

we have, Rohatyn wrote, an administration that is feared and distrusted both at home and abroad. All but openly stating the intention of his faction to replace the current government, he compared the Bush Administration's ability to lead, to Nixon's at the height of Watergate, concluding that we must have a government that will "fairly" share the pain sure to result from the policy failures of the last decade or more.

"I believe that capitalism is the best system ever invented for the creation of wealth," Rohatyn writes, "but it must be fair, it must be regulated, and it must be ethical. The excesses of the last few years show how the system has failed in all three respects. . . . National security in a depressed economy is our most important issue today. To deal with it, will require real sacrifice on the part of all Americans; and if sacrifices are to be justified, they must be seen as fair."

Rohatyn has apparently settled on Sen. John Kerry as his prospective "office clerk" President, and has been seeking control over the putative Democratic nominee's economic policy. His policy ideas, including for a large-scale Schachtian domestic infrastructure-building program—a huge \$500-billion, MAC-like scheme first floated by him in 1988, whose bonds would be guaranteed by diversion of Federal revenue streams and whose contracts would demand sacrifice by labor unions in exchange for jobs—are making the rounds inside the party and the Kerry camp. For Kerry to play the flunky

role for Rohatyn (as the bizarre Mayor Ed Koch did in New York), Kerry must be kept away from Lyndon LaRouche, and his approach to the crisis from the standpoint of the General Welfare, not the bankers' debt.

Rohatyn is reported to have become almost shrill over the recent Argentine government confrontation with the IMF, shrieking that no government has the right to challenge the bankers or their selected thugs. Behind such outbursts is the fear Rohatyn and his cronies have of LaRouche, as they feared what LaRouche could accomplish in the New York City crisis. "Anyone who is backing default or moratorium should be taken out and shot," Rohatyn is reputed to have said back in 1975. Rohatyn and Schacht can profess to prefer a "friendly fascism" to Hitler's brand; but when push comes to shove, they'll back a Hitler and his methods when "necessary."

In August 2001, shortly after Rohatyn issued his call for a "New Bretton Woods" reform of the IMF, LaRouche challenged him to state precisely what type of Bretton Woods he was touting, as compared to LaRouche's own proposal which would take real power away from the private bankers like Rohatyn. Rohatyn never did answer LaRouche's challenge, published in *EIR*, Aug. 31, 2001. Today, Democrats should demand that Rohatyn answer another question: Does he agree with Abba Lerner that adoption of Schacht's genocidal austerity would have made Hitler un-"necessary"?

## Guilty As Charged

Hjalmar Schacht was indicted for crimes against humanity, and tried in 1946 with other Nazi war criminals. Schacht's defense was that he was only a banker and economist, and had no responsibility for the political implementation of his policies by the Nazis; he painted himself, instead, as a temporizing influence on the worst excesses of the Hitler crowd, and professed, like his admirer Prof. Abba Lerner in the famous 1971 debate with Lyndon LaRouche, to have been an anti-Nazi. While evidence was presented that Schacht had participated in meetings that directly helped bring the Nazis to power, including setting up bank accounts where funds were deposited to bail out the bankrupt Nazis in 1932-33; that Schacht had created the policies which regimented the German workforce and gutted the trade union movement, through often brutal and violent measures; that he had funded the creation of the Nazi war machine; he was acquitted of all counts. The judges vote was split with the connivance of a weak prosecution, run by the British and presented by an American mob-linked, pro-Synarchist from Minnesota; the Truman Administration likely did not want the banker prosecuted.

Schacht's conviction could not be allowed because it would have established a legal precedent, that economists and bankers could be held morally and criminally responsible, for crimes against humanity, for the advocacy of precisely the policies advocated by Schacht, Lerner, and Felix Rohatyn.

Chief U.S. Prosecutor and FDR ally Justice Robert Jackson was outraged at the verdict. He, following orders from his now-deceased friend Roosevelt, had fought British and French objections to try Schacht. In an eloquent last-ditch effort to rescue the prosecution, Justice Jackson had presented what is, in effect, the reasons why the Schachtian fascist Rohatyn is also guilty of crimes against humanity.

Jackson singled out Schacht as "the most dangerous and reprehensible type of all opportunists," someone who would use a Hitler for his own ends, and then claim, after Hitler was defeated, to have been against him all the time. He was part of a movement "that he knew was wrong" because he saw it "winning." Jackson ridiculed Schacht's claim to be an "honorable man"; he, while claiming to despise Hitler, "armed Hitler to blackmail a continent."

By exposing Felix Rohatyn as the would-be Schacht today, a new set of crimes against humanity, leading to a New Dark Age, may be prevented.