

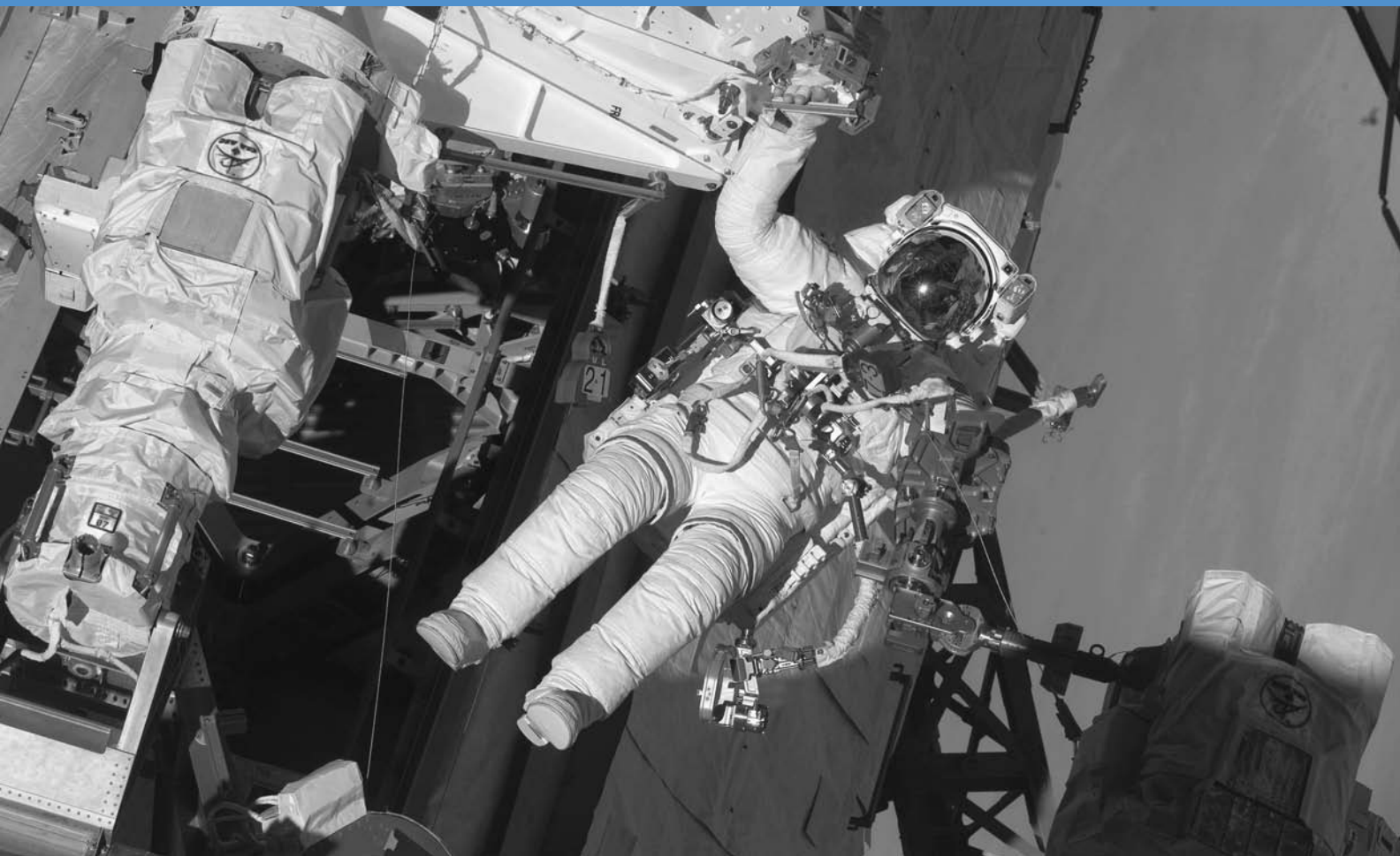
# EIR

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LaRouche Webcast: On the Next Step  
'A Republic, *If* We Can Keep It'  
Stop Bashir Indictment; Develop Sudan!

**Lyndon LaRouche:**  
**Now Comes Economic Time**



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# EIR

## From the Assistant Managing Editor

In this week's Cover Story, we present the final section of Lyndon LaRouche's breakthrough trilogy on physical time (see the Feb. 6 and Feb. 13 issues for parts one and two). In "Now Comes Economic Time" (*Science*), LaRouche begins by posing the question, "What is timely performance?" and challenges readers to consider how the work of Einstein and Minkowsky on "Special Relativity," 100 years ago, bears on "the issues of economic policy which have befuddled the leaders of nations globally," since July 2007—the policy issues which menace the Obama Administration at this very instant.

It was then, in the mid-Summer of 2007, that LaRouche, in an web-cast speech from Washington, D.C., warned of the impending meltdown of the Anglo-Dutch Liberal system's financial pyramid, and proposed the solutions, which today remain as the only viable pathway out of this debacle: bankruptcy reorganization of the Federal Reserve, and international banking system, and his Homeowners and Bank Protection Act. Both of these remedies are now being widely discussed, and in some cases, introduced as resolutions in state and local government bodies.

Those same issues are sharply addressed in LaRouche's Feb. 11 web-cast, "On the Next Step" (see *Feature*). LaRouche was blunt: "First of all," he said, "we have to use the magic word, 'bankruptcy': The entire international monetary-financial system is hopelessly bankrupt.... *There will never be a recovery, in any part of the world, by anyone, in this period, as long as you're sticking to the content of this international monetary system.* Reforms of this international monetary system will not work.... You've already wasted a year and a half, since I told you what to do!" President Obama, said LaRouche, has the support of the American people to do what has to be done, and it must be done *now*.

In *World News*, John Hoefle has "harsh words" for those, like the Soros Democrats, Pelosi & Co., who are blocking LaRouche's policy solutions, and warns, paraphrasing Benjamin Franklin, that we may lose our republic, unless Pelosi, Soros, and Rohatyn are dumped.

The Anglo-Dutch financial cartel is also attempting to entrap President Obama in a genocidal campaign against Sudan (see "Stop Bashir Indictment: U.S.A. Needs Positive Development Policy for Sudan.")

There's plenty to be done, and not a moment to spare.



## Cover This Week

Astronaut Rick Linnehan, participates in extravehicular activity (EVA), on the International Space Station, March 2008.



NASA

### 4 The Concluding Document of a Series: Now Comes Economic Time

Lyndon H. LaRouche, Jr. concludes his trilogy on physical time, which began two weeks ago, with “Nations as Dynamical,” followed last week by “The Meaning of Physical Time.” In this concluding section, LaRouche explains the crisis, its causes, and its remedy, adding the caution: “When the horrid consequences of failure to heed my warning here, are considered, my forecast may be seen by some thoughtful readers, as, in both theory and practice, the most important piece of writing on economic policy as such which has been written in world history so far. As you shall see here, that is no exaggeration, even in the slightest degree.”

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## Feature

### 28 LaRouche’s Feb. 11 Webcast: ‘On the Next Step’

Lyndon LaRouche reminded his international webcast audience that he had warned, more than a year and a half ago, in July 2007, that we were confronting a collapse of the world monetary-financial system, but, so far, *nothing, absolutely nothing*, has been done to put in place the measures that he proposed, which were urgent then, and far more so, now. However, if President Obama, who has the support of the American people, gets the right advice, it is still not too late to make the necessary changes.

### 38 Dialogue with LaRouche

In the two-hour discussion following LaRouche opening remarks, a number of key issues were addressed, including: the drug cartel takeover of Afghanistan; British operations in Russia; U.S. policy toward Sudan; the proliferation of lies about FDR; Social Security; and how to create a Classical culture.

## World News

### 58 Ben Franklin Was Correct: A Republic, If We Can Keep It

John Hoefle recalls Franklin's admonition following the Constitutional Convention, and warns that the danger that we may lose our republic is now as grave as it has ever been. Only LaRouche's bankruptcy reorganization will provide the means to avert a cataclysmic blowout, in the near term, of the U.S. and global financial system.

### 60 Stop Bashir Indictment: U.S. Needs Development Policy for Sudan

The International Criminal Court, with strong backing from George Soros and the British imperial financial cartel, is reported to be on the verge of issuing a warrant for the arrest of Sudan President al-Bashir. LaRouche responds: "If you want to fight genocide, get rid of George Soros." He added, "It would be a terrible thing, a great folly, if the Obama Administration were to be sucked into an adventure, such as the adventure against Bashir of Sudan." Douglas DeGroot reports.

### 62 World News Briefs

## Editorial

### 64 Bankruptcy Reorganization Now!

**Correction:** A typographical error appeared in the article entitled, "Like 'Free Energy,' There Is No Such Thing as 'Free Money,'" in *EIR*, Feb. 14, 2009. p. 31. The sentence in question should have read, "That requirement, naturally, put the Bush Administration at a distinct disadvantage, and the same can also be said for Wall Street, with its quasi-mystical belief in the power of the manipulation of money." The correction was made in EIR Online.

THE CONCLUDING DOCUMENT OF A SERIES:

# Now Comes Economic Time

by Lyndon H. LaRouche, Jr.

February 8, 2009

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*This is the third, and concluding document of an EIR series written in this author's supplementary response to a question submitted, with an eye to the subject of a new U.S. economic policy, during the course of an international webcast of January 22, 2009, on the current economic crisis. The titles of the preceding two documents of the series are "Nations as Dynamical" and "The Meaning of Physical Time."*

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## FOREWORD:

### What Is Timely Performance?

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The following pages are devoted to a summary of the most significant development in the scientific basis for the knowledge and practice of economy since the 1907-1909 period of the closely related work of Albert Einstein and Hermann Minkowski on what was then named "Special Relativity:" the crucial importance of the relativity of time itself. That is the notion of relativity which underlies any actually scientifically competent effort to understand those crucial issues of economic policy which have befuddled the leaders of nations globally since the close of July 2007, the policy-issues which menace the present U.S. Obama government at this present instant.

The validity and importance of those connections

for shaping the needed policies for the global economic-breakdown-crisis now in full swing, will become clearer in due course, here.

In fact, the roots of the principle of relativity in modern science, go back to the original discoveries of the principle of gravitation by Johannes Kepler, most notably Kepler's general principle of gravitation, a conception whose discovery is presented, together with the relevant formulation, in painstaking detail, in his *The Harmonies of the World*. Later, Albert Einstein had credited that discovery by Kepler as the proper foundation for modern physics in general, on the condition that the discovery is situated, as Einstein intended, in the context of the case presented by Bernhard Riemann's 1854 habilitation dissertation, and in the settings of the ancient and modern definitions of the principle of dynamics, as given by the ancient Pythagoreans and modern Gottfried Leibniz.

On the relevance of this matter for U.S. and world economic policy today, I say the following now, and will deal with the matter here again, in appropriate depth, as we approach the concluding pages of this report.

Although there is now widespread, and growing admiration, as also fear, of the perfect success of my July 25, 2007 webcast's forecast of the immediate outbreak of a global economic breakdown-crisis of the present world monetary-financial system, there is little confidence, even in leading U.S. Government circles, for





White House/Pete Souza

*The crucial importance of the relativity of time itself, as discovered by Einstein and Minkowski, underlies those issues of economic policy which have befuddled the leaders of nations globally, since July 2007: These are the policy issues which menace the Obama Administration today. Shown: President Obama with his economic team.*

actually adopting and implementing those urgently needed, immediate actions without which the world as we have known it, including our own U.S. political-financial system, would now, assuredly, simply cease soon to exist.

In these pages, I explain that crisis, its causes, and its remedy. When the horrid consequences of failure to heed my warning here, are considered, my forecast may be seen by some thoughtful readers, as, in both theory and practice, the most important piece of writing on economic policy as such which has been written in world history so far. As you shall see here, that is no exaggeration, even in the slightest degree.

I explain.

The customary European civilization's traditional view of history, as it exists in the teachings of schools, universities, and so forth, today, has been chiefly shaped, and also significantly crippled, by resort to the vantage-point of the largely doubtful assumptions of what is widely viewed, retrospectively, as what the Sophists of ancient Greece experienced in their own tragic role as a forerunner of the tragic situation inherent in today's widespread, reductionist opinion. This reductionist legacy has been widely reconciled, still today, with the Sophist-like traditions of Aristotle, as that tradition is typically reflected in the fraudulent, *a-priori* presumptions of Euclidean *a-priori* definitions, axioms, and postulates. Under that pro-Aristotelean scheme, all accounts of history and its consequences, have been degraded to the assumption, that the universe as a whole

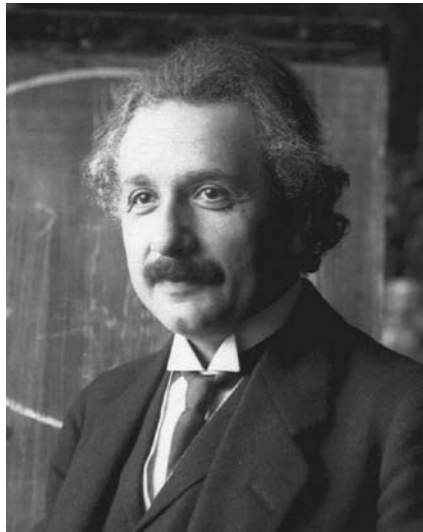
is to be defined, in both the very large and the very small, by those unfounded assumptions respecting space and time which are consistent with the *a-priori* assumptions of Aristotelean and Euclidean dogma.

That is the same as to say, that the very boundary conditions most often applied to describe every aspect of human life's experience, have been thus premised upon still-prevalent presumptions which have never been proven in fact, and which are, in fact, as I shall indicate in the following chapters of this report, largely absurd from the standpoint of more carefully considered, experimentally validated standards of physical-scientific practice.

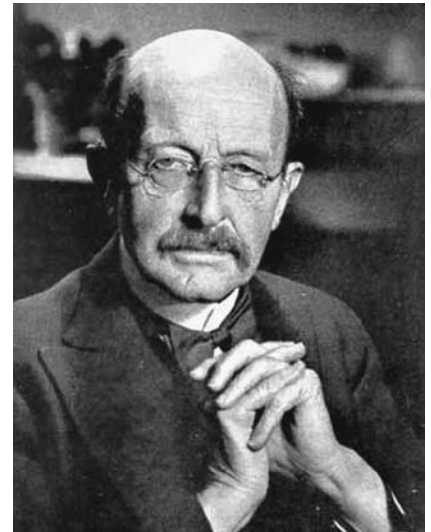
Science itself must now come to lead the rescue of mankind from today's popular expressions of mankind's ancient follies.

On this account, every competent view of the decline of the culture of physical science over the course of more than four recent decades, is faced with accumulated evidence which tends to prove that the ideas common to such as Aristotle, Euclid, and Descartes are not, in fact, merely false, but are ruinously absurd. Yet, for the most part, even our leading universities' tradition of today, continues, still, to defy reason in these matters. They define it *a-priori*, *axiomatically*, as if by obedience to a babbling Emperor Nero's imperial decree.

For this reason, it is urgent that the 1854 habilitation dissertation of Bernhard Riemann be remembered, especially on account of both that dissertation's opening two paragraphs, and its closing sentence, as having



Ferdinand Schmutzer



As Bernhard Riemann (left) warned, science is never science when it is merely formal; the subject of science is man, as Riemann and his followers, Albert Einstein (center) and Max Planck, understood.

given an urgently needed, new birth to modern science, then, and as being typical of those foundations of what had become the greatest achievements of recent past times. Riemann's dissertation is proven to be indispensable in laying the basis for my own unique achievements, my repeated successes as a long-range economic forecaster.

As the late Albert Einstein had warned, during the last years of his life, the net effect of the revolution in science launched by Riemann, was a revolutionary change in the notions of space and time. Unfortunately, even the Hermann Minkowski who had certainly earned much credit for his 1907-1909 role, as an ally of Albert Einstein, in promoting the concept of what was then known as "special relativity," made the significant error of substituting the proposal for a Lobatchevskyan geometry for a truly anti-Euclidean, Riemann standpoint; but, nonetheless, science, still today, should not forget Minkowski's resonant utterance in his famous lecture on relativity, that Einstein's presentation of a case of "special relativity" showed that "space by itself and time by itself" no longer existed for the future of physical science.<sup>1</sup>

1. Speaking of a highly relevant matter here, in formal terms, the introduction of a non-Euclidean geometry was actually conceived by Carl F. Gauss during his student days of association with his mentors Abraham Kästner and A.W. von Zimmermann. Kästner, the initiator of a modern, explicitly anti-Euclidean geometry, was the pioneer in rejecting any likeness of a Euclidean geometry. On the later issue of the claims of Janos Bolyai, see two of Gauss's letters to Farkas Bolyai (Gauss's old

In the following pages, you will encounter evidence of another great quality of Riemann's work for contemporary science, its essential moral significance for dealing with the presently onrushing threat of a very early general physical-economic breakdown-crisis of this planet as a whole.

### ***Riemann, Planck, and Einstein***

It happens, by no accident, that the matter of the relativity of time could not be approached successfully, except in a very special way. As I shall indicate the reasons for that here, the relativity of time could not be shown without situating the real issues involved from the standpoint of reference of what I have defined as a science of physical economy, the subject of my own notable professional expertise. Hence, that aspect of

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friend and Janos' father), in Carl F. Gauss *Der "Fürst der Mathematiker" in Briefen und Gesprächen* (Munich: Verlag C.H. Beck, 1990), pp.137n, 139-140. Unfortunately, the third of the leading, pre-Riemann advocates of a non-Euclidean geometry (Kästner, Gauss, Janos Bolyai, and N. Lobatchevsky), Janos was not consoled by Gauss's generous words on the subject of the conflict. Gauss's own reply to Farkas Bolyai on this matter, reflects an important weakness in Gauss's approach to presenting his own accomplishments (under the politically unfavorable circumstances established by Napoleon Bonaparte's reign, and, later, until the death of the hoaxster Augustin Cauchy, that at a time which, unfortunately, coincided with the onset of Gauss's own terminal years). To read Gauss's private intentions in such matters, it is essential to recognize something important of Gauss as coming to the surface in the work of Bernhard Riemann and Alexander von Humboldt's protégé Lejeune Dirichlet.

relativity is of crucial importance for identifying the causes and remedies for the presently onrushing, global economic breakdown-crisis.

On this account, it must be said here, that a science is never science when it is merely formal, as Riemann warned in the case of formal mathematics.<sup>2</sup> Therefore, to advance knowledge in a new, crucial topical area, it is indispensable, first, to locate that physical subject-matter which is most relevant, functionally, to the principles being considered, human economic behavior.

The subject here, is, therefore, man, and, especially, the follies of currently widespread popular and related opinion.

In the matter at hand, there can be no competent treatment of the subject of economy which does not, by its nature, provide a truly integral picture of the functional interplay of physical principle and the underlying principles of action of the human will. This can be achieved only in the subject of a science of physical economy, my own exceptional specialty.

Therefore, I have proceeded as I have done in what this present article completes as a series of three small-booklet-sized EIR features, a series prompted by the occasion of an important, highly relevant question posed to me publicly during my January 22nd international webcast.

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## I. How to Make a Forecast

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Mankind changes the physical value, and therefore the proper *physical measure* of physical space-time, through the combination of physical-scientific and associated progress in the rate at which mankind changes the tempo of all other physical processes on this planet, and, now, recently, beyond that. This matter of principle is most clearly shown in the effects of discovery and implementation respecting the physical increase, or decadence, of the human species' special kind of power in the universe, per capita and per square kilometer of relevant territory.

Notably, the scientific description of the pathetic incompetence of all current opponents of science-driven increase of the human population, is shown in that they implicitly deny the fact, that failure to progress scientifically in growth of the economy, as our U.S.A. has

failed, consistently, during the recent forty years (1968-2008),<sup>3</sup> means that the fate of mankind has been in the hands of influences akin to those kinds of accelerating processes of collapse, through attrition, which are, categorically, an imitation of the familiar boundary presented to us in the case of lower forms of life: as boundaries in the sense of potential for the relative, ecological population-densities which are encountered among the sub-human forms of life. In fact, this has also been the case with all known oligarchical cultures of European and related experience since the destruction, through effects of salination, of the Mesopotamian, bow-tenure culture of ancient Sumer, or, the doom of that Biblical Sodom and Gomorrah which appears to have enjoyed a certain salty kind of revival in current modern times.<sup>4</sup>

Mankind as a species, is, indeed, *potentially* subject to those "forces" of ecological attrition in population-densities, the which are familiar to us among the populations of the lower forms of life. For example: we,

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3. Since the combination of the 1967-68, successive collapse of the British pound sterling, U.S. President Johnson's capitulation of March 1, 1968, and the riotous outburst of the Spring, Summer, and Autumn of that year. U.S. fiscal year 1967-1968 was the beginning of a net collapse in the basic economic infrastructure of the U.S. economy: we have been going downhill in physical economy ever since. The 1968 election of President Richard Nixon has been the beginning of the end reached in today's aftermath of eight years of the worst U.S. Presidency in U.S. history since the end of that British puppet known as the Confederacy. Even Presidencies such as that of relics of the Confederacy, Theodore Roosevelt and Woodrow Wilson, were not as thoroughly rotten as that under George Shultz's puppet George W. Bush, Jr.

4. If we, for convenience, compare the "cultures" of mankind with those attributed to the higher apes, we must recognize that the human species is a relatively poor performer as a species, until we take efficiently into account the effect of the human creative-mental powers which are peculiar to all mankind, but absent in all lower forms of life, including the apes. These are powers not to be confused with the mere problem-solving capabilities of dogs and apes, for example. Creativity is not a matter of "knacks," but of discovery and employment of new *universal physical principles*. All forms of life are inherently clever, relative to today's right-wing free-market ideologues, such as Hank Paulson, but none, excepting mankind, is actually, potentially, efficiently creative. Which is why we must say, of all of the co-thinkers of Paulson and cultish groups, such as the dupes of the American Enterprise Institute (AEI), who have failed the United States and its citizens so miserably, over recent decades: they might have been better employed in attempts to learn to behave as if they were actually devoted to human interests. AEI today typifies the rebirth, after Pearl Harbor day, of those anti-Franklin Roosevelt associations which changed their outer clothing, but have otherwise remained, inwardly, today, the same traditionally, pro-Mussolini and pro-Hitler, as they were, overtly, up to the events at Pearl Harbor. The Franklin Roosevelt haters of today, such as Felix Rohatyn and Britain's drug-trafficking George Soros, typify that legacy.

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2. Cf. the opening two paragraphs and concluding sentence of Riemann's famous 1854 habilitation dissertation.



admittedly, sometimes encounter a transitional condition, between animal ecology and so-called human “ecology,” in the domain of animal husbandry, and also among populations of plants and their infectious diseases. *However*, these later, seemingly exceptional categories of experience with animal husbandry, and the like, are effects of human culture, rather than being endemic to the animal species considered in this matter.

Thus, without the impact of those aspects of scientific and technological progress which increase the potential relative population-densities of societies, the human populations must tend to suffer a decline which verges upon catastrophic demographic and related effects, as we have suffered so, most conspicuously, under the regime of George W. Bush, Jr. In other words, the practical issue presented to statecraft, is a matter of the balance between the decline of the human condition, due to attrition, and, otherwise, as resisted, or even overcome, by the increase of human potential relative population-density through the realized benefits of periods of the acceleration of investment in the fruits of scientific and related progress.

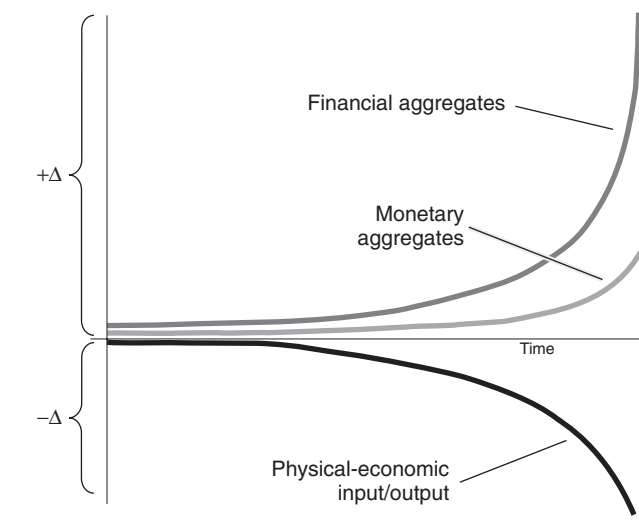
If that is considered, we should seek to craft a set of scales comparable to my economic “Triple Curve,” (**Figure 1**) which corresponds, as a representation, to this array of conflicting effects within the bounds of human experience as such. We can already, thus, present a notion of relative time, distinct from clock-time, in terms of the net effects of the time-measured rate of change in the potential relative population-density of both the U.S. and world populations. The prospect of the effect which we will have represented, approximately, by such statistical schemes, presents us with a useful indication of the existence of a more ominous process in development, (the effect of realized investment, or relative lack of investment), in relatively capital-intensive scientific progress.

The effect of wisdom on this account, would be to measure the rate of the physical-economic effect of the passage of clock-time in social (e.g., “demographic”) terms.

Perhaps the most startling, and relevant empirical effects with which the novice is confronted in studying that approach, is the effect of the promotion, or lack of promotion, of increase of what is termed “energy flux-density” of the applied sources of power employed to maintain and improve the rate of productivity in the population generally. Suddenly, thus, the practically

FIGURE 1

### LaRouche's Triple Curve



expressed powers of the typical human mind, when expressed by the society as a unit, become a measure of the functional relationship between the trend toward rise, or fall, of the *relative potential relative population-density* of the society, and the variations in the rate of time during which any among the physical effects of this process unfold.

In other words: “In what condition will the society be, in these terms of reference, at a certain future date?” “At what rate will that change occur?” Instead of asking to see the U.S.A. in the year A.D. 2025, ask, in what year will the U.S.A. actually reach a condition which could be reached potentially in the year 2025, or, perhaps, only 2050? Where does the zero-point of hovering lie, between net growth and the net collapse, which has been the characteristic trend in the economies of the U.S.A. and Europe since the tumultuous developments of 1968?

### My Own Forecasting

All my forecasts, since my short-term, mid-1956 forecast of a deep early 1957 recession, have been of that type. These are typical of the method of forecasting, premised on Riemannian conceptions, which I have employed with such relative success, relative, that is, to the relatively failed methods of forecasting adopted by other ostensibly known economists ploughing the field during approximately a half-century to date.

This was the basis for my warning in Summer 1956,



EIRNS/Stuart Lewis

*All of LaRouche's economic forecasts, from the 1957 recession, through his July 25, 2007 forecast of the current global breakdown crisis, are premised on Riemannian conceptions. LaRouche is shown here, during his July 25, 2007 webcast.*

which was based upon my systemic evidence of a then onrushing relatively awesome U.S. economic recession, a recession centered in the evidence I considered in respect to the exemplary case of the foolish practices of the auto industry's Robert McNamara, et al., at that time. The evidence of the contrast between the physical trends built into systemic practice during the mid-1950s, sufficed to show me clearly that a deep recession was due to hit with exceptional force approximately February 1957. It happened then exactly as I had warned. This success became the model of reference for the form of construction of my first long-range forecast, made in 1959-60, of a probable deepening U.S. recession during the late 1960s, *unless*, first, the current (pre-President John F. Kennedy) trend in policies were reversed by the middle of the 1960s, and, unless, second, a few years later, that the wrong post-Kennedy policy-drift were reversed by about the beginning of the 1970s.

In effect, the assassination of President Kennedy, coupled with what had been the ouster of Britain's Macmillan, also with the British and German Liberals' pushing out of Germany's Chancellor Konrad Adenauer, and also the repeated, earlier, and later, attempts at assassination of President Charles de Gaulle,

typify the way in which Anglo-American, and related continental European policy-making practices were changed, for the worse, from that time onward. The changes shaped by 1962-1964 developments of this pattern, led to the 1968-1971 economic crisis which I had then foreseen as an approximately, early-1970s effect. The effect which actually came as the result, was the 1971-1981 collapse of the U.S. dollar and what proved to be the worse, correlated outcome: that poisonous cultural phenomenon of the so-called "68ers," with their neo-malthusian hatred of progress, which all amounted, in effect, to a catastrophe-in-the-making, from which the world gripped, at large, by monetary inflation, has never actually recovered, up to the present date.

These forecasts of mine were the result of exercises made explicitly according to the principle of dynamics, that of both Gottfried Leibniz, and that of the Bernhard Riemann on whose work all of my forecasts to date have been premised as in respect to scientific method. This has been a method of forecasting which not only echoes Leibniz's and Riemann's method of dynamics, but, also, the argument which Percy Shelley presented in the concluding paragraph of his *A Defence of Poetry*. That concluding paragraph from Shelley's work, may be considered as the true, deepest "secret" of both competent economic forecasting and related statecraft, a secret which has remained unknown to virtually all of the leading governments and universities of the world today. This argument is also the "secret" on which the immediate survival of global civilization depends today.

What I have written here so far, already goes a considerable distance toward suggesting the direction of my thinking. The point is, that that method, which I have employed, over decades, for forecasting, exposes the way in which governments and other relevant parties have come to their present, ruinous habits of thinking, as academics, or, otherwise, the bad habits, fit for deposit in a bad bank, which are the essential, proximate cause of the great crisis which menaces all civilization, immediately, today.

## *Those Were the Preliminaries*

It was the adoption, as by Wall Street influentials, of the self-destructive, Liberal ideology traced in origins to the Liberalism of Paolo Sarpi and Adam Smith, which, by replacing the protectionist principles of the U.S. Federal Constitution, has caused the recent decades' dive of the U.S.A., and most other nations of the world, toward a "new dark age." The recent decades' result, has been the harvest of the rotten fruit of that season of that more recent, new wave in the Anglo-Dutch Liberalism which has abounded increasingly in Trans-Atlantic and some other cultures, since the middle of the 1960s. This Liberal ideology which has ruined us, has been most often expressed in a relatively more conspicuous way, by the tendency of people, and their nations, to react to the passage of time by stubborn efforts to impose a willful, foolish kind of practice, even mere fads, rather than seeking out the necessary changes in their mental habits, as individuals, or groups of persons, changed habits which would be an appropriate response to the existing and oncoming situations.

Those fools said, in effect: "This is my culture!" "This is our tradition!" Fools said, in effect: "This is the way we have dumped the traditions, such as those of Benjamin Franklin and Alexander Hamilton, which we had adhered to in the past." Our fools said: "This is my circle's opportunity to impose our way of thinking at the expense of those who tend to think and act differently!" "You will see! We are going to come out on top, whatever it takes!" Such is the pathetic whimpering we hear from leading circles inside the U.S.A., in the capitals of western and central Europe, in a confused government of a Russia guided by London-steered, "sub-prime" Minister Kudrin, and elsewhere, today.<sup>5</sup>

5. Despite the immediate confirmation of the warning delivered in my July 25, 2007 forecast of an onrushing, global general breakdown crisis of the existing world economy, and despite the skyrocketing, and most dramatic evidence in support of that forecast throughout the entire span of developments through the present date, Russia's government refused to acknowledge this reality through December 2008, while "sub-prime" Minister Kudrin has just announced a perspective which is frankly insane in its presumptions and conclusions, and potentially suicidal for



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*We are not threatened by "global warming," writes LaRouche, "unless solar receptors and windmills could bring that result about; we are, in fact, on the verge of the cyclical advent of a threatened new increase of that continuing ice age which has been in process for an estimated 2 million years."*

To describe such people, or groups, as being reasonable, would be to insult their native intelligence. Their inclinations have had more of the character of the stubborn ways of a self-doomed species, like as the salty Biblical folk of Sodom and Gomorrah, than actual human beings.

Today, the follies of Sodom and Gomorrah are echoed by what is called "environmentalism." Indeed, there is no better way to ensure the overheating of the environment than to turn the planet into a deadly wasteland by covering vast acreages with silly windmills and worse solar receptors.

Here, in reality, we are not actually threatened by "global warming," unless solar receptors and windmills could bring that result about; we are, in fact, on the verge of the cyclical advent of a threatened new increase of that continuing ice age which has been in a process, typical of such developments, of flowing and ebbing, back and forth, on this planet, that for what may be estimated, for purposes of our discussion, as an estimated two millions years, whereas what have been recently the leading currents of economic policy-shaping,

Russia as a nation. This development has been under careful, global study, as a matter of strategic counterintelligence, in U.S. interests, against the British empire, for some time. I do not speak idly in these matters.



are committed to so-called “free energy” policies which would, if continued, transform the planet into a desert, and bring on the intended (as by London’s Duke of Edinburgh) collapse of the world to a world degraded to such a state of brutish human populations, all that according to that “salty, bad Lot” Duke’s avowed intention to reduce the world’s population rapidly from over 6.5 billions to less than 2 billions persons. Sodom and Gomorrah all over again, but, this time, on a vastly wider, and much more sinful scale.

The evidence is clearly available; but, many people deny these facts, nonetheless, because they have been brainwashed into the inherently tragic, neo-malthusian mythologies of the Olympian Zeus of Aeschylus’s *Prometheus Bound*. The older generation of malthusians, those from the ranks of the “68ers,” required the lies they told themselves, and also others, to induce them to adopt neo-malthusian mass-murderous policies for the planet at large. A younger portion of these present-day pro-malthusian generations than those “68ers,” has no evidence, but only their own, fanatically insane wish to believe. The latter are, in effect, clearly insane, victims of the epidemic mass-insanity which, taken together with George Soros’s legalized drug-trafficking, is presently, the greatest of all particular forms of endemic threats to mankind throughout this planet.

Similarly, during the middle to latter part of Europe’s Fourteenth Century, financial practices like those adopted by contemporary London and Wall Street, plunged a Europe dominated by the Venetian usury of that century’s Lombard League, and all of Europe, into the worst “new dark age” of the medieval period, a world-wide “dark age” of the type presently onrushing to the brink of a general, chain-reaction, planetary collapse, today.

The point which I am emphasizing, and must emphasize, here, is to be recognized as a certain principle of physical science.

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## II. Mankind’s New Age of Reason

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Looking backwards in time, for a view of the way in which the recent advance of science and related practice (including visits of our captive scientific apparatus to Mars) has brought us to the verge of beginning to manage the Solar System today, the most relevant fact in the history of science, is the degree to which—*when science prevails over un-science*—mankind’s power in

and over the universe is increasing, as a trend. This progress should be viewed as translated not merely into the form of mankind’s increased power, but, more emphatically, mankind’s responsibilities.

This point which I have just made here, is an updated definition of the practical meaning of the term: “*a physical science of human ecology*.”

More than ever before that time, the outcome of progress in this direction had been indicated by, most notably, earlier, Nicholas of Cusa, Johannes Kepler, Pierre de Fermat, Gottfried Leibniz, and, later, Bernhard Riemann, and, later, by the leading scientists of that subsequent age of Planck, Vernadsky, and Einstein, which was introduced by Riemann’s 1854 habilitation dissertation. This legacy of science, has given us a recent, and continuing new meaning to the competent use of the term *science* itself.

We have thus, with the impact typified by Riemann’s habilitation dissertation, entered into a new phase of what must be termed “universal history,” that in the sense of the most profound implications of that name. In this fresh view of modern universal history, we have moved from belief in the Solar system as acting on man, to Promethean man’s acting according to the principle of *Genesis* 1, to change the universe as we know it, and as we must guide our practice of mankind in that direction.

In my method of forecasting, I emphasize the relevance of the existence of a certain kind of moving point on the relevant statistical scale. That point has the character of a physical function, rather than representing the fruit of a simple statistic. The “point” has two aspects. First there is the concept of a net increase of a society’s potential relative population-density, as measurable per capita and per square kilometer of relevant territory. So, secondly, we are interested in knowing that which determines the rate of increase of that potential relative population-density. We are properly concerned with the net rate of increase of that potential over time.

That presents the idea of the implied measurement in a general preliminary way. Better were to start from Vernadsky’s notions of the respective pre-biotic domain, the Biosphere’s domain, and, then, the Noösphere’s domain. We are, then, concerned with the rate of increase of the human potential relative population-density as measured against that value’s implied, pre-requisite, abiotic domain, and Biosphere pre-conditions for that current rate of increase of estimated potential relative population-density.



The rate of estimated current rate of net increase of potential relative population-density for a society as a whole, then defines an implied standard for the measurement of physical, as distinct from “clock” time.

The notion of that preliminary approach to estimating the function for increase of potential relative population-density, then implies a rate of interaction between human existence and changes in the portion of universe within which the increases in rate of net increase of potential relative population-density are situated.

As we attempt to refine this calculation, the complications with which we are confronted, increase: first, within the immediate bounds of Earth and its local Solar-system environment, then Kepler’s Solar system, and so on, outward and deeper. Then, we encounter theology, but in a certain fashion. Turn to the pages of *Genesis* 1, and look at that chapter’s content in the fashion of a Moses who was able to walk in, and then out of the Pharaoh’s palace with, considering his messages of a new round of pestilences delivered, an apparent impunity which Moses enjoyed, in coming and going on those occasions, and in that implicitly perilous fashion. Then read *Genesis* 1 again, but not as the devotees of Aristotle might have done later, or the Elmer-Gantry-like “fundamentalists” of today.

Contrary to the putative Aristotle known to Philo of Alexandria, the Creator actually did generate the universe (after all, it does really exist in the quality of something which has been, and is being created!), and according to Moses, man and woman are “made in the likeness” of that Creator. Moreover, if it is the real universe that we are discussing in that way, the real universe as we know it, is *in a process of continuing creation*. That means generating higher states of existence than could be adduced from an existing state of existence. That means, contrary to the hoaxsters Clausius, Grassmann, Kelvin, et al., the universe’s form of continued existence is *anti-entropic*, not some silly system under the imagined rule of universal entropy.

We also observe that man and woman, unlike all lower forms of life, are, in fact, *creative* in that ontological sense of anti-entropy. Since Moses is referring to man and woman, he intends to convey the idea that the Creator represents, or should represent, continuing creation in the image of his servants, man and woman. Philo of Alexandria, the friend of the Christian Apostle Peter, said as much against the Aristoteleans of the known historical time of Jesus and his Apostles. As a great, recently deceased rabbi insisted to me: *The*

*Messiah will not arrive according to the likeness of a train-schedule, but when the Creator decides*. The implication is the worshiper’s reaction to this advice: “Please come, as soon as possible!”

*(It is necessary to approach subject-matters of that type with a special quality of humble tone of affection.)*

Put the line of discussion I have been employing in this chapter thus far, as follows. For the next minutes, I will postpone the subject of physical-economy as such, in order to prepare some essential elements of physical-science background, within which terms I shall then situate the subject of physical economy as such, and, after I have presented that crucial scientific material, we shall then turn to the matter of the role of monetary values within the setting of the principles of physical economy.

### ***The Relevant Case of Helen Keller***

So, that much said as preliminary, turn to the core of the science of the matter.

As I have been reminded by an associate who reminded me of Louis Pasteur’s point about scientific method, the true evidence of the experienced existence of physical time, as distinct from clock time, is to be located in a category of phenomena which prove the existence of something not only exceptional, but ostensibly contrary to all that has seemed usual.

So, in the case of the discovery of the notion of physical time, reference to the exceptional implications of the famous case of Helen Keller, implicitly forces the thoughtful discoverer to see the way to bridge the gap between time, as located in *a-priori* notions of sense-certainty, and the reality which is that physical reality, rather than clock-time, which exists in the unseen domain of a physical actuality.

This comparison is suggested by looking back to crucial features of Kepler’s original discovery of the general principle of Solar-system gravitation, which occurred, as Kepler accounts for this, through the sense of the ontological irony of seeing and hearing (harmonically) the organization of the Solar system. Once we recognize that Kepler’s uniquely original discovery of a principle of gravitation, expresses a method of thinking which carries over into all profound physical discoveries in general, we will have taken the first step toward access to a sense of physical-scientific certainty in the matter of physical time.

First of all, such intellectual experiences as those, of the principle of irony specific to the experience of prin-



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*"How did Helen Keller conduct dialogues involving ideas, in her special way, with persons she could neither see, nor hear? Kepler's uniquely original discovery of gravitation, provides an implied illustration of the same method expressed by that Helen Keller."*

ciples underlying the phenomena of space-time. Or, as the same thought appears as the concluding sentence of Bernhard Riemann's 1854 habilitation dissertation: *we depart the department of mathematics for physics.*

Once we accept what should be the obvious fact about the all-too-obvious, our sense-experiences, as such, that sense-perception as such is merely the instrumentation of the real universe we are experiencing, we have touched that threshold of valid science known, explicitly, to the greatest among our modern scientists, such as Kepler, Leibniz, Riemann, and Albert Einstein. As in all competent experimentation, actual knowledge is the product of the mind's power to synthesize that efficient, but unsensed reality, the which we must adduce from the mere phenomena. Thus, honestly competent sense requires the construction of a kind of intellectual "bridge" to what must become known, but is not sensed: one might suggest the example of the catenary, the

funicular bridge which was essential for Brunelleschi's successful construction of the cupola of Florence's *Santa Maria del Fiore*. My own personal discovery, while an adolescent, of the anti-Euclidean principle of physical geometry, is an example of the same principle of all actually scientific knowledge. *Knowledge of a principle is never an intellectual fantasy; it is an idea whose action enables one to produce a unique kind of actual (e.g., "crucial experimental") effect, but one which had been previously unknown within the scope of previously known principles.* In that sense, all physical science is experimental, that in the sense of what Riemann identifies as the quality of *unique experiments* specific to discoveries of physical principle.

Such was the quality of the relevant achievement in Albert Einstein's recognition of the unique validity of the original discovery of the principle of gravitation, by Kepler. That said, we have thus placed ourselves in the proximity of an added discovery, the discovery of the concept of *physical time*.

So, as I have pointed out on numerous occasions, we have the case of Kepler's uniquely original discovery of *the physical principle of gravitation*, which is reported by him in his *The Harmonies of the World*.

That, Kepler's method, for example, is the way we may actually know a true physical principle, as distinct from the pathetically contemplative act of merely choosing to believe in "a merely mathematical explanation." The present need to define the concept of physical time, presents us with a challenge of that same type.

For example, how did Helen Keller conduct dialogues involving ideas, in her special way, with persons she could neither see, nor hear? Kepler's uniquely original discovery of gravitation, provides an implied illustration of the same method expressed by that Helen Keller. Now consider Kepler's discovery in such terms of reference. Then, consider, in that light, how the method expressed by the method of discovery by Kepler is to be applied to the matter of the notion of physical time.

There is another, kindred sort of consideration to be emphasized afresh at this immediate juncture.

All valid discoveries of universal scientific princi-

ples, occur as discovery of something which exists efficiently, but as if outside, and above previously established conceptions. The ideas of physical space, as distinct from open space, or physical time from clock time, are examples of this. Hence, the dynamics of physical-space, rather than space, and of space-time rather than clock time. So, in the case of Kepler's discovery of gravitation, we have physical space, rather than Euclidean or Cartesian space. So, we have the case of physical-time, rather than clock time. These are not matters of verbal hyphenation; consider what it is which they reflect, in each such, or comparable species of instance.

Think of what I have referenced above, as the case of Louis Pasteur. In Kepler's discovery of gravitation, it is the juxtaposition of what are, conceptually, the relative incommensurables of the notions of sight, and of the harmonics of hearing, which are combined by Kepler's mind to form, as if by some higher quality of irony, the mentally visible, a physically efficient shadow of a universal physical principle of gravitation.

That said, return attention to Helen Keller's insight into the thinking of another person. When we are enabled to recognize the common implication shared among the variety of cases which I have just identified above, that when they are considered as a subject-matter of some general principle, we have the first general approximation of the kind of thinking needed to grasp, accurately, the concept of space-time. We now proceed from that point as follows.

I shall now deal with that notion in those limited terms. Subsequently, I shall address the deeper implications at a later point in this present report.

### ***Anti-Entropy: Dynamics in Space-Time***

The discovery of experimentally validatable principles of nature, begs for the notion of some demonstrable ordering-principle in the configuration among those principles. The appropriate reply to that implied question always comes back, sooner or later, to the fact that what we are enabled to recognize as the ordering among the principles of such a sought-for configuration, lies within the human mind. It is not necessarily a copy of the biology of the human brain, but, assuredly, a reflection of the process expressed as man's increased power to exist in the universe.

In general, in this location, it is permitted, and most convenient to take a few short-cuts in illustrating the point immediately at hand.

One of the most convenient of those short-cuts, is to

be found in considering the evidence bearing on the relative "negative entropy" of effect, as man's use of heat-sources moves upward from incident sunlight at the surface of the Earth, through burning of simple fuels, into coal, coke, petroleum and natural gas, into nuclear fission and thermonuclear fusion. It is not the number of calories that defines the relative power to do work, but, rather, the density of that power to do work, expressed in units of heat-equivalent, that measured per square centimeter of cross-section of the flow of the heat-process being considered. Compare this with the cases of the species-fertility of not only the orders and species of animal life, but of varying combinations of species sharing in the dynamics (that in the sense of Leibniz and Riemann) of a particular sort of habitat.

However, such illustrations put aside, our crucial concern at this point in the report, is, as Leibniz exposed the fraud of Descartes on the subject of physical space-time, is, as Leibniz showed the need to focus attention on the order of increase of the power of the effect which is expressed by any specific dynamic system of mankind to exist.<sup>6</sup>

There are two considerations posed here. One, is the order of matters in the universe, relative to mankind, on the presumption that this order pre-exists. The other, is posed in the form of a question: to what degree does discovery go further than discovering the usefulness of pre-existing principles in the universe, or his local portion of it; is mankind actually generating newly added universal physical and related principles in this universe? To what degree is a discovery merely a discovery, and to what degree is the very existence of a discovered phenomenon a product of the creative powers of mankind? In other words, does the practical existence of the discovered principle exist with the adoption of that principle of action by mankind? The result of the progress of mankind in exploring the domains of nuclear fission and thermonuclear fusion, poses exactly such general types of new forms of questions for modern science, still today.

The desire for some form of ordering-principle amid the evidence to be considered along those lines, a desire which such thoughts engender, is a mark of the passion which motivates true discoveries of those principles which are not sensory objects themselves, but which

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6. Leibniz, "Critical Thoughts on the General Part of the Principles of Descartes," (1692) and in "Specimen Dynamicum" (1995) Loemker, ed. (Dodrecht/Boston/London: Kluwer Academic Publishers, 1989).





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*The progress of mankind in exploring the domains of nuclear fission and thermonuclear fusion, raises such questions as, "To what degree is a discovery merely a discovery, and to what degree is the existence of a discovered phenomenon a product of the creative powers of mankind?" Shown, ITER'S laser welding of conductor cover plates, for the Toroidal Field Model Coil Project.*

produce the form of movement of sensory objects.

Such is the form of the argument which leads toward comprehension of the notion of physical space-time. For a very significant reason, this conception can be reached only from the vantage-point of understanding ourselves as being uniquely creative individuals, that in the sense of Riemann's admonition to leave the department of mathematics that we might finally understand the true principles of physics. The reason is that, among all creatures, only the human individual is capable of the creative reason on which all truthful discoveries of principle depend absolutely. That much said up to this point, we proceed now, as follows.

Keep that suggestion in mind. We shall consider it from a higher standpoint a bit later.

Take one of the simplest instances of the essential distinctions which draw a line between sane and moral persons on the one side, and the bestial sort of oaf on the other.

### ***The Irony of Being Human***

One of the ways in which to express the difference of man from the beasts, lies in the fact that the beasts, composing a dynamically defined bit of ecology, can

temporarily overrun a normal, dynamic limit for a set of species co-habiting an environment; whereas, any healthy form of human society, tends toward a voluntarily permanent outrunning of any ecological limit which might be attributed to a mankind seen in terms of the notions of animal ecology. This distinction is expressible in terms of a contrast between what would be named, in relatively popular terms, as *a relatively fixed ecological potential* (i.e., *entropic*) for that population, as opposed to the inherently anti-entropic characteristic of any naturally healthy culture of the human species.

So, since the still continuing 1967-68 downshift in the ratio of new infrastructure to the depletion of formerly established infrastructure, there has been a relative long-term decline in the physical economy in the U.S. economy. There

was the downshift of this sort which dominated the 1968-1974 interval in the U.S. economy, followed by a greatly accelerated margin of decay and decline under the 1977-1981 term of the U.S. Carter Administration. The attrition continued, under a continuing influence of the Trilateral Commission during 1981-1987, but a steeply accelerated, further decline from the October 1987 echo of that 1929 stock-market-like crash which was followed by the still steeper decline of a collapsing U.S. economy, over the 1987-2007 interval.

This successively accelerated rate of decline, over the 1968-2008 interval, when seen in physical-economic terms, is fairly described as a turning back of the clock of human physical-economic and cultural development of the U.S. population (among others) in general. In effect, the clock of economic development, was running backwards. There has been an accelerating rate of decline of the U.S. economy and of the culture of the U.S. population, over that entire interval. *An extremely important kind of statistic!*

Unless we act to reverse that ratio of declining cultural human creativity interacting with decay in the basic economic infrastructure of society, mankind is going backwards.



This is not merely a correct statistical picture. The statistical picture, is a symptomatic correlative of the decay in the cultural morality of the society undergoing such a form of ongoing decadence. As I have described effects, the related question is, “Effects of what cause? Effects of what kind of action?”

The immediate answer by most thoughtful respondents to that challenge from me, is that it is this pattern of decline over the term of President Harry Truman, the continuation of the actual decline leading into the 1957-59 recession in the U.S.A. and in the United Kingdom during the 1950s, the decline in Europe in the late 1960s, the different modes of decline of the trans-Atlantic society during the 1970s and 1980s, and the accelerated, ultimately catastrophic decline of the 1989-2009 interval to present date.

The solution for that paradox, lies in a voluntary quality of the human personality which does not exist as a voluntary capability in any living creature but the human individual. This voluntary capability is what is properly identified as the creative powers of the human individual type, powers which do not exist in any other form of life. Here lies the distinction of what Academician Vernadsky identified as the true meaning to be assigned to the term “Noösphere,” as distinct from the involuntary creativity which occurs as a dynamic potentiality (upwards genetic shift in evolution) within the lower forms of life.<sup>7</sup>

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### III. A War for Modern Scientific & Economic Creativity

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Before getting to the core of what I have to say in the following, concluding chapter of this three-part presentation, I must prepare the way by reporting on something as a matter of relevant autobiographical background respecting the crucial point which I have to make before completing this chapter of the report.

My earliest commitment to Gottfried Leibniz, which occurred during my adolescence, and was expressed by a product of intensive study on every bit of Gottfried Leibniz to which I had access at that time. By early 1953, I was committed to the principles of Bernhard Riemann’s 1854 habilitation dissertation, and some related writings. The entirety of my professional commit-

ment to a science of physical economy, has embodied that commitment to the concept of history, from that past time, in my adolescence, to the present moment.

Some decades later, about 1977, I came to adopt the work of Cardinal Nicholas of Cusa in his included role as the author of the founding of the modern science of such of his followers as Leonardo da Vinci and Johannes Kepler, and, thus, of the current of modern physical science which is typified by Pierre de Fermat, Christiaan Huyghens, Gottfried Leibniz, and such Leibniz followers as Jean Bernouilli, Lazare Carnot, and, especially Bernhard Riemann. The recognition of Cusa as the actual founder of the general principles of a competent modern physical science came about through my wife Helga’s participation in a conference of the Cusanus Gesellschaft, and my ensuing proposal to her that she pursue her proposed doctoral preparation with emphasis on Cusa’s work.

This attention to Cusa opened up my view of the whole sweep of modern European science, prompted by the work and role of Cusa and his immediate followers at the center of that process. It is when we trace the founding of competent modern physical science around the central figures of such followers of Cusa as Leonardo da Vinci, Johannes Kepler, and, also, Pierre de Fermat: that the entirety of the work of such as Christiaan Huyghens, Leibniz, and Jean Bernouilli, opens up for us in a much richer way than before, richer because we are thus better equipped to re-experience, rather than merely interpret, the relevant process of development from Filippo Brunelleschi, Cusa, and so on.

The particular relevance of that piece of background material in this present report, is that the comprehension of the relative superiority of the European Fifteenth and Sixteenth centuries’ progress in scientific fundamentals, provides the occasion to understand more clearly, the elementary nature of the sheer fraud represented by that influence of Paolo Sarpi on which the subsequently dominant trends in leading forms of principled corruption of modern science were premised, as from the Seventeenth Century of Sarpi, Galileo, Descartes, and Abbé Conti onward. This conflict is essential to a clear understanding of the practical significance of the concept which is the focus of my attention here, the concept of *physical time*, as distinct from *clock time*.

For making this point and its relevance clear here, one should start with the uniquely original discovery of the Solar system’s governing principle of universal

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7. Contrary to the statisticians, biological evolution is not statistical in nature.

gravitation as discovered by no other discoverer than Johannes Kepler. In this matter, Kepler's adversaries Paolo Sarpi and his lackey Galileo, turned the clock of science backwards, in more ways than one. We must reset that clock, by proceeding as Albert Einstein understood, and emphasized the discovery of that principle of universal, physical space-time, which was to be promoted by Einstein himself. This was a discovery of principle, which had been on the knife's-edge verge of being identified by that work of Kepler completed just before his death from starvation. No other person than Kepler had actually discovered the principle of gravitation, then, or until the work of Bernhard Riemann produced the crucial changes which erupted at the outset of the Twentieth Century.<sup>8</sup>

The story which needs to be told, at least in brief, here, is the following.

### *Kepler's Discovery*

The success of Kepler's discovery of the principle of universal gravitation, depended upon recognizing what lay in the functional intersection of two types of phenomena. One, was a mental image of the universe based on transforming the data into the terms of visualization of the image of their set of Solar orbits. The second, was conceptualizing the periodicities, which are distributed dynamically, among the sets of orbits in the fashion of musical harmonics, as the notion was seen by the specific succession of the Pythagoreans and Plato.

The challenge which came to be posed, thus, by the large accumulation of required studies of the orbits, posed, for Kepler, an image of that evidence which corresponded to an ironical juxtaposition of the image of vision and the images of musical harmonics. In short, vision and harmonics, as the instrument for study of the characteristics of the orbital system, became the principal illustrations of the experience to be resolved into a single conception; they identified the set of contrasting instruments whose paradoxical juncture served as the combinations needed to adumbrate the reality of gravi-



*For Kepler, the challenge posed by the large accumulation of studies of the planetary orbits, required that he resolve, into a single conception, both the image of vision, and the image of musical harmonies.*

tation itself. The use of instruments to investigate a set of phenomena which can not be regarded as being in itself a direct representation of the phenomenon being experienced, is not an unusual challenge in any work of discovery of principle in the domain of physical science. It was from this view of the evidence, evidence treated in this way, that Kepler discovered the principle of gravitation which was later fraudulently coopted as "Newton's discovery."

As I shall point out in this report, Kepler's insight into the existence of an unseen, unheard, but efficient, universal principle called universal gravitation, brought Kepler to the brink of a next step which would have established the concept of a physical universe, as ruled by a principle whose efficiency could not be premised on any specific human sense-organ, and which, therefore, could be known to the senses only through a certain quality of conflict between asymmetrically juxtaposed, relevant sense-experiences: which is to say, this array functioned as a physically efficient object of the human

8. The form of the principle of general gravitation, as discovered by Kepler, was not discovered by Isaac Newton. It was copied by the circles of the controllers of Newton from the previously published edition of some Kepler work. All that was added was a factor actually provided by the circles of Huyghens and Leibniz. As John Maynard Keynes proclaimed, on opening the mysterious secret chest of Newton papers, Newton discovered absolutely nothing of scientific interest, but chiefly just "black magic" of the witchcraft style.



mind, not directly represented by any single sense-experience.

Such a discovery by Kepler, which we can recognize as having been implicit in his declared discovery of the principle of universal gravitation, was implicitly at the edge of the basis for discarding the notions of absolute space and absolute time, that in favor of *physical space-time*.

Those were conceptions which lurked, as shadows of a coming future discovery, in the discovery of refraction by Pierre de Fermat, and in Gottfried Leibniz's fulfillment of a challenge left to "future mathematicians" by Kepler. Such was, the calculus whose discovery, by Leibniz, was delivered in proof to a Paris printer some time between 1775-1776. Why, then, did the discovery of relativistic physical space-time wait until the announcement of Albert Einstein in the middle of the first decade of the Twentieth Century?

Ironically, Kepler had been in correspondence with the musician Vincenzo Galilei, the father of the notable Galileo Galilei, for assistance in collecting information on the musical scale and related matters. Kepler's purpose in that exchange was to compare the musical intervals corresponding to the characteristics of the Solar system's orbits. So far, all seems good, until the intervention of Galileo Galilei, who used information which he drew from Kepler's correspondence with Vincenzo. There was an ugly irony in this. Galileo Galilei was an agent of the notorious Paolo Sarpi, who was the founder of all modern Liberalism, and an adopted follower of the medieval irrationalist, William of Occam.

The drama in fact which was represented on the stage of the history of empiricist science, by the players Kepler, Paolo Sarpi, Vincenzo Galilei and his son Galileo, is the key to understanding the source of the apparent difficulty which Einstein appears to have encountered in addressing the concept of physical time.

This Eighteenth Century's controversy over the



*All of the major wars in modern society have been based on the method of religious and related warfare, first introduced by the Spanish and Austrian Habsburgs during the religious warfare of 1492-1648. Peter Bruegel's "Triumph of Death" (1562, detail), captures the insanity and beastiality of the Religious Wars.*

issues, had been a problem which has continued to plague all of modern science since the Seventeenth-century influence of, most notably, the Liberals Sarpi, Galileo Galilei, Rene Descartes, Abbé Antonio S. Conti, and, later, Voltaire. All of these persons overlap, as Galileo is a creature of Sarpi, Descartes is a product of the doctrinal influence of Galileo, Conti is a devotee of Descartes and a key creator of the largely synthetic personality of Isaac Newton. Conti, and Voltaire, et al., are all collaborators in running a European network of Leibniz-hating salons featuring Abraham de Moivre, D'Alembert, Leonhard Euler, Euler's protégé Lagrange, and their followers Laplace and Augustin Cauchy. The key to all of them is Paolo Sarpi, the father of all modern European and related (Ockhamite) Liberalism.

However, it would be foolish to believe that those connections are merely connections. They are all bound together by a dynamic quality of common tie which defines them, each and all, as, functionally, a single thing, a species as common to all, as that of a kennel of dogs of the same breed. What unites all of them from the time of Conti's arrival in Paris and proclaiming himself as a Cartesian, is their determination to destroy, first, the influence of Nicholas of Cusa, Johannes Kepler, Fermat,

and, then, Gottfried Leibniz. During the course of the Eighteenth Century, especially after the death of Leibniz, they were gathered around, first, Conti, and by the time Conti died (in 1749), Conti's follower Voltaire.

The common feature of all of them, was manifest by their common motive, their commitment to the eradication of the influence of Cardinal Nicholas of Cusa and of Gottfried Leibniz. The issue was the Leibniz infinitesimal; the more deep-rooted targets were Cusa, and Cusa's avowed followers Leonardo da Vinci, and Kepler.

### ***The Role of Religious Warfare***

Since Babylon, all of the known empires based in the land areas encompassing the Mediterranean Sea, have been based on the same principle of method which Edward Gibbon recommended to his patron, Lord Shelburne, the method of the infamous Roman emperor known as Julian the Apostate. It is the method expressed by the Pantheon of Rome, and by no means a tactic restricted to the wretched Julian; what is called "The British Empire" has always used religious conflict or comparable cultural hostilities as the way to rule, by pitting one subject—one religious faction, one social stratum, one ethnic origin—against the others.

All of the major wars in modern society have been based on the expression of the method of religious and related warfare, as this was introduced by the Spanish and Austrian Habsburgs during the religious warfare of 1492-1648, used by the dupes of Paolo Sarpi to organize the wars which engaged France's foolish Louis XIV, the Seven Years War, and by Napoleon Bonaparte, later. Britain's organizing of what became known as World War I, was initially organized by Prince of Wales Edward Albert, organized by causing the ouster of Germany's Chancellor Bismarck, then arranging the assassination of France's President Sadi Carnot, and then enlisting the Mikado to launch the Japan warfare against China which continued, with some very temporary interruptions, until Summer 1945. The decisive action by London in this process, was the assassination of U.S. President William McKinley, an assassination whose featured effect was to cause the United States to change sides, from prevalent popular sympathy for Germany and Russia, to favoring Britain in World War I. Out of World War I, came the Sykes-Picot arrangement, under which the British Empire has kept the religions of Southwest Asia at one another's bloody throat to the present instant.

This use of orchestrated religious and related conflicts, was not new. It was what the Empires of the East had done. It was the method of the Roman Empire and the Byzantine Empire, and was the method of religious warfare through which the Venetian financier controllers of the Habsburgs ruled Europe from the relevant point in the Fourteenth Century, with only a relatively brief interruption, until 1648. Furthermore, it was the British who organized what became known as "World War I" as a replay of the British orchestration of the Seven Years War, and as a replay of the way in which London used the fool Napoleon Bonaparte to unleash the more than a decade and a half of continuing general warfare on the continent of Europe, a continuation of Napoleonic wars of sheer economic looting, by means of whose effects the British Empire's reign was secured until President Abraham Lincoln led the victory over the British organization of a Civil War inside the U.S.A. itself.

It was not warfare alone that enabled empires to run for as long as they did. The siege of Troy was such a case. The Peloponnesian War was another. So was the folly of the Achaemenid Empire, in a war which was won by Alexander the Great after he went to his mother's people, in Cyrenaica, to organize the revolt, against Persia, in Egypt, which enabled Alexander to conquer Tyre and thus take over the Persian Empire.

So, in recent decades, Britain sought to destroy the United States by inducing the U.S. to forge a fraudulent pretext for entering a long, ruinous war in Indo-China, and so the evil British Prime Minister Tony Blair induced the foolish U.S. George W. Bush administration to take a course which wrecked the U.S.A. military, and the U.S. economy, by an unnecessary, ruinous long war in Southwest Asia. It is no surprise that former Vice-President Cheney was not acting as a patriotic American in luring a nasty and befuddled President George W. Bush to ruin the U.S.A., by luring the silly Bush into embracing Blair's fraudulent actions luring the U.S.A. into the ruinous long war in Southwest Asia. Similarly, the singularly unpatriotic Cheney was still trying to get Israel to destroy itself in an attack on Iran, practically up to the very last weeks of the now concluded Bush administration.

Similarly, actual and would-be imperial systems have used their orchestration of religious conflicts, to maintain control over the interior of an empire, which is why the largely brutalized, British population itself is, largely, so terribly unskilled, badly educated, and eco-





*The technological improvements prompted by Nicholas of Cusa's leadership in science and statecraft, could be seen among the populations of the cities whose culture had been influenced by the Renaissance. Here, the Dutch painter Jan Vermeer's "View of Delft" (1559-60).*

nominically incompetent today, and why the anglophiles inside the U.S.A. have done so much to attempt to stupefy the U.S. population, as much as possible, by de-industrializing the U.S.A. through exporting our production to cheap labor markets, spreading drug cults inside the U.S.A. and abroad, and making our nation's education and popular culture itself a farce.

Such were the considerations which guided Paolo Sarpi and his accomplices in launching their program of stupefying the people of Europe (in particular) into a state like the condition of the people of England which came to be described so aptly by Jonathan Swift's *Gulliver's Travels*.

### ***The 1618-1648 Warfare***

That much said on those historical matters, now consider the strategic crisis which confronted the Habsburg rulers in the rise of the effects of that Great ecumenical Council of Florence led by such figures as the founder of modern physical science, the same Cardinal Nicholas of Cusa whose commitment to trans-oceanic outreach inspired the initial trans-Atlantic

voyages of Christopher Columbus.

It was on this account that the Spanish Inquisition was launched as an international effort, that virtually in the same year as Columbus' first voyage in exactly the opposite geographic direction.

The relevant irony was that the intellectual revolution unleashed by the Fifteenth-Century Florence Council, had already begun to produce a great cultural uplifting of the people in Europe, as in Spain, Germany, France, and the Netherlands, which prevented the medieval-minded forces, under the Habsburgs, from securing durable victories over effectively determined resistance by the targeted populations. By the time of the close of the strategically disastrous Council of Trent, the Habsburg cause was effectively pre-doomed.

At that point, Paolo Sarpi had seized the opportunity created by the follies of Trent, to mobilize a rapidly growing political force in support of his new alternative program. He, in effect, at least, elected to virtually write off the cultures of the Mediterranean coast, and move his financier faction and its resources largely away from the Mediterranean littoral, to maritime bastions along

the northern coasts, where the Protestant factions would be relatively dominant.

By the time of the end of the Council of Trent, it was already clear, as Niccolo Machiavelli, who had become the great strategist of his time, recognized the factors which showed that the Habsburg forces must tend to be defeated in the long run. The relevant factors included the effect of the Council of Florence in promoting the development of the culture away from the follies of the Thirteenth and Fourteenth centuries. This development included the technological improvements which were promoted by Nicholas of Cusa's leadership in science and related elements of statecraft. The new conditions were to be seen among the populations of the cities whose culture had been influenced by the Renaissance, which had made those populations a new kind of strategically effective factor, as Friedrich Schiller's analysis of the war in the Netherlands and the Thirty Years War had shown. Schiller's strategic insight was crucial then, as it was in guiding Scharnhorst's and related circles in designing the strategy which would, and did defeat Napoleon Bonaparte's war against Russia.

Sarpi, for his part, not only recognized, but was determined to exploit the fact, that the danger to the cause of the Venetian usurers' faction in Europe, lay in the progress of the population of Europe under the influence of the Renaissance and the consequent victories of Louis XI in France and his admirer, Henry VII in England. Sarpi's threatened dilemma was, that the northerly part of the Venetian interest would lose control of Europe if it accepted the Habsburg policy of suppressing the waves of scientific and technological progress which the Renaissance had unleashed; but, that it was to lose the fight in another way, if it permitted technical progress to be led by scientific progress of the type which the work of Johannes Kepler (in fact) typified. Sarpi's choice of middle ground, was to permit a certain degree of technological progress, of the types already under way in England and the Netherlands, but that Sarpi must lose if he did not prevent some degree of technological innovation from being a subsumed feature of the fundamental scientific progress which Cusa, Leonardo da Vinci, and Kepler typified.

So, Sarpi had dumped the Council of Trent's Aristotle, the prince of ancient and medieval darkness on that occasion, to allow some technological progress, but not to tolerate lightly a program of actually scientific progress in respect to principle.

The issue became acute for Sarpi's faction, when

Cardinal Mazarin succeeded Richelieu in France. Mazarin initiated the feasibility of the 1648 Peace of Westphalia, while Mazarin's protégé, Jean-Baptiste Colbert organized support for a massive program of building an infrastructural and science-driver program for France. But, the foolish King Louis XIV fell into the trap of prolonged wars, and the British won the war through wars of the type culminating in the Seven Years War. So came that establishment of the British Empire, as a private empire of the British East India Company under Lord Shelburne's leadership.

After the 1648 Peace of Westphalia, there were now three principal, mutually opposing strategic forces in Europe: the old regime, associated with the greatly weakened Habsburg interest; Sarpi's faction; and, centered in the France of Jean-Baptiste Colbert, the economic and social policies which were the outgrowth of the renaissance associated historically with the circles of Cardinal Nicholas of Cusa and of such followers of the Cusa initiatives as France's Louis XI and England's Henry VII.

The fight was now centered, essentially, between the movement centered in the France of the policies of Mazarin and Colbert, against what was to emerge as the new composition of the enemy faction, the faction now organized around the Anglo-Dutch Liberal followers of Sarpi and Rene Descartes.

### *The Real World War Today*

In the meantime, Sarpi and his followers proceeded with an increasingly vigorous war of empiricism against real science. The fake Anglo-Dutch science of brutish William of Orange, was summoned to that cause; with the death of Queen Anne, brutishness was the reality of the British Flag. The addled Isaac Newton was summoned to carry the guidon, which perhaps was all he was good for, and thus to lead the dupes to battle for the cause of empiricist imbecilities. The 1689-1763 defeats of France and of the American forces centered around the remnants of the Winthrops and Mathers of Massachusetts gathered, more and more, around the energetic genius of Benjamin Franklin, were the leaders of the effective resistance to the imperial tyranny now assembled around a Britain under the thumb of what the 1763 Peace of Paris defined as a private empire under the thumb of the British East India Company. The fight was essentially between the tradition of Leibniz and the Sarpian ideological tradition of Rene Descartes.

The American Revolution, fought, implicitly, as a



*The American Revolution was fought, implicitly, as a recurring, worldwide war, from 1776 to the time of Lincoln's victory, in 1865, against the British Empire, which, in reality, is the neo-Venetian financier-oligarchical empire of the followers of Paolo Sarpi. Shown, "The Surrender of Cornwallis at Yorktown," 1781, by John Trumbull (1786-87).*

recurring, world-wide war, from 1776 through to the time of President Abraham Lincoln's victory over the imperial enemies of the U.S.A., in 1865, defined the essential, global strategic conflict as between the patriotic forces in and of the United States, as against our republic's typical chronic, traditional enemy of the U.S.A. which is known, traditionally, as "the British Empire," but, which is the neo-Venetian financier-oligarchical empire of the international, imperial faction constituted as the followers of the ideological financier-oligarchical power associated with the tradition of Paolo Sarpi.

It has become, since the British crushing of the earlier independence of the New England settlements, about 1689, a war against creativity, led by the followers of Paolo Sarpi, against the legacy of scientific creativity of, essentially, Plato, Cusa, Kepler, and Leibniz, against the imperial, monetarist policies centered in the reductionist ideology of Paolo Sarpi and his intrinsically usurious, Cartesian tradition expressed as the dupes of the Isaac Newton cult.

#### IV. The Theses

*Popular opinion about time is associated with the notion, that, despite our knowledge of changes in the universe we inhabit, even catastrophic ones, that universe remains a territory within which the kinds of*

*changes which we can expect to experience, even the most calamitous we might have yet to imagine, are limited to the bounds of a relatively fixed repertoire, whether we presently know the full spread of that repertoire of possibilities, or not. That belief is, of course, false.*

*In that sense, we believe in the imagined immortality of real estate, as we believe a-priori, axiomatically, in the immortality of clock time. That belief is also false.*

*The customary assumptions about space and time are often related to a seemingly instinctive, silly belief in the immortality of the idea of real estate. Most people in our culture have a lurking suspicion that real estate is in some way immortal, as property in itself, whoever, or whatever might be the nominal proprietor. For similar reasons, most people, especially most who believe in Heaven, also consider Heaven, or whatever, as a special kind of supernal real estate, as Owen Gingerich, author of the foreword to a recent English edition of Johannes Kepler's *New Astronomy*, has, falsely, suggested a notion of that sort.*

*Those sorts of pathetic beliefs coincide, more or less exactly, with a permanently Cartesian view of a universe of mere clock-time.*

*Nonetheless, contrary to conventionally silly beliefs, those among us who are sane and have left our minds open to the known essentials of scientific principles, believe implicitly in the immortality of the human*



soul, as Moses Mendelssohn echoed Plato's *Phaedo* on this account. The efficiency of the human soul is not confined, even in the mortal expression of our existence, to the bounds of this body. Rather, the ideas which are shared in shaping the unfolding development of society, such as great Classical musical compositions of their composers, and, more emphatically, the effect of that work of composition, of poetry, music, and physical scientific progress, and the experienced lessons of its performance, bear the mark of what had been the presence of the relevant persons. Thus, human beings who are truly alive while they are living in the flesh, are never merely packages of data, but are the expression of a personal power which transcends the bounds of their animal flesh.

Plato and Mendelssohn are not speculating in this matter; their insights may not be perfect; but, they are true.

At bottom, it is the development of the human species in the way which corresponds to true Classical-artistic and scientific progress, which defines the meaning of our experience, and of our once having lived. Actually, the very possibility of the existence of mankind as a species, depends upon that kind of process of development, experienced in that way. These types of considerations, are the substance of our souls, that of our nation, for example, humanity generally, nations properly conceived, and of each of us personally. Think of the passage of time as, in a certain respect, like space, a distance travelled. Think of time as physical time, instead of as clock-time. We live temporarily but the better among us live on as immortals in a vast simultaneity of eternity.

That process of change to which we might contribute on behalf of that universe we inhabit so, when considered in such terms, reveals the real, essential content of the passage of physical time. This is not only an idea about us and our nations. It is the standard of reference for measuring the degree and rate of progress in the existence of the human species in this qualitatively changing universe which we, at this given moment, inhabit. It is time so measured, in the principle of anti-entropic action, not "clock time," which is real.

It is time to free ourselves from silly ideas, including the prevalent silly conception of "clock time" among the victims of this.

The evolution of species, whether species of the abiotic phase-space, or of the Biosphere, is an expression

of an innately *anti-entropic* impulse, an impulse which resides within us, as an inherent potential of the dynamics of those two general categories of existence on our planet, and beyond. The crucial difference between the endemic creativity of the human species and those of the Biosphere, or the abiotic phase-space generally, is that the development of mankind to higher levels of expressed anti-entropic development, such as evolutionary development of that quality, is consciously willful, or, at least, approximately so. Therefore, so far, knowledge of actual human creativity, has been limited to the cases of exceptional human individuals, but this need not remain so. We must come now to understand the significance of *physical time*.

Thus, although creativity is pervasive in the universe, as this is to be noted in the case of the evolutionary development of our planetary system from a relatively solitary Sun to a Solar system, we know only that creativity becomes efficiently conscious on Earth today only among human individuals, so far, only rarely. Nonetheless, it has been our great misfortune as a society, so far, that conscious recognition of that potentiality has been widely suppressed, *successfully*, among most in the known cultures of the planet thus far.

The unfortunately widespread suppression of knowledge of this potentiality, on our planet, so far, as such a kind of suppression is the subject of Aeschylus' *Prometheus Bound*, continues to be a great obstacle to the existence of popular understanding of the existence and function of *physical time*, as opposed to the illusory notion of *clock-time*.

Moreover, the suppression of knowledge of physical time, as distinct from mere clock time, has put humanity as a whole repeatedly at risk, by the suppression of the percentile of efficiently, consciously creative human individuals, to a small fraction of the human populations as a whole, so far.

For example, consider the currently widespread belief in the actually absurd concoction of the Nineteenth-Century hoaxsters, the formal mathematicians Rudolf Clausius and Hermann Grassmann who put forward, through Clausius, in 1850, the fantasy which became known later, through his associate Lord Kelvin, as the infamous "Second Law" of thermodynamics, and also became known as the "law of entropy." One should note that both Clausius and Grassmann were mathematicians, not physicists, and made a number of blunders which have tended to be typical of mathematicians; blunders of a type, verging on the ef-



fects of formalist *a-priorism*, which remind us of the necessity for the precious, concluding sentence, on the subject of mere mathematics, of Bernhard Riemann's 1854 habilitation dissertation.

Much of the worst effects of the types of systemic errors which mathematicians have tended to perpetrate in modern society, when they have invaded the domain of physics, can be traced, in modern European practice, to the impact of Paolo Sarpi's influence in promotion of a revival of medieval William of Ockham's "razor." This depravity of theirs is characteristic of the ideology of Anglo-Dutch Liberalism and its like.

The problem of note is, that Sarpi had adopted Ockham's silliness as a way of, on the one hand, permitting practical inventions, but, at the same time, refusing, like the Olympian Zeus of Aeschylus' *Prometheus Bound*, to tolerate the discovery and propagation of actual physical principles. This is of particular note for reason of the fanaticism of the Venetian followers of Sarpi in their attacks on the work of such pioneers as Nicholas of Cusa and Cusa's follower Johannes Kepler. It is to be noted, for example, in the brutish intellectual character of the fraudulent claims against Gottfried Leibniz by fakers such as the Eighteenth-century hoaxsters Abbé Antonio Conti, Abraham de Moivre, D'Alembert, Leonhard Euler, and Euler's protégé Joseph Lagrange.

For example: A glance at the follies of de Moivre, D'Alembert, Euler, Lagrange, Laplace, and Augustin Cauchy on the subject of the uniquely original Leibniz discovery of the calculus, points toward what might be named the "purloined letter" of the case of their deliberate fraud against science. The attempt of these empiricist clowns of modern philosophical Liberalism, to deny the ontological actuality of the "infinitesimal" of the Leibniz calculus, is "keystone" evidence of the origins of the popularization of the fraudulent "second law of thermodynamics."<sup>9</sup> This is an important key for the understanding of the meaning of the term "physical time," as distinct from "clock time."

The empiricists' and Aristoteleans' denial of the existence of an *efficient infinitesimal* in the Leibniz calcu-

lus, is a key to understanding the nature, and importance of the distinction of *the anti-entropy of physical space-time* from the notion of entropy inherent within the arbitrarily presumed reductionist outlook of the followers of either Aristotle, or of Sarpi's attempted resurrection of the deceased Ockham.

The issues which I have just described in that way, can be properly referenced for further discussion by glancing at Einstein's emphasis on a finite but unbounded universe, a concept which he linked to the uniquely original discovery of universal gravitation by Kepler. Whereas the Liberal or Aristotelean mathematician sees only a formulation of a suggested physical principle, as locating the universe within the bounds of the fancied trajectory of some allegedly relevant mathematical formulation, on the contrary, Kepler's principle, as seen by Einstein as referencing a finite but unbounded universe, bounds the referenced mathematical function, as Kepler did, rather than being bounded by it.

This distinction has similar significance to the impossibility of bounding a circle or sphere by quadrature, as Euler did in his support of the Sarpian dogma against Leibniz. As Einstein emphasized, Kepler's discoveries of trajectories in astrophysics (and otherwise) bound the process described, in the same sense that universal gravitation, as originally, and uniquely discovered by him bounds a current value in astrophysics. Since that universe is developing, the universe is immediately finite, and, also, essentially anti-entropic.

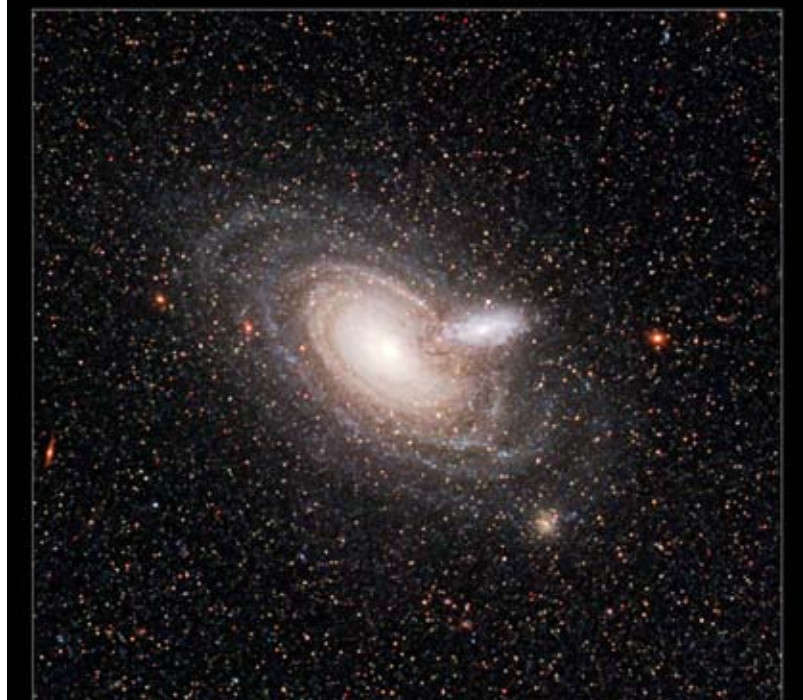
### *The Folly of Clock-Time*

The occurrence of phenomena such as novae within the astronomer's universe, such as that Crab Nebula which does much, periodically, to combat the radiation of the Sun in shaping some of the leading effects experienced in our own Earth, presents us with evidence of the "mortality" of both Solar systems and the galaxies which they inhabit. If entire galaxies must expect to experience such events, where can we expect to find hope for permanence of any particular existential condition in this universe? Yet, scientific experience has informed us of human scientific progress toward, ultimately, managing what may be seen today as presently awfully awesome powers beyond our presently developed capabilities as mankind.

When we reflect on such deeply underlying, presently awesome realities of human existence in this universe, we are guided by conscience to think differently

9. It should not be found astonishing that users of the term "thermodynamics" among the devotees of Clausius, Grassmann, and Kelvin, and Ernst Mach follower Ludwig Boltzmann, have no actual comprehension of the proper use of the term "dynamis" or "dynamics." Their use of the term is a form of ignorant blunder which constitutes evidence going to the heart of the issue of incompetence which I charge against those authors in respect to the notion of anti-entropy.

Overlapping Galaxies • 2MASX J00482185-2507365



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*“The most relevant fact in the history of science, is the degree to which—when science prevails over un-science—mankind’s power in and over the universe is increasing, as a trend.” Here, a photo, from the Hubble Telescope, of overlapping galaxies.*

than most governments, nations, and their individual people have come to think, habitually, today.

We who live today shall not “get there” in today’s conventional reading of such language. What, then, shall we, who live now, and will die soon, achieve?

Briefly, the answer is, our importance lies in the changes toward the greater powers of humanity which will be required to ensure that what we might contribute, with our mortal lives today, will have an assured, respectable outcome in contributing to the distant state of the universe which mankind must do much, in terms of our species’ relative powers now, to pre-shape today. There, immortality appears as it truly is for us now, concretely: a *simultaneity of eternity*.

This brings us to the heart of the subject of physical, rather than clock time.

### ***Economy & Physical Time***

As I have remarked earlier here, the discovery of universal gravitation by Johannes Kepler established implied evidence which brought the achievements of

Johannes Kepler to the verge of the related discovery of the principles of physical space and physical time. The obstacle to that further discovery was, chiefly, the grabbing of political power over science by the circles associated with the leadership provided by Paolo Sarpi, most notably Sarpi’s relevant leading lackey, Galileo Galilei.

The most crucial aspect of that wrecking of modern science, was the introduction of the mechanistic method in mathematics for which Galileo was merely typical, together with the spread of the influence of the hoaxsters Rene Descartes and the avowed Cartesian of Paris-based, Venetian pedigree, Abbé Antonio Conti. The most crucial of the sly tricks involved in these hoaxes was the hysterical insistence, by the opponents of Kepler, Fermat, and Leibniz, on the empiricist’s presumption that the “infinitesimal,” as defined by the Leibniz discovery of the calculus, did not exist.

Although the entirety of the cult of the black-magic specialist Isaac Newton documented no physical research at all, the overt admission of the fact that was the issue of the followers of Sarpi against com-

petent science, which was uttered by a series of Eighteenth-century hoaxsters associated with the notorious Leibniz-hater Voltaire, such as France’s Abraham de Moivre, D’Alembert, Leonhard Euler, and Euler’s protégé Joseph Lagrange. As de Moivre himself formulated the hoax’s pivotal assertion, the argument was that the efficient physical infinitesimal of Leibniz’s discovery of the catenary-cued, *universal physical principle of physical least action*, depended upon the evidence of an allegedly “imaginary” magnitude. Euler’s argument to this effect, in supporting the hoax by de Moivre and D’Alembert, was the most obvious case of crude, bare-faced lying of the most blatant sort. Euler’s hoax led to that of the Duke of Wellington’s sometime assets, Laplace with his silly “three-body” concoction and the hoaxster, and plagiarist (as, explicitly, of the original work by Niels Henrik Abel) Augustin Cauchy.<sup>10</sup>

10. The crucial, allegedly missing paper by Abel, which Cauchy plagiarized, turned up, neatly catalogued in Cauchy’s filing, showing that Cauchy had seized the opportunity of Abel’s death to plagiarize that

However, to understand how that fraud of the Eighteenth-century empiricists came into being, one has to look back toward the actual roots of empiricism in the work of Sarpi, Sarpi's resurrection of the slop of that medieval irrationalist William of Ockham. This is a typical case of the type in which a criminal incriminates himself by leaving behind thorough evidence of not only his criminal act, but proof of the criminal intent which preceded the act.

In the history of known Egyptian and European science since the program of *Sphaerics* associated with the Pythagoreans, Socrates, and Plato, the concept of leading science, had been discovery of universal physical principles validated by methods of what Riemann was to identify as *unique experiments, experiments whose success* defines universal and closely related principles of scientific work. In contrast to that competence, the fraud Laplace sought to simply destroy existing scientific evidence by unproven methods, an incompetence he sought to evade by manufacturing the hoax called "the three-body problem"—perhaps a celebration of the Duke of Wellington, Laplace, and Cauchy, all in the same bed.

In the comparable clinical case, of Sarpi's embrace of the medieval Ockham, Sarpi excluded physical-experimental proof (as such proof was exemplified by the work of such Cusa followers as Leonardo da Vinci and Kepler), in favor of certain types of apparent coincidences. If the concocted scheme could be caused to appear to be plausible, and Sarpi and his accomplices chose to profess that they admired it, it could be adopted, by aid of richly lying assertions contrary to reality.

The idea of "proof" which Sarpi's Ockhamite fol-

lowers, the empiricists, employed came to be mathematical formulas decreed to be self-evidently plausible in the opinion of an influential set of hoaxsters, without any reference to experimental or comparable proof of principle. The entirety of all of what was claimed as "original work" of the Newton school and its Eighteenth and Nineteenth centuries' followers, was of that cast. Thus, mathematical formulas were crafted and employed as substitutes for crucial kinds of experimental principles. On the basis of that method, actual principles, such as the principle of universal gravitation discovered by Kepler, were denied in a completely arbitrary way.

The most consequential aspect of such frauds by the empiricists, mechanists (such as Ernst Mach), and worse positivists (such as Bertrand Russell, Norbert Wiener, and John von Neumann), have that common feature.

It was the latter reductionist methods, which came to political power through the establishment of Sarpi's influence expressed in the contemporary ideology of the virtually world-wide British (drug-pushing, financier-oligarchical) empire, which used that power of imperial financier practices, such as the financial-derivatives frauds which have bankrupted the world's financial-monetary system today, to achieve world empire of Venetian-style oligarchical-financier power.

From the standpoint of natural law, the crucial feature of the imperial system which has recently entered the final phase of its existence as a breakdown-crisis of the present world financial system, is its prohibition against any systemic consideration of the principles of physical economic practice on which the immediate continuation of civilized life upon this planet now immediately depends.

### *The Function of Physical Time*

When the case against imperial financial systems is taken into account, and considered in the terms of reference which I have chosen, especially so, at the outset of this present chapter of the report, the fragility of the false presumption that the planetary and interplanetary systems of today are the permanent form of experience for the mind of the members of the human species, points our attention to the challenge of ensuring the continuity of what mankind so far has been building. Then, rather than imagining that the stage of the uni-

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Abel's original work. Laplace and Cauchy came to power in France through the role of the Duke of Wellington who was the official representative of the occupying power in France, following the final defeat of Napoleon Bonaparte. The result was not only appointment of the British asset who became, thus, the new King of France, to replace the previous leading candidate, France's national hero Lazare Carnot, but the British use of their stooge, the new Bourbon monarch, to wreck the educational program which had created the Ecole Polytechnique associated with both Gaspard Monge and Carnot. The hoaxsters Laplace and Cauchy were assigned to replace the Monge and Carnot, who had created and headed the Ecole as the leading scientific institution of the world during that time. Alexander von Humboldt, who had been a close associate of Carnot in the Ecole Polytechnique, did much to rescue and advance the Ecole's work, despite Laplace and Cauchy. This collaboration with Alexander von Humboldt, led to the launching of *Crelle's Journal*, the first of a series of similarly intended ventures which played a decisive role in the advance of science during that century.





EIRNS/Helene Möller

*“When one’s immortal package has been emptied of the animal we inhabited, and now must cast aside, it is what our mind has become as a power to defend, and to improve the universe, which becomes the replacement for some poor animal’s notion of time.” Here, members of the LaRouche Youth Movement in Germany explore the principles of the physical universe.*

verse in which we stand now, will be a permanent setting for the human soul; we must think of how we must build the development of that which is incarnated as spiritually, within us, such that the purpose of those souls which we are, shall become adapted to our future circumstances under which the distant future changes in the composition of our universe will continue to supply meaning to what we have been up to now.

In this view of immortality as a purpose for mankind’s existence, time as we have been accustomed to discussing it formerly, now has a changed quality for truly sane mankind. Time and space become complementary, if essential parts of the total experience; but, as Einstein’s circles emphasized, already, at the beginning of the Twentieth Century, time by itself, and space by itself, are delusions which no longer exist in that way.

What we must measure, therefore, is the rate of development of change of both the universe we inhabit now, and in the future when the circumstances may be qualitatively different. Thus, it is development of mankind, including man’s changes in the organization and composition of our habitat, which is crucial. Clock time as such is of no intrinsic importance; the important

thing is anti-entropic development. This means emphasis on the relative rates of development of man’s powers and condition, and that relative to the entropy which the so-called malthusians require, which would gobble us up, and make the future existence of man like that of the former Dodo. The rate of development, relative to attrition, and the outcome of progress so defined, now replaces mere abstract notions of a-priori space and a-priori time, with net rate of qualitative powers of fundamental scientific progress to higher states of being.

The development of human space-time, a development within which the death of the mortal package

occurs within which we are delivered to us, is the measure of the meaning of the spiritual existence of each among us all. After all, when one’s immortal package has been emptied of the animal we inhabited, and now must cast aside, it is what our mind has become as a power to defend, and to improve the universe, which becomes the replacement for some poor animal’s notion of time.

This conception which I have just summarized in that way, is possible for us, as not for the lower forms of life, because we have the power of true creativity, if we develop and use it. This power is represented, in its potential, as the uniqueness of the human’s ability to make fundamental discoveries of principle, discoveries which change the universe we inhabit. It is the rate at which we progress in service of that intention, which is the measurement which supersedes that passage of clock-time which was never better than a relic of our species’ sometimes bestial past.

It is that which we must measure, and forecast, if this planet is now to escape from the onrushing plunge, already under way in an advanced state of crisis. I suspect, on excellent premises, that Albert Einstein would agree.

# LaRouche Webcast: On the Next Step

*Lyndon LaRouche, Jr. delivered this webcast speech on Feb. 11, 2009. The moderator was Debra Freeman. For the video, see [www.larouchepac.com](http://www.larouchepac.com).*

As most people who are sentient in Washington know, we already have a catastrophe on our hands. I don't particularly blame Secretary Geithner for the catastrophe, but the effect is a catastrophe nonetheless. What he has proposed—and I'm not sure that he crafted what he has proposed—it won't work. Let's look at the problem.

What are we talking about here? On the 25th of July, 2007, I warned that we were at the beginning of a countdown for a collapse of the world monetary-financial system. Three days later, after that webcast, that collapse began. At that time, and during the weeks immediately following, starting with a proposal for a Homeowners and Bank Protection Act, I proposed a series of measures to deal with an onrushing collapse of the world monetary-financial system.

This collapse is not a recession. It is not a depression. *It is a global breakdown crisis.*

Now, over a year and half, approximately, has passed, and nothing has been done; *absolutely nothing*, has been done of the measures I proposed which were *urgent then*, about a year and a half ago. Instead, the worst swindles in modern financial history of any civilized nation have dominated that period. Now, of course, during most of this period, prior to the actual inauguration of President Obama, we have had, for eight years, the worst President in U.S. history since the Civil War! So, we had trouble in getting this through. And we had clowns like Barney Frank in the House of Representatives, who were doing everything possible to sabotage the measures which I proposed for dealing with this crisis.

As a result of that, and as a result of the behavior of the leaders of the



EIRNS/Stuart Lewis

*Lyndon LaRouche, addressing his Feb. 11 webcast, stated, “We have to play hardball politics.” That means, “we have to use the magic word, ‘bankruptcy’, otherwise, “there will never be a recovery, in any part of the world.”*

Federal Reserve System, we’re now at a world actual breakdown point. And we don’t know where the breakdown will occur, but there’s a breakdown in progress. And some people in Washington are fooling around, saying, “Well, let’s try this, and then let’s try that.” They’re idiots! They’re totally irresponsible! If we had been at warfare, actual warfare, they’d have lost the war, already! Even since the President was inaugurated.

The behavior of the leadership—not out there in society, the people out there—the ordinary people out there in the country, are ready for action; they’re ready to support the right actions. They *despise* what Washington is doing! They hate it! And they’re going to hate any Presidency that continues on the track which Geithner represented, yesterday.

So, this Geithner proposal has to be scrapped, now! Don’t say, “Let’s see if it works out...” You’re an idiot!

The ship is sinking, and you’re bargaining for a better stateroom on the *Titanic*. Now, cut it out!

## Support President Obama To Do What’s Needed

Now, how do we deal with a situation like this? You don’t deal with it with the bureaucrats. You don’t let the Washington crew get ahold of the project. You defy them. President Obama is the most popular President, or came in as the most popular President in recent times, in his inauguration. He has a tremendous amount of credibility because of that. He has, essentially, an affinity for the ordinary people out there. He may not understand all the technicalities of financial matters, but he has the confidence of the people, and he is the President. He’s not a prime minister! He’s not one of these European clowns they call a prime minister! He’s a real head of state! And when he speaks to the American people, on an issue of great concern for them, the American people will support him. And the clowns in Washington, including the bankers who were involved in the greatest swindle of the people of the United States in recent history, will just have to step back. The

people who object to necessary measures will have to step back! They have no right in this matter.

The people of the United States, out there, are clamoring for relief from this crisis. It is possible to deliver relief to them. But not as long as these clowns in Washington continue to tinker with: “Maybe this’ll work out, maybe this will tactically work, maybe we can get confidence this way...” You’re in a situation where you’re going to lose the confidence of the Presidency! You’re going to take Obama and turn him into a not-popular President, and then you really are in trouble, because you won’t have a man in the leadership of the Presidency, who can get the job done that has to be done.

If the President of the United States, President Obama, proposes the right remedy—and I know what the right remedy is, I’m the expert; the guys who opposed me are not experts; they’ve proven it, over and over again—if he proposes that to the American people,



and asks for their support, the way that de Gaulle asked for the support of the French people when he was threatened by a military coup against his government, or the kind of support that Franklin Roosevelt asked for, from the American people, when it was needed—if President Obama asks for that, and if he’s properly advised on what he should propose to the American people, *they will support him!* You can forget the bankers, you can forget all the wiseguys on Wall Street and elsewhere. They will be pushed aside, *if* the people are convinced, that the President is willing to take the necessary action to address their problems, and the problems of this nation. But if this is about dealing with the politicians, negotiating with the politicians, who then walk into the President and say, “Mr. President, we think you should compromise this way. We think we should do this this way, that way, so forth”—that nonsense must stop.

This President has to get support, and he has to get the support he has on the basis of his election, his popularity, and he has to get support on the basis of appealing to the American people, because, if he doesn’t, if he continues to let the clowns do what they did with Geithner, this President is going to *lose* his support. And if this President loses his support, and we don’t have a President *with* support, who’s willing to do the right thing—. I think this President is, but he has to know what it is; he will get the American people moving behind him. And if you try to get in the way of this President, when he has the American people behind him—get lost, buddy! Go hide. Because it’s not going to work.

## Time for Hardball Politics

So, we have to play *hardball politics*, now. Real hardball, strategic politics, like World War III or IV: That’s the kind of politics we require. We’re in a situation, where the *entire planet is going into a breakdown crisis*. What’s happening in China, what’s happening in Russia, what’s happening in other countries: *The world is disintegrating!* Financially, economically. And not a



White House/Pete Souza

*We have a new President, Barack Obama, who is the most popular President in recent times; he has the confidence of the people. With the right advisors, he can deliver what Americans need: a full recovery from the greatest economic crisis in history.*

single peep out of most of the heads of government, in Europe or in the United States, in support of the measures, the *only measures that will actually work*, to get us out of this mess.

All right. First of all, we have to use the magic word, “bankruptcy”: The entire international monetary-financial system is hopelessly bankrupt. It’s been bankrupt for a long time, but the bankruptcy has caught up with us, and now, it’s in a collapse phase. There will never be a recovery, in any part of the world, by anyone, in this period, as long as you’re sticking to the content of *this* international monetary system. Reforms of this international monetary system will not work. To try to continue these reforms will make things worse, will accelerate the collapse. You’ve already wasted a year and a half, since I told you what to do!

Now, we can excuse the fact that we had the worst President for the past eight years, that we’ve ever had, apart from traitors before the Civil War. And then, we can make excuses for the American people, when they had leaders like Pelosi and Presidents like Bush, and Vice Presidents like Cheney; you can understand that the controls of government were in the wrong hands: virtually in enemy hands, the way most people would look at it today, if they know the score.

But now we have a new President. The reason we have a new President of this type, is because the American people wanted relief from Pelosi, what she represents, and from what most of these Wall Street gangsters represent. Now, we have the chance to survive—a last chance. And if we don't act properly now, we're not going to make it.

Now, the other problem we've got here, is that you don't have economists who understand this. I don't think there's a single, known economist on this planet, except for me, who understands this problem. The reason they don't understand it, is because they don't want to understand it! They're all conditioned to believe in certain ideas, which they've been taught, which they've practiced; which have been widely circulated by the *New York Times* and similar kinds of trashbins, and they believe this stuff. They were educated in incompetence in the schools they attended. If they're professional economists or accountants, they don't know what they're doing, by profession. They're professionally incompetent, as opposed to being unprofessionally incompetent. So that there's very poor understanding of this.

For example, I had questions on the 16th of January, people were talking about, "Isn't it true that people in jobs that really don't produce anything, actually contribute some value, or actually earn something?" Well, they don't. They don't! This is what the people were saying to me, and the question they posed on this, is called "marginal utilitarianism." And marginal utilitarianism is a way of saying, "Well, people can earn money without actually earning it." It's called "marginal utility." It's a doctrine that came up in the late 19th Century; It's crap.

We also have other problems of that nature. We don't have a competent conception of economics. For example, the President was induced to take a package of windmills and similar kinds of things, and invest heavily in that, instead of what we should have invested in. That was under political pressure, because constituencies wanted it, constituencies who don't know what they're talking about.

Where what we need is: We used to have a high-technology capability, which for some time was centered in our aircraft and automobile industry. This was a tradition of machine-tool design, a physical-science-driven and -guided machine-tool design. We're familiar with this from World War II, when the United States was able to produce, in a fairly short period of time, the

highest degree of productivity this planet had ever seen, coming out of a depression.

Now, let me just look at that briefly, because you have some fascists, from the American Enterprise Institute and things like that. Now there were legitimate fascists, back in the '20s and '30s. When Roosevelt went to war, after the attack on Pearl Harbor, these guys gradually got out of these organizations, largely centered around Chicago—these organizations which had supported Mussolini during the 1920s, and which had supported Hitler, together with the British support for Hitler, through most of the 1940s.

When Pearl Harbor struck, these guys, who had been the loudest voices for support for Mussolini and Hitler, up to that point, suddenly decided—some slowly, like Prescott Bush, who was slow getting out of the post on that—decided to change their identity. And what they did, is they left the premises, rented other premises, from which they operated, and they marched across to the new premises. And out of this came things like the American Enterprise Institute.

Now these guys, today, are still operating on the same basis as these pro-Nazis did back in the 1930s. Their policies today, their criticisms of Roosevelt today, are the same criticisms they made under different names, but the same organizations, back in the 1930s. People are saying, "Roosevelt was a failure during the 1930s." These people are liars! Not only are they liars, but they also represent a pro-Nazi tradition, which used to operate under other names before Pearl Harbor. So, this is the kind of situation we're facing, with this massive propaganda machine, of Chicago-centered, for example, extreme right-wing, actually fascist organizations, who are attacking the Roosevelt tradition, at a time that the Roosevelt tradition is the only one that can save the United States from Hell.

So, what we need, is to brush these guys aside, brush this press aside, ignore them the way Roosevelt had to—and they were a problem for Roosevelt. Roosevelt did not have the support, the political support needed, to fully unleash his program until the attack on Pearl Harbor. Then Roosevelt seized the opportunity, as the occasion to introduce the measures which he had prepared for, together with Harry Hopkins, and created the greatest production machine the world had ever seen, out of the preparations he had made, during the earlier part of the 1930s.

So, this is the kind of situation we must have.



FDR Library

*We need to brush aside the lie that it was the war, and not President Franklin Roosevelt's economic recovery policies, that brought the U.S. out of the Depression. In fact, LaRouche said, it was FDR, with his Commerce Secretary Harry Hopkins (pictured here with his daughter), who created the greatest production machine the world had ever seen.*

Now, the core of that tradition, lies in machine-tool design, which is also associated with infrastructure: for example, railway systems, or magnetic-levitation systems in transportation, mass transportation; river systems, other water-management systems. Remember the time when you could get a fresh, safe drink of water out of a faucet? You can't anymore: You get bottled water, and you're not too sure about that. Because we lost the infrastructure! The cities lost the infrastructure: After 40-odd years, or 50 years, if you haven't repaired your infrastructure, it rots! And you begin to lose the capabilities you had before.

We have reduced our production, because the percentile of the labor force which was actually skilled at producing something, has shrunk. And you have these marginal utilitarian phenomena, of people who are employed, but actually don't have any productivity in a real sense. So we have lost our skills. On top of that, we have exported our production from the United States, to China and other places, and now, as the United States and Europe are collapsing as markets, then China, which took these new industries away from us, now finds that those industries are collapsing, because the market—*us*—and Europe, are collapsing.

So this is the kind of problem we face.

## A Progression of Wrong Decisions

The problem has been, not that we had a recent problem. Go back to the U.S. fiscal year 1967-68: In that period, the Prime Minister of Great Britain organized a collapse of the pound sterling. The purpose of that collapse of the pound sterling was to bring down the U.S. dollar. That resulted in the meetings we had, in early 1968, with [President Lyndon] Johnson, which ended on March 1st of 1968, in which Johnson did the wrong thing: Instead of strengthening our system, he made a compromise. At the same time, we had the Tet Offensive; we had the explosion of the 68ers, who were against any kind of productivity, any kind of useful employment whatsoever. They wanted sex, or even sexes that had not yet been invented. And they were out in the street with their pot, their various kinds of things. This was a change in our culture. As a result of this, and a result of assassinations, like Bobby Kennedy, like the assassination of Martin Luther King, a wave of

demoralization struck the American people, in the context of the Tet Offensive crisis. And that brought us the worst President we'd had in a long time: Richard Nixon.

And then we had Carter. Now, Carter, personally, is a decent fellow; but he was a terrible President, and his program was awful. It was a Trilateral Commission program of David Rockefeller—and I haven't seen anything good done for the United States by a Rockefeller very recently. So we destroyed, under Carter, between 1977 and 1981, we essentially *destroyed* the U.S. economy. We had wrecked it in 1968: That is, 1968 was the the first fiscal year, that the United States was *losing* infrastructure. We were building less infrastructure than we were losing by attrition. And since that time, we've been losing infrastructure.

Now, what we can do now—we don't have many factories; we don't have as many productive facilities, as we did. But we *do* have the possibility of mobilizing the high end of technology that we *do* have, from the machine-tool sector, for large-scale infrastructure projects, which will create the jobs and *stimulate* the jobs beyond that, necessary for a full-steam recovery. We can organize a recovery, now, the way Franklin Roosevelt did during the 1930s, provided we start.



Now, this means that we have to put the international monetary system into reorganization, too. The whole system, the whole world system, is bankrupt! The world as a whole is now going into a dark age! Like the medieval Dark Age, of the middle of the 14th Century.

Every part of the world is threatened: China is going toward chaos! Russia is headed toward chaos! Africa is a nightmare! Europe is ungovernable. We can't go on this way. But if the United States pulls its act together, and decides to act like Roosevelt, and decides to help the current President act like Roosevelt, we can still pull our way out of this thing. But we have to understand the problem. We have to understand that the *philosophy* of government, in Europe, is incompetent. We have to understand that the *philosophy* of government in the United States has been predominantly incompetent over most of the period since the assassination of John F. Kennedy—it was a turning point down.

Therefore, we have got back to Franklin Roosevelt, to his principles of recovery; and organize the world, under U.S. leadership, with a President who's willing to play that role. And I think President Obama is willing to play that role, but he needs to be competently advised in areas in which he may not have personal competence. He has to have competent advisors who will provide him with that knowledge. He has to act as a President, not as a caretaker, or not as a negotiator with a bunch of squabbling bureaucrats around him.

He has to get rid of Pelosi! Because with Pelosi in the House of Representatives, you don't have a chance of having a United States! Get that woman out of there, now, while we still have a country, because she's blocking everything.

And we can pull this out: United States leadership—and the inspiration provided by the memory of Franklin Roosevelt, is the way to define our leadership and the way to lead the world. Russia doesn't know what to do; China doesn't know what to do; The nations of Europe don't know what to do; Africa doesn't know what to do; the nations of South America don't know what to do. But in the tradition of the United States, we do know what to do. And specifically in the memory of Franklin Roosevelt.

So that's, in general, the situation.

## Principles of Bankruptcy Reorganization

Now, let's go back to what I had proposed, back in July through early September of 2007. I proposed, first



EIRNS/Brian McAndrews

*LaRouche's Homeowners and Bank Protection Act will protect citizens and state-chartered banks from the Wall Street "highbinder banks" that created the mess we are in. Shown: The LaRouche Youth Movement organizing for a new Pecora Commission, in Boston in January.*

of all—and this is directly relevant to the mistake that Geithner made, or that he presented (I don't think he designed it, I think he presented it). First was the Homeowners and Bank Protection Act. What was that?

I said, the collapse is going to hit us in the real estate sector, first. Therefore, we're going to have a wave of bankruptcies and threatened foreclosures. We must not have foreclosures. What we do, is we put the entire sector under U.S. Federal bankruptcy protection. Nobody gets thrown out of their house. We'll go through negotiations to keep people in their houses; we'll negotiate adjustments of the terms of their mortgage-holders; and we'll keep the thing on freeze and management, until we can work our way out of the mess. Because most of the mortgages are vastly overpriced, in any case; they're not sustainable values.

Secondly, we have to protect the chartered banks—not the Wall Street banks, the chartered banks! The banks that take deposits, that take Federal money to supplement those deposits, and which loan that money for useful projects for the U.S. government, state gov-

ernments, and so forth. So therefore, we need to protect our banks from bankruptcy. And we have to protect them from raiding from the Wall Street-type, high-binder banks. We also have to have a management system, and I proposed a 4% basic interest rate for regular banks, with a 1.5 to 2% rate for *Federally approved* special kinds of lending, Federally backed, Federally secured. Because we have to protect the stability of our currency.

And I proposed that we put the Federal Reserve System into reorganization, because it's actually bankrupt. It was bankrupt, so you take it into receivership, as a chartered organization of the Federal government. So the Federal government puts it into receivership: Hold everything. And put Greenspan, if he were available, in jail—whatever you need to do. And then, reorganize the Federal Reserve System, according to the principles of national banking. That is, you need an institution between the Treasury Department and the chartered banks. Forget these crazy banks, highbinder banks. You need an institution which works *with* the Federal government, but as a quasi-government-supported private organization, chartered organization, to replace the function of the *bankrupt* Federal Reserve System! And thus, this becomes the new way of our dealing with the problem, as was proposed by our first Treasury Secretary, Alexander Hamilton, for national banking. That would have been a way of solving the problem.

At the same time, on the basis of these kinds of initiatives *by us*, by the United States itself, we would open up agreements with other countries, to build a *new, fixed-exchange-rate world credit system*, replacing the bankrupt monetary system, which is hopelessly bankrupt, internationally, by a credit system modeled on the principles of the U.S. credit system, the Hamiltonian principles.

We would enter, then, into cooperation with a group of countries, including the largest, such as Russia, with the largest territory; China, with the largest population; India, with the next-to-largest population; and then, together also with other nations of Asia, which fit neatly into this, like Korea, Japan, so forth, and to develop a program of long-term credit, under which we revive the production capabilities of China, which are now collapsed; we revive the projects which are necessary in Russia, for international purposes; we do the same thing with India. And we enter into long-term cooperation, 50-year planned cooperation on credit, a managed credit system under a fixed-exchange-rate system in

which we will—again, among nations—plan what we need to do to build this planet back into shape.

You can't do much with Western and Central Europe, because the European system, the present European system, doesn't allow sane, rational behavior on the part of the banks of Western and Central Europe. And therefore, you can not use those. France to some degree can do that; France is probably the only country in Western Europe which has enough of a Presidential system to be able to respond to this immediately. Germany would, of course, respond as a nation, if it were able to. But you have to get rid of Maastricht entirely. So we have to get rid of that *system*, that was put into place by George H.W. Bush, François Mitterrand, and Margaret Thatcher, and free the states of Western and Central Europe of that curse, which is destroying them, strangling them.

So now, we have to depend largely on direct relations with major countries, such as Russia, China, and India, and their friends, in order to build the nucleus of a new, international financial-banking system, and a credit system. And that will get us out of the mess.

That was my proposal.

## From Bad to Worse

Now, since that time, look at the measures that were taken. Everything that has been done, under George W. Bush, everything that's been done, since that time, has made everything worse. And you can blame Pelosi almost as much as you can Bush, since the beginning of 2006. So therefore, we have to have this political change in the situation, and we have to use the opportunity which is represented by what President Obama represents, in order to act quickly.

Now, what must happen?

Forget this thing with Geithner. It's not going to work, and you know it's not going to work, so don't experiment with it! Every time you push something like this, as an experimental political maneuver, you're making the situation worse. And you're in a situation where you could have a chain-reaction collapse, globally, at any point, to wipe out the entire system! *You don't have the time to waste with games!* You've got to act now.

What is needed, is to have the President of the United States go on the horn, and announce that he's putting the whole thing into receivership, under Federal receivership, and create a stabilized situation by Federal emergency legislation which, in effect, will start with

imposing what I have proposed, back in 2007, as the Homeowners and Bank Protection Act: That is the first thing to do. And the President must declare these things, his finding, as President of the United States. You know, he's not a flunky; he's not a guy who has to go to people and get them to kiss his hand or something. He is the President of the United States: He can, with the authority of his office, make a finding, a Presidential finding, and declare that it's the opinion of the Presidency of the United States, the President of the United States, that this shebang be put into bankruptcy reorganization, starting with the measures which I proposed as the Homeowners and Bank Protection Act of 2007. That's the only way we're going to get out of this mess.

### **A Credit System, Not a Money System**

Now, there are two other problems here, which are major: First of all, is the question of forecasting. One of the major problems in making policy, is that all of the methods of forecasting which are used by the economics profession of the United States, and others, today, are intrinsically incompetent. And the fact that people rely upon what they were taught in universities and so forth in this direction, is, itself, one of our major problems. People imagine, only imagine, that money, and especially floating-exchange-rate system money, is a determinant of value.

Now, every time the United States has operated successfully, and any time the world has operated successfully, it operated under what we called, during the post-war period, a fixed-exchange-rate system. What you have to do is eliminate the floating relationship among currencies internationally; you have to set up a fixed-exchange-rate system, because in order to invest in large-scale infrastructure, you've got to keep the cost of the infrastructure investment down to about 2%, 4% equivalent, of interest. You can't function otherwise.

Now, if the currencies fluctuate in value, on the international market, then the floating-exchange-rate system causes the kind of speculative functions which led into this mess we have today. So you need a fixed-exchange-rate system. Money, under our system, under the American System, under the U.S. Constitution, does not function like a European monetary system. European monetary systems are a relic of feudalism. Especially the British system: It's a relic of feudalism, not modern, civilized society.

Therefore, you need to go to a civilized form of monetary system, which is a credit system. And the

proper form of credit system, is a fixed-exchange-rate credit system shared together among a group of nations. What does the value have to be? It doesn't make any difference: Whatever you can get as an agreement on a fixed-exchange-system is the value you accept. Because you can work out the problems that that represents, the discrepancies, during the course of time. But you must have a fixed-exchange-rate system, and it must be a credit system.

By a credit system, what do I mean, as opposed to a monetary system? This is a lesson in economics, because most people who are called economists don't know anything about economics, so therefore, I have to teach you something. Under the U.S. Constitution, money can not be uttered (unless you want to go to jail), except by the approval of the Federal government. This approval occurs in the form of consent to this deal by the U.S. House of Representatives, with the agreement of the President. That's the system. Now, when a vote occurs in the House of Representatives, and other relevant institutions are consulted in this, and the President accepts that, signs that bill, then you have a credit utterance allowance, a discrete amount. This means you can convert this stuff directly into money, by the U.S. Mint or credit system, or you can utter credit from the U.S. government, through other institutions, such as banking institutions, to be used for loans for building, for example, infrastructure or other necessary things. That's our system.

In Europe, you have a monetary system, in which money is largely *independent* of the consent of government. There are treaty relations between monetary institutions and governments. But the money itself is a relic of a feudal system, such as the bankers of Venice who were the loan-sharks of Europe. And you have a loan-sharking system, called a monetary system, which is dominated by a circle centered on the British and Dutch—that kind of system—which is a parasite on the planet.

So we have to eliminate the monetary systems which exist today, which are already bankrupt. So how do you eliminate them? You put them through bankruptcy reorganization. You would negotiate treaty agreements with countries; you put these things into bankruptcy reorganization under treaty agreement among nations. You don't negotiate the monetary system, you negotiate *this*. And you go to a credit system, among all the partners in this treaty agreement. And you work out arrangements among countries, for programs of long-term investment





WHO/Paul Garwood

*"Get the British out of Africa!" demanded LaRouche. They are committing genocide, as in Zimbabwe, where the British campaign against the government has led to insufferable conditions, including a cholera epidemic. Shown, cholera patients at a clinic in Harare.*

which are needed to re-create the economy, restart the economy, and do necessary things.

Now, the same thing is true, of our making any kind of treaty agreement. A treaty agreement of the United States has to go through consent of the U.S. House of Representatives, with the consent of the Congress generally, and is done by the President, who signs the treaty.

So therefore, we enter into comprehensive treaty agreements with nations of the world, those who wish to do this with us, and that starts a completely new system, a new *credit system*, a fixed-exchange-rate credit system, which is then used to finance long-term investment in rebuilding the world economy. We therefore, can get China *back* to work, instead of collapsing; we can get Russia to work; we can maintain the position of India; we can strengthen our friends to the south, in South America and Mexico; we can change the situation in Africa. Get the British the hell out of there, is the way to do it. Get 'em out of Sudan, where they're trying to conduct genocide now. And the overthrow of the President of Sudan would lead to genocide, *genuine genocide in Sudan!*

Get the British out of Africa! That's your first slogan. Get them out of there! What's the British policy for Africa? The British policy in Africa, which was co-signed during the 1970s by the United States government as policy, was saying: There are too many Africans. We have to restrict the population of Africans; we

don't allow them to have technology, because that will increase their population! As a matter of fact, we want to *reduce* their population, because we want to save the raw materials of Africa, for the benefit of the Anglo-Americans, who will need these raw materials for their consumption in the future. So the United States entered into an agreement, with the British Empire, for a policy of *genocide against Africa*, especially black Africa.

Well, we'll cut that one out. And we, as nations, will assist Africa in infrastructure projects which are necessary to enable Africa to get back on its feet again.

And we have this thing in Zimbabwe now, which the British organized. The British organized genocide in Zimbabwe, in the form of this disease, this cholera epidemic now! They did it, in order to try to bring down the Zimbabwe government. It's British imperialism, it's mass murder! That's Hitler stuff! And what's being attempted in Sudan now, being proposed for Sudan by the British, is *Hitler stuff!* Want to talk about genocide? You're really talking about the British, usually. After all, they invented Hitler, why shouldn't they know about genocide?

So, these are the kinds of measures which we have to take.

## After Roosevelt's Death

We also have to look at what our history is, here. We had, at the end of the war, World War II, the misfortune of the death of Roosevelt, coming before the end of the war, and as a result of that, with other considerations involved, we brought a right-wing politician, one who was in cahoots with the Hitler and Mussolini crowd, Truman, in as President of the United States, in succeeding the recently deceased President Franklin Roosevelt.

At the point that Roosevelt died, Roosevelt's policy, as explicitly stated at that time, in a number of ways, was to say to Winston Churchill: "Winston! When this war is ended, there's not going to be a British Empire. We're going to free the nations of the world from your colonialism. We're going to end imperialism. We're going to cooperate, with our vast economic capability, production capability, once the war is ended, we're going to convert that capability into a production capability to assist these countries in developing to attain



National Archives

*FDR's intention to end colonialism and imperialism throughout the world, when the war ended, was sabotaged by the anglophile Harry Truman. Here, a happy Allied soldier replaces a Hitler street sign in Krefeld, Germany, with one named for President Roosevelt, March 1945.*

their true freedom.”

Well, when Roosevelt died, and the war ended, Truman went in the opposite direction. He went in support of Churchill, or Churchill's policy, of saving the British Empire, the Dutch Empire, and other kinds of empires, the French Empire—restored them! For example, Indo-China had been freed by the United States, in cooperation with Ho Chi Minh, during the course of the war. The Japanese soldiers, who had occupied the territory, had been put in prison camps. The British went in there, with Truman's blessing, and let the Japanese soldiers out of the prison camps, gave them back their weapons, and told them to re-occupy Indo-China until the British could get there to take over. And then the British in turn, gave it to the French, returned it to France. The Dutch situation, the same.

So you had a neo-imperialism, imposed with the support of the President of the United States, Harry Truman, against what the intention of Roosevelt had been, and this started a process in the post-war period. One of the things it did: It meant that our post-war recovery program was not implemented. Because the machine-tool capability and other capability we had in-

tended to use to assist countries in freeing themselves to become sovereign states—that part of the production line was shut down! And we had a '47-48 recession, a deep one, as a result of shutting down what had been war production capability which we had intended to convert to useful product for the world in the post-war period.

We were saved from the worst by the election of Eisenhower, but Eisenhower came in as President at a time when his power in the situation was limited. There's no question, he saved the nation from what Truman was putting us into. But he wasn't able to really do the job properly, as probably, instinctively, he would have preferred to do that.

Then you had the attempt by President Kennedy to try to get back to a Franklin Roosevelt policy, at least some part of it. And they shot him. And they shot him because he refused to go into the Indo-China war. And after they shot him, Johnson went into the Indo-China war on a fraudulent basis, and saying

later that he thought the rifles, the three rifles of the shooters who had killed Kennedy, were going to take him out, too, if he objected.

So the United States, went through this kind of process. Then, as a result of this, we got Nixon. Practically a treasonous—it was a fascist government, Nixon's was: Don't kid yourself. It intended to be fascist. Fortunately, there was a lot of resistance at that point to what he was trying to do.

Then, we got real fascism under Carter, who didn't know what he was doing: Brzezinski's fascism, the Rockefellers' fascism, called the Trilateral Commission program. We got a continuation of this, during the 1980s. Then we brought the son of a fascist in as President: George H.W. Bush. His father had been the guy who had moved the money to support Hitler, for Hitler to get into power in Germany, Prescott Bush. That was no good.

Then we had an operation against George H.W. Bush, which brought in Clinton. And Clinton got in by a fluke, in a sense, through Ross Perot, which split the Republican vote and other vote, so Clinton was elected. And when Clinton began to act up in 1998, they framed

him up. They set him up, and went to impeach him. And they had a bum inside there, as his Vice President. And the bum was the guy who tried to put the knife in the back of Clinton. He was no damned good anyway. But that was that situation.

And next, we got George W. Bush—the worst President, since the beginning of the Civil War, in U.S. history. And Pelosi, who’s almost worse than George W. Bush.

So, we’ve gone through a period, where, under these conditions, beginning 1967-68, the turning point, where we went negative in terms of net growth of infrastructure, that the U.S. economy was systematically destroyed. Similar things happened in Europe, and similar things happened in other parts of the world: You had a shift in production from what had been in industrial states, to poor states, low-wage states, like China, or the low-wage programs of South America, and elsewhere.

So we did not have a “sudden crash” recently. We’ve had, since the death of Roosevelt, a series of changes, step one after the other, which have turned the United States, more and more, into this direction, and have turned the world as a whole, into this kind of direction. We’re now at the end of the process. After all these years, from 1945 to the present time, the predominant trend has been *against* history, against the economy. And under Alan Greenspan, the last phase, we destroyed the U.S. economy. It’s a piece of wreckage.

Now, there is no value in the U.S. economy to speak of. There’s only the value of using our Constitution, as a way of organizing mass credit, long-term credit, to rebuild this economy, in the direction—of course, with newer technologies, but the same direction that Roosevelt had rebuilt the economy from the wreckage that had been created by Coolidge and Hoover, before.

### Eliminate the Disease

So, we have to get back to that idea, back to the Franklin Roosevelt conception. And we have to recognize, or people have to recognize in government, that the failure that we see today, is also a failure of the economics profession! It’s a failure of much of the banking profession, the Wall Street side of the banking profession. It’s a failure! And if we’re going to get out of this mess, we have to eliminate that factor of failure! You can not “improve” the disease, you have to eliminate it! And economics, as practiced recently, increasingly, over the entire post-war period, has been *increasingly a disease*, not a program you’re trying to save.

And therefore, we have to have the action, as Abraham Lincoln did in a crisis, as Franklin Roosevelt did in a crisis, in which our Constitution, and our Presidency, *intervene, when the economy has failed*, when the other political institutions have failed, to do our duty to the nation and to the great majority of those people out there, who are suffering as a result of the measures which the Congress has taken under Pelosi’s leadership, and under the Bush Presidency, over this period. We have to *eliminate* that factor! And we have to clear the heads of people called economists and executives, of the mentality of the economics profession, which is actually largely responsible for steering us into this mess today.

And that’s the essence of what I have to say. I presume there will be some discussion.

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## Dialogue with LaRouche

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**Freeman:** Thank you, Lyn.... There are some questions that have come in from people who are faced with the task of continually developing foreign policy for the new administration. I’m going to start with those questions, and once we entertain some of those, I am going to move on to some questions, both from people affiliated with the administration, but also from Members of Congress, having to do with both economic and financial policy. We will also entertain questions that are submitted via the Internet, and people can continue to submit questions as the event goes on.

### Afghanistan: Drugs and the British

The first question has to do with the issue of U.S. policy toward Afghanistan. And the questioner says: “Mr. LaRouche, as you know, during the Presidential campaign, Mr. Obama talked about taking U.S. troops out of Iraq and moving them into Afghanistan. Yesterday, Defense Secretary Gates indicated that he has put several options on the President’s desk, regarding Afghani policy, and expects the President to make some decision during the course of the next few days.

“You have identified that it is necessary to make a commitment to drug eradication, as a central feature of any Afghanistan policy. I think you’re aware of the fact that both Generals Jones and Craddock have indicated that they agree, with General Jones, in particular, em-



phasizing that while U.S. troops would be used to attack both the drug lords and drug laboratories, that what is needed is something much more than a military solution. Could you please define your policy, and what you see as necessary, beyond a simple military solution?"

**LaRouche:** The problem we face here, is a problem of our conflict with the British Empire. Now to understand what I mean by that, you have to look back to what I said when I was in India recently, in the beginning of December, when there was a terrorist attack on Mumbai (known to some people as Bombay). Now, this terrorist attack was of an unusual character, in the sense that it represented a new terrorist international organization, whose headquarters is inside London, inside Britain! But the worst part of this, is the way it's structured: It's a movable terrorist organization. What was done, with the help of certain forces in Saudi Arabia, in order to do what was done in New York in September of 2001, was a one-shot operation. It was done with British-controlled, Saudi-related terrorist organizations, which are typified by Osama bin Laden, who is a Saudi agent, who is a terrorist. And the Saudi terrorism is key.

The Saudis financed this stuff, and supported this kind of thing, since the Afghanistan war against the Soviet Union. But before, this was limited. This is also tied with al-Yamamah, and other organizations of that type; it's tied with the BAE, the British BAE, which was also integrated into this.

What has happened now, is that the Central Intelligence Agency, or representatives of it, have correctly identified the same thing that I identified with my intelligence investigation at the time of the Mumbai incident, in tracing it: The operation is centered, the command is centered in Britain. It's centered in England, and it's also centered in the protection of the Church of England. Now, what the CIA has done, is it has made an announcement which has caused an international freak-out; it has recognized that the British *are using this capability against the United States!* That's the targetting. And the British had a freakout about this being exposed, and demanded that they get all the secrets of the United States, everything the United States knew on this ques-

## CIA warns Barack Obama that British terrorists are the biggest threat to the US

Barack Obama has been warned by the CIA that British Islamist extremists are the greatest threat to US homeland security.

By Tim Shipman in Washington  
Last Updated: 9:08PM GMT 07 Feb 2009



The CIA has told President Barack Obama that British terrorists are the biggest threat to the US  
American spy chiefs have told the President that the CIA has launched a vast spying operation in the UK to prevent a repeat of the 9/11 attacks being launched from Britain.

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Bin Laden sidelined

*The headline on the London Telegraph website says it all. As LaRouche and EIR have repeatedly warned, London is the center of international terrorism, and "the British are using this capability against the United States!"*

tion—obviously, to try to cover their rear-end (which obviously was being covered by somebody else in some way, knowing the British).

So, this is the conflict.

Now, you have another side of the thing, going to Afghanistan, and all of this operation: All of this terrorism is closely interrelated with the *international drug traffic*. Remember, that when opium is produced in Afghanistan, in the part of Afghanistan which is occupied presently by British forces; when the opium is produced there, and then it's shipped into Europe, its value increases from hundreds of dollars to over millions. From \$600 for a farmer in Afghanistan at the crop, and the same crop, when it gets through various transit points, into Europe or into the United States, it's \$6 million! The key figure in this operation is a British agent, called George Soros. And this thing is great, it's enormous.

The greatest threat to the security of the United States, on the border of Mexico, is George Soros's backing of drug operations! This is the greatest threat to the countries of South America: It's the drug operations supported out of the Caribbean, by George Soros. And George Soros is a British agent.

So we have to look at this thing, as this kind of situation. We have a problem in which the drug traffic is a key strategic factor. Not the drug growing: It is not the farmers in Afghanistan who grow the opium that are the threat. So even opium elimination by force, is not exactly what you want to do. Because if you attack the farmer, with troops, the farmer is going to join the terrorists, and shoot back. So you don't want an engagement, you don't want any engagement you can avoid, with the people inside Afghanistan. What you want to catch, is stop the movement of the opium from Afghanistan . . . into Europe! So, you want to *eliminate the drug traffic*. And you want to eliminate the drug traffic in the Western Hemisphere, the drug traffic throughout this entire region. That's your objective.

Because if you get in there to fight against insurgency, where's the insurgency coming from? The insurgency comes from the drug traffic. If you try to eliminate the drug traffic in Afghanistan, by forceful methods, you're not going to succeed. You have to eliminate the *drug trafficking out of Afghanistan*. And you have to take on governments, such as the British government and the Saudi government, which are key in this operation of international drug trafficking.

Remember, drug trafficking has been a British imperial specialty, since the 1790s. Remember, in the 1790s, you had the New England pigs, who were British agents, engaged in the slave traffic, the African slave traffic. They discovered that it was more profitable to have the slave traffic run by the Spaniards; through the entire 19th Century, the Spanish ran the slave trade, with British backing, and British protection. The British said they weren't running slaves anymore—they weren't! But they were running the Spaniards, who were running the slaves.

At this point, in the 1790s, the New England bankers, the friends of our financial establishment today, went from the slave trade to the drug trade. The United States' pigs went largely with the Turkish opium trade; the British took over the monopoly on the opium trade from India, into China. The objective was to destroy China.

So the British have been in that operation, of run-

ning and controlling the international drug trafficking, and much of the drug production, from that time to the present day. And everybody knew this, who knew anything. And it's still true today.

So therefore, we have a problem here: If you try to cooperate with the British in this operation, what are you doing? You're working with the enemy. The British *are* the enemy, as the CIA report has indicated. And I've read the report, as delivered publicly, and it's the same as the report that I drafted, from India, on the basis of the Mumbai terrorism operation. I was in India for a different mission, for a couple of weeks. But the facts were laid on the table.

Here we were, my Indian friends, including military and so forth, who were all upset about this thing. So I was involved with my friends, and with some consultation back here, on investigating the Mumbai operation. And we tracked the Mumbai operation to . . . the Church of England and to Muslim terrorists, created and directed by Saudi Arabia in England! It's not the Muslims in England that are the problem; most of the Muslims in England are normal people; they're normal, law-abiding, and respectable people. But you have a few of them who are real agents. And these agents are run by the British Crown, as terrorists, with the cooperation of Saudi Arabia, and this is what was used to create this Mumbai terrorism. And that could happen in other places, right now.

So how do we approach this problem strategically? Well, if you're going to do a sand-box kind of analysis, you're crazy. You say, you've got a military sand-box assessment of what do you do with this operation?

You don't want *any* troops in Afghanistan! You may want to protect the capital city—though I wouldn't trust Karzai. He'd turn around any time he wants to. But you don't want any troops in there, in confrontation with the Afghani people. Because, the farmer who grows the drugs, is not normally a killer. You don't want to shoot farmers. What you want to do is *get the drug traffickers*, the ones who ship the drugs out! And you want to get at the money cache of the drug trade. And you want cooperation with nations which will cooperate, *which will not include Britain! Britain will not cooperate!* You want Britain outside: In this operation, *the British are the enemy!*—as the CIA report indicates.

So therefore, our policy, on the Afghan situation, is different than what the President thought when he was only the President-nominee and -elect. He didn't understand the situation then. The situation is different than



U.S. Army/SSG Marcus J. Quarterman

*We have been putting too many troops, too often, in too many places, getting killed. "Instead of using our guns, sometimes we should use our brains," LaRouche said. We need an international crackdown on George Soros, who is the world's biggest drug trafficker! Shown: U.S. troops in Andar, Ghazni Province, Afghanistan, June 2007.*

he understood it. There's no point in putting U.S. troops into Afghanistan. And I think many of the generals, who are competent in this thing, will agree by instinct: We have been putting too many troops, too often, in too many places, to get killed. And then, when they get injured, we don't give any hospitalization—we shut down Walter Reed, virtually; we don't give any protection to the victims of warfare, that we send into warfare.

We've had a little bit too much warfare going on. Instead of using our guns, sometimes we should use our *brains*, instead! What we want, is an international crackdown on everybody who's pushing drug trafficking across borders. This means *a crackdown on George Soros, who is the world's biggest drug trafficker!* Shut him down. And think about shutting down anybody in the United States, politically, who's associated with George Soros. And we have a list of those organizations which are recommended for attention on that ground.

What we have to do, essentially, is look at this as a global strategic problem, not as an Afghanistan, or a regional problem there. It's a global problem which has been essentially in existence since the British got into the drug trade back in the 1790s. And at times, we've recognized the British are our enemy on this account alone. We've been on the verge of war with the British over the drug traffic repeatedly. The British are not our

friend! The British Empire is our enemy, and our most important enemy! And anybody who's competent in intelligence knows that! Anybody who understands the interests of the United States and their defense of those interests, understands that. The British are our enemy! Not the British people, but the British Empire and what it represents. And therefore, we have to understand, *our* interests have to be served. And our interests are served by alliances with countries which are *not* the British, which are willing to cooperate with us, in dealing with this problem.

You know, Pakistan is about to be shattered. You want to send troops into Afghanistan? What's going to be the effect on Pakistan? It's ready to blow up and disintegrate: You want that? Do you want

this thing spreading, backfiring into India? Come on, let's grow up. Let's stop playing games. Let's realize, we're in global warfare against the British Empire! That's not the British people, it's the British Empire. It's the Anglo-Dutch interests, including the relevant Saudi interests, which are *our enemy!* The same enemy in part, which gave us 9/11—and if you don't understand 9/11 as a threat to the United States, what do you understand?

So therefore, our policy should *not* be a military operation in Afghanistan, unless for special purposes; not general purpose warfare of any kind. We want to *disengage* from that mess. We want to rebuild our military capabilities, which we have destroyed with this prolonged Iraq adventure. We want to align things and make sure we have the right allies, this time! And our ally on this question is not the British Empire. The British Empire is our enemy!

And you have this fight, as reported through the *Daily Telegraph*, between the United States intelligence services and the British intelligence services, on precisely this issue. On this issue, *the British are our enemy!* That doesn't mean we're going to go to war with them, but it means we're going to recognize they're not reliable, they're not trustworthy people. They're on the opposite side. We don't have to kill everybody



who's on the opposite side; we just have to figure out how we're going to handle the situation.

So the point is, we should not have any emphasis on an Afghanistan operation. We should have a regional, strategic approach to the region. And get off these fetishes about these little wars here and there. The Iraq War is too fresh in our memory. We don't want anything more that even resembles that.

We don't generally want warfare! You're more likely to win wars, when you have fewer of them. And the fewer the better. So we don't want that.

And what we have to do, is clear the heads of our politicians in Washington, of this idea of single-issue ideas, such as warfare in Afghanistan. We are going to have to do something about Afghanistan, we're going to have to do it, in cooperation with what? With China, with India, with Pakistan, and other countries. We're going to have to cooperate with nations of Asia, which are in the line of drug trafficking, from Afghanistan into Europe; where \$600 worth of farmers' crop becomes \$6 million of opium or opium derivatives in Europe. And a similar thing in the United States.

We have the same thing: We're about to lose Mexico! Mexico's about to become a non-existing state, a failed state, because of this drug problem. We have to do something about that. We have to have an international *anti-drug campaign!* It means an anti-George Soros campaign! And we have to make clear that George Soros is not welcome in our country.

## The Current Problem in Russia

**Freeman:** (I should just clarify, that question, the question on Afghanistan, came from the Executive.)

This question comes from the State Department, and it is on Russia: "Mr. LaRouche, one of the cornerstones of your Four-Power proposal involves Russian participation. However, in a series of recent, public statements, Mr. Putin seems to be growing increasingly impatient with the United States, and Deputy Prime Minister Kudrin seems to be almost hostile.

"My question to you, is what is your view of what is going on inside Russia? And also, what do you see as the most effective way for the current administration to



EC/G. Goulougouris

*Russian "Sub-Prime" Minister Alexei Kudrin is part of a British operation to disorient and manipulate the Putin/Medvedev government, and to drive a wedge between Russia and the United States. Kudrin is shown here with U.K. Minister and EU Trade Commissioner Peter Mandelson.*

address the problem overall, and also to address the Russians, since we obviously seek their cooperation?"

**LaRouche:** You know, the problem here is that—we should refer to him as "Sub-Prime Minister" Kudrin, because he is actually, in effect, a British agent. This latest turn in his behavior came after an extended visit, of collaboration, in Britain.

Now, we've been looking at this problem for some time, from an intelligence standpoint, because there are certain people who used to work with me, for example, in Germany, and in other parts of the world, who were picked up as assets by a British network which includes this network which Kudrin is associated with. And the network is, to my knowledge, from associations in the kinds of things that are run—we have a Canada connection there. You have some people from the United States who are linked to an operation in Canada, which dates from the old British intelligence operation during World War II, the famous one of that period. And this connection runs through Britain into Europe, by various routes. And there has been an operation to disorient and manipulate the Putin government and the Medvedev government as well, from this source. It follows a very clear pattern, and the pattern is London-directed; it's British-directed.

And the complicating problem is, that's the case. This guy is essentially no good, as far as I'm concerned.

He's too far over on the other side; I don't think he's redeemable.

But Russia is. Russia's very important to us, and therefore, we have to realize that Russia is the *victim* of a British intelligence subversion operation inside the very bowels of the government. And we simply, I think, say that. "We know that your guy there, is not really yours. He belongs to somebody else. And we think that you ought to get the rats out of your chicken coop." That's the way we're going to deal with it.

But on the other hand, we have to have an option for Russia, as well as for China and India, in the present world financial crisis. Russia is being driven crazy.

I'll give you an example: I made the forecast in July of 2007 of the crash. The Russian institutions have been fully aware of this forecast and my analysis over the entire period. *Yet!* When I was recently in Paris, and went through relevant intelligence circles whom I know there, on this question: The Russians have not been telling the truth about the financial-monetary economic crisis, up to that point, as of December of 2008. In other words, the thing has been going on, this thing has been in process since the Summer of 2007. As of December 2008, the statement by "Subprime Minister" Kudrin, coming back from England, is a continuation of that operation. We don't know the whole operation, but I have enough elements of it, which are actually elements known to me, which are actually enemy agents which are operating in this network, and operating by trying to influence Russian policy, in a way to create a conflict between the United States and Russia. That's the British operation: to create this kind of conflict, while at the same time destroying Russia. And also to create to create conflict between Russia and China.

So, this is the nature of the situation. And, the remedy is very simple. Just state loud and clear, what the problem is, and it will cure itself.

## U.S. Policy Toward Sudan

**Freeman:** The next question is kind of a composite question that has come from many of our friends in the diplomatic corps, from Africa. And they say: "Mr. LaRouche, there are reports now circulating widely, that claim that the Obama Administration will support an anticipated call by the International Criminal Court for the arrest of General Bashir, the President of Sudan, charging him with the crime of genocide against the people of Darfur.

"The fighting in Darfur was the result of attempts by

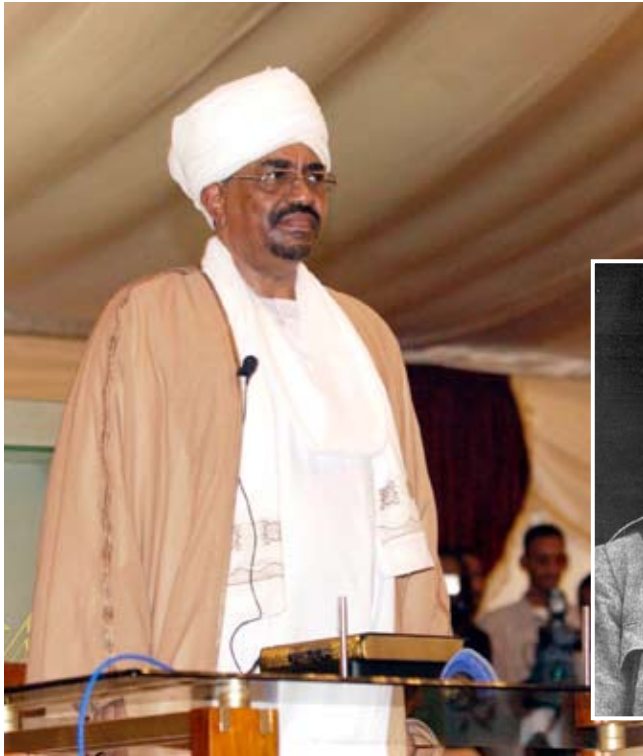
the government of Sudan to suppress a rebellion in the Darfur region, touched off by the enemies of the national government. The African Union, the Arab League, the Non-Aligned Movement, the Organization of the Islamic Conference, and even the Sudan People's Liberation Movement of southern Sudan, all oppose this indictment, because they believe it will lead to war, and the destruction of Sudan and the Horn of Africa. They have said that they believe peace is more important.

"What course of action would you recommend to avoid having this new U.S. administration get drawn into this attack on the government, which would undoubtedly lead to the dismemberment of the nation, and certainly the destabilization of the current government?"

**LaRouche:** General Bashir was brought into the position of President of Sudan in the early 1990s. What had happened is that the previous shakeup in the government of Sudan had involved the Muslim Brotherhood. Now, the Muslim Brotherhood is essentially a British intelligence operation, or British intelligence-controlled operation, from the top down. And what had happened in this process is that people who had been associated with the Muslim Brotherhood, broke with the Muslim Brotherhood, and became Sudan nationalists. In the process, they had a compromise President selected: General Bashir. You have a complication of elements around there, which are all British intelligence-operated.

The last time I was in Sudan, I saw a bevy of this stuff: British intelligence all over the place—and I know how to smell British intelligence. It's like knowing skunks, and they're all over the place. And the government was being disoriented. In part, it was old Muslim Brotherhood channels, from Egypt, and other things, and operations by other countries. And they took this one area, which is a very poor area of Sudan, on the border with Chad. And they ran an operation there, with outside forces coming in, and just stirring things up. So it was an operation, of the typical type that's run by intelligence services there.

There is no genocide by the government of Sudan. However, you have many, including members of the current administration in Washington—who have been brainwashed by this thing about "genocide, genocide, genocide," and they've become so disoriented by this propaganda that they no longer have a grasp on reality. The people that you listed in your question, these types of people, are people who under-



UN/Evan Schneider

*Sudanese President Omar al-Bashir has been subjected to unrelenting attacks from the British, who, since the days of Lord Kitchener (below), have viewed Sudan as their private park.*



clipart.com

So they took this and they played this thing. But it has always been British intelligence.

The Muslim Brotherhood problem: For example—well, I won't bother about that. (I can tell you a story or two about George H.W. Bush and his trip to Sudan, where he slept in what became the Foreign Ministry, and he did something.)

But, the point is, there have been operations to destabilize Sudan, as a part of the policy which was introduced to Africa, with U.S. approval by Henry Kissinger and others, in the middle of the 1970s, which says that the *African territory belongs to U.S. and British interests*. And that the people of Africa are too numerous and the population has to be reduced, and we have to take over

stand this problem, more or less. Some understand the problem in its totality; other people understand that you *don't do that* in this area. There are too many cases—and this is typical of British intelligence! It's a British intelligence operation! And what I fear, is that there are people in the administration, even who are friends of mine in this administration, who will be foolish enough to buy into this heavy propaganda about “genocide, genocide, genocide” against the government of Sudan.

Yes, there are problems there. There's killing, but this is the result of *outside* operations in the area, combined with poverty, and combined with an economic problem of the government of Sudan as a whole, where it does not have the capability of maintaining adequate security in its own country, *against* these kinds of outside operations.

So, it's an orchestrated operation.

Now, to understand this historically—people should shut their mouths until they go back to 1898, and go back to the time when Lord Kitchener took over Sudan. There are groups of people who are actually refugees, they're not tribes; they were refugees who fled across the borders, from neighboring areas into the southern swamp area of Sudan. And this has been a problem in that area.

their raw materials and resources.

The biggest resource here, in Sudan, just for people who need the intelligence—and we do have some specialists in the United States, State Department specialists, who do have the intelligence, who know it: Sudan is the largest-territory nation in Africa. It is, apart from the South, which is a water-rich area, and jungle-type area largely, it is the largest *grain-growing area of Africa*. When the water is there, the grain is grown. With sufficient water supplies, Sudan could practically feed all of Africa, at least with grain requirements. The problem has been the lack of agreement on promoting the improvement in water-management problems in that part of East Africa, down into what was called Lake Victoria and below.

So that area of East Africa is crucial.

The destabilization of that area, the lack of development which could be easily reversed—I mean, you don't have to provide that much! All you have to do, is increase the guaranteed water supply in the Sudan area, each year, so that you have a grain crop each year, and you can begin to feed the population of Africa with that product. It's that good. And yet everything in policy is done, to *prevent that* from being done! I've been to Sudan a number of times, always on this water ques-



tion. You look at the facts of the area: With water management, which is quite feasible—it's not that expensive in terms of benefit ratio—we could feed a great deal of Africa with the grain which could be grown in the territory of Sudan.

Now, *that should be the U.S. policy interest in Sudan!* We need positive policy interests in these countries! We have to go in with a positive policy, not with, "Who're we gonna shoot?" But a positive policy of development: We have to make friends with countries on the basis of positive development, the way the United States *used* to do it. Like the U.S. officers who helped to rebuild the Egyptian system. There were U.S. officers, veterans of the Civil War, who went over to Egypt and helped them develop their system there—and then the British got them kicked out, later.

But, our interest in Africa, our interest in other parts of the world, is not just to "make friends"—that's a kind of a sloppy term. Our function as the United States, as we are a republic, our interest in the world is not to have any empires. We hate empires! We hate the British Empire, not only because of the crimes it committed and still commits, but because we don't like empires. We believe in nation-states, we believe in representative government, Constitutional government, nation-states. We believe in *nation-state building*! We don't believe in globalization, we believe in nation-state building. Globalization is an empire; we don't believe in empires.

And therefore, our policy should be consistently, to develop, wherever we have the opportunity, to assist in developing nation-state building, and dealing with problems such as food shortages, disease control, these kinds of things, practical measures. And the only time we go to war, is when we have to defend something like that. And we fight only when that's necessary, and as far as that's necessary. We don't get involved with these imperial policies of this type.

And I'm afraid that some of the people, because of the propaganda effort, about "genocide, genocide, genocide"—a magic word! You want genocide? George Soros is guilty of genocide! You want to make war on genocide? Make war on George Soros, make war on people like that who commit the genocide, and on their policies, the drug wars.

No, this is a dangerous situation: It would be a *terrible thing, a great folly*, if the Obama Administration were to be sucked into an adventure, such as an adventure against Bashir of Sudan.

## 'Are U.S. Banks Too Bankrupt To Reorganize?'

**Freeman:** This question comes from a member of the President's economic team: "Mr. LaRouche, fortunately, the degree of anonymity that these proceedings afford, allows greater candor than might otherwise be the case.

"There was a great deal of disagreement surrounding the elements of the banking stabilization policy that was announced yesterday, and as to what that policy should be. For the most part, however, everyone *did* agree that what Secretary Geithner ultimately announced had almost no chance of succeeding.

"However, two arguments were presented, to counter what some of us were recommending, which was moving immediately in the direction of bankruptcy reorganization. The first argument is one that you have addressed in part, and that was the argument that, to deal effectively with what will undoubtedly be a strident and ferocious backlash, if this administration were to move for bankruptcy reorganization, that all other avenues had to be exhausted first.

"The second argument, which I find more troublesome in terms of countering, was the argument that bankruptcy reorganization classically requires a certain degree of *viability*, and that we are faced with the problem, that once you isolate the toxic paper in most of the American banking institutions, and then isolate the non-performing debt, that the vast majority of U.S. banks lack the degree of viability to qualify for bankruptcy reorganization, if you're talking about it in classical terms. And that therefore, what would be necessary would be some measure to stabilize the situation, and then move for bankruptcy reorganization. Can you please address this?"

**LaRouche:** That won't work. What you have to do is this. Let's look at what happened: As of the 25th of July, 2007, you had a certain state.

Now, a mistake was made, which Bill Clinton, for example, was partly responsible for: Glass-Steagall. Glass-Steagall was dissolved, and this uncorked the problem. Now, this occurred with Clinton at a time he had been under very nasty treatment, and it was a big mistake on his part. But I don't think Bill understood economics that well at that time. He understood many other things, he's brilliant at it. But this was one thing he didn't understand. It was a terrible mistake.

All right. Now, we had massive support, in states and counties throughout the United States, for my pro-



House Financial Services website

*By signing the bill revoking the FDR-era Glass-Steagall Act in 1999, President Bill Clinton opened the gates of Hell. Alan Greenspan, "one of the biggest criminals" against the United States, was running the Fed at the time.*

posals for a Homeowners and Bank Protection Act. The intent of that, was to defend that aspect of banking in the United States which was chartered banking. That is, which used to be on Federal charter, or under state charter, and this is where you had regular deposits. Not the high-flown bankers, the merchant bankers of New York City, and so forth.

And Roosevelt had recognized the importance of making that division. Clinton had made a mistake. I don't know why he did it, but it was really way off-base. It opened the gates for Hell.

All right. Now what you have, is, these guys, who out of malicious intention, used the situation to *loot and rob* the American people, with this highbinder operation, through the so-called New York crowd.

This was a crime! Because the intention to do something which is against the common good, is a crime. When powerful forces, especially financial forces, use their financial power to injure the common good, knowingly, then that is a crime. You don't have to have it on the books: this is the principle of equity; it requires that you recognize this as a crime. And what they do is a crime.

And also, on top of this, remember that one of the biggest criminals, of course, is Alan Greenspan. Prob-

ably the biggest criminal in this whole operation, because, what did he do? He did something which has been classified as a *crime* in the state of California. When he came into office, in the Federal Reserve System, he used a criminal activity and legalized it, essentially, as the activity of the Federal Reserve System: that is, the use of financial derivatives. This is gambling! So what happened is, we have legalized gambling by the legalized gamblers of New York City and elsewhere—and of the world—who are looting the people of the world. Starving them! Ruining their countries! A locust plague! This was a crime, a moral crime against humanity, in its effect!

Do you think that we owe anything to any of these characters, these kinds of bankers, eh? We don't owe a thing to them! They should get *nothing*! They robbed the country. Are we going to pay them for their claims to enjoy the benefits of robbery? Of thievery? Of looting? No, our job is to defend the nation, to defend our republic and its people, against all predators. And what are these? These were international predators, coming in and looting in our country! Destroying it, ruining our people, destroying jobs, destroying health care, everything! Do you think these guys, on the principle of equity, have anything coming to them, except punishment? They should consider themselves lucky to be allowed to walk away with *nothing*!

Now, I can tell our politicians in Washington, that about 90%, or something like that, of the American people agree with me. Unfortunately, Washington is organized in a way that some of the leading politicians do not agree with me. And the thieves, who are highbinder thieves who are trying to fly with their golden parachutes, don't agree with me either. But these are the thieves! Ali Baba and the Forty Thieves—only this is 40,000 thieves, or 40 million thieves! And they're international. They're parasites. We are now in a general collapse of the world monetary financial system *caused by these thieves*. And we owe them something? The American people don't owe these bastards a nickel. And the nickel's pretty cheap these days.

So therefore, what we do is, you walk into a bank: We're declaring general bankruptcy reorganization of the system in the national interest, the fundamental interest of the United States, fundamental interest of other nations. We walk in there. Now, we've got some bankers who know how to do this. You walk in, you look at the accounts. What's that account? Oh, that's a normal banking account, a mortgage or something else. That's

protected. And the guy, the management who's competent in managing this, stays on the job. That's protected. These other guys? Hah! They want something? Ha-ha. They'll get something. You know what they'll get? *Bubkes!* That's what they get. They get nothing. They don't have anything coming to them! They already stole more than should be allowed. You're going to pay the robbers for what you caught them stealing? No!

What you do is, you walk into every bank. If that bank is an institution, it has deposits in it, of depositors, under conditions which conform to the standards of chartered banking, state and Federal. That bank has a relationship to the community. That bank's going to be defended. We don't care how bankrupt it is, we're going to defend it. We're not going to pay \$700 billion, or whatever, to bail this out. *We're going to protect that bank*, and every bank like it. We're going to protect the savings banks, the savings of the depositors. We're going to protect the legitimate interests of chartered banking, one at a time. And we have enough expert bankers in the Federal Reserve System and other places who are competent, who know how to do that. And we're going to empower them to do that.

That's why we need a reform which goes to a National Banking system. We need to put the Federal Reserve System, which is bankrupt, into bankruptcy reorganization. We have to create a new Federal institution, which is a Hamiltonian National Bank. We take the competent people who are in the Federal Reserve and similar systems today, or have that experience, and we put them in this institution. They are the ones who then, as part of their job, manage this problem. Every bank that is viable, in terms of its function, every part of that bank that's viable, is reconstituted under Federal protection. Those things which are speculative in nature, get nothing. They get nothing! They get a free exit from the door, and they don't take anything with them. Maybe their pants, but that's it! And that's it!

Now, if you do that, what you've done is, first of all, you've rebuilt the confidence of the American people in their government, because when you're talking about chartered banks—usually the core of our system, our political system—those people have a right to protection. They have more right to protection than Hank Paulson, or anybody else. We owe it to them. They're weak. They don't have government power, but they're citizens. They're entitled to protection of their rights. We protect their rights, and we protect them because it's necessary to have them on their feet and functioning, if

we're going to rebuild this economy and build our way out of this mess.

The problem is, what people are afraid of, is the reaction of these fascist bastards, who are of the mentality of Paulson and so forth. These guys were the fascists, the supporters of Mussolini in the 1920s, the supporters of Mussolini and Hitler from the United States in the 1930s. These are the same—these are the grandchildren, in a sense—of the same institutions! Do we owe them anything? We don't owe them a thing. They walk out safely. We don't shoot them, we don't torture them. They walk out the door, and that's it. And the people who belong there, and the people who were represented there, legally, properly, are protected.

If you do this, and take that approach—it does take guts to do it, and I think a lack of guts is the question you have to raise here, in this connection—if you do this, you're going to have the support of the great majority of the American people. And you're going to have the kind of support that a President needs. And that's the way you have to go. Is there a risk involved? Of course there's a risk involved. You're up against fascists! What do you expect with fascists? You have people like the former Vice President. We had eight years of the worst administration in U.S. history since the beginning of the Civil War. For eight years, Hell! Under a totally corrupt and evil administration, which is why this thing developed to the extreme it did.

So therefore, we take a chance. We take a chance with the American people. We defend them. We ask them to defend our government. It'll work.

### **Kucinich's Proposal on the Federal Reserve**

**Freeman:** We have about six questions regarding a statement that Ohio Congressman Dennis Kucinich made on the floor of the House. This is coming from several Ohio legislators, from someone in the Progressive Caucus on Capitol Hill, and also from two national labor officials.

In the words of one of the labor representatives: "Mr. LaRouche, I don't know if you're aware of this or not, but about ten days ago, Dennis Kucinich called on the Federal government to take back the power to issue money from the Federal Reserve, and in so doing, he blamed the Federal Reserve, and particularly Alan Greenspan, as being largely responsible for the current situation we find ourselves in. Much of what Mr. Kucinich said sounds very similar to some of the things you've said, but I would really appreciate it if you'd



comment on it, because there are also some elements of it that are not clear to me. Kucinich called on the Federal government to institute monetary reform, by issuing what he referred to as ‘get free money’—dollars that have not been loaned into circulation at interest by banks.

“He quoted a monetary theorist by the name of Stephen Zarlenga, who said that the bulk of our money is not created by our government, but by banks, when they make private loans. He went on to say that the government should halt the banks’ privilege of creating money out of thin air by ending the fractional reserve system. He said, past monetized private credit would be converted into government money, and banks would continue to do what people think they do now, under this new approach, but they would only act as intermediaries by accepting savings deposits and loaning that money, or their own cash, out to the borrowers. He said, what would the government do in this case? Well, according to Kucinich, we would not have to borrow money and continue to owe money to the banks, to finance the needs of the country.

“The fact is that Mr. Kucinich’s proposal, while, on the one hand, offered fierce criticism of the banking industry in general, and clearly was made in the interest of getting some relief for American taxpayers, it also struck me as being somewhat confused. Could you please comment on this, since many of the members of our union are bringing it to us, and asking us to support it.”

**LaRouche:** [laughing] Well, as you say, with Kucinich, marriage is a tall order.

It is a little bit screwball, and does not represent reality. What it is, is a populist substitute in appeal for the reality of the situation. The reality: We should actually put the Federal Reserve System into bankruptcy, and shut down this function of the Federal Reserve System in being a back door for monetization. The debt of the United States has to be controlled by the United States, and that means the debt of U.S. citizens generated in this way. So, this gimmick won’t work; it will only cause problems. It has a certain appeal, and I think that Dennis, while sometimes he says things that are interesting, and he sometimes appears to be a sympathetic fellow, nonetheless, has no comprehension of really winning anything. He does not think that way. He’s not a national leader. He doesn’t have the mentality of a national leader. He has a mixture of respectability and leftism, something like that, and his judgment is not really that good.

What you’ve described here is a piece of hokum. What happens is—you go back to the 1930s in the Depression, and you had, from California and other places, the “butter and eggs” thing, you had all kinds of schemes that were proposed, as populist schemes for giving people some benefit, public benefit. And this is one of them.

What you have to do is, you have to go at the fact that a *crime* has been committed, a crime against the intention of the U.S. Constitution. That crime—Alan Greenspan is one of the biggest criminals, but the crime was already committed under Nixon and other people. We have a law, we have a Constitution, and you simply have to enforce the Constitution. And at this point, the Federal Reserve System is bankrupt; we have to put it into bankruptcy receivership. It’s largely U.S. assets involved. In bankruptcy, we reorganize it. We go in with a clean sweep, reorganizing it, and then we create a new institution to take over the assets which are included in the Federal Reserve System, and create a Hamiltonian National Bank, and establish the Constitutional principle of our law.

Our law is, that no money can be uttered, or no monetary value can be uttered, in the United States, without legal approval under the U.S. Constitution. And by closing a bankrupt institution, which is the Federal Reserve System now, and putting it under receivership and reorganization, we can do that. The way this works—what he’s describing—is actually the relationship of the Federal Reserve System’s operation with respect to the international monetary system. So that’s what he’s talking about.

Well, I believe in shutting down the international monetary system, too. So that takes care of the problem.

## **Proliferation of Lies About FDR**

**Freeman:** The next question comes from someone who is part of the economic advisory board for the President, and who is also a very prominent Roosevelt scholar. He says: “Mr. LaRouche, as I’m sure you are aware, President Obama has repeatedly been forced to defend FDR’s pre-war policy from those individuals who insist that the New Deal was a failure, and that, in fact, the only thing that got the United States out of the Depression was the Second World War. From a policy standpoint, I find this to be completely absurd. The truth of the matter is that the United States would have never been in a position to fight and to win the Second World War, had it not been for FDR’s pre-war policy. From the



*The British had been for Hitler until the German Wehrmacht succeeded in taking over France. "They were very happy to have Hitler going against the Soviet Union and other states in Eastern Europe. They were never upset about the killing of the Jews by Hitler—not at all!" Here, Nazi troops march into Paris, June 1940.*

standpoint of being an historian and an FDR scholar, I find this to be absolutely offensive. However, I do think that it is important to take the question up, since it is now being spread about so widely. Could you please comment on your own assessment of President Roosevelt's pre-war policy, and also what it is that motivates these people to launch this kind of attack?"

**LaRouche:** This is a very interesting question, and it has a rather simple answer, but it requires some explanation to understand what we're talking about.

On the day after Pearl Harbor, Franklin Roosevelt moved toward war, and assumed war powers. Under these conditions, certain Wall Street and Chicago interests, which had been the supporters of Mussolini and Adolf Hitler, up to that point, sort of deserted their offices and moved over to new premises, and continued with the same equipment.

Now, Harry Truman, as Senator, was part of this group, and he showed that, after Roosevelt's death. So, what these guys—like the American Enterprise Institute—these institutions today were constituted after Pearl Harbor as new organizations, containing the same intention as the supporters of Mussolini and Adolf Hitler, in the United States and Britain, during the 1920s and 1930s. Up until 1940-41, these guys were hard-core fascists, all of them, including the firm, for example, of Prescott Bush, Brown Brothers Harriman. Brown Brothers Harriman represented American and British

interests, Wall Street interests. Brown Brothers was tied to the head of the Bank of England, who was the creator of Adolf Hitler. So these guys, and the Mussolini supporters—of course, Winston Churchill was a great lover of Benito Mussolini; I don't know if they had the same sexual inclinations or not, but anyway, the same kind of thing. So, these guys, who were fascists of the Coolidge variety and the Hoover variety, continued in power in the United States, as on the Supreme Court case, that issue, which was illustrated with that, up until we went into war after Pearl Harbor.

Now, the first thing you have to look at—is like this woman, [Amity Shlaes], who's the leader

in this campaign, is tied to things like the American Enterprise Institute—these guys have exactly the same philosophy, economy, and politics, that the Nazi supporters, the Hitler supporters, the Mussolini supporters, had in the 1920s and 1930s. These are the people who were opponents of Roosevelt then.

Now, you've come to a time when this British crowd, the same British crowd, is moving toward a new kind of fascism, a revival of fascism, which is what the Bush Administration really was all about. And that's the problem. So they are lying, as the questioner put it; they're just plain lying. There's no truth to what they're saying. There's no truth to what this notable woman is saying. She's a liar! She's a degenerate.

Now, the other aspect of the thing, which you know—the questioner—is, you know the story of Harry Hopkins. You know the story of how this began, when Britain and Japan were engaged in a treaty to attack and destroy the United States naval fleet, in large degree, on the high seas. And it was at this time, in the early 1920s, that the plan was made, the agreement was made, between Japan and the United Kingdom, to have Japan take out Pearl Harbor as part of this joint British-Japan operation. The pretext of this, was that Japan was brought into the fold of the British Empire during the 1890s, which resulted in Japan, under British direction, launching the China wars, the Japan-China wars of 1895 through 1945. There were some breaks in there,

but Japan was at war, and aimed to destroy and break up China, from 1895 to 1945. That was the policy. This policy was a policy which had been set by the British.

The British, of course, had been for Hitler; they had been for Mussolini—until the German Wehrmacht succeeded in taking over France, because of cooperation with the fascist government of France, which invited Hitler in, in effect. At that point, the British saw that the Western Front had been breached. They were very happy to have Hitler going against Russia, against the Soviet Union and other states in Eastern Europe. They were never upset about the killing of the Jews by Hitler—not at all! But when Hitler’s forces were in France, and threatening the British fleet with a takeover by getting the French fleet, of taking over the naval power, then the British suddenly became anti-Hitler. Reluctantly, but anti-Hitler, without giving up any of their bad tendencies.

And what happened is, when Roosevelt died—and the British knew that Roosevelt was out to destroy the British Empire as soon as the war was over, and he was—then, the British moved in with their Harry Truman. And Harry Truman was sympathetic to this kind of interest.

So, what you had in this whole period, you had the same financial interests, which are British-linked, come back into power by taking over control, with Harriman and company, for example: Harriman, who had been responsible for Prescott Bush, in financing Hitler. Harriman became a key figure of the Democratic Party, and one of the controllers of the Democratic Party in the post-war period.

So, if one knows the history—as I’m sure the questioner probably knows a good deal of this, and knows the history of these right-wing think tanks, like those centered around Chicago, which were creations of pro-Nazi organizations in the Wall Street community, and Chicago community before—then there’s no mystery about what these bastards are doing. *They were fascists then, and they’re fascists today!* And, like fascists, they lie like fascists (not like rugs).

### ‘How Much Credit Is Needed?’

**Freeman:** The next question comes from a very senior economist from the state of Texas: “Mr. LaRouche, I’m very thankful to have been introduced by you to the concept of physical economy. I’ve been educated to believe that everything in economics begins with calculations of monetary aggregates. This ap-

proach officially broke down with the credit crunch, but it proved to be flawed long before that, and you’ve been clearly correct in your forecasts. Today, I have really a very simple question. How would you decide what is the appropriate amount of credit to get the economy moving again? In addition to credit for major infrastructure projects, which can be determined by the specific projects, I suppose, does the Congress get involved in determining what is needed for consumer credit, for example? For housing, for auto loans, etc.? It would seem that this has to be addressed, if the nation is going to take the next step in recovery.”

**LaRouche:** Well, actually, the amount that has been stolen by Wall Street, which is now approaching, I think it’s approaching \$20-odd trillion, for the bailout of Wall Street, I mean, that would really have gotten a recovery organized, if you’d done it through the Federal government.

You have to think about what productivity is. Now, we have a lot of people who are employed who are not productive, because they believe all kinds of things are productive. What we’ve done is, we’ve reduced the actual physical value of income of the American population, and we’ve done that largely by doing two things: by cutting down high-gain productivity areas, and by giving people jobs for things that we never used to pay people for. You know, you have the second house cleaner to come in and clean up after the housekeeper you brought in, and they all work for sub-minimum wage or something like that. This is this “marginal utility” nonsense. The fact that you are employing somebody for doing something useless is considered a value, in the terms of marginal utility.

So, essentially, what you do is you concentrate all this stuff—don’t bail out any of this thing. Take the money back. Take it back! It was not taken fair and square—give it back. You swindled. How did you swindle? You had a President of the United States you controlled. Well, he was dumb; he didn’t know what he was doing; he was insane. So, you’ve got to take the money back. The President was insane, and he was also immoral.

So if you have this amount of credit, and you issue that amount of money, do you realize what you could do? You could revolutionize the United States!

What do you do?

Well, we have too many cars on the highway. We’re choking on it. We have people who are commuting up to one and two hours each day, each way, five days a



week or more, sometimes among two or three different jobs, to live. You have families where both parents are working, and they have children, and the children don't have much of a life. They go to schools which are a shame, a blot on humanity. The American people are being destroyed by this kind of culture.

We go back to mass transit systems. We go back to public mass transit systems—not high-priced ones. Go back to your nickel subway system, that sort of thing. Because, you know, it was proven—people wouldn't believe it—but it was proven back in the 1940s and 1950s, that if you ran the New York subway system fare-free, you would save money, because the cost of managing the fares was the factor of cost that drove the system into deficits. So if you stop taking fares, you would cut the deficit problem. And the benefit to the citizens of New York in having a free system, was a benefit, a social benefit, and also an economic benefit to the whole city.

In general, free drinking water is a good policy! Not bottled water, which you pay for. These kinds of things. You don't want to market everything; you want a lot of things free. You want free air, for example, which is hard to find these days, decent air. That sort of thing.

Thus, the problem here is, we have to eliminate this swindle. Cancel the swindle! There are ways of going at that. Paulson knows what they did was a swindle. The law was done by fraud; the way that law was voted in was fraud, and they robbed the people; they robbed the nation. Well, we'll take it back. We'll put a tax on whatever we have to tax to get it back. Tax whoever deserves to be taxed, and get it back. We can do that, can't we? We can give it away, we can also take it back.

So anyway, the point here is that we have to—we just need an open till on specified projects. And the emphasis is *not makework*. We don't need windmills; we don't need these solar panels—they're crazy, they're not productive. They don't earn money; they're subsidized, that's how they function. Without the subsidies, they don't function. So, eliminate these things! They're not worth anything.

What you need is—how about building a high-speed transit system for the nation? It was torn up. How about building power stations that are needed? How about building a hospital system, which is needed? You can't get the care you used to be able to get in the system because you don't have general hospitals and so forth, one-stop service for all people. So, we should be building our river systems; we should be building our trans-



*Without mass transit, the American people are spending their lives commuting in their cars; it's destroying families, and the culture generally. And mass transit is cheaper: "If you ran the New York subway system fare-free, you would save money." Here, a subway station in New York's Times Square.*

portation systems; we should be building our water systems; we should be building the foundations of industry.

When you take the people who are machine-tool designers, that machine-tool sector—engage them. They are the most productive people in the system, in physical production. You don't want to start with the low grade; you give people the low-grade jobs because they're what you have for them, and what they need. But you don't want to keep them in low-grade jobs. You want to concentrate on capital-intensive production, with high-technology features, science-driven features, which gives you the highest productivity, the highest return. And you want to increase the number of people, or the percentile of the total population which are engaged in these kinds of jobs. So, in that way, you build profit, because it's the high-technology jobs in infrastructure and so forth, which give you the profit. It is the high-technology infrastructure jobs which create the employment in industry.

The automobile industry—manufacturing automobiles, assembling automobiles—is not high-gain for the economy; it's a waste of money. But the machine-tool side of the auto industry, which can produce other things besides automobiles—like rail systems, aircraft, and so forth, power systems, these things—this is where the gain is, and what you're looking for is a policy which gives the maximum gain, the maximum value in product per person employed. And you want to upgrade

people into these kinds of jobs more and more. We used to have an idea where, you know, you take people in off the street; they come in on a job in a factory or some institution, and they work their way up. We used to have these educational programs, which would assist people in qualifying for jobs, from a lower grade to a higher grade. That was our policy. We were saying that the U.S. interest is always to build the highest degree of productivity in the most useful areas, and to upgrade people from low-grade producers into high-grade producers, to eliminate low-grade jobs by transferring people into high-grade operations. Under those conditions, we have a gain.

The problem with the spending of money now, as with the case of Paulson's operation: We didn't generate any useful productivity with this thing. We didn't create a factory; we didn't create a rail system; we didn't create a hospital; we just paid money to swindlers. That's the problem. What did we get for this? What did we get for this money? It's now getting to over \$20 trillion. What did we get for it? What did the American people get for it? *Nothing!* It was just stolen from them. What we did was, we covered the debts, the unpaid debts, which they had incurred in speculation, in financial derivatives, over a period of time, particularly the Alan Greenspan time. And that's what we paid—we bailed them out of that! We didn't invest in value. We didn't put a nickel into production. This has been the Great Swindle. And we have to go back to a productive economy.

### **'How Big a Deficit Can We Take?'**

**Freeman:** We have one more question from the economic advisory group to the current administration. The questioner says: "Mr. LaRouche, as you know, we had hoped to have the President's economic stimulus package in place in early January, before the oath of office was even taken. We did not succeed in doing that, and the last few weeks have been characterized by a deluge of calls from state legislators, governors, mayors, elected officials from all parties, pleading with Congress to pass the package, with all of its problems, as a first and vital step to allow states and cities to continue to function. Largely, that is what we intended to do in crafting the bill. None of us ever thought that the bill itself would be the 'solution' to the current crisis. And in fact, the bill that is currently being negotiated is itself significantly different from what had been originally proposed.

"But, presuming that the Congress succeeds in doing what it has promised, and gets something on the President's desk within the next week, the question that we are now posed with is what to do next. I think you know that, at best, what the current measure will do in terms of infrastructure, really allows for almost no new infrastructure, but merely succeeds in beginning the process of repairing the roads, bridges, schools, and other elements of the nation's physical infrastructure that are in a terrible state of disrepair.

"When we begin to consider what new projects we would like to embark upon—for instance, high-speed rails and other things that you and others have proposed—one problem that we face is the question of how much we are willing to spend, and how much it is reasonable to spend. There are obviously, on the one hand, people who are downright deficit hawks; but there are others who, while they agree that in a time of crisis, we cannot worry too much about the deficit, still do express a concern on what the limits are on what the government can and will spend. Could you comment both on what you think the next steps should be, but also on this broader question of the Federal deficit?"

**LaRouche:** Right now, the Federal deficit as such is not of our primary concern. That's a diversion, because you're trying to manage something with no solution. In other words, how are you going to deal with the deficit? It's there. Are you doing something that would lead to reducing the deficit? No. You're spending money on managing the deficit, or managing around it. It's not worth anything.

What you need to do is, do the right thing. Cut out this nonsense that's in the package. Just take it out; sweep it out. The greatest part of this package should be scrapped. Instead, look at high economic gain. High economic gain is technology and skill. Highest technology gain comes from the machine-tool sector. The highest paid, the most skilled people. The highest paid and most skilled people give you the impetus which will let you employ other people. Because you want competent production, and it's your highest skilled people that give you competent production.

Take the auto industry. The U.S. auto industry, except for the Japanese section of it, is dead. It's been dead for a long time. It was dead of its own obsolescence; killed by its own self-induced obsolescence, by trying to put out cars like pancakes. And this has been going on since the 1950s. It was insane. That's another story. I could tell the details of that; I was involved in



EIRNS/Dan Sturman

*Instead of producing more cars, “You would want to think about getting every machine-tool-design specialist from what had been the auto industry, the aircraft industry, and the nuclear industry,” and put them back to work building bridges, high-speed rail, etc. Here, members of the LaRouche Youth Movement visit a machine-tool lab at Ohio State University, October 2004.*

making a large forecast based on my understanding of that.

All right, we have mass transportation, we have all kinds of things which require high-technology machine-tool-design impetus. You would want to think about getting every machine-tool-design specialist from what had been the auto industry, the aircraft industry, and the nuclear industry—because there’s a lot of high technology buried in there. You want the highest technology production in the machine-tool sector put back to work. Now, by putting them back to work, you are now generating the basis for employment in other things. You developed the machine-tool sector, now you develop the product which the machine-tool sector provides. You want to fix the railway system? You want to fix bridges? Don’t just repair the bridge; get into the idea that generally you have to build new bridges.

For example, the Ohio River and the Mississippi River, and also you need some help on the Missouri, too. These areas are breaking down, because the infrastructure on these systems is broken down. What you saw in New Orleans, given by George W. Bush, is an

example of this. We need these things repaired. These things are repaired out of the machine-tool sector. And a lot of this machine-tool sector capability is located in the machine-tool sector associated with the automobile industry, which historically used to be the military industry of the United States during World War II. We built everything—airplanes, everything else; tanks, all the things you can imagine. We built them, and we built them from scratch in a very short period of time. We were producing tons, where other people were producing pounds of military hardware.

So, you want these things. Get the Ohio River project rebuilt—the locks and dams—get it rebuilt. Take the Mississippi River, get it rebuilt. They all need rebuilding. Go upstream on the Mississippi, up toward the Twin Cities. Go along the Missouri, you need it there. Power systems: Get nuclear power plants in there. The windmills don’t work, the solar panels don’t work; it’s garbage, it’s all a fraud. But get this thing going, because what happens is,

when you build the high-tech machine-tool sector, this is what throws off the actual physical production capabilities in which you employ other people. And the effect of the income going through the high-tech sector, is what begins to rebuild your towns and cities around the country. That’s where we need to do the job.

And we have to go with a credit policy. We do have a crucial policy with the states. The states are now going bankrupt. California is going bankrupt; it’s mostly due to the governor. Don’t get the son of a fascist official and employ him as the governor of California; that’s a mistake, as we should have learned by now. But, California is being destroyed, and you have to rebuild a lot of the infrastructure in California, from the machine-tool sector on down. You have some varied skills in the state which can be reactivated. That’s the approach we should take. You want a multiplier factor, where one job creates the basis for three other jobs, which creates in turn, the basis for ten other jobs. And you don’t build from the bottom up, you build from the top down. And that’s the way the American System worked at its best.



## Extend Social Security

**Freeman:** This is a question from a Republican member of the House. He says: “Mr. LaRouche, whether or not I agree with every aspect of your policy initiatives, I do understand how your proposal would serve those Americans who are facing foreclosure, and even how your proposal to put the banks through bankruptcy reorganization, would function. My question comes from a different direction. I have hundreds of constituents, perhaps even thousands, who would normally be considered part of the American middle class; these are individuals who depended upon their pension funds, their IRAs, and other things to sustain them in retirement. And in fact, their entire life savings is invested there. Many of these funds were invested in the derivatives market; many of those funds were invested in hedge funds, and other things. Your proposal, while it might serve to stabilize some aspects of our current crisis, does not, at least not in any terms that I can understand, address what will happen to these people who have already lost a good deal of what they thought they could depend on.

“These people have worked very hard, they worked to save, they achieved a certain standard of living; and it seems to me, that since they didn’t design the hedge fund or derivative system, they should not be penalized because they saw it as an opportunity and a place to invest their hard-earned dollars. How do you address this? What do we do for those Americans?”

**LaRouche:** What you’re talking about in large part is the Social Security system. And the Social Security system which was intended to be extended, under Roosevelt and thereafter, is the answer. We have to provide protection to our citizens; and it’s not just a matter of what they paid in and so forth. We can not have citizens who are left destitute because of this kind of situation. We have to extend the Social Security system.

Now, we have poured trillions of dollars into bailing out Wall Street. I think we should recapture that money, and put it into this kind of thing. We need to get back to



EIRNS/Melvin Dean Van den Top

*What about the pensions and retirement funds that have been wiped out by the collapse of the hedge funds? LaRouche was asked. The Social Security system, as established by FDR, was meant to provide that kind of protection to our citizens. Here, LaRouche activist Ron Wieczorek leads a rally in Omaha, against George Bush’s scheme to privatize Social Security, in February 2005.*

a productive economy. We need to get back to an economy which actually works. We need to have the employment which enables us to maintain that base. We have to have high-gain employment, that is, skilled employment. We don’t want cheap labor.

For example, take the auto industry. What happened in shutting down General Motors, and Ford, and Chrysler, what we did in the process: We turned over the industry to the Japanese manufacturers inside the United States. And how did that work? It worked because we cut the benefits, the wages and the benefits, of the American auto industry, and brought in the Japanese to replace them. The other part of the problem was, Japanese industry had improved their technology of production, which is also a competitive factor, and the Americans were left destitute.

I saw this in the 1950s; I saw this tendency. As a matter of fact, my forecast in 1956, of the 1957 recession, was based on my hands-on knowledge of exactly how the auto industry was screwing up; and other industries as well. So, it goes back to then. McNamara was a disaster! I think he’s still alive, but I think in terms of productivity, he was dead back then, dead from the head down, back then. I think from the neck down, he’s

probably still functioning, but from the head up, he hasn't been functioning for a long time. And he was only an accountant anyway, and putting an accountant in charge of a manufacturing industry is not a good idea.

Anyway, we have to do that sort of thing. I think we have to use the extension of the Social Security system, as one of the guidelines, by giving auxiliary help in that area, and taking the auxiliary help away from the bonanzas given to the thieves; just transfer the credit. And in the meantime, we have to build up the economy to the point that we are generating enough income from production to be able to sustain this kind of thing. I think the direction is obvious. That's what we have to do.

We have another related thing. The related thing is the state support for citizens; you have state programs, health programs, and other kinds of programs. And as in the case of California, we're losing them. We're going to have to find ways of providing credit for that, to keep these things alive. Otherwise, we're going to have chaos. The basic thing is, we have to defend the citizen, but we also have to rebuild the morale of our citizens. Our citizens have been deprived of a sense of dignity and a sense of being part of society. They feel neglected; they feel thrown away. We have to assure them that they're not thrown away, that we care about them, and we're going to find ways, between improving production, and finding ways simply to help them, to get them through, until we can build this economy back up again.

## Medical Marijuana?

**Freeman:** The next question comes from a member of Congress, who is also a health professional, and she says: "Mr. LaRouche, I want to raise a question with you, simply because I get so much mail and so many calls about it. I'd like to preface my remarks by saying that I am unequivocally opposed to the legalization of drugs in any way, shape, or form. However, the question that I have, regards medicinal marijuana. I am, as I mentioned, deluged with calls about this, mainly from people who are either elderly, or who are stricken with cancer. And they provide me with research, with statistics, and papers and articles, insisting that medical marijuana, prescribed by a physician, does not lead to drug addiction, that it is innocuous, and that it is helpful and merciful to them. While I understand the tremendous potential for abuse in legalizing medicinal marijuana—

and I think the situation in California speaks to this—it is still something that I think we have to address if for no other reason, than to identify for these people, who really are very much in need, that they may be being manipulated by the drug lobby."

**LaRouche:** Well, I think we went through this back in the '50s and '60s, and the argument is false. You have people who are desperate, and it is spread also by the 68ers. The 68ers started this thing; and it was started not because marijuana was helpful—people fooled around with this. But the problem was that legitimate medication was not available. And it was a policy of the drug industry not to provide the necessary help. The important thing here is, that the promotion of narcotics—and marijuana is a narcotic—the promotion of this in that form, even if you produce medically something very similar to it, if it has clinical value, and producing marijuana, are two different things. So, if you take a drug which has the same effect as is attributed to marijuana, or you take so-called medical marijuana—don't allow the medical marijuana. Get the drug. We should provide, economically, these kinds of things and make them available.

Now, this is a problem of the drug industry. The drug industry is not necessarily operating in the interests of the people of the United States or Europe. So, therefore, we need a new philosophy on the way medication is generated and provided. The drug industry has become a big financial racket, and its purpose is not medicine; the purpose is money; the purpose is wealth. Physicians need help, not the drug industry.

But we can provide it, and we should provide it. Even if it's equivalent to marijuana in some symptomatic effect, do it that way; don't do it with marijuana. Why? Because the marijuana is the opening of the control of society by organized crime, international organized crime. And, therefore, if somebody needs something, they get it, but don't give it to them in a way which contributes to organized crime. And what happens is, when you use medical marijuana, it becomes a cover for the use of marijuana in other ways.

If we're going to have civilization, we have to bring this drug thing under control. It's killing us globally. It's killing us in the United States, and it's a 68er phenomenon. It's a phenomenon which was created by the British, British Intelligence, and we have to defeat that weapon. We have to defeat it entirely; crush it. But we will provide, we have the policy of providing the ill, who need medication, whatever medication they re-

quire. But we will do it; we won't have it on the street as medical marijuana.

### **Culture: Restore What We've Lost**

**Freeman:** In terms of questions overall, in terms of policy, I think that we've covered the great bulk of what really needed to be addressed in today's proceedings. . . . But a question that is being posed by some of the people who are watching this webcast, and who have followed what Mr. LaRouche has been saying for quite some time, is indicated by this question: "Mr. LaRouche, I have no doubt that you are absolutely correct, in terms of laying out a path as to how to address our overall economic and financial problems. Your infrastructure proposals clearly are right, but they also are right not only because they have the potential to alleviate the current depression, but also because they are in the spirit of everything that our country has come to represent.

"But, I have another question, and it's one that I really have far less clarity on. That question has to do with the overall culture of the United States, and of the advanced sector in general. Although I did not support Barack Obama during the Democratic primary process, I must say that I was not only pleased, but also moved, when I saw the incredible expression of hope and optimism that surrounded his inauguration, even though I knew that a great deal of that had, yes, to do with Mr. Obama, but also had to do with a feeling of great relief that Bush and Cheney were gone. What I don't have a very good handle on, and as a school teacher, it's something that I would like to have a handle on (I should mention to you that I not only am a school teacher, but I also am a state legislator, and I have responsibility for policy in this area): That question is, how do we address the broader question, not only of economic infrastructure, but of the cultural infrastructure of our country? In the midst of everything that we have to do, is there anything left over for that, or do we have to concentrate on getting the country back on its feet economically first, and worry about those other questions later on?"

**LaRouche:** Well, you're talking about the real gut of the moral question, or you're addressing an aspect of it. I would say, people don't understand, because of a cultural degeneration in the United States, and in Europe also, that the post-war cultural trends—post World War II cultural trends—in Europe and the United States were very destructive. Art, Classical art, virtu-

ally disappeared. Science deteriorated; if you compare the scientific education of the 1930s, the late 1930s, and that of the 1940s and '50s, in our going to what was a progressive movement of mass higher education, it was also a deterioration in quality of higher mass education, especially after the end of the 1960s. And the popular culture of the nation was morally destructive.

The key thing you see, on this, which I see clearly, because that's the area I deal with, is that we used to have a sense of family, as the location of the identity of the personality. Family in a special way. For example, my first ancestor here in the United States, or in North America, came—Brewster—in the Plymouth thing. Most of my ancestors of the 17th Century were radiated from New England, and came largely from England. Then you had, of course, the Quebec side, where we had shiploads of farm families. Whole villages were shipped here by ship by Jean-Baptiste Colbert into Quebec, and they just were taken from France, one place in France, the whole village just moved over into another place in Quebec. And this is all in the middle of the 17th Century.

We had a conception in this country of family: That you have a sense of immortality, that your body is born, and dies, but your personality does not. Because your personality is a continuation of work which was set into motion by earlier generations. So you would always think of families, immediately, of three generations, meeting together at a dinner table, at a family meeting, and you would think in longer periods. For example, I have an active memory of people I knew who were born even before the 1860s. I have an active knowledge of people who were their antecedents of two generations before, at the end of the 18th Century. And this was not untypical of families which had settled in the United States earlier, to have this span of a process. The immigrant family, the same thing. The immigrants coming in: One generation comes in poor or limited, as immigrants. The next generation makes a step upward—that's the idea of the thing—through the sacrifice and efforts of the older parents. Then the third generation comes in. You come in as a laborer, and your grandson is a physician or a scientist or something. That sort of thing.

So, we had a moral sense. And you get this moral sense which I associate with social dynamics, as I refer often, and have over years, to the last paragraph of Shelley's "In Defence of Poetry," which typifies the





*Culture, LaRouche said, is transmitted through the family, over generations. Shown: "Baby at Play," by the American painter Thomas Eakins, 1876: The little girl (Eakins' niece) has cast aside her doll and other toys, to concentrate on creating something with her alphabet blocks.*

way in which there's a sense of immortality in the relationship, the intellectual relationship, of successive generations. And you have those who are leading generations, who actually lead society, the creative people, and then you have the other people who respond to the leadership of that generation.

What we've lost is that. We now have reduced ourselves to societies which are composed of individuals. The parents say, "We had a child. Yeah, it was a mistake, but I suppose we still have to feed the thing." And the child has a similar attitude toward the parent generation. It's an ugly situation.

The moral sense of responsibility, the sense of immortality, the sense that your life means something, and not just in the physical confines of your being born and dying, but in terms of the effect, the process of which you're a part. You're a participant in a process of developing society. And that's been lost, it's largely lost. And the problem is also what has happened to education: a loss of those aspects of education which reinforce that.

You know, you used to have in schools in the United States—my experience goes back to the 1920s and 1930s—you would have public education programs in grammar schools and secondary schools, which would often emphasize feeding back to the child in the classroom, in the school, to feeding back to them a sense of

history, a sense of their own place in history. And the whole business was always to educate the child, first of all, to an historical sense of the meaning of their existence. What their grandparents were, where they came from, this kind of thing. And we would think about Classical forms of education; what you have now in forms of Classical entertainment is a highly disruptive process which has no continuity whatsoever in the quality of the culture. None!

So, you have de-culture. What is called "culture" today in the popular practice in the United States is a de-cultured population. You come along with some innovation; you do some silly thing, some crazy kind of masturbation.

That's now the new fad, and it re-

places the old fad which you have contempt for. The newest thing, the latest thing, with no sense of values extended over multiple generations. And that's where I think the problem lies. We have lost our sense of culture, of educating our people, our culture, into a sense of a personal cultural identity which has the effect of being a sense of immortality. That your fleshly existence between birth and death is important, but it's important because it is a conveyor, a transmitter of a more permanent, more durable value, a sense of immortality. And that's lost. It's only when you have a sense of immortality that you can think into the past and associate yourself with the past, and think into the future.

Most of the investments that we have to make for society, are fifty-year investments. That's only industries and things like that. The longer investments in infrastructure are hundred-year investments—four generations today. What you do is you commit yourself, if you think in these terms, you commit yourself to the idea of this two- and four-generation span. You think of the outcome of your life, after it has been lived; what you've done while you're alive to determine the outcome of your life, and to respect that you are the outcome of other people's lives, and a sense of cultural connection in this way. And that's what's lost, and that's the thing I think we really, in the process, have to fix.

# Ben Franklin Was Correct: A Republic, *If* We Can Keep It

by John Hoefle

Feb. 13—The great American patriot Benjamin Franklin was asked, upon his emergence from the Constitutional Convention in Philadelphia in 1787, what form of government the United States was going to have. Franklin answered succinctly, “A Republic, if you can keep it.”

Franklin knew that keeping the new nation a republic would be difficult, because he understood the enemies it faced, and the horrors those enemies were willing to unleash to stop the United States from succeeding in the mission upon which it had embarked. Our enemies, the oligarchical families of the Anglo-Dutch Liberal system, responded as Franklin knew they would, but, despite everything they threw at us, we survived, and thrived, becoming the most productive nation the world had ever known. In our darkest moments, great leaders emerged to rally the population and lead the nation forward: George Washington, Abraham Lincoln, Franklin Roosevelt, and others, such as Alexander Hamilton, who designed the credit system which lay at the heart of our success.

Friedrich Schiller once remarked, of a similar crisis for humanity, that a great moment had found a little people. Look around you today. Where are the great leaders? Where are the appeals to reason, to put the welfare of the nation and its people ahead of personal gain, to work together in the name of a national mission? Such appeals have been made, but they have largely been drowned out by littleness, by mindless partisan

bickering, unconscionable greed, and outright criminality. If we are to survive this crisis, we must rise above such pettiness and work together to take our nation back from these fools.

Our nation is bankrupt. Our banking system is bankrupt, and we do not produce enough wealth in our physical economy to stop the deterioration of the productive apparatus which provides us with the necessities of life, much less cover the enormous debts we have incurred in recent decades. The same is true for the world as a whole: It is all bankrupt.

We must start by admitting that truth; and that the economic policies we have adopted, since President Nixon broke the Bretton Woods fixed-exchange-rate system in 1971, have failed. Since then, virtually everything we have done has been wrong. We took down our industrial production, shutting down our productive base, and putting our skilled workforce out on the street. We outsourced that production to the cheapest labor we could find. We turned the most productive workforce in the world into paper-pushers, retail clerks, burger flippers, and worse. We adopted the view that paying people a decent wage was something we could not afford to do, when in truth it is something we must do, if we are survive. We deregulated our banking system, giving the most crooked among us the advantage over honest citizens. Worst of all, we adopted the oligarchical view that people are cattle, to be herded and culled, turning our back on Franklin’s view that it

is the people, with their creativity, and willingness to work together for the betterment of all, that is our true source of strength.

### **Harsh Words**

Now some words for some of our in-name-only leaders in Washington. To the Republicans who seem to be intent on blocking any change by the Obama Administration, stop being so damned small-minded: Your policies have destroyed the nation, and if you would spend half the effort trying to figure out where you went wrong as you do kissing the asses of the rich, you might actually be able to rise above your uselessness. To the Democrats: It is past time to throw out Nancy Pelosi as Speaker of the House, and to quit listening to the likes of George Soros and Felix Rohatyn. The whole pack represent the oligarchical system we fought our Revolution to escape. Ditch them now, so we can start rebuilding.

To the speculators of Wall Street and beyond, your policies have bankrupted your own institutions and the nation, and you are not entitled to one penny of bailout money. We care not about your demands, as you have no right to complain. You are bankrupt and we intend to shut you down. We will do quite well without you, and you should consider yourselves extremely fortunate if you escape going to jail. You should just go away, quietly, and let us clean up your mess.

### **The LaRouche Approach**

Lyndon LaRouche stressed, in his Feb. 11 webcast, that the American people are outraged at this crisis, and fed up with a government that seems to care more about protecting the financier class than it does about protecting the vast majority of citizens. The people were furious at the Bush Administration bailout schemes, rightly viewing them as the greatest swindle ever pulled. Now we see the Obama Administration, which was elected to put a stop to these predations, launching its own bailout plan, one which, despite the differences, is basically a continuation of the Bush/Paulson scheme.

President Bush was fortunate that this crisis exploded rather late in his final term, so that he could scurry out of town before the consequences of his actions became fully visible. President Obama is not so lucky; he will be here for four more years, and his handling of this crisis will either make, or break, his administration. With the fate of the nation at stake, failure is not an option.

The Obama Administration must therefore change course immediately. It must scrap the bailout approach immediately, and adopt the solutions presented by LaRouche, beginning with the Homeowners and Bank Protection Act. Stop home foreclosures immediately, as no one should lose his or her home because the bankers blew up the world. Put the banks into temporary receivership; write off all the derivatives, and freeze the rest of the speculative debt; clean up the state and Federally chartered banks and reopen them, under tight new regulations which force them to act as banks instead of casinos. This receivership would include the Federal Reserve System itself, including the regional Federal Reserve Banks and all the member banks. Shut down the Fed's monetary system and replace it with a credit system, as specified in the U.S. Constitution, in which only Congress can create Federal credit, to be distributed through a new Hamiltonian Bank of the United States.

These are dramatic steps, but precisely what we require. A President with the guts to do it would find that the American people, if properly informed on what must be done and why, would provide overwhelming support to that President.

Imagine what would happen were President Obama to give a nationally televised address, in which he announced that he had just signed the orders to end the bailouts, and implement the approach outlined above, explaining to the people why this was necessary and calling for their support. He would warn them that the bankers would be apoplectic, that the British Empire might very well try to kill him in retaliation, and that the full power of the corporate media would be unleashed to destroy him. But, he would conclude, with your support, we can correct our mistakes and begin to rebuild our nation and our standard of living.

The press would howl, the empire would foam at the mouth like a rabid hyena. The media would be filled with stories about how Obama had gone insane and was jeopardizing freedom itself, and how this proved the Constitution was flawed, and we must adopt a British-style parliamentary system to correct such abuses.

That would be a sight to behold, but it would be useless, because the people would support the President, giving him the backing he needed. If Obama would do it, he would become a genuine American hero, and the fascists would be once more driven back into their rat-holes, where FDR left them.

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# U.S. Needs Development Policy for Sudan

by Douglas DeGroot

Feb. 13—On the evening of Feb. 11, the *New York Times*, on behalf of the Anglo-Dutch globalized financial cartel, joined an effort to suck the Obama Administration into a campaign to destabilize Sudan, attempting to weaken this new Democratic administration by getting it to launch a disastrous foreign policy adventure in Africa. The London-based financial cartel is intent on preventing the Sudan leadership from accomplishing its goal of overcoming its inherent weaknesses, bequeathed to it by the British Empire during the colonial period, so that it can become a unified, developing nation. Sudan is, territorially, the largest country in Africa, and could become a breadbasket capable of feeding the entire continent.

The *Times* posted an article claiming that a three-judge Pre-Trial Chamber of the George Soros-backed International Criminal Court (ICC) had decided to issue an arrest warrant for Sudan President Omar Hassan al-Bashir, for crimes he allegedly ordered to be carried out against the anti-government rebellion in the western Sudan provinces of Darfur. Earlier that day, three U.S. Congressmen, and the U.S. Commission on International Religious Freedom (USCIRF) called on the Obama Administration to focus on Sudan, and put more pressure on the government, while denouncing President Bashir, who settled the nearly four-decades-long North-South Civil War which had erupted as a direct result of the British colonial legacy, by signing the January 2005 Comprehensive Peace Agreement (CPA) between North and South.

### LaRouche Policy Option for Sudan

Several hours before the *Times* initiated the operation to ensnare the Obama Administration into a Sudan destabilization campaign, Lyndon LaRouche, in his Feb. 11 webcast address, characterized the anti-Sudan policy as a British imperial Nazi-style policy. In response to a question on the threatened ICC attack on Bashir, he

stated that there is no genocide in Sudan. But some people, including members of the current U.S. administration, have been brainwashed by the chant of “genocide,” and, “They’ve become so disoriented by this propaganda that they no longer have a grasp on reality.”

If you want to fight genocide, get rid of George Soros, he said. “It would be a terrible thing, a great folly, if the Obama Administration were to be sucked into an adventure, such as the adventure against Bashir of Sudan.”

He explained: “There are problems there. There’s killing, but this is the result of *outside* operations in the area, combined with poverty, and combined with an economic problem of the government of Sudan as a whole, where it does not have the capability of maintaining adequate security in its own country, *against* these kinds of outside operations. So, it’s an orchestrated operation.” He said these operations are typical of British Intelligence, carried out through organizations such as the British-controlled Muslim Brotherhood.

### Sudan Can Feed Africa

Southern Sudan is a water-rich area, and it could supply grain for all of Africa, and it could be done quite simply, LaRouche emphasized. That is why interstate cooperation to improve water management is crucial for this part of East Africa. “Now, *that should be the U.S. policy interest in Sudan!* We need positive policy interests in these countries! We have to go in with a positive policy, not with ‘who’re we gonna shoot?’ But a positive policy of development: We have to make friends with countries on the basis of positive development, the way the United States used to do it.

He added that there have been operations to destabilize Sudan, because of a British policy to reduce Africa’s population, to preserve valuable raw materials and resources for the British Empire. This was made U.S. policy under Sir Henry Kissinger’s National Security Study Memorandum 200 (NSSM 200) in 1974. That study, which called for “A U.S. Global Population Strategy,” included a section entitled: “Action to Create Conditions for Fertility Decline: Population and a Development Assistance Strategy.”

The day after the *Times* posted its story claiming that the ICC was going to call for an arrest warrant against Bashir, the Court released a statement saying that the ICC judges not only had *not* announced an agreement, but had not even come to an agreement on the Bashir warrant amongst themselves. That same day,

Feb. 12, the *Washington Post* reported that the judges had come to an agreement on issuing an arrest warrant for Bashir for war crimes and crimes against humanity, but couldn't agree on the genocide charge.

If it is true that the genocide charge will be dropped, the case against Bashir would be very weak, because Darfur is in a civil war, and conditions of war are not considered to be humanitarian issues. *EIR* sources knowledgeable in this area suspect that the warrant against Bashir, which was widely expected to be issued this month, may now be in question.

### **The Real Problem in Darfur**

Bashir is now being held solely responsible for the violent consequences of a rebellion instigated by British-intelligence-controlled opponents of his nationalist shift toward settling the war with the South, and developing the entire nation. He is blamed for the extensive infrastructural damage, creation of refugees, dislocation and deaths of civilians caused by the rebellion, as well as for the effects of government attempts to quell the destructive rebel activity. This encourages the rebels, whose militias are in it for whatever they can get for themselves, and are unable to agree amongst themselves, for purposes of negotiating with the government.

In 2007, Bashir identified the shortage of water as the "core" of the problem in Darfur: He invited everybody "to help achieve the objective of providing water to the people who need it the most. Stabilizing this important region of our country is a noble cause."

This has been the issue in Darfur since the 1980s, and in the 25 years since then, *nothing* has been done by the very industrialized countries at the forefront of the attack on Sudan today, to help solve the water crisis; this is what makes it possible for the London financial cartel to manipulate the nomadic groups against those who base their livelihood on agriculture.

### **Senate Hearing on Sudan Policy**

On Feb. 12, just after the ICC-related leaks, Sen. John Kerry (D-Mass.), chair of the Foreign Relations Committee, held a hearing to explore U.S. policy toward Sudan. Amb. Timothy Carney (ret.), who spent most of the 32 years of his Foreign Service career working in hot spots, and was the last U.S. Ambassador to Sudan, called for the Obama Administration to adopt a positive approach, to prioritize organizing regional and international support to save the CPA. It is a foregone conclu-

sion that Sudan will not survive without the CPA. After Hassan al-Turabi, the leader of the British-run Muslim Brotherhood, was dumped from the government in 1999, Sudan agreed to end the North-South war, via the mechanism of the CPA. Carney pointed out that the U.S. offered to normalize relations with Sudan, if Sudan would accept the CPA, but the U.S. did not keep its promise. He proposed that the U.S. take Sudan off the terrorist list, and normalize relations, and advocated a broad debate on what the U.S. interests are in Sudan.

Roger Winter, who has worked for several U.S. agencies, also participated in the hearing. He is a staunch ally of the South, and a long-time opponent of the Sudan government, who had previously been singled out by Bashir for slowing development in Darfur. Yet, even Winter told Kerry that the U.S.A. must focus on the CPA, which he praised as a major accomplishment, even if it is not perfect. He emphasized that developments over the next six-month period are critical for the CPA's survival. He said the issue is not the prosecution of Bashir, but the survival of the CPA. He said that an all-Sudan solution is needed, and emphasized that the CPA is the best mechanism to resolve the other regional conflicts in Sudan.

John Prendergast of the well-funded Enough project, a long-time activist against the Sudan government, is acting as the spearhead to push the Obama Administration into endorsing London's destabilization policy against Sudan. Before the inauguration, he sent Obama a letter in which he advocated the establishment of a no-fly zone in Darfur. He also advocated that Obama not support a one-year deferral on the issuance by the ICC of an arrest warrant against Bashir. The establishment of a no-fly zone in Darfur would amount to a death sentence for many in Darfur.

Julie Flint, an expert on Sudan and Darfur, who is not a pro-government figure on the issue of Darfur, explained in 2007, that the number of civilians killed in that year by air attacks was very small, with most deaths resulting from ground battles "between Arab militias fighting one another over land. Flint is an associate of well-known Sudan expert Alex de Waal, who is sympathetic to the plight of the Darfur population, but who opposes the ICC campaign against Bashir.

Flint reported that nine out of ten flights into Darfur are deliveries of humanitarian assistance, and some agencies are making 90% of their deliveries by air, since efforts to deliver by truck are frequently hijacked by the anti-government militias.

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# World News Briefs

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## ***Brits Want More of Bush Policy in Afghanistan***

Feb. 8—A battle over the Obama Administration's Afghanistan policy broke almost into the open at the 45th Munich Security Conference this weekend, as British Defense Secretary John Hutton attempted to rally the conference to something indistinguishable from the Bush "War on Terror."

An Afghanistan policy review is going on in the Obama Administration, and *EIR* sources say that the plan announced by the Pentagon before Obama took office, to add 30,000 troops, is not likely to be the conclusion of that review. LaRouche has noted that what is actually going on in Afghanistan is that NATO troops are being sacrificed to the British-run drug trade, and that the targeting and eradication of that drug trade is the only effective strategy.

Late reports—indicating that U.S. policy is indeed shifting in this direction—help to clarify what Hutton was freaking out about.

Meanwhile at the Munich conference, while Gen. David Petraeus, head of the U.S. Central Command, called for a new strategy emphasizing the role of civilian reconstruction in conjunction with military presence, Britain's Hutton said no new strategy was needed.

In introducing Hutton, conference chairman Wolfgang Ischinger, Germany's ambassador to London from 2006 to 2008, took note of Britain's long history in the region, and named the viceroy who first established the Northwest Frontier Province. Hutton thanked Ischinger for reminding him of Britain's historic role, and proceeded to his war cry, speaking of "international jihadism" and "threats to our way of life," and ending with a call for more of "a wartime mentality."

Petraeus gave a sober assessment of the military problems to be faced. "Af-

ghanistan has been known over the years as the graveyard of empires. We cannot take that history lightly."

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## ***NATO Follows Craddock's Afghan War on Drugs***

Feb. 11—NATO Secretary General Jaap de Hoop Scheffer said today that NATO will proceed with new measures to target drug traffickers in Afghanistan and will bomb drug-processing laboratories, to deprive the Taliban of its main financing, but that it will remain within international law. He said that a "number of buffers and filters" had been put in place to safeguard the legality of combating what he termed the nexus between the insurgency and narcotics. "It is according to international law," he said.

This confirms the policy called for by NATO chief Gen. John Craddock in a memo leaked two weeks ago by the German weekly *Der Spiegel*. The leak was intended to sabotage the policy, by provoking an outburst from the British and their dupes in Europe. De Hoop Scheffer alluded to this by adding: "And if nations at a certain stage think that they would rather not participate, they will not be forced to participate." Apparently, the Brits are not willing to shoot themselves.

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## ***Italy's Tremonti Calls for 'Chapter 11' Bankruptcy***

Feb. 12—In a long article in today's Milan daily *Corriere della Sera*, as the G7 finance ministers and central bankers are arriving in Rome (the summit starts with a dinner tonight), Italian Economy Minister Giulio Tremonti reiterated his call for a bankruptcy reorganization solution, calling it, for the first time, "Chapter 11." Here is a translation of the relevant passage:

"If the crisis is not a liquidity [crisis], but an insolvency crisis... the medicine is not to merge failed banks with other failed banks; it is not in the switch or swap between private and public debt; it is not in creating artificial, additional private demand. If you are doped, the remedy is not more dope.... Saving everything is a not divine mission. If one thinks of saving everything, through the last resort of governments, through public debt, you end up with saving nothing, and in the end, you even lose public budgets.

"To save everything is, instead, a political mission. The form of thinking to implement in this perspective is very new, or, rather, very old. It is altogether centuries old and wise. It is the Biblical solution: Sabbatical or Jubilee Year. It consists of separating the good from the bad. Saving families, industries, those parts of banks which are functional for development. Separate the rest, put them in ad hoc vehicles, establish a moratorium on rates and time, and sterilize the related values on balance sheets."

In his article today, Tremonti restates: "The technical name can change: 'bad bank' or 'Chapter 11,' but the substance is the same, embedded in a radical separation of good from bad, of the functional from the speculative."

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## ***Soros Promotes Schemes For Kudrin's Russia***

Feb. 12—George Soros, the megaspeculator and drug-pusher, has launched a propaganda offensive in Russia, in parallel with efforts by London financial circles to control every aspect of preparations for the April 2 G-20 London summit on the global financial crisis. The Russian Finance Ministry of Alexei Kudrin—the deputy prime minister, or "Sub-Prime" Minister, as Lyndon LaRouche has dubbed him—openly welcomed the latest initiative from Soros.



Soros's new bid came in an article published Feb. 10 in *Vedomosti* business daily, a Russian media partner of the *Financial Times* of London and the *Wall Street Journal*. Having set forth his schemes for a gigantic "aggregator bank" for "bad" speculative debt (such as Soros himself generates through his hedge funds) in the *Financial Times* two weeks earlier, Soros came at Russia with something different, under the headline "Global Anticrisis Policy: Create New Money." His pseudo-anti-globalist article attacked the "domination of the USA and the so-called Washington Consensus," and portrayed himself as the defender of the victims—of "peripheral countries," like Russia. "To defend the periphery from the storm issuing from the center, the USA," Soros says, "the simplest solution is to create money." Specifically: masses of International Monetary Fund Special Drawing Rights (SDRs), to be injected into national economies for "counter-cyclical fiscal measures," because "increasing the money supply is the best answer to the collapse of the credit market."

This hyperinflationary recipe was seized upon by the Russian media, with dozens of headlines appearing in newspapers and on websites. Within hours, Andrei Bokarev, head of the Russian Finance Ministry's Department of International Financial Relations, State Debt, and Government Financial Assets, had welcomed Soros's article.

It can be no accident that Soros's offensive in Russia coincides with great attention there to the warnings and proposals of Lyndon LaRouche, whose exposés of Soros, by the latter's own admission to the *Financial Times*, forced him to lower his profile in the United States. "The Current System Itself Is the Disease," was the title of LaRouche's recent interview on the BFM.ru economics and finance portal, while LaRouche's insistence that the entire globalized monetary system must

be put through bankruptcy reorganization, in favor of relaunching physical economic growth, is the subject of widespread discussion on Russian Internet sites.

### ***Japan's Machine-Tool Sector Is Evaporating***

Feb. 9—The implosion of the world economy cut orders for Japanese industrial machinery 16.7% in the last quarter of 2008, from the previous quarter. This is the biggest fall in such orders since figures began to be put together in the current format in 1987, according to a Japanese Cabinet Office report. The biggest crash was in November, when orders went down 16.2% from October, and the contraction continued, although at a slower rate, in December. General and electronic machinery and automakers' orders were especially hard hit.

The Japanese machine-tool sector is also evaporating. The Japan Machine Tool Builders' Association today reported a preliminary estimate that machine-tool orders fell 84.4% in the 12 months to January. Domestic orders were down 84.0% year-on-year, and foreign demand down 84.8%. From December to January, the fall was 49.3%—domestic demand down 41.3% and foreign demand 55.0%.

Unless this process is reversed, by an overall bankruptcy reorganization of the world economy, and a Four Power agreement (among the U.S.A., Russian, China, and India), as Lyndon LaRouche has called for, to restart the economy, the world is set to lose one of the most crucial assets for carrying out a recovery. Japan is one of the three leading centers of machine-tool capability internationally, along with Germany and the United States—both of whose sectors are being devastated by the ongoing breakdown.

## ***Briefly***

**GEN. BARRY MCCAFFREY** (USA-ret.) delivered a no-holds-barred attack on the Soros-funded dope legalization lobby, at a speaking engagement at the heritage foundation in Washington Feb. 13. He also insisted that the U.S. must collaborate with a sovereign Mexico to crush the drug cartels now ravaging the U.S. and Mexico.

**THE GERMAN ECONOMY** is shrinking at the highest rate since German reunification, according to figures released Feb. 13. German Gross Domestic Product collapsed by 2.1%, year on year, in the last quarter of 2008. The steel, auto, and machine-building industry are all heavily affected.

**GOV. ARNOLD SCHWARZENEGGER** is slashing California state jobs by 10,000, as the legislature has refused to pass a new budget which features major tax increases. Despite this, and mandatory furloughs for state workers, revenue shortfalls are growing at a faster pace than the budget can be cut.

**BRITISH MINISTER ED BALLS** told a group of Labour Party activists on Feb. 10 that the current financial crisis is "more extreme and more serious than that of the 1930s," and could lead to the rise of fascism, as occurred in the 1930s. Balls is considered to be close to Prime Minister Gordon Brown.

**ALABAMA STATE REP. TOM JACKSON** submitted a resolution on Feb. 12, which called for the State Legislature to urge the U.S. Congress to hold hearings on financial abuses by Wall Street financial institutions, in the tradition of President Franklin Roosevelt's 1933-34 Pecora Commission hearings.

### *Bankruptcy Reorganization Now!*

On Feb. 15 Lyndon LaRouche reiterated his call for President Barack Obama to immediately declare a national and international financial emergency, and announce a bankruptcy reorganization of the entire Federal Reserve banking system. In his Feb. 11 international webcast, LaRouche once again explained that nothing short of a top-down bankruptcy reorganization of the entire, hopelessly bankrupt financial system, could stop the plunge into a global dark age, worse than the 14th-Century collapse of Europe. Precious time was being wasted, he emphasized.

LaRouche added that “the people who are responsible for this catastrophe are now the main opponents of my proposal for a top-down bankruptcy reorganization.” LaRouche called on them to “learn their lesson and come along, or just shut up.”

“We are in a breakdown crisis,” LaRouche continued. “My focus is on the urgent measures that must be adopted immediately, to save nations and economies from total ruin. The present post-Bretton Woods system is hopelessly bankrupt and can not be saved. But that is not a problem. You can always create a new financial system, following a bankruptcy reorganization of the old, dead system. The simple fact is: Many bankers are going to have to eat the losses, especially those financiers who built up the approximately \$1.4 quadrillion derivatives bubble.

“There are people who are trying to save the derivatives swindlers, at the expense of current and future generations of American taxpayers,” LaRouche charged. “In my view, these people are thieves, who gambled criminally with other people’s money. They lost, and nobody in their right mind can justify bailing them out, on the backs of working American families. But isn’t that exactly what Hank Paulson proposed? Isn’t that what

Nancy Pelosi, Chris Dodd, and Barney Frank are still proposing?

“I am very concerned that enemies of the United States, including some people who are trying to misadvise President Obama, are blocking the urgently needed bankruptcy reorganization, that I first spelled out in my July 25, 2007, international webcast, and then issued in legislative form in the Homeowners and Bank Protection Act [HBPA].

“There is no alternative to the HBPA, if the United States and the world are to avoid a plunge into a dark age collapse,” LaRouche concluded.

Indeed, it is striking how openly so-called mainstream economists are being about the fact that neither the stimulus package, nor the Geithner financial rescue plan, are expected to provide any relief for the economy. So, why, one is forced to ask, would they proceed to advise the President to carry out such shams?

On the one side, the answer is clearly: fear. President Obama’s advisors are sharply aware of the incredible rage which was stirred up among the Wall Street crowd, and their international backers, by the actions which Franklin Delano Roosevelt took beginning 1933. But do they delude themselves that the rage will dissipate with time? No, it’s got to be confronted sooner or later.

On the other side, the President is confronted with outright saboteurs, who, while they may be too stupid to understand what should be done, are very clear that they are out to serve their Wall Street masters. These are the Pelosis, Dodds, and Franks—whose actions are crippling the President.

There is no question but that President Obama can mobilize the U.S. population to defeat both the saboteurs *and* Wall Street—if he acts now. Give him your support—and let him move aggressively now.



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- NEW ULM TW Ch. 14: Fri 5 pm
- PROCTOR MC Ch. 12: Tue 5 pm to 1 am
- ST. CLOUD CH Ch.12: Mon 6 pm
- ST. CROIX VALLEY CC Ch.14: Thu 1 & 7 pm; Fri 9 am
- ST. LOUIS PARK CC Ch.15: Sat/Sun Midnite, 8 am, 4 pm
- ST. PAUL CC Ch.15: Wed 9:30 pm
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- PISCATAWAY CV Ch.15: Thu 11:30 pm
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- 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

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- BS Ch.23: Mon 11 am, Wed 7 am
- TRI CITIES CH Ch.13/99: Mon 7 pm; Thu 9 pm

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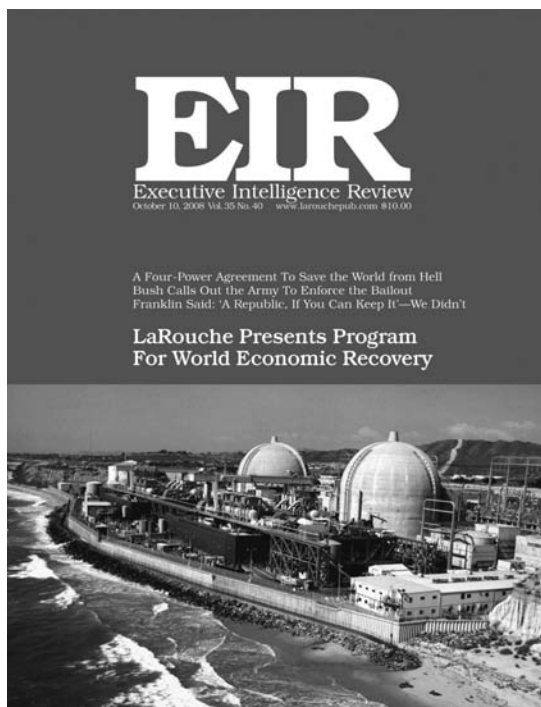
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