

## LaRouche, New Bretton Woods in Malaysia Press

*One of the leading Malay-language newspapers in Malaysia, the Utusan Malaysia, published this column by the Malaysian scholar Kassim Ahmad (under the pen-name Hang Jebat) on May 31, titled "Replacement System for a New World." The article has been translated by EIR.*

Six months ago, in this column, I said that the time the United States would cry had arrived. In other words, the Anglo-American liberal political-economic system has collapsed, can no longer be saved, and must be replaced with a new system. A replacement system is needed to save the world and civilization. Now, I shall write about this.

It must be remembered that this collapse process did not occur in a day, a month, or a year. It started around 30 years ago, when the London-New York financial oligarchy enforced a policy known as the "post-industrial society." This policy shut down manufacturing, agriculture, and so on, and created non-productive services, and a giant speculative bubble. In 1971, the policy reached a critical juncture when President Richard Nixon took the dollar off the gold standard. This decoupled capital flows from productivity, and lay the foundation for the creation of speculative markets in U.S. dollars and euros.

In October 1979, under Jimmy Carter, Federal Reserve Chairman Paul Volcker started a policy he called "controlled economic disintegration," which is an extreme form of the "post-industrial society." Under this policy, interest rates charged by commercial banks were forced up to 21.5%, and were maintained at double-digit levels for five years, until the end of 1984. As a result, the industrial manufacturing foundation of the United States collapsed.

In the 1990s, the policy focus of the post-industrial society was to spread the process of "globalization," with manufacturing industries being channelled to some of the world's poorest countries. Products were made in places where workers—often children—were paid between 10¢ and \$2 an hour. The NAFTA [North American Free Trade Agreement] agreement in 1993, together with the *maquiladora* slave-labor system [in Mexico], were created specifically for this purpose.

This is the story of the collapse of the Anglo-American neo-liberal political-economic system, that they are going through now. Because the collapse process took 30 years, therefore, so will the recovery process.

Frequently, we hear some of our leaders speak about Western values and Eastern values, as if they were opposites, as if West and East are two homogeneous societies, with

Eastern societies possessing all the good values, and Western societies possessing all the evil. This is not true. In the East, as in the West, the forces of good and evil are constantly battling to control society.

In the United States, since the late '60s and early '70s, there has appeared a group which eventually became an international political and philosophical organization, with the intention to create and maintain a good society on the face of the Earth. In the words of their leader, Lyndon H. LaRouche, on Aug. 2, 1982: "We represent a greater moral purpose, a

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great program in the tradition of St. Augustine, Charlemagne, Dante Alighieri, Richelieu, Mazarin, Leibniz, Franklin, Schiller, Humboldt, and Lafayette. Our historical task is to create on this planet, a community of principle among sovereign republics to reject the 'balance of power' in the world, and to fight the evil of oligarchism, as represented by the oligarchic families of Venice and Genoa.

"The Political Economy of the American System is not only an alternative to the evil British system of Adam Smith and his associates. The American System is a program by the economic institutions of society, obtained from knowledge about the features of the economic practices of successful cultures, those which thrived and accomplished a greater good, a program to guarantee that the good is promoted, and the parasitical institutions of ground rent and usury of the oligarchy are eliminated, so that future generations could live according to the instruction of the Book of Genesis: to be fruitful, to multiply, and to subdue the Earth, and to accomplish that with the creative powers inborn in each individual human being."

According to the teaching of Islam, this is the cause, commanded by God, to be taken up by the faithful. We give thanks to God, that there exists a group of such fighters, and that the name of this American leader and thinker, and his organization, has spread all over the world recently. His influence is increasing in Russia, China, Europe, the Arab world, Southeast Asia, India, Iran, and Latin America, and his economic, financial, and social policies, such as the Eurasian Land-Bridge, the New Bretton Woods, and the dialogue among faiths, have become either national policies, or a strong influence in the countries and regions I mentioned.