

Editorial

Defeat the ‘new Confederacy’

Developments in the U.S. Presidential contest in the first half of January, as detailed in articles in this issue of *EIR*, have made it clear that the battle in U.S. politics, raging in both political parties, is, to quote Lyndon LaRouche, “between those who believe in the general welfare, as in the FDR tradition, and those on the other side, which includes George W. Bush and Gore,” who are now openly supporting the treasonous tradition of Jefferson Davis and the Copperheads of the North, led by then-Democratic Party head August Belmont of New York.

Like the traitors of Wall Street today, neither Jefferson Davis nor August Belmont were home-grown American products. They were puppets of the British monarchy in its attempt to Balkanize the United States. Today’s “new Confederate” movement in both parties is the same thing, even if under different conditions.

The developments to which LaRouche pointed were, first, the Jan. 7 fight in a Republican candidates’ debate, over the flying of the Confederate flag over the state capitol of South Carolina. George W. Bush defended it as a states’ rights issue, but was sharply criticized by his Republican rival Sen. John McCain, who opposed it. McCain added two days later that that flag was “a symbol of racism and slavery.” But McCain came under pressure, and retracted his statement the next day.

Then, on Jan. 12, Gore’s Democratic opponent Bill Bradley opened up for the first time the question of Gore’s well-known racist record, by raising Gore’s use of the Willie Horton case against Michael Dukakis in 1988. That case was picked up later by George Bush, who used it as an openly racist appeal in numerous television ads. As Democratic Presidential pre-candidate LaRouche said, he himself is in the middle of this fight, because the Democratic National Committee is attempting to nullify the Voting Rights Act of 1965, claiming the right to block seating of LaRouche delegates elected to the 1996 Democratic National Convention in a lawsuit brought by LaRouche.

Lyndon LaRouche warned of precisely this danger exactly one year ago, in the *EIR* of Jan. 15, 1999, whose cover story was entitled, “To Defeat Impeachment, Defeat the New Confederacy.” Remember, that in the af-

termath of the so-called Asian financial crisis of 1997-98, the short-lived Russian government of Sergei Kiriyenko was forced in effect into sovereign debt default on Aug. 17, 1998. At that point, the unravelling of the world financial system redoubled its pace.

As a result, on Sept. 23, the Federal Reserve arranged for the bailout of the hyper-bankrupt Long Term Capital Management (LTCM) hedge fund, which had placed \$1 trillion of “derivatives” bets with only \$4.8 billion of core capital, dropping to only \$600 million by the time of the bailout. New York Fed President William McDonough subsequently admitted to a Congressional committee on Oct. 1, that the Fed feared that the failure of LTCM might have led to an immediate global systemic collapse.

In the midst of this chaos, as though taking a page from LaRouche’s book, President Clinton called for an emergency meeting of representatives of advanced and developing nations, to discuss a “new architecture” for the world financial system.

At just that point, the years-old “Whitewatergate” drive to undermine the President, which had virtually collapsed because none of the charges against President Clinton had proven true, was revived with a vengeance. Because of the newly aggravated financial crisis, and particularly because President Clinton was threatening to resolve that crisis in a direction which favored people over the banks and speculators, the moribund anti-Clinton drive suddenly mushroomed into a successful impeachment vote against a U.S. President in the House of Representatives—only the second such impeachment in U.S. history.

The impeachment was accompanied by frantic efforts to launch new wars, in Iraq and in the Balkans, by Vice-President Gore and Secretary of State Madeleine Albright.

With the support of patriotic Americans, the President decisively defeated his accusers in the Senate. But he dropped the “new financial architecture,” at least until now. But it was then, in the drive for impeachment and war rather than financial reorganization, that Al Gore and the “new Confederate” movement first rallied its forces. This time, they must be defeated for good.