

What Is a Credit System?

This is an excerpt from Lyndon LaRouche's webcast of Sept. 30, 2011. The full text is in [EIR](#), Oct. 7, 2011.

Credit, you know, is a funny thing. Because, when you're talking about credit, you're not talking about peanuts. You're talking about an investment by more than one generation. All of the great projects which we need now, as in the past too, are projects which require multigenerational investment. They require the incurrence of debt, a debt which spans generations. And one of the great things that we have to master in this respect, is what is the nature of human beings, or what should be the recognized nature of human beings and their adopted purpose in living?...

The point is to have a purpose in life which transcends death. And this is only possible through the creative powers of mind of the human individual. And therefore, this leads to what? It leads to something that no animal knows: credit. Credit! Because the things we invest in are the things we create, things which transcend the death of people, of individuals, the investment of a life in a transition to a new life which is a continuation of the old, even though the persons who were succeeding one another have died.

So therefore, the idea of credit is not a physical or financial conception. The idea of credit, first of all, is *human*. And no species known to us, other than human beings, knows what credit is! It doesn't exist for anything except for human beings, to our knowledge.

Therefore, we design a monetary system, or a financial system, based on a system of credit, which means the development of one individual, who transmits something which is of use to a second generation. And this is not a process of continuation; it's a process of development. And the unit of development is what we should call "credit."

Now, this was something that has been understood for a long time by some people. But this system, this concept of credit, is unique as a worked-out system, to the United States. The Massachusetts Bay Colony, for example, was a system of credit. The system authored in the founding of our Constitution was a system of credit. And the system of credit is not a monetary system; it's not a cash collection! The system of credit is the transition, and the continuation, of the activity of *a life*, through the transmission of a continuation of an effort, an intended effort, to a second life, and a life beyond that!

Credit is history: Credit is *human* history...

People die, but humanity must never die. And once we have that concept, we've got it right.

—Lyndon H. LaRouche, Jr.