

## Argentina's Enemies Are The Synarchist Bankers

*U.S. political leader Lyndon H. LaRouche, Jr. held a webcast video-conference with youth in Argentina and Peru on Nov. 11, 2004. The introductions and questions have been translated from Spanish.*

**Anuart Jarma:** Good afternoon, my name is Anuart Jarma. I am speaking on behalf of the Liaison Executive Committee of the Rosario campus of the National Technological University (UTN), and also as a member of the Regional Forum for Social Dialogue, which is an entity that was created at a very critical moment of the crisis which we Argentines have endured over the last years. This group has been formed by all of the sectors of the community in this region—the business sector, the trade union sector, non-governmental organizations, civic organizations, etc.—as a forum for dialogue, for the purpose of exchanging ideas among ourselves, coming to a consensus of views, and facing the task of recovering our country, which has suffered so greatly in the recent period.

For that reason, we are most honored to have this contact with Dr. LaRouche. We are infinitely grateful for this great deference he has shown us by communicating with Rosario, with this second most important city of the Argentine Republic, located in a very promising area with great agro-industrial potential.

Mr. LaRouche, welcome to our auditorium. I am going to hand the microphone over to a representative of the LaRouche Youth Movement, Emiliano Andino, who will coordinate this video-conference. We also have with us today members of the Culture Secretariat of the Rosario campus of the UTN, as well as members of representative entities, associations, and also business groups.

Welcome, and thank you.

**Emiliano Andino:** My name is Emiliano Andino. I am a member of the international LaRouche Youth Movement, and we would like to welcome you to this video-conference, “The Issue Is the Sovereign States of the Americas,” given by former U.S. Presidential pre-candidate Lyndon LaRouche.

I am speaking to you from the Rosario branch of the UTN of Argentina. Other universities are also connected to this webcast: the UTN of Buenos Aires, the UTN of Córdoba, the Economics Department of the National University of Lomas de Zamora in Buenos Aires province, and also the University of Callao in Peru. Other universities were also scheduled to

join us over the Internet, for which we don't yet have confirmation of their participation. We also want to welcome those of you who are listening by Internet.

We would like to thank Mr. Anuart Jarma and all the members of the Regional Forum for Social Dialogue, the Rosario branch of the UTN, and Liaison Executive Committee, whose support has been essential to carry out this event.

Therefore, I would like to present to you Mr. Lyndon LaRouche, the man who should be President of the United States.

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### Lyndon H. LaRouche, Jr.

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Thank you very much. As you know, the problems of Argentina are not regional, they're international. If there were any doubt of that, we have the case of the IMF involvement in the problems of Argentina, and other countries. Thus, what is happening on a world scale will reverberate into whatever we discuss in any part of the world, and notably this part of the world in the Southern Cone region of South America.

At present, the most recent event affecting world events, has been the death of Yasser Arafat, the longtime leader of the PLO. His death opens questions about the fate not only of the so-called Middle East, or Southwest Asia, but the world as a whole. And, as you know, Arafat was a fighter, a hard fighter for the Palestinians, against, in particular, the Israelis. Now we are in a situation where we are still trying to get peace between Israelis and Palestinians, a peace which is indispensable for the region of Southwest Asia, which includes Turkey, Armenia, Azerbaijan, Iran, and the Arab states, including Egypt, of course. And what happens there will tend to determine what happens on a global scale.

It's the way history is in the long run, and very much the way history is today. So, to understand this problem we're about to face, we have to start with consideration of that, and what happens in Israel and in the Middle East, on the occasion of the death of Arafat: Whether or not somebody will step forward, now, to bring about an effective peace negotiation between the leadership of Israel and Palestine, will determine very much what happens to every part of the world at large, including in this case Argentina, as it affects the kind of international constellation of forces which will affect the fate of Argentina.

### The IMF System Is Finished

Now, our problem is today, as in the late 1920s and early 1930s, is an international cartel of financier oligarchical interests, who are not banks as much as they are controllers of banks, as a kind of Venetian oligarchy. This system, which was known in the 1920s and 1930s and early 1940s, as the Synarchist International, gave us the spread of fascist states across most of continental Europe, and only the intervention of the United States prevented Britain from joining Hitler



*The LaRouche Youth Movement organizes in Buenos Aires. LaRouche calls for mobilizing nations by means of their young adults, "as an international force, each patriotic in respect to their own nations, but also allied, in terms of collaboration on a global scale, to attempt to bring the community of nations to agreement on policies."*

during the Spring of 1940. The Roosevelt intervention in the situation, by backing Britain's resistance to Hitler and by rewarding the Soviet Union and other measures, made possible the rescue of civilization from a nightmare which would otherwise rule the world today.

Now, once again, we have come, as in the 1920s, to a great international monetary-financial crisis, and also an economic crisis. This process, especially since 1971-72, has been crushing the world—the floating-exchange-rate system. It has crushed Argentina, which was once one of the wealthiest countries in the world in terms of standard of living, and we need not detail here what the condition is today. This deterioration of the condition of life in Argentina, as in other countries in South and Central America, as in Mexico since 1982, is a result of the role of this international synarchist financier interest which has been controlling international monetary financial policy thoroughly since that time, and we have been resisting.

Now, we've come to the point that that system is finished. Whatever happens, nothing can save the IMF system in its present form. There is no measure, no magic, no method by which the IMF as presently represented, will continue to exist, because the international monetary-financial system is hopelessly bankrupt. It is not bankrupt in the sense that it could be reorganized in its present form. The only thing that *could* happen with the IMF, would be that governments, a concert of governments, put the IMF and related banking systems, central banking systems, into receivership, for reorganization of these banking institutions.

Now, what would have to be done at that point, is of course

what Franklin Roosevelt did in the United States in March of 1933 and thereafter. Remember, our Constitution in the United States, as little as it is observed now by the present government of the United States, nonetheless makes the United States unique among republics, in that our Constitution provides for the non-existence of any central banking system, even though we have had some snuck in here and there, like the Federal Reserve System. Under our Constitution, only the Federal government has the power to create currency. The Federal government is responsible to manage currency and credit on behalf of the nation. And the government is compelled by its Constitution, by the Preamble of the Constitution, to use its power, including the power over the currency, to defend the absolute sovereignty of the nation as a republic, to defend the general welfare of all of the people, and to defend both the sovereignty and the general welfare at present, for future generations, for posterity. Roosevelt did that.

Presently, that's what we have to do. All nations around the world, the entire system is about to go under. We are on the verge of a greater depression than Western European civilization has known since the 14th-Century Dark Age. This is much worse than the depression of the 1930s, and it's coming on fast and can not be prevented now. The only way the effects of the crash can be prevented is by the intervention of a concert of sovereign governments, to put the international monetary-financial system into reorganization.

You see what is happening now. The case of Argentina: The demand of the bankers, including the IMF, is to impose upon the people and nation of Argentina, conditions which



*The synarchist financiers crushed Argentina, which was once one of the wealthiest countries in the world in terms of standard of living. Here, residents of Buenos Aires scavenge for food in piles of garbage.*

amount to genocide, to turn all of Argentina into a vast concentration camp, and to squeeze Argentina's people and resources for what the country no longer has. It no longer has the means for payment of these debts, and therefore, to proceed with these would be a Hitler-like, or worse, genocide against the nation and people of Argentina. The same thing threatens South America and Central America as a whole. It also threatens other parts of the world.

### **The Question of Competent Leadership**

So therefore, we have come, at the time of Arafat's death, to a point of crisis, a turning point. We've now had a recent election in the United States. The election is not concluded. George Bush is not yet the re-elected President of the United States. The process has to go through the Electoral College, and several things could happen during the course of the proceedings through the Electoral College, including the effects of the present examination of the way the election was conducted, and what the results are. Also, if the Electoral College can not resolve the differences, then the matter goes by our Constitution into the Congress, which has to take over, when the Electoral College has failed, in choosing a President and Vice President of the United States.

But, under the putative new President of the United States and the presently incumbent President, there's no indication of any policy which will prevent the conclusion of the worst financial collapse in world history. That's where we're headed.

Therefore, the question is to find leadership in this difficult

time, to lead nations in putting this financial system through reorganization, to restore something similar, on a world scale, to what was established at Bretton Woods by Franklin Roosevelt, in 1944: to establish a new world monetary system of fixed exchange rates, a new system of credit, and a mobilization of credit to rebuild the economies of the world. We can do that. That will work. Physically it's feasible.

The question is, which way are we going? If we go the way of the present Bush Administration policies, the present policies of the European countries—Western and Central European countries—the policies of the IMF, then humanity is going to plunge into a dark age. The question is, whence comes the leadership, and the will to bring nations together, to force the necessary change in international as well as national institutions, required for people to survive? Our objective can be no more nor no less immediately, than ensuring nations the rights they had prior to the onset of this crisis, prior to 1971-72 in terms of rights, the rights to rebuild their economies by that standard, that yardstick of performance. We must ally to that end, among ourselves. We must agree to that. We must find governmental and other influential forces which can induce governments to make the kinds of decisions we require for them.

Do not believe that, even if Bush is confirmed, the present policies of the Bush Administration will go forward. This is not the end of things. This is not the end of time, the fact that Bush might be elected again. Because Bush faces problems. The United States is bankrupt. The housing system, the mortgage system of the United States, like that of the United King-

dom, is bankrupt, is ready to blow. The United States has a current account deficit. It's bankrupt.

The price of petroleum is now around \$50 a barrel, internationally, headed toward \$100 a barrel. Soon, that increased price of petroleum will hit every part of the consumer sector of the economies of the world. We have a vast speculation in raw materials, a speculation which is concentrated in the United States, in Western and Central Europe, in a different way in Russia, and China is not a holder of raw materials, but it is the biggest bidder for raw materials on the world today, as you see in neighboring Brazil, where China has shown a great interest in Brazil, and also more recently, China has now shown a similar interest in Argentina. So, the world is dominated by great raw materials cartels, buyers and sellers, in a crashing system.

But, generally, in Europe and elsewhere, there is no concern for rebuilding the economy in the sense of the productive powers of labor and the general welfare of populations.

So, this government of Bush is going to face that. The European governments are going to face that. Their banking systems, the banking system of the United States, the banking system of Western Europe, is hopelessly bankrupt. It can not be saved in its present form. It can not be reorganized in its present form, in its own terms. Only government intervention, to put the banking system through drastic reorganization, in bankruptcy, in order to protect the population, to maintain the continuity of essential physical economic functions, can save the system.

We have to bring about a condition under which governments will make that—and the U.S. government, among others, is going to face the challenge of this crisis. You're going to see upheavals in the U.S. government, whoever is the government. It can not be avoided. This is a very dangerous period, a period in which wars and revolution can spread—generally, asymmetric warfare, planet-wide.

## Defeat Anglo-Dutch Liberalism

There is a solution. The solution is essentially a concept. It's the concept on which the United States was founded, at a time that the situation was seemingly hopeless. In 1763, the Anglo-Dutch liberal system, at a treaty in Paris, in February, had established the British Empire as a fact. That is, the empire of the British East India Company. The situation for Europe was then almost hopeless. This empire was about to gobble up everything, including the remains of the Hapsburg Empire. But some in Europe supported the cause of the United States, in particular, and they also supported people in various parts of South America, as in Colombia and other states of the Americas, in the hope of building republics in this hemisphere, with the hope that such republics would make a reform in international affairs, which would lead in return to the establishment of true republics in Europe as well as in the Americas.

The United States was the first and only successful effort,

but the French Revolution, which was organized by the British East India Company, prevented France from making the change which Lafayette, Bailly, and others, wanted to make, to make a constitutional monarchy modelled on the same principles as the recent U.S. Constitution. That did not happen. Hell broke out, and Europe has not had a true republic as a government ever since. We had approximations under Charles de Gaulle at a certain period—the high point of the Fifth Republic, a serious effort of building France as a true republic. We've had desires in that direction in other countries. But today, the United States remains the only nation with that kind of constitution, even though we abuse it.

The time has come, when we of this planet, realize we can not continue to have wars, of the types of wars we have now. We can not resolve the problems of humanity by going to aggressive war. We can not resolve these problems by going in with military force, to try to change governments or social systems by force. We must now return to the principles of the 1648 Treaty of Westphalia, to establish a system throughout the world of perfectly sovereign nation-states, committed to the principle of promoting the general welfare, the sovereignty of nations, the welfare of their peoples, peace among nations, and cooperation for posterity. Because we can not fight wars anymore, the way we used to. Nuclear weapons and the terrible effects of asymmetric war today, are such that a general warfare would mean the extinction of civilization on this planet. Therefore, we must find a peaceful solution.

It does not mean we give up defense. But defensive warfare is far different from the kind of aggressive war which Vice President Cheney, for example, has been pushing in recent periods. *We must end aggressive war on this planet forever.* We must bring about conditions where peace is expected, where peace is the exit strategy for all conflict, and where just solutions are proposed. And thus, while we don't know definitely what will happen in the future—we don't know what will come out of this period because we don't have the governments in place who are presently committed to the right ends.

But we have a great crisis, in which governments which have failed are going to be put to the test, in which the will of the people can intervene effectively. And if it intervenes amongst a number of countries effectively, we will have changes in the behavior of governments. We will have the opportunity to come out of this crisis alive. That's the condition we face. The development of a system of fraternity among sovereign nation-states, the promotion of the existence of sovereign nation-states, and the promotion of economic progress and technological progress throughout the planet, these are the objectives around which we must mobilize.

If I were President, or had been elected President, I could promise you great things. I've not been elected President, obviously, and am not about to be elected President within the near future. That's obvious. But my objectives are still valid; I have been a part of the Democratic Party's campaign

for seeking the Presidency. We will continue on the course we're working out, and we will hopefully make a contribution to this process.

So, I can not promise you anything, except my dedication and the dedication of people like me, to the kinds of ideas I represent. But I can say, we do have a chance. There's always a chance for humanity. And there's nothing worth doing, except fighting to build that chance for humanity. Any other choice of action would be foolishness. Thank you.

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## Dialogue With LaRouche

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**Moderator:** We now continue with the second part of this conference, which are the questions we'd like to ask Mr. Lyndon LaRouche. Would anyone present here in Rosario like to ask a question?

### Tumult Follows the U.S. Elections

**Q:** Well, the first question, which is *de rigueur*: In light of the fact that just a few days ago the elections in the United States were held, the million-dollar question is, what future awaits us, as a result of the outcome?

**LaRouche:** What awaits us is dangerous uncertainty, a period of very dangerous uncertainty. Remember, the inauguration occurs on the 20th of January. We now have the better part of three months in which to await the actual inauguration of the new President. In the meantime, there's great uncertainty within this Presidency, and there is a tumultuous process, political process, now ongoing inside the United States, in particular. Also in Europe. But, the first few days following the completion of the election on Nov. 2, was a period in which people suddenly let down. There was confusion; there was confusion in the states of mind of people. Now, in the past several days, that confusion is waning away, and I've been able to play a significant part inside the United States, among these institutions, in helping to bring an end to the confusion.

We are now in the process of mobilizing within the Democratic Party, an effective way of dealing with the prospect of the election of Bush, his inauguration in January. We also have a large number of Republicans, and the Republicans who do not like what the Bush Administration has represented, but supported the Republican Presidential candidacy nonetheless. They are now very upset. There's going to be tumult in the U.S. political process. There's the danger that the Bush Administration may launch new wars, like the escalation presently at Fallujah, to try to compensate for the internal political crisis inside the United States, and also in Europe. The crises that face the Bush Administration, especially the economic crisis—remember, the economic crisis is coming on fast, right now. The United States is on the edge of a general collapse. How long this general collapse can be postponed is not certain, because this involves subjective factors as well as objec-

tive ones, but the preconditions for a general chain-reaction collapse of the international financial monetary system, exist right now. And that is the predominant fact.

We have all the particular crises, which are going to have a political effect. We have the growing sense of dangers of new kinds of epidemics, disease epidemics, which may be worse than those we've had in recent times, and a sense of no preparation for dealing with them. We have a sense of all of these kinds of problems. And also possible new wars.

For example, we have the case that I mentioned earlier, of Arafat's death. There is a man in Israeli prison, who if Sharon wanted to, and if the United States would press Sharon to do it, could be pulled out of prison as a negotiating partner with Sharon, for bringing about, or negotiating, some kind of peace between the Palestinians and Israelis. If they did agree to any acceptable terms, that would in a sense bring the crisis in the entire Southwest Asia into some kind of order. We are obviously going to work for that. Even while Bush is President, we're going to work for that, because the reality of circumstances is going to push many inside the Bush Administration, as well as the Democratic Party, to seek to bring about that reconciliation, long-awaited, now.

And so the death of Arafat, as I said at the beginning of my remarks today, the death of Arafat is a turning point in history. It's a point at which decisions are forced upon the world, postponed decisions, about the question of the prospect of peace in Southwest Asia as a whole. You can't talk about Iraq without talking about Israel/Palestine. You can't talk about Turkey, without talking about Israeli/Palestinian relations, or about Iran, or about Egypt, or about Darfur in Sudan. You can't talk about any of these areas, without talking about the death of Arafat, and what that poses. It's a chain-reaction situation. So there's the element of uncertainty.

What we do know is, we're going into a crisis; that nothing is fixed, nothing is certain, except the circumstances of crisis. That we will have opportunities to influence the process; we're not just screaming in the wilderness. We in the United States who are determined to do something, are determined to do something. We are the most powerful nation in this world politically, if not as much in other respects as we think we are. But if we make important decisions, among a significant part of our political establishment, those decisions will affect the world. If those decisions are good ones, they will affect the world beneficially. And all I can promise you is that, those of us in the United States who are part of that effort, if we succeed, we will bring about a beneficial change in the present trends in world affairs. . . .

### Argentina's Future Is With the Youth

**Moderator:** We are now ready for a question from Buenos Aires.

**Q:** Good evening. I would like to ask you, what do we Argentines face? What can we do in light of this situation? And what type of arrangements do you think there should be

with Brazil? Should we have a free trade agreement, or the other kinds of agreements which are being established?

**LaRouche:** What we have to do is recognize the nature of power in the world. And, also recognize that global solutions, as such, will not work.

To bring about stable government requires sovereign government; a sovereign government in which the people of a nation participate consciously in shaping the thinking of the nation, and the policies of the nation. For example, some of you are in universities. You know that ideas involve the use of language, the use of the ironies of the language, of the culture; and therefore, in discussing ideas among yourselves, that only those who are participating in the characteristic ironies of the language and the culture, can really come to an agreement in intention on matters of principle, as opposed to bargaining over bones.

Therefore, we must maintain the system of perfectly sovereign nation-state republics. But then, we must have a means by which the force of interest of sovereign nation-state republics, can be brought to bear on the world situation in an efficient way. That method is not the United Nations as such, though the United Nations may be a convenient vehicle for bringing about certain kinds of agreements, as López Portillo, the President of Mexico, attempted to do, unsuccessfully, in the Autumn of 1982.

But, what's more important, in my view, today: I have a growing international youth movement, which represents people largely in the college age group of 18 to 25 years of age. These are people who are young adults who, under happy conditions, would expect 40 to 50 years of future life before them, who are now saying to their parents' generation and to their nation: "You have given us a society which has no future. We want a future!"

This is a common aspiration among youth of that category that I work with in various parts of the world, in various parts of Europe, in Mexico, and so forth. Youth of the world that we are in contact with, all express this same thing, the 18 to 25 age group, those who have not given up, those who still have optimism about life, say: "We have been given a system, a world system, a national system, which has no future. We, with 40 to 50 years of life before us, see ourselves in a society with no future. We want a future! We want to turn to our parents' generation and say, 'Let us build a future. Let us provide for the grandchildren that we are going to have. Let's ensure a future. Let's have a meaning in life. Let's stop this running into pleasure-seeking without purpose and without meaning.' "

Therefore, my view is to mobilize nations, or within nations, the forces of conscience which are represented by youth in that category, say the 18 to 25, college-eligible youth, as an international force, each patriotic in respect to their own nations, but also allied, in terms of collaboration on a global scale, to attempt to bring the community of nations to agreement on policies.



*The LaRouche Youth Movement in Argentina. LaRouche called the LYM "a ragged elite." They are "the future rulers of the world, in rags, as an elite of youth. They are mastering the fundamentals of physical science. They are mastering culture."*

At present, the United States is the dominant power in the world. Not that its behavior entitles it to be that, nor is it the most productive nation in the world. It is now a great parasite nation, sucking the blood of the poor of the world. But, it has a powerful position. To make peaceful decisions now, in favor of any or all parts of the world, we must induce the consent of the United States government. Europe is incapable of generating that kind of leadership, presently. No one in Europe can do it. They can *contribute* to this, but they can not initiate it effectively, unless the United States is drawn into it.

Therefore, my purpose is to draw the United States into that. But, not to say to people in countries such as Argentina, you are not important. You are extremely important! Because what we must work toward, in the very near future, is a system of comprehensive agreements among sovereign nation-states about a new world economic order among nation-states. An order which is based on the best aspects of the old Bretton Woods system. An order which enables the nations to recover, and to rebuild, in the way they had hoped that they had the right to rebuild in earlier times. We need to bring to bear

the conscience of the world on this, and that means that any movement, especially among youth, as part of the political process in every country, should be considered an effective force on the international conscience, including the conscience of the United States itself, directly.

My attempt has been to draw the attention to the will and desires of this generation of youth from all parts of the world, upon the youth in the United States and institutions in the United States. This was my leading effort in the recent election campaign in the United States. I think we must have an

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*Argentina is one of the front battlelines of a world struggle for humanity against this class of predators. How Argentina should respond to that, is a practical, strategic question. The moral question, to me, is clear. The debt collection proposals are wrong, unjust, and criminal; because they will kill people in Argentina. And human life comes first. The problem is a matter of power. Where do we find the power to successfully impose justice on this situation?*

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international organization of understanding among ourselves. That we look at our young people, our young adults, those largely of the age of many of you, 18 to 25, should be in universities or equivalent education, should be the people who are going to contribute to leading the future of the nation 25 years from now and beyond, and to bring a force of conscience, for you as young adults, for example, looking at the world at large; turn to your parents' generation and others and say, "Let us work together to give the world a future and our nation a future."

And that's what we need. We need an international force of conscience which will ensure that reasonable agreements, prepared and submitted to nations, will find support among those nations. Because what we must have, in my opinion, we must have a new version of the 1648 Treaty of Westphalia, not only for peace and for natural rights among the people of nations, but we must have a new kind of Treaty of Westphalia which says, we uphold, as absolute, the right to the perfect sovereignty of nations. And to the rights of the people in those nations. We have come to a time when war must be abjured, though defense, if necessary, is not outlawed. But we must

seek an end to war. We must seek an exit strategy from the times of war, into a time of cooperation, in which the differences among nations, those differences which pertain to the cultural development of a nation, to its personal sense of sovereignty, those differences become a source of strength to the world, rather than the basis for a principle of conflict. That's our chance, I think, at this time. I think that idea can win, and certainly, it must win.

## **The Foreign Debt: A Question of Power**

**Moderator:** Is there another question here in Rosario?

**Q:** There is a question still posed here in Argentina, which has not been fully clarified, which is the issue of the foreign debt. Although certain basic arrangements are under way, this has not been fully resolved. Unquestionably, in the composition of the Argentine debt there are legitimate elements and there are also illegitimate elements. Lamentably, our Federal Congress, which is the body which should have intervened in this whole process of validating the debt, because our national Constitution states so, expressly, has not yet done this. What do you think, Mr. LaRouche, our approach should be in that regard, given the situation we find ourselves in?

**LaRouche:** With the evolution of the government during this period of crisis, by several governments in Argentina in this period of crisis, that the debt is largely illegitimate in the first place. And the condition of collection of debt imposed, especially by the so-called vulture funds and their advocates in the IMF system, is not only unjust, but it is pure usury. It is against natural law. No Christian, for example, could accept those terms of collection which are demanded by the vulture funds and by their agents, such as the representative of the IMF.

Now the problem is simply a question of will and power. The impulse of the Argentine institutions has been predominantly to say, the debt is second, the nation and people of Argentina are first; that what would normally occur is, you would declare the debt to be in bankruptcy, in receivership. And you would say, well, we will look at the debt piecemeal, through an administrative process, first of all, to determine which debt is legitimate. And, of the debt which may be legitimate, which is urgent. And you would set up a schedule, a program of retiring the debt. The debt which is debatable would be frozen, or cancelled.

For example, financial derivatives debt, which has no basis in actual benefit for the borrower, is, essentially, side-bets; is gambling bets like side-bets on a horse at a race track. It's not a bet on the horse, it's a bet on the bettor. Therefore, such debts should be automatically cancelled.

The problem is that the international derivatives trade is the largest part of the international financial system today. And, therefore, if you decide to cancel the derivatives system, you are going to collapse the whole system, because the system without the derivatives would collapse immediately. The

system with the derivatives, is about to blow up.

So, therefore, the question is one of power. The problem Argentina faces: Is Argentina capable of going to *war* to defend itself against the constellation of physical forces, which will be brought against Argentina, in totally resisting the debt? That's the problem that the government of Argentina faces. Therefore, we need a clear understanding of what is right and what is wrong. We can not *change* that. We should not change that. If the debt is wrong, if the debt is unjust, if the collection is unjust, we must say so. If we have to submit at the point of a gun, if they are going to rob us, we may have to submit. But, we will still not say that the debt is legitimate. And, at some future time, when we have the power, we will ask people to correct that mistake.

In the meantime, our hope depends upon mobilizing friends who, as a matter of conscience and self-interest, from other parts of the world, recognize that what is being done to Argentina today, is what is on the way to be done to France and Germany right now, and, under the new administration under Bush, if he does as he proposes with Social Security, for example, his so-called privatization of Social Security, it's going to be done to the people of the United States too.

So, therefore, Argentina, on this issue, is one of the front battlelines of a world struggle for humanity against this class of predators. How Argentina should respond to that, is a practical, strategic question. The moral question, to me, is clear. The debt collection proposals are wrong, unjust, and criminal; because they will *kill* people in Argentina. And human life comes first. The problem is a matter of power. Where do we find the power to successfully impose justice on this situation? And, therefore, we have to broaden the consciousness and struggle against this kind of abuse.

But we must never give up our honor. We must never force ourselves to say that something that is evil, is true; that something that is unjust, is just. We must say, "This is unjust. You are able to impose it upon us, you impose it upon us. Not of our will, but yours." . . .

## **Economic Destruction of South America**

**Q:** I have two questions. I'd like to know your view of what is happening here in Latin America with governments such as [President Hugo] Chávez in Venezuela, which increasingly has relations with Cuba, which has been facing an economic blockade from the United States for 50 years or so. Also, the situation in Bolivia. The victory of the Broad Front in Uruguay with Tabaré Vázquez. And also the situation here in Argentina. That is one question.

The other question is, if you try to generate these currents, based on the youth that goes to the universities, here in Argentina, and I'm sure in Brazil and in a large part of Latin America, the youth that go to the universities are very few. In fact, if very few people even finish high school or middle school, if we are to generate a change, can we really target a sector which is so small?

**LaRouche:** Very clear. In the case of Chávez, you are talking about a blockade in a country which has an oil wealth reserve, relatively speaking, which other countries don't have. And the oil reserve of Venezuela is very significant in the Chávez phenomenon and in the special situation of Chávez.

What we have, as you said, all through the economy, we have these situations. Now, I know personally, from my experience, that what happened to Argentina, there was a determination in 1982 to *destroy* Argentina. I know it personally. I fought in the attempt to prevent it. Obviously, I was not successful. But I developed friends in Argentina, and elsewhere, in the course of defending it. The same year, 1982, there was a determination to destroy Mexico. The destruction which I had feared and which López Portillo, the President of Mexico, fought against—we were defeated. But then, the cause still exists. And I'm still part of the cause, as in the case of Argentina. . . .

There was an effort when the President of Peru, Fujimori, went to a meeting in the continent and gave a speech, and the speech was an excellent speech, an excellent proposal for a system of cooperation among the states of South America, or some of the states of South America, based on Brazil, Argentina, and Uruguay and so forth; a very good idea. And he was immediately—from the United States, a coup was run against him, with the aid of some drug pushers, to get him out. And he's now in Japan.

The case of Bolivia, it's a related case. Now, Bolivia, you have a large farming population, and they are now growing coca. Why are they growing coca? Because that's the only crop they can sell. Are the peasants for pushing coca, cocaine? No. They need money. They need to live. And, if the United States were intelligent, which it is not, sometimes, we would have moved in and provided the government of Bolivia with cooperation in developing alternative crops.

Because, the peasant of Bolivia is not interested in the coca, not in that way. But he wants to live, he wants to raise a family. He needs income. So, therefore, if we cooperate to give the people of Bolivia the chance for alternative means for a healthy economy, it would be possible, as it was done recently, before then, to mobilize the people of Bolivia to free themselves of the grip of the drug mafia. But, the United States did not.

Why? Because, some people in the United States, who are very powerful, like drugs. They like the cocaine, which is produced cheaply in South America, which is then, with other drugs, marketed on the world market at a great profit, to financier interests; like the former head of the New York Stock Exchange, who made a deal with the Colombian drug pushers, for profit. For the profit made on the elevated price of cocaine, and so forth, when it is shipped into the United States, into the world market. And the same thing is being done today to Bolivia.

These are things which, I think, we can all know. They





*Peasants in Bolivia. Much of Bolivia's large agricultural population has been driven to growing coca—not because they want to push cocaine, but because they need to live. "If the United States were intelligent, which it is not, sometimes, we would have moved in and provided the government of Bolivia with cooperation in developing alternative crops."*

are historic facts. Those who are of my age, or somewhat younger, who lived through some of these experiences of 1982, know these things first hand. Because we were engaged in a fight to defend Argentina and Mexico, and other countries, against what has happened to them since then, for the past 20 years.

So, how do we prevent that? Well, these things were not accidental. They were done by a very definite, international, financier interest. When we fought against these things, we were fighting against that financier interest, which includes the Bank of Scotland, the Bank of Santander in Spain, which is a partner and practically a member of the Bank of Scotland and Coutts, the British Royal Family's institution. These are the kinds of institutions of international power which determine these kinds of policies.

Very simply, put it this way: The problem of European civilization, since about 1000 A.D., about the time that the Venetian oligarchy, the financier oligarchy, made a long-term treaty with the Norman chivalry, Europe and European civilization have been menaced and dominated by a Venetian type of financier interest, which has acted in an imperial way, after reincarnating itself with Dutch and English identities, has continued the same policies. So, today, the world is dominated by a financier oligarchy, family financier oligarchs, who, as a concert of action, dominate governments.

The peculiarity of the Constitution of the United States is that it prohibits that kind of control, though we do *have* that kind of control over much of the policy of the United States. But it is outlawed by our Constitution, even though we do

not defend our Constitution in that respect. The problem in the world is, we do not recognize that we are living within an empire. The name of the world empire is the Anglo-Dutch Liberal System. The Anglo-Dutch Liberal System is a system of Venetian-style, financier oligarchy, where concerts of family banks, of family financial institutions, which control great banks, and which control governments, and which control political parties, are able to, from behind the scenes, impose their policies on the world. And that's what they've done.

The policy under which Argentina was destroyed—and it was largely destroyed, as many of you know, in 1982 and afterward; it was destroyed because it was determined that—two things were determined. First of all, as you know, in Argentina—in Patagonia and elsewhere—Argentina has tremendous potential for growth and development in its natural resources. The development of the under-developed parts of Argentina would make the basis for one of the great powers of the planet. And the determination was to stop that. A similar, different operation, but similar in effect, was done in Brazil. The same

thing was done in Peru. A similar thing was done in Colombia. A similar thing is being done now in Venezuela.

So these powers, which have the interests expressed by Henry Kissinger in 1975 in his National Security Study Memorandum 200; the perspective of this oligarchy, this financier oligarchy, is to get control of the raw materials of the world, the primary raw materials, including petroleum. And you have the syndicates in the United States, in the United Kingdom, as well as in other parts of Western Europe. A different kind of situation in Russia, which is sitting on top of a vast amount of resources. The resources of Africa, which the Anglo-Americans control, and petroleum and so forth.

So, what you have is a great syndicate of raw materials cartels, which are the same thing as financier, speculation cartels: They are dominating the world. They are determined to hoard the future of the raw materials of the world, and to prevent the populations of the world from controlling the raw materials in their own countries. And that's what's happened. It's laid down by Kissinger clearly, but Kissinger's not the author of the policy; he was just an articulator of the policy. But that is the policy that we are under today. That is the policy under which Argentina was crushed in 1982, under which all of the countries in Central and South America, except Chile so far, have been more or less crushed, to the present day. That's our problem.

### **The Youth Movement: A 'Ragged Elite'**

Now, what about this conscience question? What we have to do, and what I am doing with the youth movement I am

developing, is concentrating on precisely this question of consciousness. What I am doing is turning this youth movement, which is the 18 to 25 age group, college age, from all kinds of backgrounds, and turning it into a kind of university on wheels, or on feet. It's a ragged elite. The future rulers of the world, in rags, as an elite of youth. They are mastering the fundamentals of physical science. They are mastering culture. For example, one of the key points in our cultural program is, you take the Bach *Jesu, meine Freude*, and the mastery of the performance of that as a motet, which is one of the features of our program.

So you develop an elite among young people—not an elite of privilege, but an elite of conscience, an elite of knowledge, which understands that the human being, essentially, is not an animal. That the human being has a power of creativity which no animal has, a quality of the individual human being which makes the individual in the likeness of the Creator. And one's consciousness of that, that other human beings are *made* in the likeness of the Creator, in that respect, and that our relations to them and our cooperation with them, must be based on that, is the basis for building up an idea in society which can lead to the promotion and preservation of the kind of society we need. . . .

### China's Diplomacy

**Q:** What is your view of the Chinese investments in Argentina? Do they represent a benefit, or, on the contrary, will there be a new exploitation of our resources?

**LaRouche:** Look at this from two standpoints. First of all, from the standpoint of China: China is the world's greatest bidder for raw materials in the world today. Now, where are the raw materials? China is bidding on oil sands in Canada. China is bidding on vast resources in Brazil. China recognizes that Argentina has a very large supply of undeveloped raw materials. China will come here, into Argentina, obviously.

The other countries are trying to establish monopolies on raw materials. You have the United States, which is reaching out for monopolies on raw materials. You have Western and Central Europe, including the United Kingdom, grabbing raw materials. Most of the raw materials of Africa are grabbed already by Anglo-American-Dutch interests who've already stolen them, and, are killing as many Africans as possible to prevent the Africans from using up those raw materials.

Russia is a different situation. Russia has a vast concentration of mineral resources in Central and North Asia, which only Russians know how to develop adequately. So Russia is a power, a power in terms of having raw materials which other people would like to steal. China has very few raw materials relative to its population. Therefore China is reaching out toward Central and North Siberia, and reaching out to markets in other parts of the world, to lock up markets from which it can buy what it wants.

Now, China's motivation, in the case of Brazil and Argentina, is obvious. The question is, what should be the attitude of



*Argentine President Néstor Kirchner (right) greets Chinese President Hu Jintao in Buenos Aires on Nov. 17. China's recent vigorous diplomacy toward Ibero-America is aimed to secure raw materials for its national development.*

Brazil and Argentina to what China is doing? There's nothing wrong with China and Brazil and Argentina trying to get some partnership in cooperation. You in Argentina know it; that, if you can get some kind of productive partnership which would get some income into the situation for you, it would be helpful. If you could have some development of natural resources of Argentina, which exist, in order to raise the level of employment to get some of your people off the streets and into some kind of quality employment, to rebuild the families of Argentina, that would be beneficial.

So, therefore, what we have is the two sides. The recognition of what China is doing in the world context, what that means. At the same time, to recognize what we should do in response to that. We should not reject it.

For example, China may be interested in developing the second Panama Canal, because it wants to get the vast amount of raw materials available from Brazil. And the best way to do that is to have a large-scale, equivalent to a sea-level, functionally, canal through the isthmus of Panama. It's something that Japan was proposing to do some years ago, back in 1984 or so. And thus, to have a more direct, efficient access to the

Atlantic coast of Brazil, which would be very significant. The soybeans, and other growth which China requires, can be done on a very large scale in Brazil. For Brazil, this might be very beneficial, in the sense that large areas of Brazil which are insufficiently developed, might be developed as a result of that stimulus. The same thing might be true of Argentina.

So, I think that what we have to do is to just take a realistic, conscious understanding of what is going on in the world, and decide how we are going to react. And, react in terms of defending our honorable interests in our treaties with our new partners. . . .

### **Curing Crazy Fundamentalists**

**Q:** Good evening. What is the role played by the pseudo-religious movement called the New Age, in the destruction of the ethical and cultural bases of our civilization?

**LaRouche:** If you have a section of the population, as we have with our fundamentalists in the United States, who are clinically insane, you have the following picture: You have a section of the U.S. population which no longer believes that it has any functional relationship to government. It therefore will go to medicine men, to magicians, to ask them to intervene magically.

Now, the worst of these are called the Protestant Zionists. The Protestant Zionists, the fundamentalist Zionist, is a very nasty creature. He is the worst of all these pseudo-religious types. He believes that there must be a Battle of Armageddon, and he's going to try to make it happen on time by incantation. He believes that if the Battle of Armageddon occurs, he won't have to pay rent next month. He believes that once Israel is established as a power under his control, that he will kill all the Jews who don't convert. He's an anti-Semite; he's a Zionist anti-Semite. Now, this phenomenon was developed in England during the 17th Century among the British Israelites, so-called, who said, "We are the children of Israel. Therefore, the Jews, who are not the children of Israel, who are fake, we are going to have to kill them."

Now, this crowd—how do you get this kind of crowd? We had in the United States earlier, something like this with the grandfather of Aaron Burr, the traitor, Jonathan Edwards. And this kind of evangelization of telling people they're worthless, they are the most contemptible slime on the planet, but God is going to be merciful with them; if they make a contract with God today, God will give them women, will give them money, will give them all kinds of goodies. Not because he likes them; in fact, he despises them, but because they sign the contract. This is the characteristic of the American Protestant fundamentalist whose disease has spread in other parts of the world.

The characteristic otherwise is, there are people who believe they have no power in society. They don't think of themselves as citizens who are responsible participants in making the decisions of society; they think of themselves as people who are appealing to a secret power, the power of some idiotic

preacher, who's more satanic than anything else. And that's the problem.

My view of the remedy for this, is you don't go around and slaughter them. Some people would think that that's a good idea; I don't. You treat them as idiots, and try to find out who you can save from idiocy.

What we have to do is realize that whenever you, in society, condemn a significant section of the population to a sense of powerlessness in society, where they feel they have no efficient connection to the making of policy, or to the things that control government, they will seek mysterious powers of all kinds. They will join strange cults, strange clubs, anarchist clubs, other kinds of clubs, against society, out of poor hatred against a society which they believe gives them no efficient place in recognition. They will go to these wild religions, for precisely the same reasons.

Therefore, our function is to bring these people in: to bring them into the educational system, to bring them into society, to cause them to *find* themselves as members of society, as efficiently participating members of society. So, that when they have a problem, instead of going someplace and throwing a bomb, or becoming a violence-prone idiot, going out and killing people to try to express their anger, they will go to the institutions of society, and, finding a reasonable ear for their complaint, they find an agency which may not agree with them, which may reject what they say, but will open a dialogue with them, which convinces them that they do have an ear, and they are a part of the influence in the making of the policies of society.

So, this phenomenon is a result, generally, of taking whole sections of society, excluding them from a sense of participation in the society as members of the society. We make them outsiders, and then they go outside reason, to try to find a god or a devil who will give them their pleasure.

**Anuart Jarma:** Mr. LaRouche and other collaborators who have helped in this video-conference, we want to thank you enormously for your high-level intellectual contribution, which we have received this afternoon. This speech will be reproduced for a large number of students who were unable to come here today, because—this department has about 5,000 students—it coincided with scheduled class time in a period close to final exams. So we will be reproducing the text.

In closing, we want to thank you for your very important intellectual contribution. And, if you would like, what concluding message do you have for these youth who follow you so closely? Again, thank you for your contribution, and we are always at your disposal.

**LaRouche:** Thank you very much. I would simply say in return, that my affection for your country is enhanced by this experience. The personal contact, which I enjoy richly, and feeling a part of you as your guest on this occasion, makes me happy. And, I would hope that we may benefit from this exchange in the future.