

## Mexicans Ask LaRouche How To Survive Global Bankruptcy

by Valerie Rush and Rubén Cota

“The world today is not on the edge of depression. We are already in it,” Lyndon H. LaRouche, Jr. told 350 people at a conference at Mexico City’s World Trade Center on Aug. 2. In order for “this sick planet” to survive global bankruptcy, we must face the truth that the world financial monetary system is dead, and must be abandoned. Then, he said, we must assume “our urgent responsibility” to educate relevant political forces throughout the world, on how to forge the new system that will replace it.

Speaking from Frankfurt, Germany through interactive video technology, the noted economist and 2004 U.S. Presidential pre-candidate was addressing a seminar at the invitation of Mexico’s prestigious National Institute of Public Accountants at the Service of the State (INCOPSE). The seminar, entitled “New Alternatives in View of the End of Globalization,” was attended by political leaders from eight Mexican states, and from several other countries. It also drew representatives of business, the military forces, universities, and trade unions at the federal, state and local levels, as well as numerous university students and journalists. Despite technical difficulties which delayed the event for nearly an hour, most people remained for more than two hours of LaRouche’s presentation and ensuing discussion.

For many Mexicans, from the highest spheres of government to the millions of unemployed factory workers and farmers, it has become all too clear that the U.S. economy, Mexico’s “importer of last resort,” is today disappearing like the “unsinkable” *Titanic* beneath the frigid waters of economic depression—and the Mexican economy along with it. INCOPSE’s invitation to LaRouche constituted a strategic intervention on the part of a stratum of political and economic leaders in the opposition PRI party, who are only too aware

where Mexico is headed, and who have called LaRouche in to provide an alternative.

### Peppered with Questions

“No recovery of the world economy or of any of the nations in it, will ever occur under the present monetary and financial system. A new system is required. And that is precisely what the government of the United States at present, and some other governments of the world, are not yet ready to consider,” LaRouche insisted. What is needed, therefore, “is for people like some of you here today, and me and others, to begin taking our responsibility, an urgent responsibility, to discuss among ourselves, to call upon our own minds, on exactly what the right bankruptcy reorganization program is for this sick planet. Then we, in turn, must educate the relevant political forces and others in the population generally, that this is what we must do. We must make clear to them what the alternatives are of doing it, and what the alternatives, the penalties, are of not doing it. On that basis, I’m optimistic about the human race.” (The transcript of the full speech, which can also be heard on [www.larouche.com](http://www.larouche.com), follows this article.)

The audience responded enthusiastically to LaRouche’s appeal for dialogue, by submitting some 65 written questions. A distinguished panel led off the dialogue, with Dr. Héctor Luna de la Vega, president of INCOPSE, announcing that this was the first of a series of conferences on the economic crisis, with representatives of the International Monetary Fund (IMF) and World Bank coming next to “offer their viewpoints.”

Luna de la Vega asked LaRouche how a new credit system would be created, and how this would unleash development.



*Officials of Mexico's National Institute of Public Accountants at the Service of the State (INCOPSE) listen to Lyndon LaRouche's video address from Frankfurt, Germany, Aug. 2. Long discussion between LaRouche and senior Mexican political figures followed, over whether the fight for a New Bretton Woods could be won.*

LaRouche answered with a detailed treatment of how sovereign governments could deploy their countries' national banks to selectively channel long-term, low-interest credit into urgently needed areas of energy and transportation development, water management, food production, areas of social need, to assure the general welfare of the population. Cooperation among nations toward this end, through new multinational credit mechanisms, is already occurring, as in Asia. "I don't think the problem is as difficult as it seems," LaRouche added. "I think that the problem is that people don't see how to get governments and institutions to change their minds about their present views on policies. I think once the crisis is clear—and the crisis will only be clear to people when they see the alternative—at that point, people will be willing to go along with the needed changes, just as many people in the United States were willing to go along with the changes that Franklin Roosevelt put in, although not without some resistance."

Others panelists included Francisco Javier Alejo, a cabinet secretary in the 1970-76 Luis Echeverría administration; Julio Zamora Bátiz, president of the Colosio Foundation of Mexico's Federal District, and a former Ambassador and federal congressman; Dr. Ricardo Carrillo, a noted economist; and Marivilia Carrasco, president of Mexico's Ibero-American Solidarity Movement (MSIA), affiliated with LaRouche.

Some of the panelists' questions reflected an ongoing struggle with LaRouche's demonstration that this is not a cyclical, or "conjunctural" crisis, as some wishfully insisted,

but "a genuine global breakdown crisis, a systemic crisis" in which all previous assumptions—such as free trade and globalization—are finished.

"How do we know that we are not merely witnessing a long-term Kondratieff cycle?" asked Alejo, to which LaRouche responded, "The system is hopelessly bankrupt." There can be no return to "normalcy," no cosmetic measures to reform the system or halt its demise, LaRouche said. "The world cannot continue to survive, unless we abandon this system. The system is killing us, and that's what I mean by systemic crisis. . . . This thing is finished. . . . We've come to the end of a system, and if we do not change the definitions, axioms, postulates, and methods by which we operate," our economies, our nations, will collapse along with it.

### **Geopolitics and the Danger of War**

LaRouche gave a lengthy history lesson on how an alliance of Anglo-American forces linked to the City of London financial center, and what LaRouche identified as the "Southern Strategy," or American Tory tradition, has consistently intervened, over the past century and a half, using the weapon of "geopolitics" to turn economic and political crises, like the one today, to their advantage, while driving the world toward war. World War I was launched, he said, by certain forces in Europe—"especially in Britain"—to prevent a burgeoning pro-development alliance among the United States, Russia, Germany, Japan, and other nations. Nation was turned against nation, and manipulated like puppets on strings. The same thing happened with World War II, where

Hitler was created and deployed to destroy Russia, and Germany itself.

“Today,” said LaRouche, “we face a situation in which the breakdown of the IMF system, has brought about a condition under which India, China, Japan, Korea, Southeast Asia, Russia, Iran, and other countries, including to a significant degree France, Germany, and Italy, are seeking to establish a new unit of cooperation in Eurasia. They’re building a new monetary system, a new financial system, a new economic system, to replace the bankrupt Anglo-American system. There are certain forces in the United States and Britain, not all of them, who therefore say: ‘Let’s use geopolitics.’ . . . The danger is that a geopolitically caused Middle East war, which can spread as a religious war, will send the region up in flames at a time when we need to reach peace through reconstruction. That’s the issue.”

## Dialogue of Ideas

Others questioned how Mexico could possibly exert sufficient influence to change the world monetary and financial system, if the United States itself is not yet prepared to move. LaRouche explained that, while he considers the Bush Administration to be “an international disaster, both for the U.S. and for other nations as well,” nothing should be ruled out. “Sometimes an inaugurated President of the United States. . . , even the most unlikely occupant of that office, may respond in unexpected but useful ways, to a crisis.” Furthermore, important changes are occurring in and among many nations: “More changes will occur. Europe is going to change. When you see the leading Swiss newspaper, the *Neue Zürcher Zeitung*, saying that the only solution for Argentina is a debt moratorium, that’s the voice of the Swiss bankers. And you look around Europe, at intelligent people in leading positions in England, in France, Germany, and elsewhere, they’re saying the same thing. So the mood is swinging away from the IMF system, and swinging in the direction of new ideas. Because people in positions of power, particularly if they are in relatively powerful nations, tend to see opportunities more quickly, than people in governments which feel themselves on the bottom of the heap.

“My concern here is that Mexico should realize that it is not at the bottom of the heap. It may appear to be in some respects, but it’s not at the bottom of the heap. Mexico is an important country, in population one of the largest in South and Central America. It’s very important with respect to the United States. The welfare of Mexico is a very important security concern for the United States. Mexico cannot be ignored, and how the United States deals with Mexico will determine how the rest of the hemisphere looks at the United States. So the situation is not a hopeless one. I would suggest that when ideas collapse, when tyrants collapse, then things can happen.”

Already, he pointed out, “we have around the world a very significant accretion of power, represented by a number of

sovereign countries, who are coming together around ideas. And in my view, as you know, ideas are the most important thing. Agreements aren’t worth much; ideas are worth everything—that is, good ideas. Because when people agree on a principle, then their actions governed by that principle will tend to be beneficial.”

LaRouche was asked several questions about the ongoing cultural collapse in Mexico, and specifically, “How can we bring about a moral recovery?” LaRouche answered:

“Yes we do have a cultural crisis. We have a global cultural crisis, not a Mexican cultural crisis. . . . There’s a fundamental question, the question of the difference between man and the animal. And, as an economist and specialist in physical economy, this is crucial for me. It’s a crucial point of economics. The essential difference between man and the beast, as a species, is that no animal is capable of discovering and effectively utilizing a universal physical principle. Only the human mind can do this. . . .

“Take a child who studies Rembrandt, or who studies how to work like Leonardo da Vinci, or like a great musical composer. In a good culture, we celebrate that about ourselves which makes us human, as distinct from animals. We celebrate our ability to replicate the greatest discoveries of science and art, of mankind before us. We enjoy sharing those ideas with our friends, and talk and work with our friends, in the same way that we’d like to work with the great scientists and artists of the past. Then, we have respect for one another, for what we are: human beings. And we realize that all human beings are really the same. They are all born with the same potential, and they’re equally potentially lovable.

“And if we look at nations, we realize that nations can set all of their affairs, if they’re perfectly sovereign. But we don’t look at the difference between our sovereign nation and another sovereign nation, as the reason for hatred, for conflict. If we can bring our affairs in order, and the other nation can bring its affairs in order, and we can work together, we can truly have a relationship across borders, which is a truly human relationship. To me, that is culture.

“What we have today, in my view, is a culture of greed, an ahistorical view. We have a culture based on a corrupt form of entertainment, and I think we are much more destroyed by our entertainment industry, than anything else, because we have forms of entertainment which are bestialized, which an animal can better do than we. And we have lost sight of those aspects of human cultural relations, which remind us that the person behind those eyes across the room, is on the inside a member of a special species, the human species, exactly like us. And we care for them, not only because they are like us in that respect, but we care for them also because we all know that we’re going to die. And our ability to contribute the best that we have to give to future generations, defines the meaning of our life. And that is what we’ve lost, and that is, I think, the essential cultural crisis.”