

debt—including the bailout funds which were issued in order to protect the investment banks over the past two and a half years—will be wiped out. Debts that do not correspond to a Glass-Steagall standard will simply be set aside, and not honored. Legitimate debts, which correspond to payrolls, pension obligations, and the like, will be honored.

Bankruptcy Protection

Once again, we are applying a Constitutional principle—the principle of bankruptcy reorganization in favor of saving the productive capacity of the nation. Contrary to Europe, the United States had a tradition of permitting individuals, and eventually, corporations, as well, to be protected from their creditors in respect to their vital functions in service to the community. Whereas in Europe, going bankrupt was considered to be a crime, to be rewarded with debtors' prison, in the United States, bankruptcy reorganization could be used to relieve the bankrupt entity or person of immediate pressing debts, and permit the entity or individual to work their way out of penury.

On June 7, 1934, FDR signed the Corporate Reorganizations Act, which instituted bankruptcy protection for corporations “in line with the public interest.” It called for freezing collection efforts against an entity, and maintaining that entity's ability to continue to operate. The entity is also permitted to obtain new credit necessary for ongoing operations, implicitly beginning with a clean slate, with the old debts in deep freeze. The purpose is to keep productive activity going, because it is in the interest of the community as a whole.

This is precisely the kind of protection which is required today for our *bankrupt* chartered banks, and for much of our industry, and many of our families as well. It's the kind of protection which was effectively applied by Alexander Hamilton for the nation as a whole, when he was organizing the finances of the young United States, which was saddled with unpayable debts following the Revolution, to be able to grow.

When FDR died, however, agents of the British monetarist system began to roll back his measures, culminating, in 1999, when Glass-Steagall was repealed altogether, effectively opening up the path for the unbridled looting which has brought us to the economic disintegration, and financial bankruptcy, we face today. Only a bankruptcy reorganization, which cancels the bailout and trillions more of illegitimate debt, can put us back on track.

II. Protect the Citizens

The HBPA and the Hill-Burton Standard

“[What we need] is the creation of the guarantee for the unemployed, the protection of the unemployed, and the protection of the homeowners; and the protection of the health-care services. Those things: So, we protect the population as a whole, as a first action.”

—Lyndon LaRouche

Simultaneously with the bankruptcy reorganization measures, as Lyndon LaRouche expresses above (see Part I), the Federal government has to protect Americans from losing their unemployment insurance, being evicted from their homes, and being subject to a Nazi health-care bill which is being rammed through the Congress, with the open intent of denying care to, and thus killing, millions. The horrors of mass foreclosures, loss of income, and lack of medical care, which are engulfing huge swaths of the citizenry now, will be dwarfed by the deepening crisis ahead—unless LaRouche's emergency measures are taken.

The commitment to the general welfare which is embedded in the U.S. Constitution, and in the history of our nation's battle against the evils of empire and its disregard for the sanctity of human life, impels us to take these emergency measures, even as we are reorganizing the financial infrastructure so that it will support a productive economy once again.

Pass the HBPA

The first step, LaRouche emphasized, is to enact the Homeowners and Bank Protection Act (HBPA) of 2007, the proposed legislation which LaRouche put forward in August 2007, in an attempt to forestall the disastrous potential consequences for bankers and homeowners alike from the blowout of the financial system which had begun at the end of the July. The essential features of the HBPA are:

1. Congress must establish a Federal agency to place the Federal and state chartered banks under protection,



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The first step in restoring America's commitment to the General Welfare, is to enact LaRouche's Homeowners and Bank Protection Act of 2007, beginning with freezing all home foreclosures. Shown: The LaRouche Youth Movement organizes for the HBPA in Washington, D.C., October 2007.

freezing all existing home mortgages for a period of however many months or years are required to adjust the values to fair prices, restructure existing mortgages at appropriate interest rates, and write off all of the cancerous speculative debt obligations of mortgage-backed securities, derivatives, and other Ponzi schemes that have pushed the banking system into bankruptcy.

2. During this transitional period, all foreclosures shall be frozen, allowing families to retain their homes. Monthly payments, the effective equivalent of rental payments, shall be made to designated banks, which can then use the funds as collateral for normal lending practices, thus recapitalizing the banking system. Ultimately, these affordable monthly payments will be factored into new mortgages, reflecting the deflation of the housing bubble, the establishment of appropriate property valuations, and reduced fixed mortgage interest rates.

It is to be expected that this shakeout of the housing market will take several years to achieve. In this interim period, no homeowner shall be evicted from his or her property, and the Federal and state chartered banks shall be protected, so they can resume their traditional functions, serving local communities, and facilitating credit for investment in productive industries, agriculture, in-

frastructure, etc.

3. State governors shall assume the administrative responsibilities for implementing the program, including the “rental” assessments to designated banks, with the Federal government providing the necessary credits and guarantees to assure the successful transition.

If it had been enacted in 2007 or 2008, as more than 100 local jurisdictions demanded, the HBPA would have gone a long way toward stabilizing the banking system, and prevented the more than 8 million home foreclosures that have ravaged communities and families since that time. The only sane course is to put this measure into effect immediately, as an adjunct to the broader financial reorganization, in order to limit the suffering.

The Hill-Burton Standard

The second fundamental protection for the American people that must be implemented, is the defeat of the Hitler health bill now being rammed through by the Obama Administration, and the resurrection of the post-war policy of providing for the medical care of our citizens, by ensuring that sufficient resources—from hospital beds, to personnel, to modern diagnostics and treatment—are available in every part of our country.

The basic problem with the Obama health-care bill, which was foisted on our nation by the British and their toadies, is that it is premised on Nazi euthanasia practices. As the relevant persons in the Administration have stated from the start, this so-called health-care reform is based upon the assertion that we *can't afford* to pay for quality health care for all Americans, and, therefore, we have to *cut* what is considered *wasteful, excessive* care. Targetted especially, are those whose lives are considered “unworthy of life,” because they will never totally recover, they are too old, or they don't have enough “Quality Adjusted Life Years” to justify the expense of treating them.

Exemplary of this point of view, is the constant, outrageous assertion by the President himself, that the major cause of the debt crisis of the United States, is the cost of Medicare and Medicaid—a lie that tries to cover

over the more than \$20 trillion bailout being given to bankrupt financial institutions, not to mention the failure of the Administration to get the nation back to producing real wealth, the *sine qua non* for being able to pay for quality health care for all.

These premises are *Nazi*, as well as British, and, not surprisingly, they are spelled out in detail in the President's bill. It takes a lot of perseverance to decipher the wording of the Senate bill (and most Senators and their staffs clearly didn't bother), but the details clearly bear out the Nazi intent. While presented in terms of eliminating "inefficiency," the cost-cutting measures represent a systematic implementation of the intent to cut services for the elderly and infirm, through the use of independent "expert" panels, rating systems, and other measures, including financial incentives for eliminating so-called "end of life" care, in favor of getting it over with, and dying.

It is coherent with this genocidal objective, that the Administration bill provides trillions of dollars of financial benefits to the insurance companies, through unconstitutional mandates, and the like.

The Administration health bill is seen by a majority of Americans as a threat to their health and life—and it is. It must be stopped cold.

The second step is to return to the Hill-Burton standard passed in 1946, which commits the nation to providing the necessary ratios of hospital and medical staff, per 1,000 residents, required to serve the health needs of the U.S. population. Such a return would demand the cessation of the hospital closings which have been going on for decades, as well as relevant measures for training and retaining medical personnel.

The third step is to eliminate "managed care" and "health maintenance" organizations, run by private insurance companies: Repeal the 1973 Health Maintenance Organization Act (PL-93-222). HMOs were put in place to make money off the sick to begin with—and thus started off with a Nazi orientation. It also means instituting a kind of single-payer Medicare-for-all system, which eliminates not only the huge overhead of the HMO private insurance system (a financial saving of up to 30% of health costs), but also, eliminates agencies that are committed to *reducing* care, rather than improving it.

We have the capacity to provide health care to all our citizens, especially if we undertake the economic recovery effort needed. The current path leads to dictatorship—and must be rejected now.

III. A New Civilian Conservation Corps

Create Real Jobs Rebuilding the Country

"And we have to get, immediately, the launching of a program which is going to employ, very rapidly—in physical production—at least 2 million Americans. And you're going to have people understand, in January, that there are going to be 2 million new jobs, in basic economic infrastructure and associated production."

—Lyndon LaRouche

Once the U.S. banking system has been cleansed of the trillions in toxic waste through bankruptcy reorganization, the Federal government can begin to authorize the issuance of *credit*, directed primarily to large-scale projects of national, basic infrastructure, such as rail, water, and power systems. The object is not to create jobs, *per se*, but to put people into *productive work* rebuilding the country. This means getting at least 2 million people immediately employed, with a concentration on young people, along with older people who can serve as the cadre force to help with training the young. Millions more should soon follow.

LaRouche's approach contrasts sharply with the so-called "green jobs" approach of the Obama Administration—which throws money away by employing people in useless make-work, or even counterproductive jobs. Building acres of solar-panel parks, or wind farms, as the President proposes, is actually a net loss to the economy, because such "energy forms" cost more to produce than they put out in electric power, and actually degrade the physical environment which they are purporting to save. You might as well be digging holes, and filling them in—as that fascist John Maynard Keynes proposed.

Instead, LaRouche's jobs program calls for massive investment in the infrastructure and technologies of the future, concentrating in particular on the need for a rapid expansion in the number of nuclear plants, and for rebuilding the dilapidated transportation system of the country with state-of-the-art magnetic-levitated train systems. While these areas represent the engine of technological growth in productivity for the econ-