

EIR Feature

LAROCHE WEBCAST

The State of the Union: A.D. 2011

Lyndon LaRouche delivered this webcast address, his first of the New Year, from Northern Virginia, on Jan. 22, 2011. Debra Freeman, LaRouche's national spokeswoman, was the moderator. (The webcast is archived at <http://www.larouchepac.com/webcasts/20110122.html>)

Debra Freeman: Good afternoon Ladies and Gentlemen. On behalf of LaRouchePAC, I'd like to welcome all of you to this afternoon's event. It is traditional in the United States, that around this time, the President delivers a State of the Union address, and that address traditionally outlines the prospects for the nation, and because of the importance of the United States, very often, the prospects for the world, in the period immediately ahead.

However, things being as they are, I don't really think that we can expect *that* kind of an address from Barack Obama. Yet, given the depth of the crisis, both the crisis in our own nation, and the crisis internationally, it were imperative, that, in fact, a State of the Union be delivered. It's necessary for the citizens of our country; it's necessary for governments all over the world.

And so, without any further ado, I'd like to introduce to you the person in the United States who's best suited to give that address, Lyndon LaRouche.

Lyndon LaRouche: Thank you! Thank you. Thank you.

We have now entered a period of hyperinflation, inside the United States. It's also going on internationally, which means that people who are talking about adjustments in policy, during the coming months, or the coming weeks, months, whatever, are not in the real world. I happen to know that most of the Democratic Party leadership, which has been meeting and discussing things this past week, have no idea of what's about to hit them, and therefore, are debating matters which are actually irrelevant. That the usual things, the assumption, for example, that this President can remain to be the incumbent President, for more than fairly short period of



EIRNS/Stuart Lewis

Lyndon H. LaRouche, Jr. delivers his *State of the Union* webcast on Jan. 22. Below: The team of six LaRouche Democratic Congressional candidates joins an ovation. They were introduced to the audience later in the webcast. Left to right: Kesha Rogers (Tex.), Bill Roberts (Mich.), Dave Christie (Wash.), Rachel Brown (Mass.), Diane Sare (N.J.), and Summer Shields (Calif.).



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time remaining, which is a very popular belief among Democrats, even those who despise this President, is a gone bunny. Because if you're going to have a United States, he's going to be gone. If he's not gone, you're not going to have a United States. That's where we are.

So, we've come to a time, where this useless creature, or worse than useless creature, called the President, is about to leave office soon, because we are now in a period of a rate of acceleration of international inflation, which is approaching that of what hit Germany in 1923. We're in, already, a 1923 type of syndrome. Any government that continues the policy of this President, or policy under this President, is a *doomed government*, this year!

Now, we don't have to have a doomed government. All we have to do, is get rid of this President. If you don't get rid of this President, you're not going to have a government. It's that simple. The Democrats have to come to understand that. If they've got any interim plan for accommodating to this President, they're wasting their time. *Reality will not allow that to happen.*

Just what do you think the Germans were thinking in Germany in 1923, during the Summer and Autumn of 1923? Something quite similar to what many Democrats, for example, are thinking out there, what many people are thinking wishfully out there, today. We do not have a long time to play around with this thing.

However, on the other hand, there is a narrow selection of measures which are appropriate to this problem. It is possible, within a short period of time, to change this situation, beginning with the Glass-Steagall action; the actual, original Glass-Steagall being reenacted, at some time during the weeks, or so forth, ahead, would be sufficient to open the gates, for alternatives for recovery, not only in the United States, but because of the United States, the planet.

The other qualification is this. There are certain features of the United States, its system, its legacy, which is not replicated in any other part of the world. For example, if the United States were to go under, Europe is doomed, automatically. If the United States and Europe are doomed, the entire trans-Atlantic region is doomed; if the trans-Atlantic region is doomed, then Asia is doomed. And you're talking about a long dark age, with a very deep-going depopulation of this planet.

So, the time has come: You can no longer postpone, you can no longer make accommodations, and therefore, the kind of State of the Union address that's re-

quired, has to deal with a very *limited number, but crucial options*, which will save this nation, and make possible the saving of civilization.

Now, therefore, for this occasion, this is not the time for a discussion of options—one guy debates this, another guy debates this, another guy debates this. There's no room for debate, in the ordinary sense of debating policy. There are certain policies that must be put through now, or the United States goes to Hell. And if the United States goes to Hell, the world goes to Hell.

That's reality. And this current President has no relevance in the future of this nation, or of this planet. There's no way that this nation can survive under the continuation of this President in office, and I need not specify more than orally, here, that he should be thrown out of office, on the 25th Amendment, section 4. He's eligible, he should have been thrown out of office, now! If he's *not* thrown out of office—and he will have to be thrown out of office—there is no United States! The existence of the United States, and the role of Obama as President of the United States, have come to a screeching halt, now!

Right now, you're in a state, where any accident in the economy, can cause a general chain-reaction collapse of this world economy, starting in the United States—or someplace else. Brazil is ready to go! Russia's on the edge of going! You think the British are powerful? Yes, the British are controlling the planet, politically, through groups like the financial group, the Inter-Alpha Group. That group does control the international financial system! But that financial system, itself, is what must be gone, if the world is to survive. So that's the kind of situation we're in.

And therefore, on this occasion, I shall open my remarks by reading—something I usually don't do on an occasion like this—reading the text of my own draft statement. Because this is a period in which argument is irrelevant. There are certain specific things, which must be done in a specific way, and in a specific sequence, if we are to save this nation. Therefore, this must be precise. This is not a matter of opening a discussion of a broad-ranging debate. This is *laying down exactly, as if it were a military plan of operation, in warfare, a precise program for getting the United States out of this alive, and now!*

And therefore, I shall read this, shall we say, word for word, in order to put this on the record. Because the issues which I am presenting are not inherently debatable. They are discussable, but the argument is not de-

batable. The argument must be discussed, because it's the only chance we have, to save this nation, and to save civilization.

Okay, I shall read as follows:

I. The Crisis

At this present moment, we are now at the breaking-point at which civilization throughout our planet is wobbling at the brink of what could probably soon be, the greatest crisis of humanity since Europe's Fourteenth-century plunge into an new dark age. At this moment, the cause of today's crisis of civilization, is centered within the British Isles. But, the crisis itself reaches throughout Europe: from Portugal to, and throughout Russia. It is a crisis which has been steered, by the British empire's often controlling political interference into the functions of our government.

Fortunately, there are still moments of opportunity for changing all this during the very short time ahead; but we can not wait longer than that. The brief opportunities to rescue our republic exist only if we find leaders who show both the needed wisdom and courage to act immediately.

The needed current strategic reality is as follows.

Right now. Since the beginning of 2011, the world as a whole has been now gripped by accelerating rates of price-inflation, in a pattern which is already, comparable, as a pattern, to the Weimar Germany hyper-inflationary blow-out of 1923.

A world-wide spread of a breakdown-crisis, is now accelerating. Nothing but our United States, if it comes to its senses, could stop this crash's leading into a threatened, planet-wide "new dark age."

Simply said: Either the 1933 Glass-Steagall law is put into operation again now, without any change from the original, or our United States is doomed. In fact, the entirety of this planet would be taken down, chain-reaction-style, in the same process. No action but the immediate restoration of the 1933 Glass-Steagall law, and nothing different than that, will enable our republic to defeat the crisis of the immediate period ahead.

There had been remedies for this crisis at some time earlier, but those options have been wasted by the President and the Congress so far. Either that pattern of obstruction of urgently needed measures, will be reversed now, or there will soon be no United States, nor much of the rest of the planet, either. This breakdown-crisis is

rapidly accelerating, now.

I have never erred in any forecast which I have issued since my Summer 1956 forecast of a major recession to strike somewhere in a short interval between late February and early March, 1957. That 1957 crisis came like an earthquake when it happened. That crisis came exactly on time, as I had forewarned. I had not made a "market forecast;" I had made a carefully crafted reading of inside technical information on the inner workings of the automobile marketing industry; statistical forecasting is for failures.

That said, turn our attention to the present world crisis.

To the extent that certain circles inside the United States had acted, since the Autumn of 2007, in opposing my Homeowners and Bank Protection Act of 2007, as that opposition to my action from inside the Congress itself, was led by such as Representative Barney Frank, all of whom were acting under the guidance provided to Presidents George W. Bush, Jr. and Barack Obama, it has been those two Presidents who have been chiefly responsible, however, together with their unconstitutional "signing statements," for the actual launching of what is now rapidly becoming the greatest, and most worthless financial bubble in the known history of mankind. Our United States, too, would be destroyed, inevitably, were we to permit a continued support for the so-called "bail-out" policies which were wrongfully unleashed by the combination of those two failed choices of Presidents, as also by the role of the most recent two heads of the Federal Reserve System, Morgan stooze Alan Greenspan, and Ben Bernanke, and, now, the shameless Timothy Geithner.

As a result of the bail-out, a world-wide, hyper-inflationary time-bomb is about to blow, now.

If that "bail-out" policy is permitted to continue, it will blow out the nations of the world, probably the trans-Atlantic region first, and, barring exceptional new developments, Asia second, with the imminent disintegration of that hopelessly bankrupt British monetarist system, which is known variously, either as the "Inter-Alpha Group" or its doomed subsidiary, the "BRIC." That British Inter-Alpha Group has been the chief causal factor, since 1971, in the presently onrushing hyper-inflationary disintegration of the trans-Atlantic region, and, therefore, the principal source of the current threat to global civilization generally.

Unfortunately, although the leading Asian nations, such as China and India, have been relatively compe-

tent in the conduct of their own affairs, especially as compared to the trans-Atlantic sector, even the great Asian nations could not withstand the ricocheting effects of a presently careening, general hyper-inflationary blow-out of the trans-Atlantic group of nations.

That ultimate breakdown associated with the creation of the Inter-Alpha Group is in progress now; so, it must be stopped now. Go back one crucial step earlier, to the crisis developments which led directly into the 1971 crisis.

The Factor of the Kennedy Assassination

The present condition of world-wide financial crisis, which has dominated this planet in the present form since the August 1971 cancellation of the Bretton Woods system, was, in large part, made possible by the effect of the earlier assassination of President John F. Kennedy. That assassination had enabled the launching of a worthless and ruinous war in Indo-China. That war had been a war even more ruinous in its ugly effects on the citizenry and youth of the United States, than on the Southeast Asian field of battle.

This war was not the fruit of an honest error. What had been done was according to a war-plan denounced by President Kennedy and General Douglas MacArthur, a war which ruined us, not only economically, but also morally. It was a war which could not have occurred without both the assassination of that President and the ensuing, frantic effort, in some leading circles, to prevent any serious public investigation of an assassination which coincided, in several respects, with what had been, already, the repeated efforts from Spain-based fascist operations against France's great President Charles de Gaulle.

The Warren Commission was, thus, the actual turning-point, since which our United States has gone down, down, and down, even despite that great space achievement which had been set into motion by that murdered President.

Despite all that, still today, our U.S. Federal Constitution still equips us with a still lingering remedy for this present world economic crisis-situation; but, unless the original 1933 Glass-Steagall law is now immediately restored by our United States, very soon, as the highest priority of our government's actions now, there is no chance that our republic would now survive under its present Constitution; these United States could not outlive the presently accelerating hyper-inflationary bubble being orchestrated against us by London and

London's Wall Street appendages. In that case, no part of the planet will escape the full force of the greatest, British-led process of "creative destruction"-orchestrated, hyper-inflationary collapse of civilization, in known modern history since the 1648 Peace of Westphalia.

What is inevitable is, in one way or another, the collapse of a presumed trillions of what are, essentially, financially fictitious U.S. dollars of debt attributed to "bail-out" operations, *which will never be paid, simply because "play money" debts could never could be actually paid*, however willing, or powerful the fool who attempted to carry out such an intrinsically hyper-inflationary bail-out.

The reason for that paradox is elementary.

Those kinds of debts created by these so-called "bail-outs" could never be repaid since they are, intrinsically, fraudulent debts, intrinsically unsecured debts which are represented by the proposed bail-outs of what are, at the end of the day, purely fictitious gambling debts; they are debts which represent no corresponding, intrinsically physical form of either present or future, actually physically efficient form of economic value.

In this paradoxical situation, Glass-Steagall would have two most notable effects. It will wipe out those fictitious debts, which are merely "gamblers' debts;" the gambler has lost the nominal value of a debt for which no present or future wealth would, or could be actually created. Glass-Steagall would solve this paradox, as President Franklin Roosevelt had overcome the lunacies of Presidents Coolidge and Hoover in 1933, which he did, by a single stroke of our Federal Constitution's already existing, intrinsic law. Glass-Steagall now, as then, would thus clear the way for refinancing the states and their principal communities which had been looted under the policies of Presidents Bush and Obama, and would serve as the basis for the launching of the greatest physical-economic recovery program ever conceived by man, NAWAPA.

The hard fact remains, that either those mere gambling debts are to be written off for the purely fictitious "gambling debts" they are, or there will be no United States, but a lot of very, very dead Americans. The means to stop this are available; they are called "Glass Steagall, or also named "NAWAPA."



Kansas City Star/S.J. Ray

President Roosevelt's push for Glass-Steagall and other crucial legislation, during the first 100 days of his Presidency, brought the Constitution's founding principles to bear to solve the emergency facing the nation.

The British Argument

It is necessary to emphasize here, that I acknowledge that any survival of the U.S. economy, would mean the general bankruptcy of that already hopelessly bankrupt, so-called "Inter-Alpha Group," aka "BRIC," a grouping which forms the present financial-monetarist basis for the British monetarist empire-in-fact. This is a monetarist system which has ruled over Europe, during most of the periods since the formation of the Roman Empire, the empire which was launched by the concert of Octavian and the priests of the cult of Mithra, in their negotiations on the Isle of Capri.¹ The British

1. Notably, the order to his nominal son-in-law, Pontius Pilate, for the crucifixion of Jesus Christ was uttered by the Emperor Tiberius from Capri, a key to the mass murders of Christians by the Roman emperors into the time of Constantine.

empire of today still exists as of yore, as the present incarnation of that legacy of the maritime system of financial empire established by Rome at Capri, as continued through the reigns of the monetarist systems of Byzantium, of the old Venice system, and of the New Venetian system of those followers of what is properly known as the “New Venetian Liberalism” of Paolo Sarpi, a scheme which secured the turn of the English throne into what was turned a British empire with the invasion of England by the “New Venetian Party’s” William of Orange.

It has been, chiefly, the threatening British objection to a U.S. re-enactment of Glass-Steagall, which has threatened to block the Obama White House’s willingness to give lackey-like elements in the U.S. Congress permission to vote up the otherwise popular demand for a restitution of the 1933 Glass-Steagall law. Therefore, it is necessary to state clearly the conditions under which not only the United States, but even the United Kingdom’s own economic survival will depend upon the great reform which depends on restoring Glass-Steagall conditions.

The British Bankruptcy

If all the banks of Britain and its like were to be caused to vanish in a grand flop on the next morning, Britain would be better advised to learn its lesson, than to block a Glass-Steagall revival. We must suggest, most strongly, that the United Kingdom should now come to its senses in this matter.

What if all the banks of the United Kingdom, and also the “BRIC” are wiped from the scene, would the United Kingdom itself need to die, too? Could it not survive, albeit in the more modest and much more appropriate role as a sovereign nation-state minding its own nation’s business, rather than its long-standing, but deplorable present habit, of meddling in the troubles of others (troubles which it did much to cause, as contributed by the case of the unfortunate British lackey George Soros)? A salvaged set of U.S.A.-style commercial banks could be created, by international agreement, to protect and promote the general welfare of citizens of a republican United Kingdom just as Glass-Steagall protects our own United States. If not the United Kingdom, or, if so desired, a pair of neighboring sovereigns such as Scotland and England.

The British influence on a problematic President such as Barack Obama, is not to be tolerated any longer as a legitimate expression of the functions of a Presi-

dent or a U.S. Congress of the United States. So, what if the leading financial speculators of the world go belly-up financially; the human species will have lost less than nothing, and might find consolation in a form of security provided by the honest employment which we will encourage be afforded as decent opportunities, instead of the international drug-trafficking and usury which the United Kingdom has maintained over now more than two centuries, as the British monarchy has shown such stubborn affinities up to present-day role in Afghanistan.

Glass-Steagall: How Our Constitution Works

To understand our Federal Constitution’s economic provisions for a crisis of the present type, there are two most crucial points in our history which demand the leading attention of all among our actual patriots at this moment.

The first is, that the precedent for our U.S. Federal Constitution, is to be located within the implementation of that originally uttered Royal Charter which launched the Massachusetts Bay Colony as a sovereign entity under the authority of the English Kingdom at that time. This charter was employed by the leaders of the Colony, such as the Winthrops and Mathers, as the authority for the creation of a credit system for the Massachusetts colony, rather than a monetarist system of the European type then, as now, still today.

That constitutional principle is not a matter of merely ordinary law; it is the expression of a universal physical principle, a truly constitutional quality of principle on whose observance the continued existence of our republic now absolutely depends. To oppose that principle, is to attempt to destroy our republic by means which would be tantamount to treason; in this case, it would be submission to the will of a foreign power, the international drug-trafficking British Empire since the 1790s, which is precisely the intention behind President Nixon’s cancellation of the Bretton Woods agreement at the urging of such as Arthur Burns, George Shultz, et al., acting under the failed President Richard Nixon, at that time.

The historical evidence is, that the cancellation of the Massachusetts colony’s sovereign powers, essentially as by the New Venetian Party’s tyrant William of Orange, left the London-betrayed tradition of the economic policy of Massachusetts, one to be continued by successors such as the former Boston man, Benjamin Franklin, who presented the utterance of a paper cur-



Alexander Hamilton and Benjamin Franklin confer at the signing of the U.S. Constitution (detail of painting by Howard Chandler Christy). The 20-by-30-foot work was commissioned during the FDR years, in 1939, in observance of the 150th anniversary of the Constitution. It is displayed in the U.S. Capitol.

rency as the proposed instrument of a credit system, and the man who became the virtual author of our republic.

The second principal consideration, is that the immediate authority for the credit policy of our U.S. Federal Constitution, as opposed to a monetary policy, came into being through Hamilton's initiative on this account, *an initiative which served as the cornerstone for crafting the entirety of the design of our original Federal Constitution.*

Today, Hamilton's role in the crafting of that Constitution has become a rarely known story; yet, as a matter of practice, it is of cardinal importance for any U.S. citizen today, or, therefore, for any person intellectually competent to hold Federal office still today. Unfortunately, few elected officials of our republic have competent knowledge of this central feature of principle in the design of our constitutional republic. There-

fore, the essence of this crucial matter must be spelled out here, as follows. *Our nation's life, and perhaps your own, depends upon the citizens' adopting the fact of this knowledge.*

It must be emphasized here and now, that there is a difference between a mere ordinary law, and a law premised upon a demonstrably truthful expression of a principle of nature, a demonstrable principal of what is properly conceived to be constitutional law, rather than a merely customary principle of law, as the latter inferior, regrettable notion of law is typical of the parliamentary traditions of Europe thus far. The notion of the German constitutional court is a notable case of an implied attempt to maintain that distinction respecting ordinary law-making and a fundamental principle of law implicitly embedded in our own Federal Constitution. The argument presented by Alexander Hamilton, shows the meaning of that distinction of true principle from merely a more or less arbitrary caprice in legislating in law, a distinction from that which, quite clearly, corresponds to the proven virtues of actual historical experience of mankind's best nature, such as that which inspired the original colonists of Massachusetts, prior to the invasion of the British Isles by the so-called "Liberalism" of the imperial New Venetian Party's William of Orange.

Hamilton's argument for the existence of a Federal Constitution is fairly summarized in effect as follows.

The Setting of Hamilton's Principle

The victory of the United States over the British imperial tyrant, was accomplished with the aid of the leading nations of continental Europe at that time. France was the leader in providing this assistance. The kingdom of Spain then joined France in the role as an ally of our United States. In addition, powerful forces, headed by the role of Russia's Catherine the Great in the League of Armed Neutrality, together with the conscience of many in the British Isles, all joined in aid of the cause of our struggle for liberty, which was seen by them as their cause for freedom from the rapine inherent in the outcome of that Seven Years War which had been unleashed through the schemes which that New Venetian Party of England, and the Netherlands, had already ensconced in England during

the reign of William of Orange.

However, from the time of the role of the British East India Company's Lord Shelburne in the launching of the British Foreign Office, from 1782 onwards, Britain was enabled to replay the kind of role in Europe which history witnessed in the run-up to the French Revolution and those Napoleonic wars which were orchestrated as an echo of the model of the British East India Company's orchestration of the so-called "Seven Years War" of 1756-1763.

Once Napoleon had been chastised with the defeat of his attempted invasion of Egypt and the Levant, Napoleon changed wives, dumping the Josephine associated with the pro-Ottoman alliance against the Habsburgs, and was given a Habsburg princess as a wife instead. Napoleon, thus married to a new fate, then led the wars throughout Europe, which wrecked France and continental Europe, all done to the not exactly kindly intentions of that British monarchy and Prince Metternich who created the infamous peace which imperial London and Metternich imposed at Vienna upon a defeated set of the nations of Europe. As former Chancellor Bismarck had foreseen on the verge of World War I, that war, would be, as Napoleon's rape of continental Europe had been, "a new Seven Years War."

Do not ridicule the French on account of King Louis XVI's, and the Emperor Joseph II's foolish reactions to the British Foreign Office-orchestrated affair of "the Queen's Necklace." We of the United States, sometimes repeated exactly the same mistake which most of Europe had made in the so-called "Seven Years War" of 1756-63, and France in the Napoleonic wars. We did so in the regrettable Polk's own Mexican war, and in our own lunatic plunge into a virtual decade of useless, bleeding war in Indo-China, following that assassination of President John F. Kennedy which prepared the way for the U.S. entry into the prolonged Indo-China war against which both President Kennedy and General Douglas MacArthur had warned.

The Soviet Union made the same mistake in its sucker's move into Afghanistan, which became the downfall of the Soviet system, and we have made the same mistake, again and again, as under the corrupt influence of Britain's perennially lying Prime Minister Tony Blair in the 2003 launching of an Iraq War which has not really ended yet, but is merely on the road to a new war of British concoction, the war through which the United States would follow the former Soviet Union's precedent, by defending the British opium traf-

fickers in Afghanistan, with the prospect of a new regional war yet to be set off, with British instigation, and the Obama Administration's convoluted consent, against Iran.

So, the British empire uses such puppets as former Prime Minister Tony Blair's nasty, current favorite, the narcissistic and vicious President Barack Obama!

From the time of the fall of France into the Revolution and the Napoleonic Wars, our United States' very continued existence remained in peril until the surrogate victory over the British enemy led by President Lincoln and both the Lincoln Administration's end of the British system of slavery and the launching of our United States to its greatest accomplishments on a world scale. Under President Lincoln and his legacy, our United States emerged as the greatest, virtually continental nation which the world had seen since the qualified precedent of the work of Charlemagne in the development of the continent of Europe for as long as he had lived.

So, there we were, when the decline of France over the interval 1782-1789, brought us from a state of cautious triumph as a republic, into the time of the peril which the French Revolution expressed. Our former hero, Thomas Jefferson, went essentially mad, during this time, as did other leaders who, like Jefferson, returned to their senses during the times of President Monroe's and John Quincy Adams' leadership of our republic. It was in this process of that interval, 1782-1789, that the genius of our great republic had showed itself, a genius expressed by the creative insight of Alexander Hamilton in his own time, an insight which led into the principle used for the creation of our Federal Constitution.

Hamilton's Principle as Such

The once-victorious states of the United States, once the victory over the British had been secured, had found themselves buried in a war-debt incurred by the respective former colonies. Hamilton's genius saved the United States, as the same principle, expressed by the re-enacted Glass-Steagall law of 1933, would save our United States, again, today—if we acted to force through that reform, whatever that requires, immediately, now.

By creating a Federal Constitution, one designed under the great guiding, inviolable principle of the present Federal Constitution's general welfare clause, all of those elected officials who oppose that constitutional

principle affirmed as the Preamble of that Constitution, are morally obliged either to change their opinion, or leave office out of a desire not to pollute our government with their unwholesome, misguided opinions.

Hamilton's turning our United States to national banking under a credit system, rather than a European type of monetarist system, provided the solution, a unique solution which sometimes influenced both European and some American states, in particular, but which rose to a more outstanding degree of durable quality than other leading nations to the present date. On that account, since 1776, the British empire has sought to subvert and destroy us, from that time to the present day of the anglophile corruption expressed by such putative protégés of the most regrettable, lying, former Prime Minister Tony Blair as President Barack Obama.

That principle of a credit-system, emphasized by Hamilton, rather than a typically European monetarist system, is the credit principle, a principle directly counterposed to the monetarist principle which was established as that principle of usury of the Roman Empire which is continued by the present British empire, and tolerated, still, among most of the nations of Europe and elsewhere, still today.

That principle is also a moral principle, enshrined against that principle of monetarist usury which has

been employed to wreck our republic, as has been especially notable since President Nixon's implicitly treasonous, great criminality of August 1971.

The principle is elementary. It is the principle of the Pine Tree Shilling of the original Massachusetts Bay Colony. *Honest debt to the future can be paid only through honest creation of future physical and equivalent wealth, including the development of the relevant creative powers of the individual citizen and also the children and adolescents of those families.*

Such debts of a credit-system must be paid by the fruitfulness of future production, as this principle was already understood by the Winthrops and Mathers of the original Massachusetts colony. Such debts require that the government delimits such accumulations of debt to the efficient commitment to promote that production. Such debt can be lawfully incurred only by a decision premised on a reasonable expectation of the relevant creation of the increased physical wealth, and of the increased physical productivity of the nation. Debts incurred on the account of financial speculation are not legitimate debts of a government.

This describes, in rather plain language, Alexander Hamilton's great principle as embedded in the subsuming intent of the Preamble of our Federal Constitution.

Debts are good, when they are designed to be made good, as by a credit system based on a commitment to

Hamilton's Credit System

Here are excerpts from Alexander Hamilton's letter to Robert Morris of April 30, 1781, while the Revolutionary War was still ongoing, the public till was empty, and a national government essentially did not exist. He proposes a national bank and the convening of what later would become the Constitutional Convention. Emphasis is in the original.

...To surmount [obstacles to securing domestic loans to the government], and give individuals ability and inclination to lend, a plan might be devised which, by incorporating their means together, and uniting them with those of the public, will, on the foundation of that incorporation and union, erect a mass of credit that will supply the defect of mon-

eyed capital, and answer all the purposes of cash. A plan which will not only advance the interest of the lenders, secure the independence of their country, and in its progress have the most beneficial influence upon its future commerce, but be a source of national strength and wealth. I mean the institution of a national bank. . . .

Industry is increased, commodities are multiplied, agriculture and manufactures flourish, and herein consist the true wealth and prosperity of a state. . . .

'Tis in a national bank alone that we can find the ingredients to constitute a wholesome, solid, and beneficial paper credit. . . .

It has ever been my opinion, that congress ought to have complete sovereignty in all but the mere municipal law of each state, and I wish to see a *convention of all the states*, with full power to alter and amend, finally and irrevocably, the present futile and senseless confederation. . . .

increase the creation of net wealth per capita, and per square kilometer of the territory of a nation. The famous Saugus Iron Works typifies the genius of successes which horrified the more backward, and often useless souls reigning jealously over England at that time.

In practice, the success of the United States' economy has always lain, chiefly, in the production of those public works through which the increase of the physical productivity of the nation is effected, as it is measurable per capita and per square kilometer of territory. No true republic was ever a mere collection of parts; but is the summoning of diversity to the effect of an intended greater and better unity.

Principal incidences of violations of that principle are notable for the case of the corrupt "environmentalist" policies of the Confederacy-inspired President Theodore Roosevelt, the trained nephew of a Confederate spy, James Bulloch, who had worked for Britain from London. There is the kindred corruption of flagrant Ku Klux Klan backer and U.S. President Woodrow Wilson. There are kindred evidences against the similarly perverse views of Presidents Calvin Coolidge, Herbert Hoover, Harry S Truman, Richard M. Nixon, and Presidents George H.W. Bush, Vice-President Al Gore, and Presidents George W. Bush, Jr., and the virtually would-be "Emperor Nero" of his time, Barack Obama.

The entirety of the Federal Constitution rested upon that single conception which echoed the precedents set by such as the Winthrops and Mathers of the Seventeenth-century Massachusetts Bay Colony, under the Pine Tree Shilling, as revived to be part of our Federal Constitution through the influence of Cotton Mather's young protégé Benjamin Franklin and Franklin protégé Alexander Hamilton. Call it the legacy of President Franklin Roosevelt, who was the fully witting descendant of Alexander Hamilton's ally, Isaac Roosevelt, who had been the founder of the Bank of New York established in opposition to the Manhattan Bank of the traitor and British agent of Lord Shelburne's Foreign Office lackey Jeremy Bentham, the de facto traitor, assassin, and former U.S. Vice-President Aaron Burr.

The Remedy, Our Recovery

If we simply cancel the mistakenly presumed obligation to pay the worthless debt represented by the operations led by former J.P. Morgan agent and later Chairman of the Federal Reserve System, Alan Greenspan, and Greenspan's muddled follower, Ben Bernanke,

at the Fed today, we will be doing nothing different respecting principle of practice than President Franklin Roosevelt did in the 1933 promotion of that original Glass-Steagall law which saved the United States from Hell at that time, and which also served as the beacon of our national financial and related economic stability until the swindle of the Alan Greenspan-steered repeal of Glass-Steagall in 1999.

That simple action of a Glass-Steagall revival now, will save the United States; any failure to resume that 1933 legislation will doom the United States to a very early general destruction. Those who choose one or the other option, earn the praise or hatred of the present citizens and their families of the United States accordingly.

The debts known by such names as Alan Greenspan's concoction of "financial derivatives" are nothing different than "gambling debts." They are to be treated as such. The assumption of such forms of debt is contrary, pure and simple, to the clear intention of the Preamble of the Federal Constitution.

Freeing the United States' government of the grip of those essentially fictitious financial obligations to Wall Street, London, et al., immediately frees our Republic of that burden. The urgently needed recovery of the U.S. economy can, then, begin an initially slow and cautious, but accelerating rate of physical economic recovery to health and wealth, and to the halting of presently accelerating, global entry into hyperinflation, all done from the moment the implementation of the original, 1933 Glass-Steagall law is put into operation.

That return to the 1933 Glass-Steagall law, is the single decision on which even the mere continued existence of these United States now depends, on which your own personal existence now depends, in fact. Any member of the legislature who has any different immediate intention, is being worse than a useless waste of time, and should, perhaps, either reform, or turn himself, or herself in, for a more appropriate opportunity in employment.

II. Glass-Steagall's Effects

The virtually instantaneous effect of the re-enactment of the original 1933 Glass-Steagall Act, is to rescue the Federal states of the United States from a presently accelerating slide down the chutes into otherwise virtually inevitable social-economic Hell. The

“bail-out” of Wall Street and London ends, thus, with the restoration of the essential functions of the governments of the Federal states. We shall not sacrifice the citizens of our states on the altar of a Wall Street, or London’s Baal, as President Barack Obama has done even far worse, thus far, than the wretched President George W. Bush. Jr. before him.

The ability to sustain the needed full measure of a recovery of each among the states, depends, in large part, on the “multiplier” effect of increasing the amount of Federally promoted employment-incomes within the economy of each of the states. Every person so employed, spends the income so promoted in expanding the market within the state’s economy, and in the freeing of our nation of the direct and other, actually enormous costs of the breakdown of state and local society under the wrongful, post-August 2007 policies of Presidents George W. Bush, Jr., and Barack Obama, thus far.

While all that is necessary must be done, it not sufficient to repair the ability to sustain the benefits which must be returned to the Federal states. The productivity of each of the states now depends desperately upon a combination of Federal assistance and the general increase of the productivity within each and all of the states. The ruin of the states by the Presidencies of George W. Bush, Jr., and Barack Obama represents a degree of incompetence by those Presidents which is tantamount to treason in its effects. For the broader purpose, we require large-scale, long-term, science-driven and related investments in major public works of long-term development, works which raise the level of capital intensity and higher energy-flux-densities of applied sources of power across all of the states of the Union.

You need cuts? Cut the “bail out”! How? Simple! Restore the original Glass-Steagall of President Franklin Roosevelt. Otherwise, our President is behaving as a traitor, a mentally ill person, or, a lunatic, in effect. The remedies for our distress exist in relevant changes in policy which begin with scrapping virtually everything done by both the Bush and Obama administrations since the end of August 2007.



President Roosevelt, Texas Gov. James Allred, and newly elected Rep. Lyndon B. Johnson, in Galveston, Tex., May 12, 1937. In 1966, journalist Gordon Eliot White wrote of President Johnson’s interest in NAWAPA, in the Austin, Tex., *American Statesman*: “... there are some signs that NAWAPA—or something like it—may be edging closer to serious study. President Johnson met Ralph Parsons at a businessmen’s luncheon at the White House and has asked him back to discuss the project. The President likes Texas-sized plans, and it is clearly possible that he could recast NAWAPA as an administration project if and when the Viet Nam war is settled.”

Whereas, the brilliantly successful launching of the Tennessee Valley Authority (TVA) serves as a model of reference for the needed increase of the well-being within and among the Federal states, we had, prior to and during the 1964-1975 U.S. warfare in Southeast Asia, the avowed 1964 intention, under President Lyndon Johnson then, to follow the intended conclusion of that war with the launching of what was known as NAWAPA, which would have solved all of the major, long-term power and water problems of not only the western states of the U.S.A., Mexico, and Canada, but which would also have saved those territories from the awful depletion and destruction of those and associated regions of North America as a whole.

President Johnson is not to be blamed over-much for his conceding to the pressures for the folly of Indo-China warfare against former U.S. ally Ho Chi Minh.

Those policies which misled the United States into its Indo-China war, had been launched by the British empire, in a moment of opportunity, following the death of President Franklin Roosevelt. The British Foreign Office released the Japan soldiers then being held as prisoners of war, to resume their arms and to occupy

Indo-China until the time the British empire would bring French occupation forces back to take over the former colony.

At the bottom of this business in Southeast Asia, the responsibility of the atrocity of sending our forces to die in the 1960s and early 1970s Indo-China war, lies with the role of those who composed, or merely supported the notorious "Warren Commission" which celebrated its British triumph over the assassination of President Kennedy. This deed was done in a way which must be marked down in history as the treasonous development which brought our republic into a state of ruin through a war which only the assassination of President Kennedy had made possible.

President Johnson was plainly terrified by the implications of the Warren Commission "cover-up."

Our Future: NAWAPA

This entirely feasible NAWAPA project will, among its numerous excellent effects, not only restore the presently endangered and increasingly wasted, western states of the United States, but it will become the precedent for the remedying of the desertification and kindred waste-land effects of entire regions of the continents of Eurasia, Africa, and South and Central America. NAWAPA, for example, is fully designed in all its general features, to serve as a model for other great projects in Africa such as the Transaqua restoration of the region of Lake Chad, and for the realization of certain developments of Siberia which are of strategically crucial importance for the future of large and other nations to the south of Russia, including China and India.

Essentially, this prospect means that we are becoming the real United States, once more, as Franklin Roosevelt had intended for a planetary group of respectively sovereign nations sharing a great common interest, once the so-called "Second World War" had been brought to its necessary close.

Of this, there is much more to be said on this occasion.

To realize the implementation of a great project such as NAWAPA, beginning now, compels us to put the Northeast region of our United States, also, back into full production, as much as the directly relevant western part of the North American continent. The former automobile-industrial and related regions of the Northeast and central states of the United States must build the systems needed to supply the great NAWAPA pro-

gram with a great part of its own efforts. The skilled, but now unemployed machine-tool operatives, and others, who have been lately cast into the ruins of once great, productive states of the United States, must return to duty, to build the modern forms of rail, magnetic-levitation and other systems, needed in the eastern states of our region, to fulfill the great hunger of the NAWAPA and associated projects. That will be sufficient not merely to restore our national economy; we must launch leaps in progress of a type not seen since the death of President John F. Kennedy's inspiration. NAWAPA provides us the largest chunk of the policy needed to do just that.

It is fairly estimated, based on the original Parsons estimate for the mid-1960s, that four millions jobs will be created in rapid pace for NAWAPA itself. However, the need to supply support for the installation of NAWAPA will demand an additional two millions or more new employment among such states as those from New England to St. Louis, in such forms as new railway systems, magnetic-levitation systems (especially for carrying heavy loads up to as much as five thousand feet), and the proliferation of productive employment in industries generally, all as stimulated by the markets created by NAWAPA.

This will also reverse the drying out, presently in an advanced degree, of the watersheds of the Plains states and other grievous such shortfalls, through the increase of rainfall patterns across the continent, and will lead, in other respects, to the conquest of desert regions generally, thus creating a more moderated climate, and an increase of the territory available for habitation and employment.

A short-term perspective for six millions new industrial and related jobs is a fair minimal prospect for the perspective based on NAWAPA. If we add return to an earlier nuclear power policy, the increased number of productive jobs caused by these measures, alone, would be seven millions.

The urgently needed reform of our national economy, away from Wall Street and kindred, purely wasteful speculation, into forms of occupations less suited to the higher apes, and more to the stimulated, creative mental-powers of our productive citizens, is the only presently available alternative to what would be, immediately, a plunge of the planet in its entirety into a global dark age worse than that which Europe experienced, as a result of Wall Street-like, Venetian speculation, back during the latter part of Europe's Fourteenth Century.

III. TVA & NAWAPA: An American Tradition

In certain crucial respects, the launching of the Tennessee Valley Authority (TVA) under President Franklin Roosevelt, typifies a principle which was reflected in the Parsons firm's perfected design for NAWAPA. It reverses the policy of economic waste and rot which that nephew-of-a-British-spy, President Theodore Roosevelt, imposed upon the United States, a dirty duty done by that Roosevelt's dirty British trick of forbidding any rational progress in the development of the U.S.A.'s western lands beyond the twenty-inch rainfall line.

The most notable fact about this, is that Theodore Roosevelt was expressing the same treasonous intention for the United States which is currently the official policy of Britain's frankly pro-genocidal World Wildlife Fund.

At that point, competent economic science intervenes in protest against such mass-homicidal nonsense as that.

The fact of the matter is, that human existence on this planet has depended upon drawing down a finite resource of mineral and other deposits left behind by, chiefly, forms of life from very long ago. As we deplete such relics of former types of life, the relative physical cost of employing that resource rises. This challenge, which is inherent in the role of life generally, has a particular significance for the case of human life. This means, in general, that the effective energy-flux density of human action, per capita and per square kilometer, must be increased, to more than offset the relative depletion of resources left behind by forms of life earlier. This means that the concentration of power, per capita and per square centimeter cross-sectional flow, must be increased constantly through scientific and related progress.

This requirement can be satisfied, in a general way, only through increasing the relative energy-flux density of the sources of heat-power being utilized. So, mankind had now reached the point in this process that national economies can not continue to be maintained without increasing emphasis on nuclear-fission as a standard resource for power of nations per-capita and per square kilometer of territory. Indeed, we are presently entering the phase at which increasing reliance on thermonuclear fusion must tend to predominate, as we see such trends in China now, and, also in India.

In the meanwhile, we are now approaching the still-

higher stage of cultures at which we must acquire and employ still higher forms of the equivalent of "heat-power." Reducing the size of the population is not a solution; indeed, since the complexity of higher forms of power requires an increased number of the educated human population, there is no sane policy for mankind but that of rising to successively higher levels of the equivalent of energy-flux densities. Indeed, mankind is now nearing the stage at which the role of mankind in nearby Solar space will necessarily increase for scientific and other technological reasons.

I mention this here, because the implications of the NAWAPA program include emphasis on mankind's dependency, here, down on Earth itself, upon processes which we presently know to be associated with functions which are located essentially within not only our Solar System, but in effects on life on Earth which are governed directly by long-term processes of our galaxy. NAWAPA's development brings us into many experimental matters which are of great significance, but which are also located essentially beyond the range of life on Earth as such.

We have entered a time, now, when, for science today, human life is located functionally in such larger terms of reference. The processes which confront us in our achievements in the design of the NAWAPA project, will become the principal process of transition toward mankind's adaptation to relevant actions of management of our planet's nearby space.

For example, the development of NAWAPA brings such nations sharing the polar region, as the United States, Canada, and Russia into sharing a common destiny in the need to explore the implications of the Arctic region to great advantage for the planet as a whole, that in a way which has been barely scratched so far. Similarly, the exploration of this region brings us to place a new degree of emphasis on the implications of cosmic radiation as a crucial aspect of life on Earth, including our own nation's.

In short, with the advent of NAWAPA, we are going far beyond the implications of the TVA into dealing at close range with cosmic challenges to science and economy beyond anything customarily considered in the world up to this present time. The discovery of a North America beyond Eurasia, has effects which share the experience of the John Quincy Adams, one-time Secretary of State, President, and senior member of Congress, who played a leading role in defining our republic, from Atlantic to Pacific as a single continental



NASA/Tom Tschida

No American child, said LaRouche, should ever dream of less than such achievements of mankind's exploration of space. Shown here are children visiting the flight deck of NASA's shuttle carrier.

power reaching across the Pacific toward our naturally destined partnership with Asia as also "Old Europe." Today, the promotion of the development of those resources of Siberia needed for the development of such populous nations as China and India, when taken together with the natural partnership among sovereign nation-states, across the Pacific among Russian Siberia and the United States and Canada, defines the future destiny of our United States to an increasingly large degree. The tunnel through the Bering Strait into Russia, from Alaska, becomes inevitable, and, on this account the relations within Asia are changed in a related way.

Together, we, China, Russia, and India, will be leaders among the nations rising from the Pacific partnership for such common missions as those of the development of the Moon.

We must define our national destiny as a commitment to breed and educate the generations among these nations which will find our cooperation in nearby space-ventures, as not merely cooperative, but inevitable. NAWAPA unleashed, will represent a development of such sheer power for development, that it will be the fulcrum that takes us, by inspiration, to the skies above. We must adopt this as nothing less than our natural destiny to be shared with our partners across the Pacific, and also among all of us here, and the future on the Moon.

Once NAWAPA were developed so, no American child would ever dream of less than such achievements as those of mankind's more notable entry upon the stage of nearby Solar space.

Therefore, we share a great destiny so placed before us; let us resolve that from this advance in our human condition, we of the United States shall never again retreat from a standard of progress and improvement of the general welfare, as our nation had tended to do since the death of President Franklin Roosevelt.

The first chapter of Genesis teaches that man and woman are made equally in the likeness of the Creator. Let it be so for all of us now. Let us never retreat from that devotion, from that image of the nature and sanctity of the purpose of the life of each human individual. Let it be now. We, as a nation, have a special dispensation to make it so for all throughout this world as a whole. Let us do the won-

derful things we have been designed, as a species, to do. Let the presently descending nightmare upon our republic, and also the world, be taken away from us now, taken away by the power of willful choice awarded to us, especially that which was intended, since the time of the Massachusetts' Winthrops and Mathers, as our destined special contribution to the future cause of that community of sovereign nation-states known as humanity.

Dialogue with LaRouche

Freeman: The first question comes from Ireland, from one of the leaders of Sinn Féin, and he says, "Mr. LaRouche, let me first preface my remarks, by expressing both my personal gratitude, and the gratitude of the entire Sinn Féin organization, both here in the North [Northern Ireland], and also in the South [Republic of Ireland], both to you and to Dr. Freeman, for not only supporting us, as we've resisted the efforts of the British Empire to further enslave the Irish people, but also, for your continued wise advice. And I hope that I may impose upon you once again.

"As you know, we had hoped for the successful defeat of the insistence that the Inter-Alpha Group banks be saved, at the expense of the Irish people in the

Irish nation. And although that first battle was temporarily lost, I'm very confident that, in short order, this current government will fall, and the passage of that heinous capitulation rescinded. Yes, of that we are most confident.

"But, my question to you is this: Once that is done, what do we do next? We are not the United States: We have never had a sovereign banking system; we barely have a sovereign republic, and we really do need some guidance as to how to proceed."

Wither Ireland?

LaRouche: Well, as I think you may have picked up, from my reading this material, which I put on the record for the obvious reason, in that way; now, once we have assumed that we have gotten rid of this British problem, because, as I said, it's the British Empire. We are dealing with, as people in Ireland, of course, tend to understand: We are a product, or had been, until more recently, we had been originally a product of primarily the British Isles. We had been people who had come to what became the United States, from across the waters, generally from Europe. We brought with us a European culture.

But we brought with us a mission given to us by Nicholas of Cusa, the founder of modern science and modern civilization, to go across the waters to get away from what was going on in Europe; not to destroy Europe, but to create an alternative, for European culture, and others, in seas across the ocean. This had been Cusa's destiny, which had been picked up, specifically by Christopher Columbus.

And so, between us and Europe, while we have people from other parts of the world, from Asia in particular, in increasing quantities inside the United States, the same thing holds true. When people go from one climate to another climate, they don't change the nature of being people, they change the way they adapt to the climate. And this applies political climates as well.

Europe, to the present day, from the time of the founding of the Roman Empire, has been dominated by an empire. And as I indicated earlier today, the Roman Empire, which finally got itself together on the Isle of



Creative Commons/Joe Higgins' photostream

A leader of Ireland's Sinn Féin party asks LaRouche, "What do we do next?" Shown is a demonstration in April 2010 against the government bailout of Anglo Irish Bank. Sinn Féin has led the fight against the bailout policy.

Capri with this famous Octavian, who became known as Augustus Caesar, or "Disgusting Caesar," or whatever—that since that time, Europe has been dominated by an imperial monetarist system, which was established, originally as a Mediterranean system, under the Caesars.

Now, this empire went through crises, but the empire persisted. The center of the empire shifted. Rome collapsed. Well what happened? Byzantium arose. Byzantium, about 1000 A.D., collapsed! But then, the Venetian power arose. In fact, what had happened is, with the collapse of the Roman Empire, the Roman oligarchy, the aristocracy of Rome, had moved up to swamp areas, which were more probably accommodating to their nature. But, they moved up there in the area which we call Venice, today, because, being up there, with their wealth and treasures taken with them, they presumed they would be reasonably secure, hidden and protected by swamps, from people coming to steal their precious treasures.

So, they became a financial power. They were a power, partly, inside the Byzantine system up there. When they got a new status, they suddenly established themselves with greater authority. And when Byzantium began to disintegrate, Venice made itself independent, and Venice used its own control over the monetarist system of the Mediterranean and beyond, to dominate Europe as an empire.

That collapsed in the New Dark Age of the 14th

Century. Out of that came a great struggle. You had a Renaissance, led by Cusa and people like that; but then we had a long period of religious war, from 1492 to 1648, in which Europe largely destroyed itself. And during this period, elements of the European Renaissance, the 15th-Century Renaissance, moved across the water, according to Cusa's prescription, and they arrived in significant numbers in North America.

Now, the southern part, in South America didn't work out too well, because the Habsburgs were controlling that part of the world; and the British system was, also. But we, in North America, as Europeans of that time, had a European cultural basis: Our language, our literature, our music and so forth, were all essentially European. *But*, when we crossed the water, and we hit freedom on the other shore, we began to behave differently, and the Massachusetts Bay Colony was the center and origin of this process.

So since that time, we have always had a trans-Pacific orientation. We believed that we must move and establish this entire continent, the North American continent, as a continent divided between the Canadian border and the Mexican border—that's been our policy all along. And our intention was to cross the Pacific, to establish cooperative relations with people on the other side of the Pacific. And so it goes.

But in this process of change, as we have a greater part of the Pacific-oriented, Asian population in the United States, the same principle remains, too: We are a people who have our culture. We distinguish the political characteristics of our Constitutional system from the European systems, which have an inferior political culture, because they are the slaves, in a sense, of an empire. Which is today, the British Empire, and it *is* a British Empire! It's not an empire, as most children think. It's an empire of a monetary system. And whoever controls the monetary system, and is able to determine the relative monetary values, thus rules an empire!

You see what's happening now: The Inter-Alpha Group, which is a bankrupt organization—it's the British Empire—is a totally bankrupt institution, as—you know, Brazil is about to go down the toilet! If it's lucky. It may go directly to the warmer place. But the point is, the whole system is coming down.

Now, therefore, looking at Ireland: What's the prospect for Ireland? Well, I've made a reference in these remarks to—Constitutional kinds of remarks—to the role of England; what would England do without the

empire? Suppose we take every stinking bank in England, and we wipe it out? Or it wipes itself out? Which it's pretty well on the road to doing. What do we do with the English people? What do we do with the Scots? What do you do with the Welsh? What do you do with the Irish? Well now, in charge of the United Kingdom, we can deal with that. If every bank in England goes bankrupt, that's not a tragedy, that's a triumph! But do we throw the British people into the sewer? Or, do we do something else? Why don't we just give them a commercial banking system, like our own commercial banking system, and they can do just fine? They'll do better.

Now, what's going to happen, presuming we get through this crisis, is, the world's going to change. One thing that must happen, out of this process, the British Empire, as I've defined it here, and on other occasions, *must be eliminated!*

Now, the problem with the British Empire, like all empires, is, empires have always, in the known history of mankind and civilizations and nations as such—this goes back to the melting of the great glaciation, and this went on. The glaciers melted, the waters of the oceans rose 400 feet. Now, you could get in through the Strait of Gibraltar into the Mediterranean; at a later point, you had a freshwater lake, which was a glacial melting lake, we call the Black Sea, today. It was on a lower level, and one day, the salt water of the Mediterranean broke through the Dardanelles, and put a layer of saltwater on top of the Black Sea. So, the seas rose by about 400 feet on the mean.

Now, with the melting of the glaciers, the life of mankind on the planet changed. What had been the maritime areas, were the leading areas of civilization in this period. And so, in this process, as the Mediterranean waters rose, and the other waters rose, we had a change; people moved inland, away from the great glaciated areas. The character of the civilization of mankind changed, with this change. And so, what happened is, you had a two-class system come out of this: One was the ruling class, they were called "the gods." As in the Greek legends, they're called "the gods." Why? Because they called themselves gods, and the others were the slaves.

So the function, the history has been, which is the British Empire today, Prince Philip for example, with his World Wildlife Fund, still expresses this policy: that you must keep the mass of people *down*. Now, in order to keep the population reduced, you've got to lower

technology, you've got to stupefy the people, you've got to limit the number of them. That's called environmentalism. It's evil! It's hatred of human beings, of saying, "We, the rich and powerful, we run the planet, and we've got to keep the numbers of these people down. We keep their numbers down, and we keep them *stupid!* We don't let them have nuclear power, we tell them to have wind power."

Britain Delenda Est!

So, now, we're coming into a period, where presumably, coming out of this great crisis, in which the British Empire will be *destroyed*, what do we do with the planet? Well, we have ideas in China, which are very good ideas. You don't have to get into all the details about whether you like it, or not, that's not the point. But, China's on the way up. China is going into nuclear, and thermonuclear power; it's going into space, and so forth. India has a similar movement, with some different characteristics.

You have other parts of the world: You have Africa, a whole continent which has been abused and destroyed! What are we going to do with this world, now that we've ended oligarchism? Now we're going to have to get back to work! What's the problem in India? Well, the Indian labor force is half as productive as the Chinese labor force. Why? Because of a long history of their social system—terrible poverty! They don't have skills. It's not that they can't produce, they just don't have the skills.

So therefore, our job is going to be, to take areas of the world, which are underdeveloped, where people are underdeveloped, as in the continent of Africa, and elsewhere, as in the struggles in Asia, to better things. We're going to have to organize, to bring mankind to a higher level of physical productivity, and standard of culture.

Well, what do we do then? Now, put Ireland, Eire, in this situation, hmm? What are we talking about? Well, the Irish and the Americans tend to get along pretty well. We have a lot of Irish in the United States, Irish ancestry; I've got a bit myself, you know. A lot of people have Irish in them, especially in the Americas.

So, what we're going to do, is essentially, our job is to look at areas where nations and people of those nations have the ability to participate in a cooperative venture for improvement of the conditions of life, of the planet as a whole. Now, Ireland has no problem with that. And I have some Scottish ancestors, too; they would have a problem, but that's all right.

So therefore, what we need is, to set up, essentially, what the United States was intended to be, was to get out from under these slave systems, in which we divided people into the over-class and the under-class! Now, we've got to develop humanity, and there's no other way you can develop this planet, and life on this planet. So now we're going to have a division of labor, that every part of the world where we can find people who are qualified to do work of a certain skill level, and it's the appropriate kind of work for them, it's our interest to have an international system of the type that Hamilton projected for the United States, in national banking.

What we're going to do, is, take a mercantile type of banking, which is the proper type of banking for any self-respecting nation; we're going to organize the mercantile banking system, as under the protection and facilitation of a national banking system for any country. In other words, we don't have these outside imperial banks, these monetarist banks, we have credit-system-based banks, which the United States is designed to be.

So, we're going to have to do that now, in the United States. We're going to have to reestablish the Third National Bank of the United States, to get out of this mess we're in now! Other nations will want to do the same kind of thing, as having a national authority, which represents the private interests, generally, with government cooperation, of what we call a commercial banking system. It's going to be a credit system, as well as a commercial banking system.

So now, what are we going to do? We're going to put out the work, to those who are able to take it on. And, you know, Scotland will probably split from England, on the basis of this crisis. So, now you'll have three nations up there—I don't know what the Welsh will do, but there will be a little different arrangement, up there, in that vicinity of the world, than there is today.

Sovereign Credit Systems

And so, I think, if Ireland can be constituted as a *secured* republic, one which is not being abused in some way, then Ireland has a skilled population and a culture which can obviously produce things. And therefore, the answer is, to create that system of international cooperation, which is what Roosevelt had intended for the United Nations, which we never got, because he died, and other people had a different idea. So, our view should be, the United Nations—not the way they're

trying to do it now, but simply the idea that sovereign nations on this planet have to have a credit system, because development involves several successive generations.

Anything we're going to do in this century, on a rational basis is going to take the better part of a century. We're talking about three, four generations of people. So, that this four-generation interval is going to be involved in investments, which have maturities of 30, 50, 100 years! Look at even the changes in the 20th Century: Take the beginning of the 20th Century: *flight* by aircraft! Think of all the other technological changes, which occurred in the span of a century, in a very bad-behaving century!

Now, we need the ability for long-term credit among nations. We're going to have to develop all of Asia! That's going to take more than a century! We're going to have to develop Asia with sovereign nation-states! It's going to require cooperation with the world as a whole: *We need a system*, of the type that Roosevelt intended for the postwar period. *We need a League of Nations!* A real one! We need a United Nations, in that form!

So therefore, if we have a United Nations, we're going to create an international system of credit, like a fixed-exchange-rate system among nations. Because nations are going to have to help each other, as in Asia—you have up to a century of development, to reach the level of true parity and security. You have credit that has to be extended from one part of the world to the other, so therefore, you have to have a stable, international credit-system, of the type that Roosevelt envisaged.

This is coming *now*. We are either going to survive this thing, this year, early this year—or we're not! And if we're not going to survive it, you're going to have damned few people on this planet. So therefore, we have to do it. We have to cut the mustard, now.

And what's the situation for Ireland? It's fine. Fine. And especially what the Irish are doing now, in reasserting their long-fought desire for sovereignty, is perfect for it. So therefore, it will just have plenty of market for what Ireland can do, as its products. But there has to be a *system*, in which we can discuss exactly those things, and make it work. There are opportunities everywhere.

And I've got some ambitions of going to the next century beyond that—I won't be around for it, but I still can have the ambition for that. So, that's the point. Obviously, we're going to come out of this thing, with a

struggle to establish what Roosevelt had intended by his idea of what was a League of Nations: nations which are perfectly sovereign, respectively, of their own national cultures, but are free of monetarism, which operate on the basis of national credit-systems. And the national credit-systems have to form, what Roosevelt did!—a fixed-exchange-rate system among national credit-systems.

We're going to talk about up to a century of development, to change this planet, do the repair job on this planet that imperialism has left. We're going to do it with sovereign nation-states, with promoting language-cultures, the existing sovereign language-cultures, and so forth. And we already have enough experience to know how to do that.

I see the prospects—well, the very fact that the Irish are fighting is, you know, it's their greatest asset. Sometimes it may be their greatest detriment, but in this case, I think it's their greatest asset. Because the ties to the United States, the psychological ties of Ireland to the United States are sufficient to be very useful for this purpose. I see no great problem. I see a practical problem, but it's a practical problem that we and Ireland share together, as a common problem of nations around the world, today.

It's Not a Tunisia Crisis: It's Global

Freeman: The next question comes from Russia, from a longtime supporter of ours there, who operates in various influential circles. And he says, "I know that Mr. LaRouche is a sincere friend of the Russians, and that he has been aware for a long time, of the hidden story behind perestroika, and that he both saw, and understood, very early on, the disgusting essence of the so-called reforms under Gorbachov and Yeltsin.

"While I have many background questions about that, today, I really want to ask something which is on the minds of people here, and I would imagine on the minds of people all over the world: I would like to ask about what is happening in Tunisia? Many people in Russia are drawing parallels between those events and what might very well occur in Russia and, perhaps, other nations, soon. The current events in Tunisia, what is being called their 'Jasmine Revolution,' in yet, another 'colored revolution,' in the series that has unfolded in the past Soviet era: My question is: Is it that? Was it inspired from the West? Or is it a natural reaction of the Tunisians, themselves, to the totality of events, including, not only the dictatorship there, but more im-



NASA

There is no “Tunisia problem,” LaRouche said. We have a cultural problem, and it’s international: an anti-progress culture, a greenie culture, which offers youth no future. Shown: Solar power in Tunisia. Tunisia is planning 40 projects from 2010 to 2016 to increase solar energy use in the country.

portantly the economic crisis? Because there are reports that the current unrest began after a sharp rise of prices of basic necessities, and then, in response, the tightening of the screws by the former head of state who has now fled. Obviously, in the midst of global hyperinflation, this is an extremely important question, and I’d like to know your views on this?”

LaRouche: Well, let’s take a step back, first. Don’t assume there’s such a thing as the Tunisian problem. There is a disease in Tunisia, but the bacillus is everywhere.

Take another case. The case in the state of Arizona: A young guy gets himself some weapons and kills some people, and to me there’s nothing mysterious about this. All I have to do, is look at our culture in the United States, and look at it in terms of generations. Probably, about one-third of the generation under 18, or under 20 perhaps, are a type which are like this young fellow, who pulled off this atrocity in Tucson. We have Tucson cases saturating about one-third, potentially, of the generation of that age-group!

So, you’re not looking at a “Tunisian problem.” You’re looking at a cultural problem, which is throughout the world, and with varying expressions, in which a younger generation is coming up, which is scarcely human, in terms of its culture. This is not Tunisia, it’s in every part of the world! And those parts of the world, which are more oriented to what you find in the trans-

Atlantic community, or the trans-Mediterranean community, are the worst.

It’s where people believe in the values of these two generations, or we call them successive *de*-generations, from the Boomer generation on down. And they *are* successive *de*-generations, to a large degree. Young people around the world, especially the trans-Atlantic region, are much more demoralized than they are in some other parts of the world. And you see this spreading into Japan, you see it spreading into other countries, which once had a vigorous industrial-technological progress orientation, and the section of the population which still has that orientation is shrinking! And the youngest generation is born into a generation where they’re told that they’re in a green society! And those young people who have been conditioned to believe in a green society, are most demoralized, and demoralized in the sense of a lack of real morality!

So, now, you take young people who have no sense of the meaning of life: Look at what they believe! Look at what their culture is! Look at their behavior! Would you want them in your backyard? Like this kid? If you take about one-third of the entire generation of that age-group in the United States today, and we don’t know what kind of monsters will come up in the next batch! Because *we* are that.

See the tendency is, everybody likes to think of people as being like monkeys or something: Each individual monkey has its own culture or something, its own behavior. We’re influenced by the culture, we’re influenced by the culture we’re part of. Societies always have had generational characteristics of cultures. You know, a family is what? Four generations; at least three generations. And it’s the development of the *culture*, the orientation of the culture. We have an anti-work culture! We have an anti-progress culture, we have a *green*-influenced culture! And a greenie is on the way to degeneracy! If you don’t believe, in developing—.

Mankind Creates His Own Culture

Let me just take one step back: Look, mankind, as I said in this report, this statement—mankind’s nature is different than that of the animal, absolutely different. The animals have no voluntary capacity to develop a culture. All animal species have a fixed potential population-density, or relatively fixed, depending upon their circumstances. And they have a culture, an animal culture. But they don’t have a *voluntary* culture, like human beings. They don’t have the voluntarily creative poten-

tial that human beings do.

Now, the human being has expanded his population greatly on this planet, relative to any other species. This means that we are using raw materials. What are the raw materials we use? The raw materials we use *are chiefly relics of living processes*. We get iron because living processes, which had a living chemistry with iron in them, and these unicellular animals concentrated, and when they died, they would deposit the iron in their bodies. But they had gathered this iron. Many of them had been gathered by oceans, where the creatures had congregated in areas, in waters. And they died, as unicellular animals, or plants, and they concentrated certain minerals in certain places.

We come along, as human beings: We find an area like the Mesabi Range, in the United States; there's a lot of iron there. Why is it there? Because dead animals left their bodies there. Now, what do we do? We go out and we extract the richest concentration of iron. We go where the iron ore is the richest; we ignore the others, at first. Then we find that we're using up the richest iron ore concentrations, so we have to use poorer iron ore. Now, this requires more technology, it requires more development of power, more utilization of energy-flux density, as power.

So therefore, for mankind to live, mankind becomes more complex, more interdependent, interactive skills. Man develops a culture. But man is above all *voluntary*! Man invents discoveries of principle, on which mankind is able to live as man.

So therefore, what happens, if you go to a "green" society, a green society, in effect, or to a fixed society, which is called the "oligarchical model"? In ancient society, where you keep the masses of the people *stupid*, give them limited skills, do not allow them to know these things; do not allow themselves to be educated, to develop; you keep them as cheap labor: The oligarchical principle! *Control the size of the population for the comfort of the ruling class*. That's where this problem comes from.

So, now what we've done, under the influence of Teddy Roosevelt, and others, British types—we have decided to go *against* power. Now, the only way the human race can survive, against resources, is to increase the energy flux-density of the technology used! That means, tear down every damned windmill and destroy every solar collector in the United States! Because, these technologies are *low energy-flux-density technologies*! They're wasteful! And if you want to maintain

that technology, you must *reduce the population of the human race: You must commit genocide!* Like the World Wildlife Fund does. Genocide! Mass murder! Depravity!

Do these young people, like this poor fruitcake [Jared Loughner]: Do they have a sense of themselves, of moving upward, of learning skills, of developing technology? Do they have a sense of a mission in life? Of improving the power of the human race to exist, to sustain itself and care for itself? They don't! So, what do you expect?!

Look at the case of Tunisia: In this location, what was the problem? *A decline in culture!* Imposed by what? By prevailing policies, social policies, and economic policies! So wherever we see windmills, whether in the mouths of politicians or not, wherever we see these kinds of green policies, we're seeing the destruction of civilization! And the destruction of civilization means, that you want to *reduce* the amount of population, you want to reduce their role, their technology, in this development. Reduce their sense of a *purpose in life* as a human being!

Now, is that happening all over the world? Of course, it's happening all over the world! And that's why the British and Obama hate China. China is violating the rule. China is insisting on maintaining a stable economy; they're doing it roughshod, which is not difficult to understand; but they're developing their society. And the British *hate* that!

The United States is *hated* by the British, especially because we speak English, because we know how to hate each other! Their society, you know, the typical British citizen, from what I see on the screen, is wider than they are tall. It's a cultural thing, it's not biological, it's cultural. It's a population which has lost its sense of purpose in life. It's just living out, and trying to vegetate, shall we say.

And that's what our problem is. Our problem is not Tunis. The problem is global. And the problem is the British, the British Empire. The British Empire is dying. Let it die, in its present form. We can take it. We can take the "poor sods," as they call them, of England and so forth, we can take the poor sods, and retool them. We'll do a better, kinder thing for them than they will do for themselves. That is, to get them back to an American standard of outlook, or what used to be an American standard of outlook: Is to simply say, "We're going to be a productive nation. We're not going to be a parliament empire, we're going to be a productive nation,

which has a sense of dignity and purpose in life, because we're doing something *good* for humanity, we're making things *better!*" Which is what the Americans used to think.

And the problem is these young kids out there, like this thing in Tucson: They've lost that! They've been thrown into the garbage pail! Don't blame them! They were thrown into the garbage pail—by whom? Well, in this case, they were thrown into the garbage pail by two Presidents: George W. Bush, Jr. and Obama—and Al Gore, to the extent he was able to do it.

We have been destroyed, we've been destroying our young people, and this is happening throughout the world. And this case in Tunisia, the story on this thing, where the thing broke out: It broke out in an area which had gone through the effects of *a decline*, a demoralizing decline and a collapse of what had been earlier, a much more developed area.

And you see *all over the place*, all around the planet! And what's being done to Africa is typical of that, same thing. So, these are the problems. There is no "Tunisian problem." There's a disease, from London, which has been spread from London into Tunis.

The Issue Is Imperial Geopolitics

Freeman: The next question comes from the leader of the National Democratic Youth League and the Student Republic Movement in Ukraine. He says, "Mr. LaRouche, it is clear that an ever-greater number of countries are sliding into a new barbarism. And one of the key symptoms, is the lower and lower level of competence of those who are running the governments.

"At the same time, the public, and even well-informed experts are essentially barred from having any influence on important decisions. It seems that more and more countries, either explicitly or implicitly are going toward dictatorship, and in some cases, even bloody dictatorship.

"Our question to you, is how can we carry out mobilization plans for economic development, while, at the same time, preserving civil rights, and preventing repression in an atmosphere of fear? I suspect that this is a question that relates not only to my own country, but perhaps also to your own, and also to many others across the globe."

LaRouche: It's the same thing. It's the same thing. Look, the prevalent culture, throughout this planet, for more than 100 years, and including the United States, is the same thing as the similar thing for us, in ancient

times, of the slave system. I mean, how is it possible, that in this republic, you could have the buildup of an organization, in the so-called Southern States, and beyond, actually, of this kind of racism? Absolutely brutal kind thing? We are living in a brutalized society.

Look, I want to put a particular label on this: Go back to 1875. In 1875, the United States had emerged from a struggle against slavery, and out of a Civil War, and had made a revolution such as typified by the Transcontinental Railway system, by the great industries which surged and were celebrated in 1876, in Philadelphia; 1877, the people from Russia, and China, and elsewhere around the world, came to the United States, to seek, "What is this miracle?"

We had created a trans-American railway system, a transcontinental system. That, together with the industry development which went with that, had transformed the United States, in such a way, that we, in the United States had created a situation, where maritime power could no longer dominate the world! Because it was cheaper to use transcontinental railway systems to transport goods for trade, than it was water systems, maritime systems!

The British called this, a *geopolitical crisis!* Because suddenly the empire, which had been a maritime empire, was no longer assured of the ability to control the planet! Because no longer were long voyages on ships the efficient way to deliver goods back and forth in the process of international production. *The British went to war*; and we've been in a war since 1890, from the time the British Empire, the British monarchy, fired the Chancellor of Germany, Bismarck. The issue was geopolitics! Which is going to dominate the world economy: Is it going to be land transport, or ocean transport? Because if it's not ocean transport, then the maritime system, which is what the British Empire was, could no longer control the planet.

Since that time, since 1875-1890, the British Empire has organized warfare, destructive warfare, throughout this planet, with two purposes: One, is to set major nations against one another, so no one nation or group of nations could be independent of the British Empire, to preserve the British Empire. And all of these wars that we've been fighting, including now, *right now*, in Afghanistan, is a continuation of what actually occurred as a product of the firing of Bismarck in 1890.

All the wars we've fought—World War I, the declaration of war against Russia and China by Japan and Britain; the declaration of war against the United States,

the *agreement* on a war against the United States by Britain and Japan, including the attack on Pearl Harbor in the 1920s. It took place in 1941, but the policy, the alliance was made for the attack on Pearl Harbor in the early 1920s. Why? Geopolitics! What was the British policy? British policy is: The naval power, the maritime power of the United States, must be destroyed. Not eliminated, but destroyed. And so, Japan was enlisted and developed under British direction to become the naval power to take out the Pearl Harbor base. That was in the early 1920s, about the time I was born. That's what the problem is.

So now, you have a maritime system, which comes out of the same maritime system of the Mediterranean we associate with the Roman Empire, which has continued to dominate this planet up to this time. The United States, by being a United States, became the major obstacle to the realization of a permanent Roman Empire upon this planet. When the United States, by victory over the Confederacy, which was a British puppet. They killed Lincoln, and they set into motion a plan to destroy the United States. And the plan was set into motion, was organized against Bismarck. Because Bismarck was building the international anti-maritime system.

So that's what the problem has been. So we're dealing with an empire which says it cannot continue to be an empire, unless it can destroy the United States. That's why the British put Obama into the Presidency in the United States.

Who is part of this? The Bush family. Prescott Bush, the grandfather of the last piece of crap that we had of that family in the Presidency, was a man working with the Bank of England through Brown Brothers Harriman, and Prescott Bush was the guy who moved the money to put Hitler into a position of power in Ger-

KEEPING HIS NOSE ON THE GRINDSTONE



Brooklyn Times/S.S. Byck, 1933

When Congress was "on a retreat" from the Depression in 1933, Roosevelt's President Roosevelt called a special session of Congress, saying that unemployment could only be solved "by direct recruiting by the Government itself." For the next three months, Roosevelt proposed, and Congress passed, Glass-Steagall and other key bills to deal with the crisis; this session became known as the Hundred Days.

many. The British put Hitler into power, and the Wall Street crowd was part of it.

This is the same thing! The same geopolitics! The same issue that we're fighting today. It's the same idea of the *oligarchical principle*. The same damned thing. That's what we're fighting against. You've got a bunch of nations in Europe and elsewhere in the world, who think they understand what good is. They don't. They have these illusions. And so, we have to look at things in that way.

We're in a social crisis, yes. We're in an economic crisis. What I had to put on the record today, was that policy, because that's where we are. That's an American policy. It was already the intention of our Constitution, the real Constitution. The meaning of our existence. The meaning of the *Mayflower* landing and development. The meaning of everything good that's been done by us, or any-

thing good, done by any other part of the world. We just happen to have an advantage, because we took the better part of a continent, developed as a force of power for this cause, as opposed to Europe which was saturated with this crap.

That's what the answer is. That's the thought that you have to keep in mind.

Glass-Steagall Will Rescue the States

Freeman: As you know, Lyn, the Congressional Democrats were caucusing, on what they have very aptly referred to as a "retreat," in Easton, Md. And the first question comes from one of the retreaters. He says: "Lyn, while it would appear that there's little appetite for Glass-Steagall, the fact of the matter is that most of us here do see it as inevitable, given the magnitude of the problem, and there's little question that some time, over the course of the next days or weeks, that the opportunity is going to present itself, and I do believe that

Glass-Steagall will be reenacted.

“However, as we learn more about what occurred and what is still occurring in the course of the great bank bailout of 2008, we learn that, in addition to the billions of dollars involved in TARP, the Federal Reserve as well may have engaged in a far larger bailout, perhaps amounting to trillions, and that those trillions went to not only American, but also to foreign banks.

“Now, in the midst of this great bailout, both by Congress and by the Federal Reserve, it is also the case, as I’m sure you know, that community banks received almost nothing. The argument at the time was made that we can’t help everyone, and that the community banks were *not* too big to fail, and fail they have. My question is this:

“Glass-Steagall was crafted under very different circumstances. There is no question in my mind that it should be reenacted, and as I said from the beginning, that I believe it will be. But my question to you is, is it really enough, especially since the reach of Glass-Steagall does not extend to these kinds of covert activities, if you will, by the Federal Reserve?”

LaRouche: Well, actually they do reach to it, and they reach to it in a very efficient way. See, people get too much tied up in current legalisms, and fail to realize that they’re principled. You see, the problem is in our definition of democracy and the way it’s taught, and the way it’s talked about in Congress and so forth: The principle is far removed from the awareness of the usual politician these days, particularly, when it comes to Congress, matters of Congress, or the state.

We live in a society which is largely influenced by British Liberalism. Now Liberalism is, of course, the system which was established under the new Venetian system, which became the British Empire. And out of the British Empire, Liberalism means that human beings respond to pleasure and pain, and the essence of belief is pleasure and pain. The essence of law, for them, is pleasure and pain. There’s a question of *popular* pleasure and pain. It’s based on *perception, not truth*. Among our politicians, there is an absence of the idea of *truth as a principle*.

In other words, when you had the Federal Reserve System doing what it did, *what it was doing was inherently untruthful! Bordered on treason!*

All of the evils we’ve had, especially since the assassination of Kennedy, have been of this character. For example, slavery. The United States for a long period of time put up with the institution of slavery, because Jef-

erson was pro-slavery, and he became more so when he got sick, and he had a traitor to the United States as his Vice President. So therefore, the idea of truth as a matter of principle, in the sense of scientific truth, *truth contrary to popular opinion*. Now what’s going to happen? If you want to uphold popular opinion, as a standard of truth, then you’re going to lose the United States *early this year*, so you’ve got to get your conversation in quick because it’s not going to be around much longer.

We’re now in a hyperinflationary mode. This whole United States, the whole world system, can go down in a matter of as soon as weeks or as long as months! You want to talk about policy, in terms of long-term trends in policy-shaping? We’ve had a system in which a competent President couldn’t be elected. Why? Because the popular standard wouldn’t elect a competent President. Or if he was competent, he had to make some adjustments, to hide his competence. I’ve seen that close up, how that works.

So the problem is, we do not have a problem. And when the American people out there, who are getting very angry, begin to make a decision, they’re going to agree with me, not with you. Because they’re going to agree, that what was done to the Federal Reserve System under Greenspan—Volcker didn’t do a decent job either; at least, he meant well, he just wasn’t competent—the Federal Reserve System went to criminality under Alan Greenspan. And it went beyond criminality, today. So everything the Federal Reserve System has done in this way, which is contrary to the intention of our Constitution as it was originally conceived, has been a fraud.

And you’re going to find that once we put the Glass-Steagall through, the Glass-Steagall Act in its 1933 form, we’re going to find out that the American people are going to do something about this. Why? Look at the states; look at the immediate situation in the Federal states. You’ve got a bunch of Congressmen out there, talking about Federal government and how they’re going to manage the Federal government. What do the people of the *states* think about this? What’s happening to them? Do they have any belief in this stuff? Of course not! If they’re not intimidated, if they feel they have some clout, they’re going to act.

And you’ve got a warning sign, in this little event in Tucson, because that’s not *a problem*. That’s the problem of a generation, about one-third of a generation under 21, which *you have destroyed*, by consenting to

what has destroyed them. The consent to putting an Al Gore as Vice President was a tragedy for the nation, because Gore is poison. His policy is poison, his thinking is poison, people who think like him are poison! They don't belong in our political system, any more than the slave-owners belonged in our system back in the first half of the last century, or the century before then.

So, there is no problem. What I've defined, in the statement I just delivered here—I wanted to get the exact thing on the record—is the only answer. That's the truth. Anything else that doesn't start from what I just gave, as a design of a policy, for a State of the Union policy, is a waste of time. If it doesn't fit what I said, dump it.

And you're going to find that the people out there at the state level, *in their anxiety*, they may not know what the solution is, but they know what their anxiety is: You're killing 'em! You're health-care policies are killing them; they're designed to kill! They're designed to reduce the population. They're murderous. They're treasonous. And the problem with my friends in the Democratic Party, assembled, is they're thinking too much about *opinion* and not enough about *truth!* In the long run, humanity is going to respond to *truth*. If you're killing them, they're going to respond to the fact that you're killing them; and the fact that you said, "but we've voted for this law," is not going to be an excuse! And that's happening, now! The negligence, the ability to try to "go along to get along," that infamous slogan of the Senate, of the Congress—"go along to get along"—*that is the beginning of the ascent of actual immorality*: "go along to get along."

And so, when we say Glass-Steagall, we mean Glass-Steagall. And the interpretation is that of 1933 Glass-Steagall, because we're saying that the repeal of Glass-Steagall was a crime against the nation! And that the people who went along with that repeal of Glass-Steagall, or those who allowed Alan Greenspan to be put in charge of our Federal Reserve System, that swindler, were not thinking competently.

And our people out there in the states, are now being subjected to something awful. You think you had something in Tucson? You haven't seen the beginning of it. You have a generation of people under 21, 22, of these young people, of whom probably one-third are of the Tucson variety, and you want *to crush order in the states, by crushing the states of these republics, and say that you're doing it on the authority of belonging to a lofty club, of the U.S. Congress and the Presidential in-*

stitution, now? When the world is about to destroy itself, blow up, and you don't want to change that, you want to compromise, you want to "go along to get along"? Well, you know what you're going to get to? It's called Hell.

The Democrats have got to get their guts up. You don't *have* any time to fool around with this kind of nonsense! It's coming on now. I can't tell you the exact date, because I can't anticipate on how foolish our people may become, our politicians may become! They show a great capacity for becoming very incompetent and doing very terrible things, and I can't be held responsible for that. But I can tell you: The time is nigh! We're there.

The states are disintegrating, the U.S. economy is disintegrating, the world economy is disintegrating. You're on a global scale of something like what happened in Germany in 1923. You're already far advanced there. You want to fool around and make compromises? No. I told you what you've got to do. It's what you've got to do. If you don't do that, you're a loser. If you don't do that, you're wasting your time. Wise up!

I've been at this for a long time. I've watched it for a long time. You're making the same stupid mistakes you've made over, and over, and over, again! You're compromising. You're compromising. You're trying to compromise with this, compromise with that! People out there, our people, our citizens, out there, *are going through Hell!* And you're letting it happen to them! We need leaders who have guts, who have the guts to stand up to this thing, and take it on. I'm giving you the challenge. I'm taking it on! Let's see what you can do.

The Attack on Social Security

Freeman: The next question comes from a very senior Senate staffer, and this question did come from the Democratic retreat.

For people who are not aware of it, President Obama travelled to the retreat yesterday afternoon to speak to the members of Congress. One of the things that this staffer pointed out to us is that, unlike any other session that took place, in the session with Obama, even senior staff were not permitted in the room—which gives you some idea of what probably went on in there!

He says, "All of us are braced for President Obama's State of the Union address, and very specifically, we are braced for what is broadly expected to be a wholesale attack on Social Security. That is likely, but also given the response that I understand that the President got,

from those gathered here in Easton, and he may save it for a later date, but let there be no doubt that there is going to be a major attack on Social Security. And whether or not Senate Majority Leader Harry Reid can keep up his spirited defense of Social Security, or whether he's going to end up buckling to the pressure, is still an open question.

“For those people who missed it, Reid distinguished himself by saying the obvious on one of the Sunday talk shows a couple of weeks ago, where he said that Social Security is not contributing to the deficit, and that any shortfall it faces is still very distant, and that in any case, it's relatively minor. . . .

“As I think everyone who's gathered in your audience knows, Senator Reid was one of the leaders of the fight against cuts in Social Security at the beginning of George Bush's second term.

However, it is questionable whether or not he can keep all of the Democrats together to defend Social Security, during this term. My thoughts on the matter, as someone who is tasked with working on this, is that since what Senator Reid pointed out in defending Social Security was undoubtedly true, that we have to identify the reason why Social Security would be under such constant attack. . . .

“Obviously, for anti-government conservatives, Social Security is the worst nightmare imaginable, because it's a government program that actually works. Its administrative costs are less than one-tenth as high as they are for the financial industry, there is no fraud, and the program does exactly what it's supposed to do, which is provide a core retirement income, and protect workers and their families from disability and early death. . . . One element of this is that Wall Street really hates the idea of government money going to anybody but them. And since the vast majority of Social Security benefits are going to low- and middle-income families, the program is an outrage to their sensibilities.



An FDR-era poster publicizes the new Social Security system, signed into law in 1935. This program, which has saved untold lives, is now under fire from Republicans, Wall Street, and President Obama.

“But the bottom line, and this is what I'd really like Mr. LaRouche to comment on, is that the financial industry in the United States knows a cash cow when they see one. It would take, by my estimate, more than \$10 trillion in private accounts to generate the same amount of money as Social Security pays out each year in benefits. If the financial industry collected just 1% of this sum in fees each year, it would mean another \$100 billion a year into the coffers of Merrill Lynch and other such individuals. I think that if, in fact, there's any hope of Senator Reid keeping the Democrats together, in defending Social Security, that this is a truth that is going to have to be told. Mr. LaRouche, do you agree that this is part of the attack on Social Security?”

LaRouche: Of course it's part of the attack on Social Security. The purpose of the policy behind this attack on Social Security, and

otherwise, is mass murder. I mean, you know, the typical problem with Democrats, who are decent Democrats, is when it comes up against the health-care bill, and we raised the question of the moustache, and they say “that's over the top.” That's not over the top; they're under the bottom.

Look, there are two areas here: First of all it's immoral, simply immoral. There's no question about Social Security. It's a system that worked, it does work, there's nothing wrong with it. There can be abuses of it, but there's nothing wrong with it. And it's better than the alternative; you better start from there. Just think of the alternative; what is the alternative? See, the point is, in a society, which is consistent with the intention of our Constitution—remember, our Constitution was a conception, *on which the existence of our nation depended*, at the time.

In other words, as of 1787, *if Hamilton had not made the proposal he made, on which the entire Constitution is premised*—the entire Constitution is premised on Hamilton, Hamilton's discovery! It was not unique to

him alone, but he made it clear, and proposed it in 1787. That was the foundation of the U.S. Federal Constitution. At that point, what Hamilton solved, was the basis for organization, under which *the existence of the United States could be defended*. So, the Constitution was based on the principle on which *the very existence of the United States depended*, entirely: And that was, *a credit system, not a monetary system*.

So, when you're talking about money, you're talking about *equity in terms of money as money*, you're not in the American Constitutional orbit. Money, *equity for money is not the issue!* I don't give a damn about money! I just want an orderly credit system, and a money to match. But the value lies *not* in the money! The value lies in the *productivity*: It lies in the number of lives maintained, and productive lives, in particular. It lies in the education of our children. It lies in all of these things that make the nation work, in terms of *physical economy*.

In other words, you have two things. You have a money system, which can be in one of two forms—a monetarist system, which is what all these damned politicians talk about, is a *monetarist* conception of money! The United States Constitutional conception of money is a *credit system*, not a monetary system. It is credit for what? As in the case of the Massachusetts Bay Colony and the Pine Tree Shilling. It was credit for what? That you would go engage in a debt, a money debt, agreement to pay, with goods. And because you knew, that you would be able, to produce more value, by postponing the payment than you would, by taking it now. The politicians talk in terms of money terms. They talk about *monetary* equity. The United States Constitution is not based on *monetary equity*. It's based on a credit system. That's our Constitution. If you want to practice monetary equity, go to another country! Move your offices from Washington to some other country, where they do this kind of thing. And tell all the others who have the same view, to make the same move.

The credit system does what? What's the basis for economy? Stop all this technical nonsense; this stuff doesn't mean anything. The question is the productive powers of labor. What do we mean by productive powers of labor? We mean the ability to maintain a population, with a certain life expectancy, and with a certain power to produce that which it needs for its own existence and for the improvement of society afterward. In other words, it's a physical standard. So, we don't assume there's any value intrinsic to money. We assume

that we need a credit system, which uses money as an instrument *for this purpose*, of going into debt in order to produce *physical* wealth, or the equivalent of physical wealth, and if we don't materialize the obligation with physical wealth, or the equivalent, or that which produces physical wealth, like the human being, then it's not worth anything.

European systems are monetarist systems. The empire is a monetarist system. The American Constitution is based on a credit system! The entire design of the Constitution, especially its Preamble, is based on this conception of a credit system. It's spelled out very clearly, in detail by Hamilton, in his reports on, for example, *On Manufactures*; his *Report on Public Credit*. This is exactly what the Constitution means.

And the problem is, our Democrats are talking about a *monetarist* system, and the monetarist system is the disease that's killing us! Franklin Roosevelt's intention, in terms of the Glass-Steagall Act, was a credit system; Roosevelt all the way through, was a credit system, not a monetarist system. And the problem with our Democrats, they're not Americans. [laughter] They may be nice Europeans, but they're not Americans.

And we've got to get the Democratic Party back into the fold, of humanity, and decency, and things like that. And that means we are enforcing a credit system. We want to see the goods! Just like they did in Massachusetts: They wanted to see the goods, on the date that you're supposed to pay the bill, you're supposed to have delivered the goods! And the assumption is, that you can afford to pay more tomorrow, than you can today, by being given the opportunity over a period of time, to produce something which has greater value, relative value and usefulness to humanity, than if you had used up your expenditure right then. Like, you know, if you want make babies, you've got to grow them. If you want a population, you've got to grow babies. That's the same thing—that's a credit system. Give Mama the credit she deserves!

So, don't worry about this stuff; I've got this right!

Now, I suggested to the kind gentleman in the Democratic Party, that if they just halt for one minute or two, and discover what I've said: They will get an ABC, and for the first time perhaps in their life, get a really competent understanding of what the word "economy" ought to mean! I mean *physical economy*! A physical economy in which the idea of credit, a monetizable credit, is based on these considerations. Yes, we use money, but what does it *represent*, in reality? Paper?

Monopoly money? Boardwalk, anybody? That's the problem. We've got a Boardwalk mentality in the Democratic Party. They should take it back to Salt Lake City.

The Universe Operates on Universal Principles

Freeman: The next question comes from our poor, beleaguered Stanford group—they're hanging in there, but, they're having a rough time these days.

Here's the question: "Lyn, obviously, these days, everybody is talking about unemployment, and unemployment is undoubtedly a problem—it has reached record levels—but one of the things that we have been looking at, beyond unemployment, is the question of jobs. Because the jobs crisis—to our mind—is separate from unemployment. And we want to just discuss what we have been up to, and what your thinking is on this.

"The jobs crisis started a long time before the bubble burst on Wall Street in 2007-2008. And we began to pursue it, because it proves to us that something is very, very wrong. We put together a number of studies, including some studies that we were involved in, back at the time that some of us were in Washington, and essentially, here is the picture that we have: From 2000 to 2008, what's referred to as GNP grew—paper. We also saw soaring corporate profit—also paper.

"Now, here's the rub: There was also relatively low unemployment; but when we then turned from unemployment to job creation, what we saw was that from between 2000 and 2008, job creation was lower than during any period of growth since World War II. Then we came to 2008; and between 2008 and 2010, every job that had been created in the previous eight years was wiped out. Now, even if the blowout of 2008 had not occurred, we would have entered 2010, with 15 million jobs *less* than every economist, of every stripe, says we should have had.

"Now, here's our view of things. Our economy in America, has always thrived on the principle of dynamism. We've shed jobs in outdated and less competitive industries, and we've replaced them by adding jobs in new fields. That essentially has stopped; and nobody seems to know why. Emerging technologies did, in fact, help send jobs abroad, and replaced workers with machines. But that always happens. It should have also spawned domestic investment in innovative industries. *But that never happened. There was no investment, and nobody can figure out why.*

"Now, some of us, back in the late 1990s, were in-

involved in what was going on in Washington, and back when we were there—and we were part of this—we came up with a variety of studies that were essentially published by the Bureau of Labor Statistics, that forecast that as businesses reaped the gains of new trading markets, that they would most certainly invest in technologies that would boost American productivity.

"We forecast at the time, that there would be a significant growth in high-tech jobs, but also that the manufacturing sector would rebound, and that technology and science would drive that turnaround. That factory workers would be working on cutting-edge electrical and communication products, on semiconductors, on satellites, on various things that were germane to the space industry, and also their offshoots, like cable TV equipment, cell phones, etc.

"But the fact is, that it didn't happen. None of it happened. The normal pattern of shipping off lower-skilled jobs, then reaping higher profits for industry, then leading to investment in higher-value products that couldn't be made elsewhere but in the United States, stopped. The pattern that we've always seen in America, of laid-off American workers then being re-employed in new, innovative jobs, stopped; none of it happened. In fact, the opposite occurred. And the question is, why?

"Now, ultimately, our conclusion is that the answer to why this happened doesn't lie in the realm of economics, but that it is essentially a cultural question. Because it really does go to the question of the idea of progress. This is unfortunate, because economic problems are easier to solve than cultural problems. We understand that what you will say is that NAWAPA solves all of this, and probably you're right, it does. But, we still want to know why this happened. We need an explanation for it, especially since some of us were involved in it. Would you share your thoughts with us?"

LaRouche: Well, it's easy. You used the wrong criteria. It's not the number of jobs, or the so-called technology attached to them, as named, that means anything. I've been measuring this thing all along, and I never made that mistake. I never had a problem; because I used the right standard.

What is required is the increase in the capital-intensity, and in the energy-flux density of production. This depends upon things like basic economic infrastructure. Now, for example, if you flood the United States with buses, and take away the railway station, or if you fill up the highways with trucks, and take away railway systems, you're an idiot! So, counting numbers of invest-

ments, and things you call high-tech, isn't worth anything. Because we destroyed the railway system. We went to a trucking system rather than a railway system, and a trucking system is inherently inefficient, physically, except for short-term deliveries. But for any long-term movement of goods, rail is still, if you include magnetic levitation, the most efficient. And otherwise, you have sometimes tubing systems, which if you're going to get one, you can have potentially a 1,000 mile-an-hour equivalent of a train moving through an evacuated tube. That will tell an airplane pilot that he's got a vacation coming to him. All you have to do is get in this tube and *whoosh!*, 1,000 miles an hour. It's the only way you can do it, right now.

Liberalism, or Physical Economy

So, the question you have to look at, is the things I look at: How the entire economy functions, not on the basis of elements, the sale and purchase of elements. What happens, is, people get into this kind of mistake, who otherwise are too smart to fall for it, because they're in a society which is *Liberal*, and they define a market in terms of Liberalism. And Liberalism is a question of what? Well, how you feel, or who you feel.

So, therefore, Adam Smith, who is a follower of Sarpi, says there is no such thing as truth; mankind does not know the truth about anything. Mankind has an emotional reaction to pleasure or to pain, and people will prefer and value more highly, that which gives them more pleasure, and value less that which they find painful. It depends on how they define pleasure and pain. That's Adam Smith; that is the entire system of marketing that we have. That is the controlling characteristic of behavior.

How does the advertising business work? It conditions people into an opinion of what they look like; what they feel like; what their esteem is; their lack of esteem; the amount of sexual pleasure that they're getting, or the amount of sexual denial they're enjoying—which sometimes is a form of relief if you've overdone it the other way.

So, the point is, the standard has to be correct. The standard is, the universe operates on universal laws, and if you don't have a universal law that accounts for it, if you haven't measured it by universal law, you don't know what you're talking about. So, you have to have a standard for knowing what is valuable for mankind.

All right: How can you increase, what? The energy-flux density of the planet, of mankind to the planet? If

you can not do that, consistent with the energy-flux density, applied to useful purposes on this planet, you don't know what economics is.

Therefore, the standards that you go by are pleasure standards. You have people who are buying more of this; buying more of that. What good is it? What does it do for the economy, for mankind? And therefore, the problem is, that people assume that the equivalent of monetary value, or pleasure/pain, Adam Smith, for example, that that's the standard. And if you tell them that this thingamajig is a new gimmick, and they buy it, and you say the market has gone up for this, and the production of this is increasing, you find that the economy has collapsed. You find out what is going on with our educational system, our university system, all these other things. We have been spending a great amount of money, on things which have very little value, or even negative value, for the economy.

Go back to the time that Kennedy was assassinated. What was Kennedy doing, and what happened? Kennedy got us into the space program, and was going with a machine-tool-design development program, and was against the deindustrialization, which was already being launched then, by Wall Street. Then they killed him. We spent a lot of money in Indo-China, from which we never really returned. We had a space program, developed under the initiative of Kennedy, which was producing wonderful things. But by the time that we launched the space program, especially the Moon landing, we were already *destroying the space program more rapidly than we were building it up*. We had in our technology, developed by NASA and similar relations in technology, we were getting, for every penny spent on the space program, ten cents worth of increased productivity. What happened? The space program was being torn down *already* at the time the Moon landing had occurred.

In other words, the point is, we were talking about buying high-technology things, or whole categories of what we call "good things," but they *weren't* good things! You didn't have a railway system, you had a trucking system—a damned fool you were! Again and again. So what happened is, you had a *cultural change*, in what was considered desirable. You had a cultural change in the things you thought were good things to do, good objects to have.

And all the time, as I was there on the job, I can tell you, that from the time that Harry Truman took over the Presidency, we were on the way down. What we had,

going into the 1960s, was the residue, the inertial residue of the productivity we had developed under Franklin Roosevelt—and *we were running the system down*. Yes, we were buying objects. For example, the automobile industry, which I was a leading expert on back in the 1950s. It was a fraud! The whole industry was a fraud. It had not been a fraud originally, but it was turned into a fraud.

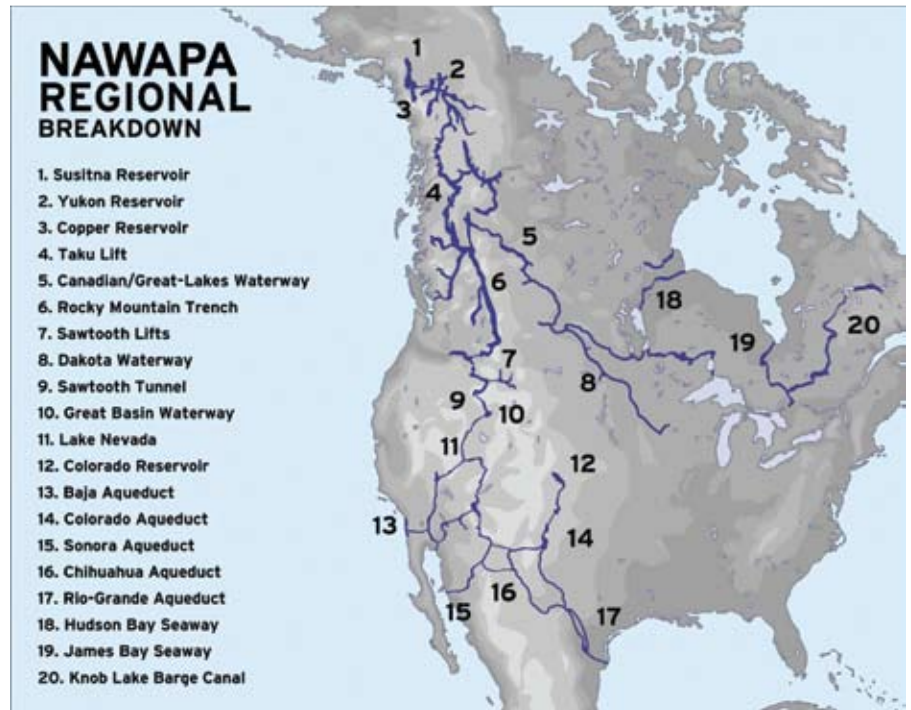
What was the automobile industry? Forget the automobiles! It wasn't just automobiles. It was called the automobile industry—what was it? It was the “make anything-and-everything” industry. It was the industry of engineering. We made airplanes; we made things that people had never dreamed of before, not just automobiles. We cut down on automobiles, private automobiles. You couldn't get one after 1942, unless you had a special license, a special “in” someplace. We were running around with our old clunkers, and they weren't so good.

We had the productive facilities. We have *destroyed* the productive facilities. We said it was the “automobile industry.” It wasn't the automobile industry that was the problem that collapsed it. We collapsed vast space; we destroyed the productive labor force of the United States, which was still *left* in the auto industry. You could have turned them around and produced almost anything! You want to produce railway systems? You want to produce aircraft systems? You want to produce anything? We had in the machine-tool capabilities in the automobile industry and the related aircraft industry, we had the “make anything-and-everything” industry, still, in terms of the machine-tool skills, engineering, and so forth, despite all the failures.

We have been on the way *down* as an economy, ever since Truman became President! It didn't show up that clearly, because we were waiting to waste out our capital resources, but we never replaced the capital resources we were running down. Here we had the space program: Do you realize what we could have done with the space program?

Go back to NAWAPA, for example. NAWAPA was

FIGURE 1

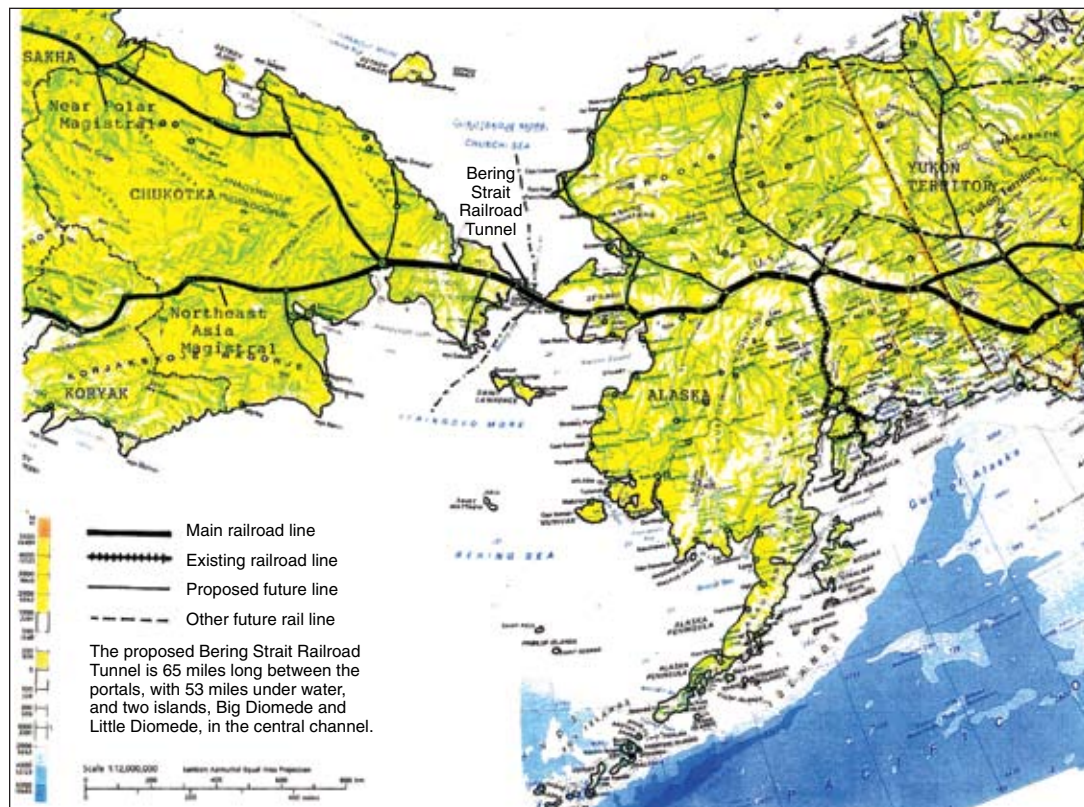


LPAC

designed, fully designed and operational in design, in 1964. It was suspended, in order to devote our resources to the Vietnam War. And it never returned. Right? Do you know what that means today? That was *then*, and would be *now*, 4 million jobs. Four million high technology jobs. Upgrade of everything. And we destroyed it. We never did it.

The NAWAPA program today, probably means between 7 and 7.5 million jobs, starting very soon. Now, to get that job program going, and we can get it going, still, people who are a little bit younger than I am, or almost as old as I am, are still able to do things, at least when it comes to science-driver programs. We have the ability, still, to launch a program, a NAWAPA program, which, in three components alone, will create 7.5 million jobs. Jobs of the type you've never seen before, but we have the capability of doing. This will increase the rainfall incidence across the nation, by a factor estimated at about 2.7 times every drop of water we pull into the system. It would change the climate. We would create conditions beyond belief today. And we could do it. We didn't do this. We destroyed our industries, we shut down our automobile industry, we shut down everything approaching it. Now, we ship our industry overseas. Our people here are left unproductive, or left

FIGURE 1
Proposed Route of the Bering Strait Railroad and Tunnel



Hal Cooper, President, Cooper Consulting Company

The proposed Bering Strait Railroad Tunnel would link up with the railroads built in North America as part of the expanded NAWAPA program. As a result, Eurasia and the Americas would be connected by a land route for the first time in history—to the horror of the British Empire.

without the means to produce, to buy the things they need, to maintain the things their communities require.

So, you can't say that we're buying good things. We're buying this, we're buying that. We're on a buying spree. So what? Now the buying spree is off, the buying spree is over. Used it up.

What we need now is, we need to have a much harsher standard of performance. And the problem is people who are not born in my generation, really, generally, with a few exceptions of somewhat younger people, really don't know what economic reality is any more, as we used to know it. We just have a shrinking number of people, a shrinking number of people who have an understanding of this, and we rely upon the leadership which they're capable of providing, by getting some of these guys who were thrown out of work, out of the auto industry a few years back, getting them back into operation.

We can rebuild this nation, but you're not going to do it, by crunching numbers with this operation. You've got to have a *fundamental change in the way our people think about the economy*, about economics in general,

think about social policy, think about money.

I'm at my age here, and I'm looking at the prospective obliteration of civilization, even with the kinds of things that some of these good Democrats think are sane. They don't know that what they're proposing, their attitude on this thing is clinically insane! The world is going to Hell, and nobody's stopping it, to speak of.

You've got an effort in China to overcome this thing. You've got an effort in India, which is a little more lag-gard, to try to do this. In Europe? Europe is being self-destructed! The United States is being self-destructed! Central America, South America, are being self-destructed! Africa is being *murdered*! I don't see any improvements any place.

And I was looking at all of these figures, back there, back in the '60s and '70s, and I saw exactly the opposite. I was talking about really doom and gloom, back then! And I was right, and others were wrong. And so therefore, you should look at some of these figures we're using and realize what was systematically wrong about that *method* of thinking about value, and just ask yourself: Were you thinking about Adam Smith's notion

of value? Were you thinking of terms of Sarpi's notion of value? Or were you thinking in terms of what I think of, as science?

Save the States; Shut Down Wall Street!

Freeman: [This] question comes from the mid-Atlantic corridor:

"Lyn, I'm sure you're aware of the fact that there has been a great deal of discussion about state bankruptcy, and this really was thrown into high gear with a piece in the *New York Times* this week about a looming effort from House Republicans to allow states to enter into bankruptcy and basically screw public workers out of their pensions.

Some of us feel particularly guilty about this, because the fact is that the question of state bankruptcy was a question that we first took up back in 2006-2007 when we were talking about the HBPA [Homeowners and Bank Protection Act], and one of the things that we were addressing at the time was not state bankruptcy as such, but essentially the equivalent of, what I guess you would call debt moratoria (which we didn't want to call debt moratoria.)

"There are a couple of things about this whole discussion that have occurred to me, and to some of the people that I have been working with, and that is, whether the Republicans actually are serious about bankruptcy for the states? Or, if just talking about bankruptcy for the states is the entire strategy?

"Why do I say this? Well, I say it because all of the talk about state bankruptcy raises borrowing costs and will greatly enrich banks. As long as you keep a balance between talking about bankruptcy and actually following through on it, you create a premium that banks can collect on cash-strapped states. Even if they're not doing the lending themselves, they run the instruments that deliver the debt in the form of bonds to institutional investors, or even individuals. Increasing those borrowing rates helps the banks get money, basically, off of pure rumor, and taxpayers in the states pay the price. It's a pure subsidy to the banks.

"The more I think about it, the more I think that Republicans have been told by the bank lobby and by Wall Street to just talk about bankruptcy for the states, to give them a little extra profit. I don't think that they actually want it to happen. I may be getting paranoid, but I'd really like you to comment on this."

LaRouche: They're quite serious about state bankruptcy. Absolutely! They intend to destroy the United

States. That's what they're doing! I mean, why do we fall for this stuff? Of course they intend to go to state bankruptcy. What's the alternative? The alternative is, shut down Wall Street.

Why do we have a problem? Because of Wall Street! Look, you could wipe out every bank on Wall Street, and the United States would come out nice and safely alive. What we need is a credit system! How do you think we started in Massachusetts? With a credit system! The little state of Massachusetts, at that time, was *out-producing England*, in terms of quality of product and in terms of performance. The United States, back in these periods, was out-producing England in terms of productivity of labor. Oh, you had a few industries there.

The problem is: Get rid of this nonsense! If you bankrupt the states, once you start down the road of bankrupting the states, what are you back to? Go back to 1787! What happened in 1787? It's when Hamilton devised a *solution for the bankruptcy of the states!* And this solution was called *the Preamble of the U.S. Federal Constitution*. It's still our Constitution. We don't bankrupt the states. We bankrupt the bad banks. We bankrupt the swindlers.

What is Wall Street doing, for example? What is the Federal Reserve System doing? It's running a gambling house! With U.S. dollars. It's printing U.S. dollars, as phony currency, as Monopoly money! Print more Monopoly money, and spent it on what? On betting! On what? On odds, on margins! And that's what the Federal Reserve System is doing.

That's what has been done with Fannie Mae and Freddie Mac, which is what we were dealing with in 2007: the bankruptcy of Freddie Mac and Fannie Mae. They were both bankrupt. Why were they bankrupt? Because of big help from Alan Greenspan. What did we go into? Alan Greenspan went really into the gambling business. So we have gambling losses! Wall Street is suffering from gambling losses! The states of the United States, the individual sovereign states, are suffering from being sucked into gambling games, which are not legitimate. And they use a monetarist system as a cover for this.

I, as President, would be easily able, with the support of all these angry people in the states, to put through the action, which would simply *wipe all that money off the books*. By doing that, and by not obliging ourselves to bail out gambling debts, we would have the trillions of dollars needed, to get the United States economy moving again. And what I laid out in this thing is the solution: Glass-Steagall. What happens to the gambling

debts? Ha-ha-ha! (Gotta watch out for the mafia, they'll get upset with me.)

Just think about NAWAPA: Do you know what 7.5 million jobs, of a public works engineering capability, mean, for every part of the United States? Look, we have to build a modern high-technology rail system, to deliver product which is going into the mountains out there for NAWAPA. We have to haul this stuff. We're hauling more weight, and building more height, in terms of dams, and everything else, than you ever heard of before! Seven and a half million people building the nuclear industry, building all these systems, and building NAWAPA, the greatest water system the planet has ever known!

We're taking the core of the U.S. labor force, what's still a labor force, and we're putting it, suddenly, *all back to work*. We're cancelling all gambling debts. Do you think we have to put states into bankruptcy? No! We have to put a lot of *banks* into bankruptcy, because what they did was set up a gambling racket! And we're indebted to Monopoly money, operated by gambling rackets!

What did they do? They went to various parts of the place, and said, "We're going to help set up gambling in this state, gambling in that state. They went to Indian reservations, and used the Indian reservations, as a ploy for setting up gambling industries. And the Shylocks would come in there, run the gambling industry, loot the Indians—you know, rape them, practically, and move on to the next one! Gambling! Gambling debts!

No, there's nothing here, nothing at all. That's the way you have to look at it. We're just a bunch of suckers, but we're going to become un-suckers. And a lot of people are going to get shocked, because—well, suppose we don't win? Okay, a lot of people are going to be dead. Most of the people are going to be dead. You have no choice.

What I've indicated is the only choice, and NAWAPA is the key to it. Seven and a half million jobs, which is what I know, safely, we can guarantee, if the project is launched. Seven and a half million jobs, including high-tech jobs beyond anything you've imagined. It will require people in my age group, the retired age group so-called, because they're the only people that have the



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The whole economy is built around gambling debts! The monetarists even went to the Indian reservations to set up gambling industries. Shown is a casino on the Tulalip Reservation in Washington State.

knowledge, and know how to do this, to direct it. But we have a lot of people still left from the auto industry and other things, who have engineering skills, who can carry out the job, and who can train the labor force for the rest of it.

We can take our young people, who are wasting on the sidelines, young people who are going into the 18-25 age group. We can put them to work, open up the equivalent of CCC camps, we can train these people. We've got plenty of projects for them. Take them out of crime and slime, and put them back into dignity, again; make life have a meaning for them.

We can easily—we still have the opportunity—if we have the will to do so. If we can get the complicity of at least some people in our government to make sure this happens. What I've laid out, as a draft in this statement today, *is sufficient to solve the problem*. If you want to solve the problem, do it. What I'm doing will solve the problem. Put the other things to one side. They're trash. Bad habits which the population has built up over several generations, since Franklin Roosevelt. And while my generation, some of it, is still alive, we can still save this nation, and save civilization. We just have to decide we're going to do it.

This Is Warfare: Get Obama Out!

Freeman: Just to confirm what Lyn is saying, about the fact that there are still people out there, who are capable of projects like NAWAPA, I have about a dozen e-mails here, from people who are saying, "You know,

NAWAPA's a really big project and if you're really serious about it, you're going to need an architectural design team, an engineering management team," and all these people are basically asking for jobs. And I'm going to pass these on to the NAWAPA group, because I think they should get jobs.

This questions is from a senior state legislator, who says, "Lyn, there really is no way around it. Those of us in state government over these last years have really screwed up, and screwed up badly. We couldn't figure out how to deal with budget deficits, so we got creative and we cheated, and one of the results is the fact—and it may be an ugly truth, but it is true—that the combined total of the underfunding of pension funds is about \$2-3 trillion, and it's something that we're going to have to deal with.

"My question to you, and it's a question that legislators all over the country are asking, is, do the states have any leverage at all in dealing with their prospective budget crises? Can they, for instance, take the approach that FDR did when he was Governor of New York? Also, very importantly, what can we in the state legislatures and state governments do to accelerate the implementation of Glass-Steagall?"

LaRouche: Well, this is a warfare question—and I mean warfare question. First of all, you have no chance, in my estimation, of saving the nation if Obama remains President. Now, Obama is fully eligible to be discharged from the Presidency under Section 4 of the 25th Amendment. He's a mental case. But he's also a puppet of the British Empire. The British Empire's our enemy and he's a puppet of theirs. He's a mental case. You can't expect decent behavior from him of any kind.

If you get him out, it would mean putting Joe Biden in, but Biden's human. That I know; Obama is not. It's something floating that looks like a head and some leggings there. I don't know what's inside them, some shoes, probably weights to keep the balloon in the head from



White House photo/Pete Souza

Asleep at the switch. "You have no chance of saving the nation if Obama remains President," said LaRouche.

floating away. In any case, if you don't get this guy out, my estimation is, you can't save the United States. And my estimation is that he was put into the United States, by a British operation which was intended to destroy the United States. So supporting Obama is like supporting treason.

And you have to take that seriously. Because I can see, under this situation, with these signing statements and the other pieces of corruption that have come in here, I don't think that otherwise, without Glass-Steagall, and without action to get Obama out on his mental condition, I don't think you can save the United States. You can lose it this year.

So if you're a patriot, you want Obama out.

After all, what has Obama given us? He's given us the T-4 policy of Adolf Hitler, which led

to the death camps. And the evidence is now, fully, that the British view, by Donald Berwick and Tony Blair, who are the authors of the Hitler-type health-care policy, the death-camp policy, for Britain, have imported this into the United States: *the murder of our citizens under these pretexts, just like Adolf Hitler did!* And just as the Nuremberg Trials condemned doctors, German doctors, for complicity in this crime, and others. Adolf Hitler and Obama have a common trait, especially when it comes to health-care policy. That's a fact! And the first problem we have: We have all these guys out here saying that when I say this guy's comparable to Adolf Hitler, they say I'm over the top. They're under the top. They're under something.

So the problem is, that we're not serious enough about the need to save this republic and to save civilization. We want to be nicey-niceys. We want to get along. We want to, you know, go along to get along.

And that's our problem. We have to realize, face the fact, that civilization as a whole is in a desperate state, in *desperate peril*, from, principally, the British Empire and its effects, and from the ideas that go with that, such as monetarism.

If we want to survive—if I were President, now, I could guarantee we could survive, on the question of policy. With this guy in there as President, I can not. And neither can anyone else.

So we're going to have to ramrod policies through, which are consistent with our Constitution, in order to save the United States and contribute to saving civilization generally. If we do that—if we can do that, we can save civilization as a whole. If we are unwilling to take that challenge, to throw this bum out, put him someplace safe where a mental case like him can be kept safe, we don't want any embarrassing things to happen to him, but get him out! And you'll find that we'll have no problem.

Why? Because the people in the states, who are competent politicians, want this! They don't know what they can get. I know what they can be given, and it would be sufficient.

A lot of this debt is fake, so let's not worry about it. We can also use the principle of the *credit system*, the 1787 credit system which is the basis of our Constitution—it's our Federal Constitution, that's the basis, *that's the law*. We can use the credit system to create a category of credit, under Federal supervision at marginal rent rates or loan rates, to handle the problems, the *legitimate problems* of the states and the state creditors. We will do this by taking the funds we use for the credit to build up the states and employment in the states.

So, by the Federal government taking over what is its Constitutional responsibility, the states of the United States as a whole can solve the problem, under the principle of the 1787 credit system rule, which is the same thing as that which is the Preamble to the Federal Constitution.

There's only one authority that can do that, and that is the Presidency of the United States, with the consent of the Congress. And that's where the problem lies. But I don't think you can get the consent of Obama! And the thing that may be the death of your family and neighbors may be Obama being in there. If Obama is out of the Presidency, he's no longer a danger. If he's in the Presidency, he's a nut, he's a dangerous case; he's got the mentality of a Nero and an Adolf Hitler, both. That's what his mentality is. *That's why he is eligible for expulsion from office under the 25th Amendment, Section 4!* He's a Section 4 case! Who has all the mental qualifications of man to be taken someplace else, where he can do no harm to himself or others!

If we do that, we can solve the problem. And it's all

these Democrats, *who will not face that reality*, that this is a Section 4 of the 25th Amendment case. You throw him out of office, and there immediately is a change. And then these policies can take over.

But we have, under our Constitution, we are a credit system, not a monetary system. And under our Constitution, as in 1787, when the states of the United States were about to go bankrupt, at that point, the proposal was put through, on which *the adoption of the Federal Constitution was based*. The entirety of the Federal Constitution hangs on that keystone decision. That's how a Federal government was created in the United States! It was on Hamilton's prescription, on the question of banking, of commercial banking. That's our system.

Now the British are saying we should use their system. We say, they can stick their system wherever it makes them most comfortable.

But that is the solution, that *is* the answer! There is no other answer! There is no other solution, than *our Federal Constitution* and the 1787 rule, presented by Alexander Hamilton, which is the basis for the Federal Constitution. How do you think the Bill of Rights got in there? The Bill of Rights was a specification of the responsibilities of a Federal republic! It's not just some commentary. No, that's the law! *That is the one, unchangeable law in the Constitution, is that Preamble*. And that's the law. We enforce the law.

You get another President—you know, if you need me for two days to be President, I'll fix it.

What Should an Individual Citizen Do?

Freeman: Lyn, I want to put one final question to you, and the reason why is because it is an identical question that has come, in one form or another, from literally every continent on the planet, and also from, by my count, about 19 states within the United States. And they're all basically the same question. They all start out thanking you for all that you've done, and for all that you represent.

But then, they go on to say, "As an individual citizen, I have only one question for you. What should an individual citizen do? That is, what concrete action can I take that will lead to a reversal of these policies, and a return to a path of progress?"

LaRouche: All we have to do is unite, individually, around a common purpose, and that is to do this. That simple. Because if we are united to one single common purpose, and enough of us are united, and energetic well enough, among nations, and by nations, and so

forth, and within nations, it will work. All we need, is what makes the difference between man and an animal. The human mind is capable of making a policy decision, on which humanity can act with the force of being humanity. And that one decision, if made, and if supported, will solve all our problems—either by solving the problem itself, or by creating the circumstance in which the problem will, in a sense, solve itself.

All we have to do is to return to the intention which the Founders of the United States Republic came to understand in the process of trying to craft a self-government, to correspond to their independence, ever since 1787 on. And all we have to do, is to create that same kind of society, where you had a bunch of bankrupt states—then, totally bankrupt—with the banking systems, and by the introduction of the concept of the credit system, as opposed to the monetary system, Alexander Hamilton presented what was recognized as the Massachusetts policy of a credit system.

If the members of the states realize that, and act in concert on that; if the members of nations recognize that, and adopt the same policy, of the credit system, then we're out of the woods. Because humanity will then work on that job, that task, rather than what they are doing now.

But, we have to have in this—this implies a sense of a federation of humanity, of the human species. We have a national government which, in our design, is an excellent government—the best in the world, for that purpose—in terms of the relation of the states, and the citizen, and the United States. What Roosevelt was working for was not for a one-world government, but for a system of government among nations which are respectively sovereign, but are united *in this principle*, and are intended to cooperate, on this basis of this principle. And that is—what is it? The difference between man and the beast.

Man has creative powers to innovate, to make discoveries of universal physical principles, and related principles, and to use those principles by applying them



NASA, ESA, and the Hubble Heritage Team

Man has unlimited creative powers to innovate, to make discoveries of universal physical principles. LaRouche's "Basement Team" is working on issues right now such as "How do you manage the galaxy? How does the galaxy work?" Shown here is barred spiral galaxy NGC 1300.

to our condition, to do what man can do. What can man do? Do you realize what we can do? We're having fun in the Basement with this, this kind of thing; what we can do—man's power. We're now looking at, how do you manage the galaxy? How does the galaxy work? We're looking beyond that toward other questions. We're looking at all kinds of matters. We have *tremendous* opportunities, intellectual opportunities, which we can apply to these circumstances. NAWAPA is the best typification of that, because it is such—two things: It's feasible for us now, and it's the greatest thing, that anyone can imagine, which can actually be done on this planet, right now.

So there, may be better things down the line, and certainly there are. But this is a good one to begin with.

Freeman: And also, in terms of concrete actions that you can take as an individual citizen to insure that this is done, is you can take measures to defend the continued existence of this movement. And you can do that very concretely by making a financial contribution. Whatever you can. We're well aware of the fact that these are extremely difficult times, and I know that some people, both here in the audience and who are listening via the internet, have extended themselves. But at this moment, I would ask you to extend yourselves further. Because, clearly we have a job to do. We have a very short period of time in which to do it.