

# More on Rohatyn

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Reports on some European reactions to my “Tale of Two Bozos,” say that some of the locals there complain that they do not understand the substance of my objections to Felix Rohatyn’s latest scheme for luring and looting prospective investors. The problem is not that they do not understand; their problem is that, for special reasons, they do not wish to understand what should be quickly obvious to any intelligent and literate adult person.



*Synarchist banker and “Big Mac” swindler Felix Rohatyn*

The motive for those complaints, is, simply, that very few Europeans wish to know the fundamental difference between the American System of political-economy, which is based on a system of state credit, and European monetary systems, such as that of John Maynard Keynes, or the system of allegedly “honest money” proposed by the inherently dishonest, American traitor, fascist, and certified lunatic, Ezra Pound. Prevalent ideas about money and credit, throughout Europe today, remain crafted in Europeans’ self-inflicted habit of following the Venetian tradition of usury. Therefore, they do not know that difference between a credit system and a monetary system, simply because they do not wish to know that difference.

I repeat: the problem is that the typical European, especially most among the professionally educated ones, either does not know, or does not wish to know, the difference between a system of productive credit, such as the American System, and those states of misfortune known as the current European ideas of a monetary system.

To make the relevant point clearer, this difference between American and European customs, also accounts for one of the principal reasons so many Europeans were lured into accepting the fascist economic systems which the Synarchist International’s concert of private bankers installed on that continent during the 1922-1945 interval. So, Americans familiar with the rudiments of economic matters, have an instinctive aversion, as I do, and, apparently as former Federal Reserve Chairman Paul Volcker does, to the aromas of

the Synarchist tradition at the center of all Rohatyn’s more notable past and present schemes. Volcker and I disagree on some significant points of policy, but as cultured American professionals who know the American System, we quickly identify the Synarchist stench radiating from Rohatyn’s schemes, as even educated Europeans usually prefer not to do.

Prevalent European ideologies are steeped in the sickening effects of the more than a thousand years under the reign of monetary systems still traced to Venice’s influence, up to this present day. Any literate Italian who is willing to face up to this particular truth, has the cultural background needed to recognize the truth of what I am saying, better than any other type of European. He enjoys the disadvantage of being closer to Venetians today.

## How To Make Money Work

Under the U.S. Federal Constitution, lawful money is that issued by a monopoly of the Federal Government, as conditioned by the U.S. House of Representatives. This money is not properly based on anything but the credit of the U.S. Federal Government; no other form of money is allowed to be used, or possessed, except under the provisions of lawful treaty agreements with other sovereign governments. It was that U.S. dollar which provided the essential basis for the 1945-1971 existence of the Bretton Woods System. Under European systems, and the present floating-exchange-rate perversion of the International Monetary Fund, monetary systems are of the form of “independent” central banking systems, such as the Keynesian system, in which the credit of the state and its monetary affairs are controlled by the power of private banking interests.

For an example, take the case represented by my current proposals for U.S. economic recovery.

I have outlined the creation of a vast debt, for investment in improvements and enterprises which will increase the wealth of the nation by a far greater amount than the denotable monetary value of the debt incurred. Such are the strategies which I have summarized in my current *EIR* feature, “The Principle of ‘Power’.” This debt is prescribed to be incurred, as Federal utterance of obligation to deliver a Constitutional form of currency, for employment of people in actions which will increase the productive powers of labor and their products by a far greater amount than is expended for those actions. It is the increase of the production by technologically progressive labor which is the security for the monetary debt uttered.

This outlay of debt-money (i.e., credit) is based on powers of a physical-scientific type, not any monetarists’ notion of so-called “utilities.” This is made clear enough in both my “Vernadsky and Dirichlet’s Principle” and the currently featured special Christmas issue of *EIR*.

Thus, the national system of economy depends upon the use of the power to tax and to regulate, to ensure that the utterance of money by the state, as credit, is defended by use