

LaRouche: We Need a Mission-Oriented Planet To Defeat Globalization

Lyndon LaRouche made the following introductory remarks at a private luncheon with Washington-based diplomats on May 8. There followed 90 minutes of animated dialogue with the approximately two dozen diplomats and military attachés from 18 countries who participated in this latest in an ongoing series of such private sessions.

We are now at one of the most critical points in all known history. The entire international monetary-financial system of the world, is now in the process of disintegration. Now, in these matters, you can never, as most so-called economists do, you can never predict an exact date of an event. In fact, this is a result of their use of the wrong method of economics. Since there is human will, you can not predict an event, because human will might change the date of the event. It's always possible. It happens often. For example, the United States went into, really, a depression in October 1929, and then, again, a similar depression in October 1987. But in 1987, the system did not crash, it went into hyperinflation. Because, you had incoming [as Federal Reserve chairman] Alan Greenspan then, and Alan Greenspan used hyperinflationary methods, especially in the area of utterance of currency, electronically—not in the normal way, but electronically—especially using mortgage-based securities as an inflationary instrument, like a John Law Bubble, and for a long period of time, using what's called the Y2K Bubble, that is, the massive flood of money into investments and subsidies of the so-called information theory business.

Now, of course, that came to an end, really, essentially, in the Summer of 2000, when you had a crash of the Y2K bubble. We now have a general crash of the mortgage based securities bubble, which is international, and we're at the point where the countries of Western and Central Europe are all, now, internally ungovernable. You just had an election in England, a series of elections: Scotland, Wales, and England itself, which came out with a change of government, which is now domestically ungovernable. Belgium is already domestically ungovernable, and will become more so whatever the result of the coming election. France has entered an ungovernable condition under a man of tyrannical disposition, but nothing he's going to do is going to work. Actually, France has gone, with this election, from the Gaullist tradition to the Vichy tradition, and that is go-

ing to become evident in a certain pace, rapidly. Italy is ungovernable, but they're used to it, and they manage it fairly well. Germany is about to break up, the present government is about to break up. It's not stable. As a matter of fact, there's no part of Western or Central Europe which has a stable government at this time. It may look stable on the outside, but in point of fact, *globalization is the real government of Europe*. That's the problem.

We have reached a point, therefore, at which we face, not a depression, like 1929-1931; what we're faced with, is a general breakdown crisis, which in European history is comparable to what happened in the middle of the 14th Century. Because the amount of obligations outstanding, could not be reorganized. Only by putting the entire system through bankruptcy reorganization, could the monetary system itself be prevented from absolutely blowing up, at some time in the relatively near future, within weeks or months ahead. It could be tomorrow morning, it could be six months from now. The system in its present form is doomed: Nothing can save it. Reorganizing the system in its present form is impossible. You need a new system.

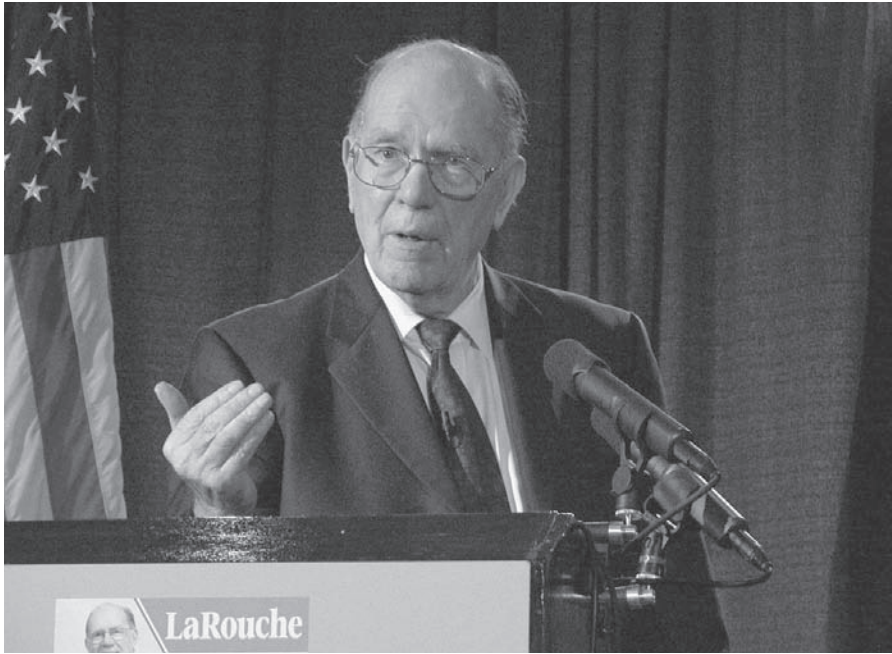
The World Depends on the U.S. Dollar

But, there's only one way we can get a new system: Because as many of you know, were the U.S. dollar to collapse, which is what London is thinking of doing, and could do, then the entire world would go into a collapse. Because, much of the world depends upon the obligations of the U.S. dollar. If the U.S. dollar is not worth anything, then what is the effect on China, on India, and many other countries?

And there's another aspect to this thing, which is really crucial and important.

Therefore, the only remedy is to reform the monetary system in a fundamental way: To use the model of what Franklin Roosevelt did in the 1930s, in reorganizing the U.S. currency at that time, and U.S. debt at that time. So, he transformed a United States, which was almost 30 to 50% bankrupt, and transformed it into what became the greatest economic power the world had ever seen, within a period of less than a decade, from the time of his inauguration.

We can do that again, in a sense. But the problem today, is the obligations of the United States dollar, which are really the assets, to a large degree, of most countries of the



EIRNS/Stuart Lewis

LaRouche, shown here at a May 1 webcast, told an audience of diplomats May 8, that it is time for a change, "from the kind of thinking and policies we have ruling the world now," to a new system based on that created by Franklin D. Roosevelt, and centered around an alliance among the United States, Russia, China, and India.

world. Notably in Asia, especially. A collapse of the dollar would mean a chain-reaction collapse of the entire world monetary-financial system, which would mean a collapse of trade and everything else. That is what we must prevent. The United States government would get rid of Cheney, which is a feasible and commendable attempt, and take care of putting the President of the United States under adult supervision. And under those conditions we could negotiate an agreement with certain large nations, or powerful nations, and make an agreement which would actually get the support promptly of a lot of smaller nations or weaker nations. That is, if the United States, Russia, China, and India agree on a decision to put the international monetary-financial system, based on the dollar, into reorganization, financial reorganization, to freeze what has to be frozen, and to maintain the functioning of what must function; and then agree, with other nations joining them, to set present currency values at a fixed exchange rate: Under those conditions, after a period of five to ten years of reorganization, which we could survive quite nicely, the problems of the world could become manageable.

But that depends upon a change in the U.S. government, and its policy, to approach Russia, China, and India: Because, remember, China has the greatest amount of U.S. obligations, and without the credibility of the U.S. obligations to China, the world system goes into chain-reaction. India has a comparable situation, not quite as severe. Other countries are entire-

ly dependent upon the stability of the dollar, otherwise, their exports collapse! If their exports collapse, their internal economy collapses. Therefore, we must maintain the present level of trade, and must increase the level of trade, especially in hard-commodity categories. This can only be done by the radical reorganization of the international monetary system, by putting the IMF and related institutions into bankruptcy reorganization. Then we can make it.

Now, there are some other things that have to be taken into account. We must go to a protectionist system, and end the free-trade system, otherwise we can not save the world from such a calamity. Look, for example, let's take the case of China, which is typical of many countries: China is able to have a world market, largely because the United States decided to dump its production on China. China works at cheap prices, and amasses a lot of dollars as assets, which may not be paid at

the present rate. But in the meantime, China's internal population has not prospered. Many people in China, many sections of the Chinese population have prospered. The overall population of China has not prospered. The overall population of China is in a desperate situation, which the government of China realizes and would like to do something about. But under the present system, it's difficult.

Now, look at what the fact is: We shipped out U.S. production to China. Did China benefit? Well, that's questionable. There's a good side and a bad side. China was able to build up certain industries, and produce the phenomenon of Chinese Communist Party billionaires. This, of course, is something of a miracle. But, there are many Chinese, and many parts of China which are not developed. The development is impeded by the fact that the Chinese do not get enough income from the exports to the United States and other countries, to develop the interior population. Now, most of the countries of Asia, and Africa, and South America are in a similar condition. There is not enough income from export to the world market, to provide for growth of the internal economy of these countries. You need a protectionist system, which establishes price levels, which enable countries to continue to produce and to export; but to export at price levels in which the internal economy of the entire country can be developed.

The worst case, of course, is the case of Africa, where the present policies toward Africa, especially Sub-Saharan Africa, are literally genocidal. And this is conscious genocide



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We had a crash of the Y2K bubble in the Summer of 2000; now, we have a general crash of the mortgage based securities bubble, "and we're at the point where the countries of Western and Central Europe are all, now, internally ungovernable."

against southern Africa. The idea is to kill the population off, reduce it; take the raw materials, grab them, and use them as they choose.

So therefore, we need a protectionist system which establishes a fair-trade system, in which a country may export, but it has a right to a price which enables it to develop its own internal economy, and develop the conditions of life of its own people. We need that kind of program. It is perfectly feasible to do this.

Virtually All Economists Are Incompetent

One of the problems, today, in this connection, is, in my view: Virtually all economists in the world are incompetent, because, they base their studies on two things: First of all, they base their studies on a monetary system, and money does not determine value. Because essential values are physical values, consumable values. Secondly, they operate on a kind of system that doesn't function. To make it short, ask yourself, what is the difference between a gorilla and a chimpanzee, on the one side, and a human being on the other? What is the potential population of chimpanzees at any time in the past 2 million years on this planet? What is the potential population of gorillas on this planet, at any time in the past 2 million years? And today, it's not improved; as a matter of fact, it's worse. What is the potential of a human being and the human species on the planet over the past 2 million years? What has been the change in the population of the planet, since the middle of Europe's 14th Century, since the last great dark age? We've gone from less than a billion people—about a half-billion people—we've gone to a present

level of 6.5 billion people. How is that possible? It was possible through the effects of technology and related things, and organization of conditions of life around improved technology.

The point is, that no chimpanzee and no gorilla, can make a legitimate discovery of universal principles. They don't change. They have no souls. They have no eternity. They have no personality which outlives their mortal death. Human beings do: Human beings live in honor of their past generations, and live in anticipation of the good they pass on to future generations. Monkeys can't do that; chimpanzees can't do that; gorillas can't do that.

And therefore, what's lost is, a conception of what a human being is. A human being is a creature which is based on the ability to make fundamental discoveries, artistic creations, improve the powers of mankind on the planet, per capita and per square kilometer; to pass on improvement, as a perspective for future generations; to develop a people. And to find one's immortality in the good one contributes to the future generations, yet to come.

In former times, it was normal, for example in the United States, that people who would immigrate to the United States, would come here often as poor people, especially in the latter part of the 19th Century and 20th Century, as we have people coming from South America, now. They were poor people, but they came here with the idea, that their sacrifice for the sake of their children and grandchildren, would mean that, where they were working as labor, unskilled or semi-skilled labor, today, at poor wages, poor incomes, their grandchildren would become the scientists, the physicians, and so forth, of the future generations. So, a sense of the future.

All of us, who are involved in statecraft, think in those terms. We think of what we're doing with our nation, and with the world, to create a better future than we enjoy now. And we find satisfaction in what we do, to preserve and to improve, upon artistic and scientific developments, for the benefit of future generations, and to develop nations, as sovereign nations, with that intent in mind.

The Common Ends of Mankind

That is now destroyed by the present system. Therefore, we need a mission-oriented planet, which is based on a rejection of globalization, on the sovereignty of the nation, and the essential sovereignty of the individual; and cooperation among these sovereignties to a common end, the common ends of mankind; to allow present cultures to continue, as

present cultures, not to dictate changes in culture upon them. But to cooperate among these cultures, to develop these nations to the common end, that the condition of humanity in each of these nations, and in humanity at large, will be better than it is now.

And we need that kind of agreement. We need a change from the kind of thinking and policies we have ruling the world now. We need that change. We've come to the point, that the present system, powerful as it may seem politically, can not exist! This entire world system can vanish within weeks or months, or a year or so. We don't know when, because you can never predict exactly when a thing like this will happen: But the *preconditions* are there, and the direction is there. Exactly when the crash will come, we don't know; but it's coming. And it would be better to be prepared, before it comes, than afterward.

And therefore, what we need is an understanding of the world situation, an understanding of the common objectives which we must have, a replacement of this dog-eat-dog world we live in now, this world of globalization and predatory conditions, into a world of sovereign nation-states, as Franklin Roosevelt had intended at the time he died, and before. We need to turn away from the United States' perspective, since the death of Roosevelt, beginning with Truman, into a perspective which is consistent with Franklin Roosevelt's intention for the post-war world: To take the greatest economic power the world had ever known, that of the United States, which had been developed as a miracle out of the Depression, into the 1940s, to become the greatest economic power the world had ever known, and to convert the economic potential which we had developed for military purposes to defeat Hitler, and to convert that military potential into a productive potential, for the development of nations which had been colonialized, or otherwise.

We must resume that Roosevelt tradition today, and I suggest we must adopt it as a Roosevelt tradition by name: Because that is the last time that the world had hope of a cooperation in development of the planet as a whole. Since the death of Roosevelt, we have never had agreement among leading forces in the world, on uniting nations in cooperation, for the betterment of all mankind. That has not existed. The time has come, when that must exist. If it does not exist, this planet is going to Hell. And a world population of 6.5 billion people, will become a world of much less than 1 billion within a generation. Whole cultures will vanish, whole sections of humanity and languages will disappear. That is the danger that faces us, now.

We must change that. And the way to do it, is to have a sense of a consensus among nations, and among people within nations, that the major nations of the planet, especially the United States, because it holds the dollar, and the dollar is the great point of risk right now; the United States, Russia, China, and India, must agree on initiating a plan, a plan of action,

which draws in other countries which wish to be included, to establish a new, international monetary-financial system, and to agree on protectionist terms, under which equitable progress, equitable development of each nation can occur. And instead of looking for conflict, to rejoice in the achievements of another nation. It's in looking for the benefit of the other, that any nation is great, as was laid down in settling the great religious warfare of 1492 to 1648, on the initiative of the Treaty of Westphalia, in which the principle was, *each must think first, of the other!* Of the benefit of the other.

And we need that kind of thinking among nations today, or at least the patriots of nations: On the basis of that conception, we can solve the problem. The resources exist. It will be sometimes difficult, but we can do it.

If we don't do it, we're going into a dark age, on a planet-wide basis. A horror beyond belief, which only funny people like me understand. But most people can understand something of it.

So, that's what I think the issue is, which I have in mind today.

Thank you.

LaRouche: Will There Be an '08 Presidential Election?

The LaRouche Political Action Committee (LPAC) released a statement from Lyndon LaRouche on May 8, 2007. Under the headline, "My May 8th Declaration," LaRouche wrote:

"The pattern expressed by recent waves of elections in the United Kingdom, in France, and next in Belgium, poses the question: Will there actually be a 2008 Presidential Election in the U.S.A.? I make no prediction, either way; my intention here is to pose the deadly reality of the situation in which presently leading U.S. pre-Presidential candidates appear as virtual actors in a Laurel and Hardy version of 'Babes in Toyland,' a situation which presents all of the present nations of western and central Europe as relics of the presently oncoming crisis of 'ungovernability.' This state of affairs--and affairs of state--is to be recognized as the crisis which U.K. Prime Minister Margaret Thatcher and her accomplice, France's François Mitterrand, have inflicted, still to the present date, on those regions of Europe as a whole. . . ."

The complete statement is posted at www.larouchepac.com and at www.larouchepub.com/eiw/.