

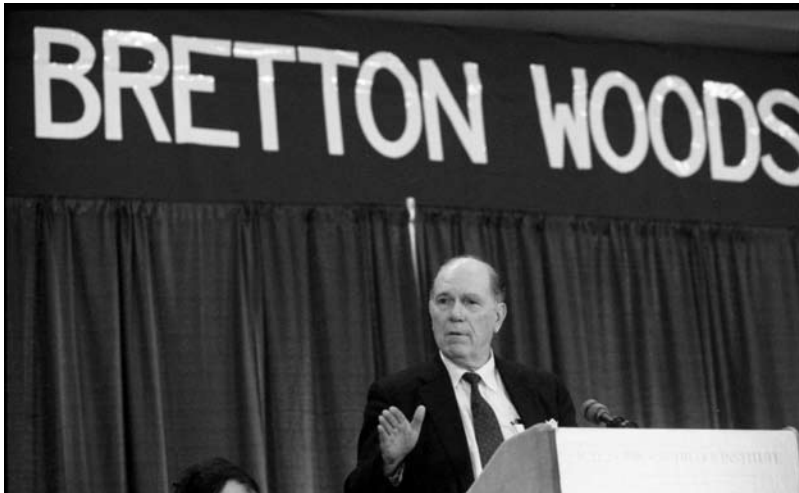
LaRouche's Proposals: It's Time to Listen!

The following is a chronology of some of the major proposals presented by the world's leading economist Lyndon LaRouche, from 1975 to the present, for reorganization of the world monetary system. Adoption of these proposals would have prevented the kind of civilization-threatening implosion which is now underway. For our purposes here, we do not include the regional development proposals which LaRouche also put forward, but only those which deal with the global system. In every instance, LaRouche's proposals called for the equivalent of bankruptcy reorganization, in which the unpayable debt would be set aside, and credit re-established through the agreement of sovereign governments, which credit would be directly tied to the creation of new physical wealth, especially crucial infrastructure projects.

An International Development Bank

April 1975: In the midst of the global debt blowout which occurred after the Oil Hoax and the destruction of the old Bretton Woods system, LaRouche proposes the replacement of the International Monetary Fund by an International Development Bank (IDB), which would be established by the three-way agreement among the industrialized capitalist sector, the so-called developing sector, and the Soviet bloc countries. By treaty agreement, the bank would issue credit especially vectored for industrial development, and expanded food production. A complementary debt moratorium would be put into effect.

January-March 1988: At back-to-back Schiller Institute conferences in Andover, Massachusetts, and Cologne, West Germany, LaRouche puts forward the concept of a new monetary system to replace the IMF, as the only means by which the destruction of humanity by AIDS and other epidemic diseases, or a total debt blowout, could be avoided. Occuring within months of the stock market crash of 1987, the U.S. conference is held in New Hampshire, in the vicinity of the historic Bretton Woods conference of 1944, and is vectored to offering an approach upon which nations from all sections of the world economy can agree, on developing a



EIRNS/Stuart Lewis

Lyndon LaRouche addresses a conference of the Schiller Institute and International Caucus of Labor Committees in Reston, Virginia, on Feb. 15, 1997. His campaign for a New Bretton Woods began the month before, with a call for President Clinton to convene an emergency conference to establish a New Bretton Woods system, to put the global financial system through bankruptcy proceedings, and to reorganize it for development.

new, just world economic order, in effect, a New Bretton Woods.

The Plague of Derivatives

June 1993: LaRouche, from prison, points to the plague of derivatives, as a leading feature in the destruction of the world economy, and calls for the derivatives cancer to be taxed out of existence through a transaction tax. LaRouche's positive program calls for federalizing the Federal Reserve, and launching massive infrastructure projects, in collaboration with other nations. In a mass-circulation pamphlet issued at this time, LaRouche exposes the dirty doings of Nazi collaborator George Soros, and his network of foundations, especially throughout the nations of Eastern Europe.

June 1994: LaRouche issues his Ninth Forecast, which warns: "The presently existing global financial and monetary system will disintegrate during the near term. . . . That collapse into disintegration is inevitable, because it could not be stopped now by anything but the politically improbable decision by leading governments to put the relevant financial and monetary institutions into bankruptcy reorganization."

January-February 1997: With the outbreak of the global financial crisis, beginning in Asia, LaRouche and his wife, Helga Zepp-LaRouche, initiate an international campaign for a New Bretton Woods, urging U.S. President Bill Clinton to convene an emergency

conference to establish a "new Bretton Woods system," to put the world economy through bankruptcy proceedings, and to reorganize it for productive development, with special focus on the mega-project for a Eurasian Land-Bridge.

October 1998: In the wake of the near-death experience of the world financial system in August-September, around the Russian GKO crisis, and the LTCM blow-out, LaRouche escalates his campaign for emergency action by governments, to put the world system through "general financial reorganization, as in general bankruptcy." This will require sovereign governments to take control of their economies, and their currencies (setting fixed-exchange rates), so as to protect the essential functions of agriculture and industry, and to *outlaw* the use of financial leverage, through such methods of derivatives, and other financial gambling frauds.

Committee for a New Bretton Woods

January 1999: LaRouche launches his Presidential campaign for the Democratic Party nomination for the 2000 elections, with a focus on the needed global financial reorganization as shown in the name of his campaign committee: LaRouche's Committee for a New Bretton Woods.

April 2000: The LaRouche movement, through Helga Zepp-LaRouche's Schiller Institute, issues a call for an Ad Hoc Committee for a New Bretton Woods, to demand implementation of LaRouche's proposal. Over the coming year, the statement is signed by over 500 parliamentarians, from over 40 countries, and several hundred civil rights leaders, trade unionists, industrialists, and representatives of social organizations.

June 2001: LaRouche addresses a hearing of the Russian Duma (parliament), where he presents the terminal nature of the world financial crisis, and the solution, in terms of sovereign national cooperation for a new, fixed-rate monetary system.

September 2002: The Italian Chamber of Deputies votes up a proposal, worked out with LaRouche representatives, calling for the government to promote internationally "a new financial architecture able to support the real economy and to avoid speculative bubbles and financial crashes." Such a new financial architecture

must be the answer, the resolution says, to the current “crisis of the whole financial system.”

February 2005: LaRouche’s newly formed PAC, the LaRouche Political Action Committee, releases “Earth’s Next Fifty Years,” a compilation of articles which define the causes of the *ongoing, accelerating* breakdown crisis of the financial system, and outlines the policies, rooted in Franklin Roosevelt’s anti-colonialist legacy, that must inform the replacement system. LaRouche writes: “We are caught, like a ship in a storm, within an already onrushing world crisis, which now threatens to plunge the planet as a whole into a new dark age. It were still possible to save the world economy from this horror: but, we shall not survive without abrupt, radical measures which would return us to President Franklin Roosevelt’s intended unleashing of his intended, post-war implementation of the Bretton Woods monetary system. We either choose that option, or blame ourselves for the awful things which soon follow.”

The Four-Power Agreement

May 2007: LaRouche begins to specify the need for a Four-Power agreement—comprised of the United States, Russia, China, and India—to take the lead in establishing the agreements that would form the basis for a New Bretton Woods.

July 2007: In an international webcast July 25, LaRouche announces: “Only a fundamental and sudden change in the world monetary financial system will prevent a general, immediate chain-reaction type of collapse. At what speed we don’t know, but it will go on, and it will be unstoppable. And the longer it goes on before coming to an end, the worse things will get...”

LaRouche calls for the U.S. government to approach Russian President Vladimir Putin with a Four-Power plan: that the United States, Russia, China, and India take leadership to establish a fixed-exchange-rate monetary system, and negotiate the peaceful reconstruction of Southwest Asia, among other places.

Within days following the webcast, with the international financial blowout then visibly underway, LaRouche presents his Homeowners and Bank Protection Act of 2007, as the first step for bankruptcy reorganization for the United States.

‘Three Simple Steps’

March 2008: LaRouche concludes his March 12 webcast by describing “three simple steps” for overcoming the crisis, which were subsequently massively circulated.

“One: HBPA [Homeowners and Bank Protection Act]. We must provide for an indefinite period, until we can solve the problem, we must provide bankruptcy protection for the homeowner and for the banks, that is, for the legitimate banks, for legitimate banking operations, not speculation.

“Secondly, we must establish a two-tier credit system, between 1 and 2% for government-authorized credit, and let the interest rate float, to 7, or 8, or 9% for other things. *No stimulation package.* A stimulation package is called a “hyperinflationary package.” Anybody who is for stimulation—like these sex freaks, like Paulson and Bernanke—they want “stimulation” all the time! Stimulation! Get ’em some Viagra, or whatever! But don’t give them money. And don’t float money out there. You’ve got to have a conservative view, to defeat inflation. You must have a regulated view, an expansive view, for construction, for the security of people, the security of communities, and for the normal functioning of the country, as it used to function. That these habits are built into our system! Normal banking, no more of this hyperinflationary stuff, no more golden parachutes. One to two percent basic rate. Rebuild the economy! People can understand that.

“So, have a system of credit which is anti-inflationary: 1-2% for authorized use of the Federal government, as a means of generating credit. For distribution, primarily—when not by the government itself—primarily through state- and national-chartered banks, functioning in a normal way, pre-inflationary. Shall we say, pre-Volcker, pre-Greenspan ways. We need that.”

He then went on to the third step.

“We also need a factor of world expansion and co-operation, which means we have to go to create a partnership among a number of leading powers, which include Russia, China, and India.

“If we bring together an alliance of the United States, Russia, China, and India, and bring other countries into the same alliance, on economic policy, we can create a new international monetary-financial system—like the Franklin Roosevelt system. Under those conditions, with these three measures, and measures which are required to facilitate their implementation, we can mobilize most of the world to *get the Hell out of this thing!* And come back to a system where human beings can decently live again.”

Oct. 1, 2008: With the crash in full swing, LaRouche once again reiterates his three-step solution.

When are people going to listen?