

EIR

Executive Intelligence Review

March 6, 2009 Vol. 36 No. 9

www.larouchepub.com \$10.00

LaRouche: How London Goes Down
Italian Senate Debates Bankruptcy Reorganization
Fascist Felix Moves in on Obama Administration

**Rebuild the World Economy
After the Systemic Crisis**

Schiller-Institute Conference

February 21-22-2009



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THE JOURNAL OF THE LAROUCHE-RIEMANN METHOD OF PHYSICAL ECONOMICS

DECEMBER 2008 ISSUE

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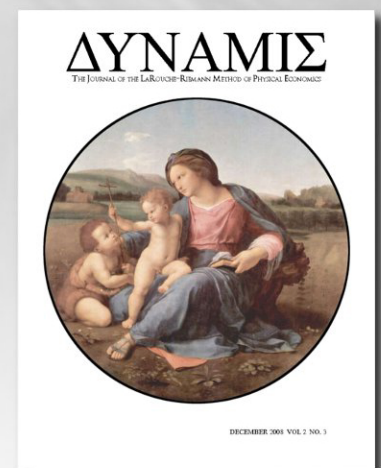
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EIR (ISSN 0273-6314) is published weekly (50
issues), by EIR News Service, Inc., 729 15th St. N.W.,
Washington, D.C. 20005.
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Canada Post Publication Sales Agreement #40683579

Postmaster: Send all address changes to EIR, P.O.
Box 17390, Washington, D.C. 20041-0390.

EIR

From the Managing Editor

The current global financial crisis has created a seemingly paradoxical situation, Lyndon LaRouche told the audience at the Schiller Institute's conference in Rüsselsheim, Germany: The two principal requirements for a solution might seem contradictory. On the one hand, we require an affirmation of *national sovereignty*: The murderous prescriptions of the International Monetary Fund, the European Union, and other supranational institutions led us into this catastrophe, and will certainly not lead us out of it. Governments that do not protect the jobs and living standards of their people are cutting the throats of their own citizens. But on the other hand, world leaders lack a competent grasp of how to organize a *global* recovery, since no nation, even the most powerful, can solve the staggering problems it faces, solely on its own.

But it's not really a contradiction! Germany's great poet Friedrich Schiller, 200 years ago, demanded that people be "patriots and world citizens." So yes, protectionism! But also an alliance of sovereign nations to forge a new system, to the benefit of all.

LaRouche was addressing a European audience, and he gave it to them with typical Yankee bluntness: Yes, the United States has made many blunders. Yes, the last U.S. administration was an utter disaster. *But*, "the United States, whatever you think about it, is crucial. Without the United States' cooperation, there will be no recovery of this planet." So, get over it! We're starting fresh.

That message is also emphasized in LaRouche's "How London Goes Down," which is the fourth and concluding installment of a series that began with "Nations as Dynamical" (*EIR*, Feb. 6, 2009). These articles require careful study; they tell policymakers what they need to do, and all readers how they need to change their way of thinking, the axioms which allowed this global crisis to come about.

Our news coverage complements this picture with important, if limited, progress in Italy in the fight for bankruptcy reorganization; signs of a new tone in U.S. foreign policy; and British dirty tricks to steer the Obama Administration in the wrong direction. See also the *Editorial* call for a Hamiltonian National Bank—a crucial element in the lineup of measures needed urgently.



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Left to right:
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LaRouche, Prof.
Devendra
Kaushik,
Lyndon H.
LaRouche, Jr.



EIRNS/Julien Demaitre

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Speech by Lyndon LaRouche. As the planet faces a plunge into the worst civilizational crisis since the 14th-Century New Dark Age, European nations have been stripped of their sovereignty, LaRouche said. That means the solution has to come from an alliance of four powers: the United States, Russia, China, and India. “The United States, whatever you think about it, is crucial. Without the United States’ cooperation, there will be no recovery of this planet.”
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“Our job in the next period,” said the Schiller Institute’s founder, “is to catalyze in Europe, the kinds of alliances which will work together with the United States, Russia, China, and India, and then I think there is hope. If not—you’d better get accustomed to live in the bushes.”
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“The current behavior of most among the present governments is to be compared to a driver accelerating down a very steep hill into a crossing below, without knowing that the vehicle’s brakes have already ceased to function. He, like most of the world’s presently installed governments, is certain that he might be able to manage the situation, and would probably never discover that he had failed.” Such is the delusion of the British oligarchy, which will itself be destroyed, by the very policies with which it hopes to destroy the United States. “Oscar Wilde would have been sadly amused.”

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SCHILLER INSTITUTE CONFERENCE

Rebuild the World Economy After the Systemic Crisis

by Our Wiesbaden Bureau

The Schiller Institute, founded by Helga Zepp-LaRouche, held an international conference in Rüsselsheim, Germany, Feb. 21-22, with the title, “Rebuilding the World Economy after the Systemic Crisis.” Keynoted by Lyndon LaRouche and Helga Zepp-LaRouche, the conference was attended by about 350 people from 25 nations.

After the LaRouche Youth Movement (LYM) Chorus set the tone with a performance of J.S. Bach’s motet “Jesu, meine Freude,” Lyndon LaRouche gave his opening speech, “The Next Steps,” which is published in full below. He asserted that we are in a crisis such as the world has not seen since the 14th-Century New Dark Age, a crisis that threatens to destroy all civilizations and cultures, and a large proportion of the world population.

To overcome this crisis, he said, two seemingly contradictory things are needed: First, especially in Europe, a reassertion of national sovereignty. But, at the same time, a community of sovereign nations must join together in a global effort to deal with the collapse. The role of the United States will be crucial to create a new financial system—a credit system, not a monetary system—in conjunction with Russia, China, and India.

Helga Zepp-LaRouche’s keynote, also published in this *Feature*, was on “Europe’s Role in the Coming Renaissance.” One must be a true optimist, she said, to choose such a title for a speech, at a time like this! But since there is no alternative to such a renaissance, the point is to make it happen.

Other presentations will appear in forthcoming issues of *EIR*. The speakers were, in the order in which they spoke:

Prof. Hans Köchler, Austria, president of the International Progress Organization, “Return to a New World Economic Order: Philosophical



EIRNS/Julien Demaître

Lyndon LaRouche addresses the Schiller Institute's conference in Rüsselsheim. Seated left to right: Prof. Giancarlo Pallavicini, Father Bonifacio Honings, Jacques Cheminade, Helga Zepp-LaRouche, Prof. Noretton Mezvinsky.

Considerations on the Collapse of Globalization.”

Prof. Wilhelm Hankel, Germany, former chief economist of the Kreditanstalt für Wiederaufbau (KfW, Reconstruction Finance Agency), a collaborator of the late economist and German government minister Karl Schiller, spoke on “The Future of the Euro.”

Gen. Eric de la Maisonnette (ret.), France, president of the Society for Strategy, “Change of an Epoch: The Need for a New Policy.”

Prof. Devendra Kaushik, India, former chairman of the Center for Russian, East European, and Central Asian Studies, Jawaharlal Nehru University, New Delhi, and chairman of Maulana Azad Institute of Asian Studies, Kolkata, examined the strategic relations among the United States, Russia, China, and India.

Jacques Cheminade, France, chairman of the political party Solidarity and Progress (Solidarité et Progrès), “Why a New ‘Pecora Commission’ Is Urgently Necessary.”

Father Bonifacio Honings, Italy, professor of moral theology at the Gregoriana University and former dean of the Lateran University in Rome, “The Social Teaching of the Church as the Ethical Foundation for LaRouche’s Plan A and B.”

Prof. Norton Mezvinsky, U.S.A., Connecticut State University, “The Perspective of the Obama Ad-

ministration for Peace in Southwest Asia.”

Prof. Giancarlo Pallavicini, Italy, economist and member of the Russian Academy of Sciences, “An Overview of Current Economic and Financial Doctrine and Practice.”

Portia Tarumbwa-Strid, Zimbabwe, LYM, “How the Earth Has To Look in 50 Years.”

Julien Lemaître, France, LYM, used the case of Johannes Kepler to discuss the changes in thinking that are required to achieve effective political change.

Kasia Kruczkowski and **Petra Carlsson**, Germany, LYM, “The Role of Youth in the Coming Renaissance.”

Elodie Viennot, France, LYM, addressed the principle of Classical composition, as shown in Bach’s “Jesu, meine Freude.” The LYM chorus, under the baton of **Stefan Tolksdorf**, sang excerpts to illustrate her points, and then sang the entire motet again.

To conclude the conference, LaRouche reemphasized the special role of the United States in dealing with the crisis today. Americans are optimistic, because of their history, he said, while Europeans tend toward pessimism. Therefore, the initiative to overcome the crisis must come from the United States. He vowed to do everything in his power to move the new U.S. administration in this direction.

The Next Steps: Only Sovereign Nations Can Rebuild The Bankrupt Economy

Here is Lyndon LaRouche's keynote, opening the first panel of the Schiller Institute conference. He was introduced by Schiller Institute founder Helga Zepp-LaRouche.

Helga Zepp-LaRouche: Dear conference participants, I'm very happy to greet all of you at this truly dramatic moment in history. I think we are, as an organization, in a very unique position. As a matter of fact, I can tell you, that the existence of this organization is because the gentleman, Mr. LaRouche, has actually devoted his entire life to the systemic, inherent problems of the present world financial system, and how to remedy it and replace it by a system which is more coherent with the lawfulness of the universe.

As a matter of fact, Mr. LaRouche is internationally known, and feared by some, because he has been on the record of predicting this crisis to erupt. The first time he did that in 1957, and especially in 1971, he made the prognosis that if the existing trend then would be continued, it would come to a breakdown and new depression. . . .

We are meeting here in Rüsselsheim, and when we picked the site of this conference, we did not know what would happen with Opel here. We picked the city more for convenience of logistics, that it's close to the airport, it's close to other connections; but it's now sort of a symbolic situation, because the breakdown of the world financial system, and the world economic system, is very acutely felt here in Rüsselsheim, which is symptomatic for the sorrows of the population at large.

Now, let me give the word to a very special individual, my husband.

Lyndon LaRouche: Thank you very much.

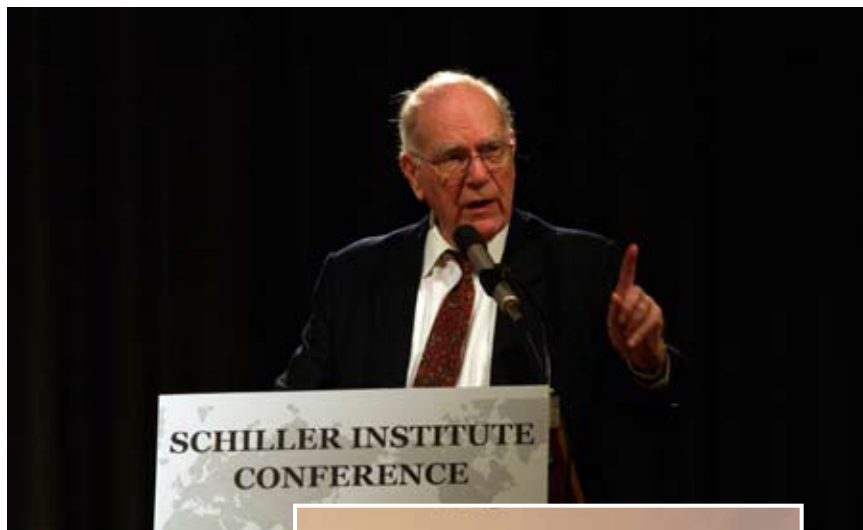
We're at a point in history, the like of which has not been seen in Europe since the 14th-Century New Dark Age. And one of the problems we face in the world today, is precisely that: that there is *no one* living today,

or for several generations in the past, who has any inkling whatsoever, of the event which grips the entire planet at this moment. We now have a planet which is estimated to be populated at 6.7 billion people. If we do not take appropriate action internationally, as I shall indicate, there will *not* be 6.7 billion people two generations from now, but, if we're lucky, 2 billion people: Whole sections of the human population's cultures will disappear, except for the few remnants to remember the past for larger numbers.

The problem is, that while we have—as in the United States, we have around the new President, a selection of people who are highly qualified talent. There are a few I'm not too happy with, but the majority are really some of the best talent the United States has to offer for this purpose. Unfortunately, they, too, have no experience and no comprehension of the kind of crisis which the world faces now. Now, I'm not that old—I mean, I wasn't there in the 14th Century—but, I do know a great deal about it, probably more than anyone living today, in terms of what to do about it. And thus, it's a heavy responsibility for me to make the distinction between what people who live today, and who are professionals, who are experts, *do* know about fixing a situation like this. But my problem is, to show them what to do about what they *do not* know.

Because people will talk about this crisis, as a “recession”—that's complete childishness among experts. They talk about it as a depression; that's really a mild understatement, which gets you no place. You're talking about the kind of crisis from which civilizations and cultures *do not reemerge!* In which entire cultures vanish, as well as vast parts of the world population. You have to have a clear view of the vulnerability of the world's population.

Let's take the case of China. China has just gone through a shocking crisis. China can not sustain its existing population of 1.4 billion people on the basis of a continuation of the present trends in the world situa-



EIRNS/Julien Demaitre

Lyndon LaRouche told the conference that resurgent creativity of nation-states, through Classical culture and scientific breakthroughs, holds the key to successfully rebuilding our bankrupt world. Right: Cellist Stephen Kramer performs at the conference.



EIRNS/James Rea

tion! This is not a matter of China's problems: *This is a global problem. The entire planet faces mass extermination!*

India is a more stable country, because it's less dependent upon exports as a percentile of its operations, but it, too, is extremely vulnerable. Russia is on the verge of non-existence! The entire Southwest Asia, an area of crisis—this financial crisis makes things worse. Africa is a target of genocide, especially by the British Empire. And if we don't stop that, there will be almost an *obliteration* of the population of Africa, the population of the United States, of South America, and so forth. This is the situation, in which the *normal* reaction, by governments, and by nations on their own behalf, will be totally inadequate and wrong-headed in trying to deal with this kind of a crisis.

Two Principal Requirements

We require two contradictory things—which are really not contradictory. We require, on the one hand, a reaffirmation, especially in Europe which no longer has this affirmation, of national sovereignty! Without the defense and promotion of national sovereignty, you can not organize the people of this world to deal with this problem! That's one of our problems.

And at the same time, there's not an understanding of how to organize a *global* fight, to overcome this great crash, with the saving of national sovereignty: That is, how can we get nations which are not inherently inclined to one another, in this account, to work together, as sovereign powers; to work together in long-term cooperation—we're talking about 50 years and so forth into the future—to *rebuild* the economy of this planet, to rebuild it in a way that we can say, a few years from now, we have done the job, we have secured the possibility of the survival of civilization, as civilization, on this planet.

Now, these are questions, for which we have talents suited to deal with this problem. But they don't have a *conception* of how they should organize themselves, in common effort, to achieve it. And that's the heavy job I have. Because I've spent most of my life in two ways on this question: One, on the nature of this question itself.

There is no competence whatsoever, among the professional economists of the world, in dealing with this; that is, not with the problem as such. There are people who are competent with *implementing* and designing the implementation of programs which will make this work. But we have no economists who have any understanding of this, because they haven't studied it; they have not worked through the history. They think in terms of recent history, like only a few generations, or only a couple of centuries past. They think nothing about 2,000 years or 3,000 years in the past, and you have to think that way in order to deal with this.

Now, take the thing from the top down: On the 25th

of July of 2007, I conducted an international webcast, in which I announced that we were on the brink of a general breakdown crisis of the world financial-monetary system. I indicated what the problem was, and some of the measures that had to be taken.

Three days later, the world financial system began to disintegrate. Idiots called it a “subprime mortgage crisis.” They were idiots. It was the *whole system* in a death rattle. And since that time, since the 28th of July of 2007, the world as a whole has been disintegrating, economically, at an accelerating rate. People have tried to call it a “recession”; some have called it a “depression.” They all have assumed that they do not have to make fundamental changes, they do not have to make changes which *reverse* the policies of the world, since especially 1968, since the Spring of 1968. That’s where the point is. So, you have to take most of the changes in policy, by nations and among nations, since March 1st of 1968, when President Johnson took the first step to bring down the fixed-exchange-rate system. And the collapse of the fixed-exchange-rate system meant the destruction, or the self-destruction, of the United States, and set up Europe for vulnerability, to go down.

Europe Has Lost Its Sovereignty

Europe, since that time, has lost its sovereignty. Here we have this great area of Europe, of Western and Central Europe. It no longer has the bulwark of national sovereignty, and of a system of attempted cooperation among national sovereigns. No part of Western and Central Europe presently has the legal authority to manage its own economy. It’s under a euro system, which is a prisoner system. There’s no planning for national credit. There’s no system for generation of national credit for recovery. There’s no provision in Europe today, no allowance in Europe today, under present rules, for an expansion of capital investment,



Adam Opel AG

The crisis in the auto industry worldwide is symptomatic of the broader problem. Here, the Opel factory in Rüsselsheim. The company's fate lies with that of its current owner, bankrupt GM, threatening as many as 26,000 jobs.

through public credit, needed to reverse the present trends.

For example, let’s take right here in Rüsselsheim, just as an example of that: Here we have a disintegration of the international automobile production system. It’s global.

The United States automobile system is dead. It committed suicide a long time ago, and the death is occurring just now. It’s been deliberate. It’s been a process of destruction of the United States’ potential. What the United States represented at the end of World War II, had a much higher potential than it has today. There’s been a disintegration of that, especially since the middle of the 1960s; there was an immediate collapse of the U.S. economy’s potential under President Truman, once peace was declared. It’s been going down ever since, but especially since the middle of the 1960s. By 1968, as I’d indicated, the system was finished in its present form. You had to have a reversal of tendency.

But what happened, as a result of the impact of the 68ers on the streets, in various countries of the world, was, instead of mobilizing to *deal with* the international economic crisis, financial-monetary crisis, they went in the other direction: They went toward a *post-industrial society*, as it was called! We went against nuclear power! Which is the only power system which could save civi-

lization today. Because most people, in terms of economics, are idiots. They believe in the so-called “free energy” policy. They believe that we could *rely* upon the winds, rely upon sunlight, and use that for power. You can’t!

People don’t know what power is. A calorie is not a calorie: Power is measured in *energy-flux density*. That is the intensity, or the equivalent of temperature, of the heat source used for power. This also goes with physical chemistry: that, to transform raw materials, or to reprocess waste materials and turn them into raw materials, we require *high energy-flux-density power sources*. Petroleum is not high enough; natural gas is not high enough.

Without nuclear fission power, and a prospect of nuclear fusion power, there is no possibility of developing the power sources, on a sufficiently large scale, to ensure *freshwater supplies* for the population of densely populated nations. India is drawing down its fossil water resources! What does that mean for the population of the future? Europe is drawing down its fossil water resources. The United States is drawing down its fossil water resources. So, without nuclear power, this planet is not going to recover. The use of wind power is a farce; it depends upon a large subsidy by governments, of the use of windmills. And the windmill policy is going to break; if it continues, it’s going to break Europe, if nothing else did. The objection to nuclear power will break Europe, if nothing else does.

And the whole conception of infrastructure, and the conception of skilled labor in industry, is gone, as we see here at Rüsselsheim.

Let’s take the case of Rüsselsheim, which has come up at a convenient point.

The world auto industry was run in a manner in the post-war period which was clinically insane. Just take a simple highway: When you reverse decentralization of production, what do you do? You concentrate production in a few larger centers. You go to larger industries, cut back on the smaller industries—what happens? What’s the density of automobile traffic in commuting? More people transit longer distances to get to and from work. And we have, in the United States, around Washington, for example, people who are commuting to and from work, two hours a day, each way—some longer. What does that do to family life? What does that do to cost? What does that do in terms of pollution?

So what we’ve done, is by destroying an integrated agro-industrial production potential, with emphasis on

more and more high technology, with increases in energy flux-density of power sources, which enables us to use and have new technology, what we’ve done, is we have destroyed the potential of human beings to live on this planet.

Now, we did another thing, similarly: We began to shift employment, from Europe and the United States, for example, into poorer countries. People said that was good. *It is not good*. They went there for cheap labor. But the *productivity* of the world as a whole, was lowered. In other words, the average level of productivity of the world as a whole, was lowered by this outsourcing program. China’s existence depended upon its *export industry* as a result of this; now, China is in an existential crisis, because there never will be again, the kind of export market on which China has depended, by gobbling up industries from the United States and Europe for cheap labor sources.

So, now we’ve got to a position where we’ve got to reverse that, we’ve got to put it back. We have to go to the technology which enables us to sustain a population of over 6 billion people. We are not presently using the technology, or maintaining the technology, which will support a population of 6 billion people in their present condition of life. If we lower the standard of living, we’re going to kill people. Because, look at the China situation: You have a potential bit of genocide going on, right now, in China, unless we find a remedy for that.

And therefore, how are we going to get out of this? How are we going to change the world’s orientation from the present policies, of international associations, the present policies of nations in general—how are we going to *reverse* that? Because the habits, the mental habits, which have taken over nations, especially since the Spring of 1968, those habits are *now killing people*, and will wipe out the population of this planet, to a large degree, in a New Dark Age, *unless we reverse those decisions and those habits which have governed governments’ international affairs, since 1968*. That’s our situation.

End the Disaster of Globalization

For this purpose, we have to think of new kinds of cooperation, especially cooperation in creating leadership for the planet as a whole. Europe is not functional now; Europe is incapable now, under its present organization, under its present laws, of a concerted capital formation movement, to rebuild the economy of Europe, and rebuild the economy of the world. The opposition



EIRNS/James Rea

An anti-nuclear demonstration in Berlin on Feb. 4, 2009. Germany's foolish rejection of nuclear power condemns it to a Dark Age, if the policy is not reversed.

to nuclear power is just one of the problems. Demobilization—all these windmills in Germany, is the sign of doom. This is not Don Quixote targets. This is doom! These windmills are losers. Reliance on these kinds of power, are losers: You can not have modern industry with that!

So, who is willing to do it? Well, there are four countries on this planet, which, if they cooperate, can stimulate the planet as a whole to take the measures needed to go in a better direction. These are the United States—the *United States, whatever you think about it, is crucial*. Without the United States' cooperation, there will be no recovery of this planet. Without defending China, there will be no recovery of this planet. Without defending India, without defending Russia—and without bringing these four nations and others together in solidarity, to reverse the direction from the past 40 years' direction, *back to sanity!* as we understood it in the beginning of 1968, there is no chance of avoiding a Dark Age.

Now, what is required is simply this. First of all, end these trends. Go back to the concept, the best ideal we had earlier, of a *sovereign nation-state*. With globalization, you don't have any chance of anything. You depend upon the sovereign nation-state for culture, for cultural reasons alone.

Because, what's the problem here, the problem with outsourcing, in particular?

Well, how does a human being live? How do societies live? How do we sustain large populations that have grown from less than 1 billion, in the middle of the 14th Century, to 6.7 billion today; how can we sustain that kind of population? We require scientific and technological progress, as the driver for the development of infrastructure and manufacturing, and *for care of people*—like medical care, and things of that sort. Large-scale sanitation. Sanitation is essential to maintaining life. It's as essential as medical care is, for maintaining life.

Now, how do we do that? Well, we educate populations, we develop their mental powers through education, and in culture, and in modern technology, modern science and technology. We build up a population which is able to *assimilate* modern science and technology, and to apply it at the point of production and in other ways. That's how we went from about 700 million people on this planet, to now, 6.7 billion people on this planet. We went in that direction, through that development.

We have now gone back to reversing that development. And we have reversed it, especially since 1968. With the shutting down of nuclear energy programs, in

the 1970s, we condemned the planet to a threat of this present type. By going against high technology, and insisting on low technology, we condemned the planet.

Now, we're going to have to go back to high technology. And that means that we're going to have take populations which are completely estranged from science and technology, today, in a real sense, and we're going to have to mobilize them around the *use* of scientific and technological progress, in doing the productive and related work which is essential to rebuild the potential for the existence of life on this planet.

There's the problem.

National Culture and Creativity

Now, without national cultures, you can't do this. See, the point is, what people don't understand—and most economists, in fact, don't understand—they don't understand what productivity means. They think they do, but they don't know. Because, productivity depends upon those creative powers of the individual human mind, through which great scientific discoveries are made, and through which related types of improvement and assimilation of innovation comes within the population in general. In other words, to the extent that we're exposing a population to the experience of science and technology, and related cultural patterns, then that population has a potential for being creative. It has the potential for making discoveries, or at least assimilating them, productively. Without that orientation toward science and Classical culture—not the junk that people have today, the junk that we got in Europe through the post-war period, when we had this European policy of going to junk, as opposed to Classical culture. With these trends in the post-war period, we inhibited the capability of developing productive, creative potentiality, in populations. This was shown in the educational systems, especially from the 1960s on.

So we no longer have, with globalization and similar effects, we no longer have the potential for expressing scientific-driven and Classical culture-driven productivity in populations.

And that's one of the problems we have in the Asian development. The idea of keeping Asian populations or South American populations, ignorant and poor, without a development of Classical culture, means *they can not sustain themselves*. Because the human race can not maintain itself at 6.7 billion people on the planet if the population is not capable of *real creativity*!

Now, the development of this creativity in the popu-

lation depends upon using national and related cultures, as the vehicle of mobilizing people to think creatively about themselves, and about people, and about society in general. If you think about a cheap-labor population, a cheap-labor population in general: They aren't *capable* of innovation. And suddenly, you find yourself confined to methods of production, which are not *capable* of generating technological and scientific progress needed to save the planet.

A European Idea

The idea of organizing this, was essentially a European idea. It came in Europe, in particular—the thrust for what became European civilization came out of the Council of Florence in the middle of the 15th Century, about 1439, that period: the great ecumenical Council of Florence. This was a flourishing of Nicholas of Cusa, for example, or Filippo Brunelleschi earlier, as exemplified by the Santa Maria del Fiore Dome in Florence. The work of the successors of Nicholas of Cusa, such as Leonardo da Vinci, and the great scientific minds of the 16th and 17th centuries: This is how we got European culture.

And not separate from this, is the process leading through Bach into the great musical culture and related things in great Classical artistic culture, in drama, and so forth. These are the things which we developed from roots in preexisting European civilization. We developed these in Europe, and we exported these from Europe, as in the colonization of South and North America. We transmitted these to the world.

The idea was to extend this to the population of the world, the access to this kind of knowledge. And thus to *promote* in the individual, that quality which distinguishes man from monkeys and apes: the power of creativity. No form of animal life is capable of raising, voluntarily, its own potential population density. The only kind of life that has ever been able, or ever *will* be able, to increase the potential population density of the planet, to raise the standard of living and longevity of a population, is the human being. The creative powers which exist in only living form, these creative powers exist only in the individual human being. And it's that creative power which drives scientific and technological progress, as well as cultural progress.

And when we squelch that, by cheap-labor policies, by anti-scientific policies, by the kind of culture that *degrades* people by participating in it, rather than promoting their development, we are destroying creativity.

People express creativity as individuals, but they express creativity as individuals who are working together in a *certain culture*.

For example: How do you express creativity? In the use of language! In the use of national language as a social expression, the communication of ideas. And the question is, how deeply in the population can you get that communication of ideas. If you have a population which is 50% or 60% ignorant, and kept in ignorance—is that population going to be capable of developing these kinds of ideas, of developing creativity? No! Therefore, it is the development of *national cultures*, the water in which the fish of people swim in the nation, the national culture, its development, is the source of increase of the potential productivity and creativity of the people in society. And therefore, it's the idea of national mobilization, to national purpose, in this sense, in the sense of a cultural movement, which is the basis upon which creativity is fostered and has been fostered in human existence. It's called, by Leibniz and others, *dynamics*, as opposed to Cartesian methods.

And therefore, we have to mobilize nations as sovereign nation-states, not to kill each other, but according to the Westphalian principle: To put the other nations first, be concerned for the other. So it's a people, as a national sovereign people, considering the welfare of other sovereign peoples, as being in *their* interest, while at the same time defending their own sovereignty, which has been the source of every great achievement of European civilization in particular, and is a lesson we have learned from studying other cultures, in Asia and so forth, from earlier times. And that's our problem.

Now, this involves practical problems. I have said, for reasons related to this, that the only hope, now, for preventing the entire planet from sinking into a New Dark Age, in which the population level will drop from the present 6.7 billion people to less than 2, in a fairly short time, speaking of generations, is by these methods, this approach: By going back to the nations—end globalization, replace globalization with a Westphalian approach both to relations among peoples, but also their relations among people as nations, in cooperating for the development of the potential productive powers of the planet as a whole. That's our only chance.

The Best of European Culture Created the United States

The United States, for various reasons, is a center of that. Now, a lot of Europeans don't like to say that, they

don't like to think about that. But what was the United States? About 1620, when the first people from England and the Netherlands came to North America, there was a migration from Europe into North America which became, principally, the United States, later.

How did this occur?

The great Renaissance in Europe occurred around the center of the Council of Florence, and the great impetus in culture, in science, and so forth, from there. But then, those who represented the "older ways," which had led into the Dark Age of the 14th Century, intervened, to try to stop and suppress this development. The development progressed in that century, in the 15th Century, with Louis XI in France, who set into motion the first *actually* functioning nation-state on this planet. Louis XI was admired very much by a fellow who became Henry VII of England, who copied the same approach from Louis XI.

But then, you had a reversal of this tendency, very soon, beginning about 1492, with the Expulsion of the Jews from Spain. Because an evil, reactionary force associated with the Habsburgs at that time, had unleashed a mode of religious warfare, which was also done in other ways, largely from Venice, religious warfare which tore Europe apart, from 1492 to 1648, until the Peace of Westphalia. So this process was already ongoing in the Fall of Constantinople, and what followed.

Nicholas of Cusa, in that process, back then, when he was still alive, after seeing the wars in the Balkan areas, which were continuing wars, said, "Europe is doomed in going this way. Therefore, we must send people across the oceans, to find other people in other parts of the world, and to set up relations with them, on which we can predicate a return to the principles of the Renaissance."

Now, he died. But his testaments, his writings on this subject, were sent to other places, to a trustee of his, who happened to be a Vatican representative in Portugal. Christopher Columbus became acquainted with this material, from Nicholas of Cusa, at that point, before about 1480, and wrote to the circles of Cusa, who was now dead, in Italy. And he had extensive exchanges on the subject of Cusa's plans for long-range, oceanic voyages, to develop relations between people in Europe, who were part of the Renaissance, and people in other parts of the world.

By 1480, Christopher Columbus was committed to this problem and the program. He then began campaigning to obtain support—funding and other sup-



Library of Congress

The British East India Company got a free ride in the town of Darjeeling, West Bengal, in the 19th Century.

port—for a voyage across the Atlantic. Remember, he was an Atlantic sea captain—he knew about ocean currents, and recognized the validity of the information he had, that, across the Atlantic, at about the distance where the United States lies today, there was another continent; and that we should, from Europe, begin to send voyages to make contact with the people on this other continent. That was Christopher Columbus's purpose. What happened back in Spain was a rather different purpose.

But, out of this development, you had the influence on people, in England, for example, who began to spread the idea: Since Europe is in trouble with this rise in religious warfare, is it not time to begin to colonize other parts of the planet, to establish lines of communication with people on other parts of the planet, other continents, in order to try to save Europe?

So therefore, there was from that point on, from the beginning of the 17th Century, there was a large influx of that; the influx came from England, in 1620, where especially the Pilgrims landed in New England—that was the beginning of the process. With the Peace of Westphalia, Jean-Baptiste Colbert, among his other projects, took families from villages in France, and he put them on ships, and he sent them to Quebec. These families were just transplanted from towns and villages in France, into new towns settled in Quebec. And that

was two things: You had two movements, one from France, typified by the case of Jean-Baptiste Colbert, and then, also from England and other parts of Europe. A lot of Germans began moving along that direction, too, along with the Dutch.

So, the idea was, in the colonization of North America, in particular, the intention was *not* to escape from Europe! These were not refugees. These were pioneers, who were inspired by leaders of these expeditions which intended to *save* European civilization from its own self-destruction, by taking the viable parts of European culture and creating colonies across the Atlantic, in which to preserve the best of European civilization against the oligarchical interests of Europe, such as those which were behind this religious warfare.

So therefore, the United States had, from the beginning, a dynamic characteristic, even before it was a nation, of people who were committed to saving the best of European civilization, even from Europe itself. So that, into our institutions, beginning during that period, from the middle of the 17th Century on, there was a development in the United States in this direction.

There was also a counter-development, from Europe, trying to crush it. You had the reactionary forces of Spain, trying to crush similar settlements from Spanish populations which were trying to find a place for civilization where Spanish could be spoken, in South America and Central America. So this was the process.

So the characteristic of the United States, the importance of the United States, is not that it's a bunch of people sitting on a certain territory. The important thing about the United States is the conveying, *dynamically*, within the population, of this idea of preserving the best of European culture at a safe distance from Europe. And the oligarchical problems which hit Europe, which still exist in Europe, today.

The Oligarchy Struck Back

The effect of this from Europe was, on the part of the Habsburg-centered interests and on the part of the British Empire, as it emerged in 1763 in particular, was to crush this! The first crushing came with William of Orange, in that period—the attempt to crush the Massachusetts Bay Colony. And this kept coming and



British sea power, which allowed it to dominate the world, was mortally threatened by the emergence of inland waterways and the transcontinental railroads. Here, the French Redoutable and the British Temeraire clash in the Battle of Trafalgar, Oct. 21, 1805. Painting by Auguste Mayer.

coming. The British interest in this became associated with the British East India Company, which was not a part of Britain, but was a completely separate power unto itself. So the tendency was to *crush* the United States, from the outside and from the inside: by corruption from the inside, and corruption and pressure from the outside.

With the success of the American Revolution, achieved, mostly significantly, under the leadership of Benjamin Franklin, and with the development of the transcontinental railway system, under the impetus of the Lincoln Administration, we had a revolution in the world. Because prior to about the 1870s, the greatest power on this planet, commercially and militarily, strategically, was sea power. The ability to transport forces and economy, by ocean waters or sea waters, was the center of the world economy. Land-based transport could not compete. We had an attempt in that direction, with Charlemagne, with the development of the water systems of continental Europe, from France eastward: That was a program that was trying to overcome this problem, that the ocean-borne traffic was more economical, and more powerful economically, than land-based transport, and land-based production.

So therefore, sea power was able to dominate the world. And the British system was simply a system which is based on the idea of using sea power to domi-

nate the world. The crucial thing came with Paolo Sarpi, where, instead of trying to concentrate on sea power in the Mediterranean, where it had been up to that period, was to transfer sea power—the sea power of Venice, because Venice was then, and is still today, the center of this kind of process—to transport this power of finance—of piracy, as better called!—from the Mediterranean, to move the center of naval power, of maritime power, to the northern coasts of Europe. And this was centered around the Netherlands. The way it was put in, was through the Netherlands War. The people of the Netherlands went

crazy, under the conditions of this religious warfare led by the Habsburgs. So a power emerged in the Netherlands, which is corrupt, which is a branch of Venice's finance, and evil.

And that became the center point of creating what became known as the British Empire, which is not the “British” Empire: It's a northern version of the Venetian financier empire. You don't think the people of England have the brains to know what an economy is, do you? It's an evil force, which is evil in Europe, which is centered on this process: going north, to establish sea power.

With the development, and the defeat of Lord Palmerston's Confederacy, by the forces led by Lincoln, there was a transformation inside the United States, to the development of a project which had been founded by John Quincy Adams, when he was Secretary of State: the unification of the United States as a territory, from its Canadian to Mexico borders, and from the Atlantic to the Pacific, as a sovereign state. And the effecting of that, by not only a system of canals, of inland water systems, but also by *transcontinental railway systems*. The development of the transcontinental railway system in the United States, by establishing the United States as an integrated territory, a national territory, shook the world! And one of the leading responses to this was by a then-young professional diplomat, Otto von Bis-

FIGURE 1
U.S. Railroads, 1870



marck, in Germany. And you had a similar thing after 1870 in France.

So you had the development from Europe, of transcontinental railway systems, which now integrated the internal territory, of national territory, in a degree of efficiency, *which could not be matched by sea power!* And that is why Britain launched what became known as World War I! The war was against the implications of the development of transcontinental railway systems in Eurasia: *That was the major issue!* It's the issue today.

Nations, Not Oligarchs!

So therefore, the United States, from that point on, this program from the United States: We don't like the oligarchs! We're not going to shoot them, unless we have to, but we don't like oligarchs. They're a parasite. We've had them in Europe too long! We've had them in other parts of the world too long. We don't *need* them any more.

What we need, is national leaderships, which understand this idea of mission, which Nicholas of Cusa expressed in the Renaissance period: *Save the culture of*

Europe—from itself, by transplanting the best of it to other places, where it can be built up, as an ally of those forces in Europe which are trying to save Europe itself, from self-destruction.

That remains the built-in dynamic quality of the United States as a nation, still today. And anybody in the United States who has any real patriotism, and intelligence about it, will think that way: We don't like oligarchs! We can have all the Hollywood fools and sillinesses we want; we don't like oligarchs! A typical American, a patriotic American, *does not like oligarchs*, and does not like oligarchical thinking. Europeans are too sensitive, they have, you know, "von This" and "von That" and whatnot.

We don't like oligarchs. We believe that it's from the people themselves, that the natural, native leadership of a nation arises. And we want people who are national patriots, as leaders. Not people who are leaders because of bloodlines or something, because they descended from the right animal or something.

So that's the function of the United States. Whenever the United States moves in the correct direction,

and we have a see-saw in our history—always, back and forth!—the pro-British people are no damned good; the anti-British people are sometimes no good, too, but the best ones are always found in those quarters. Those who are *national patriots*, who are not concerned about great wealth, not concerned about titles, or going to drinking parties or that sort of thing. But people who are concerned about developing the nation, and who often have family traditions of service to the nation. You have, in terms of the core of the real organic government of the United States, in terms of its institutions, people who often descend from families which have maintained a tradition, a family tradition, of service to the nation. And whose loyalties are tied to service to the nation, and to the nation's mission.

And that's our strength. It's our strength. And in Europe, you have to fight to get that established. For us, it's more easy; that's why we've had such bad Presidents, because they kill good ones! That's how they try to prevent us from doing what we're supposed to do.

The Mission Today: A Four-Power Alliance

So the mission, now: We're at the point—and the United States is key to this—we have to bring forth, in the United States, the full power of that American tradition. And that American tradition is to try to find a way to a safe world in which Americans and others can live. That means, finding partners, just the same way that Nicholas of Cusa envisaged this: partners in other parts of the planet, with whom we enter into cooperation, for common ends, but from a standpoint of different cultures. Because a people can only develop in terms of a national culture. They have to develop dynamically, as a national culture. You can not come in and chop these populations up, and discard part of them. So you have to develop the *entire* population, with the idea of national culture, and national cultural mission. And then, with the same principle as the Peace of Westphalia, to adopt the idea of a world mission, based on a collegiality among national cultures, who work to a common purpose, in the same sense as the Peace of Westphalia, the principle of Westphalia: That's what's needed.

So, what we have to do, is we have to take nations which are representative and willing, of this kind of goal: the United States; Russia, for special reasons; China; India, and so forth; and organize a collegium of nations which are dedicated to this purpose, and are willing to make a long-term commitment to fulfillment of that purpose. "Long-term" means 80-100 years. Be-

cause the kind of investments which are required to accomplish this, are investments which, in terms of capital investments, and investments in development of people, which are counted in generations: a 20-25 years perspective, minimal; a 50 years perspective for infrastructure; and for certain special kinds of infrastructure, such as major world water systems, major world transportation systems, you're talking about a 100-year investment.

So therefore, you have to have a perspective, a long-term perspective of up to a century, the coming century, of commitment, to lay down an intention for a coming century of commitment, broken down into shorter periods of a half of a 25-year period, a half-life, that sort of thing. And the purpose is to raise the productive powers of the population, through a combination of infrastructure development, of relevant kinds of infrastructure development, from which power comes. But above all, the cultural self-development of the population, *in their national culture!* Or what they make as a national culture. Only with that, and only with an orientation on scientific and related progress, cultural progress, as the *law*, to reverse the *anti-progress* tendency, since 1968—only by *reversing the direction of policy-shaping, from 1968 to the present*, and going back to what had been the implicit agreement among nations coming out of World War II, an implicit agreement to build a world *free* of colonization, free of subjugation of people, and free of the traditions of oligarchism: the same principle which had motivated the Europeans who had sent colonists across the waters of the Atlantic, and tried to build a bastion for saving European civilization from what was going on in Europe itself. And that's our mission.

Now, to accomplish that, we have to bring together those four nations, and others—that is, willing nations among those four, which are willing to cooperate with this kind of long-term perspective, century-long perspective, at least among leading people; we have to have that orientation; and you have to have a more short-term orientation, a generation. Remember that before the idiocy of the recent time, a family organization used to be counted in four or so generations. Today, we can barely keep the same generation together, on agreement. With the new, crazy culture, people develop subcultures, which are anti- the previous subculture. People no longer think of their parents as human, or their grandparents, and so forth, in the sense we used to.

We used to think about the family as a machine of a



EIRNS/James Rea

The LaRouche Youth Movement chorus performs Bach's "Jesu, meine Freude" at the conference.

within the United States, our own tradition, and provide that as a unifying factor, in bringing together these nations. And to hope that by doing so, we'll get Europe to abandon this crazy globalization that's been going on here, and get back to a system of sovereign nation-states, which is capable of making its own decisions on capital formation, and the creation of credit. And restoring European culture back to what it had been in the modern period, in terms of the struggle for progress, the struggle for better ways of producing, the struggle for science, and Classical culture. That's our perspective.

kind, which would generate a goal in that society: The first generation would start the second generation on their way; the second generation would start the third, and so, society would progress. People would look back. A man who was aging, retired, would take his grandchild out and show him what he had helped to build, to express his joy with that grandchild, and say, "Here's what I helped build." They would go to these great dam projects, great river projects, and so forth: "I helped build this. That's who I am." And the grandchild would be proud. Not today.

So the point is, we had a reversal. We had a cultural regression, and we have to reverse that.

Now, therefore, we look at that from that standpoint, because *we* have to, the leaders who must be mobilized to do this, have to understand: We look at Russia, China, and India, from the United States, right now. What is Russia's mission, when we look at it in 50-year, 100-year terms? What is China's perspective, in 50-year, 100-year terms? What's the perspective of India, in that? What's the perspective of smaller nations? What's the role of Korea? What's the role Japan in this picture? What's the role of Southeast Asian countries in this picture? Hmm? So, how do we build a perspective for the coming period?

Now, the driver has to be, essentially, to revive

A Crucial Flank: Soros, Dope, and the British Empire

Now, in respect to achieving this, I can report to you, what I know of the present U.S. administration. It is well-staffed, in part. There are some people in it I don't like. And I don't like them, not because I have a personal dislike for them, like one dog disliking another, but because I know they're no damned good! But in general, the administration, and the people around it, associated with it, with the U.S. government in this administration, are perfectly capable of leading and doing the job that the United States must do.

The problem is, we have people, such as George Soros, and the Wall Street crowd, who typify the worst among us and the worst in Europe. For example, George Soros is the world's biggest drug pusher. George Soros, who's a British asset working closely with Lord Malloch-Brown, does most of the evil in the world, as in Africa, for example. And it's done by the international drug traffic. The failure of nations to take on the international drug traffic, today, is one of the major problems internationally.

The drug traffic is still run the same way the Anglo-Dutch set up their operations toward the end of the 18th Century. For example, you have a farmer in Afghanistan, who produces a crop of opium; there's maybe

\$500-600 value at the time that it's in his possession. It's increased by up to a thousand times, by the time it reaches the consumer in Europe or the United States. We have the same thing: All of South America, except Colombia, is now committed to a drug legalization program. And the drugs are flowing up, through South America, into Mexico, and across the border from Mexico into the United States. Same thing.

The strategic problem of the world, of Southwest Asia and so forth, is largely, drugs, the drug traffic. And sending troops into Afghanistan to fight the terrorists, is crazy. What you have to do—the farmer in Afghanistan is not naturally a terrorist; he's a farmer. And he has the lusts and passions of a farmer. What you have to do, is, you have to kill the cross-border traffic! Because the opium is not sold, and consumed, in Afghanistan. It's consumed in Europe! How's it get to Europe? It's transported. We don't need to put troops into Afghanistan for this kind of purpose. What we have to do, is attack this source of the income and power of the international drug traffic! We have to crush them! No more deals with them. No more legalization! The traffic will be considered a major crime against civilization. It *is* a major crime against the civilization! It's the greatest threat to civilization we have in Eurasia today! We have silly Americans sending troops into Southwest Asia, and it's nonsense! We don't do any good there! We just get troops killed and demoralized.

What we have to do, is stop the drug traffic! But this means taking on the British Empire, whose agent, George Soros, is the biggest factor today, internationally, with his friend Lord Malloch-Brown, in running this operation.

See, the purpose of warfare, is not warfare: Warfare is something you avoid, if possible, and you apply it only to the real source of the problem, and try to get the job done quickly. Long wars are bad; they are inherently bad. Warfare today, military force, is simply an adjusting factor—or should be—just an adjusting factor in dealing with something like this drug trafficking. As General McCaffrey has emphasized repeatedly, as kind of a spokesman of what we're saying from the United States: The drug traffic is our major enemy!

Because, it's the major power of the British to control policy throughout the world, today. You break that—and you've got control of the planet, back with the people! Because the *money* power, now, is coming from the speculation associated with the drug traffic. That's the center of these resources. The gambling in-

dustry—shut down derivatives trading. Close down the derivatives market, and you close down the drug traffic, and you've solved the biggest part of the problem, or you've made it soluble.

So, therefore, our problem is, we need cooperation to shut down the drug traffic; we need cooperation to shut down other things. Therefore, cooperation among nations, both negatively, *against* these kinds of problems, and *positively*, for cooperation in long-term economic development, nation-to-nation, and groups of nations, and so forth, is what's necessary.

Principles of a New Economic System

For the ordinary administration of a recovery program in the United States, I'm convinced that the present administration contains within it—including a few misguided people—contains within it, the potential, on the part of the United States, to get something going in this direction. But what is going to be required, is long-term credit for long-term investment, as in Russia, especially development of raw materials in Russia; and development of production, based on those raw materials, inside Russia. That means transportation systems; it means the tundra areas have to be exploited. And you have a national culture that is capable of dealing with the exploitation of tundra areas, in which some of my acquaintances in the Vernadsky Museum in Moscow are specialists. We need their cooperation for that, and for other purposes. It's the largest land-area of any nation in the world: Russia. We need their cooperation. All right. That is a Eurasian culture; it's been a Eurasian culture since before Peter the Great, as an experience of the Asian experience.

Then you have China: totally Asian culture. It can not survive, now, without being reoriented, and supported, in cooperative economic relations with the rest of the world. It can no longer rely upon the United States as a dumping ground for cheap goods. It has to be put on a long-term investment program, where credit is created by which the Chinese population can increase its productivity by itself.

India has to be integrated with that, because you're talking—China, 1.4 billion people; India, 1-plus billion people today. And then Southwest Asia added into that.

The cooperation of the United States with Russia, China, India, and associated nations, is really the major concentration of economic and political power in the world, under these conditions. So we have to have a

concept of that type.

Finally, which is my very special function in this: We have to get rid of the idea, that money, in any way, represents intrinsic value. Money does *not* represent intrinsic value. It is not money that determines the value of goods. Money, as we used to do in the United States, especially as Roosevelt emphasized this, is you need a *fixed-exchange-rate system*, in which, when you loan at 2%, you do not have fluctuations in currency values, which raise the 2% to 4% and 5% and so forth. Therefore, you must have a fixed-exchange-rate system among nations, and you must have, not a monetary system, which is an imperialist system intrinsically, but a credit system. And this was the intention of Franklin Roosevelt, in 1944, before his death. This was changed by Truman, fundamentally.

Roosevelt, when he made his proposal for reconstruction of the world system around a credit system, a fixed-exchange-rate credit system, *fought against Keynes!* He was an opponent of Keynes. Keynes was a filthy imperialist of the worst type. His type was typified by a book he wrote, published in German in Berlin in 1937, on his system. And he wrote a preface to it, which is revealing—in German, also—saying he had published his first great book in Germany because the conditions in Germany at that time, 1937 [under the Nazis], were more favorable to his ideas than those in the rest of the world! And that was true. That remains true, today. So Keynes is not a solution.

We do not need a monetary system. What is a monetary system? The monetary system means that nations do not have a sovereign credit system. Because you have an international monetary arrangement, which is controlled by Venetian-style bankers, which *use* governments and use their nominal currencies within arrangements, *arranged* by a combination of international monetary powers, which are private powers.

We have to go to a credit system, where money can not be uttered, except by the sovereign *act of government*. And money is uttered as credit, which can then be monetized, under the law, as money.

What we need is long-term investments. We need the ability, especially, to build around 15- to 25-year investments, 50-year investments, and 100-year investments. The great rail systems and water systems of Europe and Eurasia, are essentially 100-year investments. Other things of that sort, 50-year investments, long-term power stations—a nuclear power station today, really is a 30- to 40-year investment, if it's a good

one, a major one. Smaller ones are different, but the major ones should be 50-year investments. We can design them that way: We now know how to do that! And we need a lot of nuclear power. We have to develop thermonuclear fusion, to go to even higher energy flux-densities, for technologies we can not achieve without those higher energy flux-densities!

So therefore, we have a program, an agreement among nations, by treaty agreements among nations, for a fixed-exchange-rate system; treaty agreements on certain long-term objectives shared by nations, for improvements. And with an objective of educating the population as to what these treaty agreements mean.

But we must go back to the sovereign nation-state.

Now, this is where I come in, and that's where I have the biggest fight: on the question of reform—when my proposed legislation of July 25, 2007, that legislation actually would work. What I proposed was to set up a banking operation, because at that time I knew we were headed for a housing crisis. Therefore, we had to put the housing system into bankruptcy reorganization; the entire mortgage system had to go into that. We had to tie that to bankers: In other words, we could not allow any evictions of citizens, mass evictions of citizens from their homes, because of this speculation. We could also not allow banks, on which our system depends, to collapse. We had to put the banks into bankruptcy reorganization, and under *bankruptcy protection*: The bank will not shut down its doors. We will go in and look at the books, and if the investments on the books are legitimate, we will support the bank. We will support them with bankruptcy protection in the long term. If it's speculation, if it's these monsters that go around with this speculation? "Nothing for you, buddy! You go bankrupt. We get rid of you." And with that kind of agreement, if action was taken at that time, when we launched it in September, actually, of 2007: If that had not been obstructed by Senator Dodd, and Rep. Barney Frank, and others, we would not be in the mess we're in in the world today.

The problem is, that, in the United States, politically, financier power is a powerful political influence, and tradition is also a powerful political influence. So that's essentially where I come in on this thing: is the designing of this kind of system I just described. An understanding of what investment means, because most people in the United States today, and in Europe, don't know what investment means.

Thank you.

Helga Zepp-LaRouche: The Role of Europe in the Coming Renaissance

Here is Helga Zepp-LaRouche's keynote address to the Feb. 21-22 Schiller Institute conference. Subheads have been added.

I gave the title to my speech, "The Role of Europe in the Coming Renaissance." Now, I must say, that it really needs an optimistic person to choose such a title, but I think, obviously, such a renaissance can only take place if you all help to make it happen. Because it is only if we intervene in this absolutely dramatic period of history, and cause a dramatic change in the way people think, that there is *any* chance to have a renaissance. And that may sound like a gigantic task, but the crisis in which we are right now, and the changes which are about to happen, will be so severe, and so enormous, and most people at this point have not the slightest idea what is about to come down.

And therefore, I think if we proceed with a clear plan, and if you think what Friedrich Schiller wrote at the beginning of his *History of the Revolt of the Netherlands from Spain*, he said that the only reason he was telling the story, is to give citizens the confidence that if people work together for a good plan, and they are courageous in what they are doing, that they can bring down even the worst tyranny.

And I think that that is exactly the spirit that we need. Because, we have now this breakdown crisis of the world economy, which Lyn has been talking about now for over 30 years, that it would come, and is here, now.



EIRNS/Julien Demaitre

We have to begin cultivating a passion for mankind, declared Helga Zepp-LaRouche, because only if we act out of love for the community of peoples, can we bring about the change that is required.

The thing which personally is very infuriating to me, and I think also to Lyn—I didn't ask him, but I'm pretty sure it's the case: If you look at what is happening now, where you have mass unemployment, you have governments falling; I mentioned Latvia being the second European government falling over this crisis—it is infuriating, because this all could have been prevented from happening! It is completely unnecessary! It could have been changed, at the latest, when Lyn made his webcast on the 25th of July, 2007. And I urge all of you who have not yet watched this to watch it,

because he said, three days before the “subprime crisis” erupted, “the system is finished, and you have to replace it in the following way.” And any solution cannot occur on a decent basis if people do not study why this man could predict this.

Why was he right? How could he say that? Because if we don’t analyze what caused this, you cannot find the solution. And Lyn already, in July, before the crisis really happened, gave the solution by calling for the Homeowners and Bank Protection Act of 2007, which would have stopped this whole thing.

Since that time, 18 months ago, the crisis has escalated, and now, all of a sudden, panic is setting in. People realize the worldwide auto sector is collapsing. Two days ago, GM announced 47,000 layoffs. Opel—and we are here in Rüsselsheim, the headquarters of the Opel plant—if Opel goes under, it will be 26,000 jobs in Opel alone, and then you can count another six times that for the suppliers’ firms. And that also is only the beginning.

Billions for Bailouts

Now, the governments have reacted to this in the worst possible way, by implementing massive bailout packages, stimulus packages, rescue packages, umbrellas, and so forth. And the dimension of this really was completely unthinkable, just a short while ago. The Obama Administration just adopted a \$787 billion stimulus package. That came on top of \$300 billion to Citigroup; \$700 billion for “TARP”—the Troubled Assets Relief Program; \$300 billion for the Federal Housing Administration; \$200 billion for the Term Auction facility; \$300 billion to Fannie Mae and Freddie Mac; and before that, the Bush Administration had given unfunded Federal guarantees. And over the last six months, officially—and I’m talking about *officially*—alone in the United States, they have poured \$5 trillion into the system! And this was basically on the books, the government to the banks. It is an estimated \$20-25 trillion, if you count what was not on the books. I mean, you have to get a sense of the dimension of this, because this is exactly what Ben Bernanke had said once, many years ago, which gave him the nickname “Helicopter Ben,” because he said, “before we allow the crisis of the system to occur, we will fly helicopters over the cities and just dump bank notes.” And in another speech, he said, “You know, the Germans in 1923, they were quite backward, because they still had to use the physical printing press, and now we have computers, and we can



Will the entire global financial system be “Zimbabweized,” as the British are mooting? In Zimbabwe, as of mid-February, the inflation rate was 11.2 million percent per year. Shown: Zimbabwe Reserve Bank notes printed between July 2007 and July 2008.

make virtual money, and electronic credit creation is much more efficient and quick.”

The British media in the last week had a whole bunch of articles in which they talked about the “Zimbabweization of the financial system.” Now, you should know that in Zimbabwe, until last week, the inflation rate was 11.2 million percent. Then, the government just cut off three zeroes; naturally, this will be very short-lived, because if you don’t change the economic parameters, it will come right back—unless the sanctions would be eliminated! So, if the British press is talking about the Zimbabweization of the whole world financial system, we are really talking about what happened in Weimar Germany in 1923—but this time, on a global scale.

Don’t Trust the Economists

You cannot underestimate the amount of criminality in this whole thing. Don’t trust the bankers, don’t trust the economists, don’t trust the journalists, and don’t trust the politicians. For example: Prof. Kenneth Rogoff,

the former chief economist of the IMF, said: “Oh, we have now a deflation”—which means the prices are collapsing, because production is collapsing, the buying power is collapsing, and we have a depression—he said, “Well, we have to fight deflation, and it is better to have 5% or 6% inflation for a couple of years.”

Now, that is insane: No economist can say a thing like that, unless he thinks the people are completely stupid. Because you will not have 5% and 6% inflation for a couple of years: You either have a hyperinflationary blowout, or you have a total collapse of the economy. And, in light of the fact that we have approximately—and these are published figures—\$1.4 quadrillion in toxic waste in the banks, the real danger is that, if they keep doing what they are doing, you will have a continuously escalating collapse of the economy. And then, after all these industries have been wiped out and the whole economy is flat, then the hyperinflationary bubble is pouring out very quickly, as it occurred in Weimar Germany, from Spring 1923, to the Fall—and that only lasted half a year.

I talked recently to a representative of one of the Bundestag parties, and he said, “Well, the thinking is this: We have to get through the September Federal election, because if we tell people now that their pensions are not safe, they are not going to vote for us. So therefore, let’s just get through September, and then we will have inflation for one or two years, and then people will understand that we need a reform.”

Now the problem with inflation, especially hyperinflation, is, it wipes out *everything*. It wipes out the savings of the little people, it wipes out pensions, health care, and all of these things.

On Feb. 20, there was an article with a leak from the BaFin [Federal Financial Supervisory Authority] in the Hannover paper, saying that the reason there was such a frenzy around the Hypo Real Estate—because Mrs. [Chancellor Angela] Merkel came out several times and said, “No! We have to save Hypo Real Estate, because it’s a systemic problem; it is bigger than Lehman Brothers,” and remember Lehman Brothers is what triggered this whole thing last September. This paper now reveals that Hypo Real Estate does not have an extension of debt of EU400 billion, but of *EUI trillion*. Now, that’s really incredible.

Europe Is Bankrupt

We are going to see now, a very quick acceleration of this thing: Ukraine, in the last couple of days, the 17

creditor banks—Unicredit, Commerzbank, and so forth—rushed to make loans, because Ukraine was about to collapse. All of Eastern Europe, right now, is in a similar situation, and that involves not only Eastern European countries themselves, but especially Austrian banks, Swiss banks, and, according to *Le Figaro*, 80-100% of the capital in nine Eastern European countries is foreign. So if these countries default, it’s not these countries only, but it is going to be these banks. For example, Austrian banks are most exposed: Erste Bank, Raiffeisen International, Bank Austria, which is a Unicredit subsidiary—they are extended EU280 billion in Eastern Europe. So, if they default—and that’s exactly what will hit Austria—that is 90% of the Austrian GDP. So therefore, an Austrian state bankruptcy is not very far away.

Now, according to the Internet newsletter *Money-Week*, the total foreign investment in Eastern Europe is \$1,740 billion, that is \$1.740 *trillion*, which is essentially bankrupt. The three Baltic states are in terrible condition; they have enormous deficits. Latvia just collapsed its government because there were riots against the government. And you had already social unrest in the others. Hungary is in a completely terrible situation; it has very high indebtedness. Its credit has fallen by 60%, and obviously the situation is becoming so desperate that [German Finance Minister Peer] Steinbrück, who already two weeks ago still refused any idea that Germany should help in a European rescue plan—because he realized, as Professor Hankel was saying, Germany would be the paymaster for any such scheme, so he refused it.

But then, they had the G8 meeting over the weekend in Rome, and obviously something horrible must have gotten clear to him, because now Mr. Steinbrück all of a sudden says, “Oh no! There are these poor countries like Ireland and we have to help them!” So he wants to use German taxpayers’ money to bail out these countries, which is completely crazy, because it’s throwing good money after bad money. And now, all of a sudden—which shows you the irony of this whole thing—the European Union says, “Oh, Mr. Steinbrück is violating Article 103”: Professor Hankel was already mentioning this earlier, which is the no-bailout clause, because no state should finance the debt of another state, according to the European Union, Maastricht, and other arrangements.

This is very bad, because the effect on the physical economy is tremendous. Some of you are too young to



Märklin website

The well-known German toy-train manufacturer, Märklin, founded in 1959, has filed for involency, after being taken over in 2006 by private equity firms. It is only one of many German firms which have either shut their doors altogether, or been swallowed up by the locusts.

remember. But if you are older, you will remember all the traditional firms which have disappeared already. I'll just name a couple of them: Dornier, used to be aerospace industry; Pfaff, they produced sewing machines; Vulcan Shipyard was one of the major shipyards in Germany; Grundig electrical goods; Philip Holzmann, huge construction firm; Schiesser, quality underwear; Märklin—every boy knows Märklin—toy trains; Rosenthal; Hertie; soon Dresdner Bank will be gone.

If you just look at the case of Märklin, there you really see, this is not normal economics: This is criminal behavior. Because of a generation change, and a fight among the heirs, in 2006, two locusts took over Märklin. One was a private equity firm called Kingsbridge, the other was Goldman Sachs. And then, they managed, under the pretext of recapitalization of the firm, to have, in three years, EU40 million in fees for consulting. Now, it happens that that's exactly the sum over which this firm now is going bankrupt. Also, the mismanagement of Kingsbridge created a business structure which made the whole thing complete untransparent; they basically created a holding structure to cover up the financial flows, and a structure which was much too complicated for a middle-level firm. Now, the insolvency supervisor, whose name is Pluta, said such structures are always created if the management wants to do dirty business. You know, they create a *Zwischengesellschaft*, a holding company, and then

the financing goes through that holding company and that way, you diffuse the way this money goes. And in this case, it was such that he created another firm in Hungary, and all the firms in Germany were highly indebted, because credits were taken, except the plant in Hungary, that had no debt. So, then, they had an amazing amount of rejects for scrapping, *Verschrottung*, of 5 million per year! Now, the suspicion is that they used this scrap, to sell in the open market, just so.

This smells like a complete fraud. The private equity fund obviously had a completely different agenda: Drive Märklin into bankruptcy, keep the patent, and then keep producing in Hungary after you have made the maximum profit.

The Criminalization of the System

I think this is a useful lesson, because, when Lyn said many years ago, that the reason for the present crisis, is the paradigm-shift which occurred 40 years ago: It was the shift away from producers, toward speculators. But there is something more to it. It's not just speculation: It was a shift to a criminalization of the system.

You all heard recently this case of Bernard Madoff, the former head of the Nasdaq in New York, who swindled his clients for \$50 billion—not exactly peanuts! He used the famous Ponzi scheme. Now, Mr. Ponzi was this guy from Boston, who in the 1920s, discovered the difference in the value between answering letters [international mail coupons] in Spain, and in the United States. And he said, look, if we buy these letters in Spain, and we sell them in the United States, we can make an enormous profit. So he started to get investors; and *none* of these investors looked to see if there were enough answering letters to support such a business, because you don't have zillions of answering letters. But they were so greedy to get the two-digit profit rates, that they all invested. And all Mr. Ponzi did, was to take the new investment money and pay out the old investors, and this pyramid kept going ... until one day it broke.

That's what Madoff did, exactly. In the case of Madoff, his clients were pension funds in the United States, and in Europe, interestingly, monarchies, old-

rich nobility, and *nouveaux riches*. So, it will be interesting to see who that was.

Now, the new case happened: Sir Allen Stanford, who, apparently, had transformed the island of Antigua into a drug-money-laundering center for all of Latin America. And now it turns out, indeed, he had very close ties to the Mexican drug cartels, who used this tax haven in Antigua.

The major UN anti-drug fighter, Antonio Maria Costa, recently said that, since the credit crunch of the banks occurred in August 2007, the only liquidity available has been drug money, weapons smuggling, and other illegal money. Do the banks not know that? I talked to a banking source recently who said, “Well, you know, with the credit crunch—do you really think if somebody comes with a suitcase full of money, that the banks will turn him away, when they urgently need the cash?” So this is why, also, some of the banks hesitated to go under this state umbrella, because if they take state funds, not only does the “terrible injustice” occur, that the board can only earn EU500,000 a year—these poor people!—but then, the state has the right to look into the books, and then they might discover some not so nice things.

But the point I’m trying to make is, don’t focus on these individual cases, like Stanford, and Madoff—I think that the whole system has been criminal. Because, all these “creative instruments” which Alan Greenspan invented—these specials in structured investment vehicles—they are Ponzi schemes! Because, when the subprime crisis started, after the New Economy bubble had burst in March 2000, then they needed a new bubble. At that point, Alan Greenspan drove the interest rates to zero, gave people mortgages all over the place, who did not have the income to support them; and it was clear, if you give somebody a mortgage at zero interest rate, the only way the interest can move is up! And sooner or later, that mortgage will get more expensive, and if people all of a sudden have to pay \$500 more, they cannot pay, they lose the mortgage, and the whole chain reaction started.

Now, it is funny that the *Frankfurter Allgemeine Zeitung* yesterday had two very interesting editorials. One was called “All Suspect,” then asking: “Is everybody criminal?” Siemens management, Deutsch Bahn AG: They spied on hundreds of thousands of their employees; the communes, because they all had these dirty dealings; parliamentarians. And the second editorial was, “About To Detonate,” talking about the Eurozone.

So, what we are talking about here, is not so utopian, as many people may have thought a couple of years ago.

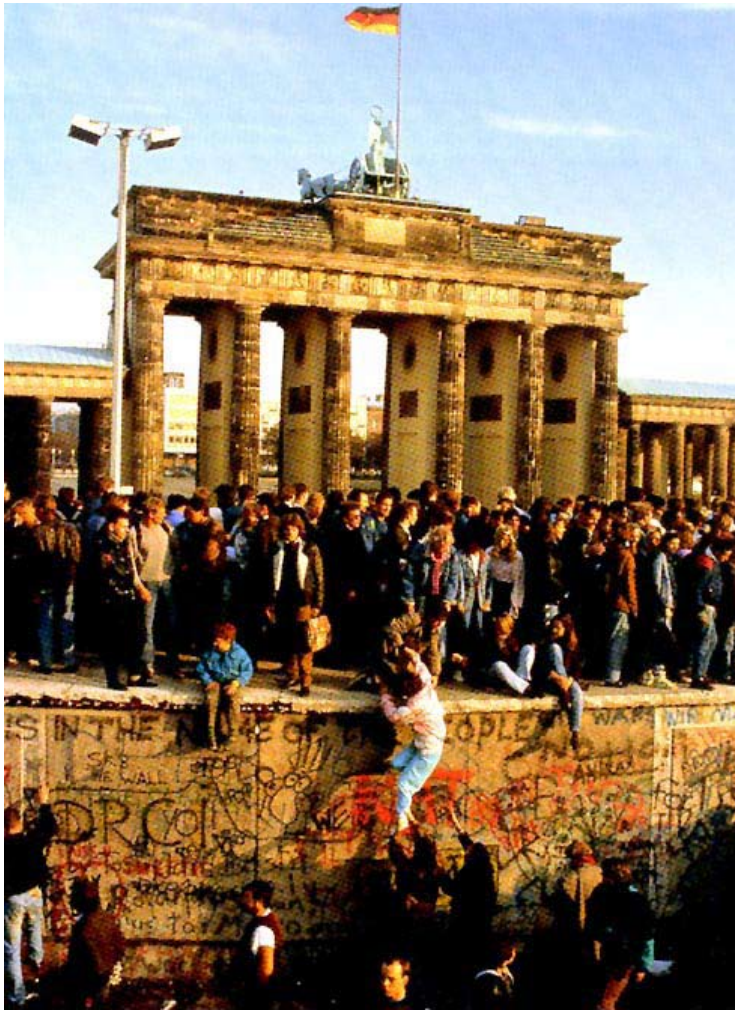
The European Monetary Union is about to go bust. There is already speculation that the euro may collapse under pressure, because Greece, Ireland, Portugal, Italy, and Austria are paying 2-3% higher interest rates for any credits they take, than, let’s say, Germany. So the question is, how long can these countries afford that? So they will soon have the choice to either pay this and go bankrupt, or leave the euro. And if Germany would pay for all of that—Professor Hankel pointed to this—you would have inflation for everybody, and nobody would have anything out of it.

A Missed Opportunity

We are now at the point we have predicted from the beginning, before the euro came into being. And the crisis which we see in Europe, is really the result of crimes which occurred when the fall of the Wall occurred in 1989. Which, as some of you remember, was the great historical chance of Europe to do something completely different! It was completely correct to call it the *Sternstunde der Menschheit*, “the [star-bright] hour of mankind,” in which it would have been possible to completely change the international order—and it was not used! Because we proposed the Productive Triangle—Professor Kaushik mentioned it—which would have completely changed the relations to all the countries! Relations with Russia would have been completely different. The collapse of the ’90s would not have been necessary. The situation in Europe would be completely different. And I remember having made many speeches at the time, where I said: “If we make the mistake of imposing on the bankrupt communist system, the equally bankrupt free-market economy system, maybe you will have, through primitive accumulation, looting of the former Soviet Union and Comecon for a couple of years, but then will come a collapse which will be *much, much bigger*, than the collapse of the Comecon.” And that’s exactly where we are, today.

At that point, also, John Paul II, the Pope, strongly made the point, saying that the collapse of communism did not prove the moral superiority of the unbridled free-market economic system. That caused a gigantic freakout at the time, but the Pope was absolutely right.

What happened was that you had assassinations: You had the murder of Alfred Herrhausen, the murder of [Detlev] Rohwedder, and then Birgit Breul took over with the Treuhand and privatized every state company



The crisis in Europe today, is the result of crimes committed following the fall of the Berlin Wall in 1989, which was seen at the time as the Sternstunde der Menschheit, “the star-bright hour of mankind.” Shown: Joyful citizens celebrate at the Berlin Wall, November 1989.

in the new states of the former D.D.R. [East Germany], and that was like the dry run for what privatization became, later, through the hedge funds and through the private equity firms.

Then, you had Margaret Thatcher, this evil woman who now is fortunately not able to think any more (not that it’s a big difference, but she has now Alzheimer’s), and she launched the “Fourth Reich” campaign against Germany and the unification. [French President François] Mitterrand put an ultimatum to [German Chancellor Helmut] Kohl, saying that France would only allow unification, if Germany would give up the D-mark. [Jacques] Attali, his advisor, wrote in a biography about Mitterrand, that he threatened war against Germany, and Kohl, in an interview, said “this was a question of

war and peace,” to give up the D-mark at that time; and Bush, Sr. said, we will only go with German unification, if Germany agrees to self-containment by entering the European Union Maastricht Agreement.

Since then, you have the destruction of the German economy; you have a lowering of the wages in this country; a weakening of the domestic market. And the imposition of the euro was the evil—“*Das eben ist der Fluch der bösen Tat, dass sie, fortzeugend, immer Böses muss gebären*”¹—because all of the demoralization and developments which came afterwards really were the result of that. And the collapse of the domestic market, which we now see means that Germany, which never was allowed to have a strong national identity in the post-war period, the “Wirtschafts AG Germany” [“Germany, Inc.”] is now about to dissolve. So, the population, as a result, is more and more demoralized—I mean, you are organizing at the info tables and you realize it every day. People tell you, “Oh, one cannot do anything anyway,” but this is really the curse of the evil deed which we are suffering from.

Now, as a consequence, then, because there was no vision, the German chance of unification was missed.

Then you had, in the United States, the dissolution of the Glass-Steagall Act [1999]. And in 2003, it was already clear that the hedge fund operations would create high risk: Because it was in 2003 that Mr. Ackermann from Deutsche Bank already demanded in a meeting with then-Chancellor [Gerhardt] Schröder, a so-called

“bad bank” to put the toxic waste in, and one year later, a certain group of people met, and they created the German equivalent of getting rid of Glass-Steagall, “True Sale International,” which was the legislation which allowed hedge funds and private equity funds to operate in this country. That meant, they gave the locusts a free hand to move and take everything over.

A New Global Deal, or Same Old, Same Old?

The big problem we have right now, is that the same people who caused all of this to happen, are supposed to

1. “It is the curse of the evil deed, that it will, procreating, always give birth to further evils” (Octavio to Max, in *Die Piccolomini*, Act V, Scene 1, from Friedrich Schiller’s *Wallenstein* trilogy).

FIGURE 1



EIRNS

FIGURE 2



EIRNS

be the people who do the reform for the new system. And I think that that cannot be. Because, for example, right now, the State Secretary in the Finance Ministry, Jörg Asmussen, who is really one of the typical people opening the way for the hedge funds, is in charge of preparing the summit of the G20 which will take place on April 2 in London, where Mr. [Gordon] Brown has prepared a very cosmetic paper to have a “new global deal,” but basically, it’s the aim to keep exactly the same system with just some cosmetic changes. So obviously, this man Jörg Asmussen should not be in this position, because I have zero confidence that he has the knowledge, or the motivation, to go for real changes.

Unfortunately, also, our new Economic Minister Herr [Karl-Theodor zu] Guttenberg already came out and made the prognosis that the crisis will be over in the Fall—that’s after the Federal election. Also, Jörg Asmussen said last July, that he was convinced that the end of the crisis was nearer than the beginning.

So you have people who have *no* economic competence or knowledge. For example, the IFO Institute in

FIGURE 3



Zepp-LaRouche warned that without Lyndon LaRouche’s solutions to the crisis, our civilization will be lost. She presented two animations: the jungle taking over the Brandenburg Gate in Berlin (Figure 1), and the Cologne Cathedral Dome (Figure 2). Figure 3 shows the Angkor Wat temple in Cambodia, where a gigantic tree has grown over the structure. This, she said, could happen in Germany, “if we don’t shape up.”

Munich, which is headed by Professor “Unsinn,”² published in January the “Consumer Climate Index.” Now, this is a highly scientific procedure to make a prognosis, because what they do is they go to 500 businessmen, and they say, “How do you feel this morning? Do you think it will get better, or worse?” And depending on whether these people had a bad evening meal and a bad sleep, or they had a good breakfast and feel well, they then say, whatever, and that is then published as a prognosis. These people have no clue, and they have

2. Hans-Werner Sinn; the pun on his name could be translated as “Professor Poppycock”—ed.

the wrong method of thinking.

The only exception in Europe is, fortunately, [Italian Economy Minister] Giulio Tremonti, who is planning to put the New Bretton Woods on the agenda, when Italy will have the chairmanship of the G8 summit—I think it's in June or July—and Tremonti has said many good things, like, that it's only virtual money, this toxic waste, and nobody will lose anything, because they never had anything, so if you take it off the books, no pain actually occurs. He also recently said, inflation is the worst solution to solve this problem.

Next Tuesday, on the 24th of February, there will be a debate in the Italian Senate, where the three proposals for a New Bretton Woods, one associated with the name of Lyndon LaRouche, the other ones being various degrees of plagiarization of that initial proposal, will be debated and voted on [see article, in *Economics*]. So that is hopefully one step forward.

A New Image of Man

But I'm saying to you, it will get worse, and worse, and worse, until Lyn's reforms are implemented. And I want to give you now, as my Plan B, what will happen to Germany if we don't put Lyn's program through. Can you please show these two pictures?

[Zepp-LaRouche showed two animations, with the jungle taking over Brandenburg Gate and the Cologne Cathedral, **Figures 1 and 2.**] That is maybe 50 years from now, if we don't shape up! Now, show the other picture [of the jungle overtaking the Ankor Wat temple in Cambodia, **Figure 3**]. Now, here you see also an old building with a tree growing out, and that is the former capital of Ankor of the Empire of Khmer, which now is taken over by nature. And I just wanted to show you with this photo-montage, what could happen with Germany if we don't shape up.

Obviously, we don't want that—I think we have an agreement on that. But I think we have to *completely change* the role of Europe right now. I think if we don't reject the values of globalization—everything which has gone on in the last 40 years—and go back to a Europe of the nation-states, a Europe of the Fatherlands, but most importantly, a Europe with a completely different image of man.

Man is not a creature of avoiding pain and increasing lust. It's not a being of maximization of the maximum fun in the here and now; it's not the idea of having more, possessing more—money, money, money, profit, profit, profit, and have fun at the expense of others. But if we do

not come to an image of man as the center of politics and the economy, where man is living up to the idea of being in the image of the Creator—. Now, what does it mean? It means that man is replicating the most noble aspect of the Creator, and that is creative activity. Man is capable, according to Nicolaus of Cusa, who, after all, is the founder of the modern nation-state; he's the founder of modern science: Man is capable of *capax Dei*. That means that man is able to participate in God. That means that you can only be your fullest potential as a human being, if you unleash that in you, which is that divine quality, and it expresses itself in creative activities.

Gottfried Leibniz, at the end of the 17th Century, made a prognosis of a kind which is really interesting. He said: If at one point in human history, the whole world would be controlled by utilitarianism, and all the governments would be corrupted by it, it would come to a world revolution.

Now, that could happen. I think the worst thing which could happen, is that the world would go into a kind of Jacobin revolution worldwide, and I don't have a good idea what would come out of that, other than chaos and a lot of dead people! But we are at a complete, new juncture in history. The General [de la Maissonneuve] was talking about the end of an epoch, and it is true: We are at a moment in history which has never happened before! Because you had crises of cultures, and they would go under, and then, at another point in the world, people would not even know about it, because it would take years to travel, and before people would come back, they would have died.

For example, when the Roman Empire collapsed, people in India had no idea. They had the beautiful Gupta period—this was the period in which the most beautiful dramas were written in Sanskrit. You had other periods where one culture would go under, and another one would go up and bloom.

This time, it is completely different: We are, for the first time, truly globalized. We are really in one world, and we have to get out of it together, as one world, and that eminently includes, naturally, Africa, which we will hear about more tomorrow.

First of all, we have to reject all the values and paradigms which were the reason for this crisis, and that's not something which is somewhere "out there": Everybody has to look at what habits and what nice things you like which belong to this other world, and then you have to replace it with something completely different.

I'm convinced, that the only way the world will get



The only way the world will get out of this crisis, Zepp-LaRouche said, is if each nation goes back to highest point of its culture, for example, the Gupta period in India (4th-5th Century A.D.), when the greatest Classical works were written in Sanskrit. Shown: the Kalidas Smarak, a memorial to the Classical Sanskrit poet and dramatist, Kalidas, of the Gupta period.

out of this crisis, is if, in the coming period, at least factions of each country—not everybody immediately, because of the stupefaction which has occurred—but that important sections in each nation and in each culture are going back to the best tradition of their culture. And, in universal history, if you look at it as a totality, you had, fortunately, the torch of progress of civilization being given from one culture to the next: You had at a certain point, the Indians being the highest culture; at another point, the Chinese; and still another point, the Muslims; then you had the Italians; you had the Spanish; you had the Americans 200 years ago. So, in a certain sense, all we have to do, is to go back to our best traditions, and then communicate among each other on that level.

A Passion for the Other

In China, and here I allow myself to disagree a little bit with the General, you do have a strong tradition of Confucianism, which can be revitalized. He disagrees, but that's okay: We disagree among friends! You have in India, the Vedic tradition, the Sanskrit, which Wilhelm von Humboldt correctly called "the most highly developed language of the world"! You had the Golden Renaissance in Italy; you had, in France, the magnificent tradition of the Ecole Polytechnique and other accomplishments.

If the world comes out of this crisis, and I can only hope that the vision of how bad it is, and how bad it is threatening to become, is evoking a power in people,

that they will fight to change it now.

The only way to get out of it, is if you go back to the ideas of Nicolaus of Cusa: the idea that a concordance in the macrocosm can only be, if you have the best possible development of all microcosms, and that each microcosm takes it as its self-interest to develop the other microcosm in the maximum way. These were the ideas which went into the Peace of Westphalia.

And then, you need something else: You have to stop being indifferent. If you remain only a person for myself, and say, "Oh, Africa? I don't care. People in Mexico? I don't care." Well, then, we're not going to make it! What you have to start cultivating, coming out of this conference, if you haven't done it already, is a *passion for mankind, a passion for the other*, because only if you have this love for the community of peoples—and I mean all peoples—can we really unleash the kind of change and movement which is required.

What will be the European role in this? Obviously, we have to reject imperialisms of all kinds, above all British imperialism. I think we need a Europe which has national cultures, as Lyn was saying this morning, where the state is catalyzing the creative abilities of all of its citizens, because it is the greatest source of wealth also for the economy.

European nations have to come back to their senses, because it is very clear, that we are at a situation where China and India will be the biggest factors in the future: These two countries alone, presently already have a population of 2.5 billion—that's more than

one-third of the world's people, in just two nations. And Lyn has written this beautiful book a couple of years ago, *Earth's Next Fifty Years*, where he says what has to be the cooperation of small nations, big nations, nations which have raw materials, nations which have none, landlocked areas, countries on the seaside; and we have to have this kind of long-term, multi-level cooperation on joint economic programs, like the Eurasian Land-Bridge, as the cornerstone for the reconstruction of the world economy. But it has to go together with a renaissance, an emotional change, a

cultural renaissance, and people really have to change! People have to value, not money, but people have to value their creativity! They have to value a fulfilled life of contributing something immortal to the next generation. And I think we can do it.

But you have to help. We all have to work like we never did before. Because our job in the next period, is to catalyze in Europe, the kinds of alliances which will work together with the United States, Russia, China, and India, and then I think there is hope. If not—you better get accustomed to live in the bushes.

Schiller Conference Issues Urgent Call for Action

The following resolution was passed at the conclusion of the international Schiller Institute conference in Rüsselsheim, Germany, Feb. 21-22, 2009.

Rüsselsheim Resolution

The threat to the Opel automobile plant, right here at the site of our conference, is a dramatic illustration of the wrong direction that industrial policies have taken, especially during the past several decades of globalization. The shift from a producer to a consumer society has had drastic negative consequences, the worst being the scandalous neglect of the human right to development and progress. This right can be realized only if the main orientation of human creativity is towards finding the means by which underdevelopment and political suppression, famines, and epidemics—so far viewed as allegedly “chronic”—are replaced, once and for all, by a new economic and social order that knows no limits to the full realization of the potentials of mankind. Otherwise, mankind will be faced with the perspective of a prolonged new dark age.

There is an enormous need for vehicles for farming and harvesting, and for construction of vital infrastructure, in large parts of today's developing nations of the world. Mankind is posed with a great challenge to rapidly develop capacities for the production of millions of such vehicles, and the experi-

ence of the automobile sector can be used for this new perspective.

Also, the fuel of the future shall be hydrogen, mass-produced by high-temperature nuclear reactors, since the gasoline technology has reached its limits.

We are demanding an immediate start to the process of reconstruction of the African continent. With 203 million people suffering from malnutrition, 10% of whom are children under the age of 15(!), in the Sub-Sahara area alone, Africa is in desperate need of the machine-tool capacities that are being put in danger of disappearance right now.

We are of the conviction that there is no chance of a recovery of our civilization without solving this problem.

The future of the enormous machine-building capacities so far used for the production of cars for individual transport, should moreover be sought in the development of public means of efficient and affordable transport of passengers and goods. This can be achieved by revolutionary technologies like maglev transportation for use in densely populated urban areas, as well as over long distances between these areas. Development of such transportation systems will help to make so far uninhabited regions of the world habitable.

There is a future for today's car-making branches, other productive industries, and their qualified workforces with this approach. It is high time that such a new and reasonable mission be defined in the context of a new and just world economic order.

Let us take a first big step right here, from Rüsselsheim!

WAS **DORIAN GRAY** AUTOBIOGRAPHICAL?

How London Goes Down

by Lyndon H. LaRouche, Jr.

February 17, 2009

Russia's sub-prime Minister Kudrin returned to Moscow from discussions in London, proffering a London-steered scheme designed, in effect, to sink the United States, and Russia, too. For a few years now, such a policy has been the odd-ball line of thinking advanced by what must seem to some to be no more than a small set of London's Germany-based devotees, known as Solon-line. Putting both that group and Minister Kudrin into retirement, would be clearly no loss to the cause of civilization. Russia, however, must play a necessary part, together with the U.S.A., China and India, and others, in a global recovery-program for mankind generally, a program echoing U.S. President Franklin Roosevelt's anti-Keynesian, Bretton Woods policy, an effort which must be launched, soon, from the U.S.A.

The point of mentioning the strange coincidence of Kudrin and tiny Solon-line in this location, is that the effect of their intended role would take them, too, into the Hell they would have brought upon themselves. Oscar Wilde would have been sadly amused.

Preface

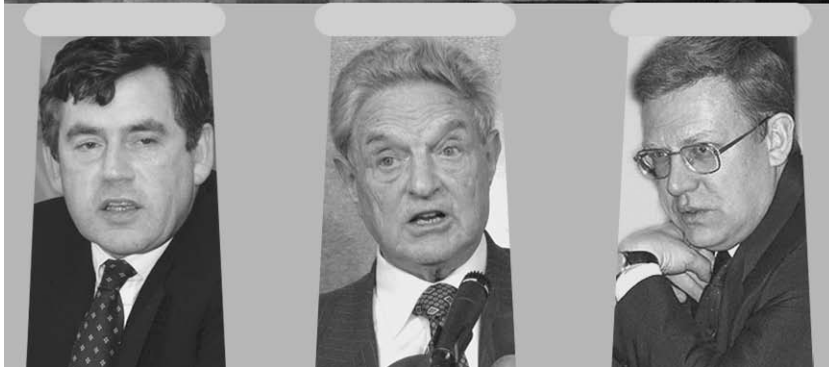
I Warned Them

The issue is the behavior of, apparently, all presently leading governments and virtually all presumed

economists of the world, who have failed to face the most essential aspect of the reality of what is a now the accelerating, onrushing breakdown-crisis of all of the entire world's economies. One might think that this cruel fact would have provoked an outburst of resistance against the present system from among the people of those nations generally. On the surface of things, it would appear that one of the most likely among the immediate dangers to humanity from this crisis, would be a recent general tendency for the early spread of extremely brutish, fascist-like governments among ruling institutions, not only in Britain, but in most nations, including the leadership of Congress in the U.S.A., and in western and central Europe.

Ironically, the good news amid all this is, that, probably, as I shall show in the following report, there is no marginal interval of time now available for any development but, either that correction, as defined by me, which must be consolidated during the very short, remaining interval between the already bankrupt condition of virtually all leading nations of the world, on the one side, and, on the other side, the British empire's self-inflicted lurch into into a planet-wide dark age, a collapse, on a global scale, into something worse than that of Europe's infamous, Fourteenth Century "New Dark Age."

That means, that the crucial fact of the present situation is, that the global crisis which broke out, exactly as I had forecast in my July 25, 2007 webcast, has been



IMF
British Prime Minister
Gordon Brown

EIRNS/Stuart Lewis
British agent
George Soros

www.kremlin.ru
Russian "Subprime
Minister" Alexei Kudrin

no "recession," nor mere "depression." What we are experiencing, is a currently onrushing, self-inflicted, systemic, general, physical breakdown-crisis of every part of this planet as a whole, without exception. Under present trends in policy, there is no part of the world which could recover, in our present time, from the presently onrushing general breakdown-crisis. The planet could be saved from this crisis, but only by actions which would have the included effect of ridding us of that Liberal disease of monetarism, which is now killing all the nations of the planet. Any different view of the present situation by any part of this planet, would be a consoling delusion.

However, there are remedies. The needed remedies include, eradicating the existence of the Anglo-Dutch Liberal monetary system itself. Unless all existing monetary systems among leading nations are destroyed, by

being replaced by the kind of fixed-exchange-rate credit-system inherent in the U.S. Federal Constitution, there is no chance for a continuation of civilized life on this planet; we are already gripped by an accelerating slide into the course of a presently accelerating dive into a planet-wide new dark age.

Thus, the current behavior of most among the present governments is to be compared to a driver accelerating down a very steep hill into a crossing below, without knowing that the vehicle's brakes have already ceased to function. He, like most of the world's presently installed governments, is certain that he might be able to manage the situation, and would probably never discover that he had failed.

To understand this crucial, present situation of the planet as a whole, we must begin by the preliminary step of tracing the history of the rise of fascism in European history since eighty-six years ago, in Italy.¹ Yet, today's threat goes far beyond fascism, with effects which would be potentially far, far worse. Now, more than a year-and-a-half since my July 25, 2007 forecast, that general collapse of the planet as a whole, against which I had warned then, has come on rapidly, while the highest-

ranking fools of this planet are tearing that world economy apart with their hyper-inflationary follies of "bail-out" and "stimulation," always fanatically, like some fabled Rumpelstiltskins, themselves.

It would be a mistake to suggest that there is not a definitely strong element of an intended drive toward fascism in the current policy-trends of leading nations, including the British system in Europe, or the antics of the last months of the President George W. Bush Administration inside the U.S.A.. Those trends are already clear; *my qualifying point here, is that the system is now already scheduled to disintegrate before that fascist system could be consolidated in the sense it had been in Europe during the interval between the so-called two*

1. The October 24, 1922 "March on Rome." I was born forty-six days earlier.

“World Wars” of the last century.

The crucial point about the present crisis is, that this crisis is something even far worse than that wave of trends toward fascist states which is, admittedly, presently underway; we are being hit by the threat of a general and essentially immediate, planet-wide breakdown-crisis, far worse than even that of Europe’s mid-to-late Fourteenth Century. It is hurtling against us, now, coming on very fast, and at an accelerating rate. *Already, there is no possibility of an economic recovery of the present national financial systems in their present form, ever again.*

The Issue of Synarchism

Nonetheless, the fact persists, that, to all intents, when the fact of that crash is put, hypothetically, momentarily to one side, the present trend in international and nations’ internal affairs, is showing all the principal economic and related symptoms of an oncoming form of what became known as fascism in 1920s Italy, and what had been actually developed in 19th-Century France under the name of the “synarchist” movement.

That was the synarchist movement which had developed about the close of the 1860s and beginning of the 1870s.² That form of synarchism which was recognized as “fascism,” was originally introduced, later, as a label for the form of synarchism which the British asset and Venetian financier, veteran of London’s “Young Turk” operation, Volpi di Misurata, brought into Italy during the early 1920s. The selection of the trade-style “fascism” as a name for a synarchist scheme in 1922 Italy then, was a choice based on the intent to present an obvious appeal to memory of the legendary Roman imperial legions. In turn, Nazism was the intentionally Wagnerian-flavored brand-name supplied to bring the so-called fascist model of synarchism from Italy, into Germany, and also back into the occupation of France. That French government was, frankly, the synarchist formation which had arranged the victory of the Wehrmacht over what was, technically, a relatively superior military force of the French nation.

It is important to recognize the symptoms of fascism of which Prescott Bush would have been proud, in cases

2. It is to be stressed, that this was part of a change in British imperial policy brought about in reaction to President Abraham Lincoln’s victory over British Lord Palmerston’s puppets known as the Confederacy and Mexico’s Maximilian, and to British master strategist Palmerston’s own death. Lincoln’s victory changed the British empire’s global strategic perspective, globally.

such as the 2001 inauguration of his worse than foolish grandson, President George W. Bush, Jr.

The importance of emphasizing this Bush heritage, is that we should recall, that, after the 1929 U.S. stock-market “crash,” what had become known as fascism during the 1920s was about to take over in the United States. Fascism would have taken over the U.S.A. then, but for the election and inauguration of President Franklin Roosevelt. The right-wing, anti-Roosevelt movement led by the Wall Street financier interests during the 1930s, was intended to achieve a fascist takeover of the U.S. government, even by an intended military seizure of power by Wall Street interests. The same trend toward fascism has been clearly expressed recently in President George H.W. Bush’s collusion with British Prime Minister Margaret Thatcher in the matter of Germany’s reunification. It is to be recognized, recently, in the two successive terms of President George W. Bush, Jr., that the Bush impulse toward creating a new fascist system has persisted, inside the U.S.A. and elsewhere today; the policies of “bail out” and “stimulus” of recent cases, such as those of the Bush Administration and the often simian-like antics of U.S. Democratic Representative Barney Frank, have typified this trend.

It is important to recall, that during the interval of the 1920s and 1930s, fascism had become an active force inside London itself, even into the ranks of the monarchy. This included the official British fascists’ role as a spin-off from the Fabian Society of H.G. Wells and his ilk, and as also expressed, nakedly, in the avowed 1937 intention of John Maynard Keynes. This pattern in the 1930s had been preceded by efforts introduced, also from London, into the U.S.A. through Wall Street and related circles, as introduced by Wall Street and related sympathies for Mussolini and Hitler, by the leading adversaries of what Franklin Roosevelt represented, during both the 1920s and 1930s. Not surprisingly, this pattern continued throughout the 1930s, up to the time of Italy’s joining the Wehrmacht “Blitzkrieg” in France; a moment when Britain’s Winston Churchill had deftly abandoned his adopted Italian protegee, Fascist dictator Benito Mussolini.

Today, we must recognize the current influence of the same synarchist trend in the U.S. circles which had been associated with circles of the faithful followers of the tradition of Presidents Theodore Roosevelt and Woodrow Wilson. Those two U.S. Presidents were second-generation products of the British-directed Confederacy’s attempt to destroy the U.S.A.; they were, in



Adolf Hitler greets the Duke of Windsor, later King Edward VIII, and his wife Wallis Simpson, October 1937. Edward ruled for only a year before abdicating in 1936. Albert Speer later quoted Hitler: "If he had stayed, everything would have been different. His abdication was a severe loss for us."



Library of Congress

Sir Winston Churchill (right) in Moscow in 1942. To his right are U.S. envoy Averell Harriman and Generalissimo Josef Stalin (second row). When Hitler struck West instead of East, Churchill headed the British faction that decided it was time to go to war.

historical fact, traitors of the type which also qualified as later supporters of the same synarchist tradition also expressed by the 1920s Italian and German sympathizers of Mussolini and Hitler.³ London's assets reigning in Wall Street, constituted a nest of such enemies of the United States' Constitution during the 1920s and 1930s, including names from among those of the circles of the principal targets of the 1930s Pecora Commission investigations. Prescott Bush, the London-steered man who was assigned to release the Anglo-American funds to assist Adolf Hitler into power, had committed that act on behalf of his employers (both the Bank of England's Montagu Norman and Brown Brothers, Harriman), who were leading members of the same pack from among leading Anglo-American backers of fascism.⁴

3. It would appear to some critics that I disagree with President Lincoln's post-war declaration of his commitment to take the errant states back into the Federal system as if they had never departed it. It was correct for President Lincoln to state, and mean that policy under those specific circumstances. Comparable conditions do not exist under the circumstances of the presently ongoing drive toward fascism by forces related to the case of Amity Shlaes.

4. At the time that Prescott Bush, the father and grandfather of U.S. Presidents George H.W. Bush and George W. Bush, Jr. respectively, had moved the money to bail out Adolf Hitler's Nazi Party, Bush was executive officer for the New York firm of Brown Brothers, Harriman. That firm was the U.S. branch of the operations of that head of the Bank of England, Montagu Norman, who had created Hitler's actual candidacy for the appointment as Nazi dictator of Germany. Even after December 7, 1941, Prescott Bush was still entangled, for a time, in those interna-

For most relevant, ironical reasons, the 1941 attack on Pearl Harbor by the Japan which had been a British ally against the U.S.A. since no later than 1894, turned out to be a momentary great embarrassment for the anglophile, pro-fascist, Wall Street enemies of President Franklin Roosevelt's 1930s and early 1940s U.S.A.; but, those European and U.S. fascist enemies of President Franklin Roosevelt remained a credible force, despite their embarrassment over the Pearl Harbor attack. They remained an active political force in the background throughout the 1942-1945 period. They reappeared on the streets in newly chosen habitual guises, returning to the surface of visibly leading positions of influence, from about the time of the events at Normandy in June 1944.⁵ With the death of President Franklin Roosevelt and the inauguration of President Harry Truman, the lurking fascist circles inside the U.S.A.

tional financial connections. Those Bush family connections to London remain today.

5. The crucial issue to be considered, in assessing the political shift of Summer 1944, is the British role in willfully prolonging the war in Europe by betraying the German generals who were ready to sue for peace after the Allied breakthrough in Normandy. The included purpose was to prolong the war in Europe in ways which would set up the situation for such effects as the conflict with the Soviet Union. The war continued for the greater part of a year, past the point of the death of President Franklin Roosevelt, and the inauguration of the British strategic asset, Harry S Truman!

“I could not help being charmed, like so many other people have been, by Signor Mussolini’s gentle and simple bearing and by his calm, detached poise in spite of so many burdens and dangers. . . . [Italy] has provided the necessary antidote to the Russian poison. Hereafter no great nation will be unprovided with an ultimate means of protection against the cancerous growth of Bolshevism.”—Winston Churchill, speaking in Rome on 20 Jan. 20, 1927



Left: Benito Mussolini’s March on Rome, 1922.

slid into a nearly controlling political position in the U.S.A., throughout the terms of the Truman Administration, and have remained a stubbornly persisting, and growing, Wall Street related factor, as they have been since the riots of 1968 and the election of President Nixon, until now.

It was not only fascist nations of the past, but, rather, the persistence of this presently global, fascist threat, which has been a principal factor in world politics since the interval of London’s appointment of Napoleon III to reign as London’s agent over France. The source of the threat, in whatever nation it has arisen as a ruling political influence, was never spontaneous. During this time, synarchism, fascism, and their offshoots, have always remained essentially a disease spread to other nations by the British Empire, as it had been when the British Foreign Office’s Lord Palmerston inserted his asset, Napoleon III, into the government of France.⁶

6. It is of first-rate relevance, that Germany’s Chancellor Bismarck did not wish the continuation of a war against France once London’s puppet, Napoleon III had been removed. Bismarck with his typical insight in

Sometimes the British government is fascist itself, as the case of former Prime Minister Tony Blair suggests that intention. At other times, they spread that disease only to their intended victims. After all, a true empire is not a cause; it is a system of reign over, and management of its current and intended victims, all in the tradition of the British launching, and management of the pre-February 1763 Seven Years War.⁷

such matters, knew the crucial, strategic difference between a war against London’s puppet and that war continued against France, which, in fact, prepared the ground for the British Empire’s orchestration of what became World War I. On the precise definition of the British Empire, see below.

7. “Rage-balls” such as former Vice-President Dick Cheney are never the true controllers of the ventures in which they are ostensibly featured. The really dangerous masters of the game are Gray-faced, dispassionately cold-blooded killers, like those who sent British-controlled thugs such as Dick Cheney and half-witted President George W. Bush, Jr., out to earn the blame for the atrocities which such masters of the game as the owners of the puppet Tony Blair actually controlled. The director of the tragedy should not, as a matter of ethics, appear directly on stage, until the curtain has fallen.

Since ‘World War II’

In 1945, the head of O.S.S., General Donovan, came out from his last visit to President Franklin Roosevelt’s White House office, reporting softly, and sadly, to his associate: “It’s over.” As Donovan expressed his fear then, Wall Street- and London-centered forces have dominated U.S. political life, including the leading news media, top-down, since that time. Thus, through twelve of the most recent twenty years, a son and grandson of Prescott Bush had come, as if in succession, to serve that family tradition of one-time Hitler backer Prescott Bush, in their positions of misleadership in and around the U.S. Presidency.⁸

For my part in all this, I became a conscious part of the battle against the looming surge of post-World War II, British-organized fascism, in the setting of Spring 1946 Calcutta, that shortly before I returned from my overseas duties of 1945-1946 in Asia. The latter was during a time when, for special reasons, I had made an immediate personal commitment, to myself, which has led me more and more, and continuing up to this present moment, nearly sixty-three years later, into my defending the U.S. interest which had been betrayed by Harry Truman, and many others, including our Bush-leaguers still today, since the death of President Franklin Roosevelt.

Until the mid-1960s, my public political role as such was all but rarely marginal, but the developments of that twenty-odd-year interval until that period of my more active role in economics-rooted political-intelligence activity since the mid-1960s, have come to show that my political commitment of the 1946-1965 interval, has turned out to have been necessary preparation for my increasingly significant role in becoming a prominent intelligence specialist during the course of the 1966-2009 interval to date.⁹

8. The inclusion of the interval of eight years, of the U.S. Clinton Administration, between father and son Bush, was a significant shift at the time, but it did not break the long-term pattern of the connection from father’s administration, to that of the son.

9. There has been much speculation on this subject of my career at various times, in various places, most of it silly. The FBI had attempted to recruit me to play what I considered a fraudulent role as their agent-in-fact. I had politely turned down the demand from the FBI, stating as my parting remark at that meeting in the lobby of New York’s Chanin Building, that I was a patriot who would not condone serious law-breaking against our republic, but, pending evidence to such effect, there was no reason I should consider their proposition that I spy maliciously against citizens who represented no relevant threat of serious harm to our society. They decided, at first, to bring heavy pressure on me and my



Prescott Bush (left) with son George H.W. As a principal in the Harriman Fifteen Corp., Brown Brothers Harriman, and Union Banking Corp., Prescott played a major role in financing Fritz Thyssen and Friedrich Flick, two German businessmen who financed Hitler’s way to power in 1931-33. (See Webster Tarpley and Anton Chaitkin, George Bush: The Unauthorized Biography, 1992.)

Since 1966, my associates and I have often taken abuse from those against whom I have fought for that cause. This abuse has included betrayal by those who, after they had descended to levels below the rank of former friends, went over to the adversary camp, out of such apparent motives as fear, greed, pleasure in perversion, or a combination from among such impulses—although I had done actually nothing of which anyone could justly say I should be ashamed in carrying forward the intention which I had adopted in Spring 1946. Such defections are an effect, a frictional cost, to be expected in any really serious political effort.

In fact, I have had some happy occasions when I was able to strike at least an apparently small, but timely blow for civilization against my republic’s imperialist enemies. Those were enemies who were centered chiefly in the international drug trade’s traditional and

household to yield to their proposal, and then elected simply to attempt to destroy me financially and otherwise. They ruined my family life of that period, successfully, but not my intentions. I found ways and means to continue the mission to which I had become already fully committed, on principle, in later Spring 1946, when I already had British intelligence services stationed in Calcutta, as active adversaries on my tail. I have my loyalties, but never at the cost of my independence of action, the independence on which I have relied to ensure that I could trust myself in formulating my judgments.

continuing financial center, in London, as I fight, still, against such monstrously evil men and women as George Soros and Soros's crony, Lord Malloch Brown, now. It is the ability to continue to carry that fight to the enemy, however long and difficult the path which that effort requires, which prepares the surviving political leadership for the duties which the obligations for victory would impose upon it.

Now: Amity Shlaes' Lies

Against the background which I have just summarized so, the barrages of today's wildly lying attacks on the 1930s role of U.S. President Franklin Roosevelt, are to be seen as currently typified by a sort of lying scoundrel who is otherwise a known public figure associated with the historically pro-fascist American Enterprise Institute, Amity Shlaes. Shlaes, who first came to my personal attention through the London *Financial Times* of January 3, 2005, and also turns up in the chatter around the pair of Felix Rohatyn-linked Senator Christopher Dodd and Representative Barney Frank.

Both Dodd and Frank have played a key part, by sabotaging my draft Homeowners and Bank Protection Act legislation which would have prevented the worst developments our nation has suffered during the past year and a half. Worse, it has been the role of that latter pair, which typifies the causes for the consequent plunging of the U.S. financial and political system into its present state of a U.S. wild-eyed descent into what is now already the biggest, and, now, probably the deepest plunge into bankruptcy in known world history to date. Of course, they were acting merely as agents, but that consideration does not diminish their culpability.¹⁰

Shlaes is notable because she is *not* an exception to the escalating set of lying attacks on the memory of President Franklin Roosevelt, attacks which have been unleashed by forces determined to intimidate President Barack Obama and others into submission to a course of

action which would, in its effect, not merely plunge the U.S.A. into a hopeless state of bankruptcy, but create the preconditions for the nation's political disintegration.

To really understand both Shlaes and the American Enterprise Institute (AEI), one should look back to the roots of the AEI among the pro-fascist circles of influence in the U.S.A. back during the 1930s. Notably, Shlaes' lies represent a totally fraudulent representation of the actual state of affairs back during those 1930s, a fraudulent representation which is consistent with those pro-fascist policies and roles against which our patriots fought back then.

The lies of Shlaes and others of her type only typify that noxious tradition of London-steered, Wall Street-style of thieving fascism in America, as in Europe, at the present time. Unfortunately, she is by no means the only avowed, lying adversary of U.S. President Obama from such traditionally pro-fascist quarters. There are notables such as George Shultz's frankly fascist crony Felix Rohatyn and Britain's and the world's currently biggest and most evil dope pusher, Lord Malloch Brown's associate, the global drug-trafficker George Soros, whose shameless characteris expressed in his service to British operations today, and who, according to his own confession, formed his present, personally depraved character, in his youthful evil, if auxiliary service to the Hitler machine's mass murder of Jews.

I. London, like Dorian Gray

That much said to set the stage, my subject here is the question some people will ask: "Could London win?" Not really.

London's chances, unless it suddenly improves its ways very much for the better, are similar to those of the, similarly, once triumphalist, Fourteenth-Century, Lucca-based, Lombard banking-house of Bardi. Like Venice's Lombard bankers of that former time, today's London and its Wall Street cronies, with their financial-derivatives swindles, have been playing out a present-day imperial parody of Europe's mid-Fourteenth-Century financiers, and are on the road toward an early arrival at the same deadly destination, a "new dark age," as Fourteenth-century Europe had been.

I do not presume that imperial London actually intended something exactly like the presently probable outcome of its own disintegration to happen. What is onrushing against the British empire now, would happen

10. The relevant portion of the report in hand reads:

"Who Designed and Backed This Bailout?"

"The idea for the Dodd-Frank bill was put in circulation by British-linked anti-FDR economists at the New York Council on Foreign Relations: 'world currency' promoter Ben Steil, neo-Conservative Amity Shlaes, former Federal Reserve Governor Thomas DeLillo.

"The bill was specifically designed by Wall Street and London financiers—by Credit Suisse Bank in particular—working with the staffs of Barney Frank and Chris Dodd, and with Paulson's Treasury. It was also pushed by Fannie Mae CEO Daniel Mudd—he lost his job in the big bailout push this weekend, but will probably leave with a very 'golden parachute'."

as did the doom of the Don Giovanni of the Mozart opera, or, perhaps, as doom had come to the corpse of some stinking opossum. Contrary to the silly romantics of academic life and other sophist opinion today, London's probable, ultimate fate today, has been a tragic destiny, like all such victims of their own, truly tragic destinies, none of which are the victim of a personal error of one person, or several individuals, but are controlled by what is bred into the adopted nature of the species-like quality common to the relevant strata of that culture as a whole. The keystone of my argument on this account, is my focus on the nature of such hapless creatures of such a culture, such as Oscar Wilde's putatively fictional character Dorian Gray.

The meaning of those words of mine on the subject of tragedy, just stated above, is to be placed in what have been my rather frequent references, over many decades, to the concluding paragraphs of Percy B. Shelley's *A Defence of Poetry*.¹¹ I have identified the epistemological significance of that concluding paragraph of his poetic essay, as located in that concept of *dynamics* which the Gottfried Leibniz of the 1690s adduced from the *dynamis* of the ancient Pythagoreans and Plato.

Leibniz had introduced this notion of dynamics, then, in his denunciation of the frauds which underlie the specific form of that same reductionist method of Paolo Sarpi which permeates and underlies the scientific fraud which underlies all of the doctrine of both Sarpi follower Rene Descartes, and Descartes' own followers. Descartes, in turn, is echoed by that similarly *a-prioristic*, mechanistic echo of Euclid, which permeates the argument of the Eighteenth-century empiricists such as Abraham de Moivre, Jean D'Alembert, Leonard Euler, Joseph Lagrange, and, also, by such typical Nineteenth Century science-misfortunates as the devotees of Pierre-Simon Laplace, Augustin Cauchy, Rudolf Clausius, and Hermann Grassmann. The Eighteenth-century empiricists and their followers, included such as David Hume, Adam Smith, and Immanuel Kant, and, in the Nineteenth Century, Adam Smith's avowed devotee, Karl Marx.¹²

11. The nature of this commitment by me, goes, as Shelley would have agreed, to the true nature of my soul. Shelley has been among those qualified to give a poet's expression to that world-outlook.

12. It is sufficient, for our purposes here, to report that Karl Marx was a complex fellow, with whom Heinrich Heine had become acquainted, and whom Heine attempted, if unsuccessfully, to rescue at that time. Marx, who was already lured into British intelligence operations in post-Hegel Berlin, became a full-fledged British agent in fact, as part of

Shelley's use of the name and concept of "the imagination," is not fanciful in any way. On the contrary, it refers to the fact that the powers of sense-perception, powers which reductionists such as the empiricists and usual populists raise to the status of a deity, are merely powers of sense-perception, comparable in their function to that of the scientific instruments of the laboratory, which do their work, but, contrary to the damaged Bertrand Russell creations John von Neumann and Professor Norbert Wiener, are not themselves the substance of competent scientific thinking.¹³

The reality associated with experimental use of scientific and comparable instruments lies, as with the discoveries to which Helen Keller was led, within the expressions of cognitive powers, the powers of cognitive insight of the human mind, the power to decipher the reality of that process in motion which subsumes the virtual mere footprints of sensory experience (i.e., *dynamics*). Her efficient discoveries of the real world, are to be compared with the example of Johannes Kepler's uniquely original discovery of the principle of the ontological actuality of a universal principle of gravitation, the discovery which Newton merely asserted, fraudulently, to be his own, but was incapable of defining in the terms of actual physical-scientific discoveries. Kepler's discovery of this ontological actuality, is that

Lord Palmerston's Young Europe network. He was directed in that role under a principal senior British intelligence services executive serving as controller of that network, who was operating, at that time, from a posting at the British Museum. The overwhelming evidence in the matter is to the effect, that Marx himself honestly never recognized that he was an agent deployed by the Lord Palmerston whom Marx hated more than anyone else, all that time. The role of Friedrich Engels in British Foreign Office control over Marx, is a story in itself, including the role which Engels continued to play, even after Marx's death, as in the case of Engels' key personal role in the London induction of "Parvus" (Helphand) 1890's assimilation into life-long service to British intelligence, from that time on. The interesting aspect of Marx's own argument, as distinct from its historical setting, lies as if "between the cracks" of what he had adopted from, chiefly, his British mentors.

13. Both of this Bertrand Russell-crafted pair, at different times, Wiener earlier, and von Neumann, later, were dumped out of Göttingen on well-founded charges of the systemic incompetence specific to Russell's followers of the Cambridge systems analysis cult whose influence into Soviet affairs was mediated through the British-USA-steered Laxenberg, Austria International Institute for Applied Systems Analysis (IIASA). In addition to the powerfully corrupting influence which Russellite Cambridge systems analysis had in spreading its radically reductionist decadence into the Soviet system, similar effects are to be seen in the Nazi-like follies of terrorism which "effects-based operations (EBO)" schemes had in leading the Israelis into their recent catastrophes in Lebanon, and, now, Gaza.

detailed in his *The Harmonies of the World*, and, as Albert Einstein explained Kepler's discovery of gravitation, as no follower of Newton, or Newton himself, ever could.¹⁴

The Historic Role of Shelley in This

Percy Bysshe Shelley's emphasis on the efficient reality of that power of insight to which he points as being expressed by the creative power of "the imagination," is to be compared with, and also integrated into Albert Einstein's view of Kepler's founding of modern physical science as what Einstein recognized as a Riemannian conception of the implications of the founding of a generality of modern experimental science by Johannes Kepler. It is that specific notion of cognitive insight into the experimentally provable domain of an unseen "object" which casts the shadows called sense-perception, the unseen, but real object, the matter of universal principle, to which Shelley refers as the subject of "the imagination."

The systemic failure, as by actual scientists, or merely nominal scientists from among the apologists for Newton, is the same systemic incompetence which has misled the putatively leading economists of the world as a whole into both creating, and defending the methods which have played a leading influence in the leading of the present world into the presently onrushing breakdown-crisis of our planetary economic system as a whole.

The practical implication of those distinctions which I have just emphasized here and now, is that they reflect the human mastery of the challenge of maintaining and increasing the potential relative population-density of the human species, a kind of achievement which depends absolutely on the development of that power of insight to which Shelley refers in the presently referenced location. He refers to the power of "the imagination": the crafting of those mental images which correspond to what the principle of unique physical experiments defines as both universal physical principles and related subject-matters. The failure of the economists on this account, represents exactly the same issue of the systemic incompetence of the opponents of Kepler, Leibniz, Riemann, Max Planck, et al. in every

branch of scientific inquiry. They lack any comprehension of that specific physical principle which underlies the physical-economic increase of those productive powers of labor as measurable in effects per capita and per square kilometer.

So, the principle of ancient Egyptian and related "Greek" science, *dynamis*, pertains to phenomena which correspond to the power of the human mind to discover the existence and efficiency of those principles which are expressed in practice by the power of humanity to increase its species' potential relative population-density, as no lower form of ecology's life can do this. The essential, and pervasive, systemic incompetence of virtually all leading accountants and economists of recent times, is expressed essentially in their inability to understand the way in which, in particular, post-1945 economies have become systemically characterized by a process, especially since 1968, which has led humanity in general, step by step, into that declining trend in productive powers which I was able to foresee and forecast, where every other leading, known economist and related sorts of specialists have failed, on this point, so far.

To restate that crucial point: the collapse of the U.S.A.'s economy, and that of most of the world besides, was already fully underway by Spring 1968. It was not a recent development; rather, the fact of this trend was variously overlooked, or denied over the course of those four decades, since 1968, when the trend should have been already recognized by any actually competent and honest economist. Worse, the causes for that collapse have not merely continued to shape the direction of the economy of the world considered as a whole; but, the rate of collapse has been accelerated by each and all of the so-called reforms of the world economy introduced as supposed remedies, ever since.

Just so, instead of adopting my July-August measures which would have brought the ongoing collapse of the U.S. economy to a halt, virtual idiots, such as Senator Dodd and Representative Barney Frank, led the charge in transforming, maliciously, *what could have been a manageable crisis, had my 2007 Homeowners and Bank Protection Act been allowed to go ahead, rather than suffer the hare-brained and malicious insanity typified by the actions of Representative Barney Frank*. Speak, thus, of the doctors and advocates of the majority of the economics profession, as echoed by the actions of Barney Frank, whose proposed remedies for others are their own diseases.

Here in the case of both Dodd and Frank, and their

14. So much can be said of the absolute fraud promoted by those putative scientists who insist, fraudulently, that Isaac Newton, whose friends merely copied an aspect of Kepler's published work, is the discoverer of gravitation.

accomplices, we meet a typification of the principle of tragedy implicit in my references to Shelley's *A Defence of Poetry*.

Those who are entrusted with power, since their selection for positions of power is based on a presumption of their fitness to represent, even vigorously, a currently ruling body of what is demonstrated to have been, an inherently failed opinion, as Dodd and Frank merely illustrate such cases, typify the true principle of Classical tragedy exposed by such great dramatists as Aeschylus, Shakespeare, Lessing, and Friedrich Schiller. True tragedy is a mass effect of the type lying properly under the subject-heading of *dynamics*, as Leibniz emphasized, and as Bernhard Riemann's 1854 habilitation dissertation has been, in fact, the most liberating of all of the discoveries of principle in modern science. Tragic ends occur because follies are considered to represent an obligation to submit to, and serve whatever chances to be ruling political, or merely academic opinion.

It is erroneous popular opinion cloaked with ruling authority, such as morally and intellectually depraved, but reigning cultural traits, which has been the root of tragedy, both as the subject in Classical drama, and in actual history.

Tragedy in Physical Science & Economy

The most commonplace source of disorientation spread among what are otherwise even excellent modern scientific thinkers, has been the gigantic fraud which the followers of Paolo Sarpi perpetrated against the work of Johannes Kepler, a fraud which they (e.g., the Cartesians) continued against that work of Leibniz which is typified by Leibniz's uniquely original discovery of the form of the calculus: a discovery which had been earlier projected, by Johannes Kepler, as a work to be done by "future mathematicians."

As Albert Einstein emphasized, in his pointing out the way in which Bernhard Riemann's discoveries had made clearer the unique significance of Kepler's work for all modern physical science, competent science "departs the realm of mathematics, for physics."¹⁵ This means, that whereas the followers of Paolo Sarpi had rejected the conception of knowledge of actually universal physical principles, in favor of the ontological fallacy of what are actually, or in effect, merely mathematical formulations, Kepler's uniquely original dis-

covery of a general principle of gravitation, located the existence of universal principles as he defined the discovery of universal gravitation, as Einstein did, as a self-containing, unbounded, but finite universe, rather than being a mathematical formula for measuring observed, Cartesian-like, kinematic connections within the universe. Hence, Einstein's "finite but unbounded," intrinsically anti-entropic universe.

Leibniz's original discovery of the infinitesimal calculus, was a first clear step in this direction, a solution by Leibniz, which had been pre-stated, as a task, by Kepler. The further treatment of this matter by both Leibniz and Jean Bernouilli, reflecting the importance of Fermat's famous discovery, and the subsequent, revolutionary discoveries by Riemann, defined the point which Einstein made on the subject of our universe in general. The point which I am stressing, on the subject of a science of physical economy, in this immediate location, is that the idea of universal gravitation, as appreciated by Einstein, is an exact sample of the kind of true idea of principle to which Shelley referred, on the subject of the imagination, in the concluding paragraph of his *A Defence of Poetry*.

It is only in those creative powers of discovery, such as Kepler's uniquely original discovery of the universal principle of gravitation, which Shelley would have located in what he defined as the domain of the imagination, that contemporary society would be made capable of recognizing the relevant principle. That is the principle, which I have clearly seen, which has governed the stunning evidence of decline of the potential for human existence, globally, since no later than about 1968.

At the same time, the proof of the spuriousness of the apparent, recent decades' alleged improvements in aspects of the economy of nations which were merely recipients of the supposed benefits of export of production from formerly productive nations to cheap-labor markets, is shown afresh by what had already been, not only the collapse of the economies of the U.S.A. and Europe over the post-1968 interval to date, but also the presently stunning effect of this policy on the onrushing, great, and rapidly deepening, global collapse of the economies of China, Russia, and others, now.

The most recent months', shockingly visible collapse of the economies of weighty nations such as Russia and China, is a reflection of *the hopeless condition of the economies of the world as a whole for as long as accommodation to the British imperialist form of monetarist system is continued*. Such was the U.S.

15. I.e., the concluding sentence in Riemann's 1854 habilitation dissertation.

capitulation to those same ideas of Adam Smith which were wrecking the Soviet economy, the same which, from the death of President John F. Kennedy, on, had caused the U.S.A. to wreck its own economy. For much of this we in the U.S.A. can blame Arthur Burns and his (actually) pro-fascist miscreation, Milton Friedman.¹⁶

There will never be a recovery of those or other nations, for as long as nations do not abandon the present world monetarist system and its political expression, in favor of a return to the principle of a fixed-exchange-system set forth by U.S. President Franklin D. Roosevelt respecting the Bretton Woods conference, in 1944. In effect, the nations, especially leading nations, have the present choice of accepting that change, as I have proposed it, or accept the doom their decision brings down upon themselves, their children, and the populations in general.

Wisdom lies not in gaining what you, or the egotism within you, might desire, but in succeeding in doing good for mankind, that, especially, for the future representatives of the present population.

On this account, what is probably the worst aspect of the cultural degeneration of the present U.S. population, is the effect of the “Frankfurt School” corruption by what was known in Europe as the post-World War II Congress of Cultural Freedom. Most typical is the existentialism of Martin Heidegger et al., in cutting the threads of Classical modes of cultural continuity which had formerly united successive generations in a sense of shared historic mission into the future. The most notable practical effect of this existentialist cult of Heidegger, Arendt, et al., is the abandonment of a sense of an immortality of a sense of mission, across successive generations, a sense of mission whose expressed substance had been serious ideas, such as ideas of the benefits of scientific progress.

So, the malthusian legacy of Giammaria Ortes, which we see in the mass lunacy of windmills and solar receptors today, is typical of the result of this lack of human morality among the alienated, brain-washed victims of the neo-malthusian cult on younger generations of today.¹⁷

16. On a deeper level, the most frankly Satanic influences responsible for the greatest evils which mankind as a whole has suffered since the beginning of the Twentieth Century have been those traced to the collusion of avowed Satanist Aleister Crowley, and his leading partners H.G. Wells, and Bertrand Russell.

17. Cervantes’ Don Quixote may have been a “pot head,” but, in the matter of windmills there is something to be said for him today.

That the reader might understand the world’s present strategic crisis, I have devoted the present chapter of this report, to words to be added now, respecting the present economic crisis, to the content of my earlier reports on that subject. These presently added words take up the most essential elements of the deep background concerning those relevant essentials bearing on the subjects of the origin and nature of that great evil popularly known as the British Empire.

The Origin of Empire

Considering all known history to date from the standpoint of the principle of *dynamics*, there have been chiefly three kinds of what may be usefully classified as empires. One is the land-based Asia model, typified by the sequelae of Babylon.¹⁸ Another is the maritime-financial empire, as typified by ancient Tyre, and by what became the Roman, Byzantine, and Venetian empires. The third is typified, in reflection, by the special Eurasian form of the former Czarist Russian empire of serfdom, and what had been intended, much earlier, as a joint empire of what had been the subject of negotiations between, on the one side, Philip of Macedon and his Greek advisors, and Persia, on the other. This includes on this list, a current expression of that Venetian empire, that of the Anglo-Dutch-Saudi financier empire of today, the empire of those spawn of that evil Paolo Sarpi who had come around to adopting the somewhat misleading name of “British,” when “brutish” would have sufficed.¹⁹

The crucial issue which virtually no other leading economist, or government of the world appears to have understood, is the implications of the principle of *dynamics* as reintroduced to modern science by Gottfried

18. I shall take up this same matter in another context, in the next chapter of this report.

19. Better “Anglo-Dutch,” as in William and Mary. At the beginning of Europe’s Eleventh Century, with the onset of the decline of Byzantium, the emerging Venetian financier power, based in the area of the head of the Adriatic, became a power associated with the rise of what had been sponsored earlier as the Norman interest, that as a foe of Charlemagne’s France, by Byzantium. The Norman conquest of A.D. 1066 signaled the beginning of a long reign of the medieval system which collapsed with the bankruptcy of England which occurred on account of, principally, its debt to Venice-controlled, Lombard usurers such as the Lucca-based house of the Bardi. This event triggered what became known as the Fourteenth Century’s “New Dark Age.” The later, Fifteenth-Century great ecumenical Council of Florence was the birth of modern Europe. The Russian Empire was predominantly an empire on the Asian model, as shaped by Peter the Great’s breakthrough to the Baltic, which strengthened the European maritime orientation.

Leibniz. All failures of modern economies properly attributable to those professions as such, are failures fairly identified as the influence of the systemic scientific incompetence of that follower of Paolo Sarpi known as Rene Descartes, on whose alleged authority the design of the British monetarist system has depended for its shallow touch of the so-called science of the Sophist's salon. This effect can be attributed largely to the emergence of the dominant role of Sarpi's radiated influence, as through both the impact of France's Louis XIV and the rise of British maritime power during the Eighteenth Century. As Leibniz had identified that problem, earlier, and as Riemann carried that matter forward from Leibniz, the issues posed can be fairly restated as a lack of consideration of the principle of *dynamics*.²⁰

That is the categorical setting of this entire report. However, to make clear the origin and looming, self-inflicted doom of that British empire, we must proceed now from the following remarks.

The Imperialist Legacy

To understand the nature of the British empire, we must recognize the deep origins of that empire as to be located, essentially, in the emergence of a certain class of systems of those actual empires which were based on the Mediterranean and Atlantic models, models which are to be conveniently dated, for purposes of study, from the aftermath of the ruinous Peloponnesian War. Philip of Macedon, et al. had intended this unified, Mediterranean-Asian model of empire, as to be established in the later war which he intended would begin with his attempts to bring about a treaty-organization establishing a system of imperial cooperation between the maritime power of an intended Eurasian empire, centered then in Macedon, with the essentially inland-based Achaemenid Empire.

At this juncture in this report, I am focused on a subject-matter which had been a subject of research and



Alexander the Great, an enemy of Aristotle, was assassinated in 323 B.C., leading to the divisions of power which ultimately ushered in the Roman Empire. Here, a mosaic from Pompeii at the Naples National Archeological Museum.

related discussions by me among our associates, held over an interval of nearly four decades to the present date. This represents the included factor of my consideration and endorsement of the fruit of many contributions and criticisms of those associates and their sources. For the end-result of that process over decades to present date, I assume accountability, but not the exclusive credit, as follows.

That attempt by Philip of Macedon ended after that killing of Philip which was prompted by the seemingly irrelevant issue of justice for the victim of an act of sodomy within Philip's court, and prompted by the subsequent process leading to the replacement of the deceased Philip by Alexander the Great. This Alexander, the enemy of Aristotle, had highly relevant, historically and strategically, links, by family ties, to the ancient maritime culture of a Cyrenaica which would be associated later with the great Eratosthenes. Alexander's own assassination, sought by Aristotle, and accomplished by his poisoning as a dinner guest, led to divisions of the power of the region around the Mediterranean.

This division of such powers continued, apparently without resolution, until the intervention of the priests of the Cult of Mithra, who played a crucial part in discussions held on the Isle of Capri, discussions held with the Octavian who would come to be known as the Roman Emperor Augustus Caesar. Those latter negoti-

20. E.g., *Specimen Dynamicum* (1695).

ations created the agreement establishing what was to become a single Roman Empire based, essentially, on a fusion of the combined oligarchical forces of Rome, Egypt, and Southwest Asia.

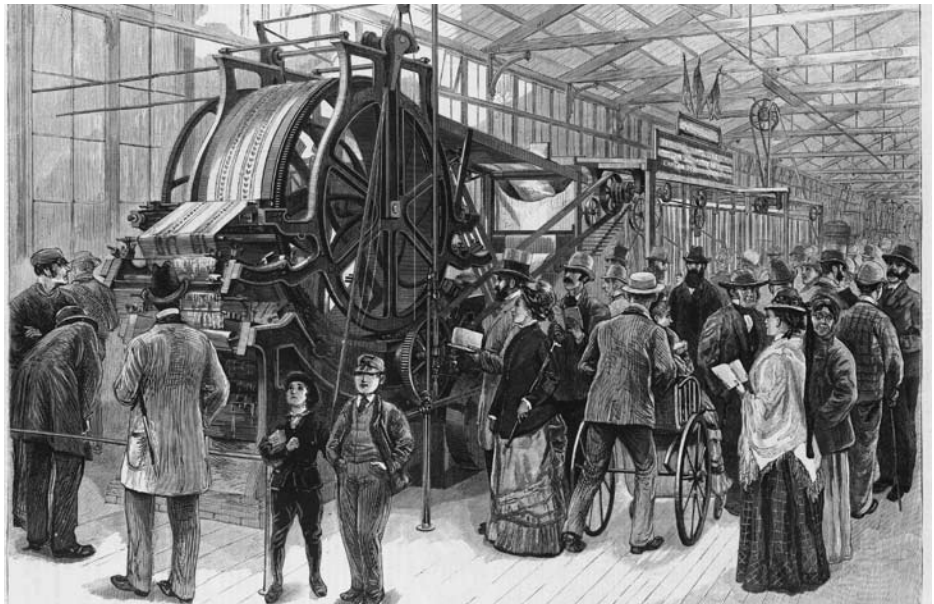
Since that first establishment of the Roman Empire, the dominant power in the world as a whole had been the maritime culture based on the Mediterranean, until the emergence of the Paolo Sarpi-crafted, Anglo-Dutch Liberal form of imperial maritime power, a power which was built up on the northern coasts of Europe and within the Atlantic.

Throughout the relevant portions of known history, from the mist-draped time of the siege of Troy, the ocean-going maritime power of navigation reflected in the most ancient of the known, valid calendars dated to pre-history, had remained the dominant form of strategic cultural potential, until the United States' initial development of its continental railway system.

The establishment of such transcontinental railroad systems, whose initial success was an outgrowth of the period of the U.S. Presidency of Abraham Lincoln, defined the issue of what became known as *geopolitics*, when the British Empire, under Prince of Wales Edward Albert's circles, defined the adoption of the economic model of the American System of Abraham Lincoln and Henry C. Carey, by Germany, Russia, and other continental powers, as a mortal threat to permanent world rule by the global maritime power of the British Empire.

All world history since the 1876 Philadelphia Centennial, has pivoted on the British imperial reaction against this systemic shift triggered by the U.S. transcontinental railway system.

On this account, the British empire, led by Prince Edward Albert, plotted what became known, in the aftermath of the interval 1890-1917, as "World War One." That war, organized under the direction of that Prince, the later Edward VII, was conceived as an echo of the Anglo-Dutch imperialist scheme which became the "Seven Years War" on which Britain's rise to empire at



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The Machinery Hall of the Centennial Exhibition of the United States, 1876. The U.S. represented a power the British had to find some way to wipe out.

the 1763 February Peace of Paris had depended. Consequently, the entire war-guilt for World War I, was only that of the British Empire. For the others involved, their guilt was merely that of credulous fools who walked into the trap which the British had prepared and triggered. The details of this are not really a secret in any meaningful use of the term "secret."

The same "Seven Years War" syndrome of the British empire, is key to the understanding of the Napoleonic wars and their aftermath. Contrast "Author of Victory" Lazare Carnot's defeat of the united enemies of France, and Carnot's policies, with those of the British Foreign Office's unwitting puppet, Napoleon Bonaparte, who replayed a strategic role, to the end, which was nothing other, in net effect, than a replay, to British strategic benefit, of the Seven Years War, a state of virtually perpetual warfare, fought, in fact, for the greater glory of Britain, throughout a consequently ruined Europe.

Oh, that poor, so cruelly misunderstood British Empire, that virtually none of its victims recognize the essential, most admirable fact, that Britain's secret of success is nothing other than the silliness of its intended principal victims. It might therefore be said of Britain's principal victims in these affairs, that that Empire would prefer to be destroyed than permit its victims to recognize the implications of the evidence of Britain's only ultimate strategic weapon, the stupidity of Britain's intended victims—still today. The British empire is

one which would rather be destroyed than outlived, and would therefore, in the extreme, take the rest of the world down to Hell with it.

London's Hatred of Lincoln

The British Empire's preparations for what was to become famous later as "World War I," began somewhere between developments leading into the surrender of Confederate General Robert E. Lee, at Appomattox, and developments around the First U.S. Centennial celebration at Philadelphia, in 1876.

The victory of the U.S.A. at Appomattox humiliated Britain; but, what Britain really hated the most, was the completion of the U.S. transcontinental railway system which united the territory of the U.S.A. from Canada to Mexico, and between the two oceans, and the explosion of scientific progress expressed at the 1876 Philadelphia Centennial, which revolutionized thinking in and beyond continental Europe, and which prompted the scientific-economic revolutions which occurred in Germany, Russia, Northern Italy, in France, and beyond. The continued existence of an Anglo-Dutch Liberal empire depended upon destroying this U.S. influence on the character of the nations of Eurasia; destroying thus the emergence of projects for transcontinental railway systems paralleling the effect of the U.S. transcontinental railway system. This was the crucial motive for the British empire's launching of that new version of a "Seven Years War" model, with the resulting British creation of what became known as its unique and essential war-guilt for "World War One." Only a wretch such as Ku Klux Klan sponsor Woodrow Wilson's Secretary Lansing could have proffered a different judgment.

So, in Britain's terrified reaction to the spread of such continental railway systems, during the 1920s period of naval parity negotiations, the British monarchy plotted with Japan for a projected attack on targets including the U.S. naval base at Pearl Harbor. This war-plan was an outgrowth of the naval power negotiations launched with London's intention of reducing U.S. naval power to the limited scale deemed pleasurable for that British empire which was already committed to the long-term effort to break up the United States in a manner like that failed attempt made by Lord Palmerston's backing of his London-created, Confederacy puppet.

The outbreak of what became known later as that "Great War," did not begin with the "Guns of August."



The British oligarchy's visceral hatred for Abraham Lincoln is on display in this cartoon from The London Punch, Jan. 11, 1862.

The first major break in that direction, came once the Bismarck who opposed World War I, was ousted, in 1890, through the influence of Prince Edward Albert on his nephew, the German Kaiser. With that ouster of Bismarck, Germany was already walking into the British trap. The next major step was the assassination of France's President Sadi Carnot, and the hysteria caused by the structuring of the fraud against French Captain Dreyfus. The next major development was Prince Albert's recruiting the Mikado into launching what became the 1895-1945 warfare by Japan against China (and also the 1941 Pearl Harbor attack) as against Russia in 1905.

The next principal step had been the assassination of U.S. President McKinley, the assassination which made possible the Presidencies of two relevant sympathizers of the British-created Confederacy, U.S. Presidents Theodore Roosevelt and Woodrow Wilson. The detonator of the war, organized by the intention of Prince

Edward Albert through the ouster of Bismarck, was the use of the Austrian Kaiser as the fool he had been intended to become, by London, since the late 1880s, to start the Balkan war which was intended, already during the 1880s, to serve as the trigger for a war between Russia and Germany. It was the Habsburg launching of the Balkan wars, which served, thus, as the actual trigger for what became known as “The War to End War.”

World War I, in turn, laid the foundations for Britain’s plan for World War Two in the creation of what became Britain’s sponsorship of the rise to power of the Adolf Hitler regime, and, thus, so-called World War II.

Beyond a ‘Second World War’

However, when the Wehrmacht had overrun France, the same London which had backed Hitler until the Wehrmacht’s overrunning of France, the same British circles which had created Germany’s Hitler regime with the intent of destroying both Germany and Russia in their mutual conflict in war, decided to run to the United States for help in preventing what, as Walter Lippmann wrote during that time, they regarded as an ungrateful Hitler’s aim of gobbling up Britain through breaching the western border of Germany.

In that set of circumstances, Britain’s half-century-long-standing alliance with Japan against the United States, ended with Japan’s continuing its alliance with Hitler against the U.S.A to the bitter end, that of Japan’s launching what had been both Japan’s and Britain’s decades-old war plan for Japan’s attack on the Pearl Harbor naval base. So, Winston Churchill became the U.S.A.’s very reluctant ally in the Pacific war, and, so, the genius of General Douglas MacArthur came into play, a role for which MacArthur was never forgiven by Britain, or by such British flunkies as President Harry Truman and that pro-fascist gang in Washington typified by such as that Harriman crowd left over from its own nasty role in the 1932-1941 interval.

The British plan for World War II, which had been based on the same matrix defined by the Seven Years War, was Britain’s build-up of the Nazi organization in



Bitter fighting on the Russian front: Stalingrad, 1943. The British had planned to build up Nazi Germany for a war of mutual extermination with the Soviet Union, but their calculations backfired.

Germany for a war of mutual extermination between Germany and the Soviet Union. This war was already a sealed intention of London at the time that London put Adolf Hitler into the position of a dictator through the Reichstag fire, an effect already secured before newly elected President Franklin Roosevelt would actually be inaugurated. But for President Franklin Roosevelt’s election and incumbency, and for the forces he was able to enlist from within the institutions of the United States, the world would have become the victim of a one-world, British global empire, as evil as, or more evil than any empire before it.

There were complications. Even under a Hitler dictatorship, Germany’s military could not be induced to go directly to an attack on the Soviet Union while it had “France at its back.” So, the synarchist regime then in charge in Paris, was used by Germany’s relevant military strategists to enable the Wehrmacht to execute a successful form of known strategic approach to the Nazi occupation of France. London, in its zeal, had made a potentially fatal strategic miscalculation. The pro-fascist London which hated and wished to destroy President Franklin Roosevelt’s government, was thus compelled to beg at the feet of Franklin Roosevelt. Thus, the curious alliance of the historic enemies, the U.S.A. and the “British Empire,” who maintained a

most difficult alliance from the time of the collapse of France, until the moment of the death of President Franklin Roosevelt.

Immediately, with the installation of the very dirty sort of right-wing President, Harry S Truman, World War III was already on London's strategic agenda. It was a virtual "Hollywood re-make" of one more "Seven Years War." Truman had to be informed, by much higher authority than he would ever represent, that this was intended to be a new kind of warfare, Bertrand Russell's continuation of H.G. Wells' design for nuclear warfare, which brought the previously unwitting Truman quickly up to date. So, the planned use of the hottest weapons ever built, came to be known as a "Cold War."

Nuclear 'Preventive' War

It is my personal knowledge from relevant diplomatic and related sources who have been "on the ground" at relevant times, in relevant places, that Japan was ready for surrender before a single nuclear weapon were dropped on its territory. The problem which blocked already defined terms of surrender until after the nuclear bombing, was the London's knowledge and influence in stalling the proffer of the terms of surrender until after the nuclear weapons (the only ones in the U.S. arsenal at that time) were dropped.

Britain was back at long-range planning of a new variant of a "Seven Years War" scenario, that of the type which, aided by a Saudi involvement in the September 11, 2001 attacks on New York City, created the setting in which the George W. Bush, Jr. regime, operating under the influence of London's Prime Minister Tony Blair and his lies, steered the United States into a ruinous long war in Southwest Asia, which is being continued to the present day, actually a British imperial war in fact against no lesser intended victim than the U.S.A., against the image of the 1782 victory of the United States in defeating Lord Shelburne's, Jeremy Bentham's, and American traitor Aaron Burr's British Empire.

II. The Fall of an Empire

For the purposes of this report, we should regard ourselves as concerned with those origins of the economic implications of the present world crisis which bear upon our pin-pointing those deeply embedded

principal, cultural errors of European and related civilization as a whole, which have shaped those assumptions of practice by nations which are, in turn, responsible for those unnecessary, worsening systemic failures of the economic systems of the world as a whole, failures which emerged anew since the death of U.S. President Franklin Roosevelt.

This change for the worse, which followed the death of President Roosevelt, was coupled with the fraudulent effort to represent Roosevelt's Bretton Woods reform of the world financial system as being consistent with the dogma of Roosevelt's Bretton Woods adversary, the pro-fascist John Maynard Keynes.²¹ Once President Roosevelt had died, the Truman Administration, and those Truman circles associated with formerly fascist sympathizers of Hitler, such as the Truman crony Averell Harriman (whose firm had once rescued Nazi Adolf Hitler from bankruptcy, for Hitler's rise to power shortly thereafter), shifted U.S. policy-outlook from Roosevelt's Bretton Woods, to that of Keynes.

The blame which I have thus attributed as incurred by the post-March 1945 U.S.A. and British adversaries of Franklin Roosevelt, are those injuries to the U.S.A. and world economies which are defined in clearly specific terms, by the role of the action of British Prime Minister Winston Churchill's accomplice Harry S Truman in cancelling, and even reversing President Roosevelt's clear intentions for the post-war world.

Most notably, President Franklin Roosevelt, during the war, had been indelibly clear in warning Churchill, among others, that, despite the more than merely difficult, temporary, war-time alliance with Churchill's Britain against the Nazi-led forces, the U.S. post-war intention was to eradicate the British and other colonial empires from the planet, while employing the great productive potential built up for winning the war, for both the liberation and economic development of the potential nations which had been imprisoned and looted within the bonds of Anglo-Dutch Liberal and related forms of colonial exploitation.

Immediately, beginning President Roosevelt's death, the Truman Administration launched vigorous support for building up the colonialist features of the British and related empires, a policy which included the

21. Keynes' doctrine was that presented by him in his original, 1937 German edition of his *General Theory*, which as Keynes emphasized in the preface of that book, had been published first in a Germany whose sentiments of that time were to be deemed more suitable for its practice than in the English-speaking world.



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Britain's Prince of Wales, Edward Albert (later King Edward VII), visits his dominions in India, 1876—the year of the American Centennial.

destruction of that convertible war-production potential which Roosevelt had intended to be converted to relevant capital improvements of the productive potential of those nations which President Roosevelt had intended should be freed to enjoy progress toward prosperous independence.

The included effect of Truman's kissing the flatulent rump of the British empire, was, thus, a deep, totally unnecessary post-war recession in the U.S. under Truman's Presidency. This shift was accompanied by the launching, under the Truman Presidency, of an intended nuclear attack on the Soviet Union, planned by the evil successor of H.G. Wells, Bertrand Russell, and adopted by the Truman and British government, an attack on that Soviet Union which had no hostile intention against the U.S.A., but quite the contrary, at that time. This attack was averted by the fact that the U.S.A., under the lying Truman Administration, had wasted its nuclear arsenal of 1945 in an unnecessary nuclear bombing of Japan, and by the related fact, that the Soviet Union had developed its nuclear arsenal, in response to Churchill's and Truman's threat, before the Anglo-American arsenal could be built up for the planned Anglo-American attack on the Soviet Union.

Apart from President Truman himself, who showed

no particular strategic competence in such domains, his, Bertrand Russell's, and Churchill's Anglo-American intention in this matter was an extension of the long-standing British imperial intention, since February 1763, of establishing a world empire through a continuation of the Anglo-Dutch policy against all continental European nation-states excepting the Netherlands: the policy of stirring up prolonged, ruinous warfare as a way of weakening nations, including the U.S.A., which might be potential rivals of the British empire.

Similarly, the introduction of Britain's neo-malthusian, so-called "environmentalist" policy, as devised by Bertrand Russell, et al., was intended, as Russell wrote and stated prominently, clearly, and repeatedly, to induce the nations of a foolish U.S.A. and western continental

Europe to destroy themselves by turning the clock of scientific progress backwards. It has been that British neo-malthusian policy which also played a crucial role in the, later, 1980s self-destruction of the former Soviet Union, especially since the installation of—to make the point as gently as possible—the London-oriented Gorbachev regime, and which has reduced the potential European rivals of Britain, especially since 1991, to a ruined shadow of their former economic selves.

Although my immediate concern here, is a matter of what are, historically, more recent effects, until we take into account the references to the U.S. mid-1940s shift to Truman policy, it were impossible to acquire a competent grasp of the largely quite ancient, relevant social and political processes which underlie those relevant traditions which govern the world as a whole still today.

In that respect, we can not understand the behavior of contemporary societies of European cultures, without tracing the relevant features of the interlocking actual histories of Europe and Near-Eastern Asia, since a time no later than the time of the Homeric *Iliad* and *Odyssey*. The preceding chapter of this report posed rather obvious questions respecting the relevant issues to which that history refers.

The Defense of Human Nature

Although the point is not generally clear to contemporary universities of Europe and the Americas today, mankind is not an order of the monkeys, nor, as Wolfgang Koehler understood most clearly, the higher apes. Mankind's cognitive powers, are expressed in the manner Johannes Kepler detailed the discovery of the universal principle of gravitation in his *The Harmonies of the World*; the human personality has access, by the unique nature of mankind, unique among all living creatures, to the power of discovery and assimilation of knowledge of universal physical and comparable principles. These are those powers of the creative imagination which Percy Bysshe Shelley emphasized in his *A Defence of Poetry*.

The actual principles of human knowledge are not confined to what is learned; they are acquired through means of the pre-existence, for mankind, of those creative powers of mentation which are met only in those aspects of human behavior which account for the human species' ability to rise above the relatively fixed range of the ecological relative potential population densities of sets of mere animal species. The ideas which reflect what tradition regards as that unique, ostensibly spiritual power of the human individual, are what might be described as having the expressed form of creative discoveries of classes of ideas which, once discovered first by someone in a currently living generation, are intended to be replicated in practical ways as experiences of discoveries by future generations.

Thus, as Russia's Academician V.I. Vernadsky has shown, we have the systemic superiority of the human species as a species, above all other living species, a superiority, in absolute principle, of the Noösphere over the Biosphere, a superiority which is located, in hereditary principle, in its expression as the source of the existence of a Noösphere. There is no principle which should be named "human ecology," but only man's need, and ostensibly spiritual ability to cope with the temporary barriers to growth set up by the habits specific to the inferior categories of inanimate and animal populations.

Thus, the manifest history of mankind, is the struggle against those forms of bestiality by society, such as "environmentalism," which echo the ecologies of the lower forms of life. That is the real history of mankind, on which competent statecraft and accounts of history depend absolutely.

With the just stated standpoint in view, how shall we show where and how did this evil empire, the so-called British Empire of today, come about? How can that empire be removed effectively, and in a just manner, from the future stage of history, that we might save humanity, now, from yet another round of such persistent, repeated source of repeated evils as that empire and its predecessors have represented, thus far, in their past?

Therefore, to understand ourselves and our modern nations today, we must focus attention on the root of that problem. Since the systemic roots of the present world crisis are, physically, economic in form, we must approach the relevant, immediate issues of economy from the standpoint of still deeper, historical considerations of physical science, not monetarism. Therefore, we must examine the presently continuing policy of the so-called British Empire which came about, eventually, in the following, fateful way.

Therefore, I Call It 'Brutish'

With the sharp decline of Byzantine power during the time leading into the Norman conquest of England, the power of the imperial Mediterranean tradition shifted into the hands of the emerging maritime and financier power of Venice. Under the conditions established by the Norman subjugation of Anglo-Saxon England, the Norman chivalry, now the leading imperial power based within Europe, became the muscle of chivalry expressed under the controlling manipulations by the scheming of the Merlins of Venetian monetary, and consequently, financial power. The so-called "Crusades" conducted by those dupes, typified the depraved sort of symbiosis of Norman chivalric and Venetian maritime-financier powers; the financiers' maritime power of Venice, controlled the land power of the Norman chivalry in such ways as through engaging the chivalry in long, wasting wars, such as Crusades, that in a way like that which Britain's evil and lying Prime Minister Tony Blair had recently employed in setting a trap for a foolish United States under the influence that disgrace of all Bozos, the clown prince George W. Bush, Jr.

Notably, it was that rather satanic, lying Mr. Blair, who proclaimed his British imperial revocation of the 1648 Peace of Westphalia, that in aid of a Saudi-assisted return to the kind of foolish sort of perpetual religious warfare which had already dominated, and



UN Photo/Eskinder Debebe

Tony Blair, Sept. 26, 2009. While prime minister, speaking on March 5, 2004, he vowed to end the nation-state system: “Before Sept. 11, I was already reaching for a different philosophy in international relations from a traditional one that has held sway since the Treaty of Westphalia in 1648; namely, that a country’s internal affairs are for it, and you don’t interfere unless it threatens you, or breaches a treaty, or triggers an obligation of alliance.”

repeatedly ruined Europe, during the 1492-1648 interval.

Now, as to this matter of London’s brutish heading-up of an empire of the Venetian type, rather than a nation-state, the following must be said to clarify the use of the term “empire” as it can be properly applied to the situation at hand.

At this point, for the sake of clarity, I must now restate a point which I have made here earlier.

I repeat here, as I have noted in the preceding chapter, that in known history, the principal forms of empires, have been expressed by alternatives in the form of three, respectively, rather distinct types of empires. Simply said, the rough, but essential distinction is among: first, empires of *the Asian inland type*, such as Babylon and its successors; also, empires of *the Eurasian type*, such as the pre-Soviet Russian Empire, and that of the earlier, projected scheme of Philip of Macedon, from (most notably) Peter the Great; and, most significantly, third, the modern Mediterranean, and world empires of *the maritime type*. This latter, third type is illustrated by the attempt, ultimately unsuccessful, by Pericles of Athens’ launching of the Peloponnesian War; but is also a form which was successfully established, later, a form based upon a plot against Cleopatra and Marc Antony, crafted on the Isle of Capri between the priests of the Mithra cult and the Octavian who would be later renamed Augustus Caesar. The latter island represented a seat of empire established nomi-

nally later, on Augustus and Tiberius’ Isle of Capri, until the time of Diocletian and Constantine. Capri and related religious sites remained “sacred properties” of the western Roman Empire, until they were handed over to monastic authorities, such as the Benedictine order, about, roughly, A.D. 500.²²

Given that historic setting of these developments, the continuing historical significance of Philip of Macedon’s intention, is to be located in the nature of the proposed pact described by the Athens school of rhetoric. The two aspects, western- versus Asian-based, of the projected Eurasian empire, were to be joined by a common oligarchical principle uniting what was, on the one side, predominantly, a Mediterranean maritime culture, with, on the other side, an inland, Asian culture. Alexander had a different conception, as both Aristotle and the Emperor discovered to their sorrow; but, with the death of Alexander, the process of partition took over, and persisted, as a trend, until the deaths of Antony and Cleopatra.

Much later, in feudal Europe, after the death of the Hohenstaufen Emperor Frederick, and after the events of both the slaughter of the relevant members of his family, and the event of the Sicilian Vespers, there was an effort

22. E.g., Jesus of Nazareth, born in the time of Augustus Caesar, was crucified under the Emperor Tiberius’ special authority, that lawfully unique to the Emperor himself. But bestowed through Tiberius’ nominal son-in-law, while Tiberius waited back at his usual nesting-place of Capri.

to establish an empire under a supranational Habsburg family dynasty, intended to cover all of western and central Europe, as attempted until the 1648 Peace of Westphalia. However, since about A.D. 1066, with the Norman conquest of England, and the precipitous decline in the power of Byzantium, the real seat of imperial power in Europe had fallen, not into the hands of the Norman chivalry, but the usurious Venetian financier oligarchy.

Florence: The Birth of Modern Europe

So, in the Fifteenth-century aftermath of the Fourteenth-Century “New Dark Age,” the power of the feudal system had rotted away, and the developments culminating in the great ecumenical Council of Florence established the foundations in law and physical science on which the civilized form of a society based upon the principle of the sovereign form of modern nation-state would emerge.

However, although, as it was said of that Council, that “The Heavens Rejoiced,” the jubilation which that achievement inspired, was soon cut short. The creeping power of the former Venetian usury was revived sufficiently to challenge the continued existence of the modern society launched at Florence. It would not be until the 1648 Peace of Westphalia, and the related breaking of the back of the Habsburg hope of its tyranny over all of Europe, that the outlines of modern European culture and its internally conflicted history, could be regarded as more or less established.

With 1648, Europe was now securely oriented to the trans-Atlantic world, rather than under the domination of the Roman Empire’s Mediterranean Sea; but, even that accomplishment was, in effect, spoiled considerably by the grip on European power held by what is fairly defined by the name and spreading influence of the Anglo-Dutch Liberalism built upon the foundations crafted under the leadership of the Venetian Paolo Sarpi.

So, following the 1492 outbreak of the Habsburg-orchestrated, religious warfare

in western and central Europe, there had been a direct Venetian intervention into England for the purpose of eventually taking over the English monarchy, an attempt launched initially from on the ground in England itself. This operation had been steered by a leader of the Venetian intelligence service, Francesco Zorzi (aka Giorgi), an avowed enemy of the work of Nicholas of Cusa, operating within England under the cloak of marriage councillor to King Henry VIII, in concert with a Plantagenet Pretender (Cardinal Pole), Thomas Cromwell, et al.

Zorzi’s intention was not merely to break the dynastic alliance-by-marriage between Henry VIII and his Spanish Habsburg wife, but to realign the political-military forces of Europe between a northern (predominantly Protestant) faction and a southern (predominantly Catholic) stratum, integrating other elements forming the northern faction, such as the Netherlands and their French-speaking Swiss elements, with the rival forces led by Martin Luther. After the Council of Trent, Zorzi’s role was taken over, on a grander scale, by the founder of modern Liberalism, the Venetian Paolo Sarpi.

Amid these developments, the current course of history was being shaped by the Habsburgs’ role in the launching of the wars of the Inquisition by that expulsion of the Jews from Spain which reminds thoughtful historians today of the great historical irony of the way



Francisco Goya’s “The Tribunal of the Inquisition,” 1812. The religious warfare that swept Europe from 1492 to 1648 was sparked deliberately, to obliterate the nation-states formed during the Renaissance.

in which the British Empire of today uses its London-orchestrated Sykes-Picot mechanisms in the Arab-centered cockpit of Southwest Asia.

The significance of the operation led by Venice's Francesco Zorzi, is located within the spreading of the Habsburgs' religious warfare against the Netherlands into that full-blown form of the 1492-1648 religious warfare dividing all Europe against itself. The object was to obliterate the Renaissance-launched institution of the modern sovereign nation-state republic. The effect was to set up the preconditions for the emergence of the Paolo Sarpi, whose rising influence, following the Council of Trent, created the preconditions for the establishment of that nominally Protestant alliance of the followers of Paolo Sarpi's scheme which crafted the 1618-1648 Thirty Years War, and which would become the institution which is known conventionally as the British world empire of today.

From Olympian Zeus to Bertrand Russell

Although the distinguishing features of the rebirth of physical science were introduced during Europe's Fifteenth Century, that, in significant part, by Filippo Brunelleschi, and, in general, by Cardinal Nicholas of Cusa, the actual development of a systemic body of scientific practice has been centered, as Albert Einstein was to emphasize later, in Cusa follower Johannes Kepler's development of the keystone principles of all competent modern physical scientific practice, through the point of Kepler's completion of the only original discovery of a universal principle of gravitation in his *The Harmonies of the World*.

During this time, a contemporary of Kepler, Paolo Sarpi, did the most, with the assistance of his lackey, the hoaxster Galileo Galilei, to prevent the continuation of a valid form of modern science. I have described this process earlier, but it must be restated, if briefly, for the purposes of the subject at hand here.

Sarpi's action, like that of Sarpi's modern Aristotelean rivals, was a throw-back, in purpose, to the case of the Olympian Zeus of Aeschylus' *Prometheus Bound*. All of the systemic follies of those factions of modern science associated with Anglo-Dutch Liberalism of the followers of Rene Descartes, and of such empiricists as Abraham de Moivre, D'Alembert, and Leonhard Euler, are to be traced to the manner and means by which Sarpi imposed the revived lunacy of the medieval William of Ockham on the launching of that modern Anglo-Dutch Liberalism which is presently hegemonic

in the U.S.A.'s and European universities and related circles today. However, Sarpi's approach to this goal was a bit different.

In other words, Paolo Sarpi is unique for his role in creating that same form of moral depravity known as modern Liberalism, which would later culminate in the corruption expressed by such devotees of Bertrand Russell as Professor Norbert Wiener and John von Neumann.

The almost pervasive root of the systemic, strategic incompetence among virtually all economists whose work I encounter today, is their lack of any effective economic conception of the relevant systemic difference between man and ape: the difference otherwise known as the principle of actual human creativity. For this state of economic affairs, the culprits Aristotle and Sarpi are, on balance, the chief pernicious influences within the culture of modern Europe.

This incompetence has the form of a systemic form of ignorance of the principles of any competent economic science; but, simple, innocent ignorance does not explain this problem. The root of the ignorance which has led repeatedly to the doom of cultures over the span of known or reasonably adducible histories, is a product of the customary means by which a reigning few are enabled to rule over the many, a reign, like that of the gods of Olympus over the oppressed human population, which is often brutally intentional on the part of the ruling strata, strata which snicker at the way in which the notions of popular "common sense" serve, quite effectively, as the chains of illusion which blind, and shackle the credulous mass of the ruled. "Populism," as that term is widely used in English-speaking North America, is a common expression of the effect of keeping a mass of the population "arrogantly foolish" on the matter of the means by which they cause themselves to be virtually the lawful prey of those rulers who hold that arrogant slave, serf, or typical populist, in the state of surly submission, to the classes which rule over them in this way. The populists curse the master whose foot, or other organ, they kiss while cursing.

Often religion, as in the varieties of religion associated with a Pantheon, is the trick which herds the serf, or the all too typical American populist into self-inflicted submission. This populist behavior is consistent with the view of that reigning role of the Roman imperial pantheon which Edward Gibbon, the author of *The Decline and Fall of the Roman Empire*, recommended to Britain's Lord Shelburne as the method of govern-

ment used by the Roman Emperor known as “Julian the Apostate.” The arbiter (“referee”) of the contending religious affiliations of a Pantheon, such as the Sykes-Picot domain of Southwest Asia, promotes and manipulates the conflicts of the victims of the empire to those bloody and related conflicts with one another, like Arab and Jew, by which mechanisms the ruler, such as the British Empire of today, controls the contending factions of his Asian victims.

By permitting each of the conflicting sets of believers to claim self-evident affinities to their choice of “the true god,” the imperial ruler has been customarily enabled to rule over an assortment of those putative “true believers” which would have, otherwise, combined efforts to “eat him,”—the tyranny which plays both factions like puppets on British strings. This British Empire is typical of such rather successful practices in controlling the large assortments of dupes of the so-called “free trade” system. Such is the intrinsic nature of all varieties of what is called “populism.” Sometimes, often enough, the British tyrants create new religions, or religion-like cults, such as “environmentalism,” to enrich the repertoire of follies by means of which the British come to be wooed for favors by each among the savagely quarreling victims.

This swindle, on which more or less durable empires have been based, therefore depends upon those kinds of superstitions which have become regarded by the credulous as self-evident truth. Obviously, once a truly scientific insight into matters is introduced, the empire is doomed, as was the case in the U.S.A.’s struggle to secure its freedom from Anglo-Dutch Liberal forms of tyranny.

Marx knew the chains of illusion very well; he should have, since he had become Liberally accustomed to wearing them.

Once we have taken into account those considerations which I have referenced, albeit in varying degrees of depth, so far, the remaining task before me here and how, is to indicate the remedy for the perilous situation which presently reigning bodies of popular and leading opinion have created.

III. The Economists Who Fail

The most significant of the frequent cultural differences between the traditional citizen of the United States’ economy, and those of the typical European

economy, is the centuries’ long, virtually instinctive aversion of the traditional, veteran U.S. patriot to the European feudal, or comparable forms of oligarchical tradition. This, for example, is the pivot of the difference between the U.S. Federal Constitution, with its *Preamble* as fundamental law, and those European codes which, as in the case of the law of the Federal Republic of Germany, employ numerous specific elements of basic law otherwise met in the U.S. constitutional tradition, but, yet, like most of Europe, represents a society which tends toward a parliamentary form, rather than a true Presidential system comparable to that of the U.S.A. As a matter of dynamics, the same element of law existing in different systems, is a different law in its specific effect. These residues, which are inherent in parliamentary systems, reflect the still unresolved habits descended from a past feudal order, and, thus, reflect modern traditions which are more or less improved adaptations to the legacies of a feudal, or quasi-feudal past.

It must be recognized, that, in some instances, the colonists from Spain fled from the insanity, the butchery which post-1492 Habsburg Spain represented. In the case of the settlements in Massachusetts, beginning 1620, or the later arrivals of that century in Penn’s colony, the flight was more often “to,” rather than “from.” As in the cases of the 1620 Pilgrim settlement, or that of the Massachusetts Bay Colony of the Winthrops and the Mathers, the experience of the insanity of the approach and onset of the European Thirty Years War, affirmed the intention of the Fifteenth-century Cardinal Nicholas of Cusa, who had prescribed future voyages across the oceans, such as that of the Christopher Columbus who followed the message of Cusa on this account, voyages to rescue the goodness of the culture which the Council of Florence had represented for Europe, in the culture’s hoped-for realization in new, distant places across the oceans.

The crucial aspect of such differences between the European cultures in those English settlements in North America, in particular, and those left behind, is reflected, most notably, in the quality of the U.S. constitutional form of national banking law, as distinct from, and opposed by the European style in monetary systems. France sometimes comes closest to the United States, on this account, and that for readily appreciated reasons. For the United Kingdom, a Presidential system and a Hamiltonian national-banking principle, are anathemas. While modern Germany leans strongly

The failed economics of Adam Smith:

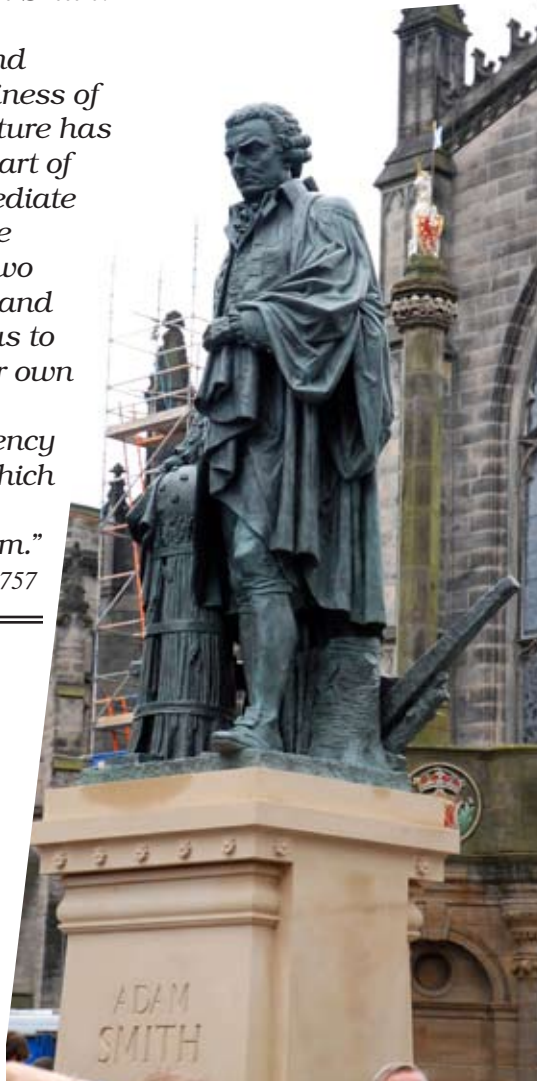
“[T]he care of the universal happiness of all rational and sensible beings, is the business of God and not of man. . . . Nature has directed us to the greater part of these by original and immediate instincts. Hunger, thirst, the passion which unites the two sexes, the love of pleasure and the dread of pain, prompt us to apply those means for their own sakes, and without any consideration of their tendency to those beneficent ends which the great Director of nature intended to produce by them.”

—*Theory of the Moral Sentiments*, 1757

toward the Bismarck reforms’ orientation toward the American System as defined by the Alexander Hamilton legacy of Abraham Lincoln and Henry C. Carey, the French occupation in post-World War I Germany, and, most emphatically, British occupation in post-World War II Germany, and the role of that London-steered Liberal faction in Germany which pushed out Chancellor Konrad Adenauer, have tended to promote a corrosive, pro-Anglophile drift in common practice, while, meanwhile, the unresolved issue of the *Mezzogiorno* has cursed the efforts at full development of the culture of Italy.

On this account, Hollywood has never achieved the British-aristocratic touch toward which it appeared to yearn. Only “Wall Street,” which tends to be hated on precisely that account, has achieved the British sort of status of a justly hated, and also envied “class.”

The proper mission of the United States, on this account, has been, or should have been, to bring the nations of continental Europe and the U.S.A. closer to



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convergence of Europe with what might be loosely called the common democratic goals of the continental Europe and North America of the 1776-1782 interval, as the case of the Marquis de Lafayette illustrates the distinctions, and the role of Lafayette’s German protege, Friedrich List later, or, still later, the mark of Chancellor Bismarck’s affinity for the work of Henry C. Carey.

Leibniz Versus Descartes & Sarpi

Although the seeds of Leibniz’s work are to be found in his accumulated, implicit debts to Filippo Brunelleschi,²³ Nicholas of Cusa follower Leonardo da Vinci,²⁴ Johannes Kepler,²⁵ Fermat,²⁶ and Christiaan Huyghens, Leibniz’s revival of the ancient Pythagorean and Platonic conception of *dynamics* (*dynamis*) has been the most powerful contribution to all valid modern science thereafter, while science and Classical culture have been the great levelers in modern European cultures. Leibniz’s discovery of the modern relevance of dynamics, provided the leap from Leibniz’s and Jean Bernouilli’s own work, to the 1854 habilitation dissertation of Bernhard Riemann. For example: it was the anti-Cartesian aspect of Leibniz’s development of the calculus, which had been the most crucial source of inspiration for my own discoveries in the field of a sci-

23. Brunelleschi’s use of the catenary as the physical principle of construction of the cupola of Florence’s *Santa Maria del Fiore*. This was no mere copy of the funicular curve, but an actively physical principle.

24. E.g., his discovery of a new principle of perspective, and of the implications of the catenary and tractrix.

25. The calculus.

26. Refraction, least action.

ence of physical economy.²⁷ It is highly relevant that this notion of dynamics is the crucial feature of Classical poetic composition and Classical tragedy, as that point, on irony, is emphasized in Percy Bysshe Shelley's *A Defence of Poetry*. In the final accounting, it is those advances in those creative powers of the human mind which distinguish the human individual from the beast, which are the great liberators from the corrupting influence of the brutish notion of social class.

I explain.

As Albert Einstein emphasized, respecting the work of Kepler as viewed through the prism of Bernhard Riemann's treatment of the anti-entropic principle of dynamics, Kepler's uniquely original discovery of the principle of universal gravitation, in Kepler's *The Harmonies of the World*, is the properly adopted foundation for all modern physical science. This implication of that discovery by Kepler, is advanced in a crucial way by Leibniz's progress in his uniquely original discovery of the infinitesimal calculus. Einstein drew the further conclusion, from the work of these predecessors, that the universe is finite, rather than infinitely extended, and it is self-bounded (therefore unbounded) by the universal physical principles of which it is composed, such as gravitation. It is unbounded, because, as Philo of Alexandria emphasized in his denunciation of Aristotle's theology, the universe is not Aristotelean (not fixed), but, rather, properly destined to be self-developing (anti-entropic).

That discovery, embodies the work in the same direction of method since the ancient *Sphaerics* of the Egyptians and Pythagoreans.

When we return our attention, from the immediately preceding reflections, to Leibniz's own discovery of the principle of the ontologically infinitesimal of his calculus, especially his improved appreciation of that calcu-

lus from the standpoint of dynamics, during the 1690s, the general principles and preconditions for a science of physical economy begin to emerge.

It is most relevant for our subject-matter here, that this tendency toward a "leveling" benefit of scientific and Classical-artistic progress, has not always been the general case.

In ancient European culture, the banning of actual creativity is apotheosized for the record, as was the banning of creativity by the Olympian Zeus who is the evil tyrant of Aeschylus' *Prometheus Bound*. As Philo emphasized, creativity was explicitly excluded, systematically, by Aristotle, and by all contemporary adversaries of scientific truth, such as Britain's Duke of Edinburgh today, who heads the anti-humanist World Wildlife Fund. This was an exclusion of human dignity which was the pervasive principle on which *Euclid's Elements* was premised; that was the same intrinsic evil of that Euclid which was overthrown in practice by such European Renaissance figures as Nicholas of Cusa, Leonardo da Vinci, Johannes Kepler, Pierre de Fermat, Gottfried Leibniz, Jean Bernouilli, and Bernhard Riemann.

A duped Karl Marx's abject confession of perpetual, virtually abject religious devotion (of a certain sort) to the doctrine of the degraded plagiarist Adam Smith, as in Smith's *The Theory of the Moral Sentiments*, is only typical, as is also the case of all among the followers of the British Haileybury School. This ought to have been sufficient warning that, excepting the work of the American System economists such as Alexander Hamilton, the prevalent doctrines respecting economics, throughout the world, especially those derived from those teachings of the British school which are derived, in turn, from the Ockhamite dogma of Paolo Sarpi, such as the variant of Descartes, have been not only intrinsically incompetent from the vantage-point of science and Classical culture, but intentionally so. They have been incompetent in practical terms; they have been far worse than that from the standpoint of relevant science.

A Lesson from Vernadsky

Contemporary, fraudulent, imperialist Anglophile trends in physical science and social doctrines, have been derived, since the 1920s, chiefly from a set of British imperialist ideologues led by that trio from the nest of the Fabian Society, the avowed Satanist Aleister Crowley, H.G. Wells, and Bertrand Russell. Notable among the devotees of that trio, are two of the grandchildren of the Thomas Huxley who had launched H.G.

27. It was my good fortune, as I have noted in locations published earlier, never to have accepted Euclidean geometry, even at my first encounter with such stuff. I had been implicitly warned off by a crucial intellectual confrontation with principles of iron and steel construction early in my adolescent exposure to the nearby Charlestown Navy yard, such that I was strongly impressed by the need to optimize the geometrical form of the mass of supporting aspects of structures with respect to weight of the whole assembly, and, therefore, could never accept an abstract, as distinct from a physical geometry. So, I strongly resisted indoctrination in that intellectual sewer of Euclidean and Cartesian geometries into which so many among my youthful associates were intellectually drowned by the secondary and university undergraduate programs to which we were all routinely exposed.

Wells, Aldous and Julian, and also a third case, George Orwell. This was the circle which created the cult of LSD and kindred concoctions. Aldous, Julian, and George Orwell were notable figures in Crowley's program of spreading what became known as that LSD cult. Julian is especially notable for the purposes of this present report, for his significant role in the post-World War II United Nations Organization (UNO), a role which includes prominently his leading part in crafting a neo-Malthusian dogma in animal and human ecology.

At the same time, a modified, implicitly fascist, pro-Satanic form of ecological dogma, was developed by Bertrand Russell and such among his followers as the influential science-hoaxsters Professor Norbert Wiener and John von Neumann. The cult of "information theory" was a notable offshoot of Russell's savagely anti-humanist *Principia Mathematica* hoax.

All-in-all, the influence of these and associated characters, has come to define the foundations for what was to appear as the post-World War II plunge into the rampant pro-Satanic decadence of existentialism whose influence was multiplied under the influence of such degraded cults as the projects of the post-World War II European Congress for Cultural Freedom.

These British (or, should we not say "brutish") and related trends of the radically reductionist, Twentieth Century moral and intellectual decadence, were countered, most prominently, in science during that time, by the leadership of two outstanding, systemic followers of the work of Bernhard Riemann in the field of the methods of Leibnizian and Riemannian dynamics, Russia's Academician V. I. Vernadsky and Albert Einstein. The best way in which to deal with the rot which has passed for relatively official Liberal economic dogmas during the post-Franklin Roosevelt era, is to focus on the implications for a competent science of economy of these decadent varieties of Twentieth-century currents in dynamics, the implications of which are the adoption of a competent mode in the shaping of economic policies of both nations and the world at large.

Sarpi's Ockhamite Dogma

All of the leading problematic issues of modern European policy and practice which I have identified in this report thus far, are offshoots of Paolo Sarpi's adoption of that medieval madness of William of Ockham which provided the entire basis for Sarpi's and Galileo's doctrines of sociology and the empiricists' substitution of craft skills for science.

To recapitulate what I had stated on this matter earlier, Sarpi's strategic trick was, to escape the strategic trap which modern European science represented for the Aristotelean opponents of the modern European nation-state, by permitting limited innovations in technology, but, nonetheless, banning competent science, especially that of Cusa and Johannes Kepler. Sarpi and his followers did that almost as ferociously as the modern European followers of Aristotle did. A typical expression of this Sarpi policy has been that degeneration in the practice of modern science which substitutes mere mathematics, and, in the worst case, statistical method, for physical science. To secure this effect, Sarpi and his lackey Galileo promoted the medieval obscurantism of Ockham, as their choice of foundation for what the European Liberals substituted for physical science. Hence, Rene Decartes and his follower Abbé Antonio Conti, and, hence Conti's followers, the neo-Cartesian champions of the mythical Sir Isaac Newton.

The depraved medieval irrationalist Ockham was the true prophet for Sarpi's modern British Liberalism.

For purposes of clarity, I shall now recapitulate what I have just said, this time in the light of Aeschylus' *Prometheus Bound*.

The Bertrand Russell Cult

As I have pointed out earlier in this report, the characteristic evil of known European ancient and medieval society, is the ban by the Olympian Zeus of Aeschylus' *Prometheus Bound*, against allowing knowledge of the discovery of actual scientific principle to the generality of the population. This is, of course, the basis for the so-called Malthusian dogma introduced to London by Giammaria Ortes, and the policies of such depraved influences as the Duke of Edinburgh's World Wildlife Fund today. Thus, contemporary scientific and economics practice is crippled systemically by that formal algebraic mathematics which excludes acknowledgment of the existence of the ontologically infinitesimal of Leibniz. Such were the cases of the Eighteenth-century empiricists who followed the leadership of Abbé Antonio Conti and Voltaire, such as Abraham de Moivre, D'Alembert, Leonhard Euler, and Joseph Lagrange, and the latter's Nineteenth-century devotees, such as Laplace, Augustin Cauchy, Rudolf Clausius, and Hermann Grassmann. The mechanistic cult of Ernst Mach and the more radical cult of Bertrand Russell, are more recent, and more

savagely extreme variants on the theme of Sarpi's promotion of the Ockhamite cult.

In this way, Russell predecessor Sarpi defended the ban on science by the Olympian Zeus, but permitted a limited amount of leakage of mechanical innovation, without permitting the spread of knowledge of such universal principles as Kepler's uniquely original discovery of universal gravitation. The British evaded the fact that the half-witted plagiarism of Kepler by the circles creating the Newton cult, did not permit the consideration of any relevant, experimental proof of principle; hence, the silly diversion of proposing that Isaac "I do not make hypotheses" Newton had discovered gravitation through being hit on the head by an apple. (Presumably, if we consider the relevant evidence at hand, that apple either hit Newton too violently, or, in the alternative, not hard enough.)

So, the modern empiricist cult introduced by Sarpi and his followers, adhered faithfully to the Olympian Zeus's ban on discovery of principles, by restricting innovation to what were, essentially, mechanistic forms of algebraic techniques, excluding universal physical principles.

This Sarpian fraud of the empiricists, is the systemic root of the inherent incompetence in method of all putatively conventional teaching of modern economics dogma. It is exactly for this reason, that I have been the most successful of all known modern economics' long-range forecasters, since 1956 to the present day, whereas all putative known rivals whose work is known to me, including Nobel prize-winners, even those who have serious achievements in other aspects of that subject, have been relatively failures in this crucially significant aspect of crisis-forecasting, over the course of that same lapse of time.

Therefore, turn your attention to what pedagogical licence suggests be named "human ecology."

'Ecological Dynamics'

It is precisely that which was banned by the legendary Olympian Zeus, the discovery of "fire" by mortal human beings (e.g., nuclear power) which distinguishes the practice of societies appropriate for human beings, from the gatherings of beasts.

During the course of the 1970s, nuclear scientists in various parts of the world introduced a use of the rule-of-thumb term "energy-flux density," as a way of pointing to the implications of the fundamental changes in the chemistry of power-generation and application typ-

ified so forcefully by nuclear chemistry and thermonuclear fusion, and, then, also the notion of "matter/anti-matter" reactions. This satisfied the need of leading the discussion of the physical chemistry of power away from the extremely misleading, and counterproductive practice of counting calories.

The deeper implication of this improvement in practice, was the fact that man's ability to sustain both higher physical standards of living and greater power to exist per-capita and per-square kilometer, required that we dump the fraudulent notion of a "law of entropy" proposed by such as Rudolf Clausius, Hermann Grassmann, and Kelvin, for a more appropriate notion of the way in which man is constantly being challenged by successively higher states of organization of the physical-chemical processes visible to science in the vast universe beyond, and also in delving deeper and deeper into the domain of the very, very small.

The more such topics were considered, and explored, the sillier and sillier the idea of "monetary values" appeared to be when regarded, in the usual simple-minded fashion, as a measure of economic performance per capita and per square kilometer. For truly thoughtful scientists in the field, the usefulness of currency as a medium of exchange, was not questioned; but the notion of money as a standard of physical value of product and process, was recognized by the keener minds, as being intrinsically absurd.

Thus, the source of the consistent superiority of my methods of long-range economic forecasting has been my recognition of that essential distinction between money and value.

It has not been a mere coincidence, that the decades-long, accelerating rate of decadence of the world's economic systems as a whole, was reflected in the combined effects of the 1971-1972 abandonment of the fixed-exchange-rate monetary system and the successor measure, the role of the Saudi petroleum hoax in creating the ruinous, Anglo-Dutch-Saudi spot market. The change from a "fair trade," to a "free trade" system, which accompanied these ruinous, U.S.A./Anglo-Dutch Liberal measures of reform, has been that adopted delusion which has guided the world as a whole, especially the U.S.A. itself, during the 1968-2009, presently continuing descent into the present global economic abyss. For as long as the floating-exchange-rate, monetarist system continues to exist, the world, in its entirety, is self-condemned now, condemned to an early descent into the abyss of the great-

est, planetary “new dark age” on any known record today.

When Ecology Is Useful

The person, especially the economist or accountant, who believes in “human ecology,” is a fool, at best incompetent, and perhaps even a danger to society. However, the application of the study of animal ecology to defining the absolute differences between a human culture and an animal ecology, can be very useful. In fact, a competent practice of (human) political-economy is based on making that distinction. My standard of measure, potential relative population-density, illustrates the point.

However, before plunging ahead on the basis of that comparison alone, it is essential to introduce an added, principled consideration: that same notion of *dynamics* which I had emphasized, in the first chapter, above, in such instances as our consideration of the implications of the closing paragraph of Shelley’s *A Defence of Poetry*.

The popular misconceptions on which the usual professional and comparable practice of economics are premised, are traced to backwards from the follies of Descartes to ancient delusions such as the dogma of Euclidean geometry. Objects are treated as virtually floating in space, according to the a-priori definitions, axioms, and postulates of a Cartesian notion of objects floating in space-time. Leibniz, in his exposure of the frauds of Descartes, as in Leibniz’s 1695 *Specimen Dynamicum*, makes a crucial kind of step in the direction of the latter dynamics of Bernhard Riemann. At this juncture I should restate, in summary, my own conclusions on this matter.

As I have emphasized here earlier, and in other published locations, our senses are comparable to the instrumentation of experimental apparatus used for proof-of-principle investigations. *The apparatus does not think*. The human mind, as of the relevant experimental scientists, proceeds as Johannes Kepler proceeded to the discovery of the general principle of universal Solar gravitation in his *The Harmonies of the World*. The human investigator, like Kepler, exploits the undeniable systemic discontinuities of the observed experimental evidence, to define the concept of a discovered physical principle whose efficiency can not be denied, but whose role can not be generated directly from any part of the experimental apparatus employed. It is not the senses, but the cognitive powers specific to the

human mind which discover, and *come to know* the relevant physical principle.

Thus, the idea of empty space of sense-certainty, on which Descartes’ argument depends absolutely, does not really exist in that sense-perceptual form. The fact is simply that instruments are what they are, and no more than that. “Empty space” does not exist in competent science; as Kepler demonstrated the universal principle of gravitation, in his *The Harmonies of the World*, where ignorant people, such as the positivist Ernst Mach, think in terms of interaction of particles in empty space, the competent scientist, such as Kepler, or Riemann, or Max Planck, thinks in terms of the harmonics of physical space-time. Implicitly, the implications of the point I have just emphasized, were known to Kepler, Fermat, Leibniz, Jean Bernouilli, Carl F. Gauss, Bernhard Riemann, Planck, Einstein, et al. Such is the distinction of *dynamics*, both as understood by the ancient Pythagoreans and Plato, and the celebrated aphorism of Heraclitus, as in Plato’s *Parmenides*, and in competent modern science. Most significantly, this was the basis for the argument of Albert Einstein’s characterization of the dynamics of physical space-time. The same kind of concept arises in the dynamics of animal-ecological systems; it is the same concept of dynamics which I identified, above, as key to what Shelley described, in the concluding paragraph of his *A Defence of Poetry*, as the principle of the imagination, and is the same principle of dynamics which underlies any competent identification of the principle of Classical tragedy.

Similarly, the composition of a set of animal species within a common habitat, is a dynamic system, and must be assessed as such. It is not the individual species, or variety which determines the potential relative population-density of that type, but the dynamic characteristic typical of the entire system of participating species in that habitat. Once we have accepted that fact, we can make certain types of general observations respecting the potential relative population-density respecting the system and, thus, the species or variety within that system. In this, the habitat acts on that system, and the system on the habitat and the subsumed species or variety.

In that sense, and only in the qualified view of the subject-matter, dynamic systems of participating sets of non-human species are constrained by relatively fixed boundary-conditions defining a potential relative population-density. No such species can willfully supersede

such boundary-conditions. Only mankind can supersede those kinds of bounds.

The issue of economy, then becomes the matter of the preconditions for mankind's successfully sustained increase of our societies' potential relative population-density.

A similar set of dynamic conceptual problems arise in the matter of human potential relative population-density. However, before turning to that crucially important topic of discussion here, another consideration should be introduced. The dynamics of human populations can not be adduced from parallels to the model of animal ecologies.

The pivot of increase of potential relative population-density is, for the case of production by operatives, advances in adopted knowledge of universal physical principles. The pivot of the relative productivity, per capita and per square kilometer, of a sector of economy lies in the increase of the productivity, and life-expectancy and health of the setting in which production occurs.

For example, take a case of the type which I have employed for illustration on a number of occasions.

The Southern Coasts of India

India has achieved a population-level estimated in excess of one billions living human individuals. A very large ration of that total population is poorly skilled, and lives in terrible conditions. The decreasing potential of fossil water resources is closing in on the population. The per-capita productivity of the poorer sectors of the population is perilously poor. We can not expect spectacular increases in the potential rates of productivity of most of the population itself in increments of less than a half to a full generation of development. However, the introduction of relevant improvements in water-supplies, power, transportation, nutrition, and health-care, for example, would increase the effectiveness of the productive efforts of the existing labor-force. In short, *dynamics*.

A comparable relationship exists in the remarkably different preconditions presently existing in nations of western Europe or the U.S.A. Shortening the lapsed time, and physical costs to society, of commuting in the labor-force, and cheapening the physical cost (as distinct from price) of living of the productive element of the labor-force, while improving the factors of health



The Kamini reactor at Kalpakkam, on India's southeast coast, is the only currently operating thorium-powered nuclear reactor in the world. India's vast supplies of thorium make this an excellent choice to supply the nation's energy requirements.

and intellectual development of scientific and related factors come into play. However, these factors are dependent upon relatively high rates of science-driven and related cultural development, and a general increase of the average effective temperature of power-sources per capita, per square kilometer, and unit of production. These are challenges which could not be met on the planet as a whole today, except through a shift into greatly increased quantities of power, but, even more emphatically, an increase of the level of energy-flux density which could not be met without rapid expansion of installed nuclear power. Without the high rates of energy-flux density associated with nuclear power, the planet as a whole is presently at the verge of an ecological collapse of the potential relative population-density of the planet as a whole.

In all cases, the condition of the planet requires that the highest priority for improvements must come in those combined factors which bear immediately on the net increase of the productive powers of labor.

The Price of Survival

I have already emphasized the fact, that there is no intrinsic relationship between money-price and value. Most of the disasters, including the present onrush of a general breakdown-crisis of the planet into the nearby verge of a new dark age, are related to the delusion that there is a functional relationship between a presumed price-value and physical-economic value. It is the widespread delusion that such a reciprocal sort of price-

value relationship exists, which has been fostering the virtual insanity of the prevalent economic policy making of nations during the recent forty-odd years.

What is needed, otherwise, is a durable fixed-exchange-rate, global credit-system. Otherwise, a general, mass-genocidal quality of economic breakdown-crisis of the entire planet, is now inevitable, and inevitably near. It is not the price itself which must be considered as paramount; it is the stability of establishing a relative price among currencies which is near to existing relative pricing, which is crucial. Thereafter, the prices of goods must be adjusted to the fixed price of currencies, rather than the other way around. Within the bounds of a fixed-exchange-rate credit-system, the concept of pricing of goods within, and among sovereign national systems, must be a return to what was formerly termed a “fair trade” system.

The “free trade” systems should be led out to the back yard, and killed mercifully. It is the lives of people, not money, which must be protected.

IV. Now: Strike off the Shackles

When I hear putative economists and related kinds of officials speaking on the subject of alleged principles of economy, I cringe, and blush out of a sense of pity for their shame. The absolute worst among such professionals, are, of course, those who follow a current fad of “financial engineering.” For his recent condemnation of that folly, I give banker Paul Volcker full credit for his recent public remarks on that matter.

There are some other recent practices which must be terminated, too. For example, the disease called Adam Smith must be among the first to go.

Certain “fundamentalists’” religious worship of Adam Smith and his like, is centered upon admiration of Smith’s successful foisting of a nasty, 1776 piece of his plagiarism of the work of A.R.J. Turgot, which occupies the principal “theoretical” content of Smith’s explicitly anti-American tract, *The Wealth of Nations*. Therefore, no honest, and also sane U.S. patriot would, henceforth, have anything to do with Adam Smith. Were there doubts of this proposed policy, the more relevant, actually wicked work of Smith himself, is his 1759 *The Theory of the Moral Sentiments*, the book which attracted the 1763 adoption of Smith as an agent of the Lord Shelburne who was operating chief of the British East India Company, and 1782 founder of the

British Foreign Office.²⁸ In *The Wealth of Nations*, Shelburne’s anti-American propagandist Smith presents what are only the virtual “stool specimens” of British doctrine, intended for the edification of those who enjoy consuming such stuff. In the earlier *The Theory of the Moral Sentiments*, Smith leads the reader into a permanent citizenship within the more original lower bowel and sigmoid as such.

Hence, it is time to recognize the ultimately fatal error of Karl Marx, insofar as Marxists continued what proved for the Soviet Union, for example, to be Marx’s fatally reductionist reading of the descriptive account of Adam Smith’s dogma.

The entirety of British political-economy since the accession of King George I, has depended upon the swindle embedded in the ontological presumptions identified in Smith’s 1759 *Theory of the Moral Sentiments*. It is past time to recognize, that Karl Marx’s fantasy was rooted in the premise that he, Marx, was a political opponent of that apprentice of Jeremy Bentham, the Lord Palmerston under whose London patronage Marx actually served London’s interests, never recognizing the source of his own delusion. However, one should not gloat over Karl Marx on that account. There are few leading political figures in the U.S.A., the other Americas, or Europe today, who are not just as much victims of a political-cultural delusion as Marx was in his time. Marx was, on this account, a follower of the empiricist mystic Paolo Sarpi, and, in that degree, a dupe, “hereditarily,” of the medieval William of Ockham.

Marx knew the chains of illusion very well; he should have, since he had become Liberally accustomed to wearing them.

That kind of delusion, which is by no means peculiar to actual, or presumed Marxists, is the reason the presently onrushing general economic breakdown-crisis of the entire planet, now, is such an ominous danger to all mankind. The danger lies in the fact, that the typical leading politician, or putative economist, of the U.S. today, is no exception to that general, destructive error of opinion.

In this immediate location, I have pointed to some of the obstacles, represented by recent and current customs in Europe, to establishing a global system of co-

28. For a more candid insight into British empiricism, the racier works of the head of the secret office of the British Foreign Office, Jeremy Bentham, and Bentham’s role in orchestrating the uglier events of the French Jacobin Terror, would be of much greater clinical scientific interest.



Entergy Nuclear

“We must place emphasis on high-technology-driven massive, largely capital-intensive investment in basic economic infrastructure, with an included emphasis on nuclear power,” LaRouche writes. Here, a nuclear plant in Arkansas.

operation among respectively perfectly sovereign nation-state republics. The principal obstacles to that from within the trans-Atlantic sphere have been chiefly the influence of the Anglo-Dutch Liberal imperial system. As long as London could play one side of the Atlantic against the other, with the assistance of the traditional Anglophile party of treason, descended from the British East India Company party inside the United States itself, the republics on both sides of the Atlantic could be, and have been played against one another. This cleavage in trans-Atlantic relations spills over into the difficulties in the relationship between, most notably, the United States and Asia, and also assists the British empire in continuing its mass-murderously systemic oppression of the people of Africa.

The remedy remains, the affirmation and enforcement of the Peace of Westphalia, and the constitutional form of order within a planet composed of respectively sovereign nation-state cultures.

Policy for Now

What is required now, is a clear understanding that the recent forty years of moral and physical decay of the governments of nations generally have lowered the po-

tential relative population-density of the planet at the same time that the population of the planet has soared. The included consequence of that pattern of a shift into so-called “post-industrial society” during about forty years, when combined with the effects of the failure to eradicate the old imperialism of Anglo-Dutch Liberalism, is that, despite relatively short-term surges in some parts of the planet, the potential productivity of the planet’s labor-force as a whole, per capita and per square kilometer has been one of a massive depletion of essential infrastructure and related productive resources, combined with a reduction of the net physical income-levels and actual productivity of the labor forces, such that the attempted revival of economies on the basis of

increased employment alone, would be a terrible failure. The factor of lost skills, as in the U.S. and European labor-forces is dreadful.

Thus, we must place emphasis on high-technology-driven massive, largely capital-intensive investment in basic economic infrastructure, with an included emphasis on nuclear power. Otherwise, were we to rely on the hoax of so-called “free energy,” a horrible dark-age-like condition would now seize and destroy much of the population and presently remaining economic potential of the planet as a whole. We are at the point of global crisis at which a “free energy” policy is a policy of genocide, just as Britain’s Duke of Edinburgh and his World Wildlife Fund have frankly intended.

The human species’ essential economic distinction from the beasts, is those creative powers of discovery, as typified by increased energetic, increasingly capital-intensive production, on which the increase of the potential relative population-density of the planet now depends immediately and absolutely. We are at the point at which only the policy-outlook of U.S. President Franklin Roosevelt’s administration could secure the means to overcome the terrible, global, existential crisis which has now, already, descended upon this planet.

LAROUCHE BANKRUPTCY REORGANIZATION

Italian Senate Debate Scores Limited, But Positive Result

by Claudio Celani

Feb. 25—On the initiative of Sen. Oskar Peterlini, the Italian Senate was called on Feb. 24 to discuss and vote on Lyndon LaRouche's bankruptcy reorganization policy. Such a debate had been requested five months ago, but was repeatedly postponed. The G7 financial summit of Feb. 12 in Rome, however, created new momentum for a discussion of a "New Bretton Woods," which Italian Economics Minister Giulio Tremonti has put on the agenda for the July G8 meeting in Italy.

However, July might be too late. "We are already late," said Senator Peterlini, introducing his resolution as the first speaker in the debate in the Senate. The binding resolution, drafted in collaboration with LaRouche associate Andrew Spannaus, was the reference point for five additional resolutions, which either supported it, copied it, or opposed it. In the end, after a three-hour debate, a limited but useful result was achieved, when five resolutions were approved, and one rejected. Although forces associated with the globalist Financial Stability Forum (FSF) chairman Mario Draghi (who is also the governor of the Bank of Italy) did their best to block LaRouche's policies, one of the five resolutions approved—the one introduced by the Lega Nord (Northern League)—calls for bankruptcy reorganization measures.

The official release of the Italian Senate reflects this, saying, "The government has been asked to use

public monies to protect family savings and ordinary economic activities, and not the interests of financial institutions which own, or even promote toxic assets. To do that, speculative debt must be separated from investment debt, and the latter promoted with low-interest, long-term financing, to support the real economy, and contain the effects of the crisis on employment." The Lega Nord resolution, voted up by a majority of both the government parties and the opposition, states that the government is called on to "locate and experiment with innovative modalities that, by reducing taxpayers' risk to the minimum, allow us to solve the problem of toxic assets issued by financial institutions, which have no market value, and today block the circulation of liquidity in the system."

The reference here is to Minister Tremonti's well-known proposal to freeze derivatives assets, instead of financing them with state money. This proposal is universally viewed as part of Tremonti's publicly acknowledged support for several of LaRouche's policies. Although Peterlini originally called explicitly for "bankruptcy reorganization," both in the draft resolution and in his intervention in the Senate, the pro-Draghi forces managed to exclude that passage from the operative part of his text. However, the final vote supported the same request in a different formulation, as reported above, and therefore, represents a limited, but useful result (see *Documentation* for text).



IRNS/Daniel Grasenack-Tente

Lyndon and Helga LaRouche meet with members of the Italian Senate Labor and Social Security Committee, Rome, Sept. 20, 2007. The LaRouches have been organizing for a New Bretton Woods in Italy for many years, receiving enthusiastic support from members of diverse political parties.

Upcoming Showdown at G8 Summit

Tremonti can now say he is backed by the entire Senate, majority and opposition, in opposing a bailout of the bankrupt financial system. The showdown with the British faction, which opposes a new system, and is pushing instead for a hyperinflationary bailout, might well come at the G8 Labor and Social Policy summit in Rome on March 29-31, where Italy will play host. This is well before the July deadline scheduled by Tremonti for adoption of his agenda. The coming round of global economic and financial crises will shuffle the cards of all the players, sweeping away those who, in the Senate debate, supported Draghi's "fix the system," bankrupt recipe, instead of the LaRouche-Tremonti's proposal for bankruptcy reorganization.

In his address, Peterlini recalled that he and LaRouche had warned against the breakout of the crisis in 2002, and were treated like Cassandras. "The most beautiful among Priam's daughters, Cassandra, was not a doomsayer, but a prophet whom people did not listen to. I am not a Cassandra by vocation, but I am very worried. We have been warning since 2002. To be precise, we filed the first draft on the financial bubble, in the Senate, on Feb. 27, 2002." The signs of the systemic crisis were evident, in terms of crises which were not "isolated": the Asia crisis, Russia, Latin America, the Argentinian bankruptcy, etc., Peterlini reminded the Senators.

"Our warning, and the warnings by Lyndon LaRouche and his followers in Italy at that time, such as [Paolo] Raimondi, were not listened to. Today, everybody calls for a New Bretton Woods, including Minister Tremonti. Had they listened to our warnings, we could have avoided the crisis."

Peterlini identified the cause of the crisis in the shift from a production economy to a debt economy, and attacked its most degenerate expression: financial derivatives. Every banking system in the world, including the Italian banking system, has used speculative instruments, Peterlini said, and therefore, let us not delude ourselves that our system is more stable.

"We are now late," Peterlini added. We must reorganize the credit and financial system, and this is a common request in all drafts presented by the different parties, he said. He called on the government to support at least this feature. The losses of the system, due to speculation, "cannot be covered by taxpayers' money. We must protect family savings, including savings into pension funds." Peterlini said he fully agrees with Tremonti's view that ordinary economic activities, and not speculation, must be protected. "We fully support Tremonti: Let them fail," Peterlini said, referring to the speculators who created the so-called toxic debt.

In illustrating the proposals of his draft, Peterlini again mentioned LaRouche and Spannaus (the latter followed the floor debate from the guest section). The Senator then called for bankruptcy reorganization, saying that if confidence must be restored, there can be no confidence without justice, if those responsible do not pay. "Do not save what is rotten, save the General Welfare," Peterlini declared.

We need stability for investments and production, and therefore a system of stable exchange rates. However, the new system "must be a credit system, and not a monetary system." It should be a system that lasts at least 40-50 years, like the first Bretton Woods. In concluding his speech, Peterlini called again on all parties to join in support of a resolution in order to strengthen Tremonti's international action.

Other Resolutions Brought to the Floor

Sen. Enrico Morando spoke next, for the largest opposition party, the Partito Democratico (PD). Morando presented his lengthy resolution, which called for more power to supranational institutions such as the European Commission, and even the formation of a “Council for Sustainable Development” at the United Nations as a world government body.

Morando was followed by Sen. Elio Lannutti, who presented a resolution with many elements copied from Peterlini’s draft, as well as outlandish proposals, such as one for “a new world currency,” and a defense of the European Union system, in opposition to an agreement among the U.S.A., Russia, China, and India—the very Four Power policy which LaRouche indicates as the unique constellation of powers necessary to defeat the Anglo-Dutch Liberal Empire. Lannutti, a member of the populist IDV opposition party, limited the operative part of his resolution to a single sentence: “commits the government to work with urgency, together with Parliament and other relevant institutions at the national, European, and international level, so that the New Bretton Woods reform, i.e., the reorganization of the collapsing international monetary and financial system, is put at the top of the agenda at the next G8 summit in Italy, at Maddalena Island [Sardinia] in July 2009.”

Lannutti was followed by Sen. Paolo Franco, speaking for the Lega Nord resolution. Lega Nord is a government party, and very strong in northern Italy; it is a “homeland defense” party in all respects. Economically, it is against globalization, and strongly supports Tremonti.

The Lega Nord resolution praised the original Bretton Woods as the system that created “the conditions for a new approach in the world economy; the Bretton Woods agreements represented the first example in world history, of a full agreement on a monetary order, thought to govern monetary relations among independent national states.” Globalization, said the resolution, “debased political control over markets, favoring speculative degeneration and the creation of a system with no rules.”

The operative part of the Lega Nord resolution borrowed key passages from the Peterlini-LaRouche resolution, including the one against state bailouts of toxic assets. Another passage borrowed, was for committing the government “to promote the definition of a credit system and not just a monetary system, to supply credit aiming at promoting economic development, as an al-



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Italian Economics Minister Giulio Tremonti has placed the call for a “New Bretton Woods” bankruptcy reorganization of the financial system on the agenda of the G8 meeting in July, which Italy will host.

ternative to the system of central banks, which arbitrarily issue currency aiming at monetary adjustment.”

This passage was eventually erased altogether by the government. (Curiously, it remained in Peterlini’s resolution, limited to the sentence “to promote the definition of a credit system and not just a monetary system to promote economic development.” An entire passage explaining what a credit system is, with reference to Alexander Hamilton’s national banking and Lyndon LaRouche, was eliminated.)

After the Lega speaker, the chairman of the Senate Finance Committee, Mario Baldassarri, was called to the floor. His intervention had raised high expectations, since Baldassarri has, in the past, supported LaRouche’s call for bankruptcy reorganization, including in a public meeting in Italy together with this writer. Moreover, Baldassarri had filed a resolution which was almost a copy of Peterlini’s resolution, with minor changes, plus cutting out LaRouche’s name.

However, Baldassarri then offered a totally different resolution, which instead of calling for a new system to replace the bankrupt one, listed a series of measures to “fix” the current system. Baldassarri went so far as to endorse Mario Draghi’s Financial Stability Forum. The operative part of his resolution included a call for the government to follow to the FSF prescriptions. The government did not change that.

The only good thing Baldassarri did, was to rebuke the Democratic Party speaker Morando, about his idea that a solution to the world crisis must include a down-

sizing of the U.S. economy, which, Baldassarri said, would be a catastrophe.

The last speaker was former EU Commissioner Emma Bonino, who had introduced a resolution—together with other members of the Democratic Party—to call for more powers for the European Commission. The government rejected her proposal to declare a European state of emergency for the auto industry and for the banks, to be managed by a task force chaired by the EU Commission. It accepted, however, the formulation that “task forces” should be established with members of national governments, chaired by the EU Commission, to coordinate national measures and state aid in general.

The Next Battlefield

After the speakers, a debate developed with interventions from the majority and the opposition. Immediately, it became clear that the “Draghi party” had worked behind the scenes, mobilizing its assets. An outstanding example of that was Sen. Luigi Grillo, from the Pdl (Partito della Libertà), the party born out of the merging of Prime Minister Silvio Berlusconi’s Forza Italia and the right-wing Alleanza Nazionale. Grillo described the Italian banking system as “the best in the world.” He claimed a role in re-writing Baldassarri’s resolution, and stated: “Let us allow the Financial Stability Forum—which sent 65 recommendations to national governments in the last years (all of them ignored)—to have the power of forcing responsible governments, members of the FSF, to examine and adopt them.”

The only attacks against globalization, and defense of nation-states, came from Lega Nord representatives.

It was clear that it would be hard for Peterlini to save the relevant content of his resolution from the attacks by the “Draghi boys,” and from the government itself, represented by Undersecretary of State for Finances Luigi Casero. Whereas the government pleased the FSF, the only ones to really support Tremonti were Peterlini and the Lega Nord.

After intense negotiations, the changes proposed by the government were accepted by all speakers except the Democratic Party’s Morando. The six resolutions went to a vote; five were approved, and the sixth, the Democratic Party resolution, was defeated.

The Senate missed a chance to lead the fight to a more advanced stage, but the vote must nevertheless be seen as a positive, albeit limited, result. The next weeks will define a new situation and a new battlefield.

Documentation

Senator Peterlini’s Bankruptcy Motion

These are excerpts, translated from the Italian, of Sen. Oskar Peterlini’s introduction to his motion on bankruptcy reorganization, presented to the Italian Senate Feb. 24.

Cassandra, the most beautiful of the daughters of Priam, the King of Troy, and Hecuba, was not a bird of ill omen, as some who use the happenings and figures of mythology erroneously claim, but rather, an unheeded prophet, a person who was able to clearly see the truth, but was condemned not to be believed. If Priam had listened to her when she said that the wooden horse left on the beach by the Achaeans was full of enemy soldiers, history would have been different.

As for me, I am not a Cassandra by vocation; I am only very worried, and have been for a long time. Since 2002, . . . we have been warning of the risks of a financial market that lacks rules and transparency. In fact, the first resolution I presented on this subject was dated Feb. 27, 2002. That resolution already identified the financial bubbles and the risks of unchecked free-market policies.

We all remember the banking crises in 1997. . . . Our warnings and those of many authoritative experts in the field, such as the American economist Lyndon LaRouche and his followers, . . . unfortunately remained unheeded. . . .

The result is that today, we are faced with a crisis which risks becoming worse than that of 1929. . . .

Today, everyone is calling for a New Bretton Woods, including Economics Minister Giulio Tremonti. I repeat what I said before: If someone had listened to our warnings in the past, we could have avoided this disastrous economic and financial crash. We should remember that the great crisis of 1929 led the international community to enter into the Bretton Woods agreements, in order to set precise rules for currency and financial markets; in addition, states were asked to monitor and regulate the market.

Why, then, did the system go into crisis? Due to the absolute belief in total free trade, above all following



The Straw that Broke the Camel's Back

What led to the crisis we face today, the famous straw that broke the camel's back, were the so-called subprime mortgages, those mortgages which were granted to anyone, including people who couldn't honor their debts. . . .

We must ensure that, in the future, what is happening now cannot happen again. . . . It is late, but now more than ever, it is necessary to reorganize the credit and financial system, and this is the common request that emerges from all of the resolutions presented. Personally, I call on the Government to at least preserve the essential aspect of this common call to contribute to an international reorganization of the banking, financial, and credit system.

The hole created by speculation, however, cannot be filled with taxpayers' money, or only with emergency measures. Rather, we need to protect small investors, not limiting ourselves only to their bank deposits, but also, protecting their investments in pension funds and non-speculative mutual funds, up to a certain limit; and we should allow the market to clean out, including in dramatic fashion, the so-called toxic waste from the financial system.

Thus, we do not agree with the actions taken by the U.S. authorities, who have used state funds not to meet the needs of families, but rather to cover the losses caused by mortgage-backed securities and derivatives, which, through artificial financial leverage, have multiplied speculative values beyond imagination. . . .

The toxic waste must be eliminated. However, as Minister Tremonti has recently stated, . . . we reject the idea that the state should use taxpayer money to take on these losses. To put it simply, let them fail.

This was the method adopted in the period of post-war reconstruction in Europe, and with the New Deal implemented by U.S. President Franklin Delano Roosevelt during the Great Depression, which allowed for overcoming the crisis and rebuilding the economy, both in the United States and Europe.

. . . .The requests in our resolution, which are also found in the resolution presented by Sen. Mario Baldassarri . . . as well as Resolution No. 33, presented by Senator Lannutti and others, call on the Italian gov-

Sen. Oskar Peterlini in the Italian Senate, Feb. 24, 2009.

the lead of American free-market policies, starting in the 1970s, and then, with Reagan and Thatcher, when the principles of *laissez faire et laissez passer* were followed. The message was that the markets were able to regulate themselves, without intervention by the state, whose role was to be reduced to a minimum. What caused the current crisis was thus the lack of strict controls and transparency in the books of financial companies and banking institutions.

The global economy, which in the past was based on actual work—investment in infrastructure, real products and services, and thus actual wealth—has been increasingly transformed into a debt economy, based on financial speculation and the growth of fictitious values. Derivatives contracts . . . have become a monster for very high risk speculation.

In addition to this—I repeat—there has been a total lack of control concerning large financial institutions and companies. . . . Despite the supervision of the market by the Bank of Italy, Italy has also not been as virtuous as some would have us believe. The proof is found in the crashes of Cirio and Parmalat. . . .

Our system did not involve the misuse of so-called sophisticated instruments as took place in the Anglo-Saxon economy. Nevertheless, . . . let us not kid ourselves. In Italy as well, the system has made use of speculative instruments, often dumping on investors the losses caused by a system which is now rotten. . . .

ernment to commit to taking action to promote a reorganization of the international monetary and financial system, cooperating with the leading powers in the world and emerging nations, in order to establish a new system. The model which we propose is based on that used to overcome the great crisis of 1929, the model of Bretton Woods, as proposed by the great American economist Lyndon LaRouche. . . .

In order to emerge from this crisis and get the wheels of the economy moving again, we must first of all restore trust in the financial markets. This trust can be restored by establishing clear rules and transparency (mandatory conditions for the system's credibility), and with a bankruptcy reorganization of the financial system, differentiating between and separating speculative debts from those based on actual investment.

Speculative debt represents the vast majority of the obligations which weigh on the books of the principal commercial and investment banks. . . . Trust cannot be restored if these speculative debts are covered by taxpayer funds. Trust can be earned if there is justice, if those who created the debts pay for them.

Thus, the intervention must concentrate on guaranteeing the investments of small investors. This guarantee should not be limited to bank deposits, but should also include—up to a certain limit—pension funds and non-speculative mutual funds. . . .

The General Welfare Takes Precedence

The system will regain credibility if the Common Good, the General Welfare, takes precedence over the obligations created to feed the speculative bubble, in an attempt to find easy, large profits in the short term.

Again, trust will be earned if we guarantee stability for production and international trade. Therefore, we need exchange rates which are more stable, not left to the markets, but decided on through agreements among nations, thus avoiding the speculative fluctuations of the markets.

On this point, I will make a short digression. An Italian entrepreneur who sells his products in America should not be exposed to the fluctuations of the dollar, as unfortunately has occurred in recent years, thus having to pay for the debt contracted by the United States to finance its wars. . . .

Lastly, to provide stability, it is necessary to increase controls on the transfer of capital for specula-

tive purposes; we must restore “capital controls,” favoring long-term investment in the productive economy.

To that end, we agree with what Minister Tremonti has said: the need for the credit system to favor investment in infrastructure, industry, and technology, with long-term, low-interest credit, rather than encouraging the pursuit of easy profits to the detriment of productive activity.

Trust is obtained if the system functions as a credit system, rather than a monetary one. This was the idea which inspired the model of Bretton Woods.

We will be able to emerge from the crisis if we reach an agreement not only with the leading global powers represented in the G8, but also with the new economic powers such as China, India, and Brazil, and also other emerging nations. . . . I call for immediately including those emerging countries in an agreement which, like Bretton Woods, we hope will last for another 40-50 years. This is why in our resolution, we call on the Italian government to exert pressure on the international community and become the champion of an initiative for a new period of international cooperation able to fulfill these goals.

In conclusion, we believe it is not enough to merely treat the symptoms of the disease; we must deal with the causes . . . and thus, the international financial system as a whole. We ask that the goal be to invest public resources not for saving speculative debts, but for protecting small investors, enterprises, families, and jobs. In short, we ask that the taxpayer, the Italian family, not be asked to pay twice: once with the loss or devaluation of their savings, and a second time with the taxes and debt produced by financial speculation.

Lastly, I would like to speak directly to the members of the majority in the Senate, to express my hope that this will be an occasion on which we succeed in finding common ground on the major, important issues which are at the base of all of the resolutions presented here; as opposed to only approving the majority's resolutions and rejecting the others. I think that the central request is the same in all of the resolutions; thus, I call for the discussion and approval of the resolutions presented. In such a manner, Italy will emerge from this discussion stronger, and we will be able to support Minister Tremonti in his efforts to bring more stability and credibility to the financial markets.

Say ‘No’ to Bank Nationalization and Mussolini-Style Fascism, ‘Yes’ to Humanity

by John Hoefle

Feb. 27—The debate now raging across the United States over whether or not to nationalize the banking system is largely a fraud. The idea that the U.S. government would step in and *run* the banks is ludicrous, since the government lacks the guts to *even regulate* the banks, and has been reduced to impotently throwing money at them in the hopes they will behave better. Far from being too big, our government is, in an important sense, far too little, failing repeatedly to protect the general population, in the face of the demands from the financial sector. Bending over backwards is not exactly leadership.

What the debate over nationalization really is, is a debate over how to proceed with the *bailout*. Congress is feeling the heat from the voters back home, who are overwhelmingly opposed to the bailout swindle, while the bankers are worried that the issue is becoming too “politicized,” as the politicians begin to worry about the consequences of their repeated capitulations.

Naturally, the Brutish Empire is also in the mix, trying to force the Obama Administration further down the bailout path, as a way of both bailing out their own interests, and sinking the United States. The financiers of the empire know full well that the costs of the bailout will not only bankrupt the U.S., but push us further down the path towards Mussolini-style corporatist fascism.

This descent into fascism, a feature of the Bush/Cheney years, is a virtual replay of the attempt to impose fascism in the United States in the early 1900s (see last week’s *EIR*). That attempt was defeated by President Franklin D. Roosevelt, but it remains to be seen whether President Obama will rise to that level.

It’s not just the prospect of fascism, a bankers’ police state, that we face. The real danger is a *complete breakdown of the global economy*, combined with the paralysis of governments unable to cope with the crisis. The danger is of a breakdown of civilization itself, and a descent into a new Dark Age.

Panic, Fail, Repeat

The idea behind bank nationalization is that the government would step in and take over the banks, buying up a majority of stock, imposing a few insignificant controls, and then absorbing the banks’ losses. The government would, in effect, transfer trillions of dollars of toxic waste from the books of the banks to the backs of the taxpayers. The public would be told that this is being done to restart the economy, when, in fact, it would be a significant expansion of what is already the greatest swindle in history.

The banks, once freed from their losses, would somehow magically begin to lend again; investors would once again start buying securities; and we could go right back to what we were doing before. That is, in effect, what Fed Chairman Ben Bernanke is saying, when he talks about the need to restart the securities markets.

Does it not occur to these idiots that rewinding the clock to a point before the explosion does nothing to solve the problem? That what we were doing is what *caused* the explosion in the first place? That maybe their system blew sky high because it was nuts to begin with, and that the last thing we should do, is try it again?

Should we believe that they will learn from their mistakes, when there is no evidence to support that fantasy? Haven’t their repeated attempts to halt the collapse through monetary injections proved that they not only have no solution, but that they don’t even understand the problem? This would be funnier than the Keystone Kops, were it not so damn serious.

The Bill Comes Due

The U.S. government and the Federal Reserve have already handed out trillions of dollars in loans, stock purchases, guarantees, and outright gifts to bankrupt financial institutions, accompanied by all sorts of opti-

mistic statements that, this time, it will work. Yet the economy continues to collapse. We are now losing over half a million jobs per month, and headed toward a million. Home foreclosures are at record highs, bankruptcies are soaring, governments at all levels are seeing unprecedented revenue shortfalls. Our whole society is breaking apart, at an accelerating rate. All of this, even before the bills for the bailout begin to come due.

How are we going to pay for these enormous obligations Washington has so criminally dumped upon us, when we're already operating at a loss? It's no secret: higher taxes and cuts in services. The recent comments by Transportation Secretary Ray LaHood about taxing drivers per mile driven are indicative of where we are headed, as the budget crises become more acute. More toll roads, higher fees for water and sewer services, fees to use public facilities that were previously free, the expansion of traffic cameras to enhance revenues from fines and jack up insurance rates—this is where we are headed. People with special health and educational needs will increasingly be abandoned, as services are cut.

Take California, as a case in point: A survey released yesterday by the University of California at Los Angeles Center for Health Policy Research reports that 47% of those over 65 years old—864,000 people—cannot afford all of their food, housing, travel, and medical expenses, and have to make daily choices whether to pay for food or utilities, rent or medicine. In upscale Silicon Valley, 48% of seniors fall below what the report calls the survival standard. Seven out of ten Latino and African-American seniors, and six out of ten Asian seniors, fall below that standard. And that was before the most recent shock of the economic crisis hit.

The California state budget passed the week of Feb. 16 will cut Social Security direct payments to hundreds of thousands of seniors by \$37 each month, with another \$20 per month to be cut beginning July.

The United States may not want to go down that path, but that is precisely where our economic policies are leading us.

To enforce such savage austerity will require policies that, as John Maynard Keynes bragged, are easier to implement in a totalitarian state. If you think that can't happen here, you didn't pay much attention to the moves Dick Cheney and George Bush were making

under the guise of the war on terror. We are already well down that path, and the fascists are salivating at their prospects.

That's bad enough, but there is an even larger danger: that the effect of all the money-pumping will spark hyperinflation of the sort that hit Weimar Germany in 1923, or Zimbabwe today. But, whereas those crises are largely confined to individual nations, hyperinflation of the dollar will be a global catastrophe. World trade, largely conducted in dollars, will grind to a halt, triggering famines and blackouts in nations dependent upon foreign supplies of food and energy. Raw materials will cease to flow, stopping manufacturing in its tracks. Fascism, the wet dream of the empire, will be but a passing phase of the descent into Hell.

We Can Stop It

Such a future need not happen, and can be prevented almost immediately. The principles have already been established, in the Constitution, in the success of Alexander Hamilton in organizing the finances of the young United States, in the success of Abraham Lincoln in holding the Union together under a concerted British attack, and in the success of FDR in defeating the fascists in the 1930s, and leading the nation out of the Great Depression.

We must turn our backs on monetarism, upon the belief that economies are run through the manipulation of money, and return to the principles of physical economy. Our vast geographical expanse was transformed into a nation by a series of great projects, led by developing inland waterways as transportation corridors, by the building of the transcontinental railroad system, by improving infrastructure, generation after generation. This is the method which gave us the highest standard of living in history, and it can do it again.

We must deal with our financial problems, putting the financial system through bankruptcy, but that is just cleaning up the mess. The real solution requires rebuilding our productive base at the highest technological level, using Lyndon LaRouche's science-driver approach: large-scale building of nuclear power plants to provide the power for the recovery, maglev trains to deal with our transportation gridlock, water projects to cope with droughts, the greening of deserts. It is all possible, all feasible, all available—and, absolutely necessary.

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Clinton Sounds a New Tone in U.S. Foreign Policy

by William Jones

Feb. 25—Hillary Clinton chose Asia as the destination for her first trip as Secretary of State, on what will, no doubt, prove to be a very busy travel schedule. The choice was by no means arbitrary. Asia represents the greatest concentration of the world's population, which, within the next few decades, will become one of the most important production centers in the world. In addition, the U.S. relationship with China is fast becoming the most important bilateral relationship of the 21st Century, something that Secretary Clinton had earlier noted.

And, in light of the present financial blowout, China remains one of the key players, designated by Lyndon LaRouche as one of the four key countries, along with the U.S., India, and Russia, agreement among which, would be the *sine qua non* for crafting a new fixed-exchange-rate financial system to replace the bankrupt Anglo-Dutch system now in a state of advanced disintegration. LaRouche, therefore, applauded the decision by Secretary Clinton to make Asia her first foreign travel goal.

Prior to visiting China, Secretary Clinton would also be touching down in Japan, South Korea, and Indonesia, introducing herself and the Obama Administration to the leaders of these countries, thereby reasserting the active presence of the United States in the Asia-Pacific region.

In contrast to the Bush Administration, which left it largely to Treasury Secretary Hank Paulson to “manage” the U.S.-China relationship, thus assuring a cheap labor venue for American manufacturers, the Obama Administration seems keen on raising the level of the relationship to that of a multifaceted partnership, involving all areas of political, economic, and strategic significance for both nations, and for the safety and security of the region.

Reassuring Old Allies

The Japanese leg of her trip was extremely important. With the emergence of China as a major economic power in the region, many Japanese politicians have felt that the United States, eager to cement ties with China, was prepared to abandon the traditional U.S.-Japan Security Alliance that had been a mainstay of U.S. policy since the 1960s. Clinton's choice of Japan as her first stop was a clear signal to the Japanese leadership that the U.S.-China relationship was not viewed by the U.S. as a zero-sum game. Japanese Prime Minister Taro Aso had indicated a desire to be the first world leader to be invited to the Obama White House, and on her visit to Tokyo, Clinton extended, on President Obama's behalf, an invitation to Aso to visit the White House on Feb. 24.

From Tokyo, Clinton traveled to Indonesia, where



U.S.S State Department

Secretary of State Hillary Clinton holds a press conference with Indonesian Foreign Minister Hassan Wirajuda in Jakarta, on Feb. 18.

she held talks with her counterpart, Foreign Minister Noer Hassan Wirajuda, and with President Susilo Yudhoyono. The Clinton visit to Indonesia, the largest Muslim nation in the world, sends a signal to Muslims everywhere that the Obama Administration is engaged in attempting to resolve the crises in Southwest Asia, and elsewhere in the Muslim world. While in Indonesia, Clinton agreed to have the Peace Corps return there, and renewed the Fulbright Scholarship program to bring young Indonesians to the United States for their higher education. The two leaders also discussed a mutual effort to develop a new policy toward Myanmar, relying more on regional cooperation than on economic sanctions, which have proven a failure.

While in Indonesia, Clinton also met with the Secretary General of the Association of Southeast Asian Nations (ASEAN) where she indicated that she would be attending this year's ASEAN Regional Forum, which Secretary Condoleezza Rice avoided last year. Clinton also announced that the administration will sign the Treaty of Amity and Cooperation in Southeast Asia, which the Bush Administration refused to sign, because

of the Treaty's adherence to the principle of non-interference in the internal affairs of signator nations.

Straight Talk

As the Secretary departed for her Asia trip, there were indications that North Korea was preparing a Taepodong missile launch, a move that would represent a major provocation, the test in 1998 having sent relations with North Korea into the freezer. Responding to these reports, Clinton commented such an action by the North Koreans would be "very unhelpful." One of the major topics that she would be discussing with her counterparts in Japan, South Korea, and China, would be how to get some forward-motion in the stalled Six-Party Talks. In response to reporters' questions, Clinton noted that the North Koreans had been in the process of dismantling their plutonium program, in accord with the 1994 agreement negotiated under the Clinton Administration, when the Bush Administration, discovering an as-yet unproven North Korean uranium program, decided to abandon the 1994 agreement. That decision, Clinton said, led to the North Koreans restarting their plutonium program, which allowed them to produce enough plutonium for several weapons.

Secretary Clinton also sent a clear message to North Korea that U.S. efforts were being closely coordinated with the South, and that if Pyongyang wished to improve relations with Washington, it would have to end its belligerent attitude toward Seoul.

Clinton also commented on what might occur after the passing of North Korean leader Kim Jong-il; rumors of his ill health had been circulating for some time. When State Department officials and members of the news media protested, since any talk about Kim Jong-il's demise was considered taboo, Clinton rejected the criticism. "To worry about something which is so self-evident is an impediment to clear thinking," she said. Some observers admired her candor as a breath of fresh air in the somewhat stultified atmosphere of international diplomacy.

More hackles were raised among the human rights mafia when Clinton declared that she wasn't going to let "human rights" and the Tibet controversy prevent the United States from making progress on security and economic issues with China, a policy that has in prac-



One highlight of Secretary of State Clinton's visit to Japan was her visit to the Shrine of the Emperor Meiji, shown here. Appropriately, the Meiji Dynasty was a key force for Japan's modernization, inspired by the American System.

tice been followed by most U.S. administrations, but which hasn't been stated so directly. "Maybe this is unusual," Clinton said, "because you are supposed to be so careful that you spend hours avoiding stating the obvious, but you know, that's just not productive, in my view."

Clinton was also keen on using her own celebrity status to great benefit for American foreign policy, bringing the much-touted "public diplomacy" to a much higher level. She held a town meeting with students from Tokyo University, talking about everything from gender equality to nuclear energy. In Seoul, she had a similar event with students from the prestigious Ewha Women's University. In China, she held a meeting with a women's group, and spoke with a group of NGOs involved in projects in China.

Broadening the U.S.-China Relationship

The final, and most important stop on Clinton's Asia tour was her visit to Beijing. Her arrival was eagerly anticipated, as it would be the first time that Chinese leaders would have contact with the new Obama Administration. On the two-day visit, the Secretary met

with Foreign Minister Yang Jiechi, Chinese Premier Wen Jiabao, and President Hu Jintao. Arriving in Beijing on Feb. 20, Clinton was also able to announce that the U.S. and China would begin military-to-military discussions this month, an important element in the bilateral relationship, which had been cancelled by the Chinese side in October, because of the decision of the Bush Administration to sell Taiwan more sophisticated weapons systems.

Clinton was also keen on assuring Chinese leaders that the Obama Administration was prepared to tackle the global economic crisis, and that they should therefore remain confident that the U.S. economy would recover. China is presently the biggest holder of U.S. Treasury bills,

a matter that has subjected them to some criticism domestically because of the decline in the value of the dollar and in the return on Treasury bills. Speaking at a joint press conference with Foreign Minister Yang, Clinton said, "I appreciate greatly the Chinese government's continuing confidence in United States Treasuries. I think that's a well-grounded confidence. We have every reason to believe that the United States and China will recover, and that together we will help to lead the world recovery."

The two sides agreed to engage in a strategic and economic dialogue, the details of which will be worked out in the coming weeks. While U.S.-China relations during the Bush era had been handed over to Paulson and the Treasury Department, Secretary Clinton indicated that henceforth, relations would be built on a much broader basis, and that Treasury would be only one of several voices making themselves heard in the area of China policy. Clinton also invited Foreign Minister Yang to come to United States on March 9 to continue their discussions, and to begin mapping out a strategy for the upcoming G20 economic summit in London in April.

Will Sanctions Against Israel Follow U.S. Fact-Finding Trips to Gaza?

by Nina Ogden

Feb. 27—For the first time since 2006, members of the U.S. Congress visited the Gaza Strip this month, and after surveying the damage and destruction, and receiving eyewitness reports of the effects of the blockade by the Israeli government of the border crossings into Gaza for the shipment of food and medicines, the U.S. has warned Israel that the blockade against the Palestinians of Gaza *has to stop*. Under the Bush-Cheney Administration—which was a *de facto* extension of the British Empire—the U.S. joined in strangling Gaza to death—a process which Israel began in 2006, immediately after Hamas overwhelmingly won the Palestinian national elections.

But now, not only was Gaza visited Feb. 19 by Rep. Brian Baird (D-Wash.) and Keith Ellison (D-Minn.), and by Sen. John Kerry (D-Mass.), chairman of the Senate Foreign Relations Committee, but immediately after their visits, it was announced that Secretary of State Hillary Clinton and the President's Special Envoy George Mitchell would be attending the March 2 conference of donors to rebuild Gaza, in Cairo. The U.S. will be providing up to \$900 million in humanitarian relief to the Palestinians of Gaza.

Washington sources have told *EIR* that the Congressional trips are coherent with the policies of Clinton and Mitchell. These sources also confirmed reports appearing in the Israeli newspaper *Ha'aretz*, that Clinton had relayed messages expressing anger over Israel's obstruction of the delivery of humanitarian aid to the Gaza Strip. On Feb. 25, *Ha'aretz* reported that senior U.S. officials had told their Israeli counterparts, "Israel is not making enough effort to improve the humanitarian situation in Gaza. The U.S. expects Israel to meet its commitments on this matter." According to Agence France Presse, Clinton will also make the opening of the border crossings a major issue in her visit to Israel following the March 2 donors' meeting.

What Congress Saw

The two Congressional tours to Gaza brought the humanitarian crisis there to the public eye. Baird, a clinical psychologist, and Ellison, the first person of the Muslim faith to be elected to Congress, met with Gazans and relief workers for nine hours, viewing the destruction from the recent Israeli air and ground attacks. Ellison said, "We wanted to understand what can and must be done to recover from the destruction, address the underlying issues, and work towards a lasting, just, and peaceful resolution."

Baird reported, "The amount of physical destruction and the depth of human suffering here is staggering." He posted photographs of bomb damage to hospitals, homes, and schools on his website. The Congressmen reported that vital humanitarian aid including food and construction material vital for repairing the bomb damage, was being blocked by Israel from entering Gaza through the border crossings. Simple foodstuffs such as lentils, macaroni, and tomato paste are being prevented from entering Gaza, they reported, as well as construction material, such as cement and steel.

Kerry also spoke, in Gaza and to senior officials in the U.S. upon his return, of the destruction he witnessed. On Feb. 26, in his opening remarks at a Senate Foreign Relations hearing, titled "Engaging with Muslim Communities Around the World," Kerry said, "I visited a village called Izbet Abed Rabbo, and I saw little Palestinian girls playing in the rubble, where three months ago buildings stood. It was searing."

Kerry intervened in a matter which has become a worldwide image of those obstacles Israel is placing on humanitarian aid into Gaza. When Kerry witnessed trucks loaded with pasta being stopped at the crossings and prevented from entering Gaza, he asked UN relief workers about it. They told him that pasta is not on the



www.baird.house.gov

U.S. Representatives Brian Baird (D-Wash.) and Keith Ellison (D-Minn.) pose with UN Aid workers in front of some of the devastation inflicted by the Israeli assault on Gaza.

Israeli list of humanitarian aid, and cannot be brought across the border, but that rice can. They said that Israel sees allowing pasta into Gaza as a concession to Hamas. Kerry confronted Israeli Defense Minister Ehud Barak about the policy. Barak said that pasta was not on the allowed list, but then relented, and said he would *now* allow pasta into Gaza.

At the State Department briefing, Feb. 25, CNN reporter Elise Labott was unrelenting in her questions, asking if State can possibly see pasta as a “dual-use” commodity. Another reporter said, “Is rigatoni going to be used as a weapon? . . . It just seems absurd on the face of it.” Although Barak gave his personal consent for the now-famous pasta to pass the crossings, other basic foods are still being held up. Baird asked, “When have lentil bombs been going off lately? Is someone going to kill you with a piece of macaroni?”

Will the U.S. Sanction Israel?

On Feb. 24, the *Jerusalem Post* reported that the Israeli Defense Ministry is concerned that the U.S. will cut foreign aid to Israel in the fiscal 2010 budget, to pressure the new Israeli government to take action against illegal outposts and settlement activities.

EIR spoke to a Washington source who suggested

that the concerns of the Israelis relate to U.S. loan guarantees to Israel which have been periodically suspended or deducted by the U.S.—under Presidents George H.W. Bush, Clinton, and George W. Bush. The law regarding these loan guarantees—which were initiated to allow Soviet Jews to emigrate to Israel—specifies that they cannot be used to finance Israel’s settlements in areas occupied since the 1967 war. The law further specifies that the U.S. is authorized to reduce aid by amounts equal to Israel’s estimated spending on settlement construction.

But there is also a concern about the impact of U.S. weapons sales to Israel. On Feb. 24, Amnesty International released a letter to Secretary of State Clinton expressing grave concern about Gaza, and asking her to investigate Israel’s use of any weap-

ons procured from the U.S., to determine if they were used to harm civilians. Amnesty says that until this can be determined, the U.S. should cease all weapons transfers to Israel.

Israel is the largest cumulative recipient of U.S. foreign aid since World War II. The Arms Export Control Act specifies that the U.S. may stop aid to countries that use military assistance for purposes other than legitimate self-defense. In 1982, the Reagan Administration banned sales of cluster bombs to Israel because Israel may have used them in Lebanon. President Reagan also suspended sales of F-16 fighter planes to Israel, after Israel bombed Iraq’s Osirak nuclear plant in 1981, according to a Congressional Research Service report updated last year.

The U.S. also co-signs loan guarantees for Israel, so Israel can receive larger loans at better terms. In 1991, George H.W. Bush suspended the loan guarantees for four months. In the 1990s President Clinton subtracted \$773.8 million, almost half of the loan guarantees, over a three-year period. On Nov. 26, 2003 the \$3 billion loan guarantee for FY 2003, was reduced by \$289.5 billion because Israel continued to build settlements in the occupied territories, and was building a security wall to separate Israelis and Palestinians.

Swat Valley Autonomy Is Cause for Concern

by Ramtanu Maitra

On Feb. 16, Pakistan's North West Frontier Province (NWFP) government and the Tehrik-e-Nifaz-e-Shariat Muhammadi (TNSM), a Wahhabi¹ organization, agreed to implement Islamic Sharia laws in Malakand division, which includes the picturesque Swat and two other districts, Chitral and Dir. Malakand is situated north-west of Pakistan's capital, Islamabad.

TNSM leader Sufi Muhammad said the NWFP government has also agreed to form a committee to work towards freeing captured Taliban, the leading Pakistani news daily, *The Daily Times*, reported.

Subsequently, Islamabad agreed to an indefinite ceasefire in the Swat Valley and, in essence, has handed over the area to the Taliban Tehrik-e-Pakistan (TTP), which provides the gunpower to the TNSM. It has also been said that the 15,000 Pakistani military and paramilitary that were fighting the TTP in the Swat Valley for the last 18 months will be eventually withdrawn. This will give the TTP the writ to implement within Pakistan a parallel system that includes courts, police, and even an electric power-distribution network and road construction.

The state-supported installation of this state-within-a-state, where the authority of Islamabad will not prevail, and instead, the area will be under the control of the anti-U.S. Taliban, imposing Sharia law, has evoked concerns in Washington. The U.S. Special Envoy for Afghanistan-Pakistan, Richard Holbrooke, who was in

1. According to one Islamic scholar, traditional Islam views religion as a pact between man and God and therefore in the domain of spirituality. In this belief, there can be no compulsion or force used in religion. From the time of the Prophet Mohammed, peace and tolerance were practiced between different religious groups, with respect to distinctions in belief.

Contrary to this, the Wahhabi ideology, which the TNSM follows, is built on the concept of political enforcement of religious beliefs, thus permitting no differences in faith whatsoever. In Wahhabi belief, faith is not necessarily an option; it is sometimes mandated by force.

New Delhi when the peace pact was signed, and had just left Pakistan, said, in a Feb. 19 interview with CNN, that Pakistani President Asif Ali Zardari assured him the pact was an "interim arrangement" to stabilize the restive region.

"He [Zardari] does not disagree that the people who are running Swat now are murderous thugs and militants and they pose a danger not only to Pakistan but to the United States," said Holbrooke.

U.S. Defense Secretary Robert Gates was less critical. On Feb. 21, on the sidelines of a NATO conference in Krakow, Poland, to discuss troop levels in Afghanistan, Gates was asked if the Swat Valley pact succeeds in Pakistan, would the U.S. accept a similar deal in Afghanistan? Gates replied: "If there is reconciliation, if insurgents are willing to put down their arms, if the reconciliation is essentially on the terms being offered by the government, then I think we would be very open to that. We have said all along that ultimately some sort of political reconciliation has to be part of the long-term solution in Afghanistan."

However, what cannot be denied is that the pact ensured that the TTP will now have total control of the Malakand Division, which does not border Afghanistan, and has already established virtual control over almost all seven agencies of Pakistan's Federally Administered Tribal Areas (FATA) and over a good part of the NWFP—all bordering Afghanistan, where some 80,000 U.S. and NATO troops are battling the increasingly powerful Afghan Taliban.

Swat's Background

Swat is a tract of land of the size of state of Delaware, butting the Peshawar border of the NWFP, consisting of the valley of the Swat River above its confluence with the Panjkora. This valley is some 70 miles long, varying from ten miles to a few hundred yards in breadth. It is intersected by ravines and glens, which bring down the drainage of the ranges on either side. The Swat River rises among snow mountains in the Kohistan, not far from the source of the Gilgit River.

The ancient name of Gilgit River was Suastos, and that of the Panjkora, was Ghoura. These names figure in the history of Alexander the Great's campaign. But since the Khyber became the main road from Kabul to India, Swat routes were no longer that important. Only the lower portion of the Swat Valley, where the river flows between Malakand and the passes leading to Dir from the Panjkora, were of military significance.



number of Afghan Taliban fighters and leaders, to move into Pakistan across the invisible Durand Line that separates Afghanistan from Pakistan. The proliferation of opium money in Afghanistan; the financial and military support lent by the Saudi-British-aided faction of the Pakistani intelligence agency and some retired Pakistani military officers to Pakistan's tribal Pushtuns, who later gathered under the TTP banner; the large number of deaths of innocent Pakistani and Afghan civilians in U.S. air strikes; and the weakening of the Pakistani Army, set the stage for the rise of the TTP.

On the other hand, the rise of TNSM was directly associated with the "Islamization of Pakistan" policy adopted by the virulently anti-Shi'a Pakistani military leader President Zia ul-Haq during his 12-year tenure (1977-88) at the helm of Pakistan. Under his rule, the erstwhile Soviet Union invaded Afghanistan in 1979, and Zia became the beneficiary of gifts from the United States, Saudi Arabia, and Britain.

Having presented himself to his Western allies as the vanguard against Soviet communist expansionism, Zia, with the support of the Wahhabi-exporting Saudi Arabia, personally hand-crafted the growth of various vicious anti-Shi'a Sunni extremist groups all over the country. TNSM is a by-product of the same experiment.

The rise of the TNSM, and its alliance with the TTP, were also facilitated by the spineless Awami National Party (ANP), the much-vaunted, left-of-center, secular political party that won the NWFP 2008 provincial elections, handsomely defeating the fundamentalist alliance. The ANP's secularism had always been a ticket to do nothing. Following the successful campaign that provided the ANP a majority in the NWFP elections in 2008, it did nothing and, in essence, propitiated the militarization of the TNSM. Instead of imposing the rule of law, NWFP chief minister Haidar Hoti went to a high-level security meeting in Islamabad. In that meeting, when President Asif Zardari vowed to fight the militants to the finish, Hoti, instead, set about a plan to enforce Nizam-e-Adl in the Malakand division. And when the Swat Valley burst into violence and beheading became a daily routine, most of the ANP leaders fled the area.

The other factor that led to the militarization of the

Swat State was founded in 1915, by a *jirga* (council), after the ouster of the Nawab of Dir. The youngest of the Princely States of India, it had its own laws, its own justice system, army, police and administration, budget and taxes, and also its own flag with an emblem of a fort against a golden and green background. Swat remained a princely state more than two decades after Pakistan was formed, and was finally integrated into Pakistan in 1969.

Swat Valley in Turmoil

The people of Swat Valley had been demanding Sharia laws (Nizam-e-Adl) since the 1980s. In 1999, the NWFP government passed a Nizam-e-Adl act, but that did not fly. It could not be imposed because it conflicted with Pakistan's state laws. The emergence of the militant Taliban, headed by Sufi Mohammad's son-in-law, Fazal Hayat, now known as Mauana Fazlullah, gave the TNSM the necessary muscle. The followers of Fazlullah are also called the Black Turbans.

The U.S. invasion of Afghanistan in 2001 forced the foreign jihadis associated with al-Qaeda, and a large

Swat Valley must be attributed to the former Pakistani President, Gen. Pervez Musharraf. Following his take-over of Pakistan through a military coup in 1999, Musharraf, in 2002, arrested TNSM leader Sufi Mohammad and banned the outfit as a terrorist organization. At that point, Maulana Fazlullah took over the reins of the TNSM and resumed the struggle for the implementation of Sharia law, promised years ago by then-Prime Minister Benazir Bhutto.

During the Army commando raid at the Lal Masjid (mosque) in Islamabad in July 2007 against the fanatic Ghazi brothers, the two Mullahs in the masjid, Fazlullah went into action against the government forces to avenge the military action.

The Lal Masjid had two madrassahs—one each, for boys and girls. Reports indicate that a large number of boys and girls were killed during the raid, and many of those killed came from tribal families of the Swat Valley.

Fazlullah seized upon this opportunity, and assembled a large number of men, armed with Kalashnikovs and small arms, in his madrassah in the Swat Valley, and announced that it was time to go to war. His announcement that thousands of militants were ready to avenge the attack was followed by a series of suicide assaults on the security forces. Most of the anti-government rallies and demonstrations against the Lal Masjid operation were held in this region. It has also been pointed out that soon after the Lal Masjid raid, Fazlullah joined hands with the TTP, led by Baitullah Mehsud, in a bid to provide an umbrella to all insurgent movements operating in several tribal agencies and settled areas of the NWFP.

The Threat

The peace treaty and the withdrawal of Pakistani military and paramilitary, if it takes place, may pose a serious threat to the countries in the region, as well as to the stability of Afghanistan, at least as long the foreign forces remain stationed in that country.

On Feb. 21, a news report indicated that two major Pakistani Taliban groups based in Waziristan—the North Waziristan faction, led by Hafiz Gul Bahadar; and the South Waziristan faction, led by Mullah Nazir—have agreed to end their local feud with Baitullah Mehsud, the overall leader of the Pakistani Taliban. They formed a new group, the Shura Ittehadul Mujahideen (SIM).

In addition to the material and manpower support

that the Swat Valley would provide to the SIM, it is quite likely that the area will be used for providing a safehouse for many wanted terrorists. Since Islamabad's hands are tied by a ceasefire for an indefinite period, it would be impossible for the Americans to launch missile strikes against these terrorists, even if Washington comes to know of their exact locations. Since the Swat Valley does not border Afghanistan, the foreign troops based in Afghanistan may not be able to have any secret presence in the area.

Under such circumstances, the area can be used by other forces as well. For instance, since the 1990s, there was a massive growth in the conversion into Wahhabism in some of the former Soviet Republics. The pattern holds in Ingushetia, North Ossetia, Dagestan, Chechnya, and even, Azerbaijan. These Wahhabis, funded from Saudi Arabia through zakat money (alms) given to madrassahs, and abundant opium in Afghanistan, are backed by the gun-toting terrorists. In Central Asia, the Wahhabi-terrorist link-up is evident from the alliance between the Quran-distributing Britain-headquartered Hizb-ut-Tahrir (HuT) and the Islamic Movement of Uzbekistan (IMU).

Both the HuT and the IMU have established bases throughout Central Asia, having a strong presence in the Ferghana Valley, Pankisi Gorge, and a number of other areas. It is revealing that in these areas, madrassahs are coming up fast, and the Tablighi Jamaat teachers are busy indoctrinating them with the Wahhabi version of Islam.

The Swat Valley ceasefire has made New Delhi uneasy. The ceasefire with the Taliban, Indian sources believe, is not likely to make the Taliban give up its ideology, weapons, or intent to undermine the Pakistani state. At the same time, the Swat Valley is contiguous to Jammu and Kashmir. New Delhi is concerned that the ceasefire agreement provides an additional opportunity to those who would like to rev up the disputed Kashmir issue.

The situation in all these areas has worsened due to the vast amount of opium that passes through Central Asia to Russia. The purpose of the trafficking opium into Russia is not simply to increase the level of addiction, but also to corrupt the societal and political system. Following the U.S. invasion of Afghanistan, drug trafficking has increased multifold, but the terrorists have lost a safe abode. The Swat Valley peace agreement may provide the terrorists what they were looking for.

Fascist Felix Rohatyn Moves In on Obama Administration

by Debra Hanania-Freeman

Feb. 27—When synarchist banker Felix Rohatyn took the podium at the National Governors' Conference in Washington, D.C., last week, many members of the audience, including this author, were startled by the tenor of his remarks.

Rohatyn has dedicated his energies in recent years to attacks on Franklin Roosevelt's legacy. Although he likes to represent himself as a great proponent of "infrastructure," Rohatyn (along with his Republican counterpart George Shultz), has repeatedly argued that "we're a long way from the methods of [FDR's] Reconstruction Finance Corporation," preaching instead for private capital control of all new infrastructure investment (public private partnerships or, more popularly, P3s), as well as the selling off, through long-term leasing arrangements, of public works (highways, ports, airports, etc.) to private consortiums of financiers—in essence, the "Mussolini Model" for public works.

The "new," retooled Felix Rohatyn, however, told the assembled governors: While "trillions are being poured into zombie banks, the nation is literally falling apart. America's roads and bridges, schools and hospitals, airports and railways, ports and dams, water lines and air-control systems—the country's entire infrastructure—is rapidly and dangerously deteriorating, while unemployment continues to skyrocket."

Rohatyn said he had come to Washington to issue a

call for action; that the Federal government needs to mobilize \$1.6 trillion in public infrastructure investments over the next five years, preferably in the form of an FDR-styled Federal capital budget. He extolled the virtues of Abraham Lincoln, who backed the Transcontinental Railroad as the Civil War raged, and of FDR, who routed electricity to farms and rural communities, and initiated the largest public works projects in U.S. history amid the Great Depression. In what the naïve might take as a change of heart, he promoted Roosevelt's Reconstruction Finance Corporation (RFC) and Tennessee Valley Authority as national models for the kind of infrastructure investments necessary.

The RFC, Rohatyn underscored, "shaped and revitalized our national economy by providing the stream of capital for the men and machines that defeated both the Axis powers and at last the Great Depression." He argued that an RFC could have initiated stress tests on the large banks many months ago, rather than today.

Several of the conference participants, as well as some of the guests, commented that it looked like Rohatyn had "come around to Lyndon LaRouche's point of view." Had he? Had the old fascist banker changed his stripes and found religion? Hardly.

LaRouche himself commented that "the whole debate has shifted. [Rohatyn] recognizes what I've been



EIRNS/Chris Jadaatz

While fascist Felix Rohatyn (right) has been making a great show of mouthing support for FDR-style infrastructure initiatives, he nonetheless continues to push their antithesis, public private partnerships—financier swindles. In opposition to Rohatyn, economist James Galbraith (left), the son of Roosevelt's economic advisor, has told Congress that there is no workable alternative to putting the major banks in receivership, and having the Federal government establish a National Infrastructure Fund.

getting done.” LaRouche noted that Rohatyn and billionaire hedge fund speculator George Soros are operating like a tag-team for the international financier networks they represent.

Networks in and around the Obama Administration, just a week earlier, had tipped off LaRouche that a major effort was under way on the part of this crowd to “retake” the Obama Administration. Since Soros’s pro-dope legalization policies have left him largely discredited with an anti-drug President, LaRouche noted that there is now a big effort to bring Rohatyn back into the fold.

Attacks on FDR

Other elements of the drive to “retake” the Obama Administration include a tremendous escalation of attacks on FDR, which promote the fraudulent argument that the New Deal was a “failure” and that, ultimately, the only thing that got the United States out of the Depression was World War II. Not surprisingly, those launching this recent assault are the direct heirs of the same fascist networks that plotted to assassinate FDR. (See Jeff Steinberg and John Hoefle, “Fascists, Then

and Now, Stalk the FDR Legacy,” *EIR*, Feb. 27, 2009.)

Around the same time, in what was clearly a coordinated effort, a flood of articles suddenly deluged newspapers and blogs across the United States, blaming the current financial collapse on former President Bill Clinton. Headlines screamed, “Facing Foreclosure? Thank Bill Clinton.” In interview after interview, Clinton was confronted with his Administration’s foolish complicity in the repeal of the Glass-Steagall Act, which separated investment banking from commercial banking, thereby rein-ing in speculation. The interviewers were clearly attempting to isolate the former President and nullify his influence with the Obama Administration, leaving the Administration once again vulnerable to the likes of Rohatyn and Soros.

Unfortunately, despite the fact that in recent months, Bill Clinton has repeatedly called for re-regulation of the banking industry, he responded to the attacks according to profile, and attempted to defend his Administration’s actions.

Ironically, what Clinton failed to do was counter with the reality of what had actually occurred. Two years prior to the disastrous repeal of Glass-Steagall in 1999, Clinton had embarked on an aggressive drive for a new financial architecture that was strongly influenced by the parameters of LaRouche’s international campaign for a New Bretton Woods agreement. That drive was derailed by the frame-up known as the Monica Lewinsky scandal, and the far more scandalous impeachment of the President. It was then, and only then, with all hope for a new international agreement shattered, that a broken and battered Clinton Administration acquiesced to the speculators’ demands.

In a 20-minute interview on CNBC-TV on Feb. 25, Rohatyn continued to sing the same tune that he did at the Governors’ Conference, emphasizing “public investment in great infrastructure projects,” and never mentioning private investment. However, in other interviews, as well as in the smaller breakdown meetings

at the Governors' confab, he continued to insist that Federal infrastructure "seed investment" needs to bring in private financier funds through tax-exempt bonds issued by a National Infrastructure Bank, arguing that it is the only way to efficiently finance projects like the national network of high-speed rails that President Obama is passionate about initiating.

Anyone with even a cursory understanding of the American System, as it was implemented by President Roosevelt, knows that the method of direct government-generated credit, as initiated by the RFC, is precisely the opposite of the wholesale thievery of the PPP programs trumpeted by Rohatyn.

Galbraith Intervenes

This was apparent in the testimony delivered to the House Committee on Financial Services on Feb. 26 by economist James Galbraith, whose father, John Kenneth Galbraith, was FDR's chief economic advisor.

Galbraith argued that the forecast upon which the recovery bill was based rests on an unfounded "mechanical assumption" that was "based on statistical relationships between non-financial variables." As a result, the recovery bill was too small, Galbraith said. He attacked Federal Reserve Chairman Ben Bernanke for saying in January in London that the "global economy will recover." Galbraith said, "He did not say how he knows. And the truth is, this is merely a statement of faith."

Galbraith stressed that "monetary policy has little power to restore growth. In the Depression they called it 'pushing on a string.'" The problems of the economy go far beyond liquidity, he said, and Bernanke is engaged in "wishful thinking."

Furthermore, Galbraith argued that the Treasury's bank plan will not work. "The latest version of the plan to remove bad assets from the banks' balance sheets is a costly exercise in futility. There is no reason to believe that the 'flow of lending' will be restored, nor that banks which long ago abandoned prudent and ordinary lending practices will now somehow return to them, chastened by events. Why should they change behavior, if their losses are in effect guaranteed by the Treasury Department?..."

"To guarantee bad assets at rates above their market value is simply a transfer to those who hold those assets.... The plan would thus preserve the wealth of bank insiders and financial investors, while failing to prevent the collapse of the wealth of almost everyone

else. I cannot believe that the American public will tolerate this, for very long.... In short, the Treasury plan will not achieve its stated goals, and meanwhile risks both triggering inflation and obstructing growth.

"There is in my view no viable alternative to placing [the big banks] in receivership, insuring their deposits, replacing their management, doing a clean audit, isolating the bad assets.

"And meanwhile, how do we keep the economy running? There should be a public bank to provide the loans to businesses—small, medium, and large—sufficient to keep them running through the crisis. This was the function in the Depression, of the Reconstruction Finance Corporation."

Galbraith also attacked the arguments for "entitlement reform" of Social Security and Medicare as "mistaken and dangerous." Instead, he called for a permanent increase in Social Security benefits to offset the losses that the elderly population is suffering, a payroll tax holiday, and a reduction in the age of eligibility for Medicare.

He called for a comprehensive moratorium on new foreclosures and turning over the entire portfolio of troubled mortgages to an entity like the Depression-era Home Owners Loan Corporation. An HOLC, he said, could distinguish honest from fraudulent borrowers, fit legitimate homeowners into appropriate work-out categories, and manage or dispose of the properties of the rest. Meanwhile, people would enjoy a presumptive right to stay in their homes.

Finally, Galbraith called for a National Infrastructure Fund—a permanent facility that can provide funds to state and local governments and to regional authorities independently of market conditions, while serving as a source of standards and providing a measure of oversight.

However, perhaps because he was intimidated by the fact that he was testifying before Rep. Barney Frank (D-Mass.), who along with House Speaker Nancy Pelosi, have sabotaged the initiative in favor of bailing out Wall Street, Galbraith failed to do the obvious, and issue an explicit call for the immediate implementation of LaRouche's Homeowners and Bank Protection Act (HBPA), even as it is garnering accelerating local and state support. The HBPA, and an accompanying National Banking Reform Act, as per LaRouche's most recent initiative, represent the only legitimate alternative to the current meltdown of the U.S. banking system.

DOJ, FBI Caught in Railroad of Stevens

by Jeffrey Steinberg

Feb. 26—FBI agent Chad Joy has come forward with detailed allegations that Federal prosecutors and FBI agents concealed evidence and took other illegal actions to win the Oct. 27, 2008 conviction of then-Sen. Ted Stevens (R-Alaska) on corruption charges. In an eight-page complaint submitted to the court, Joy wrote, “I have witnessed or learned of serious violations of policy, rules, and procedures as well as possible criminal violations.” Among the illegal actions documented in the Joy affidavit and other previously concealed documents are: violation of grand jury rules, withholding of exculpatory evidence, and interfering with the testimony of a crucial defense witness.

Special Agent Joy was part of the FBI/Department of Justice team that ran the “Get Stevens” campaign. Judge Emmet Sullivan is now considering further sanctions against government prosecutors, as the Stevens case awaits other appeals. The Stevens trial occurred during the final months of the senior Alaska Senator’s reelection campaign. His October conviction and the mass media coverage were key factors in his electoral defeat.

The lengths to which Federal prosecutors (including the head of the U.S. Justice Department’s Public Integrity Section, William Welch) went to obtain the Stevens conviction, have cast new light on a longstanding, deep corruption in the DOJ and FBI, that mushroomed out of control during the Bush-Cheney era. The new revelations of corruption are reminiscent of both the Federal government’s 1988 railroad conviction of Lyndon LaRouche, and the earlier DOJ/FBI political targeting of elected officials in “Operation Fruehmenschon” and “Abscam.”

In the LaRouche case, prosecutors in Federal District Court in Alexandria, Va., relied exclusively on perjured testimony from one crucial witness, Molly Kronberg, whose false statements under oath were the basis for the illegal conviction of LaRouche on false allega-

tions of tax fraud conspiracy. LaRouche was sentenced to 15 years in Federal prison on the fabricated charges, and colleagues were sentenced to 3-5 years, all on the basis of the fraudulent Kronberg testimony, which centered on her own criminal uttering of a false check.

An earlier 1987-88 trial of LaRouche and a score of co-defendants in Boston ended in a mistrial, but jurors told the *Boston Herald* that they would have acquitted LaRouche and his co-defendants on all 125 counts, and that they were convinced, after more than 80 days of trial, that if any crimes were committed, they were committed by the U.S. government, not the defendants. The *Boston Herald* editorialized, that the government had wasted \$11 million in taxpayers’ money on a thoroughly unjustified prosecution.

After the Boston mistrial, the DOJ brought new, fraudulent charges in Alexandria, knowing that any attempt to retry the Boston case would have resulted in an acquittal, and an exposé of deep government corruption.

On April 26, 1995, former U.S. Attorney General Ramsay Clark wrote to Attorney General Janet Reno about the LaRouche case, accusing Federal prosecutors of “a broader range of deliberate and systematic misconduct and abuse of power over a longer period of time in an effort to destroy a political movement and leader, than any other federal prosecution in my time or to my knowledge.” At the time, Clark was one of LaRouche’s appellate attorneys.

Political Hit List

Senator Stevens was one of the longest-serving members of the U.S. Senate, and sources close to the Justice Department and the FBI confirm that other senior members of Congress, including Rep. Charles Rangel (D-N.Y.) and Rep. John Murtha (D-Pa.), are on an FBI/DOJ target list. These ranking Congressmen are targeted, these sources said, not because of any wrongdoing, but because of their seniority, and because they represent a core leadership that will orient towards Franklin Roosevelt solutions to the grave crises facing the nation and the world.

In contrast to such figures as Stevens, Rangel, and Murtha, the ostensible leadership of the Congress, typified by Speaker of the House Nancy Pelosi (D-Calif.), and House Financial Services Committee Chairman Barney Frank (D-Mass.), are seen as totally compromised, and “in the pockets” of leading Wall Street circles.

A Hamiltonian National Bank

The utter panic and disorientation being exhibited so far by the Obama Administration, in the face of the unprecedented disintegration of the world financial system, demands that a new element be added to the emergency measures that have to be immediately put into effect, stated the world's leading economist, Lyndon LaRouche, in a statement issued Feb. 25. "A Hamiltonian National Banking Act is needed," LaRouche said, as a means of carrying out a bankruptcy reorganization of the banking system as a whole, which will simultaneously provide the basis for generating much-needed low-interest Federal credit for an economic recovery.

"We have the precedent of our first Treasury Secretary, Alexander Hamilton's, takeover of all the Revolutionary War debts of the states," LaRouche explained. "The Hamilton precedent is crucial today, because Hamilton set the foundations of our entire system of national banking and credit. Hamilton took over the debt obligations of the states, established the role of the Federal government as the sole source of national debt and credit. . . . The debt obligations of the states, once assumed by the Federal government, formed the basis for the issuance of new credit for national infrastructure investments, including roads, canals, and bridges, that boosted the overall productivity of our new sovereign republic. This is why a new National Bank is vital for the restructuring of the current, hopelessly bankrupt banking system, and the launching of an economic recovery."

LaRouche also cited, as the second precedent for his call for a Hamiltonian National Bank, President Franklin Roosevelt's role in passing the Glass-Steagall Act of June 1933. This reconstituted a Federal and state-chartered commercial banking system, in the wake of FDR's Bank Holi-

day bankruptcy reorganization of the shuttered private banks. "President Roosevelt did not formally establish a new National Bank," LaRouche said, "but he achieved the same results, through his bankruptcy reorganization of the commercial banking system, and his use of the Reconstruction Finance Corporation and other mechanisms to generate a flood of Federal government credit for job creation and massive infrastructure expansion."

LaRouche explained. "As I first stated in my Homeowners and Bank Protection Act proposal of the Summer of 2007, we must freeze all foreclosures of owner-occupied homes, for the duration of the crisis. We must then put all of the commercial banks—the Federal Reserve System as a whole—through full audit, followed by a bankruptcy reorganization. The worthless debt on the books of the banks will simply be cancelled. The legitimate debts will be honored, in bankruptcy reorganization. The whole bankrupt Federal Reserve System will be replaced, in reorganization, by a new National Bank. We shall launch a massive capital budget investment in high-technology, science-driver infrastructure projects, using the Constitutionally specified method of Congressional and Presidential-authorized credit. These Federal government credits, for specified infrastructure investment, will be channeled through the reorganized Federal and state-chartered commercial banks. The recapitalization of the banks, through infrastructure investment, will restore our banking system, over time, to healthy condition.

"That is how Alexander Hamilton did it. That is how Franklin Roosevelt did it. That is how I hope to see President Obama do it. This is the American System tradition, and there is no legitimate alternative available," said LaRouche.

See LaRouche on Cable TV

INTERNET

- BCAT.TV/BCAT Click BCAT-2 Mon: 10 am (Eastern Time)
- LAROCHEPUB.COM Click *LaRouche's Writings*. (Avail. 24/7)
- MNN.ORG Click *Watch Ch.57* Fri: 2:30 a.m. (Eastern Time)
- QUOTE-UNQUOTE.COM Click on *Ch.27*. Tue. 6 pm (Mtn.)
- SCAN-TV.ORG Click *Scan on the Web (Pacific Time)*. Ch.23: Wed. 7 am Ch.77: Mon. 11 am
- WUWF.ORG Click *Watch WUWF-TV*. Last Mon 4:30-5 pm (Eastern)

INTERNATIONAL

THE PHILIPPINES

- MANILA Ch.3: Tue 9:30 pm

ALABAMA

- UNIONTOWN GY Ch.2: Mon-Fri every 4 hours; Sun Afternoons

ALASKA

- ANCHORAGE GCI Ch.9: Thu 10 pm

CALIFORNIA

- CONTRA COSTA CC Ch.26: 2nd Tue 7 pm
- COSTA MESA TW Ch.35: Thu 5:30 pm
- LANCASTER/PALMDALE TW Ch.36: Sun 1 pm
- LONG BEACH CH Analog Ch.65/69 & Digital Ch.95: 4th Tue 1-1:30 pm
- ORANGE COUNTY (N) TW Ch.95/97/98: Fri 4 pm

COLORADO

- DENVER CC Ch.56 Sun 10 am

CONNECTICUT

- GROTON CC Ch.12: Mon 5 pm
- NEW HAVEN CC Ch.23: Sat 6 pm
- NEWTOWN CH Ch.21: Mon 12:30 pm; Fri 7 pm
- NORWICH CC Ch.14: Thu 7:30 pm
- SEYMOUR CC Ch.10: Tue 10 pm

DISTRICT OF COLUMBIA

- WASHINGTON CC Ch.95 & RCN Ch.10: Irregular

FLORIDA

- ESCAMBIA COUNTY CX Ch.4: Last Sat 4:30 pm

ILLINOIS

- CHICAGO CC./RCN/WOW Ch.21: Irregular
- PEORIA COUNTY IN Ch.22: Sun 7:30 pm
- QUAD CITIES MC Ch.19: Thu 11 pm
- ROCKFORD CC Ch.17 Wed 9 pm

IOWA

- QUAD CITIES MC Ch.19: Thu 11 pm

KENTUCKY

- BOONE/KENTON COUNTIES IN Ch.21: Sun 1 am; Fri Midnight
- JEFFERSON COUNTY IN Ch.98: Fri 2-2:30 pm

LOUISIANA

- ORLEANS PARISH CX Ch.78: Tue 4 am & 4 pm

MAINE

- PORTLAND TW Ch.2: Mon 1 & 11 am; 5 pm

MARYLAND

- ANN ARUNDEL CC Ch.99; FIOS Ch.42: Tue & Thu: 10 am; Fri & Sat: midnight
- P.G. COUNTY CC Ch.76 & FIOS Ch.42: Wed & Fri: 6 pm
- MONTGOMERY COUNTY CC/RCN/FIOS Ch.21: Tue 2 pm

MASSACHUSETTS

- BROOKLINE CV & RCN Ch.3: Mon 3:30 pm; Tue 3:30 am; Wed 9 am & 9 pm;
- CAMBRIDGE CC Ch.10: Tue 2:30 pm; Fri 10:30 am
- FRANKLIN COUNTY (NE) CC Ch.17: Sun 8 pm; Wed 9 pm; Sat 4 pm
- QUINCY CC Ch.8: Pop-ins.
- WALPOLE CC Ch.8: Tue 1 pm

MICHIGAN

- BYRON CENTER CC Ch.25: Mon 2 & 7 pm
- DETROIT CC Ch.68: Irregular
- GRAND RAPIDS CC Ch.25: Irreg.
- KALAMAZOO CH Ch.20: Tue 11 pm; Sat 10 am
- KENT COUNTY (North) CH Ch.22: Wed 3:30 & 11 pm
- KENT COUNTY (South) CC Ch.25: Wed 9:30 am
- LAKE ORION CC Ch.10: Mon/Tue 2 & 9 pm
- LANSING CC Ch.16: Fri Noon
- LIVONIA BH Ch.12: Thu 3 pm
- MT. PLEASANT CH Ch.3: Tue 5:30 pm; Wed 7 am
- SHELBY TOWNSHIP CC Ch.20 & WOW Ch.18: Mon/Wed 6:30 pm
- WAYNE COUNTY CC Ch.16/18: Mon 6-8 pm

MINNESOTA

- ALBANY AMTC Ch.13: Tue & Thu: 7:30 pm
- CAMBRIDGE US Ch.10: Wed 6 pm
- COLD SPRING US Ch. 10: Wed 6 pm
- COLUMBIA HEIGHTS CC Ch.15: Tue 9 pm
- DULUTH CH Ch.20: Mon 9 pm; Wed 12 pm, Fri 1 pm
- MARSHALL Prairie Wave & CH Ch.35/8: Sat. 9 am
- MINNEAPOLIS TW Ch.16: Tue 11 pm
- MINNEAPOLIS (N. Burbs) CC Ch.15: Thu 3 & 9 pm
- NEW ULM TW Ch. 14: Fri 5 pm
- PROCTOR MC Ch. 12: Tue 5 pm to 1 am
- ST. CLOUD 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
- ST. PAUL (S&W Burbs) CC Ch.15: Wed 10:30 am; Fri 7:30 pm
- SAULK CENTRE SCTV Ch.19: Sat 5 pm
- WASHINGTON COUNTY (South) CC Ch.14: Thu 8 pm

- WASHINGTON COUNTY (South) CC Ch.14: Thu 8 pm

NEVADA

- BOULDER CITY CH Ch.2: 2x/day: am & pm
- WASHOE COUNTY CH Ch.16: Thu 9 pm

NEW HAMPSHIRE

- CHESTERFIELD CC Ch.8: Wed 8 pm
- MANCHESTER CC Ch.23: Thu 4:30 pm

NEW JERSEY

- BERGEN CTY TW Ch.572: Mon & Thu 11 am; Wed & Fri 10:30 pm
- MERCER COUNTY CC Trenton Ch.26: 3rd & 4th Fri 6 pm Windsors Ch.27: Mon 5:30 pm
- MONTVALE/MAHWAH CV Ch.76: Mon 5 pm
- PISCATAWAY CV Ch.15: Thu 11:30 pm
- UNION CC Ch.26: Irregular

NEW MEXICO

- BERNALILLO COUNTY CC Ch.27: Tue 2 pm
- LOS ALAMOS CC Ch.8: Wed 10 pm
- SANTA FE CC Ch.16: Thu 9 pm; Sat 6:30 pm
- SILVER CITY CC Ch.17: Wed 8-10 pm
- TAOS CC Ch.2: Thu 7 pm

NEW YORK

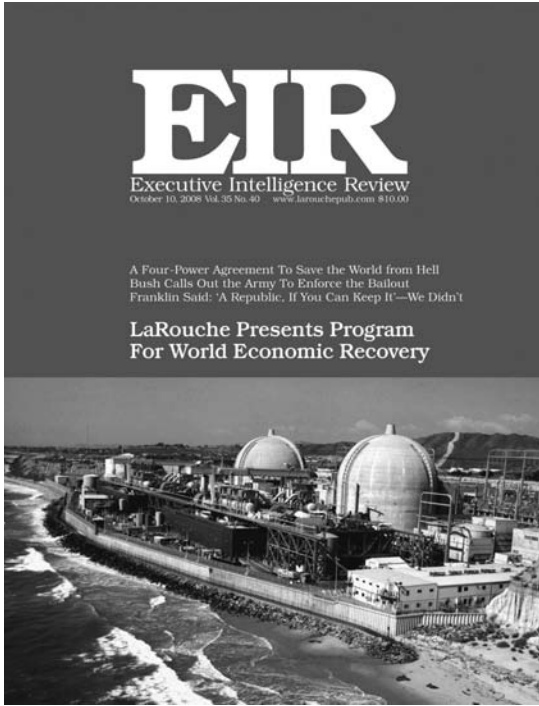
- ALBANY TW Ch.18: Wed 5 pm.
- BETHLEHEM TW Ch.18: Thu 9:30 pm
- BRONX CV Ch.70: Wed 7:30 am
- BROOKLYN CV Ch.68: Mon 10 am TW Ch.35: Mon 10 am RCN Ch.83: Mon 10 am FIOS Ch.43: Mon 10 am
- BUFFALO TW Ch.20: Wed & Fri 10:30-11pm
- CHEMUNG/STUEBEN TW Ch.1/99: Tue 7:30 pm
- ERIE COUNTY TW Ch.20: Thu 10:35 pm
- IRONDEQUOIT TW Ch.15: Mon/Thu 7 pm
- JEFFERSON/LEWIS COUNTIES TW Ch.99: Irregular
- MANHATTAN TW & RCN Ch.57/85 Fri 2:30 am
- ONEIDA COUNTY TW Ch.99: Thu 8 or 9 pm
- PENFIELD TW Ch.15: Irregular
- QUEENS TW Ch.56: 4th Sat 2 pm RCN Ch.85: 4th Sat 2 pm
- QUEENSBURY TW Ch.71: Mon 7 pm
- ROCHESTER TW Ch.15: Sun 9 pm; Thu 8 pm
- ROCKLAND CV Ch.76: Tue 5 pm
- SCHENECTADY TW Ch.16: Fri 1 pm; Sat 1:30 am
- STATEN ISLAND TW Ch.35: Mon & Thu Midnite. TW Ch.34: Sat 8 am
- TOMPKINS COUNTY TW Ch.13: Sun 12:30 pm; Sat 6 pm
- TRI-LAKES TW Ch.2: Sun 7 am, 1 pm, 8 pm
- WEBSTER TW Ch.12: Wed 9 pm
- WEST SENECA TW Ch.20: Thu 10:35 pm
- HICKORY CH Ch.6: Tue 10 pm
- MECKLENBURG COUNTY TW Ch.22: Sat/Sun 11 pm
- AMHERST TW Ch.95: 3X Daily
- CUYAHOGA COUNTY TW Ch.21: Wed 3:30 pm
- OBERLIN Cable Co-Op Ch.9: Thu 8 pm
- NORMAN CX Ch.20: Wed 9 pm
- BRISTOL, BARRINGTON, WARREN Full Channel Ch.49: Tue: 10 am
- EAST PROVIDENCE CX Ch.18; FIOS Ch.25: Tue: 6 pm
- STATEWIDE RI INTERCONNECT CX Ch.13; FIOS Ch.32 Tue 10 am
- HOUSTON CC Ch.17 & TV Max Ch.95: Wed 5:30 pm; Sat 9 am
- KINGWOOD CB Ch.98: Wed 5:30 pm; Sat 9 am
- BRATTLEBORO CC Ch.8: Mon 6 pm, Tue 4:30 pm, Wed 8 pm
- GREATER FALLS CC Ch.10: Mon/Wed/Fri 1 pm
- MONTPELIER CC Ch.15: Tue 10 pm; Wed 3 am & 4 pm
- ALBEMARLE COUNTY CC Ch.13: Sun 4 am; Fri 3 pm
- ARLINGTON CC Ch.69 & FIOS Ch.38: Tue 9 am
- CHESTERFIELD COUNTY CC Ch.17; FIOS Ch.28: Mon 1 pm
- FAIRFAX CX & FIOS Ch.10: 1st & 2nd Wed 1 pm; Sun 4 am. FIOS Ch.41: Wed 6 pm
- LOUDOUN COUNTY CC Ch.98 & FIOS Ch.41: Wed 6 pm
- ROANOKE COUNTY CX Ch.78: Tue 7 pm; Thu 2 pm
- KING COUNTY CC Ch.77: Mon 11 am, Wed 7 am BS Ch.23: Mon 11 am, Wed 7 am
- TRI CITIES CH Ch.13/99: Mon 7 pm; Thu 9 pm
- MARATHON CH Ch.10: Thu 9:30 pm; Fri 12 Noon
- MUSKEGO TW Ch.14: Sat 4 pm; Sun 7 am
- GILLETTE BR Ch.31: Tue 7

MSO Codes: AS=Astound; BD=Beld; BR=Bresnan; BH=BrightHouse; BS = Broadstripe; CV=Cablevision; CB=Cebridge; CH=Charter; CC=Comcast; CX=Cox; GY=Galaxy; IN=Insight; MC=MediaCom; TW=TimeWarner; US=US Cable. FIOS=Verizon FIOS-TV.
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