

MEMORIAL DAY ADDRESS

The Lessons of Wartime For Statecraft Today

by Lyndon H. LaRouche, Jr.

Mr. LaRouche delivered a Memorial Day webcast on May 28, sponsored by his Presidential Campaign Committee LaRouche, in 2004. He spoke by video-conference to audiences in Washington, New York, and internationally over the Internet. What follows is his opening speech, and a selection from the discussion period.

In these times, I'd like to speak on the question of the lessons to be learned from looking at the human side, the human experience, of war. And despite the fact that the Congress has monkeyed so much with the date of Memorial Day, let us consider this Memorial Day Week, and let us celebrate it accordingly.

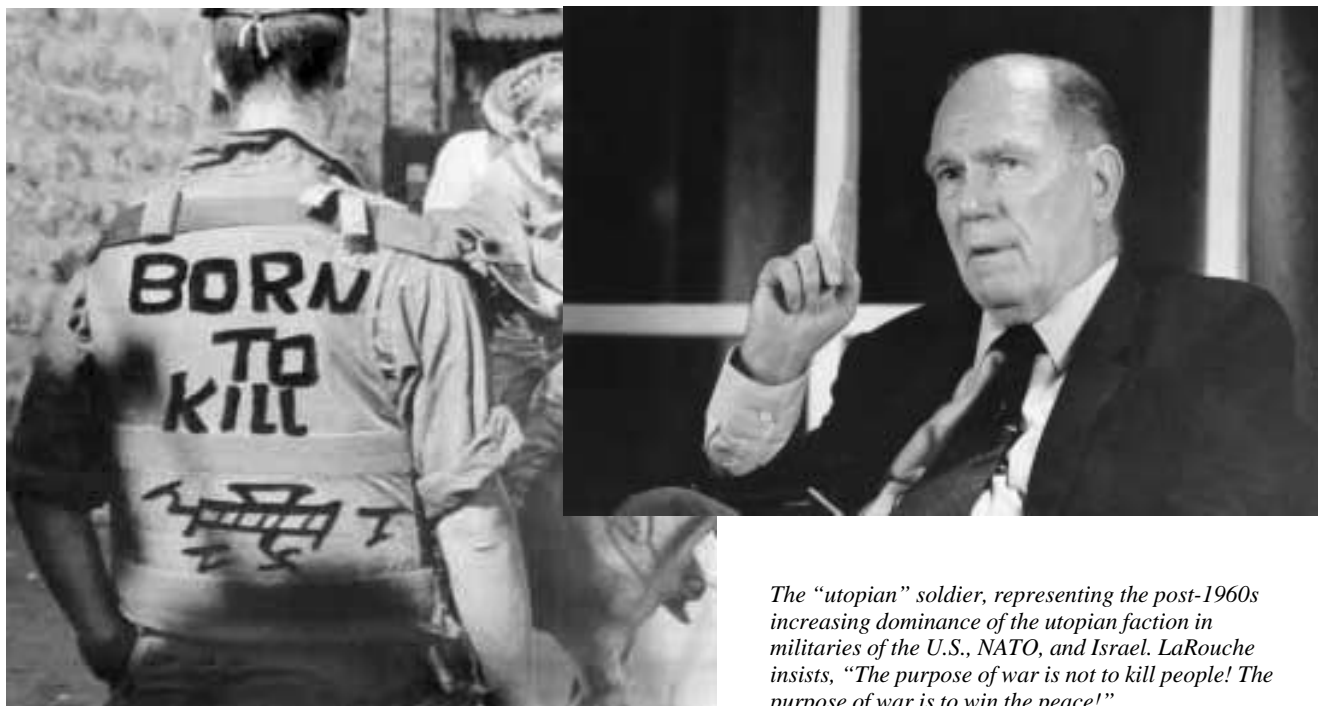
Now, let me begin with the question of where do you find in yourself, not only the courage to conduct war, to participate in war, when necessary; but where do you find in yourself those qualities which enable you to look beyond the short term of next week, or your immediate community, and find that strength you need to think and act on the basis of what the consequences of your behavior will be, perhaps for the next generation or two yet to come? We need that kind of courage today, that kind of intellect among our own citizens, so that they can begin to think clearly, in the way that the present crisis demands of us. To think clearly, as a similar but different challenge was presented to people who fought and died in two wars in the last century, the two world wars of the last century.

To find that source of strength, I ask you to look inside yourself, and look at the history of your family, what you know of your family, and what you know about the nation

beyond your immediate family. And think about the fact that you live and you die, as the people before you did, and you think about not only what you're getting out of living now; but you're thinking about *how you look, how the way you behave, how the way you respond to the present crisis, looks in the eyes of those who died, and who can not act any more, but are looking at you, within your own mind, and saying: "Are you capable of doing what needs to be done, as we did in our time?"*

Now, in my own case—to start with my own case, as it will help, perhaps, for you to look at your own—I go back about 200 years; that is, in terms of my experience in my family. My parents were born in the 1890s, my grandparents were born in the 1860s. At our family table, we went back, with one character, who was a great-great-grandfather, was rather famous in his time, he was a leader of the Abolitionist movement, and got in some trouble on that account. And he was rather famous, and he kept appearing at the family dinner table—what he said on such-and-such occasion was remembered, and spoken of, again and again. And every family has something like that. My history goes back 200 years.

Now, in terms of the family history of the nation, it goes back further. My first ancestors came respectively to North America from France and England in about the 1670s. Some to Pennsylvania, some to Quebec. Other ancestors came from Scotland and Ireland in the 1860s; one is a Scottish soldier—great-grandfather was a Scottish soldier, a professional saberman, who came over to join the Civil War in the First Rhode Island Cavalry; his brother was a famous sea captain for the White Star Line; and in the same group, we have some Irish



The “utopian” soldier, representing the post-1960s increasing dominance of the utopian faction in militaries of the U.S., NATO, and Israel. LaRouche insists, “The purpose of war is not to kill people! The purpose of war is to win the peace!”

who came in, Condons and whatnot, from Ireland, and they came in at about the same time. We also had, on the French side from Quebec, a certain trace of American Indian ancestry—so, if I go on the warpath once in a while, you’ll understand why. But, such is the nature.

So that we all have our own particular type of roots, in our own family history, and in this nation, and in their own nation, if it’s a different one. And we think of ourselves as mortal beings, who live for a time, with a succession of families, and within a nation. We think of ourselves as worth being remembered. We remember those who went before us, and their faces are still in our mind as part of our conscience. And that generally is the model for the healthy development of any child, or young person, in society. The family, neighborhood grouping, the roots of the family, back two, three, or more generations, a sense of where the family came from, and where the nation came from; what was important to those who went before us. These kinds of things.

So, instead of thinking about what makes us *feel good*, today, we say, “What would make us feel good when we’re dead? What can we go to our grave, thinking we did, that was good? That we did something necessary; that we had the courage to do something necessary.” We all die, sooner or later. And that, essentially, is our history. But, other people die in war. And there’s a slight difference between dying in general, and dying in war. And I think it’s appropriate to think about that comparison today: that we are all in a similar situation; some have experienced war, some not. But war is a part of experience, and many people in the United States died in the course of two world wars.

Death in Wartime

For example, we talk of heroes who died in battle. But most people who died in war did not die in battle; they died in what Clausewitz, in his writings, called “friction.” Jeep accidents, illnesses. For example, in my experience, there was an area in northern Burma, in which soldiers in that area, ran into a disease called, generically, “bush typhus,” or in Japanese, *tsutsaka-mushi*—which Japanese soldiers had brought into that area, from other parts of Asia. And at that time, we had no cure for it. So, these soldiers, many of whom I saw dying, were simply lying in a hospital barracks, quietly dying, with no cure in sight. They did not return home to their families.

There was a case in one ward in the same hospital, in which there were three people who had died, or were dying, of a plane accident—I believe it was a C-46, of the type that was flying at that time, from Myitkyina [Burma] to China—they crashed on takeoff. They survived, but they inhaled a lot of kerosene or gasoline, and they were dying of the effects of that on their lung system, and so forth. They were certainly semi-comatose, moving. And day after day, they would lie, being cared for, in beds, side by side, by the wall, in that barracks. And across the aisle from that, was a fellow of Hispanic background, a Mexican-American, who was dying because he had been shot by a British MP, while visiting the village. And they were there, day by day—we watched them, living and dying. And one morning, they were simply gone. They’d died overnight, all four of them.

Jeep accidents and so forth. And that’s the way most people, who died in war, died. Not in battle, but as a result of



U.S. Marines land at Iwo Jima, February 1945.



Gen. Douglas MacArthur was not out to kill the Japanese, but to win the war.



The Nazi Wehrmacht, marching to war.

friction. That was part of our experience.

So we had two world wars. And let's look briefly at the two world wars. Let's just take a glimpse of some film clips from motion-picture shots made of American soldiers in World War I; and after that, take a look at some shots from Germany, during the period that Germany was going into World War II—just to get a sense, a memory of the *feel* of what this was like. The images are obvious to you. These are just old films from that period. This was the kind of war, but many people died.

Now, this image of soldiers going over the top, to charge, over the top to charge, into machine-gun fire, against barbed wire, and so forth. This was a significant part of the American experience. This was one of the ways people died. But they also died, in France, not only in the trenches, trench war, but they died in frictional incidents of war. But they didn't come back. And there were families that were waiting for them. They never had the chance to receive their return. And that's also part of the American experience.

This went on—again, the German phenomenon. The

march to war. You see the mobilization, the march to war. It worries you, because you see people like that, marching like that, marching to war. You think what goes on in their minds as they do that. You see the horrors of Nazi Germany, with the SS troops marching; the other troops marching, marching to war, a war which would end up with the virtual destruction of Germany. Marching to war. And that was just the German side in World War II.

Winning the Peace

Look at the case of the war in Asia, in order to learn a lesson: Now, MacArthur was a great general, probably one of the greatest in American history. He did the most for the United States, as a commander. He fought a war in the Pacific, under what seemed to be desperate circumstances; he brought it to a successful conclusion, even before Hiroshima. He fought a couple of heavy battles, or ordered a couple of heavy battles, serious ones, major ones, bloody slugfests, but he fought *no unnecessary battles*. He moved past islands, occupied by Japanese troops, and didn't attempt to get them out of there. Why waste lives, taking islands? We have them isolated. We control the seas; we control the air around them. Why bother? We'll come back later. No need to fight a war on those beaches; no need to go into those islands. So MacArthur had a sense of economy of war.

MacArthur was not fighting war to *kill people*. The object of the American soldier in World War II was not to kill people—maybe some people had that idea—it wasn't killing. The purpose of war-fighting was to *win the war*. The purpose was to *win the peace*, not to kill everybody you wish to hate, but to win. To win what? To win war. What's war? Winning the peace. That was MacArthur's policy. *We didn't need to invade Japan*. We never needed to invade Japan. In my opinion, MacArthur never intended to. Certainly MacArthur was the kind of general who would never have done the silly thing of dropping nuclear weapons on Hiroshima and Nagasaki.

Why did we need to invade Japan? Why is the myth that we needed to invade Japan told? It's a big lie.

Japan is a country which is an island-country without adequate raw materials, and similar resources in its own territory; Japan lives as an economy, as a modern economy, by imports from other parts of the world, including Asia. Therefore, the American strategy, the MacArthur's strategy for the Pacific war, through World War II, was not to kill Japanese. The American strategy was to bring Japan to *surrender*, to peaceful surrender. By what? By building a net, a blockade net; a naval and aerial blockade, which would prevent Japan from getting the materials it needed to maintain its economy, and therefore, its war machine.

It was also known during that time, which many of you may not know, that the Emperor of Japan, in the course of early 1945, had entered into diplomatic negotiations for peace. His channel for negotiations was the Vatican. It was the office of a Cardinal Montini, who was later Pope Paul VI, and some friends of mine were involved in those negotiations, at that time. So, the United States knew it had an offer of negotiations of peace from the Emperor of Japan. Why should we invade Japan? Why didn't the peace come? Well, partly because the British and Americans didn't want it to come—after Roosevelt was dead. Partly because some people wanted *vengeance*, not peace. But MacArthur and others understood that the problem the Emperor had—the Emperor wanted peace, but he had some generals who didn't want to surrender, and therefore, the U.S. policy was to squeeze, maintain a tight blockade—aerial and naval blockade—which was almost totally effective, and Japan would have to surrender, and the generals would have to bend their knee to the will of the Emperor. And peace would come.

In point of fact, that peace that did come, after Hiroshima and Nagasaki, was the same peace, which the Emperor had negotiated, through the Vatican channels, before then. So there was never a need for U.S. troops to have a forced invasion of those islands of Japan. MacArthur was not out to kill Japanese. MacArthur was out to *win war*, by using the strategic and logistical might of the United States, mobilized to bring about a condition, in which the Japanese people and institutions would accept peace as the alternative to war. That was the way we used to fight wars.

Now, there's a principle involved, and you may smell what I'm getting at here about present military policies, which, frankly, are immoral and insane. And I would hope that our country would stop it, because it's *stupid, immoral, insane*.

The Concept of Strategic Defense

We used to have a different military policy. Before they got rid of MacArthur, and before Eisenhower retired as President, we used to have a different kind of military tradition in the United States—different than what we have today, different than what was shown in Vietnam, different than what is being shown right now. What was that policy? The policy



David Scharnhorst (left) and Lazare Carnot developed the Classical military conception of strategic defense—the opposite of today's utopianism.

was developed in the 18th Century, and there are two figures from the 18th Century who are most important for anyone who wants to understand this to study today. One was the greatest military genius of France—not Napoleon, who was somewhat of a bandit, more than a military genius—but a major-general, Lazare Carnot, who was also a famous scientist.

Lazare Carnot, who was already a military genius, was given the command of the French forces in 1792. At that point, France was being invaded by every army in Europe. The intent of those armies was to divide, cut France up into individual pieces, and chop it up. Lazare Carnot was given the command, a hopeless command at that point. He turned a hopeless command into a total victory, within two years. He reformed the armies of France. He made a scientific mobilization of the type that Franklin Roosevelt probably knew about, and would have been happy to imitate, and France's military forces on the continent of Europe, became invincible. Every invading army was defeated. France's integrity was defended. Unfortunately, Napoleon spoiled the whole show later on.

In this same period, there was another leading military figure in Germany: Gerhard von Scharnhorst. Scharnhorst was a product of an education given to him at the school of a famous fellow, Wilhelm von Scharnhorst-Lippe. The school, the educational program of the school, was provided by one of the great geniuses of the 18th Century: Moses Mendelssohn, the famous Moses Mendelssohn who designed the program of teaching at the military school which produced one of the greatest military minds of Germany—Gerhard von Scharnhorst. The same group of Scharnhorst, when faced with the point that Napoleon was sending the Grand Armée, which was sort of like the predecessor of the Hitler Waffen-SS, into Russia. The German Prussians, influenced by Scharnhorst, developed a plan which was based on some work by a fellow who was a cousin—or in-law cousin—of Friedrich Schiller; and on the basis of the study of Schiller's history of the Netherlands war,

and the Thirty Years War, the Prussian command devised a program, which they presented to the Tsar of Russia, a policy of strategic defense, which resulted in the entrapment and destruction of Napoleon.

The Citizen-Army

This concept of strategic defense, is consistent with the idea of the citizen-army. One of the things that came out of France under Lazare Carnot, that came out of Germany under the influence of Scharnhorst: the idea of the citizen-reserve army. We, in World War II, were not the best fighters in World War II—the Americans. The Germans were much more effective as soldiers than the Americans, soldier for soldier. And this has been studied extensively. Because they had a training program, in depth, and a reserve program, which was based on the Scharnhorst program. We put together a military force in the United States, after years of negligence of the necessary steps to build a standing reserve, effective reserve, and to build a military force that could cope with these kinds of problems.

So we went into World War II like a bunch of military slobs, generally. I saw it myself, so I have eye-witness testimony. But what we won the war with, and what our best commanders understood, was to use the economic might, which had been built up again, under President Franklin Roosevelt, to give us the logistical, and strategic-logistical capabilities to win war by logistics. And the United States won World War II with logistics—not with kill-power. We don't have logistics today. We have kill-power. We don't have a war-winning capability. We have a perpetual war-fighting capability, until it just quits when it gets tired. And that's the big issue.

We emerged from World War II, not only as the greatest power on the planet, but the *only* power on the planet. No other nation represented a power in world terms; just the United States. We had no need to invade Japan. We controlled everything. We controlled their environment. We controlled their skies. We controlled the seas around them. We didn't need to invade. We were prepared—at least some of us—to make peace with Japan. So why should we fight war? Why should we invade?

There's a famous fellow—Machiavelli, who most people misunderstand these days—who laid down a policy, a military policy, in his works on the books of Livy, and pointed out the reasons why, when an enemy is defeated, *you never go in for the kill*. Because the enemy may start killing again, in desperation. You never close in—bayonet to bayonet, or otherwise—on a defeated enemy. What you do, is you use the power you have, to create the conditions under which the enemy will accept a *peaceful solution* to the conflict. Which is the way we should approach our problems today. We should not be the world policeman, like Roman Legions, or the Nazi Waffen-SS, running around the world and killing people we say are the rogue states, or might have weapons of mass destruction, or might have terrorists among them. That policy is

idiocy, is criminality. We knew how to do things better before: Build up two things—a strategic defense, in depth, which is largely economic power, physical-economic power. Increase the productive powers of labor of your people, as Roosevelt did during the 1930s in the recovery. Build up your educational system. Open plants. Create new productive jobs, not consumer-society jobs, but production-society jobs. Farms that function. Machine-tool shops that work. Stop being a consumer society, which we've degenerated into, and go back to becoming a producer society.

We have the ability in the United States today, as a nation, to secure, to establish our security, planet-wide, virtually without firing a shot in military fire, in any part of this planet. All we need to do, is to learn the lessons of history of past centuries, including the Roosevelt history, and lay down a plan of reconstruction of a rotting, collapsing world economy, and say: We're going to do our part in revising an economy that has failed.

Leadership: The Case of Jeanne d'Arc

Now back to the individual. The individual must have the courage, the personal courage, to actually exert a command position in warfare. Soldiers go along, as long as they trust their officers and leaders, but it's the commanders who must have the courage which inspires the soldiers in confidence to work with the leader. We need people who are leaders in the true sense, not leaders in the sense of "Do as I tell you or I'll shoot you." But leaders in whom, the people that follow them, have confidence. Leaders who inspire confidence in their people. Not like the politicians we tend to elect nowadays, but actual leaders.

We have some examples of leaders in modern history, at the birth of modern history, for example, the 15th Century. Jeanne d'Arc, a farm-girl, who was seized by the commitment, a mission, to force a King, who was a no-good King, to become a real King of France. And to reestablish France in its dignity as a nation. And she succeeded. But because of betrayal by that very King himself, Jeanne was tortured by the English Inquisition, and burned alive, after torture by the English Inquisition. She refused to capitulate. And by her refusal to capitulate, in accepting the risk of being burned alive, she made possible, not only the existence of France as the first modern nation-state—that under Louis XI—but inspired circles in the Catholic Church to conduct reforms which we saw in the 15th-Century Renaissance. This little peasant girl, who had a sense of a mission in life, who used her life to do a good, *because it had to be done*, inspired people around her, and by her courage, inspired a nation, and more than just that nation, to establish the first, true modern nation-state in European civilization.

The example of France under Jeanne d'Arc, the example of Louis XI, was used, in England, to free England from a tyranny, the tyranny known as that of Richard III. And Henry VII of England, established in England, the second modern



A World War I poster. Jeanne d'Arc's courage made possible the birth of France as the first modern nation-state.

nation-state on this planet.

Now along came an attempt by the enemies of the nation-state, the Venetians, to destroy England, to destroy England's character as a nation-state, and to do that, they sent agents into England, to corrupt a rather foolish heir of Henry VII—Henry VIII; you know, the usual sexual thing; you had the religious adviser, Zorzi, marriage counsellor, they tormented Henry VIII with the promise of a woman, Anne Boleyn, who was nothing but a prostitute, virtually, and the stupid King became corrupt, and England was being destroyed.

Now, what killed Thomas More, was not the fact that he objected to the divorce of the King to marry Anne Boleyn; what killed him, was the fact that he stood against this corruption of what had been accomplished by Henry VII. England had been the second nation-state founded. It was being built as a great economy from the rubble that it had been, under the previous Plantagenet rule. It was being destroyed. He gave his life, on the chopping block, in order to inspire people such as William Shakespeare, who was one of his great followers intellectually, and others, to keep alive in England, that which

the Venetians had attempted to destroy, with the case of Henry VIII, and others. And it's because of that courage of Thomas More, in England, and because of the influence, in particular, of Shakespeare and people like him, and his associates, that there was founded in North America, beginning with the Massachusetts Bay Colony in particular, a conception of a new kind of nation-state built on this continent, at a time that Europe was so corrupt, so torn by religious wars—from 1511 to 1648, Europe was torn apart by religious warfare—of the type that some people would like to start around the world today. And during that time, people in Europe said, let us go to North America. Let us build the foundations of a new nation, in this continent. And the Winthrops, and the Mathers, in Massachusetts, typify that great venture.

Then came Penn with Logan. And others came, as things became terrible in Europe. More and more people looked to North America as a place to build a republic, in the legacy of France's Louis XI, the legacy of Jeanne d'Arc, the legacy of Henry VII, the legacy of Thomas More: to build that in this, that republic in this nation. And great Europeans, despairing of the possibility of building a republic in Europe under these conditions, turned in the 18th Century to the English colonies of North America, especially to the circles of Benjamin Franklin personally, to assist us, in building up the foundations for creating this republic, which is therefore an historic exception, in the modern history of mankind. This was the first true republic established in modern mankind, and it was established on the basis of these foundations, contributed to us, largely, by Europe.

And without the courage of the people who did it, people like Jeanne d'Arc, and Thomas More, this could not have happened. So therefore, the highest standing—I'm not recommending to people that they go out and be burned alive, or have their heads chopped off, I'm not particularly fond of that sort of entertainment, as some people are—but rather, I'm saying that you have to find in yourself some element of the quality of courage, the quality of insight into the future, the future that you leave behind, after your mortal life is ended, and say that what I am, in the history of mankind, is, as I view my parents, grandparents, and great-grandparents, and so forth before me: I view myself as a passing mortal individual, but I want my life, while it's going on, to *mean* something. And therefore, I will spend my life *wisely*. If I have to die on the battlefield, I will spend my life wisely, for a meaningful purpose, for my nation and for mankind.

Now people who think that way, and can find their roots in family and history and also in the future, that way, have the courage to face gladly, the kind of challenges which we as a nation face today. And one would wish that as I speak, that those who died, or whose families made the sacrifice of their death, during two world wars of the past century, could be with us today, to hear me say this, and to see you hear this, that they might believe that in this nation, there's something that still lives, *that made their sacrifice worthwhile*.

Ideas as a Source of Courage

And there's the source from which you find your strength also you find another source you have to call upon. It's called ideas. Some people believe, that what's important is what they know from experience. Experience is sense perception, what I can see, what I can taste, what I can touch. What I feel in my neighborhood, my community, my personal, immediate, physical sense of self-interest. Some people think that way. That's a foolish way of thinking. Because you don't understand then, the difference between man and animal. Think of all the people you know, who say that mankind is just another monkey, or just another ape. Now, I admit that we've elected some politicians who might lend themselves to that view. But man is *not* an ape. Man has a quality which no animal has. Look, if man were a higher ape, whether on high stuff or not, the human species, in the past 2 million years, would never have reached a level above several million individuals. We now have *billions* of people. How do we get billions of people, out of a being which, as an ape, is only capable of maintaining a miserable bunch of monkeys, so to speak, at about a few million members, planet-wide? How'd we get that? Because mankind has a quality which no monkey has. So don't monkey around with mankind! Mankind is capable of discovering universal principles which cannot be smelled, tasted, seen with the senses, but which the mind is able to define, and we're able to prove experimentally.

This is what we mean, when we say in Christianity, Islam, or Judaism, that man and woman are made equally in the image of the Creator of the Universe. Because we each have within us, that power to discover truth, the truth of universal principles which no monkey, no lower form of life, can do. And through this power, we are able to change man's relations with nature; we're able to change ourselves, to improve and develop ourselves. We're able to transmit these discoveries to our children, over successive generations. We're able to build societies where there were nothing but jungles. *This is why man is sacred.* This is why every human life is special and sacred. This is why every human being, man or woman, is equal, in this quality, which need but be developed and expressed.

What gives you the power to deal with great crises, is to recognize that; to think in terms of principles that you can discover, and prove, as Kepler discovered the law of gravity, universal gravitation, in a book he published in 1609. You can discover these principles; you say, that if I can learn an idea, discover, re-discover an idea, or contribute a new discovery of principle; and if I can pass along these discoveries which I've taken in part from people before me—if I can pass them to the next generation, if I can enrich these discoveries with something I contribute myself, then I live forever, as a human being. Because in the time I occupied mortal life, I picked up the heritage of ideas from the culture, people before me; I picked it up from other cultures than my own, I put these together in part, I transmitted these to young people, as good

teachers transmit these discoveries to children, and when I die, these ideas, which I've helped to make possible, these achievements, will be transmitted to those who come after me. And therefore, the greatest thing about being human, is to be truly a person who acts in a way, which justifies the characterization of a being, man and woman equally, made in the image of the Creator of the Universe. Given the power to transform this Universe, capable of transmitting these discoveries from one generation to another, to build the human race from its initial imperfection as a beast-like creature with this quality, into something much better.

And therefore, if I can do something, with my life, which helps that process, then my life really means something. And I can go out of this life wearing a smile, because I have won. I have won the battle for the meaning of a personal life.

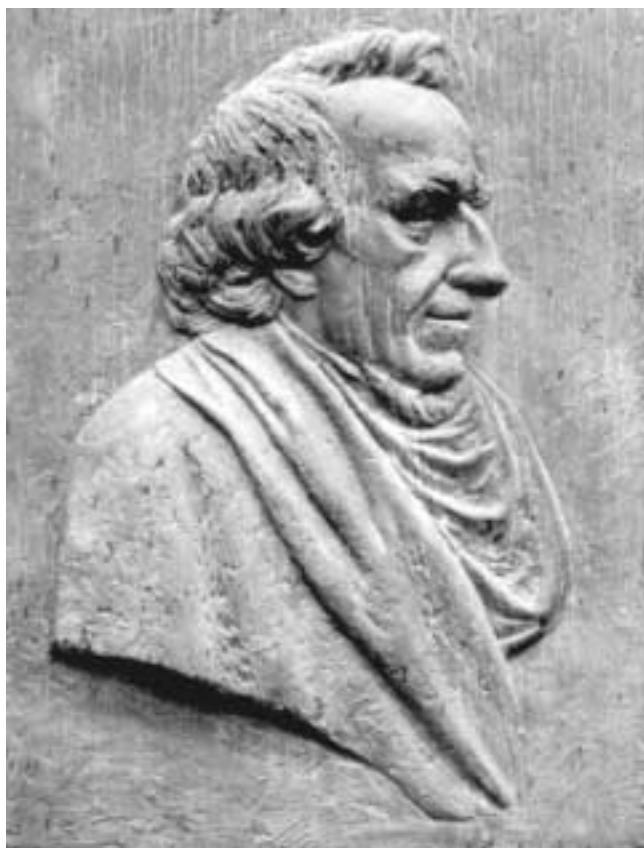
Therefore, when it comes to war, or things like war, the person on the other side is a human being, made in the image of the Creator of the Universe as we are, of the same nature and the same true, fundamental interest, if they but know it. Therefore, the function of war, is to defend this heritage, this cultural heritage, that we have been given, but to invite others to share it with us. Invite them to enter into fraternity with us. And say, stop being a fool. We will defend—if you go crazy, like a madman, and do something evil—we're going to stop you, if we have to. But we will rejoice, when you become human and accept the conditions of fraternity and peace. And that's the proper object of warfare: to defend what must be defended, so that it can be preserved for humanity, to preserve the dignity and the lives of our people, the purpose of our culture. But it is not to conquer or destroy like a beast trying to destroy another beast. We do not eat man.

The purpose is to bring the human race together, as a community of sovereign nation-states, each perfectly sovereign, but united by an understanding of certain common principles, by which we can live together, but not only merely live together—not merely get along and not kill—but live together in the sense that we are busy living our lives, making a contribution which is not shameful in the eyes of those who came before us. We're contributing something to the future. And therefore, when you are future-oriented in that way, you have a source of courage which no other human being has, who lacks that sense of the future.

The Yiddish Renaissance and Its Enemies

Now let's look at something awful. Let's look, just briefly, at a glimpse of what's going on in Israel and Palestine today. What we have is a short [film] of what is happening in Palestine and Israel now. Let me speak very frankly, because these are frank times, people are being killed, and you don't use soft words to describe hard reality.

A long time ago, in Russia, there was a bad man. His name was Colonel Zubatov. He was the head of a secret police organization which was disbanded, essentially, in that form, after 1905. It was called the Okhrana. This fellow Zubatov



The German-Jewish philosopher Moses Mendelssohn, known in his day as the "Socrates of Berlin."

recruited an individual called Vladimir Jabotinsky. Jabotinsky became an agent of the Okhrana, which was a British Intelligence-affiliated Russian intelligence organization at the time. A police state.

The main target of the Okhrana at that time were the Jews of Russia. Now the leading organization among the Jews of Eastern Europe, of Russia in particular, was called the Bund, which was based in the northern parts of what was then called Russia. It's known in the United States as the Workmen's Circle organization.

These people represented a formation called the Yiddish Renaissance, which was an extension among Jews of Eastern Europe, of the tradition of Moses Mendelssohn, of the German Jewish tradition of Moses Mendelssohn. And modern European Jewry, in all its achievements, and there were many, was actually largely a result of a revolution in the standards of the Jew, effected through the influence of Moses Mendelssohn, one of the greatest intellectual figures of the 18th Century.

It was through Moses Mendelssohn and his family and friends, that Jews were first allowed to be treated as human beings in Austria. This was by Joseph II of Austria, the Emperor. And similar status of the Jew was finally—the Jew was

elevated to a condition in Germany of full dignity. And from that point on, under the influence of Moses Mendelssohn's program, we have some of the greatest music ever composed, because Mozart, Beethoven, other great composers, the circles of the Bach family, were all part of this same tradition, this so-called Classical tradition, which was linked to this Jewish circle of Moses Mendelssohn.

For example, Schubert—some of the songs of the Jewish service, were composed with the aid of Franz Schubert. Mozart was closely allied with the Mendelssohn family. Beethoven was subsidized, in part, by Itzig, from Leipzig, a part of the extended Mendelssohn family. The great contribution of German Jewish physicians, scientists, and others, like Heinrich Heine and others, to the culture of Europe, and civilization as a whole, as well as Germany, came from these people. And we had in Eastern Europe, what was called the Yiddish Renaissance.

The same tradition, with the famous, famous name like Sholem Aleichem, famous in the United States in particular. Many of the people who came here, who were Jews from Europe, came from Germany, originally, and later came in great numbers from the Yiddish Renaissance masses of Europe. Even into the 1960s, in the mobilization around Martin Luther King, for civil rights in the United States, the Jewish unit, the Jewish element, in the fight for civil rights of African-Americans, came largely from the legacy of the Yiddish Renaissance, of the immigrants of the Yiddish Renaissance, into the United States.

The Heirs of Jabotinsky

So, here's the great tradition against which the Okhrana was fighting, Zubatov was fighting, and Jabotinsky was an agent. Jabotinsky then, as an agent, went to Paris, where he worked for one of the worst Okhrana agents in the world, the fellow who wrote and published the so-called "Protocols of the Elders of Zion." He then became involved, among other things, in a British Intelligence operation called the Young Turks, in Turkey. He was the publisher of the magazine, of the official magazine, of the Young Turk movement. He went to Italy, where he became a close associate of Benito Mussolini, declared himself a fascist, like Mussolini. His organization in Italy became an integral part of the fascist military organization in Italy. He—when Hitler was first elected to office, or nominated to office in Germany—he offered to support Hitler if Hitler would drop the anti-Semitism. This guy Jabotinsky, the Jabotinsky movement, is a fascist movement.

This movement went, along with others, into Israel, in the settlements in Israel, and became the terrorist wing of Israel which is associated with this terrorist Menachem Begin. Remember Menachem Begin? The fellow who bombed the King David Hotel, and there was the British Governor of this region, or this area, sitting up in his bathtub, and they bombed the hotel. The hotel did not fall down completely, but there's



The fascist Vladimir Zhabotinsky, who spawned what today is the Likud party in Israel.

this fellow sitting up in his bathtub, with the building fallen down around him.

So these guys were really killers. What happened is, in the course of developments from about 1967 through about ten years later, the traditional Zionists, like Nahum Goldmann, the founder of Zionism, of that type, these types were pushed out of the dominant position of power, and a group called the Likud, which incorporated the ideas and aspirations and moods of these fascists, declared fascists, became more and more a power in Israel.

Ariel Sharon represents that fascist movement. What you're seeing, or what you could have seen, on the screen, is a copy of an operation which the Nazis of Germany ran against the Jewish ghetto of Warsaw in 1943, which is now being conducted by the fascist Sharon against the Jewish ghettos, or these Palestinian ghettos of the Middle East, Israel and Palestine. And people are saying, if you're against Sharon, you're an anti-Semite. These people are liars. They are moral degenerates. It's not forgivable. For someone who says, "I'm Jewish, I'm fighting for the Jewish people," to do what the Jabotinsky movement did, as an avowed fascist movement, a Jabotinsky who was turned down by Hitler, because Hitler wouldn't give up the anti-Semitism. And to perpetrate a crime, which the Israeli Defense Forces know, is an actual copy of the operation which the Nazis ran against the Jewish ghetto of Warsaw, against the Palestinian people. This is a crime against humanity. *This is genocide.* And when someone says, "If you call this genocide, you're an anti-Semite," they're sick.

But the problem here is this: How many people in the United States, for example, will defend Sharon, will defend what the Israelis are doing, while other Israelis are risking their lives opposing this, saying this is wrong? Remember,

the Sharon government came to power indirectly, through the terrorist assassination of Prime Minister Rabin of Israel, who recognized that this kind of thing must not happen. You have a terrorist government, a government that came to power through terrorism, the murder of a Prime Minister of Israel, and the crime has never been exculpated. You have in effect a criminal, fascist government in charge in Israel. Period. Don't talk about democracy, the President's misinformed. He should send Condoleezza Rice back to school to learn something, eh? Get some better advice.

So this is the kind of problem we face. But worse is, that not only are people in the United States expressing mass sympathy for this thing, including some of the worst anti-Semites in the United States, who are called the Christian Zionists. You want to find a real racist, anti-Semite, in the United States? Find yourself a Christian Zionist. You'll find among them, the typical Ku Klux Klan types, who also happen to be anti-Semites. These are the guys, the Pat Robertsons, the Falwells, and so forth, who're implicitly fascist themselves. And many Americans have fallen for it.

Worse than that, we have a military policy which is wrong. We don't have a strategic defense policy. We don't have an economy which is geared up to provide the sinews of strategic defense. We do not have a peace policy for the world. We—if I were President of the United States today—we would be bringing the world together, and it would be successful. Because the world wants it. The United States still has an authority and a legacy. If it became itself once again and said, we must have a solution to this worldwide financial-economic crisis, we must have peace and cooperation on this planet, nations all over the world, peoples all over the world, would rejoice and join us. We have that kind of power. So why aren't we using it?

There Never Was a Recovery

Now, we come to the final point. What's the situation? Let's just go through this [Figure 1]—I've gone through it before—again, but it's important to put what I'm about to say, in this context I've just given you.

Now this is old news to many of you, but just to walk through this, because certain things have happened recently which will make these things much more significant for you than perhaps before. Some years ago, back in 1995, as I reported earlier, I was at a Vatican conference on the question of health care, and, as a participant, I gave them this paper, in which, to try to illustrate what was wrong with the world economy—which of course has something to do with our health-care situation today—that this was the nature of the problem.

We have a system now, since 1966, a degeneration in the U.S. economy, a degeneration from what used to be the world's greatest producer society, into a decaying, decadent, consumer society. We don't produce any more, or we produce less and less. We import from abroad, and we can't afford to pay for it. And we're able to import less and less, now. So

FIGURE 1

A Typical Collapse Function

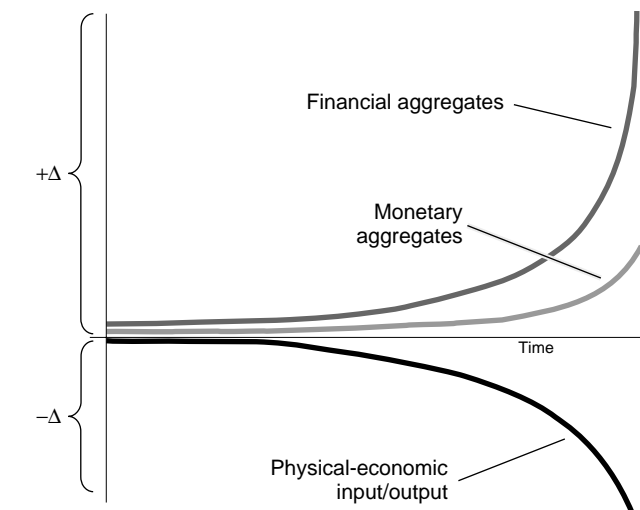
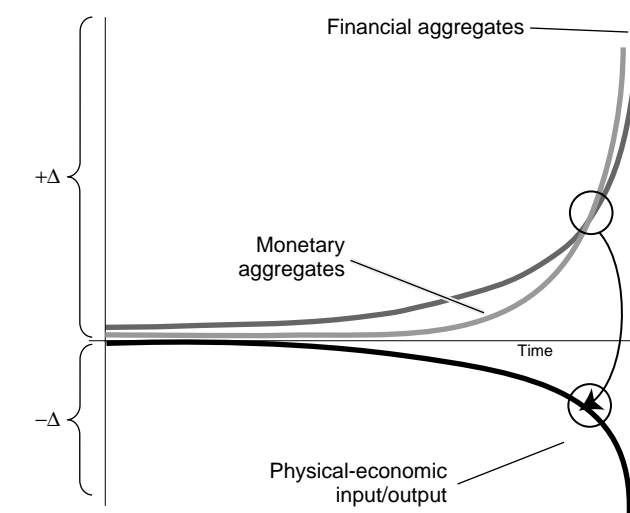


FIGURE 2

The Collapse Reaches a Critical Point of Instability



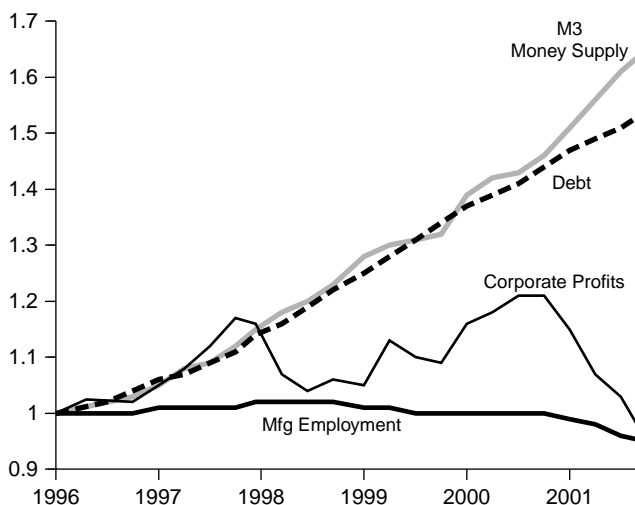
what kind of a system do we have? The financial aggregates—that is the rate of growth of stock-market assets and similar kinds of nominal assets, paper assets—were rising at a very high rate. In order to keep this market going, there was a monetary emission, that is, printing of money or similar things, from the Federal Reserve and others, which was being poured into the markets, to push this bubble of financial paper. But, while they were doing that, the way this thing was being done, is the growth of financial aggregates and monetary aggregates was based on looting, actually cannibalizing our pre-existing economy. So that, per capita, the real, physical output of the United States, per capita, was collapsing. Farms, industries, so forth. Runaway shops, all this sort of thing. Now that's the picture. Take the next one.

Now in this case [Figure 2], this is the point reached in about the year 2000. And what this represents is that, you had a point at which the rate of increase of money printing required to maintain the financial markets, was greater in amount, than the amount of financial aggregate they were saving. At this point, there was an acceleration, a steep acceleration, in collapse of the physical economy. Now this happened about the Summer of the year 2000, in real terms. People didn't pay much attention, or didn't wish to pay much attention, because the financial aggregates were still going up. Until the full impact of the collapse of the so-called New Economy, occurred, people didn't pay much attention to it. But that happened then.

In this [Figure 3], these are actual figures, or based on actual government figures. So what you see here is the cross-over point. You see, the employment is down, manufacturing employment—that's *real* employment; the farmers would show a more disastrous effect—corporate profits fluctuating; the debt rising, the debt level rising, but the U.S. money supply

FIGURE 3

The U.S. Economy's Collapse Function Since 1996



Source: EIRNS.

is being increased more rapidly than the financial markets are rising. So at that point, you've hit a point which has a historical precedent, a very important one: Germany 1923. Germany was doing a similar kind of thing then, to prop up the Reichsmark while it was trying to pay off the so-called war reparations debt. Up until the Spring of 1923, there was inflation, but not a chaotic or hyperinflationary bubble. Suddenly, in

June-July of 1923, the bubble exploded. And by that time, later in November, the German Reichsmark was bankrupt. So what happened here, what you're seeing here, is something similar to what happened in Germany in 1923.

Now, you see on the markets today, if you pay attention to what the reports are from around the world: Since Enron collapsed, it is now apparent, that every time you were told there was a recovery in sight, or signs of a recovery, in the international markets or the U.S. economy, it was faked. *The figures have all been faked.* And right now, especially this week, the figures on the amount of this fakery, are beginning to come tumbling out. *There never was a recovery.* There never was a genuine uptick. And it happened just already today—the day starts out, the market's going up. But then you find out the reason the profits are increased, they said, without mentioning expenses. And the firm had the biggest loss ever. In that kind of fakery. So people today in the United States are faced with the fact: There is no recovery, there never *was* a recovery, and under this system, there never *will* be a recovery. The world is going into the biggest depression in modern history, at least since the 17th Century. Right now.

And the gold price was up to, what? About \$5 in one day. That's not an increase in the value of gold; that's a decrease in the value of the U.S. dollar. We are now in a depression that is worse than what you were in—if you were living then—in 1929-1933. It's happening. It is presently irreversible. Anything they try to do to prevent it will only make things worse. But there are solutions.

There Are Solutions

Now, here's where the hard thing comes. What is the solution? If you look at the history of the United States and the world, from 1945 to 1965, that is the so-called post-war recovery period. And you look at the United States in 1966, to the present, you'll see—that's why I used these figures, '66—because the economy we had, in the post-war reconstruction in the United States, Europe, Japan, and to some degree South and Central America—that was a real recovery. A success. There were a lot of problems with it, a lot of injustices. But, in terms of economic figures as such, it was a success. It was real. There was actually an increase in the productive powers of labor. More was produced, more was available. Consumption standards improved. That sort of thing.

But, 1966 on: It stopped. We began to slide down, and the rate of downslide accelerated. It was accelerated at a fast rate under Nixon. 1971: Nixon took the dollar off the gold-reserve system. Created a floating-exchange-rate system. The U.S. economy has never recovered from the effects of that.

Then came along Brzezinski. Don't blame Carter; Carter was President—but he was only the President. Brzezinski ran the show. Under Brzezinski's dictatorship, from 1977 to 1981, the destruction of basic economic infrastructure and regulation in the United States caused the greatest destruction

of the U.S. economy in all history, in total amount. That destruction has continued, with Garn-St Germain, with Kemp-Roth, and with other arrangements. It continued—we looted Europe, we looted Russia in particular after 1989-1991, and we got by with a lot, because we were able to loot countries. We looted Europe. Europe became, when the Soviet power collapsed, Europe became less powerful, because now it was at the mercy of the Anglo-American interests. And the looting of Germany, and of continental Europe, really took off at that point. Russia was looted beyond belief. Poland has been looted beyond belief. The Poles would be happy to have communist Poland back today. The same thing is most of Eastern Europe, the same thing. Around the world. Look at Japan. Japan is about ready to blow. There is a healthy industrial economy inside Japan, but the entire financial system, which has supported the United States, is about to collapse. Look at the ASEAN countries, other countries.

The collapse is fully under way. We are now in a world-wide collapse which has been caused by a change in the world system, from a system with imperfections, but which nonetheless worked—the post-Roosevelt system. The system was actually built by Roosevelt. From 1945 to '65, we had an economy, a real one. With policies that actually worked. Since 1966, we've gone step by step into an economy that doesn't work. Now it's collapsed. The amount of debt which is outstanding today, could never be paid. We are sitting on top of a real-estate bubble collapse in the United States today, the Fannie Mae/Freddie Mac bubble is about to blow. What day it's going to blow, I don't know. But it's going to blow. People are going to find that houses which they have listed as mortgages at a half million or so, plus or minus, in the Washington, D.C. area, or the New York area, these shacks will probably be lucky to go for \$100,000 redeemable value. People are going to be wiped out. Jobs are going to be wiped out. Firms are going to be closed down.

What is the government going to do? It's going to happen. Well, if you had a Franklin Roosevelt in there, you'd know what to do. You'd freeze what you had to freeze, you'd put the country through bankruptcy reorganization and restore the fixed-exchange-rate monetary system, and believe me, we could get it through quick, right now. You would put regulation worldwide. Regulation of trade. A new tariff system, a protectionist system. You would make sure that people were not fired. We'd keep banks from closing their doors, even if they're bankrupt, to keep the trade going. We would keep people employed, and the government would turn around and start a large-scale, mass-employment program based on infrastructure to stimulate the re-growth of the entire economy. We would do that in cooperation with nations around the world, which are now desperate. And if the United States said we're willing to do it—for example, if I were President right now, every one of them would say, "Yes." They'd agree with everything I say. They wouldn't even know half of the things I'm talking about, but they would agree with

it, nonetheless, because in a time like this, they're looking for leadership. They want credible leadership, that knows what it's talking about, and is willing to act, and is trustworthy, in the sense that it will act. And if they find that, they're going to say, "Okay, we're working with you." And we'll sit down and we'll discuss the details of what we're going to do. And then do it.

A Mobilization of Courage

So what we need now, is a mobilization of courage, from among not too courageous leaders around the world, and from the people who will push them. We can get out of this mess; we've dealt with messes before. Organizing and reorganizing a financial system or monetary system is not the greatest thing in the world; it's a tough thing. It would take us 25 years, to repair the damage to the world, and the United States in particular, done by the changes of the past years. We can do it. We'll do it with methods which are not dissimilar, entirely, from what Franklin Roosevelt did, beginning in 1933. It worked then, the post-war version of Roosevelt, which was a diluted version, also worked. It'll work again. We rebuilt Europe with people like Jean Monnet and so forth in the post-war period; we can do it again. We can work with Russia and we can rebuild Russia. We have tremendous potential markets in China, in Southeast Asia, India, and so forth. If we build the system which they need, to do the development which they need, and they represent, therefore, the markets we need, for the products we can produce, that they need. And if we have a 25-year credit program among nations to do that, we can pull this nation and the world, out of the mess.

We have to decide, however, what kind of a world we want to build. Not a world in which we tell everybody how to run their government. Not a world in which we tell you you're a rogue state; you're not a rogue state; or you're a rogue state tomorrow, but not today, or whatever. We need a world in which we agree that there are several simple principles: that every people has the right to be self-governed by a perfectly sovereign form of nation-state republic; that the policy of the United States is that which Secretary of State at the time, John Quincy Adams, said to the nations of South America and to the world: As soon as the United States has enough muscle to do it, we're going to kick the British and the Habsburgs out of the Americas, and we're going to establish a community of principle among perfectly sovereign nation-states. We have to say the same thing today to the world. The world we want, is not a world of our design, it's not a world in which we become the dictator or the emperor; what we need, is a world which is composed of perfectly sovereign nation-states, which in their own mutual interests, will cooperate and will establish principles, a community of principles of agreement.

Right now, we've got a big job. Rebuild the world economy, make the world a safe place to live in, economically. I think we can succeed. I'm willing to do it. Who else is?

Thank you.