
On Classical Strategy

Shakespeare's George I; Or, How George I Lost His Re-Election

by Lyndon H. LaRouche, Jr.

It is true that the Zionist Lobby's Michael "Mega-bucks" Steinhardt played a notable role in backing Bill Clinton to ruin the re-election prospects of President George H.W. Bush, Sr. ("41"), but, it was not Bush's Middle East policy which ruined him. The essential fact remains, as James Carville said: "It's the economy, stupid!" That, however, is not the way the drama will end. To help you understand the presently looming political nightmare of son George W. Bush, Jr., let me tell you how William Shakespeare would have sketched the draft of his "The Tragedy of George I."

See how, and why, Shakespeare would have written me into a leading role in his account of the tragedy of "41."

As history will show, in Autumn 1988, I was the only actually qualified candidate running then to become the 41st President of the U.S.A. As it is now well known, the circles of candidate George H.W. Bush, had plans for being rid of me by means other than an election, and so did the crowd behind Michael Steinhardt's failed choice of candidate of that time, Dukakis. To come directly to the tragic flaw in Bush's 1988 candidacy, on Oct. 12, 1988, Columbus Day, I had delivered a campaign address in Berlin, announcing the early collapse of the Warsaw Pact system, and the impending reunification of East and West Germany, with Berlin to be designated as the future capital of the reunified nation. I did more; I outlined the economic policy which the next U.S. President must adopt, for dealing successfully with the global strategic implications of that forecast set of developments.

My Berlin address was broadcast on U.S. network television that same month. Within hours of "41's" being sworn in, the following January, I was imprisoned through a kangaroo-court-style rushed trial, and "George I" was already tragically predestined to suffer the defeat of his 1992 re-election bid. A Shakespeare living today would have added a few notes in preparation for the prospect of adding a "Tragedy of George II."

That is the way Shakespeare would have told it, and the way future history will, in fact, tell it. The ultimate outcome, both for "43" and the U.S. economy, is not yet decided; but, unless appropriate changes from the current direction of U.S. policy are made soon, awful results for our nation, and, probably, the world besides, would become inevitable.

It was the economy, not an angered Zionist lobby, which actually sank "41"; but, not exactly the way Carville's quip implied. When you see the point of my argument here, you, if you are anyone who understands the ABCs of political-economy, would have to agree. All the most crucial evidence to prove my case is a comparison of the U.S. policy which I announced in my 1988 Columbus Day press conference, with the directly opposite, foolish policy adopted by "41," after the Berlin Wall fell, just over a year later. If you see those connections, you understand exactly what is threatening the early ruin of "43's" career. Carville diagnosed the economic effect accurately, but did not pin-point the underlying economic cause.

The essential background, briefly stated, is as follows.

The Strategic Defense Initiative

By the mid-1970s, I had diagnosed the tragic force which was moving to doom the Soviet system. With a mass-murderous madman like Zbigniew Brzezinski controlling the 1977-1981 Carter Administration, on the one side, and a gravely wounded Soviet bear on the other, it was urgent that we launch political steps toward bringing to an end the doomsday-system of nuclear deterrence. Silly children believe that it is conscious intentions of governments which will determine what will, or will not be likely in a crisis. We were headed toward a global systemic crisis, whether either power chose to recognize that or not. The times were becoming very dangerous. It was necessary to get what Brzezinski represented out of government, and to develop a fresh U.S. long-range approach toward relations with Moscow.

In my second effort to save the U.S. from the disaster I knew a Brzezinski-controlled administration would mean, I developed a conception for a new approach to overturning the doomsday nuclear-warfare scheme of mutually assured destruction (MAD) introduced to U.S. policy and NATO-Soviet doctrine by mad scientist Bertrand Russell's Leo Szilard. My policy was expressed in a 1979 policy paper issued by my campaign. That policy was later emphasized to the incoming Reagan Administration, and was later adopted, in its most essential features, in President Reagan's March 23, 1983 address proffering a Strategic Defense Initiative to the



Lyndon LaRouche (right) delivers his Oct. 12, 1988 press conference in Berlin, outlining what policy the next U.S. President must adopt toward the Warsaw Pact countries, and forecasting the impending reunification of Germany. On the left, LaRouche and his wife Helga at the Berlin Wall, October 1988. A little over a year later, the Wall came down, as LaRouche had said it would.

Soviet government. Soviet General Secretary Yuri Andropov turned the proffer down flat, and implicitly committed the Soviet Union to an economic escalation of the arms-race.

During the period from February 1982 through February 1983, I had been conducting a back-channel discussion of my proposal with the Soviet government, under the watchful eye of relevant White House officials. I was told, from Moscow, in February 1983, that General Secretary Andropov would reject my proposal, were President Reagan to present it. I informed relevant White House officials of this immediately, including my response given to the Soviet channel. I had expressed my estimate, to Moscow and to the White House, that were Andropov to carry out his reported intention, the Soviet economy would collapse within about five years. Shortly after that, I repeated that opinion publicly, “in the clear.” I was off by one year; the collapse of the Warsaw Pact system occurred just slightly more than six years later.

All of this, including the essentials of my role, was known in vivid detail to every relevant circle within higher-ranking echelons of the U.S. intelligence community, and also crucial NATO circles in Europe. Hence, there was no acceptable excuse for what the former Vice-President, “41,” did following the collapse of the “Berlin Wall.” What “41” and his administration did, was a true Classical tragedy.

Thus, my Oct. 12, 1988 Berlin announcement of the impending collapse of the Warsaw Pact system. Despite my widely circulated forewarning, the governments of the United Kingdom, France, the U.S.A., and Germany, and others, were caught “flat-footed.”

The Economic Issue

The immediate reaction of Britain’s Margaret Thatcher and France’s François Mitterrand was sheer lunacy. Both were savagely determined that German reunification should not occur. Fortunately, U.S. Ambassador to Germany Vernon Walters, and some other relevant U.S. officials were more sensible. President George Bush was persuaded to support Germany’s Chancellor Helmut Kohl in standing firm for German reunification; but Bush acceded to economic conditions dictated by Thatcher and Mitterrand. Those conditions, combined with the U.S.-led carpet-bagger’s looting of the remains of the Warsaw Pact, and of the Soviet Union in particular, intersecting the economic effects of the “Desert Storm” war (which I had warned, in January 1989, was already planned in London and Israel), created the conditions which assured the economic setbacks which lost “41’s” re-election.

It was the combination of “41’s” deal with Thatcher and Mitterrand, Bush’s folly in following Thatcher to war, and his carpet-bagging policy, which made him ripe for the picking in his re-election campaign of 1992.

The consequences of that folly are not behind us. The effects for today are still reverberating, more violently than ever before.

How To Win Conflicts

What was destroyed by post-1989 U.S.-led carpet-bagging and the economic conditionalities imposed on Europe by Thatcher, Mitterrand, and Bush, was a vast mass of existing productive capital—physical capital. Had that physical capi-



George I in the bunker at a Marine base in Saudi Arabia, during Operation Desert Storm. It was his deal with Britain's Thatcher and France's Mitterrand over economic policy and German reunification, his folly in following Thatcher to war against Iraq, and his carpet-bagging policy toward the former Soviet bloc, which made him ripe for the picking in his 1992 re-election campaign.

tal been mobilized in the way I had outlined in my 1988 Columbus Day address, the end of the Warsaw Pact system would have unleashed one of the great economic booms of history. Two, closely related types of effects were produced, directly, by the crude carpet-baggers' looting and other destruction of that productive capital still standing in the former Warsaw Pact system. The conditions of life in the former Warsaw Pact nations of Eastern Europe, and the former Soviet Union are far worse than they were in 1988. This includes the condition of the population of former East Germany.

The rule is: never allow a person who repeatedly utters the phrase "my money" to gain significant influence over national policy-making. There is often a directly opposite meaning of the words "making money" and "causing an economy to grow." Growth signifies that the amount of physical wealth consumed, is less than the amount of new physical wealth produced. This physical measurement must be made in both per-capita and per-square-kilometer terms.

This refers to accumulated physical capital as much as direct physical costs of current production. On the other hand, burglars make money by selling stolen goods to a fence, which is what the U.S.A. and Western Europe did to the area of the former Warsaw Pact, and are continuing to do, still today. In this case, much of the stealing done was done as a currently legalized practice; it was still stealing, nonetheless.

The result has been to lower the per-capita, and per-square-kilometer physical output of the territories included in the former Warsaw Pact. However, the loss of physical output per capita has been a less crippling factor, than the long-term loss of physical capital of infrastructure, agriculture, and manufacturing. The loss of physical capital has

become a massive loss of the structure for potential production.

For the medium-term, over the course of the 1989-1996 interval, the grinding up of the physical capital and population of the former Warsaw Pact territories, such as Poland, for enriching the West with cash, neared a point of exhaustion. The 1997-1998 international monetary-financial crises reflected this effect. This, combined with continued, cannibalistic pillaging of Western Europe, through "privatization" swindles, and related carpet-bagging practices, resulted in an accelerating gap between a generally declining level of physical capital and output, and an accelerating rate of monetary-financial growth of giant speculative bubbles. The point had been reached, by the close of 2000, that the delusion of successful growth could no longer be sustained, even by the types of fraudulent practices which exploded to the surface in the Enron case.

The alternative to the presently accelerating collapse of the global monetary-financial system, would have been to follow the policy I projected in my 1988 Columbus Day press conference. There was a mass of somewhat obsolescence-ridden, but still usable basic economic infrastructure and physical capital of production within the pre-1989 Comecon sector. The use of the occasion of the collapse of the Berlin Wall, to launch a "Marshall Plan"-like program of reconstruction in that vast area, would have produced a global economic recovery at a moment, 1987-1991, the U.S.A., Japan, and elsewhere, were expressing the economic catastrophe inherited from the Nixon decision of Aug. 15, 1971.

The success of a strategy does not lie in the number of targetted persons a nation's military might kill, but in the attractiveness of the cooperation one is able to offer. A decade after the follies of the agreements among Thatcher, Mitterrand, and "41," the way of thinking expressed by those agreements is producing cruel impoverishment and increasingly embittered adversaries, even among former allies, where it should have won durable friendships. One should be reminded, as Helga Zepp-LaRouche made the argument during a recent conference, of that folly of Athens which provoked the nearly thirty-years Peloponnesian War.

One would therefore hope, that "41's" current roster of advisors would be refreshed, to enable that sudden and sharp change in direction of policy-shaping which would save us from a tragedy of "George II."

However, in the final analysis, no official leader, such as either of those Georges, could be the cause of a national tragedy. The fault lies with that popular opinion which, by preferring leaders inadequate for the times, brings catastrophe upon that erring nation.