

Editorial

What Will You Do After the Crash?

On the eve of the U.S. Presidential election, the Gore and Bush campaigns are squabbling about how to spend the record so-called budget surplus which supposedly unprecedented prosperity is bringing us. Meanwhile, back on planet Earth, the world financial system, especially the U.S. system, is wobbling at the edge of a financial blowout which will make 1929-31 look like a picnic. Everybody knows it, though, in the United States, few are willing to admit it publicly.

And now, burgeoning asset-price inflation, fuelled by Federal Reserve Chairman Alan Greenspan's and Treasury Secretary Lawrence Summers's ever-larger investor bailouts, has long since spilled over into commodity prices, just as Lyndon LaRouche has warned about since Autumn 1998. Energy prices are only the best-publicized case; prices of numerous commodities, in nearly every category, have suddenly begun to spiral wildly upward, in a way that can no longer be completely concealed by such hoaxes as the Quality Adjustment Method or "hedonic" calculation of inflation, which *EIR* exposed in our last issue. A repeat of Weimar Germany's hyperinflationary blowout of November 1923, is looming. But this 2000 blowout cannot follow the course of the 1923 one, nor can the U.S. and global problem be contained as Germany's was, so that the further precise course of the crisis is still veiled in smoke.

But one thing is clear: Those who are crowing about a mythical prosperity, while in reality the vultures are circling over Wall Street, resemble nothing so much as the Mutt-and-Jeff tyrants of East Germany in October 1989: Socialist Unity Party head Erich Honecker, and his secret-police chief, Erich Mielke.

The 40th anniversary of the founding of the mis-named German Democratic Republic (East Germany), celebrated on Oct. 6-9, 1989, was an occasion for the wildest communist triumphalism. It looked strange enough at the time—but looking backwards, back from the fall of the Berlin Wall a month later, and the collapse of the East German state, it was completely unbelievable.

In October 1989, Erich Honecker proclaimed that socialism would last a thousand years, and even wrote

a little poem about it.

It did look strange at the time, but not to everyone: World Jewish Congress head Edgar Bronfman actually visited Honecker then, to accept an award from him. Today, the same Edgar Bronfman supports Vice-President Gore.

If either Gore or Bush is elected President, he will be the next Erich Honecker of the United States. In either case: Clean up that house in Chile, where Honecker fled into exile from Germany, because we'll be using it again, for Bush! Or, for Gore!

In the face of such an obviously looming catastrophe, the tendency of most people is to concentrate, fearfully, on the world "in the small," to ask, "What's going to happen next?"—up to the point of the crash. This is a political mistake. Instead, look at what's going to be the state of affairs *after* the crash. "What are *you* going to do after the crash?" This is only way to organize the typical American, as well as the typical European. As long as you're saying, "The crash is coming; the crash is coming," they'll only repeat, "The party line is that it's not coming"—even though their own personal experience says the contrary. But if you focus on what to do after the crash has occurred, then you can begin to think, and get others to think also.

A very good example, is the resolution submitted by 25 Italian Senators on Oct. 19, to the Italian Senate and the Interparliamentary Group for the Jubilee 2000, calling for a New Bretton Woods System. This is LaRouche's policy, which he has expounded in countless forums. The resolution cites the "total instability and volatility" of the international markets, and the fact that we are in "a systemic crisis." It calls on the Italian government to work to convene a new international conference, similar to that at Bretton Woods in 1944, "with the aim to create a new international monetary system."

Other nations should immediately join this call, and Americans should mobilize to get their fellow citizens and elected representatives, to junk the new "Honecker-Mielke" duo, and join the fight for an economic recovery.