “Thus far may ye go, and no farther.”

So, they treat the story of Georgia as if a fairy tale, separated from the rest of history, and as a *most gallant*, but ultimately failed project. The subject then turns to the reason for the failure, with the main cause being: Oglethorpe himself! Because the project was defeated, it is dismissed,

1. Enthusiasm for the Georgia project was high, and early on, a ship of London Jews arrived. They had set sail without permission; the government was angry, and demanded their return. Oglethorpe refused, citing how a doctor on board had cured many colonists of fever, refusing any personal remuneration. The Temple Mickve Israel became the third-oldest Jewish congregation in America, and the oldest in the South.



James Edward Oglethorpe, founder of the colony of Georgia, succeeded in banning slavery in the colony, by outfoxing the British imperial oligarchs, who were intent on crushing the infant American Republic in the cradle. Here, Oglethorpe's statue, in Augusta, Ga.

as a mere footnote in history. The story of Georgia is important, not in and of itself, but in its contribution to the understanding of *what the New World—America—was!*

The New World Conspiracy

Lyndon LaRouche has made history intelligible, as a history of *ideas*—not names, places, and dates—with his discovery that history, for millennia, has been governed by the fight between: an oligarchical conspiracy, which prefers to use such forms as the empire, to rule over a dumbed-down, superstitious population, and herd them like cattle under an agrarian, *fixed* system; and a republican conspiracy, which prefers forms of government such as the true republic, or true commonwealth, sees mankind as being made “in the image of God,” and “born equal”; and seeks to bring forth the divine potential of creative reason that is innate in every human be-

ing. This requires a scientific, industrial, *changing* society.

The idea of the New World was such a republican conspiracy, designed to outflank the entrenched European oligarchy, by founding better societies in the Americas. Great literary works, such as Thomas More's *Utopia*, Rabelais' *Pantagruel*, and Shakespeare's *The Tempest*, all centered upon this idea. In the New World, this exalted image of mankind could be realized, and the bondages of feudal serfdom be broken, the which was impossible in Europe, with its entrenched oligarchy. The oligarchy would do anything to stay these developments, and the spread of slavery was one of their most blunt, yet cutting weapons.

Who Was ‘General’ Oglethorpe?

My first step, was to find out more about James Edward Oglethorpe, and his relation to republican circles: He could not have come out of nowhere! The information is scant, but does exist.

His father, Theophilus Oglethorpe, was a friend of Pennsylvania's founder William Penn. Both men were opponents of the Venetian takeover of England, known as the Glorious Revolution (1688-89), organized by John Locke and his then-deceased mentor, the First Earl of Shaftesbury. Oglethorpe and Penn were among a group of 17 individuals charged by Mary, the wife of William of Orange, with High Treason, for their opposition to the Orange coup.² Increase Mather was in England at the time, fighting for the Massachusetts Bay charter, and met frequently with Penn. He would be likely to have known the elder Oglethorpe.

James' mother, Eleanor Wall Oglethorpe, was a trusted agent of the republican conspirator Jonathan Swift, in the Court of Queen Anne, in 1710-14.³ These are precisely the years that Graham Lowry identifies as “The Republican Offensive of 1710,” when Swift worked Queen Anne's Court, to deploy Governors Hunter and Spotswood, to improve New York and Virginia.⁴

James Oglethorpe was a Member of Parliament, engaged in what we would today call “civil rights”:

1. He wrote a pamphlet called *The Sailor's Advocate*, opposing the notorious press gangs, which kidnapped poor people for naval service.

2. He personally brought an escaped slave, known as Job Jallah, from Maryland to England, and later had him repatriated, with the help of many others, to his native city of Bunda, in Ghana, under his rightful Muslim name, Ayoub ibn Soli-

2. Amos Ashbach Ettinger, *James Edward Oglethorpe: Imperial Idealist* (London: Clarendon Press, 1936).

3. *Ibid*, p. 57

4. Graham Lowry, *How the Nation Was Won, America's Untold Story, Vol. 1, 1630-1754* (Washington, D.C.: Executive Intelligence Review, 1988). Lowry uncovered “one of the best kept secrets in history”: the role of Jonathan Swift in the republican, New World, conspiracy.

man Ibrahim, and with a gift of many agricultural tools.⁵

3. He headed a parliamentary committee to investigate debtors' prisons, and managed to get tens of thousands of prisoners freed. This action had a personal side to it. The laws of England at the time stated: "*The person of the debtor is the property of the creditor until the debt is discharged.*" The prison system was so corrupt, that if a debtor's family did not have enough money to bribe prison officials, they were locked up in shackles, in such close quarters that they could barely move. Next, they were cast into the area where prisoners with smallpox were confined, where they caught the disease and usually died.⁶ This hideous fate had struck Oglethorpe's friend Robert Castell, who had gone into debt to publish a book that revived the Classical architecture of Vitruvius, and failed to sell.⁷

Many of the Georgia trustees had been part of Oglethorpe's parliamentary committee on the "State of the Prisons in This Country." Several were Anglican clergy. They had a strong connection to the music and other activities of the composer G.F. Handel, which is not coincidental.⁸ Oglethorpe himself showed a unique quality of personal leadership. He was a Classical scholar, who knew Plato and Shakespeare well, but led by personal example: In Savannah, he slept in a tent for months. He would not be housed until everyone else was.

The Georgia Project

The Georgia project is usually portrayed as an Anglican charity mission. Such charity projects, to relocate the "poor" to the Americas, did abound, and the people involved ranged from well-meaning, to sinister (the latter saw it as a means to get rid of "undesirables"). There was a sanctimonious attitude of pity, at the time, but the problem was genuine. The South Sea financial bubble had burst, around 1720, and tens of thousands were made destitute. A flavor of the era can be captured in Oglethorpe's first letter on seeing the Americas from on board the *Anne*:

We have lost none of our people except ... [two children] both of whom had been half starved through want before they left London, as many others were who are recovered with food and care. But these were so far gone, that all our efforts to save them were in vain.⁹

5. Thaddeus Mason Harris, *Biographical Memorials of James Oglethorpe*, 1841; available online, at Project Gutenberg e-books.

6. Webb Garrison, *Oglethorpe's Folly: The Birth of Georgia* (Lakemont, Georgia: Copple House Books, 1982).

7. Some experts are convinced that Oglethorpe's plans for Savannah were drawn from Castell's work. If so: a sublime revenge.

8. "Diary of Viscount Percival," *English Historical Review*; Oxford, 1921.

9. *Colonel Oglethorpe's Georgia: Colonial Letters 1733-37* (Savannah, Georgia: Beehive Press, 1975).

The oligarchy had been enraged over developments in the Americas for some time. So, to counter the opposition of their main adversary, the de facto prime minister, Robert Walpole, the trustees couched the argument for an unwanted new colony within this framework:

1. A new colony was necessary to provide a buffer zone between Carolina, and the Spanish to the south.

2. The poor, who were considered dregs in London, would be productive in Georgia, and could export wealth back home.

The 21 trustees would pay for it, by raising charitable contributions, but in 21 years it would revert to a Crown Colony, so that the Crown would have the best of all possible worlds: getting to keep it, without having paid for it.

Slavery would be outlawed. Oglethorpe, and at least some of his trustees, saw slavery as a moral abomination; but, in order to "sell" this idea to others, they argued that the slaves might run away and join the Spanish, who would offer them freedom, if they would only fight the English. They also exploited a fear that all racists share: "They now outnumber us in South Carolina!"

The Trustees would not have any personal property or interests in Georgia (unlike Carolina's Lords Proprietors, who were given over 20% of the land).

Colonists would be landholders, but would not be able to sell their land. They were allowed 50 acres each, or up to 500, if they had servants. No plantations were to be established, and no oligarchy. Persecuted sects, such as Salzburg Lutherans and Moravians, were to be welcomed.

It still took two years to get the Crown's approval. Oglethorpe used the Anglican charity cause, of relocating the poor, as the only available means to begin a new colony, at a time when that was the last thing the oligarchy wanted. He certainly cared for the downtrodden, but neither was he naïve. He personally interviewed over 300 families, to find the 35 that would make the journey to America. He was not looking for the most needy, but those who would make the best colonists. He sought out as many skilled people as he could find.¹⁰

Oglethorpe set sail as soon as he could, and surprised even his closest allies, when he boarded the *Anne* himself, shortly before it departed, in December 1732. He knew that he had to lead the effort *personally*, if it were to have any hope of success. None of the other 20 trustees ever set foot in Georgia, and his was the only charity mission to the Americas that ever left its origins on paper! This move has been characterized as "a rash decision, made in haste."¹¹ That characterization overlooks what he knew to be the tenuous nature of the agreement he had obtained. He had to move fast, before Walpole backed out.

10. Garrison, *op. cit.*.

11. *Ibid*



Library of Congress

As soon as Charles II was placed on the English throne, with the 1660 Restoration of the monarchy, the oligarchy moved to reverse the freedoms, and the industrial development in the American colonies—especially in Massachusetts. By 1647, the 27-year-old colony's Saugus Iron Works was out-producing anything in England!



One problem that would plague Oglethorpe was pointed out early on by Benjamin Franklin, who noted that his project relied on “families of broken shop-keepers, and other insolvent debtors, many of indolent and idle habits, taken out of the jails, who, being set down in the woods, unqualified for clearing land, and unable to endure the hardships of a new settlement, perished in great numbers.”¹²

While there is truth in Franklin’s observations, there is a much larger story to be told. Oglethorpe had a greater purpose in mind than the Anglican charity mission. His parents had fought against Shaftesbury and Locke’s 1688 coup. He was going to the new world to combat the earlier crimes in Caro-

lina. He knew what the American colonies represented strategically, and that the spread of the slave-based Carolina model had to be stopped, even if the only means available, were a rearguard attempt. But, he did not fail just because of the usually cited reasons. Conspiratorial attacks were run against Oglethorpe personally, and against his colony.

I began to realize, that the Georgia project would not come into a deeper perspective, without a deeper understanding of what Oglethorpe was fighting, in Carolina.

The Strange Case of Carolina

Now we must step back in time, to the previous century.

Lowry documents, that as soon as the 1660 Restoration took place, under King Charles II, the oligarchy moved to reverse the freedoms, and industrial development in the Americas, that it had been ineffective in preventing, during the chaotic Cromwell years. Massachusetts was a special concern. By 1647, the 27-year-old colony’s Saugus Iron Works was out-producing anything in England! In 1664, Charles II issued secret orders demanding to bring “that people to an entire submission and obedience to our government. . . .”¹³

Here, we shall examine the other side of the Restoration’s assault.

In 1662, eight wealthy noblemen, all *organizers* of the Restoration of the monarchy, petitioned Charles II, for a huge tract of land, which they called Carolina. They were led by Anthony Ashley Cooper, later, Lord Ashley, and then, the first Earl of Shaftesbury. The other seven were: Sir John Colleton, George Monck, Sir William

Berkeley, Sir John Berkeley, Sir George Carteret, Sir Edward Hyde, later Earl of Clarendon, and William, Earl of Craven. Barbados sugar planter Sir John Colleton, and his son Sir Peter were to play key roles.

In “The Anti-Newtonian Roots of the American Revolution” (*EIR*, Dec. 1, 1995), historian Philip Valenti covered the “Fundamental Constitutions of Carolina,” written in 1669, by Shaftesbury and John Locke, so I will not elaborate here. Suffice it to say that they were a bizarre mixture of slavery, feudalism, theocracy, and pseudo-democracy: the latter masking an iron-fisted Venetian-style dictatorship by the eight Lord Proprietors. Though they were never ratified by the legislature

12. Benjamin Franklin, *Autobiography* (New York: Modern Library, 1944)

13. Lowry, *op. cit.*

(no American colonists could tolerate such a seemingly unintelligible, yet clearly evil atrocity), the question arose in my mind: What exactly did these guys have in mind for Carolina, from its inception, that *required* such a dictatorial state?

Sugar and Slavery

In order to understand Carolina, one must understand the sugar colonies. Sugar production began about 1640 in Barbados, and soon expanded. By the 1650s, Barbados was called “the richest colony in English America,” and was the world’s leading sugar producer. At first, the labor force was small. When Shaftesbury was part owner of a plantation in 1646, it had only 205 acres, and was attended by 21 white indentured servants, and 9 black African slaves.¹⁴

As sugar plantations expanded, they became more lucrative, and brutal. They required a labor force averaging 100-150 slaves per plantation, as compared to 20 for tobacco, or 35 for cotton. A slave, once on the plantation, could expect to live only seven to ten more years. The super-rich slaveowners could make fabulous profits, if they could insure a steady replacement of slaves.¹⁵

As a larger labor force was needed, black slaves were imported in great numbers from Africa. They soon replaced indentured servants, and outnumbered the white population of Barbados. Small landowners were squeezed out as the plantations grew in size, and between 1643 and 1666, the total number of landholders was reduced from 8,300 to 760. By 1685, there were four times as many black African slaves in Barbados as there were European settlers. The settlers became so fearful of being outnumbered, that slaves could be branded with a hot iron in the face, for the mildest opposition to a “Christian.”¹⁶

The plan for Carolina, *from the start*, was to bring over sugar planters, with their slaves, and build up a slave-based plantation economy. As soon as the Carolina charter was granted, in 1663, a group of 200 Barbadian planters formed the “Corporation of Barbados Adventurers,” led by Sir Peter Colleton. They submitted proposals to the Carolina Lord Proprietors, for the settlement of a colony, and requested dictatorial powers of self-government, *all before Shaftesbury even met John Locke*. (If you are going to establish a colony with a slave population that outnumbers the owners, you *will* need dictatorial powers.) They did come over, and did buy land with, guess what? Sugar! One thousand pounds of sugar purchased 500 acres. Carolina was too far north to grow sugar, so rice and indigo were planted instead.¹⁷

14. Warren Alleyne and Henry Fraser, *The Barbados-Carolina Connection* (London and Basingstoke: MacMillan Publishers Ltd., 1988).

15. Unpublished paper by EIR researcher Judy Hodgkiss, “Sugar: How the U.S. Was Sold Down the River,” 1994.

16. Alleyne, *op. cit.*

17. *Ibid.*

TABLE 1

Population of South Carolina

	Number of Slaves	Total Population	Percent of Population Enslaved
1708	3,000	9,500	31.5%
1724	32,000	46,000	69.5

Source: Slaveryinamerica.org

In 1670, in an effort to accelerate immigration to Carolina, the “Barbados Proclamation” was issued by the Lord Proprietors, which announced that they had provided a frigate, the *Carolina*, to transport people and their servants, and that every settler would get 100 acres free, plus another 100 acres for every servant (white or black), brought over. *By 1671, Barbadians comprised about half the settler population of South Carolina.*¹⁸

South Carolina¹⁹ followed the Barbadian model in the growth of slavery (see **Table 1**).

By 1708, 31.5% of the population of South Carolina was black African slaves, but the number is deceptive. Another 15% were Native American slaves, thus, nearly half of the population was enslaved! By 1724, 69.5% of the population was black African slaves.

Everything that I have presented so far, has been documented by others. But, *all* of the historians I have encountered, see the spread of slavery as *inevitable*, and attribute it to the growth of “capitalism.” Here is where the “electric fence” comes in, again. Whether they know it or not, they have adopted the view of Karl Marx, who used the term “capitalism” to obscure the difference, described by Henry Carey, in his 1851 *Harmony of Interest*, between the republican American system, and the oligarchical British system.²⁰

But, if the growth of capitalism means industrial growth and well-being, Massachusetts was the most industrialized colony, and had the highest overall standard of living; yet, by 1708, it had only 550 black African slaves, mostly domestic servants. Not surprisingly, the Commonwealth was the first to abolish slavery.²¹ Does the growth of capitalism mean

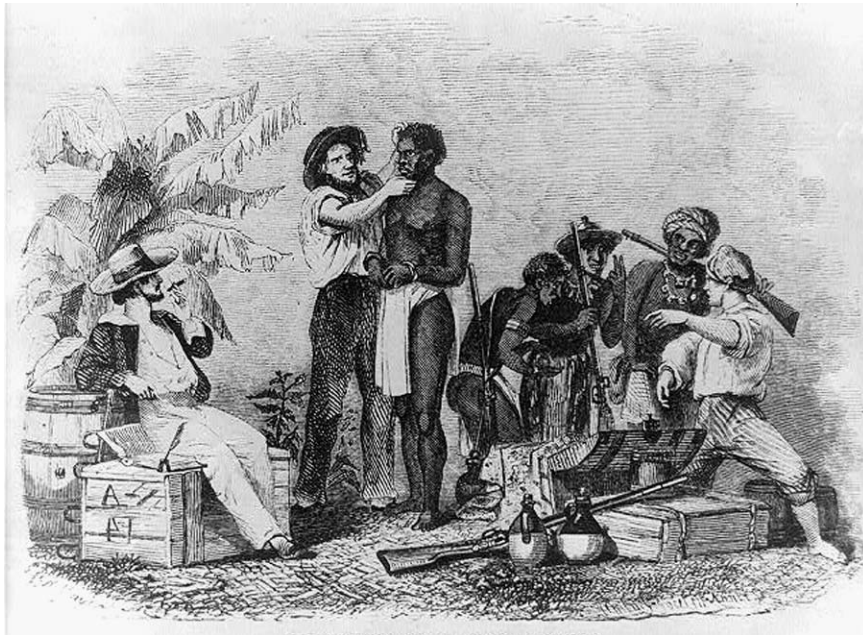
18. *Ibid.*

19. Carolina did not officially divide into North and South until 1729. But, there was always a difference. The southern part had the marshy lowlands conducive to rice plantations.

20. For Carey’s full statement, see Marcia Merry Baker and Anton Chaitkin, “Henry Carey, and William McKinley: American System vs. British Free Trade Looting,” at: http://american_almanac.tripod.com/carey95.htm

21. In 1780, Massachusetts adopted a constitution, whose Article I, began with the words: “All men are born free and equal.” A court case came up in 1783, over an escaped slave, Quock Walker, as to whether “all men,” meant *all* men.

In his instructions to the jury, Chief Justice William Cushing said: “It



In contrast to Oglethorpe's Georgia colony, the slave system thrived in the Carolinas and Virginia, where it was exceedingly brutal. By 1705, a law in Virginia asserted that: "All Negro, mulatto and Indian slaves within this dominion ... shall be held to be real estate. If any slave resist his master ... correcting such slave, and shall happen to be killed in such correction ... the master shall be free of all punishment ... as if such accident never happened." Here, a slave is inspected by his potential owner.

then, as in the English system, merely increasing financial gain? Even then, like Dick Cheney and his Halliburton, the Lord Proprietors were as greedy as can be, and loved making money; but, their *primary* motivation was political, and their primary *mission*, was to build a plantation economy based on slavery, an oligarchical dictatorship, in order to *destroy* the republican cause, and the image of man associated with it, that was growing in the Americas. South Carolina represented, not the advance of capitalism, but a deliberate step backwards!

American System historian Anton Chaitkin discovered the role played by South Carolina in the buildup to the Civil War, almost 30 years before the first shots were fired on Fort Sumter.

"The enemy responded with a 'popular uprising' ... which posed 'Southern' interests against the North and threatened to dissolve the Union.... This 'popular uprising' ... took place

[slavery] has been a usage ... of the British government respecting the then Colonies, ... a different idea has taken place with the people of America, more favorable to the natural rights of mankind, and to that natural, innate desire of Liberty, with which Heaven (without regard to color, complexion, or shape of nose-features) has inspired all the human race... Our Constitution of Government ... is totally repugnant to the idea of being born slaves.... Slavery is inconsistent with our own conduct and Constitution; and there can be no such thing as perpetual servitude of a rational creature...."

The jury convicted Walker's purported "owner," Nathaniel Jennison, of assault and battery. Thus, slavery ended in that state, 80 years before Lincoln's Emancipation Proclamation.

entirely within the state of South Carolina, where people were trained and rehearsed for a war against the United States...."²²

The Parallel Case of Virginia

During the same period, Virginia followed the South Carolina plantation model. The crop was tobacco, not rice, but the slaves came from the same place: Barbados. This should not be surprising: it was part of the plan. One of the eight Lord Proprietors of Carolina, was the governor of Virginia, Sir William Berkeley.²³

The slave population increased dramatically in Virginia, as in South Carolina. In 1640, thirty-three years after its founding, there were no more than 300 black slaves in Virginia, mostly servants. By 1680, there were 3,000, and by 1710, out of a total population of 78,000, there were 23,000. The laws institutionalizing slavery in Virginia were passed between 1661 and 1705. Before that, there were no clear laws distinguishing indentured servants from slaves. Some blacks lived

as freemen, and slaves had right to a hearing if abused.

All of that changed with the introduction of the plantation economy. Laws were passed that slavery was life-long, and hereditary. In 1682, a law establishing the racial distinction between servants and slaves was enacted, and by 1705, a brutal law was passed in Virginia:

"All servants imported and brought into the Country ... who were not Christians in their native Country ... shall be accounted and be slaves. All Negro, mulatto and Indian slaves within this dominion ... shall be held to be real estate. If any slave resist his master ... correcting such slave, and shall happen to be killed in such correction ... the master shall be free of all punishment ... as if such accident never happened."

Many crimes have been committed against humanity by the oligarchy; but, was there ever anything as evil, as the assertion that the mere possession of a darker skin, qualified one as *real estate*, to be murdered at will? Lyndon LaRouche has written that the origin of the idea, that simply having a darker

22. Anton Chaitkin, *Treason in America* (New York: New Benjamin Franklin House, 1984), p. 166-167. Chaitkin refers to the "Nullification Crisis" of 1832. South Carolina also led a little-known dress rehearsal for secession in 1850-51, known as the "First Secession Crisis."

23. Berkeley is often quoted for his remarks in opposition to education of the general public: "I thank God, there are no free schools, nor printing; and I hope we shall not have, these hundred years; for learning has brought disobedience, and heresy, and sects." He had played a key role in preventing expansion westward in the 1640s.

skin, made one “fair game,” originated as a Venetian reaction against the 15th-Century Renaissance. If humanity had moved forward, in its realization of all men being equal, the oligarchy would have to respond, by implementing a greater *dehumanization* than ever. For the oligarchy, inequality had to be preserved, in whatever form.

Thank God that Jonathan Swift and his friends, sent Alexander Spotswood to become governor of Virginia in 1710!

Who Was Shaftesbury?

Lowry writes that the attacks on Massachusetts under Charles II were part of an attempt to create a centralized colonial empire. Shaftesbury’s activities in Carolina suggest to me, that he was a key player. It would be telling, if he turned out to be involved with the attacks on Massachusetts.

K.D.H. Haley’s biography, *The First Earl of Shaftesbury*, is candid enough on this point:

“Shaftesbury was ... appointed to almost every committee of the privy council on any commercial or colonial subject. ... As such he was the nearest thing to a Minister for colonial affairs that England had yet seen.”²⁴

And sure enough, his Lordship was involved in the actions against Massachusetts. Lowry cites the founding of the *Lords of Trade and Plantations*, in 1675, after Shaftesbury’s fall, as the institution created to loot the colonies, but destroy New England. Before this, you had the *Council on Trade and Plantations*, which was created by Shaftesbury. He had been appointed to two moribund institutions, the Council on Trade, and the Council on Plantations, in 1660, the year of the Restoration, with the assignment of overseeing their resuscitation and unification. He served as president of the *combined* Council on Trade and Plantations, and appointed John Locke, as its secretary.

In 1671, the question of Massachusetts came up before his Council. Haley quotes an attendee of the meetings: “Our fear there, was of their *altogether taking from dependence on this nation* ... some of our council were for sending them a menacing letter ... which those who understood the touchy and peevish nature of that colony were utterly against” (emphasis added).²⁵

Haley continues: “The issue of the way in which the colonies were to be controlled was also raised by the requirement that the ... Council should study all colonial laws and recommend their approval or *annulment* to the King and Privy Council.... This the council emphatically did not do.... A possible means of *control*, was thus neglected....” (emphasis added).²⁶

War with the Dutch prevented Shaftesbury’s council from acting.

Privatizing/Centralizing Colonial Control

In 1671, Shaftesbury reorganized the Royal African Society (RAS), so that it would have a monopoly over the African slave trade. Shaftesbury invested £2,000, thereby becoming the third-largest stockholder. On his advice, John Locke invested £400. Other investors include the Earl of Craven, Sir George Carteret, and Sir Peter Colleton: all of the Carolina adventure.

They were making sure that the supply of slaves, needed to expand the institution of slavery to the Americas, would be sufficient. By 1680, the RAS monopoly was shipping 5,000 slaves a year. By 1700, England led the world, shipping 20,000 slaves per year!

Besides Carolina, Virginia, and the RAS, some combination of the Carolina Lord proprietors, were involved in:

- The Bahamas: In 1670, six of the Carolina Lord Proprietors, including Shaftesbury, were given the Bahama land grant, and became Lord Proprietors of the Bahamas. They tried to introduce a slave-based plantation system there, but failed, so they got involved with the pirates instead.
- Bermuda: In 1671, Shaftesbury became governor of the Somer’s Isle Company, which ran the island.
- Hudson’s Bay Company: When founded in 1670, Shaftesbury became deputy governor. Peter Colleton was also involved.
- New Jersey: Carolina lord proprietor, George Carteret was given the Royal Charter. Fortunately, when he died, William Penn and associates, bought out his widow.

All of these cases involved *grants* of large tracts of land, to a small cabal of private investors. *Privatization is not new!* Then, as today, privatization led not to competition, but monopoly. The great wealth accumulated by the proprietors was secondary to their political mission. (If greed and monetary gain were the primary motivations, why just give away so much land?) Shaftesbury showed little interest in the East India Company, or any of the older British colonies. *His assignment was the Americas!*

The Battle in Georgia

The other problem that beset Georgia, besides the question of work, as identified by Benjamin Franklin, was that every time Oglethorpe was away, the enemy went to work, and things got worse. This battle can be best related through first-hand narrative.²⁷

The colonists landed in early 1733, and set to work. In August, after having spent a few months in Charles Town, South Carolina, Oglethorpe returned to Savannah, and reported:

“When I returned from thither, I found the people were grown very mutinous and impatient of labour and discipline.... By degrees I brought the people back to discipline

24. K.D.H. Haley, *The First Earl of Shaftesbury* (Oxford: Clarendon Press, 1968).

25. *Ibid.*

26. *Ibid.*

27. Colonel Oglethorpe’s *Georgia: Colonial Letters 1733-37* (Savannah: Beehive Press, 1975). Unless otherwise specified, all quotes are from these letters.

but could not revive the spirit of labour. Idleness and drunkenness were succeeded by sickness. To remedy this I first sent away the Negroes who sawed for us, for as long as they continued here our men were encouraged in idleness.”

He did remedy it, and 13 months later, in September 1734, colonist William Bateman was able to write to Oglethorpe:

“There could be no description of any place (without the malice of hell itself) be made so dismal as the people of that town [Charles Town] endeavor to make of Georgia. Though in short a person may soon see through their artifice, and see that it is fear only of the great progress that has already been made in Georgia in so short a space of time, will greatly damage their trade and force them to be more industrious ... for of all the places I have ever yet been at I never see the inhabitants so *indolent*, so proud nor so malicious as themselves....

“I arrived here.... When, instead of finding what I heard at Charles Town, I found more ground cleared, more houses built and in a more regular manner than it was possible for me to conceive or believe, more especially when I consider the short space of time ... and that the majority of the people were not used before to any hard labour. They tell me that all America could never boast the like before.”

But, in May 1734, Oglethorpe left for England, and did not return until February 1736. During that time, conspiratorial operations were run against Georgia. Thomas Christie, recorder for the colony wrote to Ogelthorpe:

“We raise the envy of the people of Carolina, by whom we suffer many aspersions and false reports ... and they get all our money in the bargain ... and with the advantage of their Negroes, report that we need not sow any corn or rice, for they will always undersell us.”

Colonist Robert Parker wrote to the trustees in December 1734, that there were now too frequent courts, and shocking punishments (the trustees had outlawed lawyers in Georgia). He also reports that there became “a profligacy of wealth,” and that a group of 30-40 freemasons had developed. Even a conspiracy to burn down Savannah was identified!

During this period, the colonists were organized to demand slaves. In 1735, the Trustees countered the demand, by getting parliament to pass “The Negroe Act,” banning slavery in Georgia. While it was for Georgia only, and for none of the right reasons, it was a victory for the trustees.²⁸

In February 1736, Oglethorpe returned. On the one hand, he found that progress had been made. He wrote to the trustees: “Things go well here, considering the ... disappointments which I acquainted you with.” Trader Samuel Everleigh, wrote: “There’s a vast alteration at Savannah for the better. The generality of the population are grown there very industrious.... The majority have built their lots....”

But, Oglethorpe also found that operations had been run, to turn Native Americans against him. In May, he wrote:



Oglethorpe befriended the Yamacraw leader Tomochichi (shown here with his nephew Toonahowi in an 18th-Century engraving), who presented him a gift of a Bison skin, with an Eagle painted on the inside. The Bison signified strength, Tomochichi explained, and the Eagle, swiftness; but, the Bison skin could provide protection, and the Eagle feathers were soft; and signified love. Thus, the same strength which the English used to crush the Native Americans, could also be used to love and protect them.

“[S]ome private men have taken great pains to incense the Indians against the Spaniards and against the colony of Georgia particularly.... What vexed the Uchees was that some of the Carolina people swam a great herd of cattle over the Savannah [River] and began a plantation on the Georgia side, not far from the Uchees’ town. The Uchees, instead of taking Captain Green’s advice, and beginning hostilities with us, sent up their king and twenty warriors with a message of thanks to me, for having ordered back the cattle and sent away the Negroes....”

One of Oglethorpe’s greatest successes was in his positive relations with Native Americans. This has always been an important battleground between republican and oligarchical factions.

He knew that misplaced missionary zeal had played a role, in many disasters, including South Carolina’s Yamacree massacre of 1715, and that Native Americans saw the missionaries, as a wee bit hypocritical.²⁹ The Yamacraw tribe did

28. Phinizy Spalding, *Oglethorpe in America* (Chicago: University of Chicago Press, 1977).

29. Some missionaries saw evangelization as a pathway to freedom, but, in 1732, the Bishop of London ruled: “No consideration of propagating the Gos-

express a desire to be instructed in Christianity, but Oglethorpe kept the missionaries away from them. When the young John Wesley expressed his zeal to “convert the heathen,” Oglethorpe refused him, saying that there were plenty enough sinners in Savannah to keep him busy.³⁰ His own approach was ecumenical: He chose to highlight aspects of Native American culture, which might even serve to embarrass European monarchies:

“There is no coercive power in any of their nations. Their Kings can do no more than *persuade*. All the power that they have is no more than to call the old Men and their captains together, and to propound to them, without Interruption, the Measures they think proper. After they have done the speaking, all the others have the Liberty to give their Opinions also; and they reason together till they have brought each other into some unanimous resolution. These conferences of great Difficulty have sometimes lasted two days, and are always carried on with temper and Modesty.... They are thorough Masters of true eloquence; and making allowances for what they suffer through badness of interpreters, many of their Speeches are equal to those we admire most in the Greek and Roman writings.... They speak mostly through Simile and Metaphor, and their Similes are quite new to me.”³¹

The Revolt

In November 1736, Oglethorpe sailed for England, only to return to Georgia, in September 1738. While he was gone, the enemy wasted no time. The Spanish were being incited to war, and the demand for slaves was increasing. Two months after his return to Georgia, he wrote a letter from Fort Frederica, indicative of his fighting spirit, to his friend and fellow trustee, George Heathcote, in which he said:

“I am here in one of the most delightful situations as any man could wish to be: a great number of debts, empty magazines, no money to supply them, numbers of people to be fed, mutinous soldiers to command, a Spanish claim and a large

pel of God, or saving the Souls of men, is to make the *least Abatement* from the temporal Profit of the Masters.... The freedom which Christianity gives, is a freedom from the bondage of Sin and Satan ... but as to their *outward* condition, ... makes no manner of Change in it....”

30. Phinizz Spalding and Harvey H. Jackson, eds., “Oglethorpe as Parson and Squire,” *Oglethorpe in Perspective: Georgia’s Founder After 200 Years* (Tuscaloosa: University of Alabama Press, 1986) Jackson.

31. Taken from the 1733 document: “Some Description of the Indians in Georgia,” reprinted in: *Publications of James Edward Oglethorpe*, Rodney F Baine, ed. (Athens, Georgia: University of Georgia Press, 1994). The metaphor Oglethorpe cites, is quite beautiful: Tomochichi, the Yamacraw chief, presented him with a gift of a Bison skin, with an Eagles’ head and feathers painted on the inside. The Bison, Tomochichi explained, represented irresistible strength, like the English; and the Eagle, the swiftness, with which the English had crossed the ocean. On the other hand, the Bison skin could provide warmth, and protection, and the Eagles’ feathers were soft; and signified love. Thus: the same strength, which the English could use to crush their Native American friends, could also be used to love and protect them. The choice was theirs.

body of their troops not far from us. But as we are of the same kind of spirit, these difficulties have the same effect upon me as those you met with in the City had upon you. They rather animate than daunt me.”

In December, 121 Savannah colonists signed a petition demanding two things: the legalization of “Negroes,” and the right to hold their land in “fee simple.” The colonists were landholders, but they had been wisely restricted from being able to sell their land. “Fee simple” would allow them to sell, in order to buy slaves.

Oglethorpe rallied his forces: The Salzburg Lutherans, from New Ebenezer, wrote a letter to him, saying:

“We are told by several people after your arrival that it proves quite impossible and dangerous for white people to plant and manufacture any rice, being a work only for Negroes, and not for European people. But having the experience of congregation we laughed at such a tale, seeing that several people of us have had in the last harvests a greater crop of rice than they wanted for their own consumption.... The manufacture of rice will be an easy and profitable thing”

The Highland Scots in Darien, near the Spanish forces, wrote the “Darien Petition,” to Oglethorpe, entreating him not to implement slavery. It made the usual arguments about joining the Spanish, and like the Lutherans, said that they were laborious: but, in its fifth article, stated:

“It is shocking to human Nature, that any Race of Mankind and their Posterity should be sentanc’d to perpetual Slavery; nor in Justice can we think otherwise of it, that they are thrown amongst us to be our Scourge one Day or other for our Sins: And as Freedom must be as dear to them as it is to us, what a Scene of Horror must it bring about! And the longer it is unexecuted, the bloody Scene must be the greater...”

The premonition of the Civil War is chilling. Some historians are stunned by this article, and say that this was the first time that the argument that black people have human rights, was made in the Americas. Yet, the same historians will question whether the statement was due to Oglethorpe’s personal influence. There is no doubt! Without him, no one could have protested the introduction of slavery: It would never have been banned in the first place.

Also of interest, though seldom cited, is the third article of the Darien Petition:

“We are not rich, and becoming Debtors for Slaves, in Case of their running away or dying, would inevitably ruin the poor Master, and he become a greater Slave to the Negroe-Merchant, than the slave he bought could be to him.”

Oglethorpe showed great insight into the question, with his assessment of the 121 Savannah petitioners, in a letter to the trustees:

“After many consultations what clamour to make, they at last fell upon a petition for Negroes and to have their land in fee simple. Mr. Williams a merchant who has grants from the Trust of 1500 acres, promised ... to let them have Negroes, if they could sell or mortgage their land for them.... This was a

bait for all those to sign, who think if they can BUT get a credit never care how they can pay.... Others, because they had run out all they had.... and spent what they got ... in taverns, fancy that if they get a new credit for Negroes, they may live upon their labour.... Mr. Williams may turn this to his advantage as a Negroe merchant, but all the labouring poor white men will be starved by it.... The land in this colony will soon be in the Negroe merchant's hands who furnishes them....

"It is with great difficulty that I carry on here. Mr. Williams is very angry and hath got the poor people of Savannah, many of whom are deeply in debt to him, to sign the petition for Negroes, which affirms that white men cannot work in this province. This assertion I can disprove by hundreds of witnesses, all the Salzburgers, the people at Darien, many at Frederica and Savannah and all the industrious in the province. The idle ones are indeed for Negroes. If the petition is countenanced, the province is ruined. Mr. Williams and Dr Tailfer will buy most of the lands at Savannah with debts due to them, and the inhabitants must go off and be succeeded by Negroes. Yet the very debtors have been weak enough to sign their desire of leave to sell.... I believe the idleness of the town of Savannah is chiefly owing to their seeing the Negroes in Carolina."

Again, the question of work emerges. How ironic that some of the very people that Oglethorpe had saved from debt slavery, now became advocates of chattel slavery, and were getting themselves into debt all over again, in order to avoid, work! Oglethorpe wrote to the trustees in January 1739:

"I have already written on the issue of Negroes and shall only add that if we allow slaves we act against the very principle by which we associated together, which was to relieve the distressed. Whereas, now we should occasion the misery of thousands in Africa, by setting men using arts to buy and bring into perpetual slavery the poor people who now live there free. Instead of strengthening we should weaken the frontiers of America.... As soon as your resolution is known [to reject the petition] the idle will leave the province and the industrious will fall to work, many of whom wait till they see the event of this application."

The trustees rejected the petition; Oglethorpe wrote to them:

"The order relating to Negroes is arrived and published and hath a very good effect ... and quelled the troublesome spirit. The remainder of the idle-walkers and Dr Tailfer are preparing to leave the colony, but several industrious people are settling."

However, Oglethorpe's problems were increasing. The Spanish had been incited to war against him, and several battles ensued, which kept him away. In 1741, The British Parliament cut off funds and split the colony in two. Retired parliamentarian William Stephens was given charge over Savannah, while Oglethorpe was relegated to his military command in Fort Frederica. In July 1743, Stephens was made president of

all Georgia. His son, Thomas, became a leader of the "Malcontents," those demanding slavery and fee simple.

Oglethorpe wrote to the trustees in February 1743:

"It was not 'till after the war obliged me to be upon the frontier that the laws for the welfare of the colony and the Trustees orders were disobeyed at Savannah. There has been since my coming away nothing but continual complaints between the magistrates and inhabitants and between each other. Those disputes have been kept up by the Spanish emissaries, *of whom it seems to be apparent young Stephens is one*" (emphasis added).

That same year, Oglethorpe returned to England under court-martial, and never returned. Slavery was "legalized" by Parliament in 1750, although it had already been practiced for some time. In 1752, Georgia became a crown colony. The trustees' experiment was over.

Much has been written about why Georgia failed, but one problem that I see, which no one else has identified, is the trustees' acceptance of the idea, that Georgia could get along without manufactures, and the colony survive by producing olive oil, silk, and wine, combined with the Indian trade.³² I doubt if they were opposed to industry, but the oligarchy would not tolerate a new manufacturing colony. None of these luxury items did well in Georgia, and if you are going to compete with slave labor, then industry, where one man can do the work of 100, is the only way to do it!

Epilogue

Oglethorpe continued to be active in England. In 1776, he wrote a long letter to the abolitionist Granville Sharp, insisting that slavery existed in Georgia because of the machinations of the British government, not the trustees, and that the trustees had refused to condone slavery, because it was: "Against the Gospel as well as the fundamental law of England."³³

In the same letter, in response to David Hume's assertion, that Africans were capable of neither liberty nor government, he wrote:

"Ha! What a Historian! He must never have heard of Shishak, the Sesostris, of Hannibal or of Tirhaka, king of Ethiopia, whose very name frightened the mighty Assyrian monarch."

On June 1, 1785, to the horror of the British press, John Adams was received as the First Minister to the Court of St. James from the newly established United States of America. The last public act of the 87-year-old Oglethorpe, was to greet him, on June 5, and express his regard for the Americas, and his "happiness, to see the conflict resolved." On June 30, he passed away.

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32. He did not mean current, positive law, which endorsed slavery. He went back and studied the previous 500 years of English law.

33. "An appeal for the Georgia Colony," reprinted in Baine, p. 165.

The Hour of Decision

During the second half of 1971, beginning with President Nixon's sinking of the U.S. dollar, Lyndon LaRouche and his nascent political association defined the political perspective which they have hewn to ever since. It was at that point, that the philosophical association known as the National Caucus of Labor Committees committed itself to defeat what was obvious to LaRouche, as the clear threat of fascism on a global scale.

A debate LaRouche held with "liberal" economics professor Abba Lerner later in that year, made it clear that it would not be an easy fight to mobilize allegedly anti-fascist professionals into the battle to defeat the fascist threat. During a debate over the policies being adopted, particularly toward Third World nations like Brazil, LaRouche confronted Lerner with the fact that Lerner was himself pushing the genocidal policies of Hitler's economics minister Hjalmar Schacht. When pressed to the wall, Lerner blurted out the remark that led the debate to end in utter embarrassment for him (and for Lerner's backers to vow that LaRouche would never be given access to such a forum again): If Schacht's policies had been followed, Hitler "would not have been necessary."

Since that fateful year, the LaRouche movement has expanded internationally, and continued its fight against fascism. At each phase of the battle—Paul Volcker's interest rate assault in 1979, the Third World debt crisis, the stock market crash of 1987, or the virtual disintegration of the global financial markets in 1998, to name only a few—LaRouche has put forward the alternatives to disaster, in the context of forecasts of what would result, should the prevailing monetarist insanity continue to be followed. In all cases, he has been proven correct.

Now, approximately 37 years later, the hour of decision has arrived. No longer are we simply facing the danger of fascism down the road; it is right around the corner.

It doesn't take a genius to notice that mankind is presently gripped by the onrush of a terminal phase of a general, global breakdown crisis. Trillions of dollars of

putative value have disappeared just since the Summer of 2007, when the financial system itself collapsed. Trillions of dollars have been pumped into the banking system by the world's central banks to try to stem the bankruptcies and stop disaster, to no avail. Some of the largest banks in the world have been exposed as bankrupt, with the latest being Bear Stearns, the fifth-largest U.S. investment bank. On March 14, the Federal Reserve moved to bail out this walking-dead zombie.

Meanwhile, over the same year, hundreds of thousands of American families have been thrown out of their homes, as the result of the collapse of the mortgage bubble; commodity inflation has taken off to the point that food and fuel are rising at double-digit rates; and manufacturing is being shut down to the extent that the United States can soon be called literally a post-industrial society. At the same time, the fiscal crises resulting from these disasters are leading to life-threatening collapses in services, like health, education, and infrastructure.

What this financial-economic breakdown begs is clearly a *political* solution. The fascists, like Felix Rohatyn, George Shultz, and Michael Bloomberg, know this—and the corporatist-austerity programs they are putting forward conform to their conviction that it is the population which is going to pay for the monetarist, post-industrial insanity that has destroyed the United States over the past 37 years. But other politicians, and most of the population, simply refuse to speak, or even face, the truth. Like political opportunists, they are mouthing ridiculous talk about the danger of "recession," and preparing to leap like lemmings off the cliff.

Thus, once again, it is left to the LaRouche movement to issue the warning, before it is too late. Don't sit back and wait to see how the election turns out: That will be too late. Join us in destroying the fascists, who are acting on behalf of the British empire by engineering our destruction, and that of Europe. Join us in building support for the only alternative to total collapse, and subsequent fascism and war: LaRouche's Homeowners and Bank Protection Act, a two-tiered credit system, and the New Bretton Woods.

EIR Exposes Plan To Install Bloomberg as a 'New Mussolini' In the White House

"Soul-mates"
Michael Bloomberg and
Arnold Schwarzenegger



"The intention for the 2008 Presidential campaign, by certain very powerful international financial interests, is the election of a man-on-a-white-horse, New York City's Mayor Bloomberg, to become what historians would describe with a shudder as the American Mussolini dictatorship (or, perhaps, even worse) of January 2009."

—Lyndon H. LaRouche, Jr.
EIR, Jan. 18, 2008

Some highlights of *EIR*'s Bloomberg dossier:

- Jan. 18, 2008:** "The 68ers Reviewed: Under Their Skins," "Bloomberg 'Mussolini Option' Is Kicked Off in Oklahoma," "How Bloomberg Got His Billions"
- Feb. 1, 2008:** "Bloomberg's Fascist Plot To Steal the U.S. Election"
- Feb. 15, 2008:** "Bloomberg Fools Them Again: The Flirt," "Mitt Romney Walks Out"
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GY Ch.2: Mon-Fri every 4 hours;
Sun Afternoons

ALASKA

- ANCHORAGE
GCI Ch.9: Thu 10 pm

CALIFORNIA

- BEVERLY HILLS
TW Ch.43: Wed 4 pm
- CLAYTON/CONCORD
CO Ch.26: 2nd Tue 7 pm;
AS Ch.31: Tue 7:30 pm
- CONTRA COSTA
CC Ch.26: 2nd Tue 7 pm
- COSTA MESA
TW Ch.35: Thu 5:30 pm
- HOLLYWOOD
TW Ch.24: Tue 4:30-5 pm
- LANCASTER/PALMDALE TW
Ch.36: Sun 1 pm
- LONG BEACH CH Analog
Ch.65/69 & Digital Ch.95: 4th Tue
1-1:30 pm
- LOS ANGELES
TW Ch.98: Wed 3-3:30 pm
- LOS ANGELES (East)
TW Ch.98: Mon 2 pm
- MARINA DEL REY TW Ch.98:
Wed 3 pm; Thu/Fri 4 pm
- MIDWILSHIRE
TW Ch.24: Tue 4:30-5 pm
- ORANGE COUNTY (N)
TW Ch.95/97/98: Fri 4 pm
- SAN FDO. VALLEY (East)
TW Ch.25: Sun 5:30 pm
- SAN FDO. VALLEY (NE)
CC Ch.20: Wed 4 pm
- SAN FDO. VALLEY (West)
TW Ch.34: Wed 5:30 pm
- SANTA MONICA
TW Ch.77: Wed 3-3:30 pm
- WALNUT CREEK
CO Ch.6: 2nd Tue 7 pm;
AS Ch.31: Tue 7:30 pm
- VAN NUYS
TW Ch.25: Sun 5:30 pm

COLORADO

- DENVER CC Ch.56 Sun 10 am

CONNECTICUT

- GROTON CC Ch.12: Mon 5 pm
- NEW HAVEN CC Ch. 23: Sat 6 pm

DISTRICT OF COLUMBIA

- WASHINGTON CC Ch.95 & RCN
Ch.10: Irregular Days/Times

FLORIDA

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

ILLINOIS

- CHICAGO
CC./RCN/WOW Ch.21: Irregular
- PEORIA COUNTY
IN Ch.22: Sun 7:30 pm

- QUAD CITIES
MC Ch.19: Thu 11 pm
- ROCKFORD CC Ch.17 Wed 9 pm

IOWA

- QUAD CITIES
MC Ch.19: Thu 11 pm

KENTUCKY

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

LOUISIANA

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

MAINE

- PORTLAND
TW Ch.2: Mon 1 & 11 am; 5 pm

MARYLAND

- ANN ARUNDEL Annapolis Ch.76
& Milleneum Ch.99: Sat/Sun 12:30
am; Tue 6:30 pm
- P.G. COUNTY CC Ch.76 & FIOS
Ch.38: Tue/Thu 11:30 am
- MONTGOMERY COUNTY
CC Ch.21: Tue 2 pm & Fri 11 pm

MASSACHUSETTS

- BRAINTREE CC Ch.31 & BD
Ch.16: Tue 8 pm
- CAMBRIDGE CC Ch.10: Tue 2:30
pm; Fri 10:30 am
- FRANKLIN COUNTY (NE)
CC Ch.17: Sun 8 pm; Wed 9 pm;
Sat 4 pm
- WALPOLE CC Ch.8: Tue 1 pm

MICHIGAN

- BYRON CENTER
CC Ch.25: Mon 2 & 7 pm
- DETROIT CC Ch.68: Irregular
- GRAND RAPIDS CC Ch.25: Irreg.
- KALAMAZOO
CH Ch.20: Tue 11 pm; Sat 10 am
- KENT COUNTY (North) CH Ch.22:
Wed 3:30 & 11 pm
- KENT COUNTY (South)
CC Ch.25: Wed 9:30 am
- LAKE ORION
CC Ch.10: Mon/Tue 2 & 9 pm
- LANSING
CC Ch.16: Fri Noon.
- LIVONIA BH Ch.12: Thu 3 pm
- MT. PLEASANT CH Ch.3: Tue
5:30 pm; Wed 7 am
- PORTAGE CH Ch.20 Tue/Wed
8:30 am; Thu 1:30 pm
- SHELBY TOWNSHIP CC Ch.20 &
WOW Ch.18: Mon/Wed 6:30 pm
- WAYNE COUNTY
CC Ch.16/18: Mon 6-8 pm

MINNESOTA

- CAMBRIDGE
US Ch.10: Wed 6 pm
- COLD SPRING
US Ch. 10: Wed 6 pm
- COLUMBIA HEIGHTS
CC Ch.15: Wed 8 pm
- DULUTH CH Ch.20: Mon 9 pm;
Wed 12 pm, Fri 1 pm
- MINNEAPOLIS
TW Ch.16: Tue 11 pm
- MINNEAPOLIS (N. Burbs)
CC Ch.15: Thu 3 & 9 pm
- NEW ULM TW Ch. 14: Fri 5 pm
- PROCTOR
MC Ch. 12: Tue 5 pm to 1 am

- ST. CLOUD AREA
CH Ch.12: Mon 9:30 pm
- ST. CROIX VALLEY
CC Ch.14: Thu 1 & 7 pm; Fri 9 am
- ST. LOUIS PARK CC Ch.15:
Sat/Sun/M/T Midnite, 8 am, 4 pm
- ST. PAUL CC Ch.15: Mon 10 pm
- ST. PAUL (S&W Burbs) CC Ch.15:
Wed 10:30 am; Fri 7:30 pm
- SAULK CENTRE
SCTV Ch.19: Sat 5 pm
- WASHINGTON COUNTY (South)
CC Ch.14: Thu 8 pm

MISSOURI

- ST. LOUIS CH Ch.22:
Wed 5 pm; Thu 12 Noon

NEVADA

- WASHOE COUNTY
CH Ch.16: Thu 2 pm

NEW HAMPSHIRE

- MANCHESTER
CC Ch.23: Thu 4:30 pm

NEW JERSEY

- BERGEN CTY TW Ch.572: Mon &
Thu 11 am; Wed & Fri 10:30 pm
- HADDON TWP
CC Ch.9: Sun 10 am
- MERCER COUNTY CC
Trenton Ch.26: 3rd & 4th Fri 6 pm
- Windsors Ch.27: Mon 5:30 pm
- MONTVALE/MAHWAH
CV Ch.76: Mon 5 pm
- PISCATAWAY
CV Ch.22: Thu 11:30 pm
- UNION CC Ch.26: Irregular

NEW MEXICO

- ALBUQUERQUE
CC Ch.27: Thu 4 pm
- LOS ALAMOS
CC Ch.8: Wed 10 pm
- SANTA FE
CC Ch.8: Thu 9 pm; Sat 6:30 pm
- SILVER CITY
CC Ch.17: Daily 8-10 pm

NEW YORK

- ALBANY TW Ch.18: Wed 5 pm.
TW Ch.572: Mon & Thu 11 am;
Wed & Fri 10:30 pm
- BETHLEHEM
TW Ch.18: Thu 9:30 pm
- BRONX CV Ch.70: Wed 7:30 am
- BROOKLYN
CV Ch.68: Mon 10 am
TW Ch.35: Mon 10 am
TW Ch.572: Mon & Thu 11 am;
Wed & Fri 10:30 pm
- CHEMUNG
TW Ch.1/99: Tue 7:30 pm
- ERIE COUNTY
TW Ch.20: Thu 10:35 pm
- IRONDEQUOIT
TW Ch.15: Mon/Thu 7 pm
- JEFFERSON/LEWIS COUNTIES
TW Ch.99: Irregular
- ONEIDA COUNTY
TW Ch.99: Thu 8 or 9 pm
- PENFIELD TW Ch.15: Irregular
- QUEENS TW Ch.35: Tue 10:30
am; TW Ch.572: Mon & Thu 11 am;
Wed & Fri 10:30 pm
- QUEENSBURY
TW Ch.71: Mon 7 pm
- ROCHESTER
TW Ch.15: Sun 9 pm; Thu 8 pm
- ROCKLAND CV Ch.76: Mon 5 pm

- SCHENECTADY
TW Ch.16: Fri 1 pm; Sat 1:30 am
- STATEN ISLAND
TW Ch.35: Thu Midnite.
Ch.34: Sat 8 am. Ch 572: Mon &
Thu 11 am; Wed & Fri 10:30 pm
- TOMPKINS COUNTY TW Ch.13:
Sun 12:30 pm; Sat 6 pm
- TRI-LAKES
TW Ch.2: Sun 7 am, 1 pm, 8 pm
- WEBSTER TW Ch.12: Wed 9 pm

NORTH CAROLINA

- HICKORY CH Ch.3: Tue 10 pm
- MECKLENBURG COUNTY
TW Ch.22: Sat/Sun 11 pm

OHIO

- AMHERST TW Ch.95: Daily 12
Noon & 10 pm
- CUYAHOGA COUNTY
TW Ch.21: Wed 3:30 pm
- OBERLIN Cable Co-Op
Ch.9: Thu 8 pm

OKLAHOMA

- NORMAN CX Ch.20: Wed 9 pm

OREGON

- LINN/BENTON COUNTIES
CC Ch.29: Tue 1 pm; Thu 9 pm
- PORTLAND CC
Ch.22: Tue 6 pm. Ch.23: Thu 3 pm

RHODE ISLAND

- E. PROVIDENCE
CX Ch.18: Tue 6:30 pm
- STATEWIDE RI I
CX Ch.13 Tue 10 pm

TEXAS

- HOUSTON CC Ch.17 & TV Max
Ch.95: Wed 5:30 pm; Sat 9 am
- KINGWOOD CB Ch.98: Wed 5:30
pm; Sat 9 am

VERMONT

- GREATER FALLS
CC Ch.10: Mon/Wed/Fri 1 pm
- MONTPELIER
CC Ch.15: Tue 9 pm; Wed 3 pm

VIRGINIA

- ALBEMARLE COUNTY
CC Ch.13: Sun 4 am; Fri 3 pm
- ARLINGTON CC Ch.33 &
FIOS Ch.38: Mon 1 pm; Tue 9 am
- CHESTERFIELD COUNTY
CC Ch.6: Tue 5 pm
- FAIRFAX CX Ch.10 & FIOS Ch.10:
1st & 2nd Wed 1 pm; Sun 4 am.
FIOS Ch.41: Wed 6 pm
- LOUDOUN COUNTY CC Ch.98 &
FIOS Ch.41: Wed 6 pm
- ROANOKE COUNTY
CX Ch.78: Tue 7 pm; Thu 2 pm

WASHINGTON

- KING COUNTY
CC Ch.29/77: Tue 10 am
- TRI CITIES CH Ch. 13/99: Mon 7
pm; Thu 9 pm
- WENATCHEE
CH Ch.98: Thu 1 pm

WISCONSIN

- MARATHON CH Ch.10: Thu 9:30
pm; Fri 12 Noon
- MUSKEGO TW Ch.14: Sat 4 pm;
Sun 7 am

WYOMING

- GILLETTE BR Ch.31: Tue 7

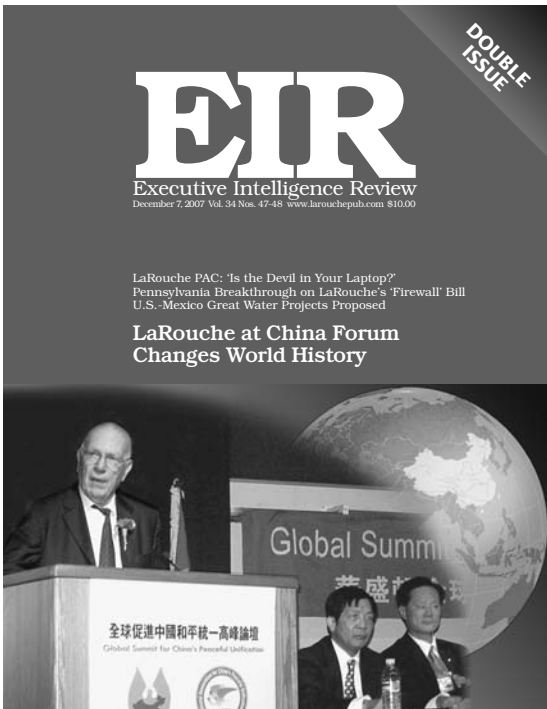
MSO Codes: AS=Astound; BD=Beld; BR=Bresnan; BH=BrightHouse; CV=Cablevision; CB=Cebridge; CH=Charter; CC=Comcast; CX=Cox; GY=Galaxy; IN=Insight; MC=MediaCom; TW=TimeWarner; US=US Cable. FIOS=Verizon FIOS-TV.

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