

## Editorial

# *The Big Crash: Substance and Shadows*

Although the financial collapse of the recent weeks to date has not completed its rounds, the sum-total of these weeks already represents a global, historical phase-shift. The appropriate Biblical image is not “Armageddon,” but rather the ominous moment the triumphal laughter stopped, during Belshazzar’s Feast.

With this ongoing global phase-shift which erupted a few weeks ago, the world has entered a turning-point in modern history. We have now entered fully, into a collapse as ominous as that which struck President Herbert Hoover’s U.S.A. in 1929-1933, but one which is worse, deeper, and far more ominous for mankind as a whole. From this point on, persisting efforts by leading nations to continue to adapt to the U.S.A., utopian strategic doctrines unleashed by Richard Nixon’s 1966-1968 campaign for the U.S. Presidency, would push the world over the brink, into the global catastrophe waiting below.

I ask you to focus on the individuals who now believe, during recent days, that my forecasts were right, and their doubts were mistaken. For just a moment, put to one side the cases of those fellows who still refuse to face the reality of the present situation, even after the events of the recent three weeks. What is the problem you must now face, in dealing with most among those persons who now admit I was right?

The presently onrushing global collapse of the 1971-2002 monetary-financial system is not something which just happened; it is something which has been in the process of happening since President Nixon’s wild-eyed monetarist’s lunacy of August 15-16 1971. My warnings to this effect were circulated in print, and other ways, first in the U.S.A., and, then, around the world, increasingly, from the early 1970s onward.

Look back for example, to my year 2000 campaign for the Democratic Party’s U.S. Presidential nomination. I warned that certain developments during the period of my campaign would promptly unleash a process leading toward a collapse of the “new economy” bubble in such areas as the spill-over of a collapse of the Dulles beltway into Loudoun County, Virginia. By March 2001, what I forecast a year earlier was hitting Loudoun

and its vicinity hard. The Winstar fantasy is now last year’s laughing-stock. The impact of the bankruptcy of WorldCom on the Loudoun County area’s real-estate bubble is about to become awesome.

The presently onrushing collapse of the global monetary-financial system, is not an event which I “predicted.” It was something which was already happening as I spoke. What I forecast, referenced a new phase of the folly which was being added to those phases I had reported as in process earlier. In this universe, it is impossible to make any competent forecast unless the development being forecast was already in process. Competent forecasters never predict events dropping out nowhere; they report actually existing processes of development which, if continued, will lead to certain included, notably relevant types of events.

In other words, my forecasting has always been premised on both a rejection of all “ivory tower” teachings about economies. The consistent success of my forecasting, in contrast to the expressed opinions of all of my putative rivals, is that their failure is caused by their reliance upon “ivory tower” doctrinal assumptions, whereas my forecasts are derived from study of the existing systemic characteristics of the political-economy in question (e.g., only adolescent mothers are likely to have daughters who are younger than one of that mother’s grandsons).

Therefore, when that fellow who is wearing egg on his face today, said, a few Clinton years back, that my forecast collapse of the “new economy” would not occur, he was not doubting the occurrence of a future event, he was refusing to accept the reality, that that future event was already an inevitable price to be paid if society insisted on continuing certain developments already in progress back then. (“Stop driving when you are roaring drunk, for example.”)

After all, the record of my forecasting is, that I have been leading people in a better direction for more than 35 years, and no known forecasting has been able to match that.

—Lyndon H. LaRouche, Jr., July 22, 2002.