

LYNDON LAROUCHE

## A True Glass-Steagall Means Rebuilding the U.S. Economy

July 13—*With momentum building behind the necessity of reimposing Franklin Roosevelt's Glass-Steagall law, the LaRouche Political Action Committee announced that it is bringing the LaRouchePAC Policy Committee team into Washington, D.C. during the week of July 15, to spearhead a decisive breakthrough in the life-or-death policy fight for a thorough Glass-Steagall policy, based on the Hamiltonian principle of credit for economic progress.*

*During his July 12 webcast, Lyndon LaRouche laid out the perspective for the immediate fight in Congress, which his Policy Committee will lead, concluding:*

*"If the Congress moves together, to get the Glass-Steagall through, and to recognize that Glass-Steagall is the core, but only the core, of the reforms which have to be made—we can save the nation! The purpose is to save the nation! To rebuild it! To get out of the dirt, and back into the pride it used to represent. . . . That is what has to be done! I think it's possible to do that in this coming week. It's possible. The question is, make it happen.*

*We publish LaRouche answers to the questions on the Glass-Steagall fight below. The webcast video can be viewed at [www.larouchepac.com](http://www.larouchepac.com).*

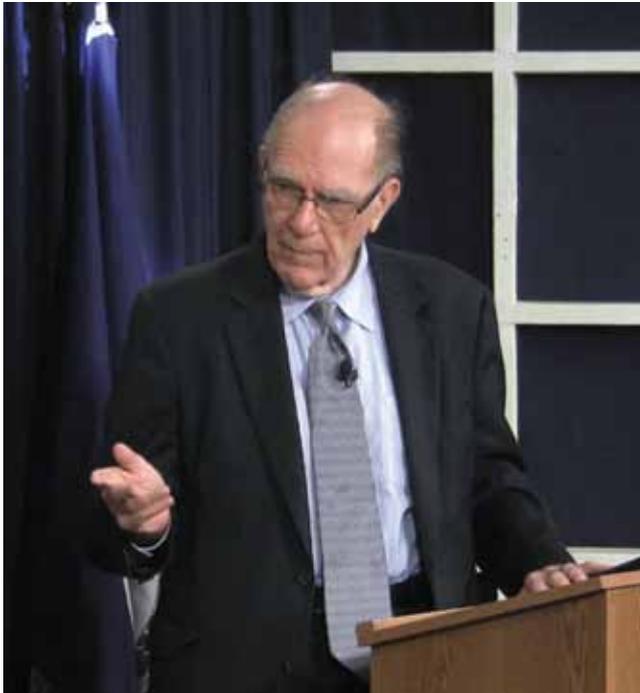
**Q:** Mr. LaRouche, with the introduction yesterday of an additional Glass-Steagall bill into the U.S. Senate, there are now two Senate bills, and one bill in the House of Representatives with 70 co-sponsors. All of these ac-

tions have been taken on a bipartisan basis. No matter how you view the individual members from both houses, the fact is that influential personalities have come out in support of the reinstatement of Glass-Steagall. Where, in your judgment, does the fight for Glass-Steagall stand, and what is required for an effective policy to be actually implemented? Thank you."

**LaRouche:** We have to understand that unless certain things are done, that what will happen in the course of the election process will not be something to remember, it will be something very dangerous. And we're going to have to induce a kind of cooperation that has not been considered for some time in the history of the United States Senate and House of Representatives. Because you've got a food crisis in the United States. People are going to starve, while farmers are going bankrupt, being pushed out of marketing. The water crisis is immense. There is nothing you can say as a, shall we say, conservative, to reduce expenditures. It won't work; you'll kill the American people.

So the point is, if we have a coming together of people who are candidates in this process, we can, actually, with cooperation, do a number of things that can save the United States, and help other parts of the world as well.

But the first thing we have to do is to realize that we have an impossible situation, apparently, in the United States itself, as well as in other countries. Europe, for example: Europe is on the verge of disintegrating!



LPAC-TV

*Lyndon LaRouche at his July 12 webcast: "Glass-Steagall is the core, but only the core, of the reforms which have to be made. . . . The purpose is to save the nation!"*

Western and central Europe. That's part of it, and that is not going to do any good for the United States to have Europe disintegrate.

We have crises in other places. We have a crisis coming up in China. China is about to plunge into a depression if Europe continues in the direction it's going in, and if the United States goes in the direction it could go here. A large-scale collapse in the economy of China will be a destructive blow for the United States, and to a greater degree for Europe. This says nothing about what South America's situation is, and nothing about Africa, and so forth.

So, we need to have not just a boola-boola, a reorganization of the schemes of our government; we have to have a very serious cooperation. Not where the President leads everything; we have too much President right now in the United States, because he's not qualified to do all the things he's trying to do. And some of the things he's trying to do shouldn't work anyway; they're bad ideas. But if we really get the balance of our governmental system back into play, and get rid of some of this shady business that's going on from behind the scenes, we can put the United States back together again.

## Congress Is the Instrument

We have to take into account the various points of crisis. We do not have enough food being produced for human beings to avoid a major crisis. The kind of crisis we're talking about is not just a food shortage; it's both starvation, and it's epidemic disease. So therefore, in the gathering together of the process of trying to put the Glass-Steagall bill together, we have that.

We have also the fact that the whole monetary system, international monetary system typified by Wall Street and by the situation in Europe today, is *hopeless!* While it may be fun to watch Wall Street go the Hell, which they are going to do anyway, but it's not good for the United States to have them do that on our doorstep.

So therefore, we've got to think about this kind of change, and obviously the Congress as a whole is the instrument which is most appropriate, because the Congressmen are functioning together as a whole body, or most people are functioning together as a body, Democrat and Republican, and so forth. We can make the decisions—and there are emergency decisions that have to be made—we can make those decisions which will enable us to actually solve some of these problems.

Look, Wall Street is finished! Wall Street as you have known it is finished. It cannot exist. It is hopelessly bankrupt! There's nothing in it but fake values to speak of. So, Wall Street is nothing; it's not an asset. It's a criminalized kind of place which is not a good place to be.

But we have to pull back the organization of the money system, the banking system, which Glass-Steagall is crucial for. But we also have to get some food growing back in the Western states, where they didn't have any water available to build up the agricultural product in this area. So what we need is a consensual approach on a limited number of issues. On certain crucial issues, the United States, through the cooperation in the Congress, must conduct what will amount to a major sweep of changes in the way the U.S. government is organized. And I believe that there are enough people in the Congress, who would be individually willing to put their shoulders to the wheel on this one.

And there are other problems which need to be dealt with, with more emphasis on the Congress. The American people right now have no confidence in the Presidential system. They have only the fear of the Presiden-

tial system, not cooperation. They don't anticipate cooperation.

So, we've got to realize that Wall Street is going to collapse. But the only way it would continue is if they put a Hitler-style dictatorship over the United States and Europe at the same time. Otherwise, you cannot hold together this system of Wall Street, or in Europe either. You can not. You're dealing with a killer system now. And the problem is coming largely from our "rivals," shall we say, the British monarchy.

### The Queen's Mass-Murder Program

The British monarchy is now operating on a basis, very serious and they're exerting great influence on our own country.

What are they doing? The Queen of England is committed to going to a reduction of the human population of the planet from 7 billion people to less than 1. And this is already in process. And much of what we're getting, especially from the Wall Street crowd, reflects this anticipation.

So therefore, we have to stop that, because unless you do that, you're going to turn this planet into a hell-hole. And you're going to kill a lot of Americans real fast, because they're not going to have enough food to eat. The American people, as a whole, do not have enough food to keep them alive under the present trend. That has to be changed. We don't have the farms functioning that we had. We don't have the cattle we used to have. California, which was the greatest food production area in the United States, has virtually collapsed. The cows are being killed; the foods are being cut, these kinds of problems.

And therefore, we need a very strong kind of consensual factor, which would be assembled around a core in the Senate and House of Representatives, to shift control of the situation away from the Presidency, which is over-controlling. It's controlling too much, far too much, for anybody's good.

And therefore, we've got to get the people of the



White House/Pete Souza

*"We have too much President" now in the United States, Lyndon LaRouche said in his July 12 webcast. Now Congress must take the initiative. Shown: Barack Obama in the White House, March 2011.*

Congress together as much as possible, to deal on a bipartisan basis, with these measures which must be taken. So, if we anticipate that we're going to do that in the Congress and otherwise, then it can succeed. And what we need is assurance now that more and more members of the Congress are prepared to shoulder this role of leadership of the United States. We need leadership of the United States in terms of the structure of the Congress. We've had too much Presidency, especially since George W. Bush became President. The United States has essentially, relative to what was there before, gone to Hell since that time.

And the changes away from Glass-Steagall have resulted in a cumulative destruction of the

ability of the United States to function as a democratic nation any more. A fascist nation you can get; a democratic one under the present trend, you can't have. And the British Queen does not desire to have any more Americans; she wants to reduce it down to less than 1 billion out of the 7 billion people living on this planet. And we've got to stop that.

And therefore, if we can get an agreement among leading members in the Congress, to do this kind of job, to get together and to avoid nonsense differences, we can save the nation. And I think that's the mission right now. So, it's not a matter of dealing with the obvious thing the question deals with, but it's necessary to have a more coherent, positive, assertive leadership from the natural leadership, shall we call it, of the Congress itself.

### Do We Need Wall Street?

**Q:** On numerous occasions, you've said that after we put Glass-Steagall through, there's going to be a significantly decreased amount of money in the system. The question comes up very often, especially on the issue of Glass-Steagall, where many people who are ostensibly for it, are for Glass-Steagall but not ready to give up Wall Street. They say, "Can't we just keep Wall Street?" And you get this a lot.



creative commons/Robert W.B.

*Queen Elizabeth and her ghoulish consort Prince Philip are at the center of the British Empire, and its objective of reducing the world's population from 7 billion to approximately 1, LaRouche stressed.*

Now, if it's the case that there is not going to be enough money in the private sector to conduct the kinds of lending that people have come to expect—even if they don't get it, they come to expect it from Wall Street. Where then will the money come from?

For example, you have numerous conferences—recently a high-speed rail conference—and the people who want to make these projects happen, want to know, “Where are we going to find our investors? Who's going to buy our stock? Who's going to buy bonds so that we can get this high-speed rail line from X to Y.” So, I'd like you to address the question that often comes up: Do we need Wall Street? And what do we do with people who want to hold on to Wall Street for just a little bit longer?

**LaRouche:** Well, first of all, there's no possible way that you can save Wall Street in its present form. No possibility. Most of the people who are already investing now in Wall Street and counting on it, are going to find that, on one day very soon, there is no more Wall Street.

See, the problem here is, people don't think enough, carefully enough, about what's going on in the world today. What is the state of the world today? And they don't notice what's happening. They don't listen to what the British monarchy is doing.

Now, the British monarchy is not just the British monarchy. The British monarchy is an empire. If you look at the number of nations that are overtly part of the British Empire, then you begin to see the truth. The empire's destiny is to eliminate people; to reduce the population from 7 billion people approximately now, and falling rapidly, to less than 1. And that is the British policy; that is the Anglo-Dutch policy. That is the policy of the current euro system, and some other places as well. Add to that the collapse of China, the Chinese economy—because the market for Chinese goods, including automobiles, was shifted from the United States and so forth, into where? It's gone!

So, the system is impossible. And the only thing that's holding it together is the tendency of people,

out of fear, to believe in what's not true. There is no hope for a person surviving in the United States on the basis of Wall Street-backed investments. It's not possible. If you've got a Wall Street investment, you should start crying now, while you still have tears.

But then the problem is, what are we going to do about the people who are not going to be working for Wall Street, hopefully? They're going to be *working* instead of working for Wall Street. There's a difference. And that means we've got to change the whole direction of the budgetary policies of the United States as an overall institution.

We're going to have create jobs, yes! We're going to have to put these people who are Wall Street migrants or whatever, to work. We've got to do that; we've got to give them other jobs. We've got to get industry going again. So, instead of doing what this current President is doing, under the direction of his master, the Queen of England, we've got to get rid of that.

That's why the Congress must do it. You can't let this President do it. You've got to keep him under the restraints of the legitimate authority of the Congress to shape the legislation which is going to govern us. Otherwise, you're going to have chaos and mass death.

The problems we have are a shortage of a lot of things, but we *can*, if we have the will, and if the Con-

gress does the job it can do, we can fix this. We can take the people who are now living on Wall Street incomes—they'll do something else. Also, obviously, the United States is going to have to change its policy in increasing the amount of credit available through the system.

Now putting Glass-Steagall through means that you're going to actually foreclose on a lot of garbage. Because all the garbage, including the Wall Street garbage, will then, if Glass-Steagall is actually put through, much of that garbage will disappear from the accounts.

Now, this means that we're going to have to change the system, essentially, and most people, I think even in the Congress, do not really understand how to organize the system under these conditions.

We'll put Glass-Steagall into effect. Now, with Glass-Steagall, if we put that into reorganization, we're going to cancel a lot of the banking operations now, because they're bankrupt because they're Wall Street-connected. So therefore, we're going to have to actually take the good part of the system, boost it up, get the organization of the system working, and then we're going to have to create credit, because there will not be enough credit in the system to sustain the economy.

So therefore, what we're going to have to do is create a credit system account, which we run through the new banking system after the reorganization, and we're going to have to put up Federal guarantees for the existence of credit disbursed, to create an increase of productivity of jobs per capita and quality of jobs in general.

### **An Echo of FDR**

So, we're going to have to go through a process which in many respects is an echo of what Franklin Delano Roosevelt did when he put most of the criminals on Wall Street in jail. And that's the way we have to do it. We've got to take the responsibility. These are human beings—these people out there, our people—they're human beings! And the way they're being treated now by the present Administration, and the previous Administration, the previous Bush Administration of two terms—has done a wrecking job on the U.S. economy which is beyond belief, if you think about it.

So therefore, *we*, through the U.S. government, in



USDA

*Rebuilding the agricultural capacity of the U.S. is one of the first tasks for rebuilding the nation, along with the restoration of Glass-Steagall. Here, a dairy farm in California, a state where dairy farmers are being forced out of business at an alarming rate.*

the way that Franklin Roosevelt approached this problem in his own time, we've got to take the responsibility to get the job increase to grow, to make more food produced, all these kinds of things. And I think the optimism which we have the potential to create among our own people in the United States, if they are convinced that the disaster they are living through, can be relieved in at least as rapid a way as Franklin Roosevelt dealt with the crisis back in 1933: that we can say, "We can do it." It's going to take a lot of devotion, a lot of intelligence, and so forth.

And if we can get the members of the Congress, or a great majority of the members of the Congress, in both parties, and all divisions, to recognize this: We have the power, as citizens of the United States, especially those who are in office, to do the kinds of things, which are needed to restore this nation to recovery; and to lead also in creating new conditions of life for people in Europe, who are now going through Hell. Get them out of Hell. That's what we have to do, and we *can* do it.

It's not going to be pretty, because we've gone so far down deep in this thing, that there are not great opportunities in terms of incomes available. But, as Franklin Roosevelt showed in the 1930s, if we start the process, we can stop the bloodletting, and we can begin to build our way back to a full recovery. And that kind of recovery-orientation, not only for us in the United States, but in our concern for Europe and other parts of the world, has to be expressed that way.