

# EIR

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Planetary Defense: A View from Russia  
The Lost Two Decades of the EU and USA?  
The Glass-Steagall Fight in the United States

**There Is an Alternative to  
The Empire's Terror and War**



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# EIR

## From the Managing Editor

We devote nearly all of this issue to our continuing coverage of the April 13-14 Schiller Institute Conference in Germany, this week, concentrating on three areas: “The Hope for the Future,” “The Future of Eurasian Cooperation”; and the international campaign for Glass-Steagall, focused on the United States, where the breakthrough against the British imperial monetarist system, now in its death throes, has to be made.

The issue begins with a *Strategic Overview*, “There Is an Alternative to the Empire’s War & Terror,” by EIR Editor Nancy Spannaus. The bloody atrocity just committed in Boston is part of a global escalation of war, chaos, and terrorism, by the British empire, in a frantic effort to crush the only alternative to its genocidal plans, namely the growing support for Glass-Steagall, led by the LaRouche political movement.

Our *Feature* presents the stark contrast between what is, and what can be, as the theme which carries through the four conference speeches focused on the future: Alexander Nagorny, a Russian historian and editor, discusses the “Strategic USA-China-Russia triangle; Kirill Benediktov, editor of Terra America (Russia), and Jason Ross of *21st Century Science*, made it clear why there is no time to waste in developing a Strategic Defense of Earth. “Otherwise,” said Benediktov, “humanity will continue to play Russian roulette with the Cosmos”; and former Assistant Attorney General Bruce Fein discusses what must be done to “make civilization worth preserving.”

Next, are two speeches from the panel on Eurasian cooperation: Jacques Cheminade, former French Presidential candidate, presented “A Vision for Europe in Asia”; and Prof. Theodore Katsanevas of the University of Piraeus in Greece, gave a stirring presentation on why Greece and the other southern European nations should leave the euro system without delay.

Yet, without a breakthrough in the U.S.A. on Glass-Steagall, there is little chance of creating a future for humanity as a whole. In *National*, you will find the battle report on the Glass-Steagall fight in the U.S. that Diane Sare of the LaRouche Policy Committee delivered to the conference, along with greetings and messages from Rep. Walter Jones, and South Dakota State Rep. Patty Miller.



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Over the last two weeks, memorials for Glass-Steagall have been put on the agenda of four additional states, bringing the total number of states where a memorial has been introduced to 17. In Congress, the progress has been slower; in the Senate, supporters of Glass-Steagall are still holding back.

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## There Is an Alternative to The Empire's War & Terror

by Nancy Spannaus

April 23—Looked at from a global strategic perspective, the emergence of a new terrorism scare in the United States, led by the bloody atrocity at the Boston Marathon, and the worsening of the Syria crisis, with the possibility of open Western arming of the Saudi-funded jihadis, must be seen as part of a global rampage by the British Empire. That financial empire currently faces its own existential crisis, due not only to its utter bankruptcy, but to the potentially fatal challenge represented by the movement against its puppet Barack Obama's Presidency, and the growing momentum toward implementing a real Glass-Steagall reform that would put the empire's predators out of business for good.

You think that's a crazy "conspiracy theory"? If so, you are willfully, or ignorantly, avoiding the crucial facts.

**Crucial fact number one:** The City of London, home of the British financial empire and the Queen of England, *is* the center of world terrorism. As *EIR* documented in a brief filed with the U.S. State Department in December 2000, at that time nine governments, including the Russian, had already filed diplomatic protests over British protection and financing of known terrorists. Most of those terrorist groups, including the Chechen separatists and the al-Qaeda-linked jihadis among them, are still active today, and still being sheltered, funded, and otherwise encouraged, by the Queen's government.

**Crucial fact number two:** The British Empire,

which spawned the "Blair doctrine" of "humanitarian intervention," and the end of the national sovereignty which brought us the Iraq and Libya wars, is the moving force behind the new impetus for aggressive, preemptive war in Syria—and Iran. The public role of the British government in pushing forward the new escalation in Syria, simply buttresses this reality.

Once these facts are squarely faced, it becomes clear that there is one crucial, and very efficient, way of sabotaging the Empire's plans for war and terror. That method consists of removing two weapons which they require to carry out their goals of world domination through spreading terror and war: first, the power of their tool Obama, without whom their war drive is impossible; and second, their financial power, through the thoroughgoing, FDR-style financial reform, which the LaRouche movement is spearheading the fight for in the United States.

In this edition of *EIR*, we concentrate on aspects of the alternative to the Empire's war and terror, as presented at the April 13-14 Schiller Institute conference in Europe. But the overall strategic context must be kept firmly in mind.

### The Terrorism 'Effect'

In his initial reflection on the blind terror incident at the Boston Marathon on April 15, Lyndon LaRouche stressed that the critical place to start the evaluation is to look at the event from the standpoint of the *intended*

*effect.* “And until somebody in the government or someone else comes up with a better explanation, the fact is, that on the surface, this is a very clever way of causing the maximum chaos and confusion, with a minimum amount of effort.”

LaRouche made that comment before a number of other crucial revelations were made, which, in fact, only underscored his hypothesis of an event orchestrated to create a disorientation of the U.S. population, and possibly a new phase of police-state measures which would accompany the drive for expanded war.

First, was the identification of the two suspects caught on videotape near the bomb site, the Tsarnaev brothers of Chechen descent. As Muslims from the Chechen region, the brothers hail from an environment which has been a virtual playground for the British-Saudi terrorist network that created the *afghansi* movement in the early '90s, then al-Qaeda, and then its many offshoots throughout the world. As *EIR* identified in several definitive studies of the Chechen conflict with Russia in the 1990s (see [www.larouchepub.com](http://www.larouchepub.com)), the leaders of that violent rebellion were veterans of the *afghansi* movement, and were patronized from London as part of their geopolitical move to destroy Russia.

Another shocking revelation was that the Russia government itself had flagged to U.S. authorities, in recent years, the potentially dangerous nature of Tamerlan, the elder Tsarnaev brother. Russia has an in-depth profile on the Chechen terrorist movement, and was eager to share it with the U.S.

The third explosive revelation was that the U.S. authorities, specifically the FBI, while having interviewed Tamerlan Tsarnaev, ostensibly failed to maintain sufficient watch over him to prevent him, allegedly, from carrying out this bomb attack. The nature of the FBI's relationship with the elder brother raises a number of very disturbing questions, some of which have already been raised by Members of Congress, and others of which are raised by the history of the FBI's own documented role in *sponsoring* domestic terror incidents over the last decades.

*EIR* is currently continuing our own intensive investigations of these events.

## **Intensified Drive for War**

Simultaneous with the outbreak of terrorism in the United States, the British and French governments are campaigning for a military intervention against the Assad government in Syria. There are several aspects to

this escalation.

First, there is the charge made last week that the Syrian government used chemical weapons in its war for survival. *EIR* is skeptical of this claim, given the commitments and situation of the Assad government, and the desire on the part of the accusers to manufacture conditions under which to force the Obama Administration to intervene. Obama had pledged to Israeli Prime Minister Benjamin Netanyahu that Syrian use of weapons of mass destruction, which include chemical weapons, against the rebels would constitute a “red line” for Western military intervention.

Second, the British and French governments have announced their intent to modify the EU embargo rules, so as to provide more cash and arms to the jihadi opposition to Assad, and signaled, through British Foreign Secretary Hague, that both Britain and France support lifting or amending the arms embargo against the rebels. The EU embargo on weapons supplies expires on May 31.

While the United States is not covered by this embargo, Secretary of State John Kerry, during the April 20 meeting of the “Friends of Syria” in Istanbul, announced an additional \$123 million in aid to the rebels—including armored personnel carriers and body armor—which only a numbskull could consider to be “non-lethal.” In general, the U.S. depends upon its “allies” Qatar and Saudi Arabia to provide the funding and armaments to the terrorists who are leading the military campaign against Syria and its current government.

Sources close to the White House report that President Obama himself is adamant that Syrian regime-change must be effected by the end of 2013. To that end, between now and May 12, Obama is scheduled to meet with top officials from Saudi Arabia, Qatar, the UAE, and Turkey. Those meetings began April 16, when the President met with Saudi Arabia's Foreign Minister at the White House.

As could be expected, the Russian government immediately pointed out that the ban on arming insurgencies against legitimate governments is in violation of international law, regardless of what individual nations or the EU have to say. But, as in the case of Libya, the Blair doctrine, to which the Obama Administration subscribes, calls for ignoring international law in the interest of regime-change, come what may.

These provocations against Syria are headed directly toward a political blow-up with Russia, in line

with the British-Obama policy of confrontation, centered on the ABM-encirclement policy against both Russia and China. They can only lead toward World War III.

### Dealing with Resistance

While Obama has followed British Empire policy faithfully, both economically and strategically, the American people have not been so ready to go along.

On the one side, there is a growing uproar against the Administration's police-state measures, which makes any increase in such measures in response to the Boston incident extremely difficult. After all, the Obama Administration has virtually zero credibility on security issues, as in the case of the Benghazi murders of Sept. 11, 2012. More than 100 Congressmen have now signed on to a piece of legislation calling for the creation of a Select Committee to investigate the Benghazi event, because of the distrust in the Administration.

And while those lawmakers are all Republicans, there is also an open revolt on the Democratic side against Obama's use of predator drones and unauthorized killings, as was reflected in the passage of a resolution to that effect, by the California State Democratic

Convention during its April meeting.

On the military side, top-level resistance to the war drive has not been stifled. For example, in testimony on Capitol Hill last week, Joint Chief of Staff Chairman Gen. Martin Dempsey, joined by Defense Secretary Chuck Hagel, reiterated that the Pentagon is unanimous in opposing military action in Syria.

"I do not see that the introduction of military force would produce the outcome that we seek. And that outcome—I—I am deeply concerned," Dempsey said at one point. "It is a sectarian conflict that—I don't think it should be left unaddressed. Let me be clear about that. But the introduction of military power right now could certainly have the possibility of making the situation worse."

But to be effective, resistance to the Empire's war-and-terror drive has got to hit at the heart of the problem: the power of the British financial empire over Obama, and the world. Obama is already overdue for impeachment, given his unconstitutional war on Libya, and collusion with the Saudi/British terrorists who killed Ambassador Stevens in Libya. And the Glass-Steagall legislation now before the House can pull down the financial empire, starting with Wall Street.

## EIR Special Report

# Obama's War on America: 9/11 Two

### New Updated Edition

A new, updated edition of the EIR Special Report, "Obama's War on America: 9/11 Two" is now available from [larouche.com](http://larouche.com). The expanded report is an urgent intervention into the ongoing strategic crisis brought on by the British/Saudi/Obama alliance behind the overthrow of Qaddafi, and the subsequent explosion of jihadist uprisings throughout Africa and the Arab world.

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- Obama's 9/11
- The London-Saudi Role in International Terrorism
- 9/11 Take One

#### The Updates:

- LaRouchePAC's Fact Sheet on Obama's alliance with al-Qaeda
- LaRouchePAC's draft questions for Congress
- A transcript of the pre-election press conference held by Lyndon LaRouche and Jeffrey Steinberg on the impeachable crimes of Barack Obama.

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## Schiller Institute Convenes ‘Forum for A New Paradigm’

April 23—In last week’s issue, we began our coverage of the Schiller Institute’s conference in Frankfurt, Germany, April 13-14. This was the fourth in a series of international events since November 2012 on the theme, “[Forum for a New Paradigm](#)” The gathering of 300 people in Frankfurt from every continent (except Antarctica!) adopted a resolution endorsing “the immediate voting up of a Glass-Steagall Act in the United States,” calling this “a matter of life or death.”

Particularly noteworthy was the representation from Russia (four speakers) and Ukraine (one speaker).

Last week we published the keynote speeches by Institute founder Helga Zepp-LaRouche and her husband Lyndon LaRouche. Zepp-LaRouche used the history of U.S. President Franklin Roosevelt’s measures to pull the United States out of the Great Depression, notably Glass-Steagall, to show the approach that Europe and the U.S. must take today—rather than the EU’s hideous “Cyprus Template” which is now being imposed by the financier oligarchy. Lyndon LaRouche’s presentation, “The Strategic View from the United States,” was a *tour d’horizon* of the world strategic situation, the imminence of economic collapse and thermonuclear war, unless nations defeat the British imperial system and master the American System of political-economy—the Hamiltonian system, as exemplified by Glass-Steagall.

This week we continue with other speeches from the first panel, “The Hope for the Future—The SDE as the Platform for the Common Aims of Civilization”; the third panel, “The Future of Eurasian Cooperation”; and the fourth panel, “There Is Life After the Euro.” More to come in forthcoming issues!

# The Chinese Dimension of the USA-China-Russia Triangle Today

by Alexander Nagorny

*Alexander Nagorny, of Russia, is deputy editor of Zavtra weekly newspaper and a member of the Izborsk Club. He is a historian who has specialized in relations among China, the United States, and Russia for several decades. He delivered this speech during the opening panel of the Schiller Institute conference near Frankfurt, on April 13.*

First of all, I would like to express my great gratitude to the Schiller Institute, and to Lyndon LaRouche personally, for organizing such an interesting, large, and timely conference.

We represent a new intellectual club formed in Russia approximately six months ago, the Izborsk Club, which brings together various experts and specialists, with various ideological outlooks, who are thinking about the future—about what Lyndon LaRouche has just discussed here in such a profound and interesting way.

The topic of my short presentation may be situated as a continuation of the propositions set forth by Mr. LaRouche. Its title is “The Chinese Dimension of the USA-China-Russia Triangle Today.” I think that this topic should perhaps be somewhat expanded: The triangle should incorporate also the European Union, or Europe as such, insofar as these are the players in international relations which essentially determine the current political situation in the world, and the prospects for the future that the world and mankind are facing—as Lyndon LaRouche has just discussed.



EIRNS/Daniel-Enrico Grasenack-Tente

*Alexander Nagorny: “The proposals Lyndon LaRouche was talking about could break this ice, if each of the participants were to adopt an absolutely and fundamentally new approach to the most important aspects of their statecraft.”*

## The Korean Crisis

In order not to give you merely dry, theoretical considerations, I would like to begin my presentation by describing the dramatic situation taking shape in the world today, which is being trumpeted in mass media like CNN, ABC, Euronews, and so forth. Almost everybody is focussed on the Korean situation. Just now, before leaving the hotel this morning, I was watching the latest news from CNN, which reported on the special statement made by U.S. Secretary of State Kerry in Seoul, South Korea. He said that the United States, like the entire world, is extremely concerned about the nuclear threat from North Korea, and that the USA is

extending its hand for dialogue with North Korea, and cancelling a number of maneuvers. Then Kerry got to the core of his speech, saying that he was now going to fly to Beijing, and that it was the Chinese leadership, the Chinese comrades, who should play the decisive role in settling the current crisis, which includes the threat of a military conflict with the use of nuclear weapons.

I think that this episode expresses the entire situation taking shape within this big triangle, or quadrilateral, that I’m talking about. What we see here, is that the United States, as the hegemonic world power and the player in international relations which has virtually an absolute concentration of military-strategic power in its hands, and which effectively runs the policy of such international economic policy organizations as the

World Bank, the IMF, the WTO, etc., was forced to turn to the People's Republic of China—one could say, to fly to Beijing and kow-tow to the Chinese emperors—and request that they do something, somehow, to settle the situation between North and South Korea, in order to prevent Pyongyang from using nuclear weapons and placing the world on the brink of a nuclear cataclysm.

Herein, in my view, lies the secret of Chinese diplomacy. If we follow the logic, then certainly North Korea's high degree of dependence on China, for both energy supplies (80-85%) and food, not to mention the technology side, has created a situation in which the United States, although it has both military-political and ideological power far in excess of China's, is forced to appeal to the Chinese Emperor and plead with him to do something to help prevent a military clash.

Now, if we review the entire situation as it comes together, we see that this Korean crisis has eclipsed the situation in Iran and the situation in Syria, with everything being concentrated on this Korean segment. China thus has demonstrated that the United States has lost face, politically. And this is something very important in the Asia-Pacific region, where China traditionally, and continuing now today because of its very high development rates, lays claim to the dominant position.

### **Dangerous Return to Geopolitics**

This episode is a particular case, but it's one which easily allows making broader generalizations about the world situation. What have we seen, during the past several years? The world is returning to geopolitics. There is a resurrection of the lines typical of the traditional geopolitical constructs known to world politics in the 19th and 20th centuries, which had been on the back burner after the dismemberment of the Soviet Union, when the socialist bloc lost its place in international relations. It was in 1991 that the USA gained the ability to take a completely new approach to world issues. LaRouche talked about this. The USA would have been able to take the lead in addressing the global problems, which had been so much discussed in the 1980s. Instead, the USA focussed on strengthening its egotistical positions.



Russian Presidential Press and Information Service

*Presidents Vladimir Putin and Xi Jinping at the Kremlin, March 22, 2013. What was most important was what they discussed behind closed doors, in the face of American and European pressure, Nagorny said.*

As a result, we witnessed an entirely new alignment, especially as we entered the 2000s. This involved, above all, the astronomical growth of the economic, political, and military power of the People's Republic of China.

Here I should say a few words about Russia. Although in 1991-93 Russia came under the practically total political influence of the United States, under Putin this situation began to change. Now, Russia has begun to play an increasingly independent role within these geopolitical constructs.

It is quite clear that this rebirth of geopolitics is based on egotism on the part of the players in international relations. Under these conditions, each participant in these complex geometrical constructs—the triangle or the quadrilateral—is seeking his own benefit and attempting to achieve it, directly or sometimes indirectly (as in the case of Syria, where the USA and Europe are essentially smashing the secular state in order to shape a completely new situation regarding energy supplies to Europe).

This narrow egotism characterizes just about every player. This is an obstacle to any attempts at finding a common approach to solving the global problems Lyndon LaRouche was talking about. After all, it's difficult to believe that such diverse players in international affairs as China, Europe, and the USA could be brought together around a single program. Yet the need for such

a single program is absolutely clear and is hanging over the head of mankind.

Because of this, we can say with absolute certainty that the rise of this geopolitical thinking impedes the possibility of finding a common program. If we look at the countries involved, we can see that, in order to find a common position, the United States will need to give up its orientation toward maintaining de facto hegemony in both the military-political and the economic domains. All the countries in question will need to reconsider those positions and principles which are based on national egotism, in their relations with their neighbors. And what LaRouche mentioned is extremely important: to reject the now dominant theories of monetarism and liberalism in international economic relations.

Is it possible to bring about the rejection of these things? It seems to me that this will be difficult to achieve.

### Effects of the ‘Asia Pivot’

Look again at the situation in the Asia-Pacific region. The United States has announced the Asia pivot, that they are shifting the center of gravity to the Asia-Pacific region. What does this mean for Beijing and the Chinese comrades? It means that they are beginning to sense that the United States, slowly but surely, is creating a system of restraints and counterweights, which in effect is a system for the military-political and military-strategic isolation of China.

China views this situation from the standpoint of the fact that the United States may, at any moment, cause a cut-off of hydrocarbon fuel and energy supplies to China, thus strangling the Chinese economy and creating socially unacceptable conditions for the existence of the Chinese people. From this standpoint, Beijing naturally has to look for a way out of this situation—some kind of guarantees. They need to look for a way to break out of the harsh system being constructed at the present time. This is the motivation for China’s seeking involvement in major economic projects in Central Asia, in countries like Kazakstan, Turkmenistan, and Uzbekistan, and the bid by the People’s Republic of China to achieve an abrupt spurt in relations with the Russian Federation.

It was no accident that the new Chinese leader Xi



State Department

*Secretary of State John Kerry with Korean President Park Geun-hye in Seoul, April 12. Kerry said the Chinese should figure out how to settle the Korean conflict.*

Jinping made the Russian Federation the destination for his first foreign trip. A number of fairly important agreements were concluded. Even more important is what was discussed behind closed doors, and what Xi and Putin would have agreed upon. Naturally those talks would have revolved around how successfully to defend their interests, as much as possible, in the face of American and European pressures.

Thus, what we see coming together, perhaps gradually, is new blocs. Without question, the creation of this new geopolitical system is driven by the inflection points in the economic and financial crisis, and much will depend on what happens with the culmination of the second wave of that economic and financial crisis. Very unpredictable scenarios and alliances are entirely possible. But it is absolutely clear that if each of the players fails to overcome its national egotism, then the natural process by which international relations, and these new blocs, become chaotic, may quite easily not only place the world on the brink, but actually plunge us into military-political clashes, perhaps starting at the regional level, and moving to a mega-regional level.

### Move Toward Strategic Cooperation

In this setting, I believe that our conference has a very important role to play, and that, to a significant degree, it can demonstrate to the leaders of the major geostrategic centers, that it is necessary to move in a

completely different direction: not toward construction of this new bloc scheme, but rather toward strategic cooperation projects, for which each country could contribute the financial, human, and cultural-ideological resources it possesses.

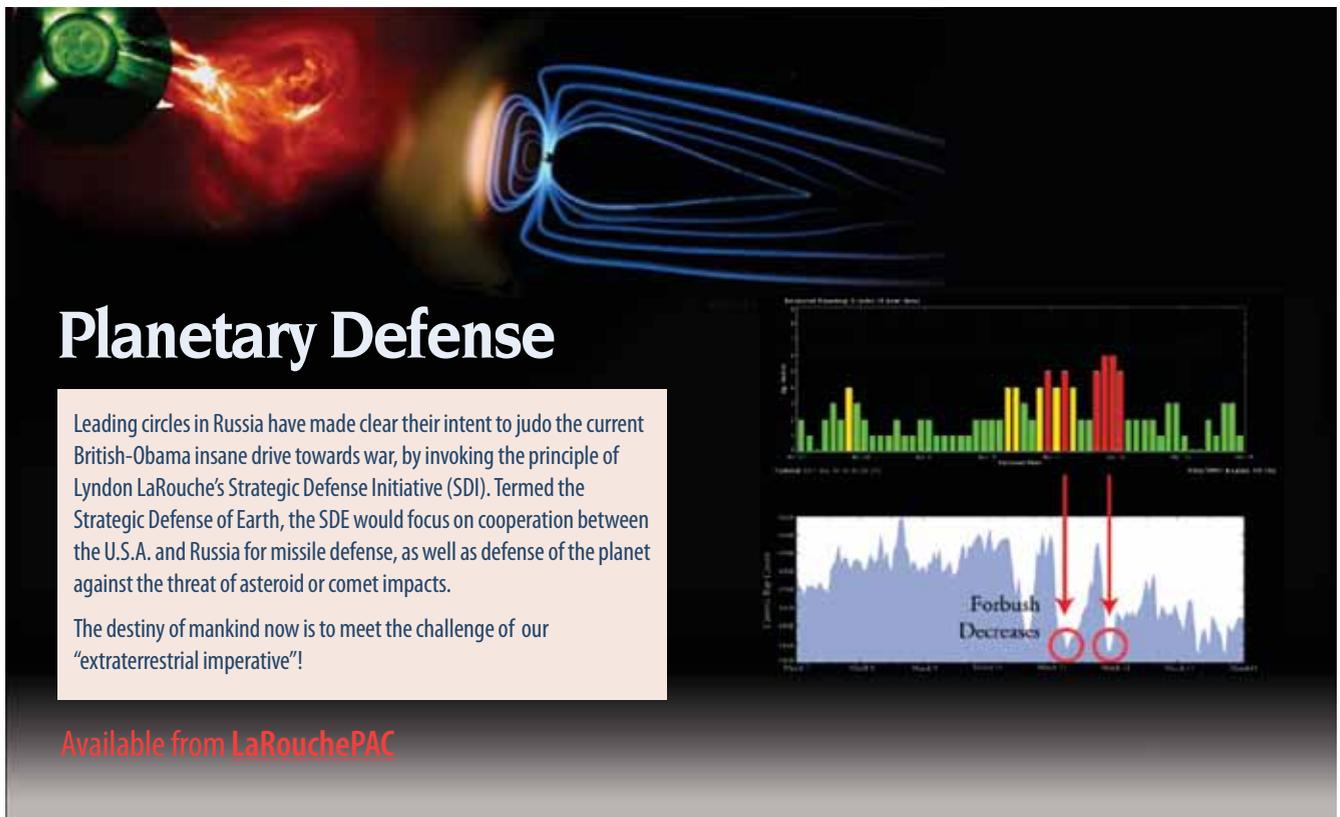
It seems to me that this kind of an approach, this kind of new political thinking—I don't like to use that term because of its association with Gorbachov, and we know how Gorbachov's experiment ended up in Soviet Russia, but, nonetheless, the need persists precisely for this—is something which Putin does have a certain sense of, and he is attempting to find points of tangency with Europe, with the United States, and, above all, with the People's Republic of China.

I view Putin's, and Russia's, relations with the European Union with a fair degree of skepticism, especially after the situation that developed in Cyprus, when Germany in effect stabbed Putin in the back. I think that he will not forget this, in shaping his approach to Chancellor Merkel, although outwardly he will maintain his diplomatic smile. But life has demonstrated that Russia's approach to relations with Germany will not be what it might have been, had a more civilized approach been taken.

As for relations between the United States and Russia, it is also difficult to discern great positive prospects. The proposal Washington is now making for radical nuclear strategic and tactical force reductions are essentially unacceptable for the Russian Federation, insofar as they affect the very foundations of our security. After the Soviet military machine was shrunk and effectively broken, our nuclear missile forces are left as the clearest guarantor of the inviolability of Russia's borders. Therefore, while the situation with Washington will of course go forward in the form of diplomatic contacts and smiles, at the same time both sides will be preparing for the worst-case scenario.

In that context, the proposals Lyndon LaRouche was talking about could break this ice, if each of the participants were to adopt an absolutely and fundamentally new approach to the most important aspects of their statecraft. In this sense, I repeat that this means giving up American hegemonism, and, for regional powers, giving up their national egotism. And it means a new approach to how the world economy is organized.

*Translated from Russian by Rachel Douglas*



# 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"!

Available from [LaRouchePAC](#)

The graphic includes two charts. The top chart is a bar graph showing 'Normalized Powering (10^10 W) of Solar Wind' from 1960 to 2010, with bars colored in green and yellow. The bottom chart is a line graph showing '10^10 W' from 1960 to 2010, with a blue line and two red circles highlighting 'Forbush Decreases' around 1982 and 1989.

# The Asteroid-Comet Danger and Planetary Defense: a View from Russia

*Kirill Benediktov is a writer and a member of the editorial board of the website Terra America. He submitted the paper published here to the April 13-14 Schiller Institute conference, held near Frankfurt, Germany. The version he delivered April 13 was shortened for time reasons; the full translation presented here is supplemented at the beginning by the author's spoken remarks to the opening session of the conference.*

First of all, I would like to thank the Schiller Institute, and Lyndon LaRouche and Helga Zepp-LaRouche personally, for inviting me to speak at this prestigious conference. My prepared remarks begin with a historical overview, but some events that occurred just yesterday have changed my plan. I shall begin, therefore, by telling you what happened yesterday.

Yesterday was April 12, which is marked in Russia, and worldwide, as Astronautics Day, because it was on this day [in 1961] the Russian cosmonaut Yuri Gagarin made man's first flight into space. Yesterday, it became known that Russian Deputy Prime Minister Dmitri Rogozin had sent a letter to President Putin, proposing to make the keynote topic of the upcoming G20 summit, the prevention of threats from space.

Secondly, President Putin announced that financing for the Russian space program will be increased to 1.6 trillion rubles by 2020. This is quite a hefty figure, essentially comparable with NASA's budget.

After this short introduction, let me proceed to a characterization of the topic toward which Rogozin has proposed to shift the G20 agenda. This is the problem of the comet and asteroid threat. For quite a long time, mankind has been very sensitive to the existence of a threat from comets. Asteroids, of course, were not yet in the picture. People were thinking about comets,



EIRNS/Christopher Lewis

*Kirill Benediktov: "We need to develop an effective strategy for systemic prevention/deflection of threats to the very existence of civilization on Earth. Otherwise, humanity will continue to play 'Russian roulette' with the cosmos, and in this game, as we all know, you cannot win all the time."*

which have quite a frightening appearance because of the tail.

## The 'Horrible Star': Halley's Comet and the First Outbreak of Panic, 1910

The first periodic comet known to mankind is the famous Halley's Comet. Observations of it are depicted in Babylonian astronomical diaries and in Chinese chronicles from the Era of the Warring States [203-221 B.C.]. The fiery "broom star" already then was considered a herald of impending trouble—the Roman Sibylline Books say that the comet will be a "sign of the sword, famine, death, and the fall of leaders and great people." The appearance of the comet in the Fifth Century A.D. coincided with the invasion of Attila the Hun, and in the 11th Century, with the Norman conquest of

FIGURE 1  
**The Bayeux Tapestry**



England. The latter event is depicted in the famous Bayeux Tapestry (Figure 1). Russian chronicles of the 13th Century talk about “the horrible star,” with its rays extending to the east, the direction from which the Mongol hordes soon invaded Russia.

But it was only in 1910 that the approach of Halley’s Comet first caused a wave of panic, enveloping the entire civilized world. Ironically, this was the direct result of scientific achievements: for the first time, spectral analysis of the comet’s tail was done, revealing the presence of poisonous cyanogen gas, as well as carbon monoxide. It was known that on May 18 the Earth would pass through the comet’s tail, and this sparked a kind of “comet hysteria,” with people waiting for the end of the world. There was panic demand for “anti-comet pills” and “anti-comet umbrellas” (Figure 2). The famous Arthur Conan Doyle, inspired by this lunacy, wrote one of his best science fiction stories, *The Poison Belt*, in which the Earth passes through a “belt of poisonous ether,” and humanity for a few days becomes immersed in a deep sleep.

It is now obvious that the fears of 1910 were unfounded. The con-

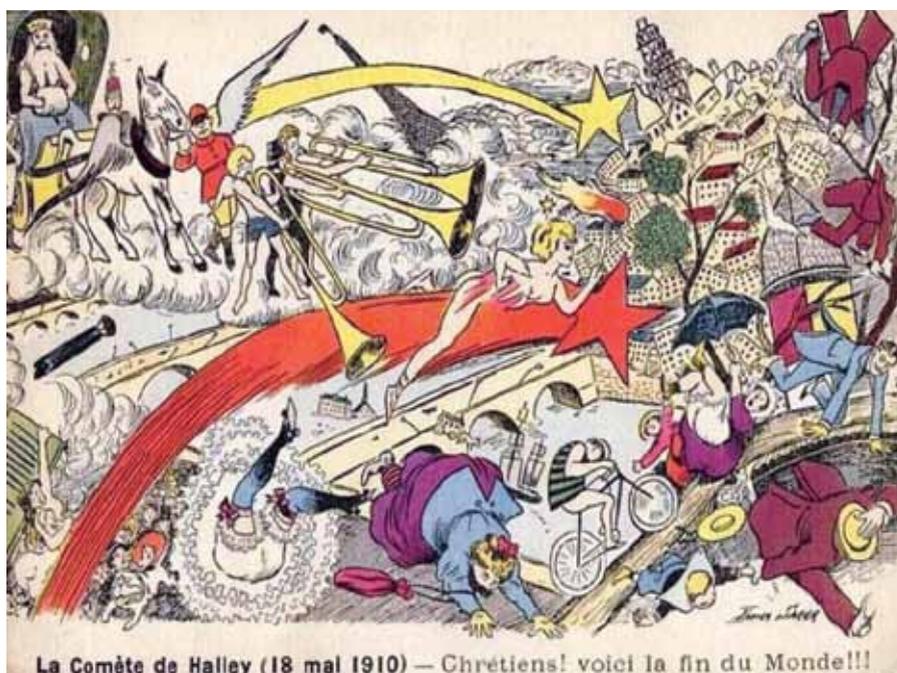
centration of harmful substances in the tails of comets is so low that they do not have any effect at all on the Earth’s atmosphere. Yet at that very time a real, terrible danger was close at hand. Neither scientists nor science fiction writers of that era saw it, although it loudly made its presence known.

### From Tunguska to Chelyabinsk: 1908-2013

Two years before the panic caused by the passage of Halley’s Comet, in 1908, something exploded in the very heart of Siberia, near the Podkamennaya Tunguska region. Astronomers cautiously described it as a space object of cometary origin. The force of the explosion was 40-50 megatons, and its effects were seen even in Western Europe, where for several nights there was a ghostly phosphorescence in the sky. The brilliant Russian scientist Vladimir Ivanovich Vernadsky, whose 150th anniversary we celebrate this year, very precisely defined the “Tunguska wonder” as “a clump of cosmic dust” (Figure 3).

But even this “clump of dust,” when it collided with Earth, flattened a forest area of more than 2,000 sq km, and it was only by good luck that there were no casualties. If the object that exploded over Tunguska had come four hours later, as a result of the rotation of the

FIGURE 2



The caption reads: “Halley’s Comet, May 18, 1910: ‘Christians! It’s the end of the world!’”

FIGURE 3

### The Tunguska Event, 1908



Earth around its axis it would have completely destroyed the city of Vyborg and reduced the beautiful palaces of St. Petersburg to ruins.

That was an ominous warning. But since the disaster befell one of the most uninhabited regions of the planet, rather than densely populated areas of Europe or the Americas, mankind simply ignored it.

Meanwhile, the “shelling” of the Earth from space continued. Especially noteworthy are the “Brazilian Tunguska” of Aug. 3, 1930, when the fall of a celestial body in the rainforest on the border of Brazil, Peru, and

Colombia ignited fires that raged for days, and the jungles were depopulated for hundreds of square kilometers; and the Sikhote-Alin meteorite in 1947, whose fragments weighing a total of up to 80 metric tons fell in a meteor shower in the Soviet Far East.

But while these events occurred in sparsely populated areas, an asteroid that nearly exploded over the United States in 1972 could have led to a large-scale catastrophe. With a diameter of 80 meters, it entered the Earth’s atmosphere over the state of Utah, at a speed of about 15 km/s. If it had reached the surface of the Earth, the explosion would have been comparable in scale to the explosion at Tunguska, but instead of the 2,000 sq km destroyed by the Tunguska wonder, this time it would have been right at the center of a high-technology and densely populated country. Fortunately, the trajectory of the asteroid was very shallow, and, after flying above the Earth for 1,500 km, it exited the Earth’s atmosphere over Canada and was lost again in the vastness of space.

The most dramatic was the recent Chelyabinsk incident, when an explosion of a meteoroid over Chelyabinsk injured at least 1,613 people, mostly with minor traumas and cuts (**Figure 4**). The meteoroid itself was relatively small—about 17 meters in diameter and weighing about 10,000 metric tons (**Figure 5**).

It is worth noting that during the week of Feb. 11-18, 2013, the number of celestial bodies falling to the Earth increased dramatically (in fact, anomalously). Bolides were seen in the skies of Russia, Kazakhstan, Japan, Australia, Cuba, South Africa,

FIGURE 4

### The Chelyabinsk Asteroid, Feb. 15, 2013



FIGURE 5



Artist's rendition of the scale of the Chelyabinsk asteroid.

Morocco, Germany, Switzerland, Italy, the Netherlands, Belgium, Britain, and Latvia. There were also peculiar silvery clouds, similar to those observed after the Tunguska meteorite impact. Perhaps Earth's orbit was passing through an unknown meteor swarm at that time.

A crucial fact here is that the astronomers who were observing near-Earth space did not know about any meteor swarm. It was suggested that it could have been related to asteroid 2012 DA14, which passed by Earth on the evening of Feb. 15 at a distance of 28,000 km, but the trajectories of that asteroid and the Ural bolide were completely different. Thus, in February of this year the capabilities of modern Earth science to provide early detection of threats of cosmic origin were tested—and the results, unfortunately, proved totally unsatisfactory.

Surprisingly, the threat from outer space that had become apparent long before the fall of the Chebarkul meteoroid<sup>1</sup> was not taken seriously for a long time. In fact, only the directors of disaster movies were interested, and it was not seen as something really important by either politicians or the majority of scientists. It is possible—although it is unlikely that anyone will ever prove it—that there were quite earthly, political reasons for that situation. For example, it would seem logical that development of the Strategic Defense Initiative, as it was put forward by the United States during the Presidency of Ronald Reagan, would have to have inevitably led to the creation of at least an early warning system against threats from space intersecting Earth orbit.

But of course this did not occur. After the Cold War ended and the United States lost its main strategic adversary—an adversary which had spurred the development of the U.S. military and aerospace industry—people preferred to forget about the SDI. The price of this oblivion was the complete unpreparedness of the most technologically advanced countries on Earth to solve problems related to asteroid and comet threats.

Nonetheless, individual scientific teams have been doing research on the threat from asteroids and comets. There are about ten projects of different countries and organizations that have found 1,311 potentially hazardous asteroids (PHA). That calculation is based on observations from both ground- and space-based observatories, such as NASA's WISE (Wide-field Infrared Survey Explorer).

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1. Lake Chebarkul in Chelyabinsk Region has been identified as the epicenter of the meteorite's impact—ed.

Although Russia has a vital interest in technologies to prevent and protect against the asteroid and comet threats simply because of its vast territory, the western countries hold first place here. However, in Russia too, there have been and still are groups and organizations working on both technologies for early warning and possible strategies for planetary defense. Among these organizations are the Expert Working Group on Space Threats of the Russian Academy of Sciences' Council on Space, which is part of the RAS Institute of Astronomy and is directly subordinate to Director of the Institute Boris Shustov; and a number of companies in the aerospace industry, primarily the S.A. Lavochkin Research and Production Association. The Aegis, AKO [Asteroid-Comet Danger], and Apophis special groups are under contract with the RAS Council on Space and with [the Russian space agency] Roscosmos. The following information is based mainly on materials from these organizations.

### **Possible Ways To Counter the Threat**

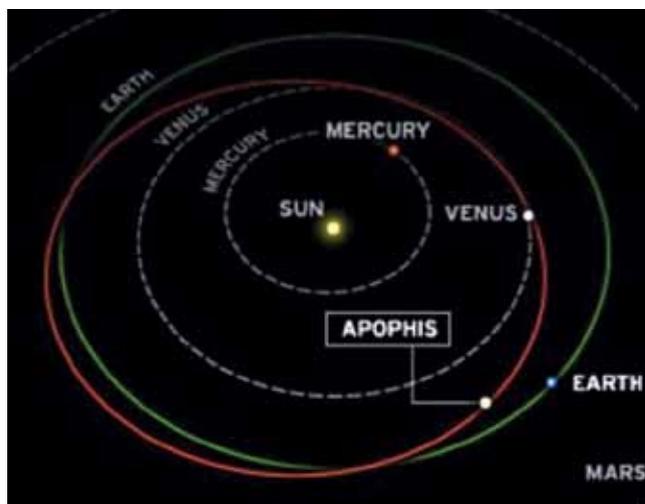
In the entire history of observations, scientists have only once predicted a collision with a space body. This was asteroid 2008TC3, which observers discovered on Oct. 6, 2008, and within just 20 hours, in the early morning of Oct. 7, it exploded at an altitude of 37 km exactly where and when had been forecast: in the desert over northern Sudan, not far from the border with Egypt. The discovery was made using the 1.5 meter Catalina Sky Survey telescope. However, all experts agree that it would have been impossible in such a short time to destroy an asteroid or change its trajectory, even if it had been falling directly on New York City.

And then on March 2, 2009, a boulder with a diameter of 50 m flew by the Earth at a distance of 66,000 km—asteroid 2009 DD45. Had a collision with Earth occurred, it would have been a catastrophe several times worse than the Chelyabinsk incident. This asteroid was observed on Feb. 28—that is, three days before its passage—and by an amateur astronomer, not at a national observatory.

Obviously, the problem of preventing comet and asteroid threats has two components: a) improving the means of surveillance to allow (at least in theory) the detection of the most dangerous space objects in advance, and b) creating means of planetary defense.

The first task is completely solvable for large space bodies, such as the asteroid Apophis, whose dangerously close encounters with Earth are expected in 2029

FIGURE 6



*The asteroid Apophis is expected to come closest to the Earth in 2029 and 2036. A collision is not anticipated, but there is a lot we don't know.*

and 2036 (**Figure 6**). Even in the case of Apophis, however, it is not absolutely certain that its orbit will not change as a result of factors not yet considered, and that it will not lead to a catastrophe on a planetary scale.

And it would be overly optimistic to assume that only Apophis constitutes a threat to our planet. The total number of undetected objects with a diameter of more than one kilometer is estimated by Russian scientists as “fewer than 40,” or less than 20% of the total number of potentially dangerous space bodies that are still unknown to mankind, but that “reside” in the Solar System. According to RAS Institute of Astronomy Director Boris Shustov, however, the total number of potentially Earth-threatening objects is between 200,000 and 300,000, and only 2% of those have currently been identified by astronomers (**Figure 7**).

In order to detect even these “lost” objects, we need to significantly increase the effectiveness of currently available early warning systems. First of all, we need to create a single planetary network for detection and prediction of asteroid and comet hazards. The network should include both already existing centers—the Minor Planet Center (funded by NASA under the auspices of the International Astronomical Union), the Jet Propulsion Laboratory (United States), the laboratory of the University of Pisa (funded by the European Space Agency)—and also new ones, with the widest possible geographical coverage. It is absolutely necessary to establish the elements of such a network in the Southern

FIGURE 7



Hemisphere. As for Russia, the work ongoing within individual institutes and research institutions should be systematically organized; a single coordination point has to be set up for data collection and processing. This center should be formed initially as a node of the global (supranational) network.

Of course satellite telescopes, such as those launched by NASA and the ESA, can be extremely advantageous. But, just as in creating a system of planetary defense, it should be clearly understood that such devices will only be effective if they become components of a global planetary strategy, not just individual projects. On March 12 of this year, speaking before the Federation Council of the Russian Federation, Boris Shustov identified the main problem facing Russian astronomy: the lack of funding. It will require at least 58 billion rubles (about \$2 billion) to create a comprehensive program for protection against the asteroid and comet threat, he said. As we shall see, these figures are quite comparable to the cost of one ambitious NASA mission. For Russian science, however, this sum is extremely large. But the event in Chelyabinsk could play a positive role here.

Most regrettably, up to now, all the projects in the field of space security could be classified as part of a “passive” strategy of making observations and calculations about these dangerous objects. The only example I know of the influence of man on a space object, is the bombardment of the nucleus of comet Tempel-1 during NASA’s Deep Impact experiment, in the Summer of 2005. Russian experts do not rule out that in this experiment, while studying the comet and ways to inter-

cept it, results were obtained that could be used to develop new types of weapons. The experience of intercepting the comet's nucleus at a speed of about 10 km/s could be used to create BMD systems. It is possible that there was also testing of models of hypervelocity strikes, needed to assess the effectiveness of new kinetic weapons known as "Arrows of God" [in English also "Rods from God"].

However, even if this is so, there still does not exist a single approved mission including development of a "counterstrike" against an asteroid. The Apophis mission, which is being developed at the Lavochkin bureau, does not yet have clear deadlines (other than the obvious approximate time of the asteroid's approach to Earth). Ten days ago the head of Roscosmos, Vladimir Popovkin, did say that NASA has proposed to Russia a joint project to capture and transport to lunar orbit a small asteroid (500 metric tons). The idea is to capture this object somewhere in outer space, and use tractor technology to pull it into lunar orbit, where it can be studied with the help of robots or even during manned expeditions.

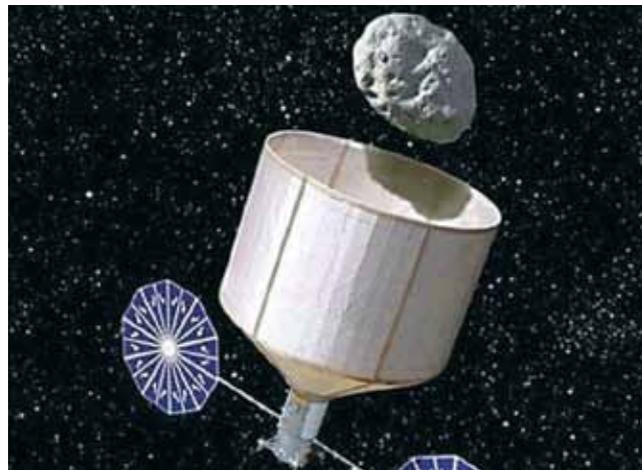
However, as far as can be understood from an article in *Aviation Week*, this is not an approved project, but only an initiative for which NASA plans to request an additional \$100 million appropriation. The project, developed by the Keck Institute for Space Studies, provides for the capture of the asteroid with a special "bag"; it would then be towed into an elliptical lunar orbit or to a Lagrange point in the Earth-Moon system. If the project is indeed approved, the cost could reach at least \$2.65 billion. Technologically, such a capture might look like what is shown in (Figure 8).

The possibility of countermeasures against potentially dangerous space objects, strictly speaking, comes down to two basic strategies: deflection and destruction. Deflection, of course, is preferable, since, first of all, the effects can be calculated more accurately, and secondly, because no irreversible actions are taken.

The means of deflection could be either soft (tractors, sails) or hard (targeted explosions, mine-laying, kinetic effects). The means of destruction involve powerful military technologies, including nuclear ones. This creates significant challenges for a planetary defense system, since using nuclear weapons in space could increase international tensions and create additional challenges to the security of the planet.

Therefore, we will have to proceed with a supranational project under the auspices of the UN. This is ex-

FIGURE 8



*Artist's rendition of capturing an asteroid.*

actly what Russian Deputy Prime Minister Dmitri Rogozin, who was then still Russia's representative to NATO, has said repeatedly,<sup>2</sup> in motivating the Russian initiative for an international project of global anti-missile and anti-asteroid planetary defense.

### Rogozin's Offer

Rogozin proposed the establishment of a civilian-military system for defense of the Earth from threats from outer space, of both military and natural origin, the latter in case of a dangerous approach to Earth by comets, asteroids, and other space objects.

Rogozin stressed that the idea of such a major project under the auspices of the UN, among other things, gives Russia an opportunity to seize the strategic initiative from the USA in deploying a global BMD system, including its segment in Europe. It will also make it possible to "package" a decision on establishing a truly unified and joint European missile defense system, into a major civilian project for space exploration, in which Russia has its own unique scientific, practical, and industrial role to play. Essentially, Russia and the United States could take on a noble mission to save the planet.

The draft initiative stated: "This humanitarian project for saving civilization pushes its military component to the background and places in a different light the role of the UN, which would have to become its 'political sponsor.' Planetary defense of the Earth could become an important stimulus for international research and military-industrial cooperation among the

2. See *EIR*, May 11, 2012.



Reconnaissance spacecraft are a small class of apparatuses, such as the American Clementine, created on the basis of SDI technology. The light weight of the reconnaissance spacecraft will allow them to accelerate to high speed and thus reach a dangerous celestial body faster than a heavy interceptor. During the flight to the object, they ascertain its characteristics and transfer the data to ground control, to refine the interception plan and its effect on the dangerous space body. After that, the necessary commands are communicated to the interceptor spacecraft, which maneuvers closer to the object and impacts it for the purpose of deflecting it from its Earth-bound trajectory or destroying it. Experience acquired during efforts to create missile defense may be useful for this. Kinetic impact or a nuclear explosion will be used against the dangerous object.

It is proposed that the basis of the planetary defense system will be the Citadel-1 operational reaction echelon, intended for protection against objects of less than 100 m in diameter—the type that most often collide with Earth. Due to their small size, their detection will be possible in the range of several days to several months before collision. This places severe restrictions on the timing to ready the interceptors, primarily the launch vehicles.

### **A Launch Vehicle Available**

Currently these requirements are met by the Russian-Ukrainian launch vehicle (LV) Dnepr (a conversion of the RS-20 intercontinental ballistic missile, code-named SS-18 by NATO) and the Zenit LV. The time required for preparing to launch—from a few minutes with the Dnepr to 1.5 hours with the Zenit—makes them the only ones in the world that could be used in the operational reaction echelon.

The Russian-made launch vehicles have quite large capacities: if an interceptor is launched using the Zenit LV, the mass of a nuclear device delivered to the asteroid can be about 1,500 kg. The power of such a nuclear device would be no less than 1.5 megatons, which could destroy a stony asteroid [S-type asteroid] with a diameter of several hundred meters. If several blocks were docked in Earth orbit, the power of the nuclear device, and therefore the size of object to be destroyed, could be substantially increased.

Initially it was assumed that the basic spacecraft for creating reconnaissance satellites and interceptors could be vehicles such as the Mars-96 and Phobos-Grunt, developed at the Lavochkin bureau. However,

quite a number of failures have plagued vehicles made by Lavochkin, significantly reducing the probability that the Citadel system will be built by the Russian space industry alone. Probably the best option would be combined missions, whereby Russia would provide the launch vehicles, and the spacecraft would be built by NASA and the ESA.

Interception of large asteroids and comets at great distances from the Earth will require implementation of a long-term response echelon, comparable to the function of the operational reaction echelon. There will, however, be important differences. In particular, these means of interception will generally not destroy dangerous space objects, but rather deflect them from a collision course with the Earth. Therefore, depending on the characteristics of the dangerous celestial body, its orbit, and the time available, not only nuclear devices but also others could be used to deflect it—kinetic (“Rods from God”), reactive, “space billiards,” etc. For this we will need to have large payloads of various types for assembly in Earth orbit of heavy interceptor satellites with multi-stage propulsion units.

Thus, to deflect cosmic threats will require resources from the whole world, and especially from countries possessing space and nuclear technologies (Russia, the United States, Western Europe, China, Japan, India).

There will obviously have to be a continuous cycle of project design and other work. This could be done on the “green wave” relay principle, whereby the results of work initiated in Europe, for example, would be continued in the Americas (after transmission over computer networks), followed by Asia, etc.

Of course, for such work to be quickly organized, mankind must prepare beforehand a kind of Mobilization Plan for the Defense of Earth, in case a threatening situation arises.

A base in resources, science, and technology will not ensure success in the fight against threats from space, unless we develop and implement a planet-wide strategy of indirect actions to avert threats. This shifts the problem of defense against asteroid and comet threats from the purely scientific domain to the political. We need to develop an effective strategy for systemic prevention/deflection of threats to the very existence of civilization on Earth. Otherwise, humanity will continue to play Russian roulette with the Cosmos, and in this game, as we all know, you cannot win every time.

*Translated from Russian by Susan Welsh*

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Jason Ross

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# The Physical Profit Of Planetary Defense

Hello. My name is Jason Ross. I work with Mr. LaRouche's Basement Research Team in Virginia. My other hat is that I'm the editor-in-chief of *21st Century Science & Technology* magazine, and our last published issue was on planetary defense.

I am very happy to follow the excellent presentation of Mr. Benediktov on planetary defense, on the Russian proposals for international cooperation. He covered many of the technical aspects and the threat of asteroids very well.

What I would like to focus my presentation on today, is Mr. LaRouche's economic outlook, which underlay his initial proposal for the Strategic Defense Initiative (SDI). Mr. LaRouche's view, of human creativity as the fundamental source of economic wealth, and of being able to consider a global measure of economic value, as opposed to an addition of local economic values, saw the buildup of the SDI not as a cost, not as a burden, but as a source of great economic profit. Think how different that is from the current U.S. anti-missile system, which has a cost, is expensive, but provides no great spin-off technologies, as the Strategic Defense Initiative would have.

So let me discuss the concept of *energy-flux density* that Mr. LaRouche referred to. He did not propose kinetic kill vehicles in the proposal made in the 1980s, but instead the use of "*new physical principles*," including breakthroughs in laser and particle beam technologies, as well as fusion. Now, while there were advancements anti-missile system, these were *not* the SDI.

We heard about some of the developments in the anti-missile system at our last Schiller Institute conference in the United States, but this did not represent the intention of the SDI, or the Strategic Defense of Earth, now. The purpose of the SDI was not only defense

against missiles, but for political cooperation with the Soviet Union—which the U.S. is not pursuing with its anti-missile system, in regards to Russia—and, for the spin-off technologies and the economic profit that it would bring. It would be similar to, but much greater than, President Kennedy's mission to go to the Moon. The Apollo program had a large cost, but it had zero *net*

cost, a negative net cost because of the benefits that came from the technologies.

In the case of the Strategic Defense Initiative, and the need today for technologies for Strategic Defense of Earth, including the necessity of fusion, the developments will not only be technological, but scientific as well. This has a very great potential.

## Energy-Flux Density

So, what is energy-flux density? There is a problem in applying scalar metrics, where we use one kind of ruler to understand many different processes.

For example, economists, who study the economy in terms of "money," are never actually studying the economy. Or, if you look at physics, there is a unit of "energy." There is something real about energy, but there is an understanding that is lost when we consider purely energy itself. Rather, with the concept of energy-flux density, we begin to look at the *quality* of sources of power, not only the quantity.

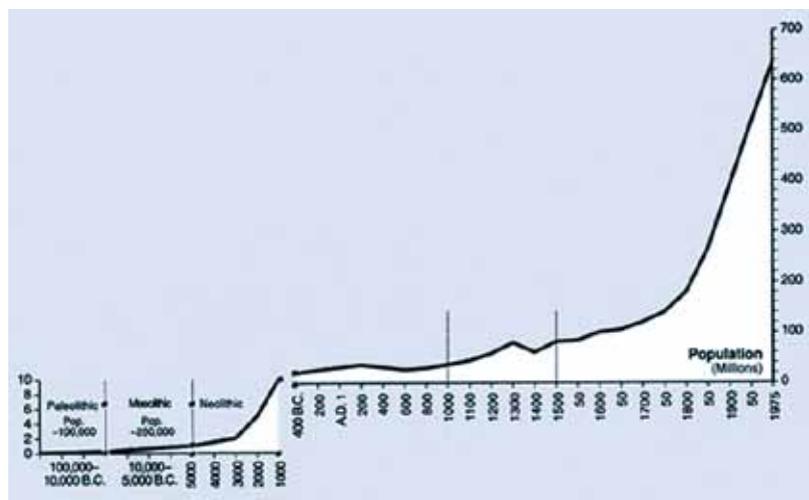
Now, by the *quality* of power, I don't mean a fancy Swiss watch—I mean the opposite of quantity. So, for example, if you have a scientist who studies rocks, he's used to dealing with mass, density, perhaps temperature, electrical conductivity; if he were looking at a dog, he isn't even considering many of the things a veterinarian would look at, such as heartbeat, metabolic rate, nutrition. A pure biologist could not understand human beings; without a concept of culture, a biologist might try to cure all social problems with medicines, instead of changing the culture in which people exist, or their thoughts.

So, from the standpoint of physics, from the standpoint of economics, energy-flux density is crucial for understanding the different sources of power.



EIRNS/Daniel-Enrico Grasenack-Tente

FIGURE 1  
Population Growth



EIRNS

For example, if we use muscle power, whether human muscle power, or the muscle power of an animal, it's very limited, and it consists in mechanical motions. With the use of burning coal to create a steam engine, yes, we still make mechanical motions, but they're much more powerful than what could be done by, say, a horse. With the use of electricity, you can measure electrical power, in terms of horsepower as a physical unit, but electricity does so many things you cannot do with an animal. I think we can all think of many examples: There's nothing you can do with a horse that can make the headphones we're wearing, work. It's a different kind of power.

With fission power, and then especially with fusion power—if we develop fusion, the benefit will be that electricity will be almost free; the other benefit is that new qualities of economic activity are possible. Take, for example, the ability to use a fusion torch for recycling purposes, to break down material into its elements, in a similar way that we break down petroleum products into the different kinds [of elements] now.

For the SDI, or the SDE, we need, as a source of power, fusion; we will not be able to move asteroids with windmills! We cannot use mirrors to take the solar power to move an asteroid. We're not going to do it by returning empty soda bottles for 15 cents. This outlook of humanity will not defend us against an asteroid. And currently, fusion power, at least in the U.S., is funded far below the funding for stupid solar panels—it's ridiculous. We could completely change our relationship to the physical world by the development of fusion power, which would change our relationship to materials, for example.

## Potential Relative Population Density

So, to apply this to human economy, Mr. LaRouche has used the concept of potential relative population density. So, the *potential* population density, in a certain area: How many people *could* live there? What is the potential? How has that changed over the years? If we look at this chart (Figure 1), of European population, over the past centuries and several millennia, we see a dramatic increase in the number of people that are able to live here. This is not because people are having more babies; it's not for reasons like that. It's that, as we transform as a species the way that life does as a whole in evolution, we really do become like a new species, when we have a

new platform of scientific development to stand on.

When life moved from the oceans to land, it dramatically began to increase its power on the Earth. We do the same thing when we develop new sources of power, for example, for agriculture, or the study of medicine.

This is something that's very natural for human beings. It would be *unnatural* for us not to continue this trend. That would be like a reptile saying that a mammal is "unnatural." Or, it would be like a rock saying a lizard is "unnatural." The rock says, "Hey! I'm just sitting around here, and you're moving, you're walking on top of me, you're sitting on me. You know, I don't enjoy this, it's unnatural." But lizards aren't rocks, and human beings are not animals.

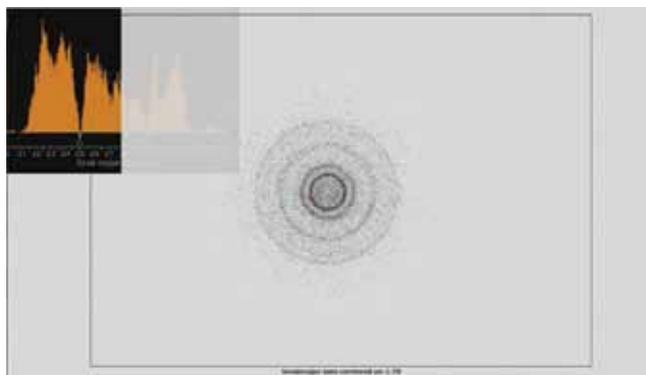
So, compare different cultures today: As was just discussed, China today has some ambitious programs. They have a three-phase lunar program that they began several years ago. Phase two will land devices on the Moon. Phase three is to bring *back* material from the Moon, something that, until now, only the United States and the Soviet Union have done. India is moving forward: They sent a probe to the Moon in 2008. They plan to send a satellite to Mars this year, which will make them the third nation to do so.

We just heard a great deal about Russian proposals for international cooperation on missile defense, which, yes, if we're using nuclear weapons, it absolutely *must* be international—and it must involve civilian and military aspects, something that NASA must understand.

And in the U.S., NASA has a mission to land a man on an asteroid by 2021. This is a joke. Nobody really

FIGURE 2

**Asteroid Orbits (see animation)**



LPAC

takes this seriously. There’s really no point in standing on an asteroid. You would probably need special boots to do it, because the gravity is so small on an asteroid, that if you sneeze, you will fly off of it! In fact, right now, with the sequester in the United States, NASA scientists can’t even go to meetings anymore! They can’t go to conferences! So, right now, NASA can’t send a man to the Moon, NASA can’t send a man to Mars; they can’t even send a man to Paris, Berlin, or Tokyo for a conference!

**The ‘Basement’ Science Project**

So, we must have a total shift in our activities and our priorities, and we also have to have a revolution in how we practice science. I want to say something very briefly on this: Mr. LaRouche’s “Basement” project has taken up a study of the internal history of science, going back to the first modern scientist, Kepler, up through Fermat, Leibniz, Gauss, Riemann, Planck, Einstein, and Vernadsky. I will show you briefly, one very amazing result that came from some of our studies.

This might be difficult to understand, but we can talk more later. What you’re about to see here (**Figure 2**), is, you’re seeing these rings appear. What the [animation](#) is showing, is, in each frame of the video, all of the dots that make it up are the centers of the orbits of various asteroids. And we’re choosing the asteroids based on their average distance from the Sun. Here, they’ll be drawn in, as we’re moving farther from the Sun.

Now, there’s not enough time to fully discuss this, but taking the approach of Kepler and Gauss, that there must be a reason for why the universe is so, and not otherwise, from the standpoint of Leibniz, who said: Yes, God is completely powerful, but He is also so wise, that he does nothing without a reason.

We decided to apply this approach—Kepler’s

method—to the asteroids, to start trying to look at the asteroids, as a system, to look for a structure in the Asteroid Belt. The swarm of asteroids that Mr. Benediktov discussed, where they seem to come in a greater number all at once: Why is this? If we have a hypothesis about the structure of the asteroids, maybe this will make it much easier to find them; maybe this will change our view of how to move them.<sup>1</sup>

So this is something that the LaRouche Research Team is discussing, and we’re starting to confront NASA scientists with this, who are trying to figure out—no one has seen this before. So this is a new observation. Kepler would be very happy.

**A Wonderful Gift to the Future**

Let me say, to conclude here, that the path to that is offered by the SDE concept of the common aims of mankind; this allows us to give a very wonderful gift to the future. In one generation, or more like two generations, as some of the first visitors and perhaps settlers to the Red Planet, to Mars, are taking their one-week trip to get there on a fusion rocket, they might wonder how foolish we were, in the beginning of the 21st Century, to confuse banks for the real economy, or why we were so fixated on using *less* energy, instead of developing better sources of new energy? Or why we separated our trash into 15 different colored bags, instead of recycling it with fusion?

Mrs. Zepp-LaRouche was telling me the other day about a report she had read, that German youth are among the least happy, but it is not because of physical poverty. I think a large part of it comes from the omnipresent Green outlook, where children are taught that they are disease on the planet—you know, “you are a cancer”; that the best possible role for your life, is to not exist! To have no impact on the world—you come, you go; it’s as if you were never there. That’s not exactly an optimistic outlook!

Compare that with a mission to go to Mars, to discover new sources of power, to master matter-antimatter. And I think what we can do, is really give a wonderful gift, because the greatest gift that a nation, or a culture, can give to its members and its future members, is the knowledge that those people lived lives that were not only good and useful, but in fact, *necessary* for the future.

We have to have a direction, that we’re moving to where people are *necessary*, and not *burdens* that we should euthanize when they reach 70 years of age. So, by

1. A written report on the Basement’s asteroid research is available on the [website](#).

adopting this SDE approach, the new technologies needed for planetary defense, and getting Glass-Steagall and a credit system *immediately* to make it possible, I think we are giving the future a very wonderful gift!

Thank you.

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Bruce Fein

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## The Foundations Of Civilization

*Bruce Fein is a former Assistant Attorney General in the Reagan Administration.*

Thank you for all appearing today.

I want first to alert you all, as to why there might be some suspicions about my credulity. First, you need to know, I have no TV set; I don't go on Facebook or Twitter; I, in fact, read hard books, not off of Kindle, things like *Plutarch's Lives* in the real, hard volume. I never watched, or were concerned with American Idol or who wins the Super Bowl. I concern myself with the moral barometer of myself in the world. So you just need to know those kinds of background understandings.

The second observation I'd like to make is, today isn't the first time where mankind has given concern to the dangers from outer space, and what it could harbor. There's a tale told about Pope Calixtus III [r. 1455-58]—it may have been apocryphal—but, the Christians were battling the Ottoman Turks in Serbia and elsewhere. The Pope excommunicated Halley's Comet: He thought it was a bad omen for the outcome [of the war]. It didn't seem to affect the clash, and indeed, Oliver Cromwell took that to heart at the Battle of Marston Moor [1644] in the English Civil War. He instructed his troops, "Pray to God, but keep the powder dry." Still, very Earthbound.

Now, I want to discuss what I consider is necessary to make civilization worth preserving; because we have

to ask, well, there have been many other species that have gone extinct as well, and we don't necessarily mourn over the dinosaurs, for the lack of Tyrannosaurus Rex. So, we want to make certain that our species is worth preserving, before we decide to deflect all the dangers from outer space.

### A 'Civilization Genome Project'

So I've decided to undertake what I call the "Civilization Genome Project." It's different than the Human Genome Project, because it focuses on what we need, collectively, as humans, in organizing government and developing a political and social culture that's worthy

of survival; that raises us above an animal-like existence, whose preoccupation is with money, power, sex, and creature comforts; domination for the sake of domination. That's the animal-like existence that we, as humans, need to repudiate.

And I've attempted to make a sketch of what I describe as the "Misery Index of the World," and to ascribe what proportion is human beings killing, oppressing, persecuting other human beings, and what proportion is from tsunamis, natural disasters; well over 95% is human beings murdering, oppressing, dominating other human beings for reasons of bigotry, control, and other very pernicious motives. And if we want to make the life of society of the world better, we

need to focus in the short run, on stopping human beings from creating misery for others. And this is not just tens of thousands; this is billions. If you think of the oppression, killing of people because of gender; they can't go to school; they're killed because of their racial, or religious, or national, or ethnic affiliations—very, very bigoted and morally contemptible motivations.

Now, when we think about the bedrock, the Genome Project for government, the first principle that we have to accept, which has been repudiated for most, if not all of mankind, is the understanding that the final end of the state, is to make men and women free to develop their faculties and be morally accountable for their trajectories and destinies. That is the final end of the state. It's not to



EIRNS/Christopher Lewis

*Bruce Fein called for a "Civilization Genome Project," which would establish, as the first principle for government, that "the final end of the state, is to make men and women free to develop their faculties and be morally accountable for their trajectories and destinies."*

have a level of health insurance, or GNP, or unemployment; it's not to dominate others and be number one or number two in the world, where nations line up like football teams, who get rankings every week.

But that is the final end of the state: It is promoting individual challenge, strength, and happiness through their own ways. That is success. Success is *not* being able to tell other countries what to do. Success is *not* attempting to cram what you think virtue is, down the throat of somebody else. Success is giving every individual a fair opportunity to succeed in their individual ambitions. Say, that's the number-one precept that needs to be inculcated amongst *every single* government of the world! And that would reduce the Human Misery Index, many-fold overnight.

### Checks and Balances

Now, the second fundamental genome principle of civilization, is in the organization of government, recognizing that, because men are not angels, we must separate or fragment power, so no one faction can tyrannize over another. It's what our Founding Father James Madison styled, "making ambition counteract ambition." We cannot depend upon angelic features of those who cling to power, especially among the political species, who are not a random sample of the population. People are attracted to politics because they love domination, they have egomania. They need attention.

And that's why we need checks and balances. We know what will happen: You give them limitless power, no matter what their background. For example, the current occupant of the White House: He claims the authority to kill anyone on the planet that he says, in secret, "Hey! You may be an imminent danger. You may be associated with al-Qaeda. I need no checks; I always get it right." That's what happens with limitless power.

So checks and balances are *indispensable* to creating civilization. Without them, tyranny ensues. And that's in part a recognition that if we have to choose between a danger of too strong a government, that has to be endowed with some authority, because the [lives of] creatures in a state of nature, are what Hobbes described as "poor, brutish, nasty, and short—we know human nature is depraved without leadership, and we need government to prevent predation, stealing, killing. But, between choosing between a too-weak government, and a too-strong government, we know we have to choose for a weaker government, because government is always capable of vastly more evil than any in-

dividual or group of individuals.

If we think of the mass murders, the suicides, the genocides, Mao, Stalin, *hundreds* of millions! Hundreds of millions! The genocide, the Holocaust, compared to individual murders, dwarfs the amount of evil that can be perpetrated. And that's why the fundamental principle of all government action is, the rule is liberty; the exception is the encroachment on liberty. And the government *always* needs to surmount a very high hurdle to justify encroaching on your liberty—spying on you, detaining you, suppressing your speech—a *very, very high standard*. Because a government too strong is a government that will destroy the whole reason that we have civilization and liberty.

### Due Process of Law

Now, perhaps the most important idea in the history of civilization, and the one that has to be inscribed in our government, is *due process*. Due process of law. It was the first recognition of man that, "I could be wrong"; there's more than my way to look at an event. Nietzsche once said, there are no facts, only interpretations. There's great wisdom in that. There are multiple ways to interpret an event! You don't have a monopoly on wisdom. Due process: Before you impose any kind of sanction, any kind of penalty, hear the other side out, an opportunity for a defense, a decision by an impartial individual who has no vested interest in a particular outcome.

Due process: That intellectual humility, "*I could be wrong*," has to be a centerpiece of *every* Constitution, *every* governmental dispensation. Because we see what happens without due process: That is the history of injustice, right? Anonymous, unchallenged accusations that send anybody to prison, anyone to the death chambers.

Those are the fundamental principles of government that are essential to preserving civilization.

The last one, and perhaps the most important, is the understanding that nations, as nations, have no independent interest that transcends that of enabling all of its citizens to live free. There's no national interest in controlling resources, in expanding its territory, controlling oil supplies. This idea of national security—well, we don't dominate the East China Sea, the West China Sea, the Asia pivot, we have to control the Middle East—what is that? A nation as a nation, it's an artificial construct! They're only human beings! Nations are made of human beings. You say, "the goal of the nation"—the final end is to make the individual in that

nation free, to develop their faculties, and have moral accountability for what they do with their lives. That is success. The process itself is success.

These challenges that we confront are not at all novel. We aren't the first generation that has conceived of these necessities, in order to diminish the Misery Index of the world. And it goes back to the Old Testament of Ecclesiastes: "What has been will be again; what has been done will be done again. There is nothing new under the Sun." Now, that doesn't mean there are not new technologies; he wasn't writing at the age of the Internet, and I'm sure there will be something that will supersede the Internet. There are technological changes. But the motivations of mankind, the challenges to live a life that's beyond animal existence, has been with us from the outset. It's like the French say, "The more things change, the more they stay the same."

### Adult Virtues

Now, I've articulated at least the Genome Project with regard to how we can see and construct governments. But government alone is not the success story that we need to pursue. We need a political and a social culture as well, a political and social culture that undergirds these precepts of governmental action if you will, or limits on government. And perhaps the most important social, cultural norm, has to be one where you and I, the society in general, honors and applauds what I call the "adult virtues": wisdom, restraint, humility, modesty, resisting domination for the sake of domination; not selling our soul for a mess of pottage. That's what the social culture needs to reward, not necessarily through money, but by giving deference and social status, applauding people who display those virtues, and ostracizing those who are like Donald Trump, or Bloomberg, or other people who flaunt wealth and utterly have philosophically empty lives! Empty! These people are moral wretches, and they need to be treated in that way!

And we need a culture, then, that rejects as juvenile, as something you grow out of at age five in the sandbox—the craving for sex, money, power, creature comforts, "Hey, pay attention to me"—all those ill-conceived habits that we see on every stage in the world, every day, in the world of politics. We have the most wretched people, who acquire, and assert, power, which has led, in the world, to this high-water mark of a Misery Index.

We need to go back, in our own private lives as well, and understand, as Socrates did, that the unexamined life is not worth living. Just existence for its own sake is

not good enough. We have to ask ourselves, "Why are we here? Why are we on this planet?" What can we do, to make life more gentle? More honorable, than exists simply by pursuing and seeking gratification for appetites? The higher life form.

And this is the challenge that civilization faces today, as it faced it yesterday, and it will face this challenge tomorrow. Because every individual is born with the same DNA, right? Doesn't matter where, whether you're in New Zealand or in Siberia, the United States, or Somalia. All the species start at the same point, the same DNA. And these same moral challenges are going to confront every generation! All we can do, the living generation, is, for those yet to be born, to preserve those standards of freedom and honor and morality, that will give them the same opportunity that we've enjoyed, to struggle against these evils that persist in mankind.

And that is what I suggest is our obligation in leaving the conference at the end of two days. We don't control the world. What we do control, is *us*! What we do control, is what motivates *our* lives. What we do control, is whether or not, within our space, within our ability to motivate others, we are able to live an honorable life that eliminates what we see as the oppression, the preoccupation with adolescent goals, that has led to the degradation of the species, whether we're on the edge of a thermonuclear war—we've been that way for a long time—most of you in the audience probably lived through the Cuban Missile Crisis, where we *did* think that maybe the Earth would perish, very soon.

But remember, *you* control your destiny, your moral life; you can have no excuse for blaming somebody else for that.

Now, we may not succeed. The history of mankind is not one that shows that people with the greatest and most noble ideas succeed. Many of them get burned at the stake; many of them perish without being rewarded at all for their courage and heroism. And we have to accept that that may be our possibility as well, because we know, in this audience, we are not the majority. The majority sits on Wall Street—they're defense contractors, they've got vast amounts of wealth. They exert vast amounts of political power. They have a monopoly on legalized violence.

But what they don't have, and what we have, is a philosophical soul, that marches forward, irrespective of these enticements that are intended to divert us from what we know is a higher life form.

Thank you.

# A Vision for Europe in Eurasia

by Jacques Cheminade

*Jacques Cheminade, founder of Solidarité & Progrès, is a longtime associate of Lyndon LaRouche, and a former French Presidential candidate. He gave the keynote address for Panel 3 of the Schiller Institute conference, on April 14.*

Dear friends, distinguished guests:

Let's consider what I'm going to say now, as an attempt to reflect upon the process of what happened yesterday [the first day of the conference—ed.], and is going to unfold today.

First, everything can change overnight. Ours are times when everything can change overnight. Either we commit ourselves to that change for the better, locate our identity in the future, and fight to become its cause, or we are finished as a human culture. There is no third way, because the present world system is a living dead. The consequence of its submission to the British imperial monetarist law is trumpeted, as Lyn said yesterday, at the highest level of the British system: a reduction of human population from the present 7 billion people to slightly more than 1 billion, or even less.

It means a policy of mass killings, either by an organized extinction or by a thermonuclear war. The conditions to produce the foodstuffs required by even our present population, not to speak of the more than 9 billion human beings allegedly expected for 2050—these conditions are not met. The conditions for energy production are not met. The conditions for scientific discov-



EIRNS/Christopher Lewis

*Jacques Cheminade: "Ours are times when everything can change overnight. Either we commit ourselves to that change for the better, locate our identity in the future, and fight to become its cause, or we are finished as a human culture."*

eries and technological improvements are not met.

The conclusion is tragically obvious. Nobody who is informed could say they did not know where the present policies lead. It is like at the Nuremberg Tribunal: "knew or should have known," and there is no excuse. However, the European heads of states are behaving like servants of the time bomb: They react with sophisms, compromises with the murderous conditions created in Greece, in Cyprus, in Portugal, Spain, Italy, and, soon to be, France and Germany. Their policies spread murder because their minds are occupied by a culture of death.

Look at the spread of tuberculosis and malaria in Greece; look at the Greek kids, as it was said yesterday, scrambling into garbage cans; and this past Winter, adults cutting trees in private gardens, in public parks, along the streets, to get wood to avoid freezing. Look at the masses of Spanish people thrown out of their homes, people dying because there is no medicine in Greece, Cyprus, Portugal, and Spain. And look, also, at the increase of the rates of suicides, not only there, but in Italy and in France. There are presently French workers setting fire to themselves, not only unemployed, but also those broken down by unbearable working conditions. It is not only in some remote country, it is coming to us, us as a whole, here and now. Even to Germany, which remains a safe haven only in the desperate illusions of the humble and offended from the South.

## The Future Is in Eurasian Cooperation

If we would take such conditions as a reference point, the future of Europe in Eurasian cooperation would be nothing but the transmission of a venereal disease. This is the immediate reason why a paradigm change is not only necessary but mandatory. The future of Europe is in Eurasian cooperation, provided we change our way of thinking and acting. To think about it as some economic decision within the present system would be not only dishonest, but idiotic.

The truth is, first, that there could be no European recovery, without the development of the Mediterranean and Africa, and there could not be that development without the development of Eurasia as a whole. And there could not be, in turn, the development of Eurasia without the development of a World Land-Bridge. It is not a question of interlinked logics, it's a question of political necessity.

Our enemy is operating on a world scale; we also have to operate on a world scale, from the top down. There could not be today a solution for a partial cause, without rising to the cause of all the causes. In other words, for a European future in Eurasian cooperation, we have to make the change at the top, which means at the level of the United States. At present, both the United States and Europe are occupied countries, on a trans-Atlantic scale, and the fight to free ourselves from the shackles of that occupation should be, and has to be, trans-Atlantic. There is absolutely no way that Europe or any European country can "*fara da se*," do it by itself. It cannot be.

This doesn't mean that the European countries should wait to be freed by an uprising in the United States. It means that we have to think of ourselves, human individuals, as a link between Eurasia and the United States, to help that uprising in the United States to happen as soon as possible. This is the starting point for the future of Europe in Eurasia, which necessarily lies in the United States.

The second truth is that we have to identify the true nature of the enemy: the British Empire. It is not "British" as a matter of nationality; it is British as a matter of empire, the empire of the "animal kingdom," as Lyndon LaRouche puts it. It treats human beings like beasts, and promotes for that cause, the worst drug in human beings, the drug of money and gambling. It imprisons them within the empire of money and the compulsion to gamble, to be fascinated in a morbid game, to come out on top at the expense of all others—the exact opposite

of the "advantage of the other," which was the basis for the creation of the nation-state at the Peace of Westphalia. This empire is organized both to destroy the individual sovereignty of human beings, and the sovereignty of nation-states.

We are now at its end phase. After the murders of the Kennedy brothers and of Martin Luther King, it spread, to unprecedented amounts in world history, both fictitious capital and fictitious pseudo-goods. By pseudo-goods, I mean goods produced for an early collapse, to compel people to buy again to replace them, thanks to credit made available by the banks, without any real technological development for the economy in the process.

Now we have reached a point at which the pyramids of debts and credit can only be maintained by hyperinflation—the bail-out—and the looting of people's assets—the bail-in, seizing the deposits in the banks.

This is no longer capitalism, because the respect for private property is thrown to the wolves. It's no longer capitalism, not even financial capitalism, because the system continues to buy people with cheap credit and cheap goods. It has become a financial fascism based on the looting of all, except those protected by an electrified financial and law-enforcement ring-fence. And that's what the British oligarchy is promoting now, right under our noses.

## The Crucial Role of the United States

It is on the basis of fighting against this enemy, which is nothing more than the modern version of the old Roman Empire, that the common future of Europe and Eurasia is located. The crucial role of the United States lies not only—as people sometimes mistakenly believe in Europe—in its physical power, but on the power of its Constitution—what LaRouche stressed yesterday—its Hamiltonian Constitution, explicitly based against the British Empire, the oligarchic system of predators.

It is based on the fact that the existence of the human species lies outside the bounds of life defined by the animal kingdom. Therefore, the American Constitution is based on the future conditions to be created for the common good of all, and not on an extrapolation or deduction of given present conditions. It is a "bet on the future," not a bet on futures' prices in some financial market. This requires the existence of a national banking entity which will secure public credit to build that future, reimbursed by the pay-back of the

development created by the related investments. This is, in simple terms, the principle of a Hamiltonian economic principle, as a law of the American Constitution, issuance of credit for the capacity of human beings to create in the physical universe, and not to bet on markets.

The starting point, again, is what LaRouche defines as the foremost distinction of human life from all other forms of life, the human species' power to effect willful increase in the quality of its energy-flux densities, which, in the case of the human species, is the systematically functional distinction of the qualitative leaps upwards, into willfully chosen higher orders of magnitude of energy-flux density.

This is the very important issue of "progress," which is not an indefinite extension of what already exists. It is not basically quantitative, but it is to create the conditions for those qualitative leaps toward the future. Not pseudo-goods at a relatively fixed stage of technology, and traded with funny money, but a set of new products based on the application of new scientific principles. And that is precisely what the oligarchy of the Empire wants to prevent at any cost, because it raises the question of the necessity of human freedom to create. Without human freedom, there is no creation. The oligarchy wants to manage a fixed universe, in space and time, and when the conditions of the fixity of its power, the conditions of its control, are not met, it destroys, more and more like the Roman Empire of yesterday, and the British Empire of today. Money, then, which under normal conditions is an idiot, becomes a criminal.

That's why, to be something useful for the future of Eurasia, our European countries and people have to understand the issue of change in the United States. This means the combined effect of the Glass-Steagall principle and a public-credit system—the explicit and implicit basis for the American Constitution that was applied in the United States under Franklin Delano Roosevelt, and also in Europe for the reconstruction after World War II. Since the death of Roosevelt and the murder of John Kennedy, this principle of the Constitution has been betrayed in the United States and replaced by the British monetarist system.

In Europe, worse, our heads of state have become the lackeys of that British system and the enemies of their own states. To recover the Constitution in the United States, where this reference of principle

does exist, is therefore, the issue for Europe and Eurasia.

### **First, Glass-Steagall**

It means, first, Glass-Steagall, originating in America, in the United States, and then spread to the whole world as a global Glass-Steagall. It is not a mere separation of commercial banks and investment banks. It is an anti-monetarist principle—it is a *principle*—to stop the hyperinflationary looting: The banks that have bet on the markets will be left on their own, without bail-outs or bail-ins, and therefore, become officially bankrupt. They are already the living dead; Glass-Steagall will be their death certificate, and for all of us, the liberation from their murderous pollution—that's the true pollution.

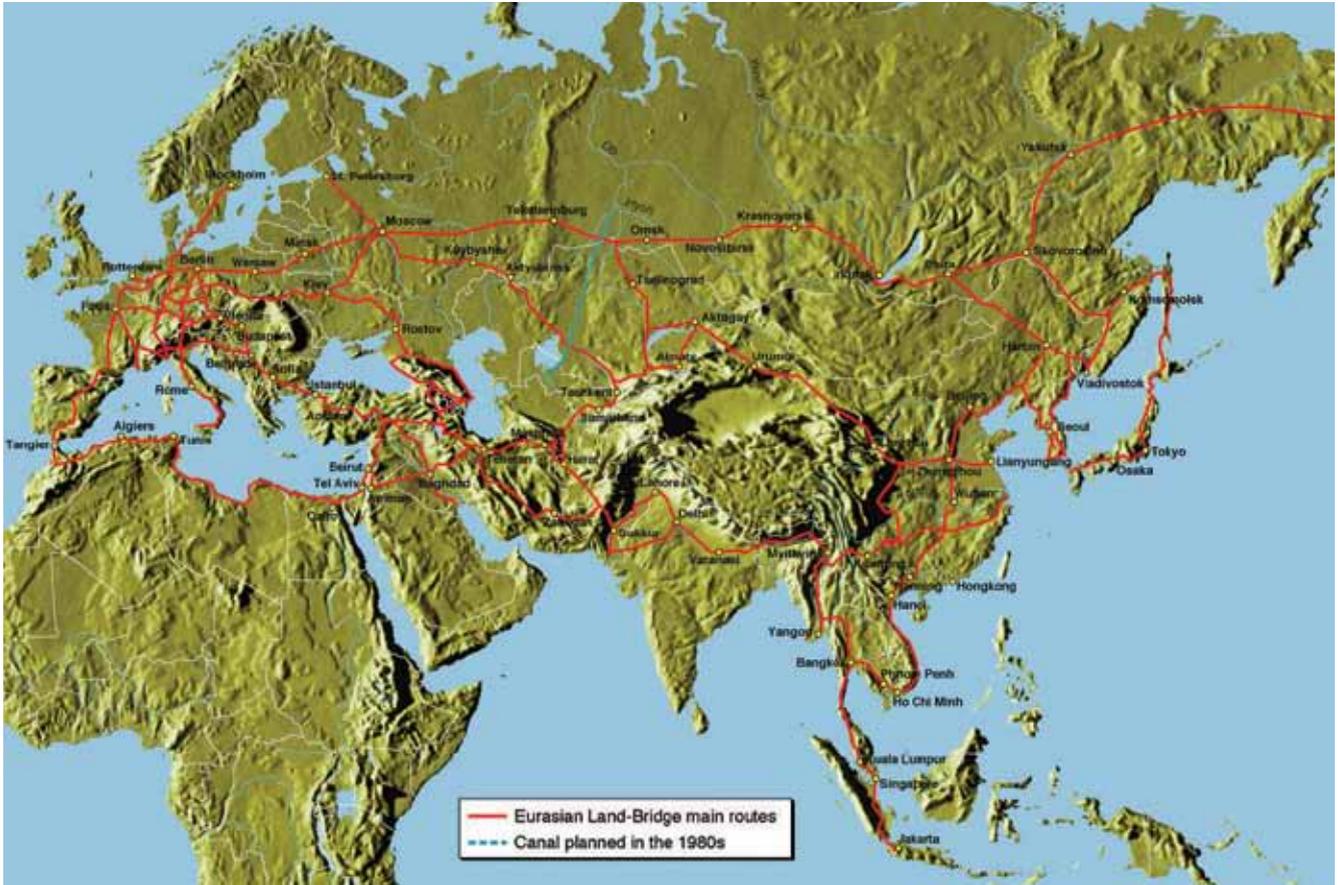
All the European heads of state may expect it, or some would expect it, but they have not the courage to face the British Empire, as exemplified by the fake banking reform in France. They are historically so much plunged into the system of the British Empire, that even those that are not outright accomplices are like rabbits caught by the lights of an oncoming truck: They are paralyzed by their fear. Therefore, our initial fight for the future of Europe in Eurasia is to push for the Glass-Steagall principle where we can win, in the United States, and then to adopt it in Europe as a rebirth of the post-World War II reconstruction, to be the basis of a common European/Eurasian recovery, from the Atlantic to the Sea of China.

This means to make known, and to spread the fight of the friends of Lyndon LaRouche, both in Europe and in Eurasia; that's our task, to make the organizing known here. And that's why they are here, why Diane Sare [see *National*] is here, among us today. Because we need them! We need them as an inspiring motion, an essential leverage, to give us the courage to free ourselves from what we have allowed ourselves to become.

### **Next, a Hamiltonian Credit System**

The positive complement to Glass-Steagall is a public credit system: Once the grounds are cleaned up, or the Augean Stables are cleaned up, we need an engine to build our future. This is, again, the notion of Hamiltonian public credit, based on a national banking principle—not allowing the oligarchy to seize the state privilege to issue currency. The reimbursement of the credit is provided by the accomplishments that that credit has generated.

FIGURE 1  
The Eurasian Land-Bridge



Schiller Institute

Our publications have shown what could be done with it, even at the present level of technologies: the Eurasian Land-Bridge (**Figure 1**), an economic miracle for the Mediterranean region and Africa, a world New Deal as stated in our [Kiedrich resolution](#) of Sept. 16, 2007.

My purpose here is not to enter into the different aspects of those projects, but to show what we are missing by not launching them. At this point, what we are truly missing is the future of humanity. Indeed, the euro system prevents that creation of a credit system. It was created to prevent the creation of that system, and instead, to promote austerity for the people; meaning now, the policy of mass murder, and safe havens for the ring-fenced principalities and powers. That’s the main reason why the euro system has to be dumped—not as a single monetary issue, but as a monstrous system created to destroy the physical economy, an intrinsically

evil system, not a honest failure, as Mr. [Bernd] Lucke may believe *wrongly and stupidly*.<sup>1</sup>

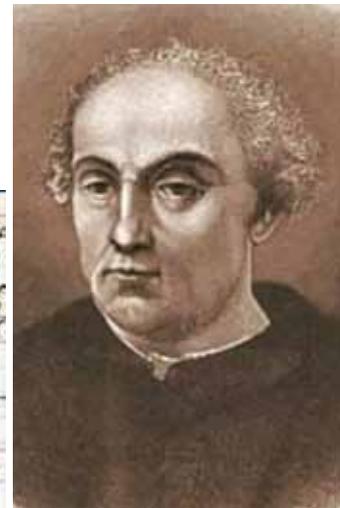
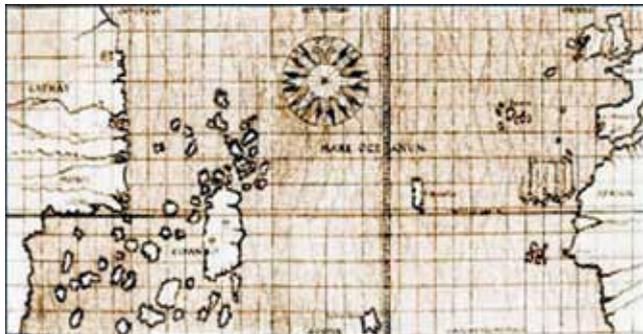
Our projects, in a word, mean instead, to open the gates of the global concentration camps that are now being established by the oligarchy of the British Empire and its allies. Look at Greece, Portugal, Spain; then look at our projects: It is the difference between life and death, not the difference between two available programs.

At this point in our present Europe, I meet a lot of people who say “Yes, yes, you are right, you are right, but it is not possible to go there.” “It is utopian. It is too beautiful to be true. It is too beautiful to be done.” This suicidal European pessimism is our worst enemy, and

1. Bernd Lucke heads a new, fake “anti-euro” party, Alternative for Germany. When Lucke was recently in Paris, he said that the euro is made for the strong countries, and the weak countries of the South should return to national currencies.



In the face of those who said “It can’t be done,” Cusa (left), after discussions with his friend Paolo Toscanelli (whose map, seen here, was used by Columbus), conceived the solution as an escape from the grip of the European oligarchy, in an outreach toward the Americas.



the best, induced weapon of the British oligarchy, at a moment of decision between self-destruction and a better future: the *perfectibilitas humanitatis* [perfectibility of humanity]. What is here now at stake, is the understanding and the capacity of the human mind to master and improve the future, and to rationally believe that an improvement is possible, and not only possible, but necessary.

### Cusa: The Coincidence of Opposites

At this point, to give a sense of what Europe can bring to Eurasia as a gift to our common destiny, I am convinced that it is more than legitimate to bring in the example of somebody who fought in a similar moment of change like ours, between the Middle Ages and modern times: the man of the Renaissance after the Great Plague of the 14th Century and during the Hundred Years War of the 14th and 15th centuries, Cardinal Nicolaus of Cusa. He is one of the greatest thinkers of human history, but do not imagine him settled in some monastery “*thinking*.” He was engaged in the public life of his times, and we don’t say it enough, many times at the risk of his life, and had to reform the religious organization in a region of Europe going from Switzerland to Hamburg, and from Louvain in Belgium to Magdeburg, a sizable portion of Eurasia. He was twice imprisoned in the fortress of Andratz and had to abandon *everything* he owned.

It is in 1438, when he was accompanying the theologians from Constantinople to the Council of Florence, that he conceived the concept at the center of all his theology and philosophy, the *coincidentia oppositorum*, the coincidence of opposites. This concept is crucial for world history, and in particular, for our decisive

moment here and now, as it was in Florence in 1439. Because it defines how, from above, from the top down, ideas or forces that seem and *are* in contradiction at a certain level, can coincide at a higher level, after a “leap” beyond any established conjunctions or disjunctions. These leaps correspond exactly to the qualitative leaps upwards that a public credit system has the mandate to promote, and, also, the basis for a dialogue of religions that Cusa later elaborated in his *De Pace Fidei*, as the common foretaste, the common *pregustatio*, of truth in its quest for unity, in Europe, Eurasia, today.

What is so revolutionary about it, is that the concept of *coincidentia oppositorum*, which locates truth in the motion to know, and to improve beyond the apparent circumstances, is in absolute opposition to the principle of non-contradiction of the then-prevalent Aristotelian cult! The principle of non-contradiction operates in a world of fixed formal logics, of controlled rituals, preventing the mind from reaching the level of intellectual imagination to discover new principles in the “splendor of truth.”

There you have it: The world of the oligarchy is the Aristotelian world of a finished, fixed nature, opposed to the discovery of new physical principles, and opposed to change. “It can’t be done. It is too beautiful to be true. It is not possible—it’s even impossible.” This is precisely the world of the European and trans-Atlantic oligarchy today, once again, and Cusa gives us the keys to get out of it.

In his time, after discussions with his friend Paolo Toscanelli, he conceived the solution as an escape from the grip of the European oligarchy in an outreach toward a new found land. This mission, conveyed to Columbus

first, and to the *Mayflower* later, gave birth to the American principle of the Massachusetts Bay Colony, the America of the Mathers, of Hamilton, Lincoln, and Roosevelt, based on the rising of humanity through the transformation of man and nature for the common good, the General Welfare principle, and the service of future generations.

This is, beyond the population and the territory, *America as a principle, a human creativity system*: This is what it is. It doesn't exist today in the present organization of the American Presidency, but it does exist as a principle there, and our task is to make it happen, and to organize its rebirth.

Our task today, is that this process of becoming, associated with the discovery and creation of the United States, continues with the development of Eurasia and beyond, with a space policy, beginning with a planetary defense. It is the condition for the human mind to maintain its integrity. "Daydreaming! Daydreaming!" we hear in Europe, some would say. And some would scream, from their position in the low, frozen valley of Aristotelianism, "It's impossible! It's impossible!" Their blindness mistakes daydreaming for an experiment in thinking, for a *Gedankenexperiment*. They have no sense of what it is.

Daydreaming? Well, the answer is that the same Cusa who elaborated these philosophical and theological conceptions, is the one who, in the fourth dialogue of his *Idiota, De Staticis Experimentis* [*The Layman on Experiments Done with Weight-Scales*], elaborated the principles of all modern mechanics and medicine, through his conception of knowing through weighing, the weight being the reflection of a higher reality: weighing of human weight, respiration, breath, and urine, according to age, to measure the overall physical condition through such reflections; and also, by the same token, conceiving in the same way, in the same trust, music, astronomical, and meteorological instruments, hygrometers, barometers, and also soundings.

The point, here, is that it was a philosopher who established a principle of a perfect balance capable of correcting the imperfection of the human senses; it is that philosopher, who laid out the basis of mechanical science, and not an Aristotelian obsessed by mechanical relations between objects!

## Energy and Power

I want now to put it in another way, related to yesterday's discussion on energy: It is to understand energy

and power, as two opposed species. The Aristotelian, oligarchical concept is that of energy. It is linear. It takes into account the units produced, and then it takes their quantity and establishes it as addition of the units, independent of their creative process. It is meat for academic asses, a mathematical dead-end.

The anti-Aristotelian, Cusan, or Leibnizian conception is that of power. It measures the progression of flux density according to the process of production, corresponding to the level of the productive powers of labor, per capita and per square kilometer. It is not meat, it is matter for creative minds. It means the future, reached through progress—"progress, progress," as LaRouche said yesterday. It means fusion power, and it means fusion as a way to Mars.

I must add that it is Helga Zepp-LaRouche, as an expert in the creative commitment of Cusa, who conceived the Eurasian Land-Bridge principle, and not an assembly of learned asses muzzled to the trough of their formal expertise, and satisfied with the fodder provided by the Academies. It was *Helga*.

Cusa himself makes a very interesting point in expressing his optimism about the human mind, in his *Hunt for Wisdom*, his second to last work: "Since I have now read in Diogenes Laertius's book, *On the Life of the Philosophers*, about the various hunts for wisdom of the philosophers, I was impelled to devote my mind to this so-pleasing speculation, that which nothing more delightful can occur to a man." And he concludes: "Therefore, I believe, I have unfolded the rough and not completely purified concept of my hunts, *De venatione sapientiae*, as far as it was possible to me, and now submit everything to him, who is better able to contemplate these lofty things."

"Him?" Who is he? We! That is we! There we are—*there we are*, challenged to hunt for wisdom, challenged to progress, to improve, and make the impossible possible, which is the most joyful thing that can be accomplished, because it is the most human. Glass-Steagall, a public credit policy, the Eurasian and World Land-Bridges, an Earth defense policy—this should be the European philosophy, unfolding in the process of an active, compassionate hunting. It should be our common European/Eurasian philosophy to get humanity out of the pit.

As I said before, now everything can change overnight. And it depends upon us, that it is for the good, and not for what the British have prepared before us, a terrestrial Hell.

Thank you.

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Daisuke Kotegawa

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## The Lost Two Decades Of the EU and USA?

*Mr. Kotegawa is the Research Director for the Canon Institute for Global Studies in Japan. He addressed the Schiller Institute conference in Frankfurt, Germany April 14, on the panel, "The Future of Eurasian Cooperation."*

As a director of the Ministry of Finance, I was in charge of liquidations of major financial institutions in Japan in 1997 and 1998, such as Yamaichi Securities, LTCB, and NCB. At that time, we succeeded in containing the gigantic scale of liquidations, and avoiding Japan becoming an epicenter of world economic crisis. During the weekend when we liquidated these institutions, we unwound all cross-border transactions, including huge amounts of derivatives. Such unwinding was not done by the authorities of the United States and the United Kingdom at the liquidation of Lehman Brothers, which triggered the world economic crisis.

Despite our success, however, we were heavily criticized by the national public and international opinion leaders, including [former Treasury Secretary] Larry Summers, those who are struggling now to deal with the crisis. As a result, we went through an investigation of public prosecutors, and I lost several friends who worked with me; some were arrested, and others committed suicide, as did board members of major financial institutions which were liquidated.

It is quite strange to see that those Japanese who worked to avoid the world economic crisis were punished, while nobody that was responsible [for the latest crisis], has been punished.

In the meantime, as a survivor of the crisis, it is easy for me [to see] what will happen next in the ongoing crisis: a *déjà vu* of ten years ago.

### The Lehman Shock

Why are people in Europe suffering from economic crisis? The answer is simple. The bubble created, since the early 2000s, exploded with the Lehman shock. What is an economic bubble then? An economic bubble occurs when people dream that prosperity will last for-



EIRNS/Julien Lemaître

*Daisuke Kotegawa told the conference: "It is of vital need now, that the Glass-Steagall Act be reinstated and investment banks be liquidated, as soon as possible, to save Europe."*

ever. In the case of Japan, people dreamed that prices of real estate and stocks would rise forever. What happened in the Western world? The crisis now was triggered by the completion of the abolition of the Glass-Steagall Act in 1999. This policy change enabled investment banks to mobilize deposits collected by commercial banks as the source of their dealings; which sometimes could be called gambling.

It also set the stage whereby the loss incurred from dealings of investment banks could be covered by the injection of public money to save the financial system. The amount of dealings by investment banks, including derivative transactions, skyrocketed. False, virtual, and imaginary profits or commissions resulting from these dealings brought investment bankers extraordinary incomes and bonuses. Investment banks on Wall Street, such as Goldman Sachs, Merrill Lynch, Morgan Stanley, and JP Morgan, and in the City of London, such as Barclays, Royal Bank of Scotland, and Lloyds, enjoyed an unprecedented level of profits. Some institutions outside the Anglo-Saxon countries, which were partly Americanized, such as Deutsche Bank and UBS, followed suit.

The other imaginary bonanza that was experienced in Europe during the same period should be called the EU membership bubble. Newcomers to the EU, and sometimes candidates for membership, enjoyed extraordinary capital inflows, which led to steep increases in wages and prices of real estate. The membership

standards were sometimes maneuvered artificially, using derivatives proposed by investment banks.

These bubbles collapsed in 2008 with the liquidation of Lehman Brothers.

### What Did They Learn?

In the U.S.A. and in Europe, they seem to have learned nothing from the crisis in the late 1990s—that is, how we should try to maintain confidence in the financial markets, and the difference between the regular kind of economic slowdown, and the crisis that was caused by the financial crash. Examples are abundant, starting with the crisis in Mexico in 1994, followed by the Asian crisis and the financial crisis in Japan, which happened while I was in charge.

As I have mentioned again and again, repeatedly, there are two steps countries must take to deal with an economic crash caused by a financial crash:

Firstly, countries must restore confidence in their financial system, and then, secondly, by way of fiscal stimulus, countries must revitalize the real economy. In order to restore confidence in the financial system, countries must create three kinds of safety nets:

1. Establish a mechanism to bail out financial institutions;
2. Establish a system by which you can log the non-performing loans; and,
3. Establish a system whereby you can guarantee interbank lending, by the government.

These safety nets were established in the trans-Atlantic region in October 2008, after the Lehman shock. But, then, the order of the actions taken to deal with these systems was completely wrong. Let me present you an ideal way that should have been done.

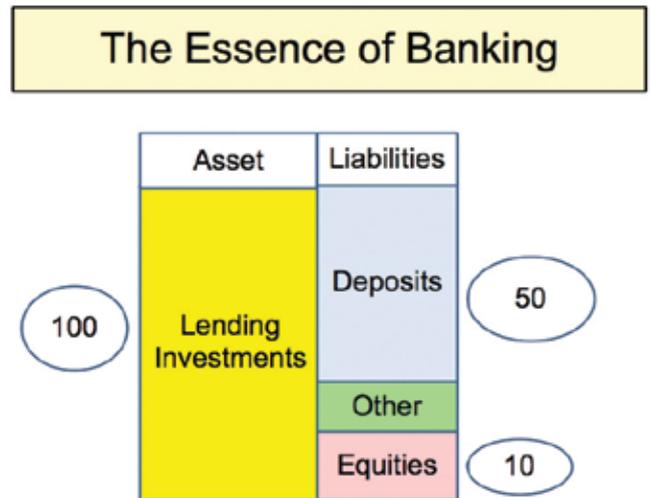
1. A rigid examination of balance sheets by public authorities, based upon mark-to-market accounting, would calculate an honest amount of non-performing loans.

2. Such a calculation must have disclosed an unprecedented amount of non-performing loans, because there were no quoted prices for securitized products after the Lehman shock.

3. Most of the major banks in the Western world, investment banks in particular, would become largely insolvent as a result.

4. The total amount of public injection required to bail out those banks must be calculated honestly, and be disclosed to the public. This process is essential to inform the market of the magnitude of the problem and,

FIGURE 1



once the bailout is done, restore confidence by showing that all amounts of non-performing loans were covered by the injection of public money, and that surviving banks are clean.

5. Most of the investment banks must be liquidated, because the amount of public money required is beyond the level which can be covered.

6. Managers and board members of failing institutions that needed public money have to be prosecuted for their responsibility for making the use of taxpayers' money indispensable to save the financial system.

In the case of the United States and the European countries, those kinds of very neutral, dependable financial examinations by the banking authorities have never been conducted. Instead, a fake examination, called a stress-test, was introduced to distract attention. Bankers have been window-dressing their balance sheets, which should have been condemned as insolvent long ago. Without that kind of transparency, it is impossible to persuade all the participants in the market that all the financial institutions' balance sheets have been cleared.

### Bad Advice

This is an anecdote: When we suffered from the financial crisis in Japan, we received much advice and preaching from prominent economists in the U.S.A., including Larry Summers. The advice can be summarized as follows:

1. Banks should be hard-landed, that is to say, should be liquidated.
2. Stick to mark-to-market accounting to calculate

the amount of non-performing loans.

3. Do not stop short sales.
4. Do not bail out banks.

As you can easily recall, after the Lehman shocks, these recommendations were never observed by those who gave them.

If most of investment banks had been liquidated after the Lehman shock, European government bonds would have not been under the attack of short sales and credit default swaps by investment banks. It was those investment banks that attacked European government bonds, seeking high profits in the short run, in a desperate struggle to get out of insolvency. Such attacks brought about the tightening of budgets, despite the fact that, after the financial crisis, the government is required to put in a fiscal stimulus, because households and private corporations have to squeeze their balance sheets in order to repay their over-borrowing.

As mentioned above, however, activating such a fiscal stimulus was made difficult by the attack of the investment banks on government bonds. European authorities have not prosecuted the banks which caused this crisis, and gained the most. Instead, they have recommended the completely wrong policy of fiscal aus-

terity, and put the burden on ordinary taxpayers. This is a ridiculous situation and, if such a stupid policy were to continue, Europe will have to suffer from two lost decades, I am afraid.

### Cyprus: A Stupid, Crazy Policy

Taking this opportunity, I would like to comment on a stupid, crazy policy taken by the EU authorities regarding Cyprus. It is of the utmost importance to guarantee a certain level of deposits for all depositors in the country. So, in most countries now, we have a certain ceiling under which all deposits would be protected during any kind of financial crisis. But what happened in Cyprus was completely opposite to this policy. They have been trying to introduce a system whereby depositors are also asked to lose part of their deposits. This will completely destroy confidence in the financial system, and thereby aggravate the financial crisis.

So, I can't understand why people in Brussels should use this kind of stupid policy, which in everybody's eyes, at a glance, is a completely wrong policy for maintaining the confidence in the financial system.

Let me elaborate why. As you know, a bank can operate as long as it maintains 10% of its total assets as equity. The essence of the banking business is this creation of confidence. Take an example whereby a bank has total assets of 100 million. It does not need to keep 100 million available for payment, because, as long as confidence in the system is sustained, depositors would not demand their deposits back in an instant. The difference between the 100 million and the requirement of 10 million can be used as the source of lending, in addition to the equity held by the bank.

The policy taken by the EU completely destroys such confidence. It violates the basic notion of how a bank can exist and operate. I hope that this kind of policy, which has been advised by Brussels, will be reversed as soon as possible, because this will have tremendous contagion effects for the other countries in question.

It is of vital need now, that the Glass-Steagall Act be reinstated and investment banks be liquidated as soon as possible to save Europe. This is a war against filthy bankers who gained a lot of money from gambling, and let taxpayers pay for their losses, while they avoided paying taxes, using tax havens, and against the financial authorities who are their allies. This is a war for diligent workers who work hard, save small amounts of money in deposits in commercial banks, and honestly pay their taxes.

That's my view. Thank you.

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—Lyndon LaRouche, Feb. 11, 2013

# Living with the Euro and the Extreme Monetarism of Casino Capitalism

by Theodore Katsanevas

*Dr. Katsanevas, Ph.D., L.S.E., is a professor at the University of Piraeus, in Greece, and a former member of the Greek Parliament.*

## The Abduction of Europa

*Zeus, the king of the ancient Greek gods enamored of the beautiful Europa and decided to seduce her. He transformed himself into a white bull and mixed in with her father's herds. While Europa and her helpers were gathering flowers, she saw the bull, caressed his flanks, and eventually got onto his back. Zeus took that opportunity and ran to the sea and swam with her on his back, to the island of Crete. He then revealed his true identity, and Europa became the first Queen of Crete. Yet, today Europa lives in grief, in pain, in a state of decadence of her ancient beauty and glory. And this cannot be tolerated.*

## The Modern Greek Tragedy

Greece adopted the euro currency in January 2001. This was supposed to protect and develop our economy. Yet, the opposite occurred. For many years before, living with our historical currency, the drachma, we had never experienced a catastrophe like that of today. We may indeed speak of a modern Greek tragedy. It is true that part of the blame is due to the viciousness of our political system. But the same political system, more or less, existed also in the past, during the drachma years.

Greece is now entering its fourth consecutive year of deep recession. Since 2008, the country's GNP has dropped about 28-30%, and this extreme downward trend continues with no light at the end of the tunnel. Hundreds, even thousands of enterprises have closed. The main streets of Athens and other towns look like



EIRNS/Christopher Lewis

*Prof. Theodore Katsanevas presented a shocking picture of conditions in Greece and other Eurozone nations, and called for an exit from the euro, as the first step toward recovery.*

cemeteries of shops. Official unemployment has risen to 28%, and about 50% for the young. In a country of about 11 million people, every day, more than 1,400 people lose their jobs, and about 3-5 commit suicide.

Poverty is widespread. The suffering is visible everywhere. Many desperate people fly away in search of jobs abroad. There is a massive exodus of Greeks, and at the same time, a massive influx of illegal immigrants, mainly Muslims, that alters the country's labor and ethnic base. Greece, after 3,000 years of existence, may not exist in the next 50 years.

It is ironic that all this should happen in the shadow of the Acropolis, the cornerstone of the greatest ancient civilization. The birthplace of Europe is tortured by the EU, which has moved away from its own ideals

of convergence and solidarity among nations. The country that invented democracy, philosophy, mathematics, the arts, the search for knowledge, the spirit, and beauty, pays the price of the most idiotic and irrational economic experiment in modern history, that of the Eurozone, an abnormal common currency, without the existence of any central political and economic umbrella.

### **Cyprus on Her Knees**

Let us take a look at what happened in Cyprus recently. As the latest report of the Schiller Institute ascertains, “The draft legislation at the European Parliament is proof that the Cyprus bank robbery was not a last-minute invention by the German government, but rather a well-planned operation concocted by the EU Commission.”

Jacques Cheminade states that “the Eurozone supports the banking oligarchy. The euro was created by monetarist central bankers, the likes of Robert Mundell. It was doomed to fail. Cyprus should leave. It is not going to be a bed of roses, but as Greece knows, to stay inside means to be tortured from outside. As for Europe, it has to be rebuilt as an association of sovereign nations with common development projects, a Europe of the peoples and the fatherlands.”

South Cyprus was one of the most affluent European nations before the country entered the Eurozone in January 2008. A few years after, the suffering island is down on its knees. The north of Cyprus is occupied by the Turks, contrary to all United Nations decisions, and was and still is, according to the economic indexes, far poorer than its southern brother. Being out of the Eurozone, now, north Cyprus stands well on its feet. How is it that a poor territorial identity may avoid the depression so easily, but a much more developed country cannot? Cyprus is alleged to be a laundry of black money. This is true to a certain extent, especially before its entrance to the Eurozone. But it stands as joke to direct such allegations to Cyprus only, when about half of the total international economic transactions are directed to offshore and/or tax paradises all over the world.

According to the OECD, among the 45 states that do not follow internationally accepted tax standards are: Ireland, Costa Rica, Liberia, Cyprus, Lichtenstein, Vanuatu, Luxembourg, Uruguay, Panama, Singapore, Finland, Hong Kong, Seychelles, Samos, Belize, Bahamas, Nauru, Gibraltar, Gerstein Island,

Bermuda, British Virgin Islands, Mauricio, Cayman Islands, Nevis Island, Niue, etc. The well-informed *Forbes* magazine reports as tax paradises, among others, the U.S. state of Delaware, Luxembourg, Switzerland, the City of London, Ireland, Belgium, Hong Kong, Bermuda, the Cayman Islands, Lichtenstein, Monaco, and Adores, the last three of which are known to have close links to Germany, France, and Spain, respectively.

The bosses of international casino capitalism could extinguish in one night those dirty tax heavens, the land of banking malpractices, the laundromat of dirty money. But they do not want to. Except in cases such as Cyprus, which has been a thorn in their side for various reasons—one of those is supposed to be its alleged connection to Russian black money. It appears that “those who have the power, order the music, and set the rules.” In the case of the Eurozone, the power lies with those who possess the key to the money box. They are those who print, manage, and manipulate the euro.

### **The Eurozone Doesn't Function; Casino Capitalism Is To Blame**

In one of our studies at the University of Piraeus, we looked at the main economic indexes—the GNP, the balance of payments, public deficits, inflation, and unemployment—in an attempt to explore the development course of countries within and outside the Eurozone. We found that the economies of the peripheral countries, Greece, Italy, Portugal, Spain, Ireland—the GIPSI—did quite well before joining the euro in 1999-2002, but dropped downwards a little later. The same is more or less true for other Eurozone countries, and especially for Slovenia, Slovakia, Estonia, and Belgium. Only Germany, France, Austria, Finland, and the Netherlands appear to be doing well in general terms.

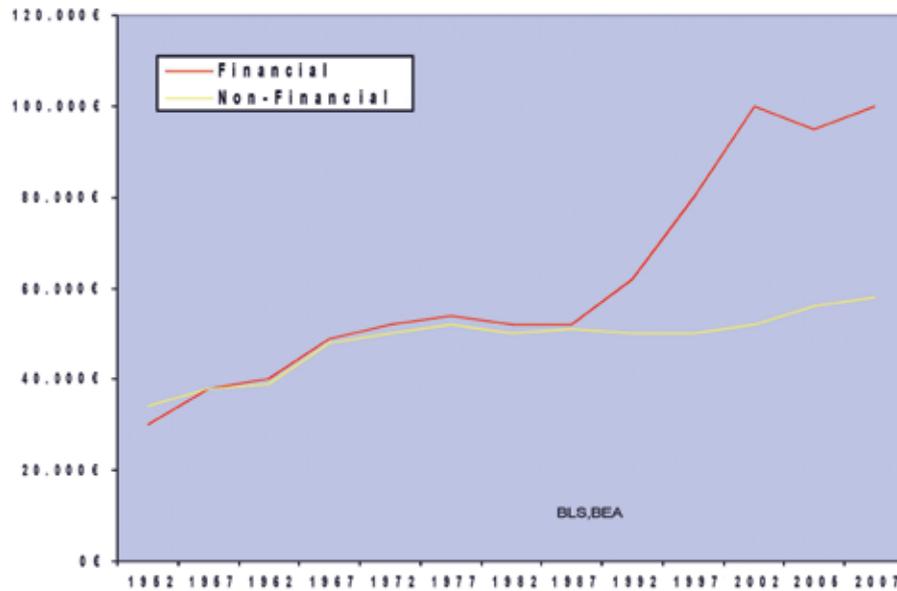
Countries outside the Eurozone, such as Britain, Denmark, Sweden, Czech Republic, Bulgaria, Hungary, Poland, and Romania maintain a steady upward growth trend, with partial decline with the advent of the crisis of 2009.<sup>1</sup> Countries outside the EU like Norway, Serbia, and Turkey survived the crisis, and are now developing at a normal and/or fast pace. As are Russia, China, India, Brazil, Argentina, even Ethi-

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1. The EU countries within the Eurozone are Austria, Belgium, France, Germany, Greece, Estonia, Ireland, Spain, Italy, Cyprus, Luxembourg, Malta, The Netherlands, Portugal, Slovakia, Slovenia, Finland; outside, are Bulgaria, Denmark, Leetonia Lithuania, Great Britain, Hungary, Poland, Rumania, Sweden, and the Czech Republic.

FIGURE 1

**Financial Sector vs. Non-Financial Sector Yearly Compensation**



Source: Steven Keen/*Debunking Economics*

faster speed (Figure 1). The “bubble economy” overtook the real economy. And this results in the widening of income differences and frightening world economic crises.

As the Schiller Institute states in its introduction to this conference: “If somebody is to blame, these are not the people whose civil and labor rights, hard-won over centuries, are disappearing down the abyss.” Yet, “the haves always ask more and more from the have-nots,” as Bertholt Brecht said.

**The Greek Tragedy Revisited**

Paul Krugman, the Nobel Prize economist wrote:

“Fifteen years ago Greece was no paradise, but it wasn't in crisis either. . . . Then Greece joined the

opia and Ghana, and many others all over the developing world.

So, today, four years later, the majority of the nations of the developed and developing world have gotten back on their feet after the economic crisis of 2008, with major or minor injuries. Only Greece, Italy, Portugal, Spain, Ireland, and Cyprus, the peripheral countries within the Eurozone, resemble boats in turmoil.

A basic question arises: What is the real cause of such a paradox? I will be happy to hear various proposals. But, strong statistical evidence points only to one strong explanation. This is mainly so, according to Prof. Steven Keen,<sup>2</sup> because of “the ill-functioning Eurozone, combined with the malpractices of the extreme monetarist policies of the casino-after-capitalism, the existence of internationally protected tax paradises, uncontrolled capital flows, the unification of trade and investment banks, the underestimation of the real productive economy, and of humanitarian values in favor of the market ideals.”

As proven by Keen, by the end of 1980, at an international level, the financial sector surpassed the non-financial sector and after that period it rose at a much

euro, and a terrible thing happened: people started believing that it was a safe place to invest. Foreign money poured into Greece, some but not all of it financing government deficits; the economy boomed; inflation rose; and Greece became increasingly uncompetitive. To be sure, the Greeks squandered much if not most of the money that came flooding in, but then so did everyone else who got caught up in the euro bubble. And then the bubble burst, at which point the fundamental flaws in the whole euro system became all too apparent.

“Ask yourself, why does the dollar area—also known as the United States of America—more or less work, without the kind of severe regional crises now afflicting Europe? The answer is that we have a strong central government, and the activities of this government in effect provide automatic bailouts to states that get in trouble. . . .

“The origins of this disaster lie farther north, in Brussels, Frankfurt and Berlin, where officials created a deeply—perhaps fatally—flawed monetary system, then compounded the problems of that system by substituting moralizing for analysis. And the solution to the crisis, if there is one, will have to come from the same places. . . .

“Greece does indeed have a lot of corruption and a lot of tax evasion, and the Greek government has had a

2. Steven Keen (*Debunking Economics*, 2012) is a well-known Australian neo-Keynesian economist.

habit of living beyond its means. Beyond that, Greek labor productivity is low by European standards—about 25 percent below the European Union average. Its worth noting, however, that labor productivity in, say, Mississippi is similarly low by American standards. . . .

“On the other hand, many things you hear about Greece just aren’t true. The Greeks aren’t lazy—on the contrary, they work longer hours than almost anyone else in Europe, and much longer hours than the Germans in particular. Nor does Greece have a runaway welfare state, as conservatives like to claim; social expenditure as a percentage of GDP, the standard measure of the size of the welfare state, is substantially lower in Greece than in, say, Sweden or Germany, countries that have so far weathered the European crisis pretty well.

“So how did Greece get into so much trouble? Blame the euro.”<sup>3</sup>

Kenneth Rogoff, another well-known economist, adds, “The problem in Greece, is not an ordinary recession but a full-blown financial crisis, something which countries usually take a lot longer to recover from. This kind of economic collapse goes much deeper than a normal slowdown. The longer the economy continues to shrink, the more restless the trade unions get, and the more pressure builds up on politicians to put an end to the misery. The country would leave the monetary union and reintroduce the drachma, for example. The drachma would immediately trade at deep discount to the euro, making Greece’s export and tourism sectors competitive again.”<sup>4</sup>

Hans Werner Sinn, a top German economist, ascertains that “the cheap loans that the euro brought the country artificially raised prices and wages. Europe should provide the money to ease the exit from the currency union. After a short thunderstorm, the Sun will shine again. After the exit, the country would be competitive again. Because Greek products would rapidly become cheaper, demand would be redirected from imports toward domestically produced goods. The rich Greeks who deposited so many billions in Switzerland would see falling property prices and wages, and would have an incentive to start investing in their own country again.

“The chaos can only be avoided if Greece leaves, and the currency depreciates immediately. The plan to

radically restructure Greece within the euro is illusory. The Greeks are being held hostage by the banks and financial institutions which want to make sure that money keeps on flowing from government bailout packages—not to Greece, but into their coffers. People keep on saying ‘The world will end if you Germans stop paying.’ In truth, only the asset portfolios of some investors will suffer.”<sup>5</sup>

On top of all these arguments, Helga Zepp-LaRouche stresses, “The imposition of the euro system as the ‘price to pay for German unification’ was never done with the intention of a creating a prosperous European economy, but rather to have Europe revert back to a feudal state under a supranational dictatorship. The present crisis in the Eurozone is the result of an intended ‘regime change,’ away from sovereign nation-states, toward feudal dictatorship, in which the EU became the junior partner of an Anglo-American-dominated empire, which is just another way of saying ‘globalization.’”<sup>6</sup>

As for the economic policy to implement, Zepp-LaRouche went through the necessity to “implement immediately Glass-Steagall types of complete bank separation, with toxic assets being written off, rather than paid by the taxpayers.” That must be followed, she said, with “the creation of a credit system, and the “build up of the real economy through well-defined development program for Southern Europe, the Mediterranean, and Africa elaborated by the Schiller Institute.”

## The Euro Suit Does Not Fit the Southern Economies

The suit of the Eurozone, without a central political umbrella, is a costume that does not fit the southern European economies. This is especially so for Greece, whose economy is based on tourism and agriculture, which requires a labor-intensive production process. Labor costs cannot be compressed below a certain level, so that the total production costs will be lower than or equal to those of our competitors. This can be seen empirically—a room in a Greek hotel costs about twice what its counterpart does in Turkey, Egypt, Bulgaria, Romania, Hungary, etc. Furthermore, our oranges, lemons, peaches, cherries, and olives are falling from our trees and are rotting. These products are sub-

3. “Greece as a Victim,” *New York Times*, June 17, 2012.

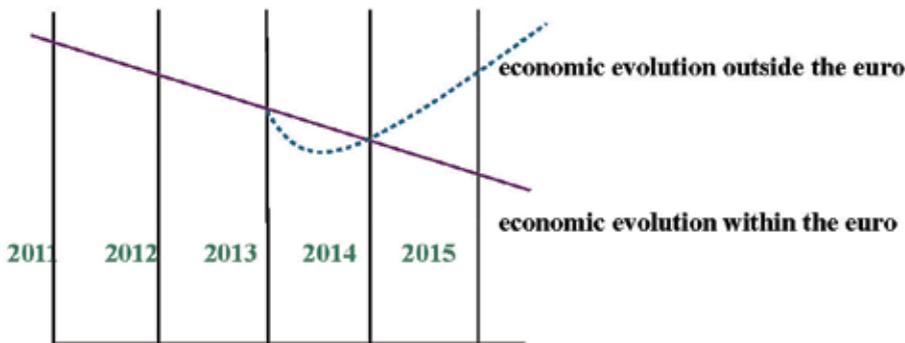
4. *Der Spiegel*, Feb. 20, 2012.

5. In an interview with Stefan Kaizer, March 2012, presented in a free manner here.

6. In an interview in the Greek daily *Ellada avrio*, Feb. 25, 2013.

FIGURE 2

**Estimated evolution of the Greek economy within and outside the euro zone**



stituted by cheaper imports from faraway Argentina, Morocco, Egypt, etc.

Thus, the Greek economy suffers from non-competitive prices. Add to that, the fact that fertilizers produced by oligopoly companies in northern Europe cost more than double for Greece, with relevant consequences for production costs. Armaments imported from the West, in the last 12 years, cost about EU100 billion, a sum almost equivalent to our original deficit. Turkey, a candidate for entering the EU, has made blatant threats against Greece's and Cyprus's territorial integrity, obliging us to spend on armaments the largest portion of GNP internationally, after the U.S.A. Why does the EU not protect its eastern borders, leaving Greece alone to struggle in the troublesome waters of the area?

On the other hand, the hard euro well fits the needs of the northern European countries, which produce oligopoly products of capital-intensive and innovative high-end technology. The cost of these products can be compressed significantly, and profit margins are huge. This permits the northern countries to accumulate large foreign-exchange surpluses, and to speculate on the huge spreads among currencies.

As things stand now, the only clear solution is the "Grexit" [Greek-exit], together with similar moves by the other southern countries, with Italy appearing to lead the chorus. The exit from the euro, no doubt, will initially be painful. Yet, now we experience just as painful hours, but without hope for tomorrow (Figure 2). The maintenance of an economy in a state of financial paralysis does not allow much room for hope of recovery. The present

extreme recession policies, the tragic rise in unemployment, the excessive compression of labor rewards and of pensions are both inhumane, and uneconomic. They lead to a large drop of domestic demand, as well as to wide social unrest, with tragic economic and social consequences.

Depression creates more depression, and lowers the tax base. Poverty creates more poverty, misery, and upheaval. Loans lead to more loans and dependency—a perpetual cycle. For as Menandros said, "Loans make slaves of human beings."<sup>7</sup> The country's

lack of competitiveness, its shrinking domestic production and consumption, is leading to a vicious circle of debt defaults and the need for more and more new loans. And over the long term, this is burdensome to all, even our lenders.

These policies are totally wrong. They are not the outcome of logic. And common logic is what we need today. Unless it is true what some people whisper: These policies derive from a dark plan of "Big Brother," for the total subordination of the weaker countries to the bosses of the international casino after capitalism.

**What We Must Do**

According to our Plan B, which is based upon wide scientific and political research, the exit from the hard euro but not from the EU, should be accompanied by a controlled bankruptcy, cutting about 50-70% of total debt, with a grace period of two years to start repayment of the remaining 30-50%, and by extending the repayment period. The new drachma will be deflated, and may be directed toward levels of a reasonable rate, linked with a basket of currencies which will contain the euro, the dollar, and other soft currencies of our competitive countries.

Another solution could be the creation of a soft link between the national currencies of the southern European countries, after their exit from the Eurozone. All these should be combined with capital controls and commodity flows and the splitting of trade from investment banks, in accordance with Glass-Steagall options.

7. Menandros was an ancient Greek philosopher.

Furthermore, the exit should be accompanied by restricted government spending; modernizing of public administration, social insurance, and health care; combating corruption, impunity, and bureaucracy; and reducing tax evasion, together with a sense of fairness with efficiency, competence, and honesty. Public spending should be initially allocated to productive investments and the protection of the poor and of the social welfare. Low and medium-level wages and salaries should be increased incrementally, at a moderate level, and in accordance with the shift toward internal consumption, so as to avoid the dangers of hyperinflation.

The government must take responsibility for the provision of basic commodities, especially food, medicine, fuel, etc., and control trade malpractices and the black market. Certain commodities, mainly those which are imported, will disappear for a while. (But, we may survive without whisky, caviar, Porsches, cayenne, etc!) We must free ourselves from the pathetic syndrome of the “import country,” reactivate our production base, and try to consume no more than we produce. For all these, there is a need to elaborate a development schedule, a new Marshall Plan.

## An Epilogue

Last but not least, may I suggest that our conference adopt a resolution to:

“Denounce the ill-functioning of the Eurozone and the malpractices of the extreme monetary policies of the casino-after-capitalism; demolish the protection of the international tax paradises and uncontrolled free capital flows; introduce the Glass-Steagall separation between trade and investment banks; create a new Marshall Plan for countries in need; raise the real productive economy over the markets; promote a new vision of human development; and activate a comprehensive renaissance of Classical culture, based on the beauty and the soul of mankind.”

As Friedrich Schiller put it, “Lose not yourself in a far off time, seize the moment that is thine... Dare to err and to dream” for the renaissance of all Europe. And take up the strands of the flourishing phases of previous epochs, such as ancient Greece, but not only. Then, and only then, “will we enter into the land of knowledge through Beauty’s dawn gate,” and the glorious memories of the Athenian Pericles’ Golden Age. And then, the Europa abducted by Zeus, would find her Sun shining, and smile again.

## There Is Life After the Euro!

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AN **EIR** SPECIAL REPORT

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# More and More U.S. Patriots Are Demanding Glass-Steagall

by Nancy Spannaus

April 22—Under pressure from the murderous economic policies of the Obama Administration and other austerity-mongers, more and more patriots from around the United States have gone into action to demand that Congress immediately reinstate FDR's Glass-Steagall act, in the form of the Kaptur-Jones Return to Prudent Banking Act, HR 129. LaRouche Political Action Committee organizers, cognizant of the fact that it is not only the survival of the U.S., but the entire planet that depends upon this action, are finding increasing receptivity to their demand for action now.

Over the last two weeks, memorials for Glass-Steagall have been put on the agenda of four additional states, one of which, Indiana, immediately passed a resolution in its lower house, by unanimous consent, in the course of one day. Memorials for Glass-Steagall are now also officially on the agenda in Minnesota, North Carolina, and Colorado, which brings the total number of states where a memorial has been introduced, to 17.

The others, in order of the date of their introduction, are Rhode Island, Montana, Virginia, Kentucky, Pennsylvania, Maryland, South Dakota, West Virginia, Alabama, Washington state, Maine, Hawaii, and Mississippi. The memorials in South Dakota and Maine have passed both houses, and been sent off to Congress.

In addition to pressing for action in the remaining states, activists are aggressively seeking to either pass memorials, or get letters of support, in nine additional states, with emphasis on some of the biggest states, California, New York, and Texas.

In Congress, the progress has been slower. Three additional Congressmen, all Democrats, signed on to HR 129 last week, bringing the total to 56 (see [www.larouchepac.com](http://www.larouchepac.com) for full list). Senate supporters of Glass-Steagall are still holding back, fearing Wall Street and/or Obama, more than the fate of the nation without re-establishing the tried and tested firewall.

## A New Blowout in the Offing

While the victims of the current austerity regime are providing much of the impetus to reimpose Glass-Steagall, the mood within the financial community—especially community bankers—is also feeding the support for reviving FDR's 1933 regulation. More than the average citizen, these circles see the makings of the next financial blowout in process, because *nothing has been done over the past 5-6 years to prevent it from happening*.

The reality is the one which *EIR* and LaRouchePAC have consistently exposed: The trillions of dollars in quantitative easing have done nothing to eliminate the bad debts, nor to put money into investment in the physical economy. Instead, the monies are being used to build up new asset bubbles—the latest is real estate in the U.S.—which will bring about a new collapse, at the first unpredictable misstep.

This danger was front and center at the April 17-19 annual monetary policy conference of the Levy Institute of Bard College, held at the New York City headquarters of the Ford Foundation; it offered a clear picture of just how much anxiety there is among leading

economists about a looming new and bigger financial crash. An *EIR* representative attending the first day of the conference, which featured a keynote by FDIC Vice Chairman Thomas Hoenig, reported that the mood among the audience of several hundred academics, bankers, and regulators, was one of deep anxiety and recognition that nothing had been done since the start of the financial crash in 2007-08 to prevent a new blowout of even greater magnitude.

Hoenig delivered a useful “primer” on the historical hows and whys of the Glass-Steagall banking regulations, in contrast to the disastrous effects of Gramm-Leach-Bliley Act, from 1999 to the 2007-08 crash. He referred throughout his presentation to the problem of “financial institutions which are too big and complex,” and several times showed how this resulted from Gramm-Leach-Bliley and the end of Glass-Steagall, which led to the extension of insurance/discount/bail-out protection to every insane thing these huge conglomerates wanted to do.

Hoenig concluded his prepared remarks by noting, “The actions of two presidents stand out as our country determines how to define the structure and role of the financial system going forward. President Teddy Roos-

evelt, the ‘Trust Buster,’ changed the competitive landscape of America for the good. President Franklin Roosevelt enacted the Glass-Steagall Act, which coincided with decades of relative economic stability and financial growth.”

Among this grouping of the financial cognoscenti, *EIR* found significant support for Glass-Steagall.

Indeed, apparently at the same time, according to the blog *nakedcapitalism.com*, on April 17, well-known economist Jeffrey Sachs, infamous for his “shock therapy” prescriptions of the 1990s, was addressing a conference of the Philadelphia Federal Reserve, where he too went on the record as saying that Glass-Steagall regulations must again be put into effect.

### The Next Steps

Can the U.S. Congress be pressured by the American people to act in time to prevent the financial system, and economy, from going into an unstoppable decline? That is the crucial question.

The most substantial blockage is the failure of U.S. Senators to act. LaRouchePAC has identified a good half-dozen or more Senators who have expressed themselves in favor of reinstating Glass-Steagall, once the support for the action reaches what they consider “critical mass.” But this vaunted “millionaire’s club” is being controlled by both party discipline, and agents of Wall Street, who have determined that such a measure will not be allowed to go forward, precisely because it would open up the floodgates in the House, where there is a sense of futility in pushing a bill which has not been simultaneously introduced into the Senate.

A healthy lack of respect for protocol and “tradition”—as well as an understanding of the real danger of the consequences of failure—is going to be required to break this blockage.

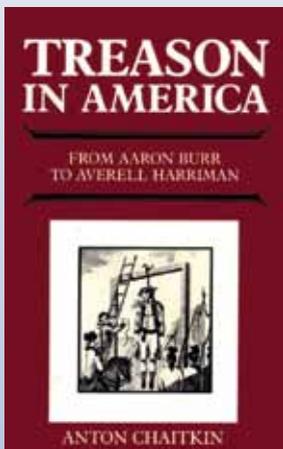
Another notable difficulty the growing momentum for the bill in the Congress faces, is the shortage of Republican co-sponsors. This is particularly egregious because recent measures taken in the states— notably Colorado, Indiana, Minnesota, and North Carolina— have been spearheaded by Republican legislators, who understand the necessity of Glass-Steagall regulations to revive the economy. To break the Congressional holdup on getting Republicans on board will obviously require more aggressive pressure from the states.

Hundreds of LaRouchePAC activists are strategizing on how to overcome these barriers. They are determined to make the necessary breakthroughs now.

## Treason in America

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Diane Sare

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## Glass-Steagall Fight In the United States

*Diane Sare of the LaRouche Policy Committee, and LaRouche candidate for Governor of New Jersey, addressed the Schiller Institute conference on April 14, 2013.*

I would like to start with the greetings from Congressman Walter Jones, which I think is very important, because Walter Jones is a Republican Congressman. He is an important figure on two bills in the Congress: One is that he was the first Republican co-sponsor of Rep. Marcy Kaptur's bill to reinstate the Glass-Steagall Act. He also introduced HCR 3, a bill which says that a President who goes to war without consent of the Congress has committed an impeachable offense.

And what I hope to make clear in my presentation, as Mr. LaRouche has said, is that the fight for Glass-Steagall—and as my fellow panelists have said—is an absolute war, and one aspect of the war is the necessary removal of Obama from office, since he is functioning as the tool of the Queen to block all of this.

So, we'll start with the greetings from Congressman Jones [see below].

What I wanted to do, is to give you a picture, because I think it's hard to grasp the nature of the battle, if you start simply from right now, and don't look at a little bit [of the history] of this fight. And Helga brought up yesterday the forecast that Lyn made July 25, 2007, when he said that this is not a mortgage crisis; that this is the end; it's over, it's finished.

So, he made a very shocking forecast. And then he wrote the Homeowners and Bank Protection Act, and

we mobilized across the country. In the state of Pennsylvania, dozens of city councils passed resolutions in support of this. We had maybe seven states, or so, that passed resolutions in their legislatures. We were not able to get it introduced into the Congress because of pressure, explicitly from George Soros, Felix Rohatyn, and others, as Helga mentioned.

But I think, after that, the really big and really ugly shift was the election of President Barack Obama. And



EIRNS/Christopher Lewis

*Diane Sare, who is running to unseat Obama's pal New Jersey Governor Christie, reviewed the fight for Glass-Steagall in the U.S.*

Lyn has referenced repeatedly, this question of the poison of the party system in the United States. What happened was, Obama came in, and first, of course, we wanted to hope that maybe there was something that could be done. Maybe some of the people from the Clinton Administration could be prevailed upon, such that the guy wouldn't be as horrible as we knew his profile had him likely to be.

### Off to London To Visit the Queen

But by April of 2009, after Obama's first two foreign visits—and I don't know if people remember where they were: The first one was to

London, to visit the Queen! And Michelle Obama had the famous incident where she touched the Queen, but it was okay, because the Queen loves the Obamas, so nothing bad happened.

And then his second visit was to Saudi Arabia [June 2009].

So immediately, he was paying homage to the perpetrators of the 9/11 attacks on the United States.

Lyn made a forecast in April of 2009, saying that this guy was a malignant narcissist, a failed personality, like Nero or Hitler, and shortly thereafter, Obama began to ram through his health-care bill, which I know was promoted in the European press as being some kind of European-style health care. It was actually a Hitlerian scheme to get rid of the useless eaters by turning the entire health-care system over to the private insurance companies, and then setting up boards of statisticians to determine whether it was too expensive, statistically, to



EIRNS/Sylvia Rosas

*When people sign up for Glass-Steagall, they have seen LaRouchePAC's posters of Obama with a Hitler mustache, Sare pointed out. Here, organizing in Burbank, Calif., February 2012.*

keep you alive, and to give you medical care. And the bill itself called for \$750 billion in cuts from Medicare, for the private insurance.

So, we began the campaign with the Hitler mustache.

Now, what happened at this point, is that all of these people who had worked with us on the Homeowners and Bank Protection Act, to maintain party loyalty, disappeared. They ran under the bed, they hid under their desks, they slammed their doors, they said, "Never call me again. Don't meet with me again. I can't believe you're saying this—you're over the top, you're over the top."

Then what happened? Well, we had this genocidal health-care bill. Then Obama did the "humanitarian mission"—you might remember the humanitarian mission, where we bombed Libya for 250 days, without Obama ever going to the Congress for consent, but it was "humanitarian." And it wasn't a

war—and I was told this by one of the people I ran against in the Democratic primary, a Marine—the reason that this was not a war was because no Americans were killed. So, if we were just killing other people, this did not qualify as military action.

And then, of course, we found out since, that there *were* American boots on the ground, and the whole thing was a lie, not surprisingly. And then Obama had Qaddafi killed, while he was in custody.

Then, later, as Congressman Jones referenced, around the Benghazi question, you had the peculiar case of our U.S. Ambassador repeatedly requesting security. We get an attack on our consulate, and Obama gets a briefing for 15 minutes, and then goes to bed, and sleeps for 8 hours, while four Americans are killed, because he has to prepare to do a fundraiser in Las Vegas the next day, which obviously was much more important to him than dealing with this emergency.

Now, while Obama was presiding over all of these wonderful things, and as each one of these developments occurred, some of the people who had scurried away because of the mustache, would begin to come out from under their beds, and out from behind their desks. And it was beginning to dawn on them that perhaps Mr. LaRouche had not been "over the top" in his comments about the malignant evil nature of this Presidency, this puppet of the Queen, who wants to depopulate the planet.

### **Glass-Steagall Introduced**

While all this was going on, what else was going on was Quantitative Easing. Quantitative Easing, number one, number two, number three, number four—I'm not sure what number we're up to now. And whereas, when Obama had come in, we had under George W. Bush, and Paulson, the beginning of the bailout, the \$700 billion TARP, by the end of Obama's first term, the amount of money in all of these various bailouts was something around \$29 trillion.

So, there was a fight for Glass-Steagall. There was a bipartisan attempt from Senators Maria Cantwell, a Democrat, John McCain, a Republican, to add it as an amendment to the Dodd-Frank bill, which I find humorous, because it basically would have nullified all of the garbage in the Dodd-Frank bill, and we would have had

the votes to pass it, but Obama, Rep. Barney Frank, and others went on a war to stop it.

Then we got a bill introduced in the Congress by Marcy Kaptur—Walter Jones was a co-sponsor—and over this period of a couple of years, we got about 84 co-sponsors.

Now, what's happening is a revolutionary shift in the United States. It is a result of the fact that the population is not suicidal, and over the years, LaRouche and our organization, for decades, have been providing a certain quality of leadership which people can see is right. And when people sign on to Glass-Steagall, it is not because they are not aware that we have six-foot tall posters of Obama with a Hitler mustache in front of their offices. They are very aware of this. It's a topic of discussion, and they are deciding to sign on.

What has happened to push this along—people have heard of the sequestration. You may remember Standard & Poors and Moody's decided to downgrade the U.S. debt; we had to cut \$4.1, 4.2 trillion out of the budget. This is Obama's policy. In the last week, what's been effected, is a loss of 750,000 jobs. Medicare is no longer being accepted by many doctors, because Medicare is not in some cases reimbursing the doctors and the hospitals. So, many senior citizens, people with serious illnesses, including cancer, are being turned away, not being treated, and we are picking this up all the time in our organizing. Our own supporters are telling us horror stories of their family members going to get their regular chemotherapy, and being told, "We're sorry, this is no longer covered. If you want the treatment, put it on your credit card."

There was a cancer treatment facility in New York City which had 16,000 patients receiving chemotherapy; they just had to tell 5,000 of them, "We will not treat you anymore." They also are starting a new policy—or an old policy—of debtors' prisons; now the collection agencies are coming after the people, and if you can't pay the fines, you can go to jail.

So, what's happened is that this crisis, and the fact that we have been present with the solutions over decades, have created a momentum where there's now a fight. As Congressman Jones says, we're up to 53 sponsors of the Glass-Steagall bill in the House. We are going to have a spectacular war to get it introduced into the Senate. We have had it introduced in 15 states. As Walter Jones said, North Carolina is the latest of the 15,

and the two that have passed it, are the states of Maine and South Dakota.

And in the state of Maine, it passed in the House and in the Senate unanimously. And then, the legislator who was moving it knows we have to get the U.S. Senate to do this, so he wrote a very sharp press release about this, targeting Angus King, who is the newly elected Independent Senator from Maine, who made a big stink about the financial blowout. He was very aggressively calling for Glass-Steagall all the way up until he was put in the Senate—and now he's been silent. So, the Maine state legislature is using the fact that they passed this, to target him.

The other state where it passed is South Dakota, and that's the legislator we're going to hear from now. You should know it passed in the House by a vote of 67-2, and we [LaRouchePAC] do not even have an office in that state, as we don't in Maine. This was done by a group of longtime LaRouche activists and supporters, who are largely farmers. This is from [South Dakota State Rep.] Patty Miller [see below].

She was motivated enough that she went to Minnesota to help us get it introduced there as well. We have another state legislator, Tom Jackson [from Alabama], who came to our Schiller Institute conference in Virginia [March 23], who not only met with members of Congress, but when he got back, he got on the phone to organize other legislators.

So what you have in this fight now, is the quality of passion, because it's clear that we don't have forever. We have days, weeks. I think what Jacques [Cheminaid] said at the beginning [see his speech elsewhere in this issue]—it's a moment where things can change overnight, and the world is a different place—is the way that we have to act.

## **A Shift in the Population**

I want to give you a sense, a few of the details of the various interventions we've been making, to give you a sense of the qualitative shift in the American population, which is driving the shift in the legislatures, and the Congress—and hopefully, soon, the Senate.

Sen. Ron Wyden was the one Democrat who joined Sen. Rand Paul's filibuster, when he was demanding an answer to the question of whether Obama thought it was constitutionally legal to kill Americans with drones in the United States, without due process. And you



EIRNS/Sylvia Rosas

*The Glass-Steagall bill, HR 129, now has 53 sponsors in the House, but things have stalled, waiting for the Senate to move. LaRouchePAC is now concentrating on breaking things open there.*

might wonder—it took the Administration six weeks, and a filibuster, to answer that question. So, Ron Wyden, you would think, has some guts. He joined the filibuster as a Democrat—he broke party ranks.

So, what happened was, he was having a town hall meeting in Oregon, and it was a couple hundred people, and 200 more high school students. And we had organizers—Dave Christie, one of my fellow candidates, was present, and someone on the phone in Seattle just got a list of everyone whom we'd met in the street in that area of Oregon, to see if we could find some other people who would go to this meeting. So, just on the spur of the moment, we got two people who said, "Yes, I'm going to go to this meeting." And both of them went, and what happened was,

it was clear, to get your question asked, it was a lottery. You might have a chance of 1 in 400 that your question would be picked. And this was too much for the activist.

So, here's a guy who had only met us once, and he decides to take matters into his own hands. So, when Wyden gets to the end of his speech, the guy jumps out of his seat and says, "Wait a minute! I want to know. You supported Dodd-Frank. You didn't support Glass-Steagall. Do you know that Dodd-Frank says they can steal our money like they did in Cyprus? Do you support them stealing our money?"

At that point, Dave Christie gave a very cogent briefing on Glass-Steagall, and so on. Then, of course, the security guards would not allow Dave to get anywhere near the Senator at the end, to give him the literature, but that worked out okay, because the other supporter, who had been called that day, had the sense to run up and get in line to talk to Senator Wyden personally.

So, what you have is a degree of self-activation, where people don't have to be told in detail what to do.

We have a similar situation right now in the state of Connecticut, because a supporter, an inventor, who met us in the street, came to a couple of meetings. Then he came to my campaign-launching meeting where we had all this music at the beginning, and he said, "You know, I am in heaven. This is the organization I've been looking for for my entire life."

He went back to Connecticut, and decided he was going to organize a town hall meeting. And he worked his butt off going to, I don't know, 150 family members and friends; and he said to us, "God, you guys do a lot of work. I had no idea it was this hard." So, we helped him, and we organized a very good town hall meeting, and there were other people there who had met us recently in the field. They have now become a core force to organize the state of Connecticut.

This slimy little Congressman Jim Himes was speaking [at his town meeting] and slithering around about why we don't need Glass-Steagall. There were eight of these people, plus my husband [Chris Sare] and another organizer at this meeting, who were able to keep hammering him on the question of Dodd-Frank, and Glass-Steagall, and he said, "Well, we're doing something now about Too Big To Fail. We're going to break up the banks." And then Chris, who was in the back, yelled, "It's not about size, it's about

function.” And then the whole audience applauded.

And then, the local newspaper coverage of the town hall meeting with this slimy little Congressman was all about Glass-Steagall. The press coverage was, well, the whole town hall meeting was about Glass-Steagall. So, that didn't work so well for him.

### A Different Dynamic

We have an activists' phone call every Thursday night, across the continent. And this is because there are so many areas where we don't have full-time offices, but we have people who want to be active. And this call is growing and growing—it's gotten to be over 200 people. We had to get a new conference system, so we can hold now at least 1,000.

So, right after this Cyprus situation broke, we decided we had to have an emergency conference call. And the e-mails started going out to all these different places. And 500 people tried to get on the conference call. Unfortunately, the system has this really obnoxious beep when each person got on, so when Paul Gallagher was trying to give the briefing, all these beeps were going—so we had to cut it at about 340. But you can see the potential for just the explosion of activism.

Also, on the shift with Obama, an African-American Congresswoman, Karen Bass, in California, was holding a town hall meeting, and when the question of Glass-Steagall came up, and the sequestration, she was forced to say, “Look, this is the policy of Obama. This is Obama's policy.”

So you're getting a shift from these people. We sent a team to deploy at Wall Street, in Manhattan, which is typically already a somewhat difficult site. Last week, an organizing team raised \$700 at Wall Street, and they said that it was extremely polarized: that the bad people were really bad, and really nasty, and that organizers would get invigorated from yelling at them. And the good people were very good, and really wanted to fight.

And we deployed in midtown Manhattan, and a person who worked at Citibank came running down from the bank with a copy of large internal Citibank report, which was still warm from the xerox, because he wanted us to have the secret information about what the Citibank policy is for this crisis.

So, this is a really different dynamic.

### Confronting Pelosi

I got a report last night from the Democratic Convention in California, where we have organizers. Mr.

LaRouche had made the point that the political parties have so disintegrated, they've so destroyed themselves with this stupid re-election of Obama, that they don't have a quorum to kick us out any more. So, at the Democratic Convention, we had a meeting with Nancy Pelosi, and the entire discussion that Pelosi wanted to have, was on the subject of gay marriage. So, one of our organizers asked: “Why are we discussing this? They're cutting Social Security; they're cutting Medicare. We're all going to be dead. Can we talk about something real?” The entire room burst into applause, and people came running after her afterwards, to videotape interviews with her to put her on their Facebook pages, saying this.

Then, in the Labor Caucus, Michael Steger, another member of the LaRouche Policy Committee, was invited to speak on Glass-Steagall. And then we got a report that in the senior citizens' meeting, someone who was *not* with us said, “How come we're not here to talk about the impeachment of Obama? He's cutting Social Security. He's going to kill us.”

## America's Untold Story

How the trans-Atlantic republican movement waged a continuous fight for freedom, beginning with John Winthrop's Massachusetts Bay Colony in 1630.

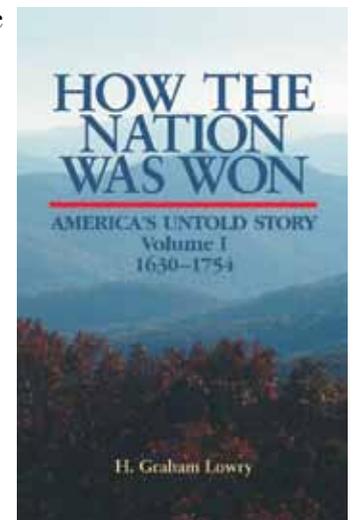
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## We, the People, Must Demand the Truth

*Rep. Walter C. Jones (R-N.C.) sent this [video](#) message to the Schiller Institute conference.*

Hello, my name is Walter Jones. I represent the 3rd District of North Carolina, and it's an honor for me to be speaking to those of you in attendance at the Schiller Institute forum. This is so important and critical.

The title of your meeting is "Attaining Freedom through Necessity: The Last Chance for Humanity." The reason that I've been asked to address you briefly, is that I am the Republican in the House of Representatives who had joined the Democrat Marcy Kaptur, in the reinstatement of Glass-Steagall. In my humble opinion, this is one of the most important pieces of legislation in the House of Representatives, and soon to be in the Senate, if we're going to maintain sanity in the financial markets.

There is no way that this world will exist if we do not return sanity to the financial markets. I see right here in America that there is so much activity in Washington, D.C. by these big banks who don't want to see a reinstatement of Glass-Steagall. They try to influence other members [of Congress]; they say "No, don't go on that bill with Marcy Kaptur and Walter Jones."

But I want to say to the LaRouche people: You're doing a magnificent job of helping us to grow the numbers. We're up to 53 members in the House, and we're still working, and we're going to pick up more members. But really, what the key is in America, is they have been reaching out to state legislatures, state houses, state senates, and asking them to pass resolutions; and they've done that in my own state of North Carolina. What they've introduced, I think will pass.

But we've got to get the American people engaged to understand that our financial institutions will not survive, unless we bring back Glass-Steagall. And so we're going to be working really hard here in the Congress, trying to reach out to other members among our colleagues, ask them to join us, and let's strengthen our financial markets, and not make our financial markets prostitutes.



### Declassify the 28 Pages

All right, there's another issue, very briefly, I want to talk about: 9/11 was one of the worst tragedies America has ever felt. It was sad, a tragedy, over 3,000 Americans killed. Terrorists in planes just brought down gigantic buildings, and attempted to hit the White House, and

ended up hitting the Pentagon. I can honestly say that I'm a strong believer in faith, I'm a strong believer in truth. And no nation, your nation or my nation, will ever survive, unless we, the people, demand the truth.

And I have written a letter, asking the House Intelligence Committee, Mike Rogers being the chairman, to hold a hearing on the work of [former] Sen. Bob Graham, who worked so hard to show that there are 28 pages in the *9/11 Report* that need to be declassified, to make it so that the American people, and certainly the families of 9/11, can see what happened.

So, before I close, I want to read one paragraph in the letter that I wrote to the chairman and the ranking member:

"In light of those hearings, I urge you, as chairman and ranking member, to recommend a declassification of the 28 pages of the Congressional Joint Inquiry report describing what role the Saudi Arabian government had in the terrorist attack on 9/11. As you know, former Senator Bob Graham has conducted extensive research into this issue, and has been nationally recognized and interviewed for his belief that these 28 pages should be declassified.

"The families of the victims of 9/11 have a right to this information, as do the American people. Since your committee has jurisdiction over this matter, I ask you and the ranking member to please review the attached correspondence from Mr. Mike Low, who lost a daughter on American Airlines Flight 11 on that tragic day. As Mr. Low states, 'Our hope is that over time, history will have the total truth of all the events of 9/11.'"

We need for the people of America to get behind this effort. This effort is for their families and for the strength of America, which means truth.

Thank you very much for allowing me to have a little bit of your time.

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Patty Miller

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## Victory Comes from Many Small Battles

*South Dakota State Rep. Patty Miller gave these videotaped [greetings](#) to the Schiller Institute conference.*

Greetings from South Dakota and Minnesota. I'm Patty Miller and I'm very delighted and honored to have the opportunity to connect with you. Isn't technology amazing, when it's used for the right purpose?

I made some notes here, so I'm going to read from them, but they come from my heart. I made them myself, and I'm talking directly to you, so if I seem a little choppy, please forgive me.

This is an amazing, amazing convention that you are having, and I so wish I could be there with you. I'm very proud of all of you who have stepped forth in this amazing movement. We are all passing the torch; it's the torch of hope toward some sense of financial sanity. When we place God at the helm, and walk in forgiveness of those destroying our God-given freedoms, we cannot fail. But big victory usually comes in the form of many small battles, until one day, there it is! We have won a battle in South Dakota, and prayerfully, next in Minnesota.

Tim, and Nina, and Jeannie, and Tim Begalka, and many others that I have met—and many others that I haven't met—are the heroes here. I simply was in the right place at the right time, to help carry out one of God's victories for His people. You are in the right place at the right time to do the same. There are others in this world that you will influence. Keep up the good fight, and stay filled with faith, never doubting, never wavering.

In Isaiah 55:11, he claims the victory through his words, speaking the words out loud every day, speak what we want, not what we see, but what we want, what we're going for. Claim the battle, claim the victory. The tongue is a powerful force, so I pray out loud, reading Scriptures daily, and constantly thanking and worshipping the Lord. He is a God of love and peace, and He will always honor those that honor Him.

I have some favorite Scriptures, and one of them is this one: Psalm 84: 11b: "No good thing will He withhold from those who walk uprightly." This is what you are doing.



We are all walking uprightly, for a great, great reason.

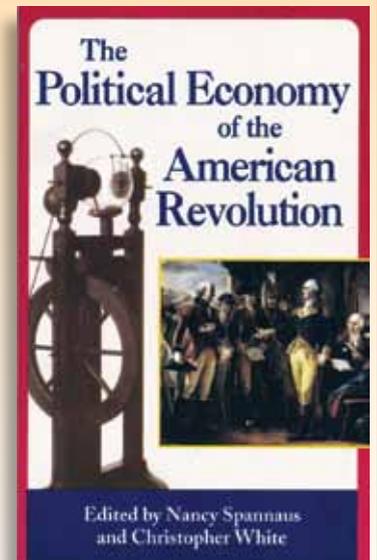
You know, freedom isn't free, and I think you guys understand that better than we do in America, because in America, we've had years of blessings and productivity, and we've put some very bad leadership in place over the last few years, and there's

been this underlying current coming back to slap us in the face. And we must get it turned around.

We cannot waste our time on anger, though. If Jesus could die on the Cross to forgive our sins, then surely, I can forgive the worst of the worst. But it does not mean that I accept their behavior, or their inhumanity. You're experiencing difficulties that I do not know, and my heart and prayers go out to you. I will love you from afar, as the great pioneers that you are, doing this. May we truly meet some day, and share more victories. I will be watching, and praying for all of you. God bless you, as you go forth.

Thank you so much, for inviting me in. Bye!

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### *It's Time for the FBI To Come Clean*

After decades of FBI stonewalling and sabotaging of U.S. counter-terrorist enforcement and national security, a group of Congressmen have responded in a timely fashion, and are demanding answers from the Bureau, the Department of Homeland Security, and the Office of National Intelligence, on last week's Boston Marathon bombing and its aftermath.

In a letter dated April 19, addressed to Janet Napolitano, Director of Homeland Security, Reps. Michael McCaul (R-Tex.), chairman of the Homeland Security Committee; and three subcommittee chairmen, Peter King (R-N.Y.), Jeff Duncan (R-S.C.), and Candice Miller (R-Mich.), demanded a full accounting of the handling of the Boston case by Federal agencies.

Relatives of the two accused Marathon bombers have charged that the elder of the two brothers, Tamerlan Tsarnaev, was under FBI surveillance, and possible control, for the past three to five years. And Russian security officials have confirmed that they had provided the FBI with questions and case files on Tamerlan in 2011, and again in November 2012. The FBI, despite the leads provided by Moscow, gave the now-deceased 26-year-old a clean bill of health, claiming there was no proven link to any suspected Islamist terrorist organizations.

The Congressmen have demanded a thorough accounting of the FBI's relationship with Tamerlan Tsarnaev prior to the April 15 bombing of the Boston Marathon; the lawmakers accused the FBI of at least five major blunders which have led to murderous terrorist attacks since the start of the Obama Administration.

An April 20 letter to the FBI, DHS, and the DNI, signed by McCaul and King, stated:

"The FBI interviewed Tamerlan Tsarnaev at

the request of a foreign liaison service, on the basis of suspicions that Tsarnaev was involved in terrorist activities. Tsarnaev subsequently traveled to and from Russia, and posted jihadist materials on his social media. Yet Tsarnaev remained at liberty in this country to conduct the Boston attack, and it took days to publicly identify him as a suspect.

"Tsarnaev appears to be the fifth person since September 11, 2001 to participate in terror attacks despite being under investigation by the FBI... Five of these six intelligence failures have taken place since 2009. They raise the most serious questions about the efficacy of federal counterterrorism efforts."

It has been decades since the FBI has been put under scrutiny, despite countless intelligence failures and even outright corruption. When Congress took a serious look at the FBI's institutional corruption in the 1970s, the Bureau was caught running an illegal domestic espionage and agent-provocateur program known as Cointelpro, which was implicated in the assassination of Rev. Martin Luther King and other equally egregious crimes. Rigorous procedures were allegedly put in place to assure serious Congressional oversight.

Those procedures have so eroded over the intervening decades, that they have become a sick joke. While a thorough review of the FBI's bungling of the Tsarnaev case will not provide all of the answers that the American people need and deserve about the Boston Marathon atrocity, it is an appropriate starting point; and the fact that a small number of Congressmen have jumped on the case is already a clear indication that some elected officials, and a significant portion of the American people, are sick and tired of the lies and coverups of 9/11, Benghazi, etc., and of the perverting of our judicial system.

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