

# Winning the War To Restore the U.S. Credit System

I'll just add a couple of things in terms of the fight in Congress: When you're fully mobilized banging your head against the wall, how do you know when it's about to crack and fall apart? It helps to know what it's made of. That's one point.

More than 30 years ago, Lyn [LaRouche] made a speech, a very notable speech, at the very end of 1982—in a conference just like this, in an auditorium exactly like this, in a high school just like this. And he said: “We have 90 days to get strategic defense to be the policy of the government of the United States.”

At about the same time as he said that, he was being told by Russian officials, that they had assurances from all of their contacts, including leading contacts in the leadership of the Democratic Party in the United States, that strategic defense had no chance of becoming the policy of the United States.

More ironically, we had a meeting in the Pentagon, with a whole bunch of Navy officers, and some civilians, almost all of them strong advocates of directed-energy beam-weapon defense, and they told us all at the end of the meeting, that they were sure that strategic defense would not be adopted by the United States. Jeff Steinberg could correct me, but I think this meeting was on March 17 of 1983.

And very near the end, but within the 90-day period, President Reagan adopted strategic defense. Everything was on launch-on-warning at that point. The military nuclear forces commanders on both sides were on launch-on-warning. The governments of Europe were being destabilized and falling, because of this deployment of short-range nuclear missiles in Europe. It *had* be done. It happened in that period of time.

## **And What of Glass-Steagall Today?**

Where do we stand on Glass-Steagall now?

Lyn, as you know, through a national leaflet that we put out, with the Cyprus—the re-ignition of the Euro-

zone banking crisis in full bore—put out a statement that Glass-Steagall had to be done *now*. It had to become policy of the United States, whatever other nations did in the interim; this had to be the policy of the United States now.

Interestingly, just as he was saying that, *Politico*, which is a widely read, inside-the-Beltway newspaper, came out with an article, “Why D.C. Won’t Break Up the Banks, Yet.” Quote: “There is virtually no chance [that] any significant piece of legislation will pass Congress that will meaningfully reduce the size or restrict the activities of the nation’s biggest banks. There is nothing on the horizon, likely to satisfy those who say, the biggest banks led by”—and they name them—”continue to pose a systemic threat to the U.S. economy. Here’s why: *The White House has no desire to reopen any part of Dodd-Frank, and believes too-big-to-fail will soon be a closed chapter*” (emphasis added).

I’ll come back to this in a minute.

But all I want to say is, they’re merely repeating what the National Public Radio—the week before they had a little special in which they showed, \$350 million were spent in the 1998 Congressional election cycle in order to repeal Glass-Steagall; that amount of money is being spent now, continuously, and probably multiples of it—by Wall Street, by the City of London, and, if you count Obama’s campaign fund, it’s in the billions—to make sure that Glass-Steagall can not be adopted.

The vast majority of Members of Congress, including all of the supporters of Glass-Steagall, firmly believe that Glass-Steagall cannot possibly pass the Congress. This determines the situation that we’re in, now that in the last three months, with the advent of the [La-RouchePAC] Thursday night national organizers’ calls, and with the mobilization on the state level, we have now begun to bore into that certainty, in a way in which everybody participating in that activity has to understand.

The statement that Rep. Collin Peterson [D-Minn.] made the other day, in the House Agriculture Commit-

tee, when the banks had just bought—from a Democrat, a Democratic House of Representatives member from Greenwich, of the hedge funds in Connecticut—had just bought legislation to completely remove regulation from derivatives, all over again! Remember 2000! To do that all over again! Representative Peterson made a kind of, like in a Verdi opera, “*Maledizione!*” in the middle, and said, “This will haunt you! You will regret this!”

And we found that this remark that he made has really resonated all over the Congress. And since he made it, that you have, on the side of the Senate, no fewer than a dozen Senators who are tip-toeing around that glass, which says, “In Case of Emergency, Break,” and take out Glass-Steagall. They’re tip-toeing around it: They’re asking us, and their staffs ask us in the meetings, what the others of them are doing? [Alabama State] Rep. Thomas Jackson [see above for his remarks to the conference] had the experience of this in a meeting yesterday: In all of the meetings he did, he was taken with

*absolute* seriousness, as the author of a bipartisan move in Alabama, to get the Alabama Representatives and Senators to do this.

So they’re tip-toeing around it, and they are all convinced that it cannot pass. I had a relatively lengthy conversation with one of them yesterday, who totally supports Glass-Steagall, who said, he is absolutely convinced it cannot pass. He had other things to say, which indicated that the wall which is made of money, Wall Street money, and which comes from the White House and the Treasury, that that wall is breaking down.

### The Fight in the States

But this is what we are battling against: You’re doing it in the states, which is actively changing the situation. One Representative actually offered direct collaboration to one of the delegations that came in at the end of this past week—he, in Washington, and them, back in the state—in order to get the state’s delegation, as a whole, onto Glass-Steagall. This is what you can do.



EIRNS/Stuart Lewis

*We are on the verge of a breakout on Glass-Steagall, Gallagher told the conference, just as we were with the SDI, on the eve of Reagan’s announcement.*

And the way they're doing it in South Dakota, particularly, where every move they make, they also get it covered. And since the delegation from South Dakota that got that [a Glass-Steagall resolution] passed has been here, there have been two different letters in the press in Sioux Falls, saying, "a delegation of patriots is now in Washington, fighting for Glass-Steagall, back them up. Call your [Congressman]..." This: Just do it! They're all convinced it won't pass. If we're now cracking them, and one of them puts it in—watch, and see what happens!

### A Still Higher Task

**Dennis Speed:** We're going to now begin our question and answer period... I'm going to begin by asking Paul a question, because he was good enough to curtail some of his remarks. But there's something specific I wanted to ask him.

You just described, Paul, this side of being in a fight where people tell you, you can't win it. You referenced the March 17 [1983] meeting. But you were also the public face of SDI, in the immediate aftermath of Reagan's announcement. And I'd like you tell people a bit about what that was like. What the United States was like at that moment, and the fact that we were the only people, apparently, that knew what the hell was going on.

**Gallagher:** Well, I guess that could be a long subject. I mean, we were the only civilians and so, it came to my good luck, that the day after Reagan's speech, CBS News went hunting for some civilians who knew what Reagan was talking about, and they tried the Heritage Foundation. I went to a conference of the Heritage Foundation last week, on the 30th anniversary of the SDI. How many people were there—what do you think? Thirty-five people: They had more generals speaking than they had people in the audience.

So this is the conference, here, which is the 30th anniversary conference, recognizing the Strategic Defense Initiative. But at that time, the news producer of CBS called up the Heritage Foundation to get a spokesman, and was told, "This is the Fusion Energy Foundation's thing. You should call them." So, when I went to the conference last week, I thanked them for giving me the good luck to be the first civilian on TV news at that time.

But it's an indication, and some of them were talking about it even last week, it's an indication of how rapidly that program came under attack, and Lyn came under attack, for it; that what we're dealing with, 30

years later, is technologies. We're not dealing in any sense with the real mobilized capability of the United States, or mobilized culture or capability among the population.

We have to inject that, in the way we're doing now, with a still higher task, which has been discussed at length here, in terms of the SDE. But the reason for that, is just how rapidly and how across-the-board this thing was attacked.

Now, as I was trying to indicate, we're in a comparable situation, where the people who most are being affected by us, are simply convinced at the moment, that Wall Street and the City of London have more money to spend to stop them, and that the White House is more determined, and the Treasury more determined, to stop them, than they could possibly be, to get this kind of thing passed.

*We are the difference:* We're actively, in, particularly, the last few months, making the difference. And in this situation, it will not be as it was with the SDI, where it could be broken down into technologies. I mean, we've gone through what else has to be done. So, maybe that's one way to answer that.

## Planetary Defense

Leading circles in Russia have made clear their intent to judo the current British-Obama insane drive towards war, by invoking the principle of Lyndon LaRouche's Strategic Defense Initiative (SDI). Termed the Strategic Defense of Earth, the SDE would focus on cooperation between the U.S.A. and Russia for missile defense, as well as defense of the planet against the threat of asteroid or comet impacts.

The destiny of mankind now is to meet the challenge of our "extraterrestrial imperative"!

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