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Paul Singer, who heads one of the vulture funds that is suing Argentina, has been called “the GOP’s go-to guy on Wall Street,” “Congressional Republicans’ most powerful fundraiser,” and “a fundraising terrorist.”

gress would do what’s been discussed in Washington this week, which is impeach Barack Obama?” At that moment, everybody in the room sort of gasped and choked, and I thought they were not going to answer the question.

But, because it is really like a ghost in the room of what’s happening with the United States, it *was* taken up, first by the China expert, who said he would not agree with the premise of the impeachment of Obama, but certainly the United States has discredited itself, with the budget crisis, etc. And then, a woman whom we’ve had run-ins with on previous occasions, actually said, “I’m glad you raised this question.” She was very upset about what’s happened with Germany, and she said, “It is a question now: Can the U.S. prove its ability to lead?” And at the end of this, I spoke with people who said how glad they were that this had been raised.

Now, this is indicative of a completely different dynamic. And I think what Matt was raising earlier about Boehner—I’m glad you said, “uncorked,” because I have this image of him of being a cork on the impeachment bottle, and we are shaking the bottle, and his lawsuit is going to end up exploding into a full-blown impeachment, if we do our job.

I would just say, for everyone who’s watching: The Congress is in session now through the end of July, but they are also all going home for campaign and fundrais-

ing events, and you should *find them*. And you should tell them that *they must move* to impeach Obama, and institute LaRouche’s Four Laws, and that you know that they’ve gotten our literature, because we’ve completely saturated Capitol Hill. And then you should call your Congressman, and demand that he or she meet with the LaRouche delegations in Washington. It is a revolutionary moment, and we can expect major changes.

Argentina, Glass-Steagall, and LaRouche’s Four Laws

Ogden: Dennis Small did an [interview](#) earlier this week on the LPAC website, in which he reported on the groundbreaking OAS (Organization of American States) meeting in Washington last Thursday.¹

Now, as Diane mentioned, there is a *huge fight* inside the U.S. Congress around Glass-Steagall, which she has been responsible for catalyzing and leading. In fact, this week, a coalition of labor and civic groups from around the country, led by Public Citizen and Americans for Financial Reform, delivered 600,000 signatures on a petition to the United States Senate, calling for immediate action to restore Glass-Steagall.

So, the pressure is certainly on. But the question of why Congress continues to fail to act on Glass-Steagall, I think was addressed in a very direct way, ironically, by the Argentine Chief of Cabinet Ministers, Jorge Capitanich, in his press conference in Buenos Aires yesterday, in which he discussed Wall Street’s financial control over members of the House and Senate. Speaking of the vulture funds, he said, “They extort judges, they extort through their respective congresses through mafioso campaigns, because we know that in the United States, a large part of the House of Representatives and Senate in the Congress of the United States get their financing from the vulture funds, and these then take advantage of countries, precisely to make their exorbitant and extraordinary profits. We can in no way accept extortion.”

And the same point was made in full-page advertisements, the latest of which appeared in the *Washington Post* this week, which were bought by the Argentine government, in which they say that the vulture funds have dedicated themselves in recent years to “funding

1. See also last week’s *EIR*, July 11, 2014.

the campaigns of U.S. politicians.” And this is certainly the case, as we highlighted in our previous webcast,

Paul Singer, who is the owner of NML Capital [one of the vulture funds that is suing Argentina], has been called “the GOP’s go-to-guy on Wall Street,” “Congressional Republicans’ most powerful fundraiser,” and some even call him—and he’s proud of this title—“a fundraising terrorist,” who often writes multimillion-dollar checks to Republican Super PACs and contributes his criminal blood money to various members of the U.S. Congress, leading Republicans like Paul Ryan, Eric Cantor, Mitch McConnell—and, surprise, surprise, John Boehner, as well as Chris Christie, and other prospective Republican Presidential candidates; but also to leading Democratic members of Congress. So, when your Congressman or Senator tells you, “I don’t support Glass-Steagall,” you can probably safely assume that they very well might be on the payroll of Paul Singer and his buddies.

Now, my question for you, Dennis, is that if you consider both the call by Guyana’s Foreign Minister Robeson Benn for Glass-Steagall, in combination with the discussion now of a new, what you could call, an “international development bank,” the sort that’s forming around the Asian Infrastructure Investment Bank, which China is fast-tracking, and also the so-called BRICS bank, which is now on the agenda at the BRICS summit this week in Brazil, which both President Putin and President Xi Jinping will be attending, it’s very clear that Mr. LaRouche’s ideas are *directly* shaping the emergence of a tendency towards a new financial architecture on this planet.

So, the question is, how can we break the stranglehold of the vulture funds and Wall Street over Congress, here in the United States, and force the necessary breakthrough on Glass-Steagall and the entirety of Mr. LaRouche’s four-part program, so that the United States can take its rightful place as the necessary paragon of leadership in this new system of relations among nations?



LPAC-TV

Dennis Small: Man’s creative powers are the basis for economic prosperity—the principle on which the United States was founded.

British Brainwashing

Small: Well, for starters, it would be useful if people understood a little bit more about the history of the United States and the principles on which this country was founded, instead of believing the poppycock which the British Empire has been teaching us since 1776 and before, as to what the principles are on which our economy and our political system are founded.

Whenever you hear people say that this country is based on free-market capitalism, defending property rights, and so on and so forth, you know that they are the victims of a British

brainwashing operation. Because the fact of the matter is, that the idea of the United States on which it was founded, was “life, liberty, and the pursuit of happiness.” Happiness meant, in the sense of what Leibniz describes as “felicity,” which we’ve discussed in previous [webcasts](#). It was *not* founded on the idea of “life, liberty, and the pursuit of property”: That phrase, “life, liberty, and property” was very famous in the history of the United States, except it happened to be the basis of the constitution of the Confederate States of America! That is to say, the British-sponsored, slave-running, bestial operation to destroy the United States.

So when you hear people talking about “Oh, I know all about what the United States is based on; we’re for free-market capitalism, we’re for free trade, we respect property rights! Well, yeah, Argentina’s having some problems, but they got to pay! They borrowed that money, they’ve got to pay! Why, I even heard, somewhere in my economics class, that Adam Smith is the economist on whom our country’s economic system is based.”

Well, I have some news for you! Adam Smith, whose *Wealth of Nations* is considered his *magnum opus*, was an agent of British intelligence, and that book, which promotes free market and the “invisible hand,” and so on and so forth, which you’ve heard all about, was actually written and published in 1776. And it was written as a British diatribe *against* the American System, because the Argentines have got it right! Prop-

erty, as it is defined under these circumstances, is not sacrosanct. Argentina *is* paying its debt! It *is* paying the debt which has been correctly restructured and renegotiated. They're simply opposed to paying the debt two, three, four, five times over again, killing off their population, which is, of course, exactly what's being demanded by the vulture funds.

The vulture funds have not only targeted Argentina. They specialize in picking on little guys, people who can't fight back, like African countries. And this was actually cited in the debate at the OAS that I attended, where the Venezuelan Foreign Minister Jaua recalled the fact that NML Capital and these other vulture funds had, a few years back, picked on Congo-Brazzaville. And they tried to collect \$400 million and *did* collect that, after having bought up the defaulted debt, for pennies on the dollar, for \$3 million or something like that.

And the question he asked is a very valid question: *How many children could be saved with those \$400 million? How much medicine could we have bought? How many lives could have been saved?*

And it is this principle, this principle of economics, that man and his creative powers *are* the primordial basis for economic prosperity and development, and that an economic system, and especially debts, have to be adjusted to *that*, and not vice versa. *This* is the principle on which the United States was founded. *This* is what the Constitution says. And what people run around on the streets, talking like they know what they're talking about, are actually just repeating a bunch of British propaganda! It's as simple as that! The Pope has made exactly the same point as the Argentines are making, as to the priority of human lives over and above these so-called property rights.

There have been numerous discussions of the question of property rights, so-called, throughout history. In a previous webcast, I mentioned the case of the discussion of property during the American Civil War, because, after all, slaves were considered property. And slaveholders had property titles—far more credible, far more justified, than what these vulture funds hold! In



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"The vulture funds have not only targeted Argentina," said Small. "They specialize in picking on little guys, people who can't fight back, like African countries."

the case of Argentina, they bought defaulted debt, literally for pennies on the dollar, and they're trying to *collect on that* with a return, which, over a few years, amounts to 1,608%.

A Pound of Flesh

There's also a discussion of this in Classical literature: Go back and read your Shakespeare, read *The Merchant of Venice*. Portia had a thing or two to say to Shylock about this matter. What happens when you try to collect your pound of flesh; what are the consequences? We're responsible for the *consequences* of our actions, what the intention is.

Now, on these vulture funds, what you were just saying, Matt, is absolutely the case, and this is well documented, in terms of the money that they are spreading around the Congress of the United States, which, indeed, *does* have a lot to do with why they are cowardly on the question of impeachment, why they are cowardly on the question of Glass-Steagall, and why they repeat, over and over again, phrases like, "I disagree." Well, he didn't "disagree" when he got a check from NML Capital, did he? What about that, John Boehner? And what about the Democrats, who have

taken the money, also, which *is* blood money!

Look at what's going on in Detroit, look at what's happening in Puerto Rico. These cities, these places, have been destroyed, *by the exact, same vulture funds*, by the exactly, same ruses. By the exact, same looting operation, of hooking them on speculative capital, destroying the physical economy, and then reeling 'em in! And where is Detroit, today? *Fifty percent* of the people of Detroit can't pay their water bills: What are you going to tell them? The same thing the Argentines or Congo-Brazzaville was told? "Well, I'm sorry that you don't have the money to do that, and you have to take that money out of what you're giving grandma to eat, but, you know, you got to pay your bills! My mother told me, you got to pay your bills! My mother told me our country is based on Adam Smith!"

Fifty percent of the people of Detroit can't pay their water bills! And the city of Detroit, *under the control of these same vulture funds and speculators*, is now planning to cut off the water!

And it's *so bad*, that the United Nations has gotten into the middle of the fray, saying, "Hey wait a minute! Water is a human right, you can't cut off people's water, unless they're *intentionally* not paying!" Now, when the United Nations comes to lecture the United States on basic principles of economics, you know we'd better get our act together! We're in serious trouble.

Applying the Hamiltonian Principle

So this whole idea of property rights being primordial over everything else, this is a complete nominalist, Aristotelian view of law! This is the idea that what's written on a piece of paper, just like Shylock had—"I have a piece of paper here, and that's what it says. I don't care if it kills you."

Now, what Argentina's doing: There's another way to approach this thing; what Argentina's doing, they did renegotiate their debt. They wrote it down partially, by mutual agreement, and restructured it, and on the basis of the economic policies *they* chose to adopt *for growth*, to then be able to pay the debt. They're now meeting and have met, absolutely on time, completely, all of the



Presidencia de la Nación Argentina

Argentine President Néstor Kirchner and Cristina Fernández de Kirchner, at an election-eve rally in her successful campaign to succeed him, Oct. 25, 2007. She continued his policies in defense of the nation, against the international financier oligarchy.

payments, on the 93% of their bonded debt which was restructured. The vulture funds represent 7%, or less; in the case of the ones that are suing, 1%. And they want to blow the whole thing up, because of that.

See, it's not a question of what you do with your debt, whether you write it down—all of those are monetary manipulations which are secondary. The question is, what are the terms of the actual *physical* economy which are applied, as a condition for that debt renegotiation. If you do it with the IMF, if you do it with the Troika, if you do with the British Empire, their condition is, "Kill yourself."

The way Argentina did it was not unlike what Alexander Hamilton did: In the case of the United States, he reorganized our debt, too. He recognized the legitimate debt that we had. But the way he did that, is he issued *new government credit* for the purpose of increasing the productive powers of labor. And we *grew* to pay the debt!

The former President of Argentina Néstor Kirchner, said "Corpses can't pay their debts! We're going to pay

by growing.” And that’s what Argentina has done. Just this last week, a United Nations economic body, the Economic Commission on Latin America (ECLAC), put out a report saying that Argentina’s growth rate over the last eight years, after their bankruptcy in 2001, was the highest rate of any country in the entire region in 50 years. So they grew!

There’s a principle of economics here which is very, very important, and that is the same principle on which this country was *actually* founded, which is the Hamiltonian idea, the idea also expressed in the Monroe Doctrine—that we don’t want looting operations like the British Empire in the Americas. The famous Monroe Doctrine, written by John Quincy Adams, when he was Secretary of State under Monroe.

And it was actually those ideas, in some cases, I think, really quite unbeknownst to the participants themselves, which guided the discussion at the OAS meeting, not only the comments of Acting Foreign Minister of Guyana Benn; similarly with the Venezuelans, who mentioned the Drago Doctrine, which was Argentina’s restatement, effectively, of the idea that you cannot collect the debt by force, you cannot destroy a nation to do that, which he wrote in 1902; a doctrine which [Argentine Foreign Minister Luis María] Drago himself described as the financial corollary of the Monroe Doctrine of the United States. And Drago was a close follower of “the great Alexander Hamilton.”

So this idea of the United States being a paragon to lead the world in the direction of the destruction of the British Empire, is not a new idea, it’s just a very necessary one. And it was that idea, unbeknownst to many of the people there, which was actually what was *moving* the political process forward at the OAS meeting.

Let me just conclude in response to this—much more could be said—but now what comes up, is, taking this issue of Argentina much more broadly than simply in the nations of Ibero-America, what was expressed there generally was solidarity. That’s good. But it’s not enough. We are not going to destroy the British Empire by people expressing solidarity with Argentina’s just cause: It’s going to require kicking over the chessboard altogether. It’s going to require bankrupting and replacing *this* financial system with a *new* one, as per the specifications in LaRouche’s Four Laws, and that is the kind of topic which is actually on the agenda at the BRICS summit on July 15, in Fortaleza, Brazil, and as



LPAC-TV

Megan Beets: With the collapse of a large Portuguese bank, “the genie is out of the bottle.”

Matt mentioned, with the presence of the Chinese and Russian heads of state, each of whom will be visiting Argentina, before, in the case of Putin, and after, in the case of Xi Jinping, the BRICS meeting.

So, I don’t know that miracles will happen at that meeting, but there will be, in fact, an *extremely* important discussion of *ideas* to deal with the crisis, which have been *uniquely* presented, in fact, by Lyndon LaRouche.

Euro Banking Crisis: Financial System on the Brink

Megan Beets: I would like to ask a question, turning to the issue of this bankrupt financial system. Underscoring the fact that we are at the moment of total blowout of the trans-Atlantic system, in the recent week, we’ve seen some very significant developments, significant shocks in the banking system of Europe.

As a certain kind of prelude, we saw in the last days of June, a run on the banks of Bulgaria; we saw an announcement on July 3 by Austria’s Erste Bank, that they expected losses of EU1.5 billion *this year*. Both of which events set off a series of shocks throughout the Eurozone banking system, but also hysterical denials, that there are any systemic implications to these developments, including a reaction from the assistant editor of London’s *Daily Telegraph*, Jeremy Warner, who ner-