

# The LaRouche program: Reorganize the world monetary system now!

*For three decades, Lyndon H. LaRouche, Jr. has been mobilizing to reorganize the increasingly bankrupt world monetary system, in order to promote industrial and technological development, and to foster the creative potential of every individual human being, worldwide. During the past year, he has taken his program to cities all across America, campaigning for the Democratic Party's Presidential nomination. He has also discussed the economic crisis and what must be done, with leading Academicians and political figures in Moscow and eastern Europe. We select here some excerpts of his specific proposals, made during recent campaign speeches and interviews.*

## Five-point economic recovery program

*From an interview with the radio broadcast "EIR Talks" on April 10:*

The issue is that the only event which defines whether the Presidency, the United States Presidency will, in this period, be a success or a failure, is whether the President of the United States has the gumption and resolve, or, as Clausewitz uses the German term, *Entschlossenheit*, to do five things:

1. Recognizing that the Federal Reserve System, as part of the international monetary and financial system, is hopelessly bankrupt, to put the Federal Reserve System, in particular, into bankruptcy, by the federal government using the Treasury to do that.

2. At the same time, get an emergency bill from the Congress, according to Article I of the federal Constitution, creating a supplementary issue of money, of U.S. currency notes, Treasury currency notes, in the order of several trillion allowed, which will be used to fund a general economic recovery as a mechanism of credit, not just spending.

3. To get an emergency bill out of the Congress which establishes National Banking, which will assume the functions of the Federal Reserve, which the Federal Reserve had had, using the precedent of George Washington's U.S. Bank of the United States, and the Second Bank of the United States, and so forth.

4. To get a national economic recovery program, centered around public works, and around the kind of policies which the Bingaman-Daschle report and other reports of a similar nature, and proposals from the Congress, Congressional cir-

cles, and from the Democratic Policy Committee, show.

5. To call together an immediate emergency conference, an international monetary conference, of crucial powers. The first-tier powers—the United States, the British Empire (which is what it really is, it's the Commonwealth as a group, under British direction, with a few countries which have opted out of this), Russia, and China, together with a group of second-tier powers such as Japan, India, the western European continental nations, key nations of South and Central America, and so forth, for an international monetary conference setting up a new monetary system to replace the bankrupt one.

If the President of the United States does not carry out those five emergency operations, the entire world, in a short period of time, will go into a kind of chaos which would be *unbelievable* to most people sharing popular opinion today. It would mean absolute desolation; there would be a Dark Age for the planet.

So, everything else the President talks about would be utter nonsense, unless those five decisions and *commitments to action* were uppermost in his mind. In order to do that, of course, the President must make a clean sweep of the House of Representatives and try to win back the Senate. If he comes close to winning back the Senate, that would mean that some patriotic Republicans would work with the President on these crucial issues, once these were understood to be issues of patriotism. So, under those conditions, then we can get through this.

If the President is *not* committed to that, in his mind, *then he will fail*. If other voices of foreign policy or influentials, such as those in the State Department or people around Perry in the Defense Department, who tend to believe that the United Nations Organization has become *the world government*—in other words, that the United States is simply a *satrapy*, a subordinate or the chief satrapy of a UN empire, then, of course, that won't work.

The problem, of course, on the Dole side of the election, is that most of the constituencies which Dole has assembled, in his function as the "great unifier," would prevent him from undertaking anything of the type which I've indicated. So therefore, a Dole Presidency, from everything we could see, would be an international, as well as a national disaster. Whereas a Clinton Presidency, if he *failed* to do what I've



## LaRouche Campaign Is On the Internet!

Lyndon LaRouche's Democratic presidential primary campaign has established a World Wide Web site on the Internet. The "home page" brings you recent policy statements by the candidate as well as a brief biographical resumé.

**TO REACH** the LaRouche page on the Internet:

<http://www.clark.net/larouche/welcome.html>

**TO REACH** the campaign by electronic mail:

[larouche@clark.net](mailto:larouche@clark.net)

Paid for by Committee to Reverse the Accelerating Global Economic and Strategic Crisis: A LaRouche Exploratory Committee.

outlined, would *tend* to be a disaster, and would become a disaster, even though I think he's not completely opposed to this line of thinking I have outlined.

### Protection of national industry

*The speech excerpted here, delivered in Los Angeles, California on March 16, was broadcast on national television on April 18. See EIR, April 5, for the full text.*

The President of the United States must call together representatives of a number of powers, to enact, in various parts of the world, similar measures to those he's enacting in the United States. He must scrap existing trade agreements and tariff agreements, and set up a new series of agreements which are based on protectionism for both the U.S. recovery, and allowing other nations to do the same thing.

So, therefore, we bring back regulation of airlines, public transportation, things like that. You won't have to go to a gambling casino to find out what the price of an airline ticket is between here and Pasadena, or something—which is pretty much the way it is now. Get back to a regulated system of public transportation, things of that sort. Put up protective tariffs; not exorbitant tariffs, but protective tariffs, which allow our farmers and our manufacturers to engage successfully in investing in businesses. That simple.

Other countries should have the same right. We should agree with them on tariff and trade agreements which serve that purpose to our mutual advantage, our mutual national economic security. That's the basic issue. They have to do the same thing with their central banks that we have to do with the Federal Reserve System. We have to enter into agreements with them on trade and tariffs, and on reestablishing a system of relatively fixed parities of currency, so we can foster long-term international trade and investment. Get the world economy moving again.

### How to organize a recovery

*This speech was given on May 16 in Washington, D.C., following a visit to Moscow, and was featured on a June 2 national television broadcast. See EIR, June 7, for the full text.*

We can immediately bankrupt the Federal Reserve System. We can issue immediately a new issue of currency to supplement that presently in circulation, U.S. Treasury currency notes. We can put several trillion dollars of that into the pipeline. We can start up National Banking. We can do this with bills in one day, emergency legislation to a panicked Congress, to get, under Article I of the Constitution, a new currency bill. Under the same provision or precedent in Article I of the Constitution, we can establish National Banking. One day, one piece of emergency legislation!

We can, with plans which already exist, organize a general economic recovery in the United States tomorrow morning, simply by putting things into motion that will hire people and put things back to work, and stimulate the other sections of the economy through public works in the public sector. We did it before, we can do it again.

But, we have to deal with the world context. Therefore, we have to set up a *new* monetary system for international trade. We have to reestablish the agreements we had, the Bretton Woods agreements on international currency and trade conditions that we had prior to 1968, minus the central banking provision, but on a National Banking basis. We can do that, practically, in one day, too.

All we have to do, is get enough clout together in the world, in terms of agreement among a number of nation-states, that *that's* what we're going to do. And, if the United States requests it, and if the other countries agree, *it's going to happen*. And, that's what people in Russia, and, also, in other parts of the world, wish to hear.

Everything the next President of the United States can do—or perhaps the 1996 President has to do sometime this year—everything else he's going to do, is not important, compared with this. We face the worst crisis in the twentieth century, with a financial system and a banking system which internationally is breaking down, now. We have to fix that; because if we don't fix that, we're not going to fix anything else.