

LaRouche Webcast: 'Preparing For the Post-Cheney Era'

Noting that "time is short" before the next President of United States is sworn in in January 2005, Democratic Presidential candidate Lyndon LaRouche outlined in an Oct. 22 speech to an international webcast centered in the nation's capital, a series of emergency measures he will take in the first hours in that office.

The event was attended by close to 300 people in Washington, D.C., and hundreds more located in "satellite" events across the country, in Europe, Asia, Central and South America, Australia, and over the Internet in every part of the world. LaRouche's address was punctuated numerous times by enthusiastic applause as he outlined his policy for the first 100 days of his upcoming Presidency, and followed by three and a half hours of questions and answers with his live and Internet audiences, which we do not publish here.

The largest segment, approximately one-third of those attending the Washington, D.C. event, were young people and students—members of the LaRouche Youth Movement, and those in the process of being recruited. There were also a significant number of current and former elected officials, including state legislators, city council members, and others; and a smaller number of labor union officials, diplomats, press, and political activists, including leaders of the fight to save D.C. General Hospital in Washington.

The broad topics of LaRouche's address were: the California Recall aftermath coinciding with a deep shake-up within the Democratic Party's following; the acute phase of the international monetary-financial crisis; and the continued threat of neo-conservative war policies.

As indicated by the title of LaRouche's speech, the immediate problem to be resolved is the urgent requirement that Vice President Dick Cheney be removed from office. Moderator Dr. Debra Freeman, LaRouche's East Coast Campaign Spokeswoman, observed in her introduction that the Oct. 22 event was Cheney's "going-away party." Indeed, over the period since LaRouche's last international Webcast on July

2, there has been a veritable avalanche of revelations, intelligence reports, newspaper articles, television interviews, not to mention recent speeches on the floor of the U.S. Senate by senior Senators Kennedy and Byrd, all contributing to Cheney's fervently desired, and long-overdue departure. But, as everyone knows, the leader and center of this fight to dump Cheney, is LaRouche himself, at the helm of his Youth Movement.

The quality of LaRouche's leadership was seen in bold relief during the question-and-answer session. A principal topic covered was the Middle East crisis; LaRouche pointed to the very promising proposal, known as the "Geneva Initiative," reached between Israeli Justice Minister Yossi Beilin and Palestinian Authority leader Yasser Abad Rabbo. "This is important," LaRouche said. "I think that governments and others around the world should support it." In response to a later question on what could be done to rein in Cheney's collaborator in war, Israel's fascist Prime Minister Ariel Sharon, LaRouche spoke as if from the Oval Office: "As President, I'll have no problem in dealing with this. I will deal with it." LaRouche vowed he would tell Sharon, "You don't get a nickel from the United States from this moment on, until you stop this nonsense." Again, on the question of how to deal with the terrible injustices done against immigrants to this country, LaRouche said, "I hate to say this over and over again, but if I'm President of the United States, this is going to change."

(Subheads have been added in the transcript.)

Time grows short. There's just more than a year and three months from now: The next elected President of the United States will be walking into his office, in the Executive Mansion, which Teddy Roosevelt christened the White House.

So, on this occasion, in addition to discussing three topics which I shall present here today, I'll preface the discussion of those topics by giving you some indication of what I will be



LaRouche in Washington on Oct. 22: "We've got to stop what Cheney represents now. It's the easiest thing to do—just get him to resign."

doing in the first hour that I walk from the Inauguration, into the Executive Mansion, and start to do things.

Health-Care Action

There are two areas I will refer to. One is health care. We have a problem in health care, which is accentuated by the fact that people who were still adolescents at the time that the Cuban missile crisis occurred—at the time that Kennedy was assassinated, at the time that the Indo-China war officially opened—are now in their fifties or sixties, some coming into that, and they're beginning to experience some of the health-care problems which come about the time you reach 50 or so, at least for many people. They're therefore experiencing some of the health-care problems which many of my generation are also experiencing.

The health-care system is breaking down.

Also at the same time, we have—returning from wars in Afghanistan, and Iraq, or not yet returning, or never to return—members of not only the regular military services, but the Reserves and the National Guard, who are coming back, a large number of them, with various injuries, other health problems, some severe trauma cases, being hidden, being deprived of the care they need. So health care is an extremely important problem, on which the next President must act; on those matters which the present incumbent President fails to act upon.

One of the first actions I shall take therefore, is to act to reopen fully, D.C. General Hospital, as a full-service, public hospital.

At the same time, I shall issue a recommended piece of legislation to the Congress, which will restore—it will be

about a five- to seven-page paper to be legislated up, not longer—which will restore the Hill-Burton legislation, and will repeal the HMO legislation which was installed in 1973 by the Nixon Administration.

I shall also take immediate action, within the power of the Executive, and by proposed legislation to the Congress, to fully reactivate the Veterans Hospital System.

I shall also take similar action to re-energize the public health system, which used to be a system under which people who wished to become physicians—could, by volunteering for this program, and being qualified—would receive a medical education, under the condition that at some time, they would perform a certain amount of public service as employees of the government, or others in the public health system. Some of our prison doctors and so forth went through that route. This is also an institution which protects us, on things that fall between the cracks, such as epidemics, local crises, emergencies; and the staff of the public health system has been cut back. I would propose to restore that, and re-energize it, for the needs we have today, particularly where the cracks arise in the health-care system, this is the institution which should look into the matter and make a recommendation, or even act.

We need to respond, as I said, to the problems of our aging population, which includes not only those of my generation and slightly older, but those who are now in their fifties. We find friends, in their fifties and early sixties, dying, or facing very severe health-care problems. We find, that under the present arrangement, when they go into a hospital or seek care, they're placed in jeopardy, unnecessarily, by the kind of new rules which have been introduced, and the progressive



D.C. General Hospital was closed in May 2001, after a bitter fight between the city's financial power-brokers, and the citizens' movement led by LaRouche. LaRouche vows that one of his first actions upon assuming the office of the President, will be "to act to reopen fully, D.C. General Hospital, as a full-service, public hospital."

deterioration of our health-care system, under the impact of HMOs.

We have to make reforms in this direction. We have to, among other things, ensure that there is no criterion for delivery of medical care, except the decision of a physician. We must eliminate the HMO provision, under which the physician is given the right to only make a checklist of care you receive, and deliver that amount of care only in the amount prescribed by some accountant in some firm, not a medical professional. That must end. We must restore physicians' rights to do whatever they think is necessary to assist a patient.

Now, this goes to something else, as well. It goes to preventive medical care. As a former Surgeon General discussed this matter with me, and I took that instruction from her as a charge, which I'm now delivering here: The problem we have, is, that, under the Roosevelt Administration—Franklin Roosevelt—and afterwards, we had an improvement in life expectancy in this country. As a result of that, people live long enough, to get some of the diseases of aging—increase in cancer, other kinds of disease which go with the aging process. Therefore, we have a new category, in the past decades of health care, of kinds of medical needs which did not exactly exist, in periods where life expectancy was shorter.

Therefore, the emphasis has to be placed now, on preventive health care. This means provisions that we make in the interest of public health, to protect people from these risks. And also, that means that we must give the physician the opportunity, when treating a patient, to make recommendations to that patient, and to prescribe measures to be taken, either as medical advice or actual prescribed care, which will

help that person to avoid the penalties of some of these sicknesses. Actually, the cost to society, of giving the physician and medical facilities the freedom to make these kinds of decisions and take these kinds of actions, will cheapen the cost of health care. Because preventive health care, where it's appropriate, is a lot less expensive than waiting for the catastrophe, which an HMO finally acknowledges to exist.

So therefore, physicians' rights: freedom from having accountants run medical practice, is an essential measure, on which I would act, *on the first hour* I were in the White House.

We also need a special investigation on diseases of aging of tissue. This is a frontier, which affects not only the aging, but in the history of mankind, study of the things that happen to people as they become older, are valuable in our approach to the problems of people *when they are younger*. If you catch a disease in the period of old age—such as cancer, cancer research, which used to be considered largely a disease of old age, and so forth—the work that you do on that, then enables you to deal with other areas of care, frontiers of care, where you have failed previously. And therefore, that must be part of our program.

Military Reforms

Now, on the question of military reforms: We have to honor the veteran, and it is my present intention, in that respect, not only to honor the veterans for past services, but for future services. That is, I propose, and I shall present to the Congress, proposed legislation which will restore universal military service. And I shall explain why I shall do that.

First of all, it has been largely forgotten, that national military service was the foundation of this country. We fought

a Revolutionary War; we had the idea of national military service, then.

Later, especially after 1815, the War of 1812-1815, we began to study, in this country, reforms in military policy, which had been introduced in Europe: For example, the work of Lazare Carnot, who is famous in France as the “Author of Victory,” who saved France from destruction, under his military leadership between 1792 and 1794. Lazare Carnot, a young scientist, genius of his time, introduced the concept in a more precise form, of what is called “strategic defense,” a change in the policy of war to strategic defense, *away* from cabinet warfare and “preventive warfare,” as it’s called. This policy was understood by our country, later, and was the policy of our greatest military commanders, as well as our sane governments, our Presidents, such as Dwight Eisenhower and Gen. Douglas MacArthur. You don’t go to war for preventive purposes. And, your purpose in warfare is *defense* of the nation and to—as quickly as possible, with the least cost to both sides—to bring about and to build a peace, which creates peace where there was war. And, by having these policies, often to avoid war.

If the world knows that we are a peaceful nation, committed to a policy of military strategic defense, and that the purpose of our war-making, if we are forced to make it, is to collaborate with the opponent nation, and to rebuild the peace with the least possible damage to either side—as was the policy of Douglas MacArthur in the Pacific War, where he dealt with war on a larger area than any individual commander ever before; fought as few battles as were necessary, by skipping islands on which Japanese forces were located—you don’t have to go there; they’re not going any place, and you don’t have to go there, and kill them.

We did drop bombs on Hiroshima and Nagasaki: that had nothing to do with MacArthur. It had nothing to do with winning the war! The war was already won, by blockade and by the conquest of the Pacific. But in the shortest period of time in the greatest area, MacArthur, through a policy of strategic defense, won the war. Truman *didn’t*; he nearly lost it.

Also, a second thing we learned in warfare, was the idea of mission orientation. Now, this came to us from Germany. It came from a great reformer, Gerhard Scharnhorst, who introduced the concept of mission orientation to warfare. It should be restored in Germany—but that’s their business—in their military policy. We certainly should adopt it, here.

Now, this has a larger implication. In the past, our concept of strategic defense included the role of the military Army Corps of Engineers. Most West Point officers were trained as military engineers. They built bridges; they built canals; they did other great public works. These were done by military men, in part; the building of the railroads was largely done by military men, trained as engineering officers. This institution has become unpopular. It’s *essential*.

As anyone remembers from World War II, the United States’ forces were not the best fighters in the world. They

may have been the biggest machos in some respects, but they weren’t the best fighters. They were better in the barrooms, than they were in the field of battle. The way we won the war, was through Franklin Roosevelt’s policies—before the war and during it. The United States’ forces overwhelmed the world with logistics—with technology and logistics. It was our superiority in logistics, that enabled us to succeed, where our military training fell short. And that applies today.

Skills for the Young Generation

Now, during that period, one of the factors in the war was an organization called the Civilian Conservation Corps. This institution brought young people from the streets, so to speak, and backwoods, and put them into a program under retired military service—that is, people who had been retired military officers would be in charge of these CCC camps. And, the boys lived in barracks; they were trained, they did various kinds of work of importance to our country. And many of them, like the famous Michigan division, they just marched out of the CCC camps into the military, and became a military division, which fought overseas.

The people who went through this training, and also regular military training later—we transformed people, scraped from the slums of the country, and from the backwoods, where they were virtually unknown; we put them in training, in 16-week-plus training programs—where I, for one, was in this program awhile; I had a few platoons pass under me. You see them lined up on the company street, and you say, “We just lost World War II.” But, in the course of time, a year or two of this kind of training and service, these fellows, who had been pretty much abandoned people, went on to become a vital and productive part of our economy and our society, as the World War II veterans.

So therefore, today, when our economy is collapsing; when the infrastructure is collapsing; when we are about bankrupt; when we need infrastructure built, we need a military force. So, why not use the military force, as it was intended to be used, by great engineers, like Carnot and so forth? Why not train it? Train an officer corps, as engineers? It gives you the best possible capability, if you need them for warfare. And certainly, if we’re doing what we can’t do in Iraq: Clean up the mess you’ve made, before leaving.

Also, the Corps of Engineers is a force which can be deployed in assistance of large-scale infrastructure projects, on behalf of the Federal government, the state governments, and also the local governments; it helps. We should also have—because we have many young people, who have no qualifications for serious work at all!—we need something equivalent to the CCC program, by which we can track people, who are lingering on the streets, victims of a drug culture, where teachers and others have shoved Ritalin and Prozac and other dangerous drugs into them, against their will, where we have turned them into a drug-dependent culture, and where the education system is worse than a bad joke; you don’t pass



LaRouche calls for restoring universal military service: "Why not use the military force, as it was intended to be used, by great engineers, like Carnot and so forth? Why not train it? Train an officer corps, as engineers? It gives you the best possible capability, if you need them for warfare."

education, it passes you.

Therefore, under these conditions, we have to think of ways of taking these young people, who have been victimized by the change in our culture, we have to think of ways of transforming them, or helping them transform themselves into fully capable, productive people, who are capable of supporting a family *by their labor*, by the fruit of their labor.

We also have people parked in prisons, who shouldn't be there, because somebody wrote a bill, or new guidelines, which puts people into extended periods in prison, where they come out as a piece of junk. In many of these cases, which are minor drug cases, where some prosecutor wants to make a score—they stick someone there for 10-20 years or longer, just to make a score for the prosecutor, under the guidelines, by just piling up the charges. These people are often young people. There's a lot of discrimination in it, because if you happen to be of so-called African-American origin, or if you happen to be of Hispanic disposition, you may get a bigger charge, than if you weren't. So, what we're doing now, in our prison system: We're grinding people up, when they need a slap on the wrist, or something equivalent, and to turn them loose and turn them back into society quickly as productive people. Do you know what percentile of our population is in that category? Do you know what percentile of our so-called African-American young males are in that category? Do you know how many of our young people of Hispanic origins, are in that category? Do you realize what we're doing to our people by these kinds of policies?

We need a general approach to rehabilitating society. And

I intend to use the military tradition of the United States, as one of the institutional instruments, to promote that policy. There are no "useless sons" to be accommodated; but there are young people, who can fit into something, and make something of themselves, if we give them the opportunity and the guidance. So, why not give them something useful to do, something necessary to do, with the intention, they shall come out of it, as citizens in the full sense of self-respecting citizens? We must do that, now.

All right. Everyone knows, I think, around the world today, that I'm not a person likely to make war. As a matter of fact, I probably would get more peace by being President of the United States, than any other single act. You go throughout the world, today—you go through Eurasia, you go through other countries—and you compare other candidates, other prominent Americans who might become candidates, with my image in those parts of the world: The very fact that I were becoming President, would cause a deep sigh of relief throughout Eurasia.

But, on the other hand, people know that I'm serious, unlike candidates who don't speak their minds, but go to an advisor and say, "What should I be overheard saying, not to get into trouble?" We have a bunch of gutless candidates, who all want to be President, and some of them want to go to war.

Now, it is understood around the world, you don't fool with a LaRouche Presidency. You get just treatment. But don't try to abuse it. I can be very firm—as some people know. (I just don't like to be mean.)

Aftermath of the California Catastrophe

Okay, now, there are three subjects that I want to take up, after discussing some of the flavor of the White House during the first hour of my appearance on those premises. First of all, I want to touch upon something that Debbie mentioned: the aftermath of the California catastrophe, its effect on the current Presidential campaign and other politics.

Now, obviously, one of the important roles of a President is to help re-elect an improved House of Representatives: That is, a good Presidential candidacy, in a time of hot issues, can pretty much change the composition of the U.S. House of Representatives. If you have candidates running on the coat-tails of that Presidential candidate, they're likely to get elected. Now, we need some big improvements in the Congress, but especially in the House of Representatives, where improvement without "DeLay"—and I do mean Tom DeLay—is urgently required. So, don't complain too much about the House of Representatives—it's about to be improved, particularly if I succeed. Because, I guarantee you, if I'm running as the Democratic nominee for President, *we're going to win the Congress*; we're going to win the House of Representatives. That's a sure thing.

Secondly, the Senate's not too bad. That takes us back to California. As Debbie said, I went into California, as soon as the Recall threat was made. And I communicated to the circles of the Governor of California, that, while he'd made some mistakes, that I was opposed to his being subjected to the Recall, and proposed several things to him; one of which, he did. I proposed, I said, "Don't take all the blame for what happened in the California situation." *Everybody in the political system, from 1996 on, put deregulation into place. Everybody did it.* Worse, Arnie Schwarzenegger was part of the crowd that did the stealing! Shultz's man! Enron's man! Did the stealing. And the stealing got really bad, beginning in 2001 and 2002, when Vice President Dick Cheney intervened, to squash an exposure of the fraud being run by firms like Enron, against California—as in the Williams case. And the whole pack of neo-cons, including Dick Cheney, got into this government, through George Shultz, who's the big backer and controller of this geek-show act, now about to become Governor. Carnival geek-show act—that's his political qualifications.

So, what happened in the situation, is the Governor did do some things I thought he should do; he did say that he had to shoulder his responsibility for being soft on the deregulation issue, especially in his handling it during the crisis of this past year. Fine. Honest man. Usually a tough fighter. But, some of the Democratic Party people, the national candidates, either didn't intervene in California, or they went out like weak silly sisters, including General Clark—whom I call a General Failure, on account of his performance there. He's recommended as a staff officer, but never put him in command, according to some of his fellows. Rhodes Scholar, more than anything else.

So, these fellows failed, or they actually made things worse. Or, they pressured—the Democratic National Committee pressured the Governor of California *not* to fight; to lay down, and accept his fate.

We intervened. Some others intervened. But, I had the good fortune to have a youth movement—which we can have some discussion about right now, but first get a few points down. This youth movement, especially, with my full backing and my participation: We moved in, as Debbie indicated, in areas of California, the County of Los Angeles, and the Bay Area, in particular, and we moved in to turn it around. And we *did* turn it around! We turned it around wherever we were. But, there weren't enough of us, and there were too many of the other ten candidates, and too many of the Democratic National Committee's leadership right now.

Now, you know, that the decision on the election of a President, lies to a large degree, with the state of California. The Democratic National Committee is fully aware of that; my ten sloppy rivals are also aware of that. And yet, how they behaved in the state of California, on this Recall issue, showed they did not really want to become President, because they weren't willing to make sure they carried the state of California, which is *decisive*, in determining, marginally, the next President of the United States. And, *they were going to turn it over to this carnival geek-act show called Arnie Schwarzenegger, who's also involved with people who stole from California, who looted it.* And you wait to see what Schwarzenegger does to the trade unions in California, and to the Hispanic Americans in California! He's going to go after them first.

This man has the qualifications of an Adolf Hitler. He's a Beast-man! He's what you saw in "Terminator"! That's the man! You vote for it? That's what you get.

So, now we're in a situation, where it's clear, that while some people in the Senate, as typified by Senators Byrd and Kennedy, have broken free of the control of the gag-rules of the Democratic National Committee, to speak out plainly on issues which needed speaking; and some other people in the Senate, have had things to say—Joe Biden and others—which are quite relevant; the House of Representatives is a slave of this Tom DeLay tyranny! They're almost afraid to breathe down there! But, the Senate has shown, that the temperament of the Democratic Party, and also some Republicans, is to bring this nonsense to an end; to bring the Cheney nonsense to an end, and what that represents; to get rid of the neo-cons, and so forth. So, it's not hopeless.

But, we're now at a point, where you've got, really, three candidates left: Me, Kerry, and Dean. Well, Dean's not worth it, I wouldn't recommend anybody vote for him. Jimmy Dean would be better! But, Kerry has to be treated seriously, because of his backing and position, even though I think he's wimped out a few times, when he shouldn't have done that. I don't think he's qualified to be President. But, he's qualified to be a candidate. And therefore, it's good to have him in there. You might find Gephardt in there, too; I don't think

he's going anyplace. But, the three of us are there. The rest of them are also-rans.

We're down to three candidates. We're down to the point that the Democratic National Committee has to undergo a reform, a serious reform. It's one year and a little over three months, to the next inauguration; a little more than a year from the next Presidential election. The foolishness has to stop, now. And therefore, I speak as I do, and I say without fear of exaggeration, that given the present world situation and our national situation—and notably, given my special accomplishments as an economist—I'm probably the only person qualified to become President of the United States, at this time. And California has helped to make that clear.

The Monetary-Financial Crisis

We have entered the acute phase of a general breakdown crisis, of the world's present monetary-financial system. I've seen this coming for a long time; I've warned about it; I've never been wrong about any forecast I've made in this respect. It's here. If I tell you it's here, *it's here*. If you look at yesterday's figures, or the day before's figures, on the state of the U.S. economy; if you look at the current accounts deficit; if you look at our total foreign debt; if you look at our trade situation; if you look at our internal indebtedness, particularly in the area of credit-card debt; the housing bubble, about to break, in which suddenly we turn so-called nominal homeowners, into squatters, because the banks don't want them to leave, even though they've lost the house, because they'd rather have the squatters that live there already, than have new ones come in.

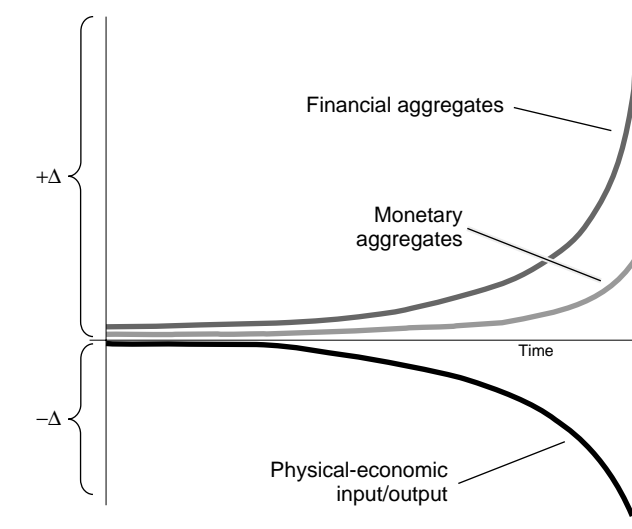
We're at that kind of situation. Employment is being cut. We're a bankrupt nation. Europe is in a similar condition. The situation in Mexico, South and Central America, is beyond belief. Japan is about to blow; Japan is bankrupt, its financial system is bankrupt. And, it went bankrupt, trying to print dollars to pump up the Wall Street financial market. Japan began printing money at night, loaned them as yen; the yen were converted to dollars; the dollars are dumped as dollars into the U.S. market. In the U.S. market, do they go into the economy? No. They go into *Wall Street*, where they pump up the values of stock prices, and similar things. And, nothing trickles down to the economy.

Let's get that first series of Triple Curves on, at this point (**Figure 1**). This is the first of three curves I'll show you right now. This I developed in 1995, when I was at a Vatican conference on health care, and in the process I submitted this as a pedagogical, because you don't expect nuns and priests necessarily to be the best economists in the world. So, I tried to make it clear to them what I was talking about.

What we have is this: If we measure what we produce and consume, in terms of what are called "market baskets," we have the following picture. By "market baskets," I mean the market basket of household consumption, direct consumption by households. Chiefly physical things: necessarily medical

FIGURE 1

LaRouche's Typical Collapse Function



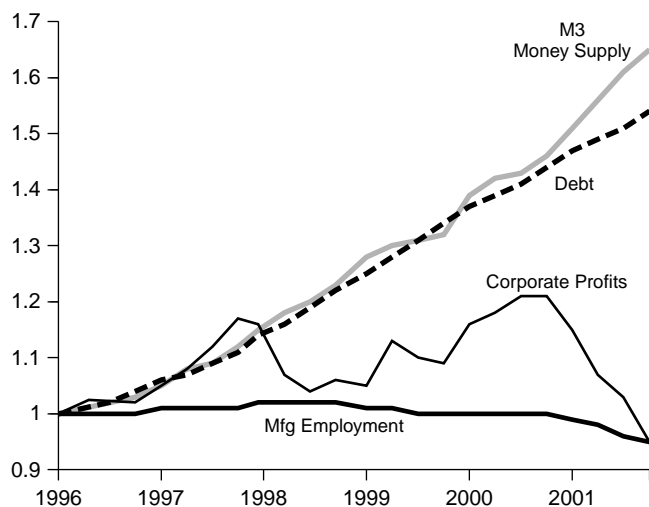
services, which is a physical thing; education, which is a physical thing—you get it in a school, or you get it through a teacher, or something. Also, infrastructure. Not only capital goods, maintaining machinery, but also maintaining the national railway system; maintaining the highway system; maintaining municipal functions; maintaining the production and distribution of power; maintaining water supplies and sanitation, and so forth and so on. That in *physical terms*, the per-capita output of the United States has been *declining* since approximately 1966-67.

Now, this is a simplified picture of it; I'll get to something more actual, physical, in just a moment. But, in this period, we have been skyrocketing in terms of the amount of financial assets. In other words, the financial assets, the so-called "financial values," of the United States, have been zooming, and prices have been zooming, while the *physical content* of the dollar has been collapsing. And this has been catastrophic in the past two years, as many of you know from personal experiences.

This process has been pumped up, by issuing monetary aggregate, money—printing-press money and more recently electronic printing-press money—electronic emission of monetary aggregate, credit. So, now you take the next one (**Figure 2**): This is what it looks like, in terms of actual data, from 1966 on; these are the trends. Next (**Figure 3**).

Okay, now, the change occurred on Clinton's watch. Remember, that 1996 was a disastrous year, where we had to make a turn, and we had an election coming up, and Bill Clinton was supporting Al Gore. And we got Gore. Clinton was re-elected, but things were bad. As a result of the failure to make certain changes in policy—that is, the capitulation to Newt Gangrene that year, remember? The failure to make

FIGURE 2
The U.S. Economy's Collapse Function Since 1996



Source: EIRNS.

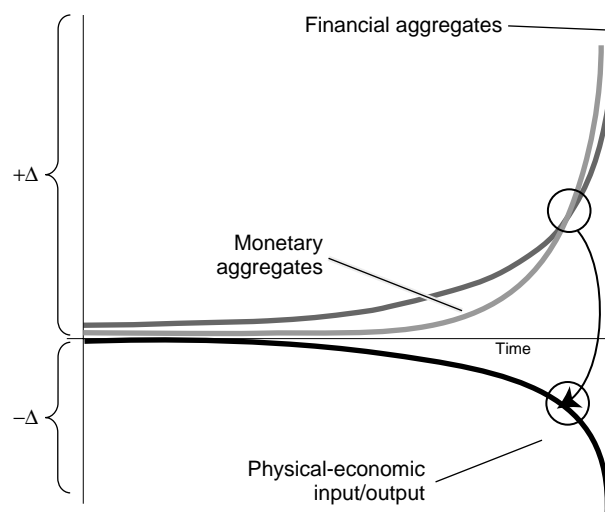
certain changes in policy.

We were headed toward a series of financial crises, *global* financial crises. The first one occurred; it was called the “Japan crisis.” It was caused in part by George Soros, called the “Asia crisis,” which affected the countries of Southeast Asia. China managed to duck that one, by refusing to let its yuan be meddled with, at that time.

Then, we had, the following year, 1998, we had the Russian bond crisis. Now, the Russian bond crisis was largely a gift, indirectly, of Al Gore. Al Gore, as Vice President, had been meddling with Russian politics, and particularly with the re-election of Yeltsin. And he became involved with a very dirty drug-running operation, called Golden ADA, based in California. And, this process led the financing of Yeltsin’s “good appearance,” shall we say, coming out of that re-election campaign, his re-election campaign, resulted in the 1998 GKO Russian bond crisis, which caused a collapse of a major financial operation on Wall Street. In August, it almost brought the system down—August of 1998.

Well, Clinton threatened, in September, to do something about monetary reform. He threatened, in a speech that he gave in New York, and then he backed down. Which is the worst thing you can do: Don’t go to threaten the bankers, and then back down, they’ll come to kill you. And, they did! Remember the case of Monica Lewinsky. That was a booby trap, stuck in the basement, which they set off, to try to get him impeached. Because he had threatened to tamper with their financier interests. And, we move, some of us, to fight, and he didn’t get impeached—or, he was charged, but he was

FIGURE 3
The Collapse Reaches a Critical Point of Instability



not impeached.

But, nonetheless, in October of 1998, what happened was, that at a Washington monetary conference, a decision was made to duck the issue. And they resorted to something, which George Soros was involved in, a “wall of money,” to try to forestall what was an imminent Brazil crisis, of February 1999. Now, let’s go back to that last curve [Figure 3]: Here’s what happened: What George had suggested—George Soros; he’s associated with “drug legalization” as they call it—what they’d done is this so-called “wall of money” policy: That is, to throw so much monetary aggregate at a collapsing financial system, that you would resuscitate the system by artificial respiration.

As a result of that, by the Spring of 1999, the rate of monetary emission was accelerating beyond the rate of financial value assets, which is what the cross-over indicates. And there was a catastrophic increase in the rate of collapse of physical economy. By the Spring of 2000, it was obvious that this trend, of an acceleration of monetary aggregates in an attempt to maintain the financial system, was putting us into something like a Weimar 1923-style hyperinflation.

But nonetheless, it’s continued. And, the system is on the verge of *blowing out*.

Now, because of free will, you can never predict the exact time that something will occur. Once in a while, as I did in 1987—when, in June and July, I said, it is likely we’re going to have an October blowout of the financial system on Wall Street like we haven’t seen before; and it happened in October, as I forecast, exactly. Sometimes, you can call the shot, that closely, based on your knowing the factors involved. But, in most cases, you can not predict exactly when a crisis will

occur, *because there is free will involved*. Now, free will won't make the crisis conditions go away. It may, by use of some factors, delay the crisis—or, accelerate it, to make it come on earlier. A mistake may make it come earlier, or some clever move may make it come later. But, if you use trickery, to postpone a crisis, *you make the crisis worse*. You're trying to light a backfire; you're actually spreading the forest fire. So, that's what happened.

So, as of now, since that period, since the developments of 2000, as I forecast at the beginning of 2001, I said: Since the President of the United States is a dummy, with certain known policies, the crisis which is now going on, is going to become worse. What I'm afraid of, I said, is that under these conditions, which are like Weimar, or Germany 1923 or later, some damn fool is going to try to create a Reichstag Fire event, to distract attention from the financial crisis, and to get some kind of operation in place. And that happened: Sept. 11, 2001.

But, the financial crisis has been going on. And now, we've come to the point, that it's in a terminal phase. Those in Europe are warning about it. More and more voices are warning about it. They all acknowledge it. One points out this fact, another points out another fact. All the facts are true: The system is finished. What the present Administration is proposing, and what the present ten rivals (or, I guess one dropped out recently, Graham) are failing to mention, what the Democratic National Committee *refuses to face*, is the fact *we have that kind of crisis*. And that the George Bush policies, now, will sink the nation!

Some of those fools are going to say, "Well let him sink the nation; we'll get elected." That's not a good way to get elected. But, that's where we are.

The Threat of Fascism Today

Therefore, the issue now, is, what? The issue comes down to this. It comes down to the same thing that brought Hitler and other fascist regimes to power in Europe, from 1922 with Mussolini, on; and got us into what became known as World War II. Whenever you have a major financial crisis, there's always a danger, of a new type of general warfare. This has been the case, in European history, since the 1780s, since the financial crisis of France in the 1780s. At that point, a banking interest, centered in Lord Shelburne's British East India Company, orchestrated, beginning July 14, 1789, a wave of terror, which later brought Napoleon Bonaparte to power. This terror, the Jacobin Terror, followed by the Napoleonic dictatorship, was the model for modern fascism, or what we call fascism today. The forces that did this, then, were called Martinists. They were run, largely from London, but it was a French-language-speaking group that ran it.

This is the force, which actually, in a sense, brought Napoleon III to power in France. This is the European interest which was heavily involved in creating the Civil War in the United States. This is the interest, which, essentially, was behind much of the orchestration of World War I. This is what

brought Hitler, Mussolini, Franco, Laval, Pétain, and so forth, to power in Europe.

And, remember that in 1940, in June 1940, when the British Expeditionary Force, with some French and Belgians, were sitting on the beach at Dunkirk, waiting for the German armored divisions to come clean them out, those armored divisions halted, under Hitler's orders. Why? Why didn't Hitler wipe out the British Expeditionary Force, when he could have? Because he had people like Lord Halifax in London, and others, who were Hitler-lovers, and they had a scheme: And that scheme was, to bring France and Britain into a confederation with Mussolini, Franco, and so forth—and Japan. And to immediately attack the Soviet Union, which they thought would be a quick victory, with such united forces. And then, once the Soviet Union was crushed, to take the combined naval forces of Germany, France, the British Empire, Italy, and Japan, for an attack on the United States. Now, that attack, the Japan part of the attack, was what occurred on Dec. 7, 1941. This was World War II.

And the issue was what? The issue was this: Whenever you have a financial system in crisis, governments are faced with the following problem: If society has accumulated financial debts, beyond the ability of society to pay those debts, then the question is: Who is going to give? Is the government going to intervene, to say that the lives and welfare of its people are its primary responsibility? Or, is government going to intervene, and say, we don't care; if we have to kill people to do so, we're going to pay the debt? And it's that kind of issue, which has hit the world repeatedly since the 1780s, and with the bankruptcy of France, which is facing us again today. Are we going, now, to say, the debts will be paid at any cost? Take the case of Argentina, Brazil, and so forth. Are we going to continue that IMF policy, in other cases? And, even against the people of the United States? Are we going to kill our own people, by economic means, in order to try to roll over the debt, which the Bush Administration and previous administrations have been piling up, against us?

Or, are we going to say, that we go by the Preamble of our Constitution, in these matters? The Constitution, the Preamble in particular, which expresses natural law as it developed in Europe, especially, after the Treaty of Westphalia in 1648. That, our responsibility as government, under our Preamble, is to defend the sovereignty of our nation, number one. Number two, to protect the general welfare, and promote the general welfare of *all* of our people. And third, to assure these benefits *to posterity*.

Under those conditions, where you had a crisis like this, *government must put the system through bankruptcy reorganization*. That does not mean shut down the banks. What it means is, the following: It means that the government must take the central banking systems into receivership, including the bankrupt, in fact, Federal Reserve System! Our banking system is bankrupt! That's a fact. It's only being propped up politically, by the political impression that we don't dare do anything about it. It's bankrupt. Therefore, the government

must put the bankrupt system into *receivership*, for bankruptcy reorganization. Now, you're not going to close down things, you're going to take action to make sure not only that the firm continues to operate, but that the employment and production increases. That is essentially the approach that Franklin Roosevelt took in 1933.

You must defend the people first. You're not going to smash things; you're not going to close banks down, you're going to reorganize them. You're going to keep them in business. You're going to keep the flow of payment of pensions going. You're going to keep the essential institutions functioning. You're going to keep essential businesses operating. And, you're going to make the economy *grow*, so that you can build your way out of the crisis.

That's the issue before us now. And that's what takes the nerve, out of many people who otherwise might be competent candidates for President, under other circumstances. It takes the juices out of them. *That frightens them*. They're afraid of banking!

That was the case, then—in July 14, 1789. Two stooges for the head of the British political system, Lord Shelburne: Philippe Égalité, a cousin and pretender to the French throne, and Jacques Necker, a banker from Lausanne, Switzerland, conspired to organize the siege of the Bastille, to induce the guards to shoot, and to get the mob to lynch the guards. And, that was the beginning of a process, through the British agent Danton, British agent Marat, and others, under British direction, to conduct what became known as the Jacobin Terror, to destroy Britain's great rival, France, which had been our friend.

And that has been the pattern, since that time. It's now called the Synarchist pattern, which it was called during the World War II period, and which it's called today.

What Cheney Represents

The problem is that what Dick Cheney represents—I think he's idiot: I'll tell you why I think he's an idiot. He's a bully, he's a playground bully, not a thinker. What he did, back in 2002, August-September, I publicly denounced him for fraud, in the case of getting us into a war in Iraq. I said he was a liar—impeachable, or should resign. Now, I've been saying that, as some of you may have observed, with a certain degree of persistence over the intervening months. And it's my information, in the several past weeks, that Dick Cheney has suddenly discovered that I am his oppressor! An indication of that irony appeared on the Federal page of the *Washington Post* this morning. So, Dick Cheney is shaken a bit. And, it's time to say: "Bye, bye boy," again.

Now, Dick Cheney is not simply a bum, though he'd fully qualify for that status—much better than Vice President; President of Vice is not a good qualification.

But, we have another problem: We have a military and related policy, going back to World War II—going back to those two unnecessary nuclear missiles dropped on the civilian populations of Hiroshima and Nagasaki, *which did not*

do one thing to end the war. Anyone who says, "A million American lives were saved by those bombs," is a *liar*, or an absolute fool, babbling fool. It had nothing to do with anything. The war was already won. It was done for a different purpose: It was made clear by the author of the nuclear policy, Bertrand Russell. He was known as a pacifist: Kill everybody and call it peace!

Bertrand Russell had a policy of preventive nuclear war. This policy was supported by various people inside the United States government, as well, the right wing, including the Democratic Party right wing, like Truman. The policy was, that we are going to dominate the world, at the end of this war. What we want to establish, with our British partner: We're going to become part of a British Commonwealth. The United States is going to fuse with Great Britain, and Australia, and so forth—become part of a British Commonwealth: "the English-speaking peoples." (Bah! It makes English a bad word!)

Anyway, but, the point was, as Russell said, explicitly, and he said it publicly, published it in September of 1946: The purpose of his nuclear policy, which was the purpose of dropping those two bombs on Japan, was to use nuclear weapons, as a threat so terrible, that nations would surrender their sovereignty to world government, in order to avoid warfare.

That was the policy. That policy continued to be the policy under Truman. And, fool Truman got us into a Korean War by

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his foolishness. And what we did in this country: We dumped Truman, and told him to “git!” Go back to the haberdashery! We don’t need you. We brought Eisenhower in to get us out of that Korean War, but also a nuclear warfare danger.

What had happened during this period, is that the crazy policies of Truman, contrary to Roosevelt’s policies, had gotten us into what was actually an inevitable war in Korea, by pushing on the Chinese and the Soviets at the same time. And, it was inevitable that there was going to be a reaction. And the reaction came from both the Soviet and Chinese governments, in the form of the Korean operation, from North Korea into South Korea. This was telegraphed, and this was *forced* into being as a reaction, by Truman. Because they assumed that by using terror of that sort, against the Soviet Union—which they thought did not yet have a nuclear weapon—that they could bully the world into submitting to an Anglo-American world government. And Truman believed that. And they took the risk.

But then, in the meantime, the Soviet system developed a *thermonuclear* weapon, before the United States. At that point, the Bertrand Russell policy of preventive war, had to be called off. Truman was dumped, retired, and Eisenhower, who was a traditionalist—not of this funny-funny type—gave us, with all his imperfections, two terms of peace. And, on the way out, in a speech, he warned against the “military-industrial complex,” and that was the funny name for it; it was accurate in description. But he said, “that’s the threat to this nation.” It’s the same threat that gave us Adolf Hitler, and Mussolini, and Franco, and so forth, back in the 1920s and 1930s. It was that philosophy.

That philosophy, today, is represented by Dick Cheney, and the neo-conservatives—by that right wing, which talks about “preventive nuclear war”; talks about using “mini-nukes”; or trying to get a fuss going in Korea, under which [North] Korea threatens to use its nuclear weapons in defense—and then, overnight Japan and South Korea develop their nuclear weapons, and you’ve got a nuclear warfare in the Korean Peninsula, and Japan. And some idiots don’t want peace. This is Cheney! This is Cheney’s policy. This is the policy of the neo-conservatives. This is the bunch of fools who are controlling the Bush Administration, today.

That’s what our problem is.

So, if you want to get through to next year, to the next election, *get rid of Cheney now!* Tell that man to go! “Go with God, but go!”

The way this policy was shaped, or misshaped under Cheney and Company and the neo-cons, was that when the Soviet system collapsed in 1989-92, Cheney was among the idiots who tried, unsuccessfully, to persuade the President of that time, President George H.W. Bush, to go for world empire; to thrust immediately for an occupation of Iraq, and to take on the Soviet Union, and establish an Anglo-American world empire, immediately, by an immediate process. The Bush Administration of that time said, “No.” Cheney stuck to it.

Cheney continued that policy, in various ups and downs, until Sept. 11, 2001.

And the first thing he did, in 2001, is bring that policy of his, that preventive nuclear war policy for world government, for world empire, to the fore again. And, that’s why we went into Afghanistan. We went into Afghanistan, not because of terrorism! We went into Afghanistan because we needed to tell the Europeans to give us their support for bases in Afghanistan. We used the fact that the Europeans gave us that degree of support, to set up the basing for a war on Iraq. The war on Iraq was ready to go in 2002. Some of us jammed it up. They postponed it. We got it into the United Nations; that postponed it. Then, they were about to lose their shot: The United Nations Security Council was about to vote on Iraq, on the following Monday or Tuesday. So, on the weekend, Bush was pushed into opening the war, *a totally unnecessary war*. But, a war which was launched for one purpose: To take the United States down the road, toward war: Getting Sharon, the stooge of these neo-cons, to attack Syria; to attack Iran; to escalate the fight around North Korea.

These are ongoing things, now! What is happening in the Gaza Strip, in the Middle East, is part of the same thing. The contention around Sudan is the same thing. The negotiation around Sudan and Garang is aimed to bring down Sudan; if you bring down Sudan, you bring down Egypt: That’s what these fools are up to.

The world is prepared to respond to this. Just as fool Truman and his administration got us into a Korean war on the assumption that China and the Soviet Union would not resist, because of the superiority of our nuclear weapons, the same mistake is being made now by the neo-cons and the fools who believe them. If we continue to push in this direction, if we let Syria be attacked, if we let Iran be attacked, if we let the North Korean crisis run out of control, we are going to be in an irreversible process leading toward a general war, which will be, not the war we choose to fight, but the war we impose upon ourselves, as in Iraq. This war will be what’s called “asymmetric warfare.” It will include mini-sub, hard to find. It will include weapons stuck in the mud on coasts. It will mean all kinds of things that are done in the name of irregular warfare. It will be a general war like the world has never known before. An asymmetric reaction to the potentiality of a global thermonuclear holocaust.

Now, you’re trapped between the level where, if you want to fight war, you’re going to get all the way to thermonuclear holocaust. If you’re not willing to go to a thermonuclear holocaust that destroys the planet, where are you going to go? You’re going to try to find the middle ground, which the mini-nukes typify. You’re going to try to find a way of fighting war, even nuclear war, below the threshold of thermonuclear war.

Under those conditions, the United States and civilization would be finished. We’ve got to stop what Cheney represents now. It’s the easiest thing to do—just get him to resign.