

Editorial

Wake up, Americans!

What insanity! Just at the very moment when all leading bankers know that we are headed straight toward a world financial catastrophe—one which will dwarf every previous 20th-century economic disaster—Americans have abolished the protections which they enacted for themselves in 1933, during the last Great Depression, in the Glass-Steagall Act. But does anyone doubt that the reason for that law, was precisely to protect the life savings and incomes of millions of American families from being annihilated in the next financial blowout, as they had just been annihilated during 1929-33?

When folly comes, it comes in buckets. At the same time the Glass-Steagall protections were being removed, the President's Working Group on Financial Markets recommended that over-the-counter financial derivatives—tens of trillions of dollars of worthless financial chain-letters—be kept permanently free from any government regulation.

Treasury Secretary Larry Summers welcomed the taking down of Glass-Steagall, saying that it would enable America to take full advantage of the new "information economy." But to homeless, jobless, and hungry Americans, Summers was really saying, "Let them eat pictures from the Internet." Unfortunately, silly Summers convinced President Clinton, a far smarter and more responsible leader, to join him in mouthing his bilgewater.

The extremes of this lemming-like insanity, of this insistence on removing the roof from the house, precisely when the thunderstorms are gathering, is a lawful product of the financial catastrophe which looms immediately ahead. That future is now determining the present. In the present, turbulent boundary-layer of financial disintegration, your banker, your broker, your health maintenance organization, and your insurer, are intent on stealing every dime you've saved for retirement or any other purpose—in order to ensure that they weather the coming storm, if possible, and that you do not. *Your* savings will be *their* lifeboat.

The effects of the coming catastrophe on the present, are not limited to the spread of immoral obsessions

and mania. For some more fortunate leaders, this turbulence, in combination with 40 years of accurate warnings from Lyndon LaRouche, has helped them to question some of the ruling ideas responsible for the dead-end in which we now find ourselves. Some have reached the elementary, baseline conception, that the institution of the sovereign nation-state is a necessity for the protection of its citizens.

As Helga Zepp-LaRouche explains in an open letter that appears in this issue, France's Prime Minister Lionel Jospin has recently turned against the Thatcherite deregulation and "welfare reform" policies of British Prime Minister Tony Blair, and has harkened back to the 30 "golden years" of 1945-75, when regulated (and more protectionist) capitalism, under the Bretton Woods system, permitted an improvement in living standards, not only in the industrialized countries, but generally throughout most of the world. Italian central bank Governor Antonio Fazio has forcefully recalled government's responsibility for the General Welfare. And even German Chancellor Gerhard Schröder, who earlier this year joined Blair in cosigning an essay in praise of the "Third Way," was forced during Thanksgiving week to rescue the German construction giant, Holzmann AG, against the insane "free market," "deregulationist" rules of the European Commission. Holzmann's workers appropriately sang the German National Anthem when the decision was announced.

The American must now wake up. He must remember his national history: the protectionist "American System of Political Economy," developed successively by the leaders of the Massachusetts Bay Colony, and then by Franklin, Hamilton, the Careys, Abraham Lincoln, and others in that tradition, through Franklin Roosevelt, John Kennedy, and Lyndon LaRouche. Is your neighbor addicted to stock market gambling or "money-management accounts," a.k.a. derivatives, and the brazenly evil, dog-eat-dog economic theories which justify them? If so, he has nothing to blame on "Washington." His own "private" addictions, are enslaving our nation and its posterity, as surely as the opium foisted on China by the British imperialists in the last century.