

A Branch In the Road Of History

by Lyndon H. LaRouche, Jr.

Lyndon LaRouche presented the following keynote address on Feb. 17, to the annual Presidents' Day weekend conference of the Schiller Institute and International Caucus of Labor Committees, in Reston, Virginia. The theme of the conference was, "Is the United States Under Bush Doomed?" Subheads have been added.

I presume that most of you have read the statement, which I issued yesterday, on the matter of the United States and British resumption of Desert Storm, in effect, in Iraq.¹ The significance of that, I have underscored there, and you can read it. But let me just summarize the relevant points as they pertain to what I have to say, here, on this occasion, today.

What I knew, from the time of about Jan. 5, when it was certain that George W. Bush was going to be certified as the next President, I knew at that time, that a new aerial attack on Iraq was inevitable. That there was no reason, there was no provocation from Iraq, or anybody else, which would, or has caused this attack. Iraq was attacked, because George Bush, the President and his circle, intended to attack Iraq as soon as he could become President. And, that's the only reason it happened.

This happened in the context of a government which is desperate, a Bush government which is desperate; it's in the middle of a depression, which is onrushing; it's increasing in intensity day by day.

You'll see in this area, of Northern Virginia and so forth, you've seen a tide of tarpaper shacks, glorified tarpaper shacks, housing people, who have no skill whatsoever, except they went to a university, and got a starting salary, as recently as this summer, of \$90,000 a year, for working in the so-called Internet and related fields. They're now losing their jobs in great packs; the housing which they bought into, with great mortgages, in this area—\$400,000 mortgage and up—glorified

1. LaRouche's statement on the bombing of Baghdad was summarized in last week's *Editorial*.



Lyndon H. LaRouche, Jr. addresses the conference on Feb. 17.

tarpaper shacks, with Hollywood exteriors pasted on. They are going to be leaving these shacks, as the rate of mortgage foreclosures piles up, because they have no jobs, no employment, waiting for them, when they are mass-fired from the institution in which they work.

The Internet bubble is dead. That does not mean that all the computer firms and software firms are going to become extinct. What it means, is the bubble aspect of it will disappear, and we're going to have as much as an 80% collapse in employment in this area, particularly the soft area of employment. You're going to have a receding tide, as people who inhabited these hills around here, and these tarpaper shacks, leave the tarpaper shacks, to try to find out where they came from, and get back there quickly.

But, unfortunately, in outgoing tides, particularly in the case of a cesspool, the outgoing tide is less pleasant than the incoming tide.

Collapse of the Importer of Last Resort

So, this is the nature of the general situation. The economy of the United States is finished in its present form. The collapse of the U.S. economy, which you'll get more indications of, is unstoppable—day by day, has an impact on the world economy, because the U.S. economy has become an importer of last resort for much of the world. You're going to see a collapse in Asia, especially Japan and Korea, other parts of Asia. China is already preparing a program of expanding its internal infrastructure development, to compensate for the loss of employment, for exporting cheap-labor products into the United States. Canada is already feeling the pinch of the

collapse of the importer of last resort next door—the United States. Europe is feeling the pinch.

The entire world is going into what can become the deepest depression in centuries, right now. And what you're seeing in Northern Virginia, with the mortgage foreclosure rate increasing among those who are receiving aggregate incomes of \$90-100,000 a year or more for these Internet-related, bubble-related jobs, is simply part of the process.

Al Gore's dream is ended, in more ways than one. And, maybe he's ended, too.

But, in this process, we have a new President, who comes into a world which is desperate. He comes in, with a machine behind him, which, in its philosophy, its composition, and its habits, dreams of a world which will never be: They dream of a world, in which the Bush crowd—Enron and similar agencies—loot everything! The carpetbaggers of the South are looting the world as a whole. These are Enron.

You have a buildup in the United States, over the period of the past 35 years, since the budget change in the United States, in the year 1966-67. The first collapse of the aerospace industry, at that time, in which areas which had been concentrations of high-tech for the space program, were cut back, in very significant quantities.

And we've been going downhill ever since.

Nineteen sixty-six was also the time that Richard Nixon, then a candidate for nomination as the Republican President, went and met with the Ku Klux Klan, in places like Meredith, Mississippi. And also met with people like Trent Lott, the present Republican leader of the Senate, who practically was a Klan member, or should have been. (Maybe he couldn't

wash his sheets regularly, at that time. Couldn't make it.)

But, at that time, you had a shift in the country. The areas of the United States, which used to produce most of its wealth—the family farms of 200 acres or 400 acres; the ranches of 1,000 or 2,000 acres; the industries of the urban centers, the steel industries, the machine-tool shops: These industries *have been turned into a rust belt*. And the people living in these areas have been suffering a disaster.

The wealth has moved out of the Northern states, and moved down into what was, at one time, the Confederacy. And, out of the Confederacy, the Southern Strategy, the racist policy of the Republican Party, augmented by the racist policy brought in with Jimmy Carter and his type, and the so-called Boll Weevils, in the late-1970s, has destroyed the United States. And it has created a new concentration of wealth, centered in the states which used to be the heart of the Confederacy. Racism reigns. A return to neo-Confederacy reigns. The rust belt rusts, and nothing good is built in the area of the new Confederacy—just things like these glorified tarpaper shacks, which burgeon on the hills around here, to house the people who came in like the incoming tide, and are going out like a stinking disaster.

This is the situation of the United States.

The End-Game Has Arrived

For 35 years, the United States has been destroyed. For 35 years, the economy of much of the world has been destroyed. This can't go on forever: We've now reached what I shall indicate to you today, is the end-game. And, the end-game is George Bush and his administration, an administration which has no future, which is on a short fuse to destruction—self-destruction. But it has a large explosive charge, and when it blows up—which will be soon—anything standing near it, in most parts of the world, can be severely injured.

And the question before us, therefore, is, what can we do, to prevent this disaster? Is this disaster inevitable? Is it in the cards? Is it irreversible?

Can we “put the toothpaste back in the tube”? I say, we can! As a matter of fact, if you knew anything about production, you'd know how to do that! People who can't put the toothpaste back in the tube, are not employable in skilled jobs in industry!

So, we're going to put the toothpaste back in the tube. That's essentially our program.

Why are we going to put the toothpaste back in the tube? Because, in a crisis, when you must suddenly mobilize a people, into a great adventure, which frightens them, you can not come up with something which seems to them, harebrained ideas. In a longer process, you can make great revolutions, for the future. But, in the short-term time of emergency, when people are terrified, when action must be rather immediate, *you must rely upon the examples from the past, and return to those things that did work, before the disaster struck, and put them back into operation*, as Franklin Roosevelt tried to do,

with some degree of success, between 1933, when he was inaugurated—even before he was inaugurated—until the time he died, in 1945.

In times of crisis, you must look at history. You must look backwards, to find the good times, when problems and crises of the type you face today, occurred then. And, you look to a time, when somebody came up with solutions that worked—that worked as well as those things we did between 1933 and 1945, in getting out of the Depression, and getting through the war. The things that were done between the United States and Western Europe between 1945 and 1965, to rebuild prosperous economies, which generally benefitted all of the people in them (at least in those parts of the world), during that period. Incomes increased, the standard of living improved, employment increased, and so forth and so on. Life expectancy increased. Conditions of life improved.

So, we will have to go back, to things that we did, to the kinds of policies that worked in the past, especially between 1933 and 1965: those morals. Because, we can show the people that *these things worked*. Whereas the things that have been done, increasingly, since 1965, have not worked, have brought us to a disaster.

Therefore, put that toothpaste back in the tube! It can be done, and it must be done. And, in the meantime, we can go on to some of the great things, that we can do beyond that.

Now, this weekend, we shall be dealing with a number of highlights of this kind of problem. Shortly after my presentation, we'll have a presentation on how Kepler and others, including Gauss, determined what the nature of the Solar System was. It will be highly relevant, because it shows you the way that you have to think, to overcome problems, at times. It's a lesson which needs to be learned today, especially when there's no science, worth mentioning, being taught in the school system. You'll see one of the reasons why European culture has destroyed itself, how it's been destroyed from within. Why people today, coming out of schools, are less intelligent, less moral, with less moral strength, than they were, say, in my generation, or immediately afterward. You'll also find out some of the facts, as to what the nature of the crisis is, how bad it is, in a summary form.

And, we'll have some discussion, in the meantime.

Bertrand Russell's 'World Government' Project

So, let me just, then, situate what I've said, give you an historical picture of how this developed, and what we have to do about it. First, the crisis itself, and then, as to what *you*, and people like you, have to do to make the implementation of the technical solutions possible.

Now, let me go back—not all the way, to 1965-66—but, rather, go back to a point between February of 1982, and February of 1983. Now, what was important about that period, is that, from the middle of February 1982 through the middle of February 1983, I was involved in an important back-chan-



Bertrand Russell's plan was to use the threat of nuclear weapons to force nation-states to give up their sovereignty, and submit to world government.

nel discussion between the Reagan Presidency and the Soviet government. The discussion was an exploration of the feasibility of reaching an agreement between the two powers, and other nations, for what became called, briefly, by President Reagan, the “Strategic Defense Initiative.”

This was not strictly a military program, although it had military aspects. We were then, at that time, as some of you recall, we were living under the threat of nuclear annihilation, a policy which had been introduced in 1945, with the bombing of Hiroshima and Nagasaki, by President Truman, at the urging of the British government—and at the insistence of Bertrand Russell, who is probably the most evil man who lived during the 20th Century in any part of the world.

It was Bertrand Russell, who proposed, together with his crony H.G. Wells—and H.G. Wells started this nuclear-weapons policy—to use a weapon so terrible, at that time, what Wells first proposed, in 1913, when he was an intelligence adviser to the British government, in a key position: At that time, he proposed, that what was known about nuclear fission—and he, at that time, was referring to radium fission, not uranium fission—that, we could use fission to develop weapons, which would be so terrible, that governments would agree to give up their sovereignty to world government, rather than go to war, with such weapons running loose.

This was the reason why Bertrand Russell, in 1939-1940, induced three of his stooges—Wigner, Szilard, and others—to induce Einstein to write a letter to Franklin Roosevelt, to set into motion what became known as the Manhattan Project. Now, the intent of Russell, was to get the United States, in cooperation with Britain, to build a nuclear-weapons arsenal. The purpose of that, as Russell made clear, in a paper he

published in the United States in September of 1946, to create a weapon so terrible, in the hands of a world government, a joint world government of the British and the United States—the British, the Commonwealth, and the United States—to impose world government, by nuclear terror, upon the world.

What Russell also was involved in, was making sure that the Soviet government had such a nuclear arsenal. So, many of the leaks from the United States and Britain, into the Soviet Union—even though the Soviet government had its own, independent, and rather competent, nuclear program, including a nuclear weapons program; the Soviet government had been at this program since 1922, under the influence and leadership of a fellow called Vernadsky: Vladimir Vernadsky, a famous scientist. But, the idea of Russell, was to have the Soviet Union have a nuclear arsenal, with encouragement and provocation, so that you would have two powers, each with nuclear arsenals. And thus, you would have the danger of a conflict between two nuclear powers. And, you would therefore use this conflict *to terrify the world*, as was done in the Fall of 1962, with the [Cuban] missile crisis, to create the situation where governments—as they did!—in 1962-63, sign agreements, called détente agreements, to *submit* to an arrangement in the direction of world government, in order to avoid future nuclear-weapons confrontations.

So, that is the kind of world we've been living in.

Tory Attack on the American Intellectual Tradition

So, as a result of that, Russell and his crowd had another intention: *They hated the United States*. They hated the legacy of what's called the “American intellectual tradition”: the tradition of Cotton Mather, and the Winthrops of Massachusetts, in the 17th and 18th Centuries. They *hated* Benjamin Franklin. They hated the American Revolution. They hated the Declaration of Independence. They hated the U.S. Constitution, and were determined to destroy us, as soon as possible.

Russell shared those views, which he expressed publicly, repeatedly. The idea, that the British Empire would give way to an American Century, was something that horrified Russell. And so, these people, who were behind this program, *were determined to destroy us, too*. But, to induce us to participate in our own self-destruction as a nation.

And what they did is, they went to an old enemy of the United States, within. And the United States has principally two internal enemies, since the time of the American Revolution. These enemies were called, in their time—and were also called by Franklin Roosevelt, by that name: “American Tories.” The American Tories were the people who wanted to keep the American colonies under the British Crown, during the period of the struggle for U.S. independence. And, these consisted of two types: One type, were those tied to British financial interests, who are later what became Wall Street, and this crowd up in Boston, tied to Wall Street. The second group, was based initially in the states of Georgia and

FIGURE 1

Route of the Trans-Siberian Railway and the Chinese Eastern Railway



South Carolina: a slaveholder faction.

So, the alliance of the Wall Street bankers, who are close to the British, politically and otherwise, in alliance with the Southern planters, the founders of the Confederacy, was used by the British to try to destroy the United States from within. And that led into the process known as the Civil War.

Lincoln came out of the Civil War—not alive, just barely—but, his program was continued into the middle of 1870s. And, over the period from 1861 to 1876, the United States emerged as the most powerful nation-state, economically, on this planet. And the British were determined to destroy that.

But, at the same time, the success of the United States, in building up the world’s leading economy, in technology and other respects, created admiration for the United States, in Japan, in Germany, in Russia, and other parts of the world. You had a great program, which was launched in that period,

starting about 1876, for the building of trans-Eurasian railroads linking the Atlantic Ocean to the Pacific, across the land-area of Eurasia. These projects, which included the work of Count Witte—Sergei Witte—in Russia, and others; Mendeleyev, before Witte, the great chemist, the great scientist, who was the great railroad builder of Russia; working on the American model, the model of Henry C. Carey, the model of Friedrich List, together with forces in Germany, such as Emil Rathenau, and others. Forces in China, which came to include Sun Yat-sen, the founder of modern China. Which included forces in Japan, which worked closely with Henry C. Carey, and were, for a time, until the 1890s, the ally of the United States, and then switched and went over to become an ally of Britain, against the United States.

These forces were combined, in cooperation, through great transportation and trade, and technology projects, to build up Eurasia, as a group of nations, in the same way

that the United States, with the aid of the Transcontinental Railway system, had built up the territory of the United States from the Atlantic to the Pacific, as an integrated, functioning economic territory.

The British feared this. It was a great threat. Because, if Eurasia were united with the United States in this kind of cooperation, and common interest, *then the days of Empire were over.* No empire could withstand the combined force of a united, or largely united Eurasia, and the United States.

So, [Queen] Victoria, at that point, had had her nervous breakdown, with the death of her husband. She was off in Scotland, taking drugs and fooling around with a strange gentleman, up there — wasn't paying much attention to business. She had a son, the Prince of Wales, who later became Edward VII. And, during the latter part of the 19th Century, this son (and I won't say of what) became known as the Prince of the Isles, the Lord of the Isles. And, he organized a force — or at least, under his leadership — to prepare to destroy Eurasia, by putting France, Germany, and Russia against each other's throats, putting Japan against China, and so forth and so on.

So, the real culprit, who made World War I, was the guy who died, before it happened: King Edward VII.

A Century of Treason

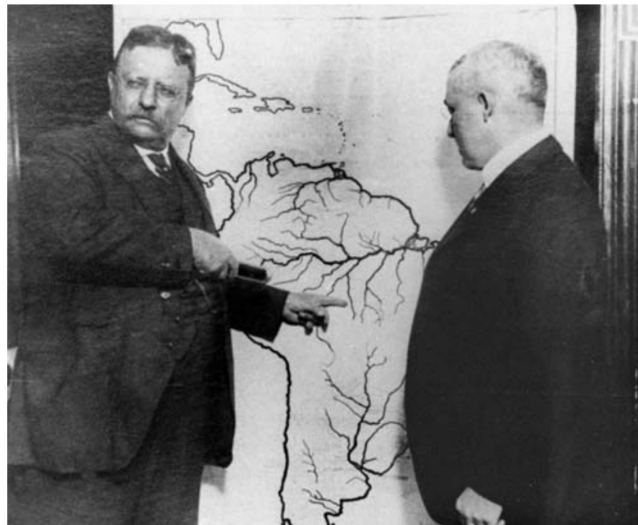
But, unfortunately, at this time, another thing happened: A President, who was a patriot, William McKinley, was assassinated. He was assassinated in New York, by the friends of Teddy Roosevelt, that is, from the Henry Street Settlement House in New York, which was a nest of the Teddy Roosevelt circles. This nest was headed, at that time, by a woman called Emma Goldman, who was a terrorist. Emma Goldman brought in a terrorist from Europe, a professional terrorist, brought him into the Henry Street Settlement House — and into her bed also! And, she took him with her — I suppose, bed and all — out to Cleveland, where she made an address, calling implicitly for the assassination of the President of the United States. This terrorist went up to Buffalo, and shot the President of the United States, who died a few days later.

And, Teddy Roosevelt, who was a son of the Confederacy (and I won't tell you what else), became President.

There was a sudden switch in United States alliances. Up to that time, the friends of the United States had been — except for this business with the Sino-Japanese War, which was a Japanese Emperor's alliance with Britain, against the United States — from China, Germany, Russia, some people in France, and so forth.

So, what had happened was, that Teddy Roosevelt's administration *reversed the alliances.* Up until 1901, the British Empire, the British monarchy, had *always been the enemy of the United States, from the founding, from the Revolutionary War.* From 1776 to 1901, the British Empire was the enemy of the United States, and every patriot so considered it.

In 1901, with the assassination of McKinley, the United States became allied with Britain and France, against its for-



President Theodore Roosevelt (left). His administration reversed the alliances which the United States had had up to that time, shifting toward alliance with the British Empire instead.

mer friends in Eurasia. This alliance, of the United States with Britain and France, made possible the logistical efforts to support World War I against the continent of Europe — to support Britain. In other words, Britain could not possibly have won the war it started, World War I, unless it had, beforehand, the assurance of the economic, logistic, and military backing of the United States.

So, the 20th Century was, from beginning to end, a century of treason, in effect, where, with the exception of President Franklin Roosevelt and to some degree the Harding Administration, and Kennedy, the United States was allied with its mortal foe, the British monarchy, against those nations, which had been, in the 19th Century, its friends.

Again, the process of trying to destroy us continued: Franklin Roosevelt, who referred to the Wall Street/Southern Confederacy types as the “American Tories,” in his Second Inaugural as President, understood it. Roosevelt saved the United States, by using the crisis, the Depression crisis and the world financial crisis, to bring the United States into a program which is modelled upon the policies of Henry Carey, Hamilton, Friedrich List, and so forth.

So, Roosevelt, despite all the difficulties, and despite the Supreme Court, which at the time was pretty corrupt, managed to save the United States from what happened to Germany during the same period. So, the United States crawled out of the Depression, under Roosevelt's leadership, and reversed the policies of the Teddy Roosevelt, Woodrow Wilson, and Coolidge administrations, with some cooperation from Herbert Hoover, who cooperated with the incoming Roosevelt Administration, at the end of his own term.

So, the United States was saved. The United States was drawn into a war on the side of its enemy, Britain, because of



President Franklin D. Roosevelt (left) faces off against British Prime Minister Sir Winston Churchill, at Yalta in 1945. Roosevelt's intent was to use the power of the United States to eliminate all colonial power throughout the world, and to give freedom to all those who had been colonized.

the danger represented by the Hitler phenomenon. Roosevelt did not *intend* that the United States would remain the ally of Britain at the end of the war. The intent of Roosevelt was to use the power of the United States, the power the United States would have at the end of the war, to cause the instant elimination of all colonial power throughout the world: the dissolution of every remnant of the Portuguese, Dutch, British, and French empires and their colonies; to give freedom to all those peoples who had been colonized; and to assist in cooperating with them, in giving them access to assistance in developing modern economies, with which they could care for their people.

Roosevelt died. Truman, and the crowd around him, dumped Roosevelt's policy—a good deal of it. We went into a partial depression, in the late 1940s, which we need not have gone into, under Truman. A reign of terror was instituted in the United States, to try to break up, politically, the so-called “communist threat,” to try to break up the Roosevelt coalition.

Nonetheless, the United States, in cooperation with Western Europe, continued policies, such as those of the [Jean] Monnet plan. And thus, the United States cooperated with Europe, and some other countries, in rebuilding the war-torn economies of Europe, to the great advantage of the United States, because we were the suppliers of much of the technology used to rebuild Europe.

So, Europe and the United States prospered, up until about 1965, under these recovery policies. So, 1933 to 1965, was a period in U.S. policy, in which our policies were, in net effect, positive. That is, personal, political freedom—except for Trumanism—tended to increase. The welfare of our citizens and those of Western Europe, improved—in many cases, significantly. Technology improved. Physical capital accumulations of great value, including infrastructure, improved. We made progress.

So, despite all of the things that were bad—and many were, during this period, especially 1945 to 1965—nonetheless, *the economic policy*, the policy of regulation, the policy of protectionism, *these policies made our nation strong, and the nations of Western Europe, strong.*

The Downward Descent

Since then, we've been going downhill, piece by piece. Beginning with the Southern Strategy launched by Nixon and his campaign, with the Ku Klux Klan, in 1966: organized a force to destroy the United States from within. Piece by piece, we were destroyed.

Nineteen seventy-one: The world monetary system was destroyed. We began to go down. The conditions of Africa, since 1971, have become impossible. The conditions in Central and South America, since 1971—but, especially since

1982—have become unspeakable. Brazil is the only nation still standing, which has any true sovereignty in South America, today. And it is *threatened* from Britain, and from sources here. Peru has been crushed. Colombia is destroyed. Mexico is under an iron heel. Central America is destroyed. Bolivia is crushed. Ecuador almost has no sovereignty. Argentina's destroyed. Chile is about to be destroyed. Venezuela is being destroyed from within. Colombia is being destroyed by terrorists, supported by the U.S. State Department! The situation in Central and South America is virtually helpless, if things go on, the way they're going. There's not the resources in this part of the hemisphere, *to resist* the terrible things that are happening to the population of Central and South America. The help will have to come from some other parts of the world, strategically.

Africa: What is being done to Africa, is just plain genocide. What is being conducted in Africa, with the participation of George Bush, Sr., in his participation in Barrick International, and Barrick Gold, is *organized genocide, using private mercenary armies, to seize raw materials and other assets, such as gold and minerals, and to destroy the population*—according to what? According to the Rhodes Plan! *The British plan for reducing the black population of Africa, which is now being carried out, jointly, by the United States and by Britain, the Commonwealth*, with the support of French gun-runners, such as the son of the late President Mitterrand.

Africa is being destroyed. The situation in Africa, in Sub-Saharan Africa, is now—for the long term, unless we change things—*absolutely hopeless*.

We're also in a situation, where the Middle East is about to be destroyed.

The Southern Strategy

Zbigniew Brzezinski, who is the twin brother, in a manner of speaking, of Henry Kissinger, is a racist, among his less-evil qualities. The two of them, Brzezinski and Kissinger, were creations of a peculiar kind of Pygmalion, called William Yandell Elliott—from Na-a-a-shville, Tennessee. Now, Elliott was a racist, Ah'll have ya know.

He was also a top British agent inside the United States in the 1920s. He was a leading figure of a group called the "Nashville Agrarians," who were these pro-Confederacy types—they wouldn't say openly they were racist, but they were. But, they said, they wanted the "gen'le ways of the ol' Confederacy." They said, they wanted "good gen'lemen," not these industries, and these other *nasty* things—Yankee-type things!

So, this treasonous creature became a professor at Harvard University, and became associated, as an agent, in the United States, of a top British intelligence organization. At Harvard, he recruited a number of people, as students, to become British agents! Among these, was a gentleman from Canada, of Polish extraction: Zbigniew Brzezinski, who was a darling of

William Yandell Elliott, of Tennessee.

The second one, who eventually replaced Elliott in that position at Harvard, was Henry Kissinger, a racist.

These people are madmen. Their policies are the policies of H.G. Wells and Bertrand Russell. You can read the 1928 *The Open Conspiracy*, which Wells wrote, and which Russell endorsed, and which they've followed all their lives, their mortal lives, and their heirs are following to the present day.

Now, Brzezinski, who is the creator of the Southern Strategy organization inside the Democratic Party, under Carter; he was the man who picked Carter. Remember who Carter was: Jimmy Carter was a creation, in a sense, of a fellow, who used to have axe handles—remember? A very famous fellow [Lester Maddox], he was Governor of Georgia. And this character was the guy who was used to create Carter, as the Governor of Georgia. So, Brzezinski selected Carter, as Governor of Georgia, to become the next President of the United States. And, he got David Rockefeller to write the check. Therefore, the Trilateral Commission, which was then headed by Brzezinski, created a government, called the Carter Administration. And, they did more damage, and more destruction to the U.S. economy, than any other administration since 1966, in four years: the most destructive experience we've gone through. And, Carter was a racist of that type.

I knew these guys when I was in military service, back in the '40s; for part of the period, I was involved, as a non-com, in the training operation, taking in recruits that we'd scraped off the streets, I suppose, at the time, putting them into platoons in a company situation, and training them. At which point, I would declare, at the arrival of each new batch of recruits, "We just lost World War II." When I saw the way they lined up on the street.

But, I became acquainted in that period, very intimately—you know, when you're that sort of platoon group leader, training troops, you get to know what you're training. It's 24 hours a day, 16 weeks. So, I became acquainted with this Southern type, as from Georgia, Mississippi, and so forth, which is known as "the chameleon." Now, the chameleon is what is called in the South, "white trash." Like Carter: He smiles at you, he tries to seem polite—and he stabs you in the back. This is Carter.

So, under this, we had this administration, which did more to destroy the United States, than any Presidency, even more than George Bush was able to do, in the time he was there, on whatever drug he was taking: Halcyon drugs, or whatever. Especially with the economy.

This has been the policy. Under these guys, including Carter, under Kissinger's policies, the Kissinger policies in the Nixon Administration, we have destroyed the nation, we have destroyed our industrial capability, our agricultural potential; we destroyed our infrastructure; people are now working three jobs, instead of one and a half, per family, per person, in families, among adults. The lower 80% of the population



President Jimmy Carter, the archetype of a certain kind of “white trash” Southerner: He smiles at you, he tries to seem polite—and he stabs you in the back.

family-income brackets, has been *plunging* in its share of the total national income. And whole areas of the country are simply collapsing.

The situation in energy, since Carter introduced deregulation under his administration: We’ve had no significant increase in replacement of the energy supplies, electrical energy supplies, and so forth, in that period. We’ve been destroyed. So, we’ve now come to the point, where we’re looted, destroyed, and our population has lost many of its productive potentials and capabilities it had, 35 years ago, or even 30 years ago.

LaRouche Intervenes

Now, let’s go back to this discussion I was having between February 1982 and February of 1983: The discussion was my proposal, to the Soviets, as well as to the Reagan Administration — people I was dealing with — that both the Soviet system and the United States economy, were ultimately doomed if they continued on their present track. We had two problems: The first problem was, we had a system of nuclear deterrence, which was becoming increasingly unstable and increasingly dangerous. We had to do something to get rid of that nuclear deterrence, because, especially under conditions of great financial and related economic crisis, political conditions tend to become highly unstable. And chain-reactions and strategic implications can develop, which can lead to outbreaks of wars, which otherwise would be unlikely. And, therefore, we could not leave this nuclear deterrence policy sitting out there,

waiting for an economic crisis to trigger global confrontations, which might put nuclear weapons into play.

That was point number one.

On this, my point was, we had the ability to develop the kind of systems which could neutralize the effectiveness of this kind of nuclear deterrence. That is, it was not necessary to sit back and die. There were things that could be done to deal with this threat.

Secondly, to do that, would mean you would have to organize a scientific crash program, of the type we did with the Manhattan Project, the type we did repeatedly during World War II, for a mobilization, and the type we had done under the Kennedy space program.

Now, if we were to take the frontier technologies, including fundamental scientific work, which could be done, which was on the boards, so to speak, and ready to go; and if we put the muscle behind that, to develop the technologies needed to deal with this threat, we would also develop, as spin-offs, the technological infusion into our economy, to rebuild our economy. We and the Russians (the Soviets, at the time) had the same problem. Europe had the same problem: Their economy was doomed. Our economy was doomed; theirs earlier than ours, but we were both doomed. Therefore, if we would agree, to cooperate in developing these technologies to eliminate the nuclear-weapons threat, this deterrence threat, we would have, as a benefit, the improvement of economies at a time that the economies desperately needed exactly that type of infusion of technology and growth, to keep them from col-

lapsing.

That was the policy.

So, this was the policy, which I was discussing with the Soviet government and with the Reagan Administration people involved, during the period from mid-February 1982 through mid-February of 1983.

My last discussion with the Soviet representative, personally—others had discussions that occurred, but my own last discussion, occurred in the middle of February, in Washington, in 1983, at which I received a report from the highest level of the Soviet government, that Secretary Andropov—Yuri Andropov, then the chief honcho of the Soviet system—had decided they should turn down what I had proposed. Andropov was dead set against it. I said, “This is a mistake. You’ve got to get back the message to them, that, if the President of the United States offers what I’ve told you he should offer, publicly, and, if the Soviet government publicly rejects that offer, the Soviet economy will collapse within about five years.”

Actually, it collapsed in six.

Now, the point was, that the U.S. economy was headed in the same direction! But, because of our global resources, and because of the power we represented, together with the Anglo-Americans generally, we had greater resilience and greater resources to draw down upon, to postpone our collapse. But, we were, too, headed for a collapse.

Then came, 1988—Oct. 12, 1988: I gave a press conference, which was televised, in Berlin, at which I forecast that, within the short period ahead, the Comecon system would begin to disintegrate economically, starting with Poland. And that this disintegration process would lead toward the reunification of Germany, with the prospect of Berlin being accepted, again, as the capital of a reunited Germany. In that connection, I proposed a program, initiated by the United States, with the support of those in Europe, and offered to the countries of Eastern Europe and the Soviet Union, for cooperation in rebuilding their economy and ours, along lines which we had used between 1945 and 1965, to rebuild both the U.S. and the Western European economies.

The following year, 1989, the head of Deutsche Bank, Alfred Herrhausen, was about to go to New York to give an address, and the content of that address was later made available to us: Herrhausen proposed—in German terms, essentially, in response to the crisis in Eastern Europe—essentially what I had proposed, or things in the same direction. Herrhausen was killed, probably by French intelligence; there was no Baader Meinhof Gang living at the time. Just the same way that Walther Rathenau had been killed by the French, because of his participation in the proposal for a Rapallo Agreement, back in the 1920s.

So, at that point, Thatcher, who was a Germany-hater, and Mitterrand, who was determined to destroy Germany, supported by George Bush, set into motion a program, which

has, since that time, destroyed, systematically, the economies of Western Europe and the former Comecon countries. They’ve all been destroyed—looted by carpetbagging methods.

We’ve now come to the point, as a result of that policy, by the United States and Britain, which had advertised it and set up a one-world empire, an Anglo-American empire—and that its European allies didn’t mean much, they would just do as they were told—we’ve now reached the point, that the entire shebang is coming down.

The ‘Y2K’ Bubble

We entered the last phase of this about 1995. In 1995, in order to try to postpone the collapse of the system, the relevant banking crowd created a bubble: What they told us, was, that the year 2000 is coming, and that the computers are going to break down. Because the computers, because of the way COBOL was designed, back at the end of the 1950s—and COBOL is lurking within all these programs—that when it comes to ’99 and goes to ’00, the programs will all quit. So, all your accounting systems, your financial systems, will blow out; all your packaging, all your sales systems, will blow out. So, on the basis of this so-called Y2K fear, the United States began pouring vast amounts of money, together with other countries, into a financial bubble, called “Save the World from Y2K.”

They couldn’t promise a Battle of Armageddon, so they gave you Y2K, instead!

So, what happened as a result, you see around here: A vast, financial bubble, a pure financial bubble, was set up in expanding the so-called Internet, telecom, etc. area, with these kinds of investments, which is all based on pyramiding financial gains—a purely speculative market. Last Summer, this financial bubble reached the point, that the financial situation of the U.S. economy, was similar to the threat which the German economy faced in the Summer of 1923. Remember, prior to the Summer of 1923, as a way of getting the French troops out of the Rhineland, Germany had agreed to print money, to pay the French war reparations demands. During the initial period, until the Spring and Summer of 1923, this printing-press-money issue of reichsmarks, did not cause a significant net inflation in commodity prices, for the reason that the world as a whole, at that point, was in a post-war recession, with strong deflationary pressures on commodity prices.

So, you had an inflation in financial values, which was not immediately reflected in the commodity prices. We had the same thing, from 1995, until about the year 2000, the phase of the Y2K bubble boost. At that point, what happened to the U.S. economy, the U.S. financial system, is exactly what happened to the German financial system, monetary system, in the Summer of 1923: The amount of new printing-press money you had to put into the system, to roll over the existing

amount of threatened debt, exceeded the amount of debt you had to roll over. When that happens, under a condition of limited expansion of the real economy, the result is a hyperinflationary explosion. Germany went into a hyperinflationary explosion, suddenly, at the time that condition was reached, in the Summer of 1923. November 1923: *No more reichsmarks*. This was the famous wheelbarrows of billions of marks that weren't worth anything. Couldn't buy a loaf of bread with them.

We are now in a similar condition. What you're seeing in the energy prices, what you're seeing in the costs of supplies—manufacturers' supplies—combined with what you're seeing in the collapse of retail sales, what you're seeing in terms of the mass layoffs, in one industry after another, which is now building up into an international chain-reaction, is a process of a depression, caused, like that of Weimar Germany in 1923—worldwide—by the collapse of a financial bubble, which has gone into a hyperinflationary phase.

That's why Alan Greenspan has lost his marbles. He probably didn't have too many to begin with, but whatever he had, he's lost.

So, we are now, at this point, where it is impossible, by the present methods, to keep this system going. It is in the process of going into a deep depression. And nothing that these guys are proposing, or will accept, will work. The idea of more deregulation, the idea of tax reductions, all these kinds of things—cutting down the role of government, opposing re-regulation: All of these things ensure nothing but the greatest depression in world history. *Globally*.

Because, what happens is, the U.S. is the importer of last resort; nations all over the world have been depending on dumping cheap-labor products on the U.S. market, for the products we no longer produce. As our market declines, as you saw in the last-quarter retail sales, which is the big Christmas retail business, from the last quarter of the year: That collapse set into motion a chain-reaction collapse around the world, which, together with the financial collapse, caused by the hyperinflation, has sunk the world economy. We can no longer finance that kind of subsidy for imports, as we were doing before; therefore, we can't do that. Therefore, our suppliers, who have used us as a market, are now being shut down.

For example, Mexico can expect, 20, 30, 40% of its exports into the United States to be wiped out, very soon. One of the biggest. Canada is already suffering, as you've seen from some reports recently from there. This is a global process.

Yahoos, Satellites, and Crisis-Management

So, now you have an administration, which has an evil policy—the Bush Administration policy—but *the policy won't work*. Therefore, what does it do? As I said, what it would do. It would go into crisis-management. It would make wars, where none existed. It doesn't need any provocation: It just makes war, because it needs a war; needs a distraction. It will tend to go to dictatorial methods, inside the United States,

in the same way that it launched an attack on Iraq. A Middle East war is now almost inevitable, not because the conditions for war exist, but because the present Israeli government, and the Bush Administration, *want that war!* It won't happen because there's a problem in the Middle East; it's not a Middle East war. It's a war which the Anglo-Americans want, together with the Israeli government, the Sharon government. It's a war cabinet; a war government.

This is the situation we face around the world.

Now, how do you change it? You have a government that's collapsing; it's incompetent—the most incompetent government we've had in this century, by far. George Bush is the kind of President, if he wants to discuss philosophy, he has to sit down in a chair, so he can gesticulate with his legs—his hind legs. This is the kind of President he is. And, what's behind him? Apart from those wiggling hind legs?

You've got three things behind him, apart from the old Bush. He couldn't make it up the tree, that's why they call him Bush. You have, on the lower level, you have the American Yahoos, typified by Ashcroft. These people are totally irrational; they're by and large racist; they're Ku Klux Klan material—real Ku Klux Klan potential; they're killers, they're stupid. They won't listen to reason. *But they want their way*. Theah lahk th' fella from Tennessee, y'know? The typical Southe'n boy? Who says, “Ya know how Ah git, when Ah don' git mah way.” That's what you've got; that's what you've got to deal with.

Now, you have at the top: You have the Cheneys, the O'Neills, the Rumsfelds, and so forth. These are old hands—they're not stupid. But they're part of a machine. They're in there, to run crisis-management, which is what they did before; that's their career. Since Rumsfeld worked for Nixon. That's what he did. That's what Cheney does: crisis-management. Oh, they're smart, yeah. But also, they're dumb. Because they're riding a dead horse, and that's not a smart way to get across the desert. That's part of the problem.

Then, in the middle, you have what we call in the intelligence trade, the “satellite” elements: like Richard Perle, like Wolfowitz, like Armitage, like Oliver North. These are the scum of the earth: They're killers. These are the special-warfare creeps, who like to kill people. These are the people who think like some people in the military—the special-warfare types. They don't think in terms of winning wars; they think of makin' people heah, by: “Ya know how Ah git, when Ah don' git mah way!” They kill!

What did they do in the Balkans? They got a war, because they wanted a war: Blair, Gore, Madeleine Half-bright, wanted a war! They made a war. They lost it. They said, they won it. They bombed everything in sight, including the Chinese Embassy in Belgrade, which *they did on purpose—just to teach them a lesson!* And they lost it.

They go in to *kill*. The idea that, if you kill enough people, as we're doing in Iraq; *if you kill enough people, you'll make them submit! Kill 'em! Kill 'em, until they quit!* This is Oliver North. This is Armitage. This is Wolfowitz. These are these

creeps; they're killers.

So, you have a combination of a President, who's stupid: frankly, honestly stupid. We've finally got a President, who is sincerely stupid! That's the only kind of sincerity he can have! But, what does that mean for the country? It means, that you have these elements, combined with something else. You say, "What's the Bush policy?" Ha, ha! "Why do you ask such a question?" They really don't have a policy: They have a special kind of interest.

If you look at the financial structure of the United States, the banking, where all the big swindles are, you'll find that, over a period—we documented this; John Hoefle documented it in *EIR*² (you'll get some more of this tomorrow)—a national network of leading banks was built up, by mergers and acquisitions, and other means, to build up a great concentration of power, which is international in character, tied to interests like Schlumberger in France; but, essentially a *Southern financial empire*.

So, what you have now, in the form of Enron, and similar firms, you have carpetbaggers coming out of the Confederacy, to loot Yanklee-land, through Enron. This power, which is created *politically*, by political laws, by laws passed in the Congress and other measures—this power is what the Bush machine represents. This kind of parasite.

Its power, its interest, is to defend and maintain, and try to increase, that power!

The California Energy Crisis

For example: Take the California energy crisis. We have a worldwide energy crisis, and especially a West Coast energy crisis. There's only one way you can deal with that energy crisis: You've got to go back to regulation. Use what we prepared in the 1930s—Chapter 11 bankruptcy protection for the entire industry. You see, in this kind of Chapter 11 bankruptcy, you protect not only the creditors and debtors; *you protect the general public*. You see, because the people of California, for example, have to be defended. The interests of the firms of California, the farms, have to be defended. Whether or not they're involved in the relationship between the creditors and debtors, is irrelevant. The fundamental interest of the United States, is that our people have electricity! That our firms have the power to operate on. That our hospitals function. That our farms function. When we go into court with a Chapter 11 bankruptcy, these interests come on the table, and actually have the greatest say, in how the bankruptcy will be renegotiated. The creditors and the debtors go into a second tier. What comes up front, is the interest of the nation; the interest of the people; the interest of the economy.

So, we need Chapter 11 protection, for all the imperilled sections of vital infrastructure for our national economy.

Secondly, we can not do this, without both a combination of Federal and state *re-regulation*.

2. John Hoefle, "Southern Strategy, Inc.: Where Wall Street Met Tobacco Road," *EIR*, Jan. 1, 2001.

If we do that, we have enough energy available to manage this crisis, and can manage this at prices, at charges to people who are using electricity, to ensure the electricity they require, and to ensure that it's delivered to them, regularly, at a decent price. We can guarantee that.

If we do that, the energy crisis, is brought under control.

But, what does that mean? That's in the interest of the nation. How can any patriot oppose that? George Bush has to be opposed to it. If you look at the combination of financial interests, which is represented by the people that gave the money to make Bush President: *These guys would be wiped out, by an honest deal*. Because they make their money by looting; they bid up the price. The reason that the prices go up, is purely that these fellows are looting the United States, as well as other countries. Therefore, the interest, the reaction, the response of these people, is *against* the interest of the people of the United States; *against the national security interests*.

Take the case of the military business. The U.S. military is in a mess. George Bush wants to get us into wars all over the place. (He doesn't do too well in the submarines, recently, does he? That management department's broken down.) But, how are they going to do it? The U.S. military is decaying! The troops are decaying! They're not being cared for! Sergeants on welfare! Who's he kidding? *We don't have a competent military. But Bush wants to have a war, or wants a policy, which is a war policy!* But, he won't pay for it.

Why? *Because that conflicts with the interests of—his interests!*—of the interests that own him! Including the Yahoo machine, typified by Ashcroft; the Wolfowitzes; the Ollie Norths. And people like O'Neill, in the middle of this. Cheney's in the middle of this; Rumsfeld's in the middle of this. How are they going to have a defense policy? How are they going to defend the United States? They can't.

So, therefore, you're in a situation, like an emperor of a doomed empire. You're dealing with King Lear. You're dealing with that kind of situation. *It's finished. It's over.* Ah! So, the question is, they're doomed! Well, you've got two problems: How do we keep them from taking us down with 'em?

A Fundamental Conflict

There are two answers to that. Number one: We have to have a strategic policy, because I must, in my capacity, give you and other people in the United States, and elsewhere, a sense that there's a strategic correlation of forces—not necessarily military forces, but a correlation of forces—on this planet, which can change this.

Now, where is it? Right now, there's a conflict, a fundamental conflict, between the Bush Administration and Western Europe, Western continental Europe—despite the French complication—typified by Germany: Western continental Europe, as typified by Germany, wants arrangements with Russia, long-term arrangements, with Russia, with China, with India, and generally throughout Eurasia. That's the fu-

ture of Germany. That's the future of Western Europe: To secure long-term—that's 25-year kind of long-term—agreements, on trade; long-term capital investment. *That is all that will keep Europe from going down you-know-what.* That's Europe's interest.

It happens to be also our interest, that this thing can be done. So, therefore, the idea of a Russia-China-India combination, including the nations of Southeast Asia, Korea, Japan, India, nations of Central Asia, Western Europe, and so forth; this combination, if held together, in order to deal with a crisis,

One of the reasons that people don't know that they're people, and think they're human cattle, is because the quality of the individual, which sets man apart from and above the cow, is the ability to either discover a valid, universal physical principle, or to at least re-experience that discovery, that was made by somebody else.

which is otherwise uncontrollable, is one of the most powerful forces, politically, on this planet.

If the United States is a partner with that combination, in Eurasia, then this planet has a chance. If we have that, that kind of United States, *then*, the problem with the people of Mexico, the problem with the people of South America, can be addressed and dealt with. The problems of the people of Africa, particularly Sub-Saharan Africa, can be addressed.

Without that, they can not be addressed. Don't say you have a policy for Mexico: If you don't have a policy for Eurasia, you don't have a policy for Mexico. You're just chomping your lips. If you don't have a policy for Eurasia, you don't have a policy for Africa; you're just chomping your lips. If you don't an orientation of the United States, to cooperate with Eurasia, rather than fighting against it, you don't have a chance for the United States. You're just chomping your lips.

So therefore, the first thing we have to do, is, to give the American people, in particular, a sense that, out there, in the world at-large, the greatest part of the human population, is desperately needing the kind of cooperation which we need to have existing on this planet.

Therefore, let's go out and make the deal.

That, an American can understand, if it's made clear to them. That's our alternative.

Secondly, the American has to understand, that we once had a policy, as from 1933 to 1965, which worked, with all

the faults in it. Therefore, we have to return to that policy immediately, as opposed to what was done since 1966, to send us down the Southern Strategy road to Hell, and the collapse of the economy.

Change the American People!

Now, thirdly, there's something else, which is also extremely important: We have to change the American people! What's wrong with the American people? You see it, in this outburst of this wild-eyed fundamentalism, by these loonies, Pat Robertson, Jerry Falwell, and so forth. What's wrong with the Americans? They're crazy! You can't believe that! That has nothing to do with God! That has to do with putting money in Jerry Falwell and Pat Robertson's pocket! This is an Elmer Gantry phenomenon! They should go back to selling used cars, and stop peddling this fake religion, that they have.

Why is it spreading? Well, partly, it's like the Southern white-trash phenomenon: People who are white, who are oppressed by the Confederate system, or its Confederate-like system, lived in great poverty, with no optimism, no education, brutalized; and, they express that brutality in their lunacy. They're crazy. Family trees, with no branches. That sort of thing.

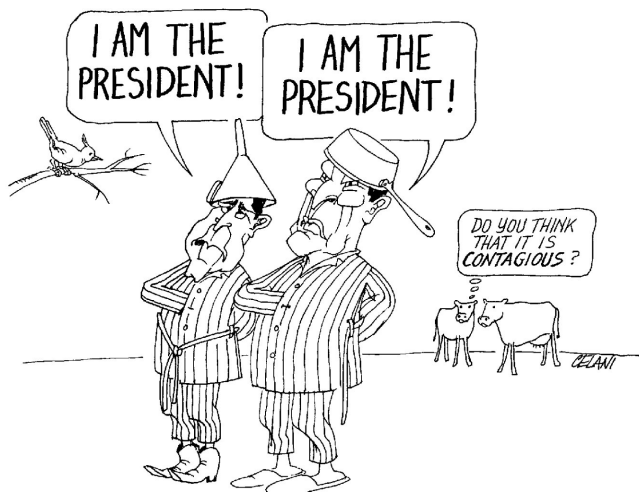
So, what's happened is that something similar, analogous, has happened to the people of the United States: stripped of a purpose in life; stripped of an industry that you're proud of in the community; stripped of a kind of work, which you enjoy; stripped of the family life, where the family is together, involved in a productive relationship. Denied the schools, in which children are protected, and developed. Denied a kind of cultural life, which is meaningful. Living desperate lives, with nothing in sight to make it better. People go crazy.

The word is now, that 20% of the U.S. population are insane—this is the press report. I think they're underestimating it. Otherwise, how did Bush or Gore get to be the Presidential candidates? There has to be something wrong out there, with the people.

The problem is, is that you've developed in the United States, a slave mentality among about 80% of the U.S. population. By slave mentality, I mean the slave, who'd go up and knock at the back door of the slave-master's white house, and beg for handouts. Or, go back and say, "Give us some reparations. Don't bother freeing us from slavery, just give us some money." You know this kind of thing; you've seen it all over the place.

What you have is a population, which believes that it is *human cattle*. Just the way the slave was treated as human cattle. The way that the poor, in many parts of the country, even who were not enslaved, were treated *as human cattle*. When people think they're human cattle, they begin to think, religiously, like John Ashcroft. They become bestialized: crazy beliefs, savage, brutal.

And, thus, the problem is, that the American people—



How did Bush or Gore get to be the Presidential candidates in the first place? There has to be something wrong out there, with the American people.

why did they vote for Gore or Bush? Most people despise both of them. Why did they vote for them? "Well, we're nuthin' but human cattle. Don'tcha know, if we don't vote for Gore, we're gonna get Bush." "If we don't vote for Bush, we're gonna get Gore."

That is the human cattle, lowing in the pens! Because they think of themselves as human cattle. They're begging, knocking at back door of the master's house, waiting for some reparations, or some handouts. They're not saying, "We are the people. We have rights. This is our country. This is our government. We're citizens. The country is run for us, not as individuals, but as a people. We have to stand up on our hind legs, and act as people, not human cattle."

There's a key part to that: One of the reasons that people don't know that they're people, and think they're human cattle, is because the quality of the individual, which sets man apart from and above the cow, or above the hard-core Gore voter, is the ability to either discover a valid, universal physical principle, or something similar, or to at least re-experience that discovery, that was made by somebody else.

Now, to make these kinds of discoveries, and to use them, requires the use of a faculty, called "reason," called "cognition," within each sovereign mind; a quality which sets the individual human being apart from and above, the monkey—the ones that did, or did not, make it up the trees. Therefore, you need the kind of cultural activity, and the kind of life, the kind of educational process, the kind of cultural activities, in which, you become conscious, as a conscious participant in that kind of activity, which says, "I am made in the image of God."

When you believe that, you no longer think of yourself as just another animal; but you think of yourself as a human being. You think of your character, your rights, and your obligations as a human being, your right to do, with the life

you have, something good, that makes your having lived worthwhile to those who come after you. That right. When you are energized to see yourself as a citizen, in that sense, then a people, which happens to be the overwhelming majority of our people in this country, today, will have the courage to stand up, as long as they have a sense of a strategic perspective.

How can we win? We can win on the home front, and otherwise, by returning to economic policies that once worked for us. Two: We can deal with the world at large, by making partnerships, especially with people in Eurasia, who are our most likely large-scale partners, which will then enable us, at the same time, to bring justice to Central and South America, and Africa.

We need a movement, a moral movement in this country, which looks at itself, at the nation, at the world, in those ways. We need a movement in this country, which becomes a voice heard around the world, saying, "In the United States, there are people who think like this." You get that voice going out, from the United States, into China, into Korea, into Japan, into Southeast Asia, into India, Central Asia, Europe, Africa, South and Central America. Then you will get a response, a lifting up of eyes and hopes among people who are desperately oppressed now, who will say, "We have a friend, inside the United States. Let's hope he takes over."

Thank you.

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