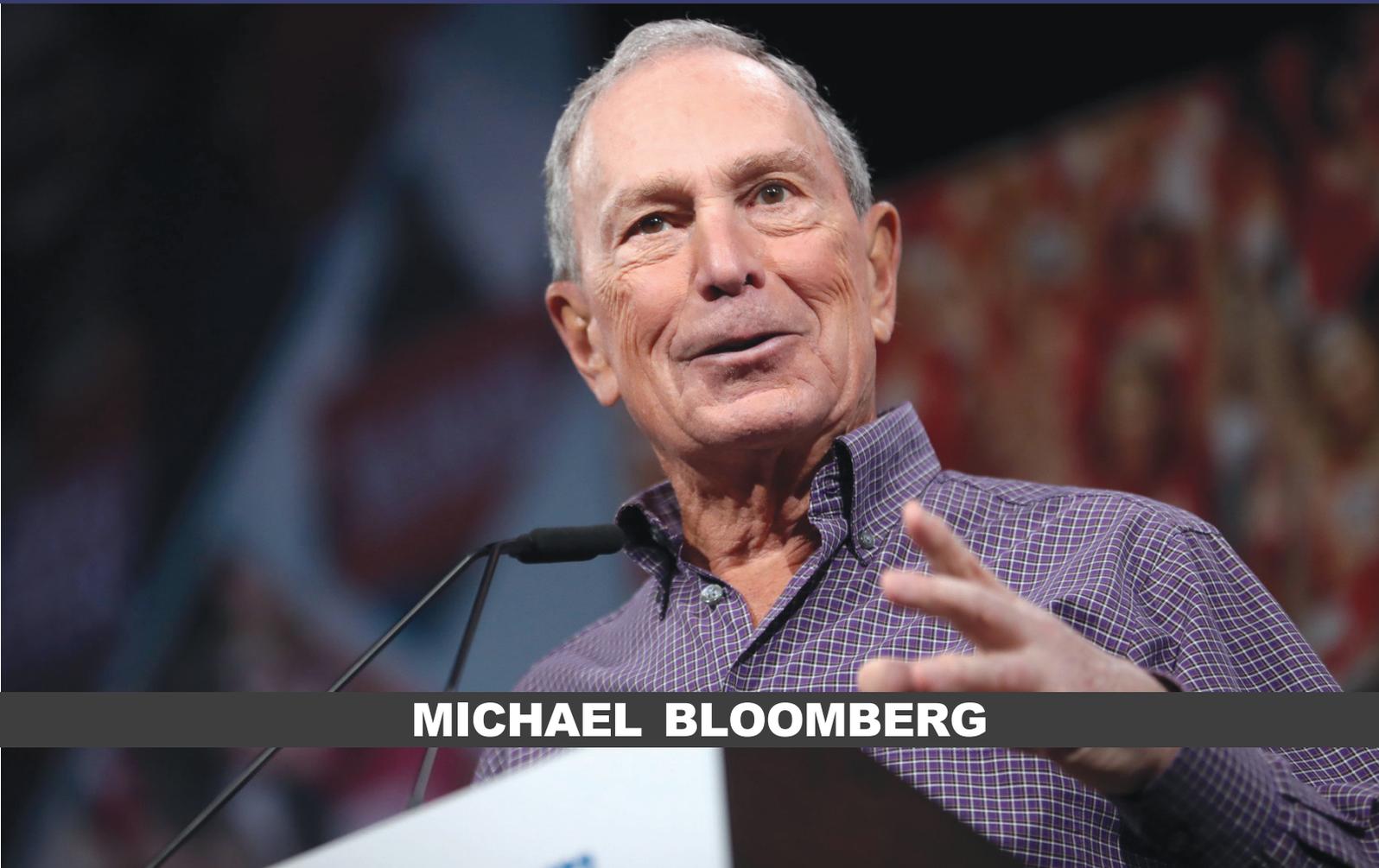


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## Time to Eliminate the Treason Faction



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# Time to Eliminate the Treason Faction

# Financial-Economic Collapse Lies Behind Drive for Impeachment

by Harley Schlanger

Nov. 8—Former leading FBI agent Peter Strzok texted his mistress, FBI lawyer Lisa Page, in May 2017, regarding the case against Donald Trump, that his “gut sense” was that “there’s no big there there”—meaning that there was nothing behind the charges of collusion with Russia. Today, it is equally clear that in the Pelosi-Schiff impeachment investigation over Ukraine, once again, “there’s no big there there.”

Strzok joined Special Counsel Robert Mueller’s team shortly after sending this text, and soon was up to his eyeballs in pushing the fraudulent narrative of Russiagate. He may soon be indicted for his activities, as separate investigations, one by Justice Department Inspector General Michael Horowitz, and the other by Attorney General William Barr and U.S. Attorney John Durham, are reportedly closing in on the corrupt and illegal actions taken by Obama-era intelligence officials in their drive to overturn the 2016 presidential election.

In addition to Strzok and Page, former FBI Director James Comey and his deputy director, Andrew McCabe, are also at the center of the Horowitz investigation into fraud committed to obtain warrants from the secretive Foreign Intelligence Surveillance Act (FISA) Court to spy on the Trump campaign, and Strzok also played a leading role in the frame-up of General Michael Flynn, Trump’s first choice as National Security Adviser.

The Horowitz and Barr-Durham investigations will show that there never was any credible evidence that Donald Trump “colluded” with Vladimir Putin to defeat Hillary Clinton; that is, there was no impeachable offense committed.

Yet, despite the abject failure of the Russiagate farce, there is again non-stop insistence by Democrats and their media cheerleaders that they are building a solid case to prove that Trump abused the power of his office in pressuring Ukraine’s newly-elected President, Volodymyr Zelensky, during a phone call, to either investigate Joe Biden, who is running against Trump in 2020, or face a cut-off of military aid to Ukraine. They are hyping testimony given by career diplomats who are anti-Trumpers—despite the fact that most of them did not hear the call and can present no first-hand evidence that Trump did what is being alleged—that there was a “quid pro quo” presented to President Zelensky during their conversation.

It has also emerged that the original “whistle-blower” who made the allegation about the phone call, is an operative of former CIA Director Brennan, who worked closely with Joe Biden’s Ukraine task force, and is represented by an attorney who sent out tweets in 2017 supporting a “coup” against Trump. Yet, looking at the coverage in the U.S. press, one would have to believe that Trump is not only guilty, but would be removed from office, were the Republicans who control the Senate to only look at the (*non-existent*) evidence!

removed from office, were the Republicans who control the Senate to only look at the (*non-existent*) evidence!

## The Permanent War Crew

The actual evidence emerging from this third phase of the coup against Trump—disguised as an “impeachment”—is that those bringing this new case against Trump are not only the same ones responsible for Russiagate, but were themselves involved in the 2014 coup in Ukraine.

## EDITORIAL



Gage Skidmore



Gage Skidmore

*California Democrats Rep. Adam Schiff and House Speaker Nancy Pelosi are leading Phase III of the coup against President Trump with bogus pre-impeachment hearings.*

This is not a coincidence. The special rage against Trump shared by the Obama-era intelligence operatives—along with their British allies in MI6, GCHQ, and the “Five Eyes” spy network (across Australia, Canada, New Zealand, the United Kingdom, and the United States) behind the attempted coup against Trump—is driven by their understandable fear that Trump is moving to break up what he is now calling the “Military-Industrial Complex,” which has entangled the U.S. in “endless wars.” He outflanked them in Syria, working with Russian President Vladimir Putin and Turkey’s President Recep Tayyip Erdoğan. When he did, the supporters of these wars *in both parties* exposed themselves as the mercenaries they are, in their attacks on him for fulfilling his campaign promise to end the “permanent wars.”

As promising as the shift on the ground in Syria has been, in demonstrating that Trump can successfully reverse the dangerous geopolitical confrontations which have defined the post-Cold War period, through strategic cooperation with Russia and China, there’s a bigger weak flank that these scoundrels must defend, which is the collapsing neoliberal monetary and financial system. The fear that Trump may act abruptly to strip power away from the central bankers responsible for building up an unsustainable debt bubble that threatens to unleash a systemic collapse, is driving the farcical impeachment campaign, even if the State Department, “intelligence” agencies, and Democratic Party honchos on the ground, may not be completely aware of it. The Wall Street/City of London financiers who ultimately control them, are well aware of it.

### Physical Production Is Collapsing

In the feeding frenzy being created by the media to back the Ukraine impeachment narrative, it would be easy to miss the accelerating financial crisis, which is the cause for the biggest financial bailout since the aftermath of the 2008 Crash.

Since mid-September, the U.S. Federal Reserve has been pumping liquidity to banks and other financial institutions in the form of overnight and two-week “repo” loans, in a desperate attempt maintain the tenuous solvency of some as-yet-undisclosed speculators. These cash infusions, which have ranged from \$35 billion to \$100 billion per day, are now being supplemented by \$60 billion per month in Fed purchases of financial assets, in what should be called Quantitative Easing IV, reversing the trend of “tightening” and de-leveraging



*Attorney General William Barr is conducting a criminal investigation into the coup plot against President Trump.*

that began in 2015.

While financial circles know perfectly well who is being bailed out—whether it is the impending collapse of a large bank or hedge fund, an emergency backstop to prevent a derivatives blowout, or some other threat to explode the over-leveraged, unsustainable debt on the books of financial institutions—the public is being kept unaware of the depth of this crisis.

What these central bankers are saying *publicly* is that a massive, global austerity regime must be implemented to “save the planet” from “man-made climate change”—a fraudulent narrative—at the same time that they are pushing for multi-trillion dollar “investments” in a bubble of “Green” finance, to be funded by taxpayers through new taxes and government subsidies!

### The Coming Implosion

While bland statements pour out of the mouths of Federal Reserve officials and economists about the overall strength of the U.S. economy, this is obviously as much hot air as what they are pumping into the financial system. The actual indicators point toward the coming implosion:

- After two years of moderate improvement in the manufacturing sector, new employment in production is declining, and investment in manufacturing firms has dried up;
- Corporate profits are falling, while corporate debt is skyrocketing to over \$15 trillion. Much of the new debt taken on is offered at junk-bond levels. This is driving the demand for overnight repo loans;
- Housing starts are falling, even as the demand for new housing is increasing;
- Household debt is rising rapidly, led by student debt and auto-loan debt, as wages have not kept up with

inflation—which economists insist is too low—forcing families to borrow to cover necessary expenses.

President Trump has yet to address this crisis. Instead, he continues to point to an appreciating stock market as a sign of robust economic health. But insiders know that he is aware that this is a specious argument, as he correctly called out Hillary Clinton for making the same argument when she defended the so-called Obama recovery during the 2016 campaign. Trump’s consistent attacks on Federal Reserve chair Jerome Powell, add to the nervousness of the City of London and Wall Street swindlers, who fear such statements may presage some as-yet-unannounced action against the “independence” of the Federal Reserve, which is, after all, a private central bank, and not a government institution.

Further, during his 2016 campaign, Trump echoed elements of Lyndon LaRouche’s Four Laws, calling for restoring Glass-Steagall banking separation, which was included in the Republican Party platform; unspecified financial reform, to loosen credit to small and medium enterprises and revive manufacturing; and major spending to address America’s deteriorating infrastructure. He also repeatedly attacked the globalist “free trade” agreements signed by his predecessors, and has, as President, fought to restore the U.S. program for manned space exploration, including colonization of the Moon and Mars, as advocated by LaRouche. He has also praised the American System, whose most prominent modern advocate has been Lyndon LaRouche.

LaRouche’s [Four Laws to Save the U.S.A. Now](#) explicitly reject the neo-liberal economic and financial policies which led to the 2008 collapse. It is the continuation of these policies after the crash that is responsible for the current danger of a new, even bigger crash. The accuracy of LaRouche’s forecasting is well known, and his call for junking the neo-liberal system and replacing it with an American System, a Hamiltonian credit policy, is also well known. This knowledge has played a role in shaping the policy discussions behind the economic progress achieved by China, and other Eurasian nations.

Given that President Trump has shown a willingness to move against the London/Wall Street consensus on both economic and strategic policies, the concern that he might act with determination to junk their neo-liberal



Federal Reserve  
*Jerome Powell, Chairman of the  
Federal Reserve System.*

system is the cause of understandable fear among those out to remove him through a regime-change coup.

## Defeating the Empire

The leading opponents of Trump, from the beginning, have been those who have vested interests in continuing the geopolitical strategic arrangements which support the collapsing neo-liberal system. The center of this system continues to be the City of London, which initiated the Russiagate hoax through Britain’s Government Communications Headquarters (GCHQ) spy agency. GCHQ asserted it had intelligence of Russian cyber interference in the campaign. This was seized upon by

Brennan as the basis for setting up a “Get Trump” task force—in conjunction with the fabricated dossier compiled by “ex”-MI-6 operative, Christopher Steele and paid for by the Hillary Clinton campaign. That dossier was used by Comey, Strzok and others to attempt to derail Trump’s presidential campaign, while justifying their illegal spying and sting operations.

As noted above, most of the players in this operation were deeply involved in the February 2014 coup in Ukraine, designed to heighten East-West tension. Included among the scoundrels are Obama administration officials such as Biden and Brennan, American neo-cons, British spook Steele, and of course mega-speculator George Soros, who funds regime-change coups, “Green” financial swindles and “grass roots” impeachment mobilizations generously, with money made from his ill-gotten speculative gains.

While Trump has performed courageously in countering the coup and has moved boldly to implement his strategic designs—as for example in Syria and North Korea—his Achilles Heel remains the weakness of the economy, which could be used against him, should the system blow before the 2020 election. Will he now embrace LaRouche’s Four Laws, and LaRouche’s proposal to join with Russia, China and India, to enact a financial-economic reform to create a New Bretton Woods system—a system that would bankrupt his opponents while inaugurating a new era of development and prosperity, based on multilateral agreements?

This is the greatest fear of his adversaries—that he could take actions that would put these scoundrels out of business forever. It is also the best hope for mankind.

Cover  
This Week

Self-esteemed  
wunderkind  
Michael  
Bloomberg.



Gage Skidmore

## TIME TO ELIMINATE THE TREASON FACTION

### 2 EDITORIAL

The Scoundrels' Last Hurrah

### Financial-Economic Collapse Lies Behind Drive for Impeachment

by Harley Schlanger

## I. The Traitors Stand Exposed

### 6 LAROCHE FIRESIDE CHAT

### The Ongoing Coup: Full-Scale Intelligence War Breaks Out

by Barbara Boyd

### 14 TRUMP, ASSANGE & STONE

### 'If You Want to Know What Actually Happened in This Russiagate Business'

by Bill Binney

### 16 URGENT WARNING

### Julian Assange's Life is at Risk in UK Prison

**NOTE:** EIR will skip the issue which would be dated Friday, Dec. 27, 2019. Subscriptions will not be affected.

The Jan. 27, 1989 Jailing of Lyndon LaRouche Defined an Era, Which Now Must End

[Watch The LaRouche Case](#) video

[Watch the LaRouche Memorial](#) video

[Sign](#) the Petition to Exonerate LaRouche at [lpac.co/exonerate](http://lpac.co/exonerate)

## II. Celebrating Friedrich Schiller's Birthday & the Fall of the Berlin Wall

### 18 HELGA ZEPP-LAROCHE

### Address for a Triple Anniversary Celebration

### 24 SCHILLER INSTITUTE PROGRAM

### Celebrating Friedrich Schiller's Birthday and the Fall of the Berlin Wall

### 25 NOV. 9 TRIPLE ANNIVERSARY

### Power is Not Force, But Principle: Why Beauty Strikes Fear in Evil

by Dennis Speed

### 27 The Classical Beauty of Schiller's Poem "Nänie"

by Helga Zepp-LaRouche

## III. LaRouche's Strategy

### 30 On the Subject of Strategic Method

by Lyndon H. LaRouche, Jr.  
May 2000

### 48 AS HALF OF THE STATE GOES DARK

### Green Insanity and Electricity Dereg Set California on Fire

by Patrick Ruckert

### 57 British Escalate Drive to Impose Green Fascism on Europe

by Karel Vereycken and Paul Gallagher

### 58 JACQUES CHEMINADE

### Why I Oppose the Proposed Policy Change of the European Investment Bank

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# I. The Traitors Stand Exposed

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LAROCHE FIRESIDE CHAT

## The Ongoing Coup: Full Scale Intelligence War Breaks Out

by Barbara Boyd

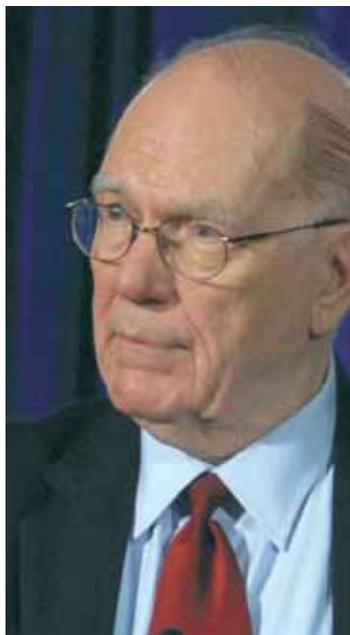
**FLASH:** Less than 24 hours after the LaRouche Political Action Committee (LaRouche PAC) posted to YouTube the November 7, 2019 edition of its Fireside Chat, which included the opening presentation by LaRouche PAC's Barbara Boyd, YouTube sent a message saying the program was being "flagged for review," and would meanwhile be unavailable to the public. LaRouche PAC is appealing this unacceptable action, and has meanwhile made the broadcast available on Vimeo at <https://vimeo.com/371998534>

It now appears that the reason for the flag was that YouTube and Facebook have chosen to censor, without any legal basis, the name of the person everyone in Washington D.C. has identified as the fake

whistleblower, Eric Ciaramella. The initial information identifying Ciaramella appeared in the *New York Times*—information indicating his position and the time he was at the White House, without referencing his name. Now, any outlet with the gumption to mention the name of the person suspected of setting off this third round of the coup against Donald Trump has been censored, across the board, not just LaRouche PAC. Why is that? Well, Ciaramella worked with Joe Biden on Ukraine; he worked for John Brennan at the CIA during the same time period; and he was the Ukraine Desk on the National Security Council at the time the Obama Administration was orchestrating Ukrainian interference into the 2016 U.S. election on behalf of Hillary Clinton.

*We present here Mrs. Boyd's edited notes for the presentation she gave on November 7, 2019 on the weekly LaRouche PAC Thursday night Fireside Chat webcast.*

Nov. 7—Tonight, before I review the various, latest developments in the coup against the President, I'm going to start by talking about your assignment. It's to read and seriously study an [article](#) by Lyndon LaRouche, "On the Subject of Strategic Method," in which he discusses the superiority of his method of long-term economic forecasting versus statistical or objective modeling. It was published in *EIR* on June 2, 2000, after being presented to a conference of his International Caucus of Labor Committees and the Schiller Institute in Ger-



EIRNS/ Stuart Lewis

Lyndon H. LaRouche, Jr.

many on May 26 of that year.

It is the method of thinking he describes there that I want to take up. That is the method used in LaRouche's successful forecast of the breakup of the Bretton Woods system and the catastrophic substitution of the floating exchange rate speculative economy; it resulted in LaRouche's forecast of the 1987 stock market collapse; it resulted in LaRouche's forecast of German reunification when no one knew that was even on the horizon; and in his other successful forecasts. And, I assert, it's a method of thinking which you and I must master if we are to navigate this nation successfully out of our present mess, that navigation being critical for the entire world. It is grounded in the method of scientific hypothesis cou-

pled with an analysis of the cultural and economic dynamics which determine substantive change.

LaRouche reminds us:

We must never forget the determining factor: it is the human will in choosing, or failing to choose, appropriate kinds of voluntary, critical changes in policy which shapes the future of nations and of mankind as a whole. These are the decisions which have relatively decisive impact on the course of events, especially under crisis wracked conditions similar to those prevailing, world-wide today.

What is the character of the set of such decisive decisions? Well, he points to a set of such decisions, ones which were truly evil, as demonstrating what he means about critical decisions which have profound impacts even for generations.

The set of evil decisions he chooses are those of 1975-76 by the New York Council on Foreign Relations and Trilateral Commission, in something called the 1980s Project. That 1980s Project laid the basis for the destruction of the physical economy of the United States, our conversion to a consumer-driven, post-industrial society and, in the final iteration of that policy—something which we are still experiencing today—the hoped-for triumph of globalization and abandonment of sovereign national government in favor of the type of bankers' dictatorship recently proposed by Bank of England Governor Mark Carney at the annual Economic Symposium of central bankers in Jackson Hole, Wyoming, August 22-24, 2019.

Just this evening we learned that the plan for banker's dictatorship took a significant step forward with the announcement that billionaire Michael Bloomberg is entering the Democratic Party primaries in Alabama without "having decided" yet that he is running.

President Trump interrupted the long-term march which these fellows set into motion back in the 1970s, a march toward complete abandonment of our founders' grand experiment in that sovereign republic known as the United States.

In his May 26, 2000 speech, LaRouche said:

The method of that usual gang of Wall Street bankers and law firms was wrong, even evil, but these fellows had, at least, a vision of the culturally motivated changes of the U.S. and world so-

ciety which they intended to induce over a period of decades ahead.

They succeeded because our citizens were preoccupied with immediate events, in a self-limiting fashion, and refused to stretch their minds and vision to what future they sought to create, 50 years ahead. That smallness allowed evil to triumph.

LaRouche then asks the question, how can we foresee, and operate to influence, the cultural paradigms which will in turn decide the way in which populations and also other policy makers will respond to the global financial and political-economic crisis shock of the kind now rapidly approaching? And he says, well, there's really only one time when you can dramatically change things, and that is when the shock of events causes people to examine their mind-sets, the pre-existing axioms and postulates by which they order their opinion.

That, I submit, is the character of what we are experiencing now, as I hear what is happening with our organizers who are interacting with a provoked and receptive public. And, if you think the whole situation through strategically, like LaRouche did in this paper, you will soon realize that the only true way to eliminate the forces behind the coup against this President is by changing the entire chessboard, by aligning with Russia, China, and India to create treaties, centered on a new fixed exchange-rate monetary system, and issuing credit only for economic development and advanced scientific explorations of discovery which advance the productive capacities of all of humanity.

### **Seven Determinative Cultural Shocks**

In the article, LaRouche outlines seven determinative cultural shocks which led to the state of our nation under Barack Obama and which the Democrats now describe as "normal times."

He identifies first the use of nuclear terror to create a demand for world government, as envisioned by Bertrand Russell and other spokesmen for the British oligarchy, and paraded under the names of "globalization" and "the rule of law." The State Department witnesses now on parade against this President are all members of this particular cult.

He describes the second major shift as being the introduction of the rock-drug-sex counterculture in the wake of President Kennedy's assassination, with the afflicted boomers now occupying the key posts in our

government, while our useless rich elite frolic with such as Jeffrey Epstein.

The third radical change was the effort to halt technological progress through environmentalism, the labeling of scientifically progressive technologies as “dual use” technologies and thus restricting export to other nations, and the dismantling, through budget cuts, of key NASA initiatives.

In succession came the fourth change of paradigm, involving deliberate destruction and failure to repair basic economic infrastructure.

The fifth change was the eradication of classical education in schools.

The sixth change was the promotion of the idea of free trade, and the various treaties, like NAFTA, which decimated the U.S. work force, while abandoning any protections of U.S. industries. Of course, this “free trade” idea, which our politicians repeat mindlessly all day, is the idea against which our founders fought our revolution.

Finally, the seventh change was the abandonment of any form of national banking or long-range capital financing of physical-economic projects. LaRouche said that national banking, as then typified by the operations of the U.S. Export-Import Bank, in a sovereign nation-state serves the purpose of issuing long-term, low-interest credit to finance infrastructure and other vital needs of the nation. It used to be that such long-term planning was even done by the President and the Congress in the form of long-term capital budgets.

LaRouche describes this decadence in terms of a “fundamental conflict” between two geometries of axioms and postulates concerning what is seen as the nature of human beings. What he calls the Romantic set of views sees men and women as fundamentally evil, as beasts, with feral sensual impulses, who can’t think beyond sense perception in an immediate environment. That view is fundamental to the tolerance of empires in history, and is increasingly dominant in the U.S. today. The contrary, Classical mind-set, especially in its Christian manifestation, defines human beings as essentially good, as being above the beasts, as made in the image of the Creator of the universe and capable of creative change and discovery of the universe’s fundamental laws. That was the mind-set of the founders, which had to be dislodged and destroyed by the seven fundamental changes.

If you think about it clearly, President Trump has taken steps to reverse all of this, some steps strong, some



Lorie Shaul

*Democratic National Convention, July 7, 2016.*

steps tentative, but he is hampered by the cultural decadence even among his most fervent supporters. What is lacking here is the depth of intelligence and analysis you will find in your homework assignment.

The biggest problem, LaRouche says, is the abandonment of those forms of classical education and classical drama and music which were and are deliberately designed to feed and strengthen the human mind and human creativity, and cause us to step outside our immediate circumstances and master how to change those circumstances. Huge audiences chanting “USA, USA” over and over again, but who have been denied this remedy, should tell us that we are not educating in depth the generals who can actually win this war for our nation. Instead, these crowds can and will be manipulated and killed by the ability of our enemy to manipulate them through popular culture and popular opinion.

In this paper, LaRouche walks you through our actual American history and grand experiment, and that which actually made us great. He discusses how to create the appetite for this profound change in yourself and your fellow citizens. It involves, he says, discovering your own mind, discovering how to think and discover universal physical principles like the classical artist does when creating great ironies and paradoxes in music, leading you through to his or her discovered resolutions; or like the experimental scientist does in

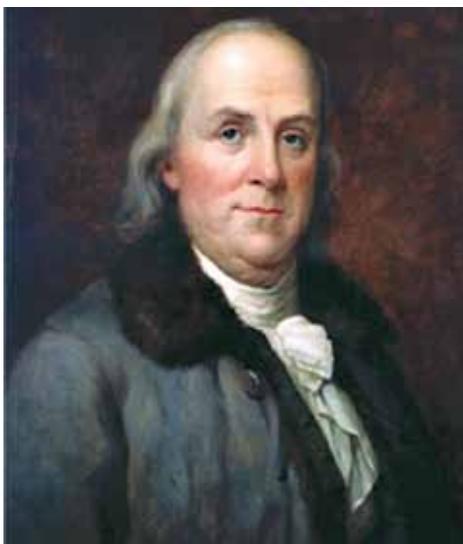
making a new discovery of physical principle and figuring out how to prove it exists, how to validate it.

LaRouche recommends the dialogues of Plato as fundamental to this type of thinking. And it is this type of thinking which must be applied if you are not to mistake the forest for the trees in the present situation we face. This is what we need to do now with these Committees of Correspondence. We need to make them real, by the participants therein reading and studying this mode of thinking, the very same types of methods used by Ben Franklin and Alexander Hamilton in creating the Republic, modes of thinking fundamentally advanced by LaRouche. Like the original Committees on Correspondence, these groups go out and teach others to do the same, which is how this revolution can be made, just like our first one was.

Now with that exciting prospect on the table, let's review the developments this week. Please, read and devour the homework and call the organizers who talk to you the most with any questions.

### **This Week: First, Julian Assange**

The first development of the week concerns Julian Assange, who is being deliberately killed in a British prison as part of the coverup in the coup attempt against President Trump. In a statement published in this issue of *EIR*, it makes clear that Assange is the most critical witness to debunking the entire myth of Russiagate and they are now killing him—the ultimate obstruction of justice. Bill Binney has some things to say about this, also published in this issue of *EIR*. It is critical that those supporting President Trump realize what is at issue here and intervene to stop this, to restore Assange's health and to seek his testimony. This message has to get through. It is something also supported, prospectively, by Tulsi Gabbard, who opposed the arrest of Assange and his being charged under the U.S. Espionage Act.



*Benjamin Franklin*

### **Fake Whistle Blower's Lawyer Lets Cat Out of Bag**

Yesterday, a review by Fox News of the twitter accounts of Mark Zaid, the attorney for individual who is reliably reported to be fake whistleblower, Eric Ciaramella, showed that Zaid really laid out in a series of tweets, starting back in January 2017, the entire plot of what we now see unfolding before our eyes. Zaid tweeted then: “the coup has started” and “impeachment will follow ultimately.” President Trump referenced Zaid's tweets in his Monroe, Louisiana rally on Wednesday night. In July 2017, Zaid said that

CNN would play a key role in the coup, and that, “We will get rid of him [Trump], and this country is strong enough to survive even him and his supporters.” Zaid further promised that the coup would take place in a series of steps and that as one member of RESIST within the Administration fell, two others would take their place.



Donald J. Trump

*President Trump addressing a rally in Monroe, Louisiana, on Nov. 6, 2019.*



Mark Zaid, attorney for “whistleblower” Eric Ciaramella, April 5, 2019.



Michael K. Atkinson, U.S. Inspector General, June 6, 2018.

There is emerging evidence that this third stage of the coup, announced by the person reliably reported to be Eric Ciaramella through a Complaint dated August 12, 2019, was planned as a contingency substantially before. We have noted Sen. John Warner’s (D-VA) sudden apparent Damascus Road conversion to full-scale whistleblower support when the new Intelligence Community Inspector General, Michael Atkinson, underwent his confirmation hearing way back in January, 2019. Atkinson promptly rewrote the rules for whistleblower complaints to promote hearsay evidence. Atkinson otherwise is a veteran of the DOJ National Security Division, DOJ headquarters for the coup against the President.

Others have noted that Rep. Adam Schiff (D-CA) hired new staff around the same time and continued that hiring to include Eric Ciaramella’s buddies and lawyers associated with the anti-Trump legal blog, *Lawfare*. The big press organs of the coup, *BuzzFeed* and the Organized Crime and Corruption Reporting Project (OCCRP), had been tailing and trolling Rudolph Giuliani throughout his Ukraine investigations. OCCRP is funded by billionaire George Soros, the Rockefeller Brothers Fund, the National Endowment for Democracy (NED), the United States Agency for International Development (USAID) and other State Department entities, and the British Foreign Office, and is cited repeatedly in the initial whistleblower complaint.

A look at key developments around the time of the coup reveals the following. On July 24, the former Spe-

cial Counsel Robert Mueller appeared before two House Committees, and by his vapid, confused and dis-oriented testimony, killed that aspect of the coup against the President. The President immediately stepped out of containment: speaking again about getting out of Syria, seeking meetings with the Taliban to get out of Afghanistan, seeking a meeting with Iranian President



Robert Mueller testifying before the House Judiciary Committee on July 24, 2019.

Hassan Rouhani, seeking new talks with North Korea, and looking for ways to collaborate with Russian President Vladimir Putin. How convenient that the Ukraine phone call occurred on July 25!

### **IG Report Timing & Durham Investigation**

Countering this development, Joseph diGenova and Victoria Toensing appeared on Fox’s Lou Dobbs show

Wednesday night to state that Inspector General Michael Horowitz's "highly anticipated" report is "far worse" for the FBI, DOJ, and others than even they imagined. They cited "very reliable sources" who have viewed the draft report. DiGenova is the former U.S. Attorney for Washington, D.C. and Toensing is a former Assistant Deputy Attorney General in DOJ's Criminal Division.



Gage Skidmore

Sen. Lindsey Graham

Contrary to the *Washington Post's* account of when the Horowitz Report will be released, diGenova said the hang-ups are related to coordination with a criminal grand jury now convened and hearing testimony under U.S. Attorney John Durham. Both diGenova and Toensing predicted that senior levels of the Obama DOJ and FBI will lose their law licenses and undergo criminal prosecution. Sen. Lindsey Graham (R-SC), briefed Wednesday by Attorney General William Barr on the contents of the Horowitz report, called the findings "stunning," and said that they demonstrate that the Justice Department and its processes had gone "completely off the rails" with respect to President Trump.

This is the development Congress is literally racing to check or contain by the present impeachment farce. They promise for next week even more confetti and distraction.

### Public Hearings Next Week

Shifty Schiff announced Wednesday that "public hearings" will begin next Wednesday and Friday concerning the Ukrainegate impeachment drive. U.S. chargé d'affaires in Ukraine William Taylor will testify on Wednesday, followed by State Department diehard George Kent. Taylor has admitted that he never spoke to the President about Ukraine aid and that his sources were a circle of State Department and National Security Council (NSC) bureaucrats, as well as the *New York Times* throwing a hissy fit over Trump's conduct of foreign policy.

On Friday, dismissed U.S. Ambassador to Ukraine, Marie Yovanovitch, will present her "Don't Cry for Me Argentina" account of her firing. Rather than support

the people of Ukraine, Yovanovitch's demonstrated fidelity is to the colonial regime of would-be Viceroy Joe Biden and Victoria Nuland installed in Ukraine. In particular, Yovanovitch admitted in her testimony that she was a close confidant of Arsen Avakov, the brutal Minister of Internal Affairs who supported and wielded the neo-Nazi groups, such as the Azov Battalion, against the Ukrainian people.

Yovanovitch also admitted that she intervened with Prosecutor General Yuriy Lutsenko to protect National Anti-Corruption Bureau Chief Artem Sutnyk from investigation and prosecution. Sutnyk and National Endowment for Democracy and State Department clown Serhiy Leshchenko are the two Ukrainians who worked with Ukrainian intelligence and the Democratic National Committee's Alexandra Chalupa in the press smear involving the non-existent "black ledger," which led to Paul



C-SPAN3

William Taylor, U.S. chargé d'affaires in Ukraine.

Manafort's firing and criminal investigation, as well as feeding the Russiagate fraud against Donald Trump.

Yovanovitch testified that her press office could have targeted "for research" journalists in the United States who opposed her, although she claimed that she, personally, did not do so.

Let me state it this way, to place all of this firmly in

mind of our readers. This entire impeachment scandal is based on a President hesitating to grant military aid to a country, riddled with extreme corruption in high places, which intervened in the 2016 U.S. elections on behalf of Hillary Clinton, a country where Joe Biden put neo-Nazis into power. The *EIR* articles on the Ukraine coup should be reviewed in addition to Oliver Stone's 2016 documentary, "Ukraine on Fire."

What *EIR* and Oliver Stone make abundantly clear is that Joe Biden's actions represent a continuing threat to world peace, even today. It is those actions which the entire State Department and NSC apparatus testifying against the President wish to defend to their last breath. Those reckless Anglo-American actions in Ukraine in 2014 put the world on the edge of war, and continued support of these policies does the same.



<sup>DoS</sup>  
*U.S. Ambassador to Ukraine Marie Yovanovitch greeting Secretary of State Rex Tillerson on his arrival in Kiev, Ukraine, on July 9, 2017.*

## Michael Flynn Case Developments

Gen. Michael Flynn's attorney, Sidney Powell, who Larry C. Johnson rightly calls a honey badger for her ferocious legal approach in defense of Michael Flynn, has succeeded in demonstrating that the 302s (summaries of interviews) authored by FBI Agents Joe Pientka and Peter Strzok concerning the ambush interview of Michael Flynn at the White House in January 2017, were probably doctored.

Those 302s, in turn, formed the basis for the charge of making a false statement, to which Gen. Flynn pled guilty under duress. It turns out that the 302s were "edited" by Strzok's paramour Lisa Page and went through different versions after Strzok and

Pientka reported that Flynn was not lying in the key-stone interview in the case. Larry Johnson presents the latest on this in his November 6 [article](#), "More Evi-

## Solomon Reports on Biden, Burisma

John Solomon has received documents from the State Department that confirm what everyone knows already about Joe Biden's son Hunter Biden and Ukraine. Documents released to Solomon under the Freedom of Information Act (FOIA) show that Blue Star Strategies, a PR firm hired by Burisma, specifically lobbied the State Department to back Burisma, rather than condemning its corruption, by specifically citing the fact that Hunter Biden sat on its board.

The documents also show that prep for Yovanovitch's confirmation hearing as Ambassador in 2016 included questions about Hunter Biden's role at Burisma, and a recommendation that Yovanovitch answer any such questions by referring the questioner to Vice President Biden's office. Otherwise, Assistant Secretary of State George Kent, in his Shifty Schiff Star Chamber episode, is reported to have testified that he raised conflict of interest issues concerning Hunter Biden as far back as 2015.

VANTYFAIR · H I V E

### "THE TRUTH LOOKED BAD FOR DONALD TRUMP": THE ROGER STONE TRIAL IS DELIVERING MUCH OF WHAT MUELLER DIDN'T

The self-styled "dirty trickster" is in the courtroom—but the president is definitely on trial. And even Steve Bannon took the stand and dropped a dime.

BY ABIGAIL TRACY  
NOVEMBER 6, 2019

dence that the Comey FBI was a Malevolent Clown Show,” posted on the *Sic Semper Tyrannis* website.

### Stone Case: Tucker Carlson Rips Judge

Roger Stone’s trial has started with the jury seated, opening statements made, and the first witness on the stand. Mueller’s FBI was on the case today, testifying against Stone, followed by the critical witness Randy Credico. Washington, D.C.’s jury pool is, of course, very contaminated against anyone associated with President Trump. Nonetheless, Judge Amy Berman Jackson refused to strike a juror who was press spokesman for Barack Obama’s Office of Management and Budget, and whose husband worked in the DOJ’s National Security Division, the division running the coup against Trump.

Stone faces two obstruction of justice counts: one count for alleged lies to House Permanent Select Committee on Intelligence when he voluntarily appeared for testimony, and a second count for allegedly threatening a witness, Randy Credico. In addition, Stone faces a third charge, a false-statements charge for his alleged lying to Congress.

The House and Mueller tried to establish that Roger Stone was the critical link between the Trump Campaign and WikiLeaks and the Russians, and the coup masters are using it to re-surface the bogus narrative about Russian interference in the 2016 elections. Instead, Stone was attempting to establish the timing of the second WikiLeaks dump of documents concerning the DNC and Hillary Clinton, and appears to have been sold down the river by Credico, who could very well have been functioning, knowingly or unknowingly, as bait in a controlled intelligence operation.

Randy Credico had for years had an on-and-off-again friendship with Stone, despite their completely divergent political views. Credico claimed close access to WikiLeaks and Julian Assange, which he did have. He told Stone that Assange had “kryptonite” on Hillary. Stone claimed Credico as a source concerning what WikiLeaks was up to. According to Michael Isikoff—the FBI leak point who was used to bolster the phony



CC/Timothy Krause  
*Randy Credico, witness at the trial of Roger Stone.*

Steele dossier for obtaining FISA warrants, and who collaborated with Alexandra Chalupa in the Ukraine-centered smear of Donald Trump and Paul Manafort—he, Isikoff himself, was the person who intervened into the Credico/Stone relationship to deliberately provoke Stone.

Here is what Isikoff [wrote](#):

At that point in the story, this reporter plays a minor role. In late 2017 and early 2018 I tracked down Credico after learning that Stone was claiming the comedian was his backchannel. After several

nights of drinks at his favorite downtown New York oyster bar, he agreed to go on the record and told me he knew nothing about what Assange was planning and therefore couldn’t have been Stone’s intermediary. When I went back to Stone for comment ... the GOP operative was enraged and began sending threatening text messages to Credico, implying that things could get ugly for the comedian and his beloved service dog, Bianca. “You are a rat. A stoolie. You backstab your friends—run your mouth my lawyers are dying Rip you to shreds,” Stone wrote.

The defense pointed out in the opening statements Wednesday that such exchanges were not extraordinary in the Stone/Credico relationship.

On November 6, Wednesday night, Tucker Carlson, on national television, unloaded on Judge Amy Berman Jackson, ripping the Judge as obviously biased, and demonstrating it by snorting at Stone’s defenses and issuing unconstitutional gag orders which effectively prevented Stone from defending himself in the venue in which his trial is taking place, while giving free rein to prosecutors to paint Stone as an arch-criminal operating on behalf of Donald Trump and Vladimir Putin.

*Mrs. Boyd is the author of the [pamphlet](#), “Robert Mueller Is an Amoral Legal Assassin: He Will Do His Job If You Let Him,” published by the LaRouche PAC on September 23, 2017, and many additional articles on the ongoing coup attempt against President Donald Trump.*

# ‘If You Want to Know What Actually Happened in This Russiagate Business’

by Bill Binney

*The following is the edited transcript of the remarks by Bill Binney to the LaRouche Fireside Chat on November 7. Subheads have been added. Our readers should know that in 2017, as President Donald Trump was on Air Force One, returning from a meeting with Russian President Vladimir Putin, he was asked about what Putin had or had not done with respect to the 2016 election. Speaking to then Director of the CIA (now Secretary of State) Mike Pompeo, Trump said: “Well, if you want to know what actually happened in this Russiagate business, talk to Bill Binney.” Mr. Binney had been the technical director at the National Security Agency (NSA).*

Nov. 7—I want to address the Roger Stone case and what’s going on there. The word I’m getting is that from that case, in the first round of hearings, people are still advocating this Russiagate hack of the Democratic National Committee (DNC), when in fact, I submitted an affidavit in the Roger Stone case saying that it was forensically provable to be a local download and not a hack done internationally.

If you looked at the DNC data posted by WikiLeaks—not the John Podesta material but the DNC material—you could see the forensic properties, that the Last Modified times on all the 35,813 emails posted, all had rounded-off, even-numbered ending modified times. Now, that’s a function of FAT (File Allocation Table) file format transfer protocol onto a storage device like a thumb drive or a CD-ROM. So, as the data transfers, the last time is rounded to the nearest even second. It doesn’t do it in milliseconds. So, what that meant, very simply put, was that it was downloaded to

a thumb drive or a CD-ROM, or some physical storage that was transported physically before WikiLeaks posted it. That basically shoots down the entire assertion that it was a hack. It simply is not a hack, OK?

## The Guccifer 2.0 Data

The other matter I addressed in affidavit was the Guccifer 2.0 data. When we looked at the material that Guccifer 2.0 posted, which he said he hacked, the following was very clear. This was given as: here is a file; the name of the file; the character count of that file; and then a time-stamp. Then, the next file, given a name and a character count and a time-stamp, and so on.

So, between the time stamps, were the amount of characters, and therefore we could calculate the transfer rate of every file that he posted. So, we had a range of something like 19 megabytes per second (MB/second) up to 49.1 MB/second. Now, that’s entirely too fast to send across the internet through the web, across the Atlantic to Russia or anywhere else. Even in the United States, it’s too fast. Unless you are on a very closed in, high-speed gigabit network, even multi-gigabit network.

Some people didn’t believe it, so we tried it. We physically tried it. We got somebody here to put a

terabyte of data out there, and then we had hackers in Europe going around trying to transfer the data across and see how fast it could come across. We did it from Albania and Serbia and Yugoslavia, a couple of places in Amsterdam, and a data center in London.

The fastest we got was of course from the data center in New Jersey to the data center in London, which only made it slightly less than a quarter of the capacity that



EIRNS/Stuart Lewis

William Binney



Gage Skidmore

Former Director of the National Security Agency, Michael Hayden.

was necessary to transfer at the calculated download rate of 49.1 MB/second, the highest rate. So, that clearly showed to us that it could not go across the web.

After these tests were completed, I argued again that it's forensic evidence of a local download. I put all that into a sworn affidavit in the Federal court case against Roger Stone. It appears that it is being ignored; fundamental basic forensic evidence is being ignored.

Let me also say a few things about the current whistleblower, who I don't call a whistleblower, I call him a rumor-blower, because he's pushing around rumors and not basic evidence. The basic evidence is in the transcript of the July 25 Trump-Zelensky phone call. If you read that transcript, you have the basic evidence; you don't need anybody else's speculation. But that's all we're getting from these people, is speculation. Including all the people who are employees of the State Department; these are employees, they do not set policy. The President sets policy by the Constitution. They work for the President, and they're supposed to implement his policy. They don't get to set the policy; they get to implement it, period. That's their job. If they disagree, they should just quit and go work somewhere else.

After all, that's basically what I did at NSA, since I didn't agree with the violation of the Constitutional rights of everybody in the United States, as Gen. Michael Hayden directed the NSA to do: collect data on everybody in the country. I just got the hell out of

there as fast as I could. That's what you should do if you don't agree with the policy; then you can argue it outside, in court or wherever.

That's where I'm arguing it—in court. I've got a lawsuit in the 3rd Circuit and the 9th Circuit; I support the Electronic Frontier Foundation (EFF), and I'm supporting the case of Roger Stone, also Gen. Michael Flynn for the same reason. This whole thing was a set-up; this was a farce. They knew it was a fake; it was a fake from the very beginning, it was constructed that way, and they knew it. So, this has all been a charade from the very beginning.

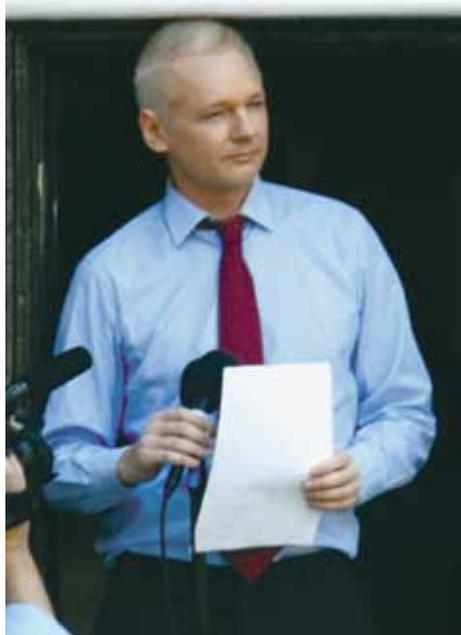
### Assange

As for Julian Assange, the founder of WikiLeaks, they're really trying to get rid of him, because they don't want him talking. They don't want anybody talking to him, they don't want him coming out and testifying. I've been arguing that one of the best things for the President would be to have Julian Assange come over here and testify in open court. That would be the best thing for him, because he would tell the truth.

After all, since they started in 2010, of all the material that WikiLeaks has posted, what part of it has ever been wrong? It's always been the truth. It's one source where you can get the truth. You can't believe the mainstream media, because they've been lying to us and twisting stuff around. Take, for example, they buy into

things that Shifty Adam Schiff says, like when he manufactures words for the President, and basically implies to the population of the country that that's what he said. He's lying through his teeth. He's manufacturing the whole thing. That's the whole charade that's a continuation of this charade of Russiagate, and so on. It's simply a continuation of it. It's the tactic and technique they're using here, the Democrats.

The one thing we can do, and the only thing we as voters can do, is send a message to the Democrats. Fire as many of them as you can in the next election. That will make it very clear to them that we, the people, do not particularly care for the process that they're following.



CC/Snapperjack

Julian Assange at the Ecuadorian Embassy in London on August 19, 2012.

## URGENT WARNING

# Julian Assange's Life is at Risk in UK Prison

Nov. 5—Killing the witness to a crime is the ultimate obstruction of justice, and now, just that is being perpetrated on British soil in collaboration with U.S. officials. On October 21, a close friend of Julian Assange, former UK Ambassador Craig Murray, reported that Assange is suffering severe mental and physical deterioration after having attended Assange's extradition hearing in London. On November 1, Nils Melzer, the UN Special Rapporteur, who had last visited Assange in May, issued a special warning based on reports he received.

Julian Assange is the one person alive in possession of the means to quickly put the lie to the entire Russiagate hoax, perpetrated primarily by British intelligence and the British-infiltrated and -controlled elements of the U.S. intelligence community. Assange is the founder of WikiLeaks. He was the recipient of the leaked files from the Democratic National Committee (DNC) and John Podesta, files that former CIA Director John Brennan and friends claim were hacked by the Russians and turned over to WikiLeaks in a scheme to interfere in the 2016 U.S. elections in favor of then Presidential candidate Donald Trump.

The Veteran Intelligence Professionals for Sanity (VIPS) organization has demonstrated forensically that the DNC files were in fact leaked, not hacked over the Internet by the Russians, as claimed by Special Counsel Robert Mueller. The VIPS reported their findings in a [Memorandum](#) to the Attorney General on March 13, 2019.

Julian Assange has repeatedly said that he received leaked files and that his receipt of these files did not involve Russian state actors. He offered to provide his evidence to then Congressman Dana Rohrabacher (R-CA) and Rohrabacher shared the offer with President Donald Trump along with Assange's denial of a Russian source for his documents. The documents detailed Hillary Clinton's subservience to Wall Street, all sorts of bad deeds by the Clinton Foundation, and the rigging of the 2016

Democratic primaries by the DNC against Bernie Sanders. The truth of these documents has never been contested. Assange also offered to provide his evidence to the U.S. Justice Department, and negotiations were actively underway when the Senate Intelligence Committee apparatchik, Mark Warner (D-VA), blew them up.

Now, Assange is being held in London's Belmarsh Prison, her Majesty's hole for the most dangerous crim-



inals in Britain. He was dragged out of the Ecuadorian Embassy in London in April and was being held for jumping bail seven years ago, serving a 50-week sentence that was completed on September 22. He is still in prison pending extradition on the basis of a U.S. indictment charging that he conspired with Chelsea Manning in her release of embarrassing U.S. military documents way, way back in 2010.

The indictment had been in the works since 2017, right after the Assange-Rohrabacher conversations, and was put before a U.S. Grand Jury right after legal hitman Robert Mueller concluded his fabricated campaign against the American President in April 2019. When the

indictment was unsealed, Assange was dragged out of the Ecuadorian Embassy in London where he had been granted asylum and hauled off to Belmarsh, pending extradition to the United States.

### Time to Act is Now

The UN Special Rapporteur on Torture and other Cruel, Inhumane or Degrading Treatment or Punishment, Nils Melzer, issued his harsh warning regarding Assange's health through the Office of the UN High Commissioner for Human Rights in Geneva. The full [statement](#), "UN expert on torture sounds alarm again that Julian Assange's life may be at risk," should be circulated. Melzer warned,

Unless the UK urgently changes course and alleviates his inhumane situation, Mr. Assange's continued exposure to arbitrariness and abuse may soon end up costing his life.

Melzer had met Assange on May 9, after which he demanded immediate measures to protect Assange's health and dignity, charging:

Despite the medical urgency of my appeal, and the seriousness of the alleged violations, the UK has not undertaken any measures of investigation, prevention and redress required under international law. [Assange] continues to be detained under oppressive conditions of isolation and surveillance, not justified by his detention status.

Melzer also attacked the U.S. role:

While the U.S. Government prosecutes Mr. Assange for publishing information about serious human rights violations, including torture and murder, the officials responsible for these crimes continue to enjoy impunity. Despite the complexity of the proceedings against him led by the world's most powerful



CC/Romy Marquez

*Craig Murray, former UK Ambassador to Uzbekistan.*

Government, Mr. Assange's access to legal counsel and documents has been severely obstructed, [effectively undermining] his most fundamental right to prepare his defense.

This call from the UN Special Rapporteur places the responsibility on all UN member states to take action to stop this political atrocity. The people who put this into operation should be fired or prosecuted as part of U.S. Attorney John Durham's investigation.

This is a real test as to whether the U.S. Justice Department can assume *any* degree of honor.

Craig Murray, former British Ambassador to Uzbekistan, attended the court appearance of Assange on Oct. 21 for an extradition hearing. Murray wrote in his blog:

Before I get on to the blatant lack of fair process, the first thing I must note was Julian's condition. I was badly shocked by just how much weight my friend has lost, by the speed his hair has receded and by the appearance of premature and vastly accelerated aging. He has a pronounced limp I have never seen before. Since his arrest he has lost over 15 kg in weight. But his physical appearance was not as shocking as his mental deterioration. When asked to give his name and date of birth, he struggled visibly over several seconds to recall both.

The hearing, Murray said, had confirmed UN Special Rapporteur Melzer's earlier warning that Assange was being tortured. Read Murray's full [account](#) of the hearing, on his website, [craigmurray.org.uk](http://craigmurray.org.uk), which he asked be widely circulated.

Citizens of all nations should speak out in concert with the international campaign being conducted by many organizations to bring the truth about this horrible intelligence crime into the sunlight, and to save Julian Assange's life.



UN/Eskinder Debebe

*Nils Melzer, UN Special Rapporteur on Torture.*

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## II. Celebrating Friedrich Schiller's Birthday and the Fall of the Berlin Wall

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HELGA ZEPP-LAROUCHE

# Address for a Triple Anniversary Celebration

Fall of the Berlin Wall in 1989: A Missed Opportunity  
Today in 2019, a Great Second Chance

*Helga Zepp-LaRouche, founder and chairwoman of the Schiller Institute, addressed, by pre-recorded video, the Schiller Institute's afternoon of music, poetry, and presentations, in celebration of a triplet of anniversaries, of which the first is Friedrich Schiller's 260th Birthday. The celebration took place on Saturday, November 9 in New York City. This is the edited version of her presentation. Subheads have been added.*

Today we celebrate a threefold anniversary: the fall of the Berlin Wall 30 years ago; the 260th birthday of Friedrich Schiller, the great German Poet of Freedom; and it was 35 years ago that the Schiller Institute was founded. And when we have a coincidence of three such anniversaries, it is worth looking back and seeing how they were interconnected.



Painting by Gerhard von Kügelgen



CC/Lear 21

*A Triple Anniversary: Friedrich Schiller's birthday, the fall of the Berlin Wall, and the founding of the Schiller Institute.*



EIRNS/Stuart Lewis

### The Fall of the Berlin Wall

Now, many people today may not even remember that fall of the Berlin Wall because they were either not yet born, or too young to follow it. But it is really important to learn the lesson of what happened then, and what went wrong, in light of the situation we have today.

I remember many of the incidents as if it were yesterday because we were not just standing on the sidelines and watching it, but we were in the middle of these events, trying to shape them with our ideas.

There is almost no example of a greater difference than the disparity between the official narrative of the fall of the Berlin Wall and German reunification, and what really happened. The official narrative, then, was that it was the victory of democracy over communism, of freedom over dictatorship. The historian Francis Fukuyama even said, when the Soviet Union collapsed two years later, that this is the end of history. And in general, the narrative was that the entire world would embrace the Western model of “democracy,” of “human rights,” of the parliamentary system, and that would be just the way it would go.

I, however, in many speeches in 1990, warned that if you were to superimpose an equally bankrupt Western liberal model over the collapsed communist economic system, you might experience, for a certain period of time, a boom, but then eventually, it would come to a much, much larger collapse of the entire system. And I think that’s exactly where we are today.

Look around the globe. We have a system in complete disarray: Mass demonstrations in Chile, in Iraq, in Lebanon; Yellow Vests in France, German farmers in a total revolt. Look at what happened with the Brexit. Now, this is actually, in my view, the first time in history that revolts are occurring in every corner of the world at the same time. I think what Leibniz said at the end of the 17th century is really true today: He said, if the whole world would at some point be dominated by utilitarianism, it would come to a world revolution.

## Attempt to Impose a Unipolar Liberal World Order

The intent by the Western establishment in 1989, and especially after the collapse of the Soviet Union in 1991, was to impose a unipolar world—its promotion of the “only democracy” idea was to do that, and it has completely backfired. They tried to impose a unipolar world using regime change, color revolutions, and interventionist wars. History, according to this western oligarchy, meant that you only would talk about the his-



CC/Warko

*Chileans staged the largest demonstration in the country’s history, in Santiago on October 25, 2019, forcing President Sebastian Piñera to reverse some austerity measures.*



Thomas Bresson

*Anti-austerity Yellow Vest marchers in the streets of Belford, France on December 2, 2018.*

tory of the Atlantic sector, and that history was only made by the trans-Atlantic oligarchy.

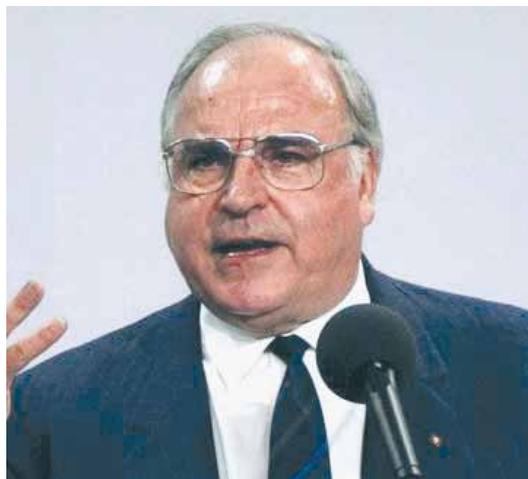
But the backlash against that effort to impose a unipolar world has led to the emergence of groupings of different nations, of Russia, of China, of India, of other Asian nations. It has led to a completely different self-understanding in Africa. It has increased the gap between the rich and poor in such a way that is no longer

sustainable. The middle class is disappearing.

Ask yourself, how did we come to the point of the so-called “end of history,” “democracy” everywhere, and this gigantic upheaval which we see right now? Now, 1989 was what you could correctly call a “*Sternstunde der Menschheit*” in German, which means an extraordinary chance in history, a “Star-Hour of Humanity.” And it was one of these great moments, when one could actually shape history, because communism had disappeared, and you could have imposed a peace order for the 21st century. We had that vision.

Lyndon LaRouche, in 1984, when the Soviet Union rejected his and President Reagan’s offer of the SDI (after President Reagan had made the SDI the official American policy), forecast that if the Soviet Union held to their then policies of military domination and primitive accumulation against their own economy, the Soviet Union would collapse in five years. And so it did! Lyndon LaRouche, watching the economic difficulties of the Comecon countries in 1988, also forecast that Germany would soon reunify. He said that the united Germany should develop Poland with Western technologies as a model to transform the entire Comecon.

Now, when the Wall actually fell, under pressure from the growing Monday demonstrations, we were the only ones who had a conception of what to do. Remember the incredible joy—people were dancing on the Berlin Wall when it was opened. It was an unbelievable moment of potential change in history. Official documents of the German government, which were published a couple of years later, show that despite the fact that German unification was *the* primary goal of West German politics, no one had a contingency plan!



CC/Lothar Schaack

*Helmut Kohl, Chancellor of West Germany (1982-1990) and of the reunited Germany (1990-1998).*

policy immediately, but Helmut Kohl, the Chancellor of Germany at that time, took a first baby-step in the direction of sovereignty, by presenting to the Bundestag, on November 28, a few days after my leaflet, a [ten-point program](#), which was not yet the idea of unification, but of a confederation of the two German states.

Two days after that, on Nov. 30, Alfred Herrhausen, the head of Deutsche Bank at that time, was assassinated by a very dubious “third generation” of the Red Army Faction terrorist organization, which probably never existed. That’s at least a question still to be investigated by historians. But, it was a message to Kohl, “do not dare to go in this direction of sovereignty of Germany.”

At that point you had a fierce reaction: British Prime Minister Margaret Thatcher launched her campaign, warning that a unified Germany would become a “Fourth

Reich”; French President François Mitterrand demanded that Germany give up the Deutsche Mark and adopt the euro; U.S. President George Bush, Sr. demanded self-containment of Germany through further integration into NATO and the European Union, the acceptance of the Maastricht Treaty, and with that austerity regime which is now leading to the detonation of the EU, and the tensions between East and West, and North and South.



Alfred Herrhausen Gesellschaft

*Alfred Herrhausen, Chairman of Deutsche Bank (1988-1989).*



## The Paris-Berlin-Vienna Productive Triangle

We proposed the Paris-Berlin-Vienna Productive Triangle, which was the idea to use Western technology and its productive potential to transform the countries of Eastern Europe, to modernize and integrate them with Western Europe. The first such [proposal](#) we published in January 1990. When the Soviet Union collapsed in 1991, we immediately expanded that Productive Triangle idea to include all of Eurasia—to connect the productive powers and population centers of Europe with those of Asia, through development corridors, and we called it the Eurasian Land-Bridge: the New Silk Road. This was also meant to be a peace order for the 21st century.

Now, naturally, the neo-cons who wanted to impose their unipolar world, broke the promises they had made to General Secretary Mikhail Gorbachev, that NATO would never be expanded to the borders of the Soviet Union. In 1991, according to a German newspaper, the CIA published a report that Russia had a better-educated workforce and more natural resources than the United States, and therefore, if one were to allow economic development, it would become a competitor on the world market. So therefore, economic development should be discouraged.

## Assassinations and Shock Therapy

What went into effect was the shock therapy of Jeffrey Sachs, the same Jeffrey Sachs who is now in the middle of the Green climate financing scam.

George Soros was involved in a huge brain drain of Russia and the other former Soviet countries, and in Germany. There was an enormous effort to quash the potential of a German relationship with Russia at that point. On March 8, 1990, the last sitting of the People's Chamber (*Volkshammer*) of the G.D.R. [German Democratic Republic—East Germany] took place, at which the *Treuhandanstalt* [*Treuhand*, or Trust Agency] was created. It became the largest industrial holding company in the world and was supposed to protect the state-owned property of the G.D.R., but then there was a cold coup. On June 26, 1990, the De Maizière government published statutes that promoted nothing but the privatization and reorganization of the state-owned industries.

In August 1990, Detlev Karsten Rohwedder, who was a very good and effective industrialist, was assigned to reorganize the *Treuhand*. Having an excellent understanding of the requirements of the real economy, he put restoration before privatization, with the primary aim being to protect the jobs in the previously state-owned companies. He was immediately, viciously attacked by British and U.S. investment banks that accused him of blocking foreign investment. He was shot and killed on April 1, 1991, by the same dubious, probably non-existent “third generation” of the terrorist Red Army Faction, the Baader-Meinhof group.

He was replaced by Birgit Breuel, the daughter of Alvin Münchmeyer, whose bank had a very dark history, being one of the key financiers of the NSDAP [the National Socialist German Workers Party—the Nazi Party] in the 1930s, together with Brown Brothers Harriman bank in the United States and Montagu Norman, the Governor of the Bank of England.

A gigantic expropriation of the property of the people of the G.D.R. took place. All of a sudden, the life's work of all of the people of the G.D.R. meant nothing, it was declared worthless. The people in East Germany have yet to recover from this shock. I would say that this expropriation had a lot to do with the fact that you have now the emergence of the Alternative for Germany (AfD), a populist organization which however has within it a lot of very evil elements, right-wing extremist, if not worse—fascist elements.

The establishment decided that the disappearance of communism gave it new, basically insane, options. As long as the Soviet Union continued to exist, the oligar-

chy in the West knew that it had to meet a certain requirement for scientific and technological progress, to keep up with the arms race in the Cold War. For reasons that were developed much earlier by Nicolò Machiavelli: You always have to stay on the same level of technology as your opponent, or better yet, keep ahead.

With the collapse of the Soviet Union, the forces of the British Empire went into unrestrained deregulation of the financial markets, going back to the old oligarchical thinking, reduce the population, keep people backward. Especially after succeeding in eliminating the Glass-Steagall Act in the United States in 1999, you had a complete, unrestrained deregulation of the financial markets, at the expense of industry, at the expense of the common good, and for the total profit maximization of the speculators.

On July 25, 2007, one week before the secondary mortgage crisis erupted, Lyndon LaRouche made a world-famous [webcast](#), in which he said this system is absolutely finished, and all we will see now is how the different aspects come to the surface. As a result of the fact that people did not listen to him, the big systemic crash occurred in 2008. Nothing was done by central banks to eliminate the root causes of that crash, and therefore, now, about 11, 12 years later, we are facing an even worse crisis, because all they did was quantitative easing, zero interest rates, negative interest rates, and today, we are looking at the blow-out of the entire system—much, much worse than 2008.

But in the meantime, another tendency developed.

### The Eurasian Land-Bridge

To move our proposal for the Eurasian Land-Bridge, we organized conferences and seminars on five continents. In 1996, there was a big conference in Beijing, where I presented our [proposal](#) to use the Eurasian Land-Bridge as a cornerstone for a new world economic order, and at that point, China declared the Eurasian Land-Bridge to be the strategic goal of China by the year 2010. But then, naturally, in 1997 the Asia crisis happened; in 1998, the Russian state bankruptcy, and the Asian countries were forced to develop an alternative to defend themselves. Since then, a whole array of organizations has developed: the BRICS, the Shang-

hai Cooperation Organization, and many others. The Schiller Institute continued to hold conferences proposing that the Eurasian Land-Bridge should become the World Land-Bridge connecting all five continents.

Then, in Kazakhstan in 2013, President Xi Jinping announced the New Silk Road. And in the six years since, this has become the largest infrastructure project in history. One hundred and fifty-seven nations and 30 large, international organizations are participating in it. They have created a new paradigm, based on respect for sovereignty and mutual non-interference in each other's social systems. It has now become a model of cooperation which, according to President Xi Jinping, is open to every nation on this planet.



*Six years after Xi Jinping announced the Silk Road Economic Belt and Maritime Silk Road in 2013, 157 nations and 30 international organizations are participating.*

When you look around the globe, you see demonstrations in many countries, many of them larger than the Monday demonstrations in the G.D.R. in 1989, some of them not as peaceful. We are also confronted with existential dangers: Especially emanating from the drug cartels, if you look at the situation in Mexico, or if you look at the mostly Soros-sponsored color revolutions, such as in Hong Kong, and other destabilizations around the world. It is actually the work of the same forces behind the coup against President Donald Trump, since 2016. But there is also a counter-move: The criminal investigation of the coup-plotters against Trump, led by Attorney General William Barr.

### LaRouche's Solutions Are Now Urgent

So, 30 years after the fall of the Wall, we are now exactly at the point I described in many speeches that, if you try to superimpose the liberal system, you will get a

much larger collapse. But we also have the new constellation of the Belt and Road Initiative, and President Trump, who has said many times, and has proven through his actions, that he wants to improve U.S. relations with Russia and China. So you actually can say that we are experiencing right now the Great Chance of 2019, but what *must* occur, is to learn the lesson of what went wrong 30 years ago. The Four Powers—the United States, Russia, China, and India—must impose the prescriptions of Lyndon LaRouche.

We must have a Glass-Steagall separation of the banks worldwide. The casino economy has to end, and this should occur before the collapse throws the world into chaos.

Then, we need a national bank in every country, on the conceptions of Alexander Hamilton.

We need a New Bretton Woods, a new credit system to finance international projects of the Belt and Road Initiative.

And, we have to have an increase in the productivity of the economies, through a joint, crash program for the realization of fusion power, and we need international cooperation for space exploration and research.

Now, all these countries, the Four Powers, joined by others, must join hands for the economic reconstruction of Southwest Asia, which has been destroyed by interventionist wars; and we need the industrialization of Africa, because this is the big challenge to the entirety of humanity. We must overcome geopolitics, and we must agree to what President Xi Jinping has been proposing for many years: a shared community of the future of the one humanity.

### **A Renaissance of Classical Culture**

This, however, must be combined with a Renaissance of Classical culture, and this is why the role of the Schiller Institute and the ideas of Friedrich Schiller are so absolutely indispensable. It was the principle of the Schiller Institute, when it was founded in 1984, that a new world

economic order could really only succeed if combined with a Classical Renaissance. We need a dialogue of the best traditions of all cultures, and for European civilization this means that the beautiful image of man—as expressed by Friedrich Schiller and as it was celebrated by Beethoven in the *Ode to Joy* choral section in his Ninth Symphony—must become the basis of our education system and of our social life.



*Friedrich Schiller*

According to Schiller, every human being has the potential to become a beautiful soul, and his definition of that, is the potential for every human being to become a genius. His idea is that every human being has a limitless capacity for self-improvement, intellectually and morally.

So, the liberal model has not just failed economically, but also culturally. With the drug epidemics, for example, in the United States, the ugliness of the youth culture, the violence in so-called “entertainment,” the school shootings, and similar things, it is very, very clear, that if the West wants to survive, we need an aesthetical education. President Xi Jinping has said in many speeches how important he regards the aesthetical education, because it

leads to a beautiful mind and a beautiful soul, and it is the source of the creation of great works of art.

Now, in the United States and Europe, we must recreate the best traditions of humanism and Classical art, in the tradition of the Italian Renaissance, the German Classics, the music of Bach, Mozart, Beethoven, Schubert, Schumann, Verdi, and others. This is not an option: This is a necessity. Civilizations have disappeared. Museums are full of examples of nations, of cultures, of civilizations morally too deprived to make it. Now, Europe and the United States could disappear! And I’m not saying this as a pessimistic prognosis, but as an incentive for us to change our habits and assumptions. We have to recreate our civilization based on the lofty ideas of great poets like Schiller, whose 260th birthday we celebrate today.

SCHILLER INSTITUTE PROGRAM

November 9, 2019 Railton Hall, New York

# Celebrating Friedrich Schiller's Birthday and the Fall of the Berlin Wall

Greeting: Dennis Speed

A Three-Fold Anniversary: Helga Zepp-LaRouche

The Lost Chance of 1989: Excerpt from the LaRouchePAC [video](#)

Schubert/Schiller: "Die Hoffnung"

Michelle Erin, *soprano*

Margaret Greenspan, *piano*

Elliot Greenspan, *speaker*

Schubert/Schiller: "An Emma"

John Sigerson, *tenor*

Margaret Greenspan, *piano*

Shakespeare: Luciana's monologue from *Comedy of Errors*, Act 3, Scene 2

Leah DeGruchy

Max Caspar on Kepler as a Philosophical Mind

John Sigerson

Schiller: "Die Teilung der Erde"

Frank Mathis, *baritone*

Schubert/Schober: "An die Musik"

Lisa Bryce, *soprano*

Richard Cordova, *piano*

INTERMISSION

Schiller: "Kassandra"

Gudrun Bühler

The Classical Beauty of Schiller's Poem "Nänie"

Helga Zepp-LaRouche, [video](#)

Brahms/Schiller: "Nänie"

Schiller Institute NYC Chorus

John Sigerson, director

Margaret Scialdone, *piano*

Schumann: Selections from *Symphonic Etudes*, Op. 13

Maryam Raya, *piano*

Carl Maria von Weber: "Und ob die Wolke sie verhülle"

Lisa Bryce, *soprano*

Richard Cordova, *piano*

Verdi: Two arias from Verdi's opera *Luisa Miller*:

"A brani, a brani, o perfido"

Gudrun Bühler, *soprano*

Richard Cordova, *piano*

"Quando le sere"

John Sigerson, *tenor*

Margaret Greenspan, *piano*

# Power is Not Force, But Principle: Why Beauty Strikes Fear in Evil

by Dennis Speed

“The awful shadow of some unseen  
Power  
Floats though unseen among us . . .”  
—Percy Bysshe Shelley,  
“Hymn to Intellectual Beauty”

Something different has for weeks been stirring in the streets of America, and in the minds of the people. It goes entirely unreported in media, rendering nearly every polling service unreliable. It defies the surveillance agencies, as it did in East Germany in the months prior to the momentous events of 1989 which dissolved that mental prison-of-a-state, before its very helpless eyes. Throughout the world, signs of it can also be seen—Lebanon, Brazil, Argentina. Somewhere in London, or Venice, in the basement or penthouse of some agency, a surge of foaming rage erupts. “I’ve just figured it out. We’re being threatened with a mass outbreak of thinking!”

The triple anniversary commemorations held by the Schiller Institute in the United States on November 9, and over the weekend of November 9-11, addressed the need to elevate the American citizen’s sights above the clouds of mediocrity and mendacity into which various failing, but viciously-committed intelligence operations and Congressional Committees have sought to plunge them. Why might such celebrations, commemorations, and classes now have an indelible impact, where before they might not have?

For the first time in the last seventy-five years, that is, since after the end of World War II, the world has, particularly in the nations of Russia, China, India, and the United States, assembled an array of leadership whose potential combination could permit humanity to walk away from its own thermonuclear self-destruction. The bankruptcy, both financial and moral, in the trans-Atlantic sector, as bad as it undeniably is, is, how-



EIRNS/Stuart Lewis  
Dennis Speed

ever, as of nothing when compared to the cultural decay that has fatally infected all areas of “Western” academia and political life. It threatens to do the same to an unwilling but weak population throughout the states of the Americas and Europe.

But here, in this circumstance, a small dedicated “raggedy elite” can infect tens, even hundreds of millions, with the virus of “intellectual Beauty.” The aesthetic education of mankind, as discussed by Schiller, and then implemented in the educational reforms of Herbart, vom Stein, and von Humboldt

is now the leading strategic concern profitably addressed. Schiller’s strategic studies, such as his *History of the Thirty Years War*, reintroduced not merely in universities, but in the streets of daily discourse, can replace geopolitics as the poisonous doctrine of choice now reigning among the once-competent diplomatic, intelligence, and even literary elites of the dying trans-Atlantic world.

To do this, “Committees of Correspondence” are being established throughout the United States devoted to assembling, in person or otherwise, self-selected citizens who recognize, not merely the crisis, but the opportunity to guide themselves and their nation to something better. These citizens’ assemblies will constitute a system of conferences that, in defiance of the various fake news sources of the day, seeks to comprehend current history by changing it. Lyndon LaRouche and his work in universal history provides the means by which current history is, particularly for an American audience, best comprehended. It is the actions that we take, once inspired, through which we can see our own powers of reason changing our destiny.

In welcoming participants to the Manhattan Schiller Institute event commemorating the 30th anniversary of

the November 9, 1989 “miraculous” fall of the Berlin Wall, organizers informed some and reminded others, that during that great moment in history, the man who had forecast that very circumstance one year earlier in 1988—Lyndon LaRouche—had been imprisoned. In his introduction to the keynote speech delivered by Helga Zepp-LaRouche, moderator Dennis Speed said:

Thirty years ago today, Nov. 9, 1989, the Berlin Wall came down. On Oct. 12, 1988, one year earlier, Lyndon LaRouche, the co-founder of the Schiller Institute and husband of Helga Zepp-LaRouche, gave a speech in Berlin at the Bristol Kempinski Hotel, and he said on that occasion, that the time had come for the reunification of Germany with Berlin as its capital. That speech was also broadcast on American television at that time, when Mr. LaRouche was running as a candidate for the United States Presidency.

Absolutely no one agreed with him. But that didn't stop the Berlin Wall from coming down. That didn't stop the reunification of Germany one year later. So the NSA did not know. The CIA did not know. The Pentagon did not know. No one in any political science department in any university in America knew. Henry Kissinger did not know. Zbigniew Brzezinski, Samuel Huntington, none of them knew. None of the recognized, acknowledged authorities knew. It was precisely because they were the accepted, acknowledged authorities, that they could not have known. It was only the unacknowledged authorities, in this case, Lyndon LaRouche, who articulated what was to be. He articulated the future, in the then-present; defied the axioms of all the authorities.

Now: The poet Percy Shelley said, “Poets, according to the circumstances of the age and nation in which they appeared, were called, in the earlier epochs of the world, legislators, or prophets: a poet essentially comprises and unites both these characters. For he not only beholds intensely the present as it is, and discovers those laws according to which present things ought to be ordered, but he beholds the future in the present. . . .

Re-asserting the Greek-based (and Sanskrit-based) Classical idea that legislators were poets, and that legislators have a responsibility to behold the future in the present, will be an astonishing affront to contemporary

views of politics. There will be no other way, however, to respond to this time of crisis. LaRouche described his Presidential campaign thus:

I am here today, to report to you on the subject of U.S. policy for the prospects of reunification of Germany. What I present to you now, will be a featured topic in a half-hour U.S. television broadcast, nation-wide, prior to next month's presidential election. I could think of no more appropriate place to unveil this new proposal, than here in Berlin. I am the third of the leading candidates for election as the next President of the United States. . . .

By profession, I am an economist in the tradition of Gottfried Wilhelm Leibniz and Friedrich List in Germany, and of Alexander Hamilton and Mathew and Henry Carey in the United States. My political principles are those of Leibniz, List, and Hamilton, and are also consistent with those of Friedrich Schiller and Wilhelm von Humboldt. Like the founders of my republic, I have an uncompromising belief in the principle of absolutely sovereign nation-states, and I am therefore opposed to all supranational authorities which might undermine the sovereignty of any nation. However, like Schiller, I believe that every person who aspires to become a beautiful soul, must be at the same time a true patriot of his own nation, and also a world-citizen.

For these reasons, during the past fifteen years I have become a specialist in my country's foreign affairs.

And it is for precisely these reasons that Americans confronted with a Presidency that has announced its intention to roll back the “military-industrial complex” and collaborate with Russia, China, and India in various ways, must qualify themselves to advance “the better angels” of that Presidency, including against those devilish forces within it.

The 100 participants in the event, a highly diverse audience, performed as well as listened. Conversation ensued around the tables after the keynote speech by Zepp-LaRouche, which was followed by various musical and poetic offerings. Schiller poems, recited in both German and English, a Shakespeare monologue, and the music of Brahms, Schubert, Verdi, and von Weber were performed. The full text of Zepp-LaRouche's keynote appears elsewhere in this issue.

# The Classical Beauty of Schiller's Poem 'Nänie'

by Helga Zepp-LaRouche

*The following is an edited transcript of the [video](#) of Zepp-LaRouche's presentation about the poem "Nänie", which was played at the Triple Anniversary Celebration in New York City on November 9, 2019. She first made these remarks at the Schiller Institute's 30th anniversary conference in New York City on June 15, 2014, which conference proceedings are [available](#) in the June 27, 2014 issue of EIR.*

The extreme importance the Schiller Institute puts on Classical culture has everything to do with the hope to come out of this civilizational crisis, because we're not only having a financial crisis, a political crisis, a military crisis, but we have profoundly, a cultural crisis. And if we want to come out of it, we have to make Classical music and Classical poetry accessible to the general public, because it's the only way we can make people have access to the inner source of their own creativity. There is almost nothing else but Classical music and Classical poetry which does that.

Now, most people have no idea what "Classical" means. They think Classical music is the Rolling Stones, or some such ancient thing. In reality, Classical art, as it has been developed in Germany, in particular in the Classical period—and naturally in other countries too—represented the highest standard in both music and poetry, and it had the very highest standard of what goes into it.

The Classical poem, for example, "Nänie," which we will hear now in a composition of Johannes Brahms, is a *perfect* Classical poem. It has every ingredient which Schiller, Goethe, and some others of the great poets who established universal, aesthetical laws, defined. It has a beautiful, poetical idea. That idea is thoroughly composed. It has a transformation to a higher idea which you cannot express in prose, and there is not one word too much.

It would require more to say, but I leave it at that. I want to read to you, first in German, the "Nänie," and then John Sigerson will read it in English, and then I will give you a couple of comments on it, because most people have forgotten how to open up poems. They read

something written by Shakespeare or by other poets, Shelley, and they say, "This doesn't make any sense." But they don't make the effort to actually, word by word, line by line, strophe by strophe, *conquer the poem*, and that way, get inside, into what it means. When you do that, you will see that it accesses the most tender, most lyrical part of your soul. And you know, poems are really the absolute, necessary way of accessing creativity. The fact that that art is so much lost has everything to do with the present crisis in which we find ourselves.

So, I read to you this "Nänie:"

## *Nänie*

*Auch das Schöne muß sterben! Das Menschen  
und Götter bezwinget,  
Nicht die eherne Brust rührt es des stygischen  
Zeus.  
Einmal nur erweichte die Liebe den  
Schattenbeherrscher,  
Und an der Schwelle noch, streng, rief er zurück  
sein Geschenk.  
Nicht stillt Aphrodite dem schönen Knaben die  
Wunde,  
Die in den zierlichen Leib grausam der Eber  
geritzt.  
Nicht errettet den göttlichen Held die  
unsterbliche Mutter,  
Wann er, am skäischen Tor fallend, sein  
Schicksal erfüllt.  
Aber sie steigt aus dem Meer mit allen Töchtern  
des Nereus,  
Und die Klage hebt an um den verherrlichten  
Sohn.  
Siehe! Da weinen die Götter, es weinen die  
Göttinnen alle,  
Daß das Schöne vergeht, daß das Vollkommene  
stirbt.  
Auch ein Klaglied zu sein im Mund der  
Geliebten ist herrlich,  
Denn das Gemeine geht klanglos zum Orkus  
hinab.*

[English translation:]

*Nenia*<sup>1</sup>

Even the beautiful must perish! It vanquishes  
men and gods alike,  
Yet it moves not the steely breast of the Stygian  
Zeus.<sup>2</sup>  
Only once did Love make the Lord of the  
Shadows relent,  
But, still on the threshold, he sternly withdrew  
his gift.<sup>3</sup>  
Aphrodite failed to stanch the beautiful boy's  
wound  
Which the wild boar had gruesomely gashed  
into his delicate body.<sup>4</sup>  
The divine hero could not be saved by his  
immortal mother<sup>5</sup>  
When, dying at the Scaean Gate,<sup>6</sup> he fulfilled his  
fate.  
And yet, she rises from the sea, with all Nereus's  
daughters,<sup>7</sup>  
And lifts her voice in lament over her glorified  
son.  
Look! The gods are weeping! All the goddesses  
are bemoaning  
That the beautiful must pass away, that the  
perfect must die!  
Even a song of lament in the mouth of she who  
is loved, is glorious,  
Because tawdry goes down to Orcus<sup>8</sup> unsung.

To just take the first reference to Greek mythology which Schiller uses, the myth of Orpheus and Eurydice: This is a very beautiful myth, where Orpheus received from the god Apollo, the power of a beautiful singing voice, and also of playing the lute so powerfully that he would move not only people to tears, but even trees and stones would be moved. He fell in love with Eurydice, who was a river nymph, and they married, but very soon she died. Orpheus was so com-

1. Song of lamentation.

2. Pluto, god of the underworld.

3. Orpheus attempted to retrieve Eurydice from the underworld.

4. Venus (Aphrodite) mourning over the hunter Adonis.

5. Achilles' mother, the goddess Thetys (daughter of the sea god Nereus).

6. The gate of Troy.

7. Nereus had 50 daughters.

8. The underworld.

pletely distraught that neither prayer nor song nor anything would get him out of his sorrow, or bring her back.

So he took a decision which no human being had ever taken before. He decided to go down into the realm of the dead, into the Tartarus, to bring her back. There he talked to Hades, the ruler of the underworld, singing to him of his immortal love and his pain, which was stronger than he could bear. He reminded Hades that he had fallen in love with his wife, Persephone, whom he had stolen from some foreign town and then married. This had never happened before; all the shadows of the underworld, all the mythological figures, gathered around him and listened to his beautiful singing. And even the Eumenides, the goddesses of revenge, were moved to tears by this expression of beauty and love.

Even Hades, the sinister ruler of the underworld, was moved; and then his wife, Persephone, calls forth the shadow of Eurydice, and tells Orpheus that his great love has moved them, and that they will fulfill his request and she can follow him—but only on one condition: He must not look back. Because if he looks back even once, he will lose Eurydice forever.

Orpheus goes, and naturally, Eurydice follows him, but since she is a shadow, he cannot hear her. At one point, he completely panics, looks back, and sees that, indeed, she is there. She looks at him for only a moment, sadly, very tenderly, but when he wants to embrace her, she disappears into emptiness.

Totally beside himself, Orpheus throws himself into the Styx, which is the river that separates the underworld from the upper world, and he weeps for seven days and seven nights, but in vain: The gods remain unmoved.

Now “Nänie” is the name for the song of lament, which was a very common phenomenon in Greek mythology. Every time a great figure of mythology died, there was a song of lament, a “Nänie.” And that *Nänie*, that song of lament, became its own category of poetry.

Now, Schiller's poem, “Nänie,” starts with a very emotional statement, which means something for every human being, because everybody experiences it one or more times in his or her life: “Even the beautiful must die!” How often have we not said, “Why is the beautiful dying?” It's a universal human emotion. Schiller, however, does not talk about the loss of a

person; he talked about the loss of beauty, and he gives three examples: The first one is the Eurydice/Orpheus example which I mentioned, which is the beauty of Love. The second is the myth of Aphrodite, the goddess of Beauty, and her lover, the handsome youth Adonis, who is wounded by a wild boar and dies. And the third one is a reference to the death of Achilles at Troy. Achilles, in Greek mythology, was the son of Thetys, who was in turn, the daughter of Nereus, and wife of Peleus.

Now, Schiller calls Achilles “the divine hero,” and his beauty is one of character, of virtue, and of bravery. He fought, but even his immortal mother could not save him. But then, she, the immortal mother, arises out of the ocean, with all of the daughters of Nereus, and they sing the “Nänie,” the song of lament for Achilles.

And then, something very beautiful happens: There is a shift in the poem. It says:

“Look! All the gods are weeping, and all the goddesses are bemoaning that beauty vanishes, that the perfect must die.”

Now, the three examples Schiller gives in this poem, all begin with a “not,” in the German—it’s lost in the English translation, because it requires a poet; to translate a Classical poem, equally beautifully, into another language. And I’m not saying John is not a poet; I’m just saying he didn’t have enough time to do it! And he wanted people to have access to a relatively difficult text.

But in the German: “*Nicht die eherne Brust . . .*”; “*Nicht stillt Aphrodite . . .*”; “*Nicht errettet den göttlichen Held . . .*” is an artistic trick with which you make sure the audience understands that it’s really the same subject.

Then, in the German, there are also very beautiful forms, like *Distichen*, which is a sequence of hexameter and pentameter, and in German, the word *Dichtung* [poetry] has a very special meaning: *Dicht* means dense or intense, so *Dichtung* means intensification. So you intensify the prose in such a way that you arrive at a higher level.

So, in the first case, even the beautiful must die, and all the gods and goddesses weep. The beauty has not died, because—and this is where the transformation occurs—in the song of lament, the beautiful becomes immortal: So the subject of the poem is not the loss of beauty, because the beauty is in “Nänie”, in the song of

lament, in the poetry. Because the mean, the tawdry, vanished without a song, into Orcus.

### **Beauty, in Art, Is Immortal**

Now, what is said here is that beauty, in art, is immortal. Even where death destroys the beautiful, the beautiful reappears in the art, and that is also true for every person who contributed something with his or her life, to the immortality of the species of mankind, and its progress.

Nicholas of Cusa wrote that the soul is the place where all science and all art is created, and the fact that the science created, the art created, is immortal, that means also that it’s an absolute proof that the soul is immortal, because that which creates is of a higher order than the created. So, once a soul creates immortal things, the soul is immortal.

Beauty in all of this is extremely important, because Schiller, in several poems and writings, speaks of the conflict between *Lust*—the joy in the here and now, the joy of the senses—and the beauty of the mind, which is related to universal principles and to immortality. And he struggles, and conveyed that struggle, that in order to be a universal mind, to be a philosophical mind, to be a beautiful soul, to be a genius, you have to resolve that conflict, because if your mind is demanding one thing, and your emotions are telling you something else, you cannot resolve it. And if you only follow Duty, then you end up like Immanuel Kant: You become one of the Kantian types who do their duty, but are totally joyless.

Schiller resolves that by saying that beauty is the realm where the conflict between the happiness of the senses and happiness of the soul is overcome, because without any question beauty belongs to the realm of the senses: You can feel it, you can see it, you can enjoy it with your emotions, but it is also something which affects the mind. So, it is therefore that which resolves that conflict, and that has everything to do with the need for an aesthetical education of civilization. It has been a total conviction of the Schiller Institute, and one of the reasons why it was founded, that we have to educate mankind *aesthetically*, because the barbarism which we see today in the world, is just a complete lack of that kind of aesthetical education.

So therefore, I ask you all, help us to spread Classical culture, because only if you love Classical culture, are people truly human.

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## III. LaRouche's Strategy

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MAY 2000

# On the Subject of Strategic Method

by Lyndon H. LaRouche, Jr.

### Forecasting Versus Predicting

From my knowledge of the world situation today, the currently leading policy-postures of the U.S.A., as expressed in its leading news media, and in the presently dysfunctional three branches of its Federal government, represent, for civilization as a whole, a recipe for a global catastrophe of monstrous proportions and profundity. The central feature of this tragedy, is the fact, that the U.S.A., like the world in general, is presently gripped by the terminal phase of the worst financial, monetary, and economic crisis in more than a century.

The most ominous feature of the situation, is not merely that economic crisis itself. The worst problem, is that state of mind which is expressed by the current policy-shaping of not only the U.S.A., but by London, and also among numerous other leading governments of the world. This state of mind bespeaks the characteristics of societies which appear to have mislaid that moral and intellectual fitness needed to survive that economic collapse which is now looming for the world as a whole. For that reason, because of that mind-set, global catastrophes are now extremely probable, if not yet absolutely certain, for some time sooner or later, during the course of the months immediately ahead.

The crucial feature of the report I present here today is, the following.

The exact timing of any critical phase-shift within the economic process, is determined by human choices

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Editor's Note: This speech was prepared for delivery to a [conference](#) sponsored by LaRouche's International Caucus of Labor Committees and the Schiller Institute, in Bad Schwalbach, Germany, May 26-28, 2000. It is reprinted from *EIR* Vol. 27, No. 22, June 2, 2000, pages 20-35. Links have been added.

of actions, or by the simple absence of competent choices. Therefore, exact dates for important breaking developments become predictable, only under unusual, very extreme conditions. Such unusually extreme conditions, are typified by the circumstances of *my successful, June 1987 forecast of a probable major stock-market collapse for October of that same year*. Those extreme conditions are also typified by the exceptional circumstances of *my October 12, 1988, Berlin press-conference forecast: that an imminent collapse of the Soviet economic system was pending, with the prospect of reunification of Germany, to occur during the period then immediately ahead*.

If we avoid the common folly of simple-minded predictions, and engage in competent forms of long-range forecasting, we will produce the kind of forecasts which only rarely attempt to predict exact dates for stock-market convulsions. Instead, we must provide forecasts which have a less exact dating, but which are not merely reliable, but indispensable guides, for the purpose of informing the long-range policy-making of any government or large private enterprise.

Such latter qualities of long-range forecasting are indispensable, because investments in physical capital are based on long-range commitments, with which we must often live for periods as long as a decade or generation ahead. A major investment in public works, in education policies, or any other long-term capital investment, or the lapsed time from the date of the first stage of generating a new line of product, until its actual production for general use, years later, are examples. These kinds of forecasts, are indispensable, to enable us to assess the long-term risks incurred by continuing to adhere to any presently operating sets of policy-guidelines.

It would have been widely accepted, among reasonably competent statesmen of former times, that the

course of economic developments, of a nation or world economy, is shaped by choices, especially choices of policies made during the critical phases of an unfolding process. However, most among today's generation of statesmen are too often lured into the often fatal folly, of relying upon so-called objective, or statistical forecasting. We must never forget the determining factor: it is the human will, in choosing, or failing to choose, appropriate kinds of voluntary, critical changes in policy, which shapes the future of nations, and of mankind as a whole. These are the decisions which have relatively decisive impact on the course of events, especially under crisis-wracked conditions similar to those prevailing, world-wide, today.

### The Recent Crises: Deflation and Hyperinflation

For example, what foolish U.S. and European officials deluded themselves into calling the "Asia crisis" of 1997, actually marked the entry of the world's financial, monetary, and economic systems, into the present, terminal phase of decline of the present form of that combined, global system. It was failed policy-decisions, made by the U.S. government, and others, in response to the so-called "Asia crisis," which led, more or less inevitably, into the global conditions reflected in the Russian GKO bond crisis of August-September 1998.

Similarly, although U.S. President Clinton had threatened, during September of 1998, to introduce deliberation on reforms of the structure of the international financial system, a few weeks later, at the time of the October monetary conference, the President had chosen to capitulate to prevailing, Anglo-American-dictated policies of the International Monetary Fund (IMF).

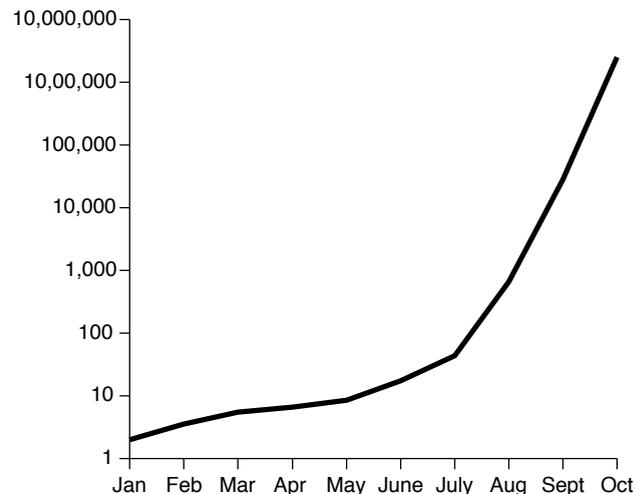
As a result of the decisions made during that Washington conference and its sequels, the world financial system was shifted, then, into the same kind of hyperinflationary phase-space, which is typified, in historical precedents, by the case of 1923 Germany.

That pro-hyperinflationary policy, was later affirmed, in a deliberately chosen reaction to the inevitable Brazil crisis of February 1999, and has entered the phase of utter desperation and madness, in the more recent attempt, expressed by the U.S. "Plunge Protection Committee." Those "Plunge Protection Committee" and related measures, were taken as the result of a choice, by the U.S. President, and others, in their desperate—one must say, hysterical—attempt to prevent a

FIGURE 1

### Hyperinflation in Weimar Germany, 1923

(trillions Reichsmarks outstanding)



Source: *Zahlen zur Geldentwertung in Deutschland, 1914 bis 1923.*

global financial crash from undoing, suddenly and fatally, an intrinsically unelectable Vice-President Al Gore's aspirations for election—by virtual Hitler-style plebiscite—as the next U.S. President.

I hear repeatedly, from leading U.S. circles, that Al Gore's election as President is "in the cards." The truth is directly the contrary. That catastrophic commitment to support for an intrinsically disastrous Gore candidacy, was the result of the sleight-of-hand methods used, by Treasury Secretary Larry Summers and foolish Federal Reserve Chairman Alan Greenspan, among others, during the recent four months.

As the 1998 folly of the Nobel Prize-winning Black-Scholes formula, illustrates the point: no statistical formulation could actually predict a crucial economic event mathematically. *The characteristic of all social processes, including economic processes, is the voluntary role of the individual human will, in shaping policy. Such is the nature of the possibilities and challenges for forecasting in a real-world political-economic situation.*

On the condition, that we view a political-economic process from the same standpoint as a qualified scientist who is seeking to discover, prove, and willfully apply a new universal physical principle, a scientific quality of political-economic forecasting becomes feasible. By studying financial processes, as something



World Economic Forum



Public domain

*While Rome burns: U.S. Federal Reserve Chairman Alan “Seneca” Greenspan (right) and Treasury Secretary Larry “Nero” Summers. The policy-postures of the dysfunctional three branches of the United States government, says LaRouche, are “a recipe for a global catastrophe of monstrous proportions and profundity.”*

whose practical effects are ultimately regulated by the way in which policies are willfully applied, primarily, to non-financial, purely physical economic processes, we are able to trace the phase-shifts to be expected at fairly estimated future critical points in the unfolding process. Usually, we may not be able to predetermine exactly the month, or even the year, when those critical points will be reached. However, we can, and must foresee the way in which those critical points will be brought into being, and must be prepared to recognize warning-signs that such a forecast threshold-condition is about to be reached. We may not be able to predict in advance, even the month, or even the year, an earthen dam will disintegrate; but, we can recognize the warning-signs, that such a foreseeable event is threatened.

We can also estimate, similarly, the new critical choices which are available to be made, at future turning-points, during the period beyond whatever crisis-points are presently being approached. Similarly, we can foresee the likely way in which each among the critical choices we might make, at each subsequent crisis-point, will set into motion a process which must tend to lead us toward some more distant, next critical point, beyond the crisis-point immediately ahead of us. Each and all of such a succession of crisis-points, are determined by voluntary choices. Such a pattern of choices, each and all, together, represent a critical pathway which we have just willfully chosen, a choice which is the result of the methods we have habituated

ourselves to employ, in making such a succession of critical policy-decisions.

For an example of such critical pathways, consider a [series of mid-1970s studies](#), identified as the “1980s Project,” published by the New York Council on Foreign Relations. In this case, a succession of such critical choices—a critical pathway in policy-shaping—was outlined for the Trilateral Commission’s candidate for U.S. President, Jimmy Carter. As experience has shown, the critical choices outlined by the Trilateral Commission, back during 1975-1976,

were destructive to the point of being insane, but those choices, as outlined there, have continued to impact the Wall Street crowd’s shaping of U.S. and world policies ever since.

For example, in that series of studies, prepared, during the years 1975-1976, under the direction of later Carter Secretary of State Cyrus Vance, and later National Security Advisor Zbigniew Brzezinski, et al., the plan was detailed, to introduce a global policy of “controlled disintegration of the economy.” Four years later, Paul Volcker introduced exactly that [policy](#), by that name. The policy not only did cause a directed disintegration of the U.S. and other nations’ economies; that policy has continued, under the successive direction of Volcker and Alan Greenspan to the present moment. I speak here today: a quarter-century after that policy-draft was adopted for the incoming Carter Administration.

The method of that usual gang of Wall Street bankers and law-firms was wrong, even evil, but these fellows had, at least, a [vision](#) of a succession of culturally motivated changes in the nature of U.S. and world society, which they intended to induce over a period of decades ahead. The reason those fellows so often win the big game in current history, is not only that they have power, but that they are thinking ahead, while most ordinary citizens are thinking foolishly, thinking only of their begging for better personal opportunities, and for odd bits of local community and personal family inter-

ests, that for little beyond the next year to two immediately ahead. "I have to think about my community and my family affairs," these poor, foolish citizens say. So, most of the people, in most so-called democratic nations, fool themselves, most of the time.

If we study the behavior of powerful centers of power and policy-making, and take into account their various failures and successes in shaping current history, it should become clear to us, that in all attempts at long-range forecasting, over spans ranging, usually, from decades to generations ahead, there are certain knowable factors governing relative, if not exact timing, *as in forecasting the future of any physical process for which we do not yet know all of the determining factors.*

Usually, estimates of timing can be made only in broad terms, as I, in 1959-1960, accurately [forecast](#) the probable outbreak of a series of monetary crises for the second half of the 1960s, and the subsequent breakdown of the existing form of Bretton Woods System ensuing from such a series of monetary crises. I neither predicted, nor even thought of predicting the exact timing of the November 1967 and March 1968 monetary crises, nor the mid-1971 date for breakdown of the system, but my broad approximations as to timing, which I had outlined more than a decade prior to the August 1971 crisis, were correct, and as precise as to timing as such matters might usually be forecast.

Thus, the function of economic forecasting is not a formal-mathematical, ivory-tower sort of predicting of the exact dates of specific future events. The competent forecaster refuses to answer the question: "On exactly what date should I pull out of this market?" Competent long-range forecasting, is, chiefly, a guide to medium-to long-term policy-shaping; it is concerned to determine what choices among available pathways of policy-correction, must be made, and approximately by what time-scale, on whatever date the critical point of decision actually arrives. Long-term forecasting shows us what policies we should support, and which we should abhor, if only out of simple prudence. The goal of forecasting, is not how to calculate the way in which to squeeze the last ounce of speculative gains, up to the instant before a financial market collapses.

### **Near the End of This System**

Presently, we have come to the point, that the near-term future of the present world economy, can be successfully forecast within the terms of the conditions I have just summarized. So, we may safely forecast, that

the present form of the world's financial and monetary system, under present economic and related policies, is doomed. Exactly when the point of disintegration of the system will occur, can not yet be predicted, because the policy-choices which will determine which of three available choices is made, have not yet been decided with finality; nonetheless, as much as we can and should know about factors of timing, is readily available to those among us who have done our work. The time is now becoming very short.

Broadly, there are only three alternative ways in which the present IMF and related global systems will cease to exist, that fairly soon.

Until the Washington conference of October 1998, the more likely scenario for then-existing policies, was a deflationary collapse, a collapse of a form like that of the 1929-1931 interval, or the 1987 U.S. stock-market crash. At the present time, when the policy-shapers have succeeded, temporarily, in resorting to hyperinflationary financial-pumping measures, aimed to postpone an otherwise inevitable deflationary collapse in the world financial system, those policy-makers also set into motion a new threat, one even more deadly than a deflationary collapse: we are now building up toward a hyperinflationary blow-out, resembling the hyperinflationary acceleration of the German Reichsmark over the March-October 1923 interval, but this time on a global scale. In the latter, presently threatened, global alternative to deflationary collapse, one does not merely suffer deflationary losses; entire currencies evaporate.

Now, the world financial and monetary systems, taken as a whole, are gripped internally by these two presently interdependent, but also opposing alternatives, each alternative becoming worse weekly: the system is sustained, against the worsening pressures for deflationary collapse, only to the degree that the managements of governments and the international financial institutions, consent to increase the rate at which hyperinflationary infusions of financial growth, are accelerating the underlying rate of inflation. Those rates of financial inflation, are now skyrocketing, not toward Heaven, but, rather, toward the Hell which erupts as soon as the accumulated financial inflation explodes as commodity-price inflation. Under a continuation of present Anglo-American policies, the postponed expression of that underlying rate of hyperinflation, will erupt in a pattern similar to the case for March-October Germany of 1923, but this time on a global scale.

Thus, under such present conditions, increasingly

precise forecasting, if not yet prediction, becomes, unfortunately, more and more feasible with each passing week. The ratio of the two simultaneous, financial-monetary processes currently ongoing, when compared to a shrinking, common physical-economic base, defines a curve of self-aggravating instability, *akin to physicist Bernhard Riemann's defining of the way in which a transsonic shock-wave is generated*. A critical set of values is being ever more closely approached. Recent months' trend toward increasingly wild hyperinstability of fluctuations in financial markets, reflects the convergence upon that boundary condition, creating a spectacle akin to the efforts of desperate firefighters, creating an inflationary fire-storm, by attempting to quell a conflagration, by flooding the fire-scene with increasing volumes of deflationary, ice-cold gasoline.

That image of fiery times, suggests Federal Reserve Chairman Alan "Seneca" Greenspan taking his final bath, while U.S. Treasury Secretary Larry "Nero" Summers fiddles.

Thus, there are two choices of ways in which the present system will soon destroy itself, if a third option does not intervene. The only workable third option, is the rational one: that we put the existing system into bankruptcy-reorganization, by cooperating sovereign actions of nation-state governments, and that we establish, almost instantly, a new system premised largely on the model conditions which ruled under the 1945-1958 interval of the post-war Bretton Woods system.

### **The 'New Bretton Woods' Option**

The reason we must move quickly toward adopting that old Bretton Woods model of the Marshall Plan period, is that sudden political decisions to implement urgently needed, sweeping reforms, must have a clear precedent. The revolutionary quality of the action, is to be confined to the action itself, without incurring the additional burden of measures which lack such a clearly visible precedent. After we have established the new system, premised chiefly on the best features of the protectionist model from the 1945-1958 interval, we can add further innovations, as necessary, but at speeds which due deliberation, under relatively less sudden conditions, permits.

Admittedly, among the leading nations of the world, the current policy-shaping trends within the U.S. government and major public-opinion-manufacturing media, the sickness of U.S. adherence to current Anglo-American policy-making, is the most dangerous imme-

diately threat to global civilization. However, although many from leading nations' policy-influencing circles agree, that this is the present pathetic state of U.S. (and British) policy-making, every leading nation, as a growing number of leading circles of thought in Western Europe typify this, wonders if the world as a whole could survive the looming crisis, unless the self-styled U.S. military superpower itself, were to begin, once again, to assume a more useful, relatively much saner role in world affairs than has been seen since the close of 1989. Yes, the policy which is ruining us, is primarily of British authorship, as the Blair "Third Way" government typifies such rampant lunacy at its Luddite worst; but, it is the adoption of such policy by the U.S.A., which is the most crucial problem thus presented to the world at large.

On this point, there is an important lesson to be learned from the exceptional success of my long-range forecasting practice over the recent forty years.

Very little has happened in the world's general economic situation, as I have just described it, which I did not forecast, repeatedly, over the course of the 1959-1973 interval: those were forecasts which I presented in sundry written forms, and in classes I taught, during that period, and updated still later. If one examines the forecasts which I included within my lectures on various campuses, and elsewhere, during the 1966-1973 interval, the crucial developments which have actually occurred, since 1966, follow with relatively great precision the forecasts I made during that interval.

Over the course of the recent four decades, in many cases, I have watched, sadly, as foolish firms and national economies ruined themselves, quite predictably, and repeatedly. In the relatively simplest cases, the ruin was the result of relying on short-term considerations, when medium-term effects of those policies would be disastrous. In other, more important cases, such as those of governments and major private enterprises, attention to medium-term effects, blinded policy-shapers to the disastrous, long-term effects of their decisions, that is to say, over the span of approximately a generation. Most of the calamities which have struck national economies during the course of those decades, have been ruinous conditions of the type against which my long-range forecasting had forewarned ever wider audiences in the relevant professions and governments.

That example, the results of my method in forecasting, supplies an appropriate study of the characteristics of successful approaches to long-range economic fore-

casting, as I have just addressed the matter of the possible degree of precision with which scientific forecasts differ from that more popular, and illusory sort of card-reading and crystal-ball-gazing which is commonly represented as statistical forecasting.

That is to say, if we consider the sequence of developments leading from the mid-1960s to the present state of impending world financial debacle, and compare them with what I have forecast, we have, thus, a lapsed-time view of the way in which the thus fore-known, and therefore foreknowable effects of critical choices, or lack of choices, shape the long-range unfolding of a foreknowable consequence of likely trends in political-economic decision-making processes, as by leading governments and other relevant agencies.

Those immediately foregoing remarks have illustrated the nature and proper role of long-range forecasting. That leaves us with one, remaining, even more important problem to consider: *How can we foresee, and operate to influence, the cultural paradigms which will, in turn, decide the way in which populations and other policy-shapers will respond to a global financial and political-economic crisis-shock of the kind now rapidly approaching?*

The first lesson in long-range forecasting, is that the failure of the forecaster to influence policy-shapers, is not necessarily the result of some lack of proper evidence and rhetoric presented by the forecaster. In most history, of most cultures and their nations, the plain fact is, that most of the time, as in Washington, D.C. at the present moment, people, even in high places, do not wish to hear the truth, if the truth is perceived to conflict with those of their prejudices to which blind hysteria has lent an axiomatic authority in their mind-set.

It is only when the shock of events prompts people to call into doubt their own mind-sets, that those populations become open to considering uncomfortable truths about their own deeply-held opinions. Thus, in history, there is a time and place where populations are willing to hear the truth; most of the time really accurate forecasts are to be found languishing, through no fault of their own, on unfertile popular ground. Good long-range forecasts are like stubborn, good seeds, which bloom in suitable circumstances; it is one of the essential qualifications of a forecaster, that he or she learn to live with, and act upon that fact.

Now, the time has come for the relevant seeds to bloom. That is the kernel of the matter I put before you now, here today.

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## Classical Versus Romantic Axioms

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During the immediately preceding months of the Year 2000, the intelligence news-weekly *Executive Intelligence Review (EIR)* has featured four of my writings which are of special and immediate relevance, as background references, for the subject of cultural paradigms, which I address here. Taken together with what I shall add here, these four items represent my view, set forth in my official capacity as Vice-President Gore's only current rival for the U.S. Democratic Party's Presidential nomination. The purpose of those four items, like the present report, is to set forth a perspective for those early political decisions which could bring the world out of that catastrophic, global strategic crisis, which is now confronting all regions and nations.

The first of this series of *EIR Features*, was published in the January 28th edition. It included three elements. The [first](#) was a transcript of my televised address of January 14, 2000, on the subject of the Manifest Destiny of the U.S. republic. The second element added a brief summary, by Nancy Spannaus, of the most notable precedent for my statement of foreign policy, that provided in 1823, by then U.S. Secretary of State John Quincy Adams. The third element provided a brief summary of another leading precedent for my policy, by the James G. Blaine who was Secretary of State in 1881, and, again, during 1889-92.

The [second](#) item, was my featured report, on the subject of "The Becoming Death of Systems Analysis," outlining the case for those new, revolutionary accounting standards, required for managing a general economic and monetary reorganization, and economic recovery in world affairs today. This report, written beginning March 2nd, appeared in the March 31st edition.

The [third](#) item, written beginning April 2nd, was titled "When Andropov Played Hamlet," which presented the cases of Soviet General Secretaries Andropov and Gorbachev, as a Classical tragedy in the tradition of accounts by Aeschylus, Shakespeare, and Friedrich Schiller. Andropov's Hamlet-like folly, from March 24, 1983 on, was the decisive turn in strategic policy-thinking, which virtually pre-doomed the Soviet system to its 1989-1991, and ensuing collapse. This addresses the similar, potentially even more deadly, and global tragedy, which is not to be repeated in U.S.-Russia relations today. This *Feature* was published in the April 21st edition.

The [fourth](#) and final item of that series, written be-

ginning April 18th, focussed upon the implications of the ongoing process of disintegration of the U.S.-centered “Information Society” and its tulip-craze-style financial bubble. This report, titled “Information Society: A Doomed Empire of Evil,” was published in the April 28th edition.

In addition to those four items, I refer your attention to a video-recorded address I made, nearly a month ago, to a late-April conference in Australia [[see](#) “The Terminal Phase of the Bankrupt System: What Nations Must Do Now,” *EIR*, May 19, 2000]. In that address, I offered a lapsed-time view, covering the recent forty years, of the change in the characteristics of the U.S. and world economy, a change from the relatively successful fixed-rate monetary system of the 1944-1966 interval, to the ruinous floating-exchange-rate monetary system launched in August 1971.

### Culture and Forecasting

Here, today, I offer you a similar, but different lapsed-time image than I presented to that Australia audience, an image of the change in the characteristic cultural features of a globally extended European civilization, a change which began with the October 6, 1901 assassination-attack on U.S. President William McKinley, and that President’s subsequent death on the following October 25. It is in the domain of such cultural factors, that there exists the possibility of forecasting which of the available critical choices in political-economic policy, are likely to be adopted under presently unfolding conditions of crisis.

### The McKinley Assassination

The replacement of President McKinley, the last President who typified the patriotic veterans of the U.S. Civil War, replaced by an unredeemed scion of the Confederacy, President Theodore Roosevelt, introduced a fundamental strategic shift. This was a shift, not only in U.S. policy-shaping, but in world politics.

This shift within U.S. policy-shaping, which was set into motion by means of McKinley’s assassination, made possible the project of Britain’s King Edward VII, for bringing France and Russia into Britain’s plan to destroy both Germany and Russia. That shift in the U.S.A.’s cultural paradigm, which was reversed, if only temporarily, by the governments of Franklin Roosevelt and John F. Kennedy, was a shift in U.S. policies, begun under Presidents Theodore Roosevelt and Ku Klux Klan fanatic Woodrow Wilson, a dramatic change, away from



*President William McKinley. His assassination in 1901, and his replacement by Theodore Roosevelt, introduced a fundamental strategic shift, not only in U.S. policy-shaping, but also in world politics.*

the anti-British tradition of all U.S. patriots up to that time of McKinley’s assassination. It was a change from my nation’s patriotic traditions, to a U.S. becoming, for most decades of the just-concluded century, little more than a dumb giant with a head of clay, a virtual Golem, a virtual appendage of British-influenced “free trade” and related kinds of policy-paradigms.

The effect of the U.S. adoption of those British policies, led into the Great Depression, World War II, and the prolonged strife of the 1945-1989 interval, a trend in London-steered, Anglo-American global policies, which has been continued, since then, to the present day.

It was this change in the cultural paradigm of the U.S. government, which established, under the Presidencies of Theodore Roosevelt and Wilson, the growing, almost dictatorial power of a British-American-Canadian group, often identified by the initials BAC, and centered, inside the U.S.A., in Wall Street’s complex of financial houses and the extremely influential law firms attached to them. The case of the late John J. McCloy, typifies the post-World War II role of this

BAC. The anglophiles' alliance between this Wall Street complex and the tradition of the Confederacy, has been the cornerstone of the way in which, with the exception of the Franklin Roosevelt Presidency, U.S. policy-making has been dominated, with but a few interruptions, more or less increasingly, ever since 1901. This legacy of the Teddy Roosevelt Presidency, is the enemy against which President Franklin Roosevelt fought, the decadence which President Kennedy challenged, and that which I have been committed to overcoming, a commitment I have maintained since the years of my foreign military service, in Asia, during World War II.

### Thatcher and World Empire

Consider the past decade's world history in light of that legacy of the McKinley assassination.

Consider the effort, of Britain's Prime Minister Margaret Thatcher, France's President François Mitterrand, and U.S. President George Bush, to turn the collapse of the Soviet system into the basis for today's Anglo-American effort to establish a globalized echo of the old Roman Empire: which the decadent U.S. President Bush described as a "new world order." Now as then, this same Anglo-American-dominated, globalized new world order, is intended, like Adolf Hitler's promise of a thousand-year Reich, to rule the entirety of the planet for as far as the horizon of the imagination might reach. That predatory doctrine of "free trade" and globalization, is a consistent outgrowth of that specific, new form of London-Wall Street symbiosis, which was consolidated through the assassination of McKinley.

Although President Franklin Roosevelt had intended to eliminate the domination of the world by "free trade" and colonialist legacies, as soon as World War II had ended, his untimely death resulted in an immediate restoration of the colonial powers by the politically corrupt government of President Harry Truman. Truman was used, by circles associated with Bertrand Russell and others, to set into motion both the age of the bomb, and the other aversive features of the post-1945 world order, which have led us, through the prolonged Anglo-American conflict with both the Soviet Union and the Non-Aligned Nations leadership, to the catastrophic situation which has developed over the course of the post-1989 decade. This, in turn, has brought us to the present brink of global catastrophe.

To deal effectively with the global crisis now maturing, we must put aside the usual news-media, television



White House

*Britain's Margaret Thatcher sought to turn the collapse of the Soviet system into the basis for today's Anglo-American effort to establish an echo of the Roman Empire: the "new world order."*

talk-show, and similarly silly commentary on currently breaking events. We must adduce, from the entirety of the seemingly diverse global developments of the past hundred years, a single concept, a single principle, by means of which we are able to recognize the actually underlying, long-term forces determining the course of current history. To this purpose we must, first, look back, as the great poet, tragedian, and historian Friedrich Schiller proposed, to the birth of the entirety of the history of today's globally extended European civilization, in the emergence of Classical Greece.

Since the rise of Classical Greece, which was the place of birth of today's globally extended European civilization, that civilization has been, at all times, in the grip of two opposing cultural forces: the Classical tradition of Greece, versus the echoes of the ancient Mesopotamian oligarchical model, known as the legacy passed down to the ancient pagan Rome. This is the legacy of that Rome which various Christians and Jews of the First Century A.D. sometimes described as either "the new Babylon," or "the Whore of Babylon."

That "Whore of Babylon," that legacy of pagan imperial Rome, is to be recognized today as what is called the Romantic cultural tradition. All of the internal history of European civilization, since its birth in Classical

Greece, is to be understood in no other way, than as a continuing of the conflict between two irreconcilable cultural currents, the Classical versus the Romantic. These currents are, the republican, as typified by the reforms of Solon and the dialogues of Plato, versus the Romantic, oligarchical model, the latter associated with ancient Mesopotamia, Tyre, and pagan Rome.

It is in that approximately 2,500-year span of the history of European civilization, that we are able to discover the underlying, axiomatic forces at play in shaping the, increasingly, Anglo-American-dominated world history of the recent hundred years.

### Conflicting Geometries

The most efficient way to present that historical cultural conflict in the classroom, is to view each of these two contending cultural currents, as like two mutually incompatible physical geometries. These are sometimes described as mind-sets. To describe this conflict in the classroom, it is convenient to begin, by looking at these two geometries—these two, opposing mind-sets—in terms of the corresponding, irreconcilable differences between two opposing sets of definitions, axioms, and postulates. Instead of becoming mired in the useless confusion of debating theorems of these two sets, focus upon the difference in the axioms which determine the way in which the theorems are generated and adopted.

The most essential difference between the Classical and Romantic mind-sets, is their mutually opposing definitions of human nature. The Romantic, as typified by the British legacy of beast-men such as Thomas Hobbes, John Locke, Adam Smith, and Jeremy Bentham, defines man as naturally predatory and wicked, as another species of beast, with fixed, chiefly feral sorts of inbred sensual impulses, and relations of man to nature, and man to man, as defined in terms of sense-perception. The Classical standpoint, especially in its Christian expression, defines individual human nature as naturally good, as a being set apart from and above the beasts, made in the image of the Creator of the uni-

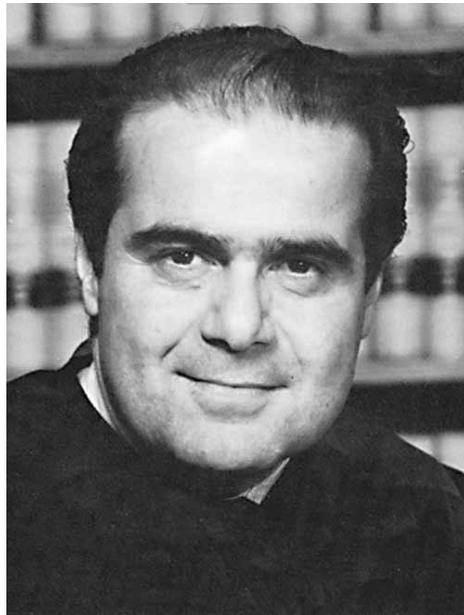
verse, or, as in Plato's *Timaeus* dialogue, as made in reflection of that adducible personality who is the *Composer* of the universe.

In the Romantic tradition, the natural order of society, is seen in the circumstance that some men should prey upon others, in imitation of the way in which the farmer breeds, cultivates, uses, and culls cattle. John Locke's notion of property, is typical of this bestial, oligarchical misconception of the natural form of composition of society. Locke's notions of slaveholder value, or its contemporary expression as "shareholder value," is typical of that oligarchical, bestial conception of mankind and society. François Quesnay's mystically irrationalist argument for what he terms *laissez-faire*, is of the same general, bestial type as Locke's, Adam Smith's, and the utilitarians generally.

### Fascism in the U.S.A. Today—Scalia

For example: The recent rise in influence of a new kind of fascist insurgency in the U.S.A., since approximately the mid-1970s, is an expression of a blending of the legacy of John Locke with an extreme form of radical positivism in law and policy-shaping, a positivistic misconception of law characteristically even worse than that of Savigny, Carl Schmitt, and Roland Freisler for 1930s Germany.

This clearly, axiomatically fascist trend in today's U.S.A., is shown most conspicuously by that present majority of the U.S. Supreme Court, that centered around the most rabid exponent of so-called "shareholder value," Associate Justice Antonin Scalia. Locke's defense of chattel slavery, in the name of slaveholder values, and the notion of shareholder value espoused by creatures such as Ayn Rand fanatic Alan Greenspan and Scalia, or to patent, as property, the genome which my body invented, represent an axiomatic misdefinition of human nature, as a mere beast, as mere human cattle, to be bred, used, and culled by the owners of shareholder value. The "useless eaters" policies, the policy governing "lives not worthy to be lived" of the executives of U.S. Health Mainte-



Official photo

Supreme Court Justice Antonin Scalia is at the center of the cult of "shareholder value" that dominates the present U.S. Supreme Court.

nance Organizations (HMOs), typify that legacy today. These bestial notions of man, such as those to be compared for similarities and differences, with the influence of Karl Marx's law professor, the neo-Kantian Romantic Savigny, for Germany, are derived, in European civilization, from pagan Roman law and the Roman notion of *vox populi*.

Although the culture of ancient pagan Rome, is fairly recognized by all qualified historians, as echoing the oligarchical evil of ancient Mesopotamian cultures, and that of Tyre, Rome's more immediate model was that of Sparta, as the code of Lycurgus is associated with the Delphi cult of the Pythian Apollo. This cult organized a predatory culture among a faction of the Latin-speakers, in which the mass of the cult members, the *populari* (e.g., the Latin term for predators), were deployed by the ruling oligarchy as a military force, for looting, rapine, and conquest against their neighbors.

All forms of European fascism are derived directly from that Sparta-like, pagan-Roman legacy. The depraved set of opinions induced among the *populari*, opinions used by the rulers to impose self-policing among the depraved masses of ordinary Romans, was known as *vox populi*: the "voice of the people," a popular mass which was defined as predators. This is a dogma similar to that of the Democratic party of Athens which murdered Socrates. This Romantic tradition of pagan Rome, has been passed down to modern times, as the philosophically irrationalist worship of the pagan gods of what are called today either popular, or public opinion and tastes.

That Orwellian notion of *vox populi*, or "public opinion," is a wicked conceit, copied into the practice of a corrupted modern society, as a means for controlling the foolish mass of popular political sheep in the image of François Rabelais' account of Panurge and the self-doomed Ding Dong and his sheep. Such popular opinion was never in the interest of anyone but the ruling oligarchy, of Rome then, or of modern nations, such as today's U.S.A. So, President Abraham Lincoln spoke aptly of the folly of today's typical Americans, all of whom are fooled most of the time, and some of whom are fooled all of the time. Fortunately, not all Americans can be fooled all of the time, but only most of the time.

### **The Classical Alternative**

The contrary, Classical conception of man, placed the emphasis on those cognitive powers of the individual mind, by means of which truthfully validatable

and just, universal physical and other universal principles, such as Classical-artistic ones, are discovered, and those discoveries shared within society. In Classical culture, it is ideas born of cognition, as Plato's Socratic dialogues define the cognitive generation of ideas, in that sense, which supply the empirically validatable definition of human nature, as located in the natural goodness and fruitfulness of those cognitive powers.

On account of the Christian appreciation of that Classical Greek conception of the universality and goodness innate to the newborn human individual, it came to be established, in the course of time, *as a matter of universal principle, that no government, or form of government, has the moral authority to govern, except as it is efficiently committed to promoting the general welfare of all existing persons and their posterity. That is the cornerstone of natural law.* The revolution in statecraft effected in Europe, during the course of the Fifteenth-Century Renaissance, established practical precedents for this republican principle of the general welfare (or, commonweal), in France under King Louis XI and in England under Henry VII. Such are the precedents to be found echoed in the opening three paragraphs of the 1776 U.S. Declaration of Independence and the 1789 Preamble of the U.S. Federal Constitution.

With the waning of the power of the feudal landed aristocracy, as typified by the decline and fall of Metternich's power, the essential conflict within globally extended European civilization, became that between the republicans, as typified, for example, by U.S. President Abraham Lincoln on the one side, and the oligarchical interests and ideologies typified by the City of London, the Wall Street bankers, and the slaveholder system, on the opposing side.

The Lincoln legacy thus represented the republican, Classical legacy, whereas Wall Street's adopted scions of the treasonous Confederacy, Presidents Theodore Roosevelt, Woodrow Wilson, as followed by Wall Street's Calvin Coolidge, Richard Nixon, Jimmy Carter, and George Bush, like the earlier, treasonous, pro-slavery scoundrels and U.S. Presidents van Buren, Polk, Pierce, and Buchanan, who preceded Lincoln, have typified the kind of political rule dominated by today's Anglo-American financier, and similar oligarchies.

To understand the history of ancient, medieval, and modern Europe, it is indispensable to avoid being

trapped into a discussion of particular current issues, as if such issues, in and of themselves, were the causes of principal political and other conflicts. To understand all, or any part of the history of globally extended European civilization, one must define the issues at their root: in the continuing conflict between the oligarchical (Romantic) and republican (Classical) conceptions of man and man's relationship to nature.

### World War I, For Example

At this point, consider the following lapsed-time sketch, of the most relevant highlights of the history of European civilization since the famous, initial, 1776-1783, victory of the United States and its allies and friends, over the British monarchy's tyranny. The indispensable function of this synopsis, is to bring the underlying principle of that span of modern history into clearer perspective.

From 1782 on, Lord Shelburne, then Prime Minister of England and leading representative of the British East India Company, was determined to destroy both King Louis XVI's France and the young United States. The key to Shelburne's policy, is located in the 1782 preliminaries of the proposed peace-treaty between Britain and France. The methods used are best typified by Shelburne's positioning his lackey, Jeremy Bentham, as de facto head of the newly founded British Foreign Office and its "secret committee," which, among other projects, launched and directed the Jacobin Terror in France.

The central target of this policy, was the circles of the influential admirers of the U.S. republic in France. Through the "free trade" agreement which Shelburne's circles foisted upon France, the French monarchy was bankrupted, under the ministrations of Shelburne's asset, France's Finance Minister Jacques Necker.

When the circles of Lafayette sought to remedy the situation with a constitutional reform, Bentham orches-

trated the destruction of Lafayette's faction, by launching and orchestrating the French Jacobin Terror from London, using assets such as "Philippe Egalité" (the Duke of Orléans), Necker, and such London-trained and London-directed, Jacobin demagogues as Robespierre, Danton, and Marat.

Five years of rising, London-directed Jacobin Terror, from July 14, 1789, until the end of mass-murderers Robespierre and Saint-Just, despoiled France of much of its natural republican intelligentsia, as the U.S. schools are effecting a similar result today. This depletion of the rational elite of France, produced the condition in which France's political leadership passed from the worthy hands of Author of Victory, Lazare Carnot, to the despicable hands of, first, the monstrous Barras, and, then, the first modern fascist, the would-be Caesar, Napoleon Bonaparte. Napoleon is to be recognized, today, as forerunner of the modern Caesar, Benito Mussolini's tyranny in Italy, and the figure emulated by such other would-be modern Caesars as Adolf Hitler and London's Mussolini-like Tony Blair.

The Vienna Congress, and its included imposition of a British puppet, the Restoration monarchy, upon France, as aggravated by the Metternichian Carlsbad decrees, put the very existence of the young U.S. republic at peril.

Under these conditions of the aftermath of the Metternich-orchestrated, mass sexual congress conducted at Vienna, all Europe, whether Habsburg or financier-oligarchical, was bent upon the destruction of the emerging republics of the Americas, the U.S. first and foremost.

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### Lincoln—The U.S. as a World Power

This Vienna Congress, combined with the Restoration monarchy in France, was a strategic disaster for Europe, as it was a disaster for the U.S.A. It not until President Abraham Lincoln's defeat of Lord Palmer-



Brady Studio/Anthony Berger, 1864

*President Abraham Lincoln's victory over the Confederacy, and the brilliant success of the U.S. 1861-1876 economic mobilization, established the United States as a world power, the model for a new form of agro-industrial nation-state economy.*

ston's project, the treasonous, Lockean Confederate States of America, that the effects of the Vienna Congress could be reversed.

Lincoln's victory, and the brilliant success of the U.S.'s 1861-1876 economic mobilization, established the U.S.A. as a world power, and as the model for a new form of agro-industrial nation-state economy. Following the 1876 Philadelphia Centennial Exhibition, this 1861-1876 model of the Hamilton-Carey American System of political economy, was copied, as economic-development policy, in Emil Rathenau's Germany, Dmitri Mendeleev's and Sergei Witte's Russia, Japan, the circles of Sun Yat-sen, and elsewhere, during the last quarter of the Nineteenth Century.

It was to counter this spread of the American-system model of economy, into the other parts of the Americas, into Germany, Russia, Japan, the new leadership of China, and elsewhere, that the British monarchy prearranged, and launched the First World War. Under the leadership of Britain's Prince of Wales, later King Edward VII, the British monarchy, aided by the revanchist anti-Germany panic catalyzed in France through the Dreyfus affair, orchestrated the development of the Anglo-French *Entente Cordiale*, and led Russia into the self-imposed doom of the Czarist system under King Edward VII's other nephew, the pathetic Nicholas II. The British backing for the first Sino-Japan war, for Japan's seizure of Korea, and for the Russo-Japan war of 1905, was a crucial prelude for the Balkan wars, and that Russian general mobilization for attack on Germany, which actually set Edward VII's intended World War into motion.

Britain's strategic intent, in organizing what became World War I, was to set the Eurasian admirers of the 1861-1876 Lincoln-Carey model of agro-industrial development, at each other's throats, and to break the U.S. itself from what had been its traditional friends during the latter half of the Nineteenth Century, such as Germany and Russia. The pivotal issue, for London, was the influence of the success of the U.S. transcontinental railroad system, in reviving in the Nineteenth Century Europe of Mendeleev, Witte, Rathenau, and Siemens, the old proposal of Friedrich List for railway development of the largely untapped, vast Eurasian heartland. This railway development, which we have revived, and defined, since the beginning of the 1990s, as the [Eurasian Land-Bridge project](#), became the central focus in London's determina-

tion to destroy Germany and Russia through what became World War I.

The British could not fight such a war without first, breaking the U.S.A. from its traditional friendships with Germany and Russia, and, second, without mobilizing the U.S.'s great agro-industrial might on the side of Britain's war-effort.

Thus, from 1782 until the defeat of the Confederacy, the global intent of all British policy, had been to isolate and destroy the U.S.A., to ruin it economically, to break it up into quarreling, balkanized baronies, easily manipulated and controlled from London. The failure of Palmerston's British-backed Confederacy, prompted a shift in British policy, toward that of taking control of the U.S. through political corruption, rather than a renewed raw attempt to dismember it through direct action. The terrorist's assassination of McKinley, by aid of New York's notorious Henry Street Settlement House, accomplished Britain's intended Twentieth-Century aims, as if almost at a single stroke.

Teddy Roosevelt, assisted by such wretched creatures as a member of the Napoleon Bonaparte clan, his Attorney-General Charles Bonaparte, established a political-police force, on the French Napoleonic police-state model, in the U.S. Department of Justice, thus founding what is known today as the U.S. Federal Bureau of Investigation (FBI). Similarly, large sections of the Federal Executive bureaucracy became, with the help of Teddy Roosevelt's corrupt Democratic Party predecessor, Grover Cleveland, elements of a European-style state bureaucracy, a bureaucracy controlled directly by representatives of Wall Street financial houses and their attached law firms.

The Presidencies of Teddy Roosevelt, a nephew and protégé of the former chief of the Confederacy's intelligence service, the notorious filibusterer, Captain James Bulloch, and that of Ku Klux Klan fanatic Woodrow Wilson, established the Federal Reserve System created by agents of Edward VII's banker, Ernest Cassel, and otherwise transformed the institutions of government of the U.S.A. London and its Wall Street accomplices relied, chiefly, then, and also, now, in the Bush and Gore candidacies for the Year 2000, upon the combined political and social base provided by Wall Street and the persisting tradition of the Confederacy.



*President Franklin D. Roosevelt's election brought the patriotic currents of the U.S. A. back, temporarily, into positions of power. After his death, the destruction of his legacy has enabled the rise of the Old Confederacy.*

### **The Franklin Roosevelt Interim**

It was the election of President Franklin Roosevelt, which brought the patriotic currents of the U.S.A. back, temporarily, into positions of power after three intervening decades. It has been the destruction of that Franklin Roosevelt legacy, by measures including the assassination of Franklin Roosevelt admirer President John F. Kennedy, which has enabled the rise, since the U.S. Republican Party's "Southern Strategy" of the middle to late 1960s, of the Old Confederacy, in alliance with Wall Street power, as the dominant, pro-racist force today, in the Supreme Court, the Congress, within the Al Gore-led faction of the U.S. Democratic Party, and in large parts of the Executive Branch's permanent bureaucracy.

In this process, the BAC forces have spent the period since Franklin Roosevelt's death, working to destroy what former Secretary of State Henry Kissinger once called, and denounced as the patriotic "American intellectual tradition." Typical of this is the role of radical positivism, such as that of Norbert Wiener and John von Neumann, combined with the corrosive role of the so-called Frankfurt School, which was temporarily lodged, to spawn, like a pack of cul-

tural termites, within the intellectual institutions of the U.S.A. The depravity which is characteristic of the pagan-Roman tradition, has, predominantly, taken over control of the popular and academic culture of the U.S. today, as through comparable age-groups in Europe, and has virtually eradicated all remains of the Classical tradition from leading representatives of the age-groups of less than fifty years of age today.

As a result of these and other malicious influences upon the post-Franklin Roosevelt U.S., the generation of the age-intervals between thirty-five and fifty-five years of age, who are represented in most of the leading positions of executive power there today, have, with relatively few, but important exceptions, lost the moral and intellectual capacities which were more typical of those, from the Americas and old Europe, who grew up during the Great Depression and the ensuing war.

### **The Role of a Great, Sudden Shock**

In such a circumstance, the only hope for civilization is a great shock, a shock which shatters confidence in what are presently still the prevailing cultural and scientific norms of behavior among those of ages below fifty-five. In modern U.S. history, the sudden popular reaction to news of Japan's bombing of Pearl Harbor, qualifies as a shock of the type needed today. That shock is imminently available, in the form of the catastrophic collapse of the world's present financial system: on the day when the light is turned on in the kitchen, and the cockroaches panic.

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### **The Economic Role of the Nation-State**

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To find the deeper causes for the presently onrushing general collapse, of not only the present world financial system, but also the world's physical economy, we must focus attention upon seven structural changes in the form of the modern European nation-state, changes which have been built up over the period since the relevant bombing of Hiroshima.

## Seven Structural Changes

Over the entire post-Franklin Roosevelt period, to date, the most conspicuous change, has been the first change, the introduction of the nuclear-weapons policy, including the proposal for a so-called “preventive nuclear attack” upon the Soviet Union, as outlined in Russell’s [policy-statement](#), “The Atomic Bomb and the Prevention of War,” in the September 1946 edition of *The Bulletin of the Atomic Scientists*. From the start, throughout the Twentieth Century, Russell, an avowedly perfervid hater of the U.S., was committed to eliminating the existence of the sovereign nation-state, and dedicated to imposing a new version of the old pagan Roman Empire, which he identified as “world government.”

Russell stated repeatedly, that he intended his version of “world government,” called, variously, “globalization” or “rule of law,” today, to be established as a side-effect of nuclear-terror-stricken governments’ panic-stricken flight into arms-control treaties. The Cuba Missiles Crisis of 1962, orchestrated, from London, by Britain’s Bertrand Russell, and the subsequent assassination of President John F. Kennedy, set that process fully into motion.

The second succession of radical changes erupted during the period immediately following the assassination of President John F. Kennedy. (For as long as he lived, Russell was always a leading figure behind each of these monstrous concoctions.) The general change, was the self-destruction of a large portion of the university student population which had been born after the close of World War II; the result, was the so-called “rock-drug-sex counterculture.”

The selection of recruits to that counterculture, to be chosen to rise, rung by rung, to influential positions within government and other leading institutions, provided the shock-troop battalions of the type which had been prescribed earlier by Britain’s Brigadier John Rawlings Rees of the London Tavistock Clinic. These victims of the “rock-drug-sex counterculture,” served as a pro-terrorist mob, like the Robespierres, Dantons, Marats, and Saint-Justs of 1789-1794, as the Baader-Meinhof gang typifies this, to be deployed for other radical changes, changes which have had a devastating impact upon the governments, economies, philosophy of law, and leading institutions of the U.S., western Europe, and elsewhere.

The third radical change, was an effort to halt the

role of technological progress, whether in the name of defending the “environment,” or preventing the development of “dual use” technologies, a charlatan’s trick performed with aid of the sophistry, that these banned technologies might be imagined to be useful for developing “weapons of mass destruction.”

This change was first introduced during 1966-1967, in massive cut-backs in the Kennedy space-program, done on the pretext of bringing expenditures “back from space,” which was explained, fraudulently, as an attempt to help alleviate poverty. The full-scale rant to this effect, was unleashed in 1970-1971, in the name of “ecology.” This cultural-paradigm shift in policies respecting science and technology, combined with the ruinous effects of the August 1971 conversion of the IMF system into a “floating-exchange-rate monetary system,” led to an accelerating stagnation and collapse in the rate of growth of both the physical productive powers of labor, in the standard of living throughout Europe and the Americas, and an unspeakable catastrophe unfolding for Africa.

Under the Trilateral Commission’s Carter Administration, there was a fourth axiomatic change, a full-scale effort to destroy the most essential underpinnings of the U.S. economy. This occurred, most prominently, in the domain of basic economic infrastructure. This has proven to be an essential part of the effort to obliterate the existence of the institution of the sovereign nation-state. Carter’s appointment to be Federal Reserve Chairman, Paul Volcker, wrecked the U.S. economy, to a degree which has never been reversed to the present day. This was done under the name of effecting a “controlled disintegration of the economy,” a phrase from the Trilateral Commission’s handbooks, which Volcker cited in his 1979 campaign for the Federal Reserve appointment.

A fifth crucial attack on civilization, was the process of eradicating Classical humanist forms of educational programs, both from public schools, and also, to a large degree, on the level of university education.

Sixth, it is most notable, that without the anti-free-trade, protectionist measures typical of the American System of political-economy, it is impossible to have a self-standing form of healthy economy. No national economy based on a “free-trade” doctrine, ever prospered, except by looting its own natural resources and population, as Britain did, or, by looting other nations,

# Seven Structural Changes in U.S. Economic Policy



**1** The drive toward “world government,” as initiated by Bertrand Russell.



**2** The rock-drug-sex counterculture.



**3** Halting technological progress. A Greenpeace rally in Washington, D.C.

as the British Empire and colonial system did, and the Anglo-American hyper-power has been doing since 1989. *The use of taxation, tariffs, fair-trade policies, and public investments in basic economic infrastructure, is essential, to set those price-levels at which long-term, capital-intensive forms of improvements in the productive powers of labor are effected, as these are to be measured, in physical-market-basket terms, per capita and per square kilometer.*

The unleashing of the dogma of “free trade,” under Presidents Nixon and Carter, destroyed the private productive sector, such as agriculture and manufacturing, of the U.S. productive economy, as we see the same

result unfolding in the United Kingdom, over the span from Harold Wilson’s, Margaret Thatcher’s, and Tony Blair’s efforts—Luddites one and all—to bring those islands, finally, back to the Orwellian stone age now called “information society.” This has all been done, in the fashion typical of the great swindlers, like John Law, of all modern times, of claiming nothing so passionately as the desire to promote greater glories for “free enterprise.”

Furthermore, seventh, without national banking, as the past functions of the U.S. Export-Import Bank typify this, which depends absolutely on the institution of the sovereign nation-state, it is impossible to



EIRNS/Christopher Lewis

#### **4 Destruction of basic economic infrastructure,**

*such as this demolition of “outmoded” steel blast furnaces in McKeesport, Pennsylvania, 1985.*

#### **5 Eradication of Classical education programs.**

*Conductor David Heifitz is shown here working with orchestra students in Mount Vernon, Virginia.*



EIRNS/Philip Ulanowsky



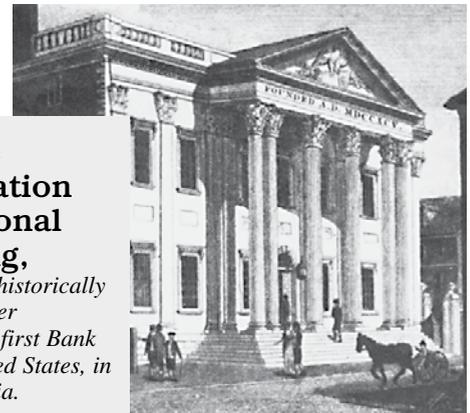
EIRNS/Stuart Lewis

#### **6 Unleashing of the dogma of “free trade.”**

*A Schiller Institute demonstration against the North American Free Trade Agreement, 1991.*

#### **7 The elimination of national banking,**

*as typified historically by Alexander Hamilton’s first Bank of the United States, in Philadelphia.*



mobilize in a sustained way, the low-cost, national, long-term public credit, needed to support a healthy form of private banking system, and ensure rates of productive investment needed for genuine economic growth, both within nations, and among the world’s trading-partners.

The downshift in U.S. economic policy on these seven points, typifies the hopeless situation to be faced by this planet as a whole, unless and until, those seven retrogressive trends are summarily reversed, unless the Romantic cancer of “globalization” is eradicated.

### **Culture and Physical Economy**

To understand the importance of the modern sovereign form of nation-state republic, we must understand the indispensable function of that institution for maintaining a civilized form of human life on this planet. In summary, the following points are to be made.

The axiomatic difference between the human species, and all other living species, is the function of the development of the cognitive powers of the individual. This is typified by man’s unique ability, as a species, to generate validatable discoveries of universal physical principles, and to develop both Classical methods of

artistic composition, and also statecraft, in the same way.

It is by means of the cultivation of those powers of individual cognition, as Classical humanist education typifies such policies, that the human species expresses its unique capability for willfully increasing its potential relative population-density. It is the universalizing of social relations, to the effect of fostering that cultivation and expression of the cognitive powers of each and every member of society, which makes the sovereign nation-state form of republic, the only form of political institution consistent with the distinctive need for true personal freedom, as required by the nature of the human species.

It is through fostering the discovery of such universal principles, either as original discoveries of validatable principles, or as re-enactments of such discoveries of universal physical and artistic principles, that mankind has become able to promise, now, to deliver to the generations immediately ahead, actually human conditions of life to every person on this planet. Without the continuation of that quality of progress, decent human life for all were not possible. Indeed, unless that policy is restored, very soon, a prolonged new dark age of mankind, throughout this planet, were presently inevitable.

Since the willful administration of the affairs of a people must be organized in a literate form of scientific and language-culture, the sovereign nation-state provides a uniquely appropriate instrument for the participation of the individual in society generally. This participation, outlaws the degradation of some parts of society to the virtual status of human cattle, as pro-racist U.S. Justice Scalia degrades the victims of his policies, for example. The role of Classical culture in the life of the sovereign nation-state republic, fosters the participation of the individual in all humanity, a result which tends to be made universal, through a community of such principle among a world composed of sovereign nation-state republics.

Thus, the promotion of the cognitive method for development and propagation of scientific and Classical culture, through institutions of education and economy, is the precondition for the continuation of civilized life on this planet today.

To meet the physical requirements for all humanity, there must be a forced-draft emphasis upon capital investments in the fostering and application of scientific

progress, expressed as increases in the productive powers of labor, as the increase of mankind's physical power, per capita, in and over the universe. Without this, a return to barbarism, or worse, were inevitable. Without the protectionist form of nation-state economy, which is dedicated to that function, the collapse into a dark age of barbarism, were inevitable as characteristic of the immediate decades ahead.

Thus, the defense of the institution of the perfectly sovereign, economic-protectionist model of nation-state republic, is not really debatable. Unless those reversals in policy-trends are introduced now, there is presently no future for the U.S., or most of the population of this planet. The apostles of "free trade" and "globalization," have always been the pro-oligarchical enemies of human freedom.

### **But, Such Shocks Are Also Dangerous**

The type of impending shocks, which I have identified here, like wars, and the critical battles of such warfare, are dangerous. There is an unavoidable element of great risk involved. In such a situation, as in the most notable flanking strategies of the greatest commanders, great creative insight is needed to avoid catastrophe. Without the mustering of effective leadership, any such crisis ensures disaster.

In such crises, there are brief intervals, during which the general population, or a large part of it, is open to new leadership, new policies. For the U.S., it was fortunate that Franklin Roosevelt provided that quality of leadership, as this quality was otherwise best typified by war-time commanders such as General Douglas MacArthur. A successful leader, under such crisis-circumstances, never relies upon appealing to popular opinion; rather, he revolutionizes it, by an appeal to reason. He relies upon a revolution in the thinking of those under his command, or influenced by other modes of leadership. Without such leadership, a great crisis, like that onrushing today, leads to nothing but great, and probably still greater catastrophes.

This requirement flows from the nature of truly tragic crises, such as that facing the world today.

### **The Tragic Principle in History**

As the great Classical tragedies of Aeschylus, Sophocles, Shakespeare, and Schiller, expose this fact, humanity never suffers any peril, unless it be from natural causes beyond our present means to control, *except*

as the result of a fatal flaw of character in either the ruling agency of society, or in the culture of that society as a whole. Thus, *all man-made catastrophes occur solely as the outcome of prolonged adherence to a mind-set which is alien to the principles upon which the universe is constituted.*

Thus, a great crisis, brought into being in that way, can be mastered only by methods and policies which must appear to the existing generations of society as revolutionary. Truly great leaders, in such times, are those who successfully violate prevailing popular opinion, on behalf of reason, rather than acting in the intrinsically irrational, customary way which had led to that crisis. Herein lies that characteristic of the true making of important developments in history, which the high-priests of Europe's late-Nineteenth and Twentieth Centuries' social-democracy abhorred as "the evils of voluntarism." Pity those foolish high-priests! Most among them would have been offended to hear themselves ridiculed so, but are they not just an echo of foolish, predatory spectators in the Roman Colosseum, cheering for the lions tearing apart the Christians in the arena, raising thumbs up (!) for *vox populi*?

No society can destroy itself of its own will, unless it is impelled to do so in order to maintain conformity with a pre-existing, prevalent mind-set. The individual, or group which is gripped by that delusion, will do nothing so much as appeal to the authority of public opinion, which is to say, to the stipulations of the established mind-set. Thus, in the end-phase of any tragic cycle in the history of any nation, any culture, it is continued adherence to accustomed public opinion, which renders that people one which has lost the moral fitness to survive. The collapse of the regimes, not only of Russia's weak and foolish Czar Nicholas II, but of each and all of the 1917 successor governments of reformers, is an example of the control of populations and their foolish leaders by the influence of habituated delusions. If a crisis-stricken nation is to survive, it must act just as a scientist must, when he or she is confronted by a stubborn error in pre-existing scientific opinion; the nation must locate and uproot the fatal flaw rooted in its own prevailing, habituated mind-set. Here lies the necessity for revolutionary action in such a circumstance. Not only must axioms be changed, but the action to be taken must reflect such a necessary change in axioms.

What then, must be changed in this matter of opin-

ion? The outcome of this entire period of world history depends upon our recognizing the proper choice of that factor.

The essential change to be made, is the superseding of the relics of oligarchical rule, such as financier oligarchy, by republican self-rule. This means a cultural change, cleansing society of the old syphilis, that Romantic legacy common to most of the institutions and populations of extended European civilization today, to put the society again under the cultural dominion of the anti-Romantic, Classical legacy.

The leading tragic element in the culture of Europe and the Americas today, is the expelling of Classical humanist forms of education, and of Classical forms and principles of artistic composition, from the life of society in general. It is in what passes for entertainment today, in a form of popular opinion congruent with such degraded popular forms of entertainment, that the root of civilization's present tragedy is rooted.

For example, the popularization of Nintendo killer-games, and martial arts, for young children and suggestible adolescents, games modelled on the worst post-war parody of the Japan Samurai mythology, typifies a culture which, by thus destroying its own young children, proclaims itself a post-modernist culture, with no prospect for future existence, except of the most bestial sort.

## **Return to Classical Culture**

The crucial consideration, which I have elaborated by identifying those seven acts of destruction of the nation-state, referenced earlier here, is to rediscover the principle that human relations, as opposed to bestialized ones, are located essentially in those cognitive processes which are brought to the surface in the Socratic dialogues of Plato. These are the same cognitive processes, by means of which a validated universal physical principle, as also a validatable principle of Classical artistic forms of composition and performance, is generated. It is the sharing of such cognitive discoveries, by means of which mankind's increase of power in and over the universe, per capita and per square kilometer, is effected.

It is sharing those cognitive scientific and Classical-artistic experiences, which expresses the natural, and naturally fruitful relations among human beings. To that we must return, if our nations are to outlive the calamity now descending upon us all.

AS HALF OF THE STATE GOES DARK

# Green Insanity and Electricity Dereg Set California on Fire

by Patrick Ruckert

Nov. 7—For three weeks now, the state of California has been plunged into an unprecedented crisis. Millions of residents have lost their electricity, for extended periods, and tens of thousands of others have been forced to flee their homes, as raging fires have swept through cities, towns and rural areas.

As in what happened in the city of Paradise last year, entire sections of cities have burned to the ground. At the same time, the loss of electricity has not been a mere inconvenience. Businesses have closed; schools have closed; manufacturing companies have thrown thousands out of their jobs. Those on electrical-powered medical equipment in their home are immediately at risk. The sick, the elderly and vulnerable infants have been trapped in their homes, with no lights, no refrigeration, often with no running water or even telephone service. There is no way to keep food from spoiling; no way to cook, wash or use the bathroom, as both sewage treatment plants and ground-water pumping stations have gone offline.

Imagine a satellite map of California at night. While the southern part of the state is brightly lit, much of the northern half is dark. Many towns are no longer visible at all. This is the process which sets in with the breakdown of modern infrastructure. Nothing like this has occurred before. California, which once dazzled the world as the epitome of everything that is new and optimistic, now has all the characteristics of a “failed state.”

None of this is “natural,” normal or the result of “climate change.” Rather, the misery now afflicting the people of the state can be laid at the doorstep of those decisions made by elected and other officials over the last 40 years to impose on California the twin evils of environmentalism and deregulation. California is now broken, and it will require a fundamental shift in outlook and policy to fix the problem.

The New York Times

## PG&E Begins Power Shut-Off to 179,000 California Customers



Pacific Gas & Electric cut power to hundreds of thousands of homes and businesses in Northern California, including parts of Oakland, two weeks ago.

The Washington Post  
Democracy Dies in Darkness

## PG&E's role in Sonoma fire questioned as power outage frustrations grow



A firefighter monitors the Kincode fire as it burns through the area last week in Geyserville, California.

## The Current Situation

Every October, the hot Diablo Winds in the north and the Santa Ana Winds in the south come out blow down from the Sierra Madre Mountains, increasing in velocity as they hit hills, forests and farmland, heading toward the Pacific Ocean. Winds of 60-70 mph are common, but this year they have reached more than 90 mph. The dry terrain of the San Fernando Valley and forests and hills of the coastal areas are a tinder box of dry vegetation, and it just takes a spark to ignite an inferno. And the infernos of California in the past few years have been the largest and most destructive in the state's history.

While this year, thus far, has not seen the amount



USAF/Taylor A. Workman

*A charred guardian angel statue sits solemnly before the ruins of a home in Paradise, California. It is one of thousands of homes destroyed in 2018, in Camp Fire, the deadliest fire in California history.*

of acreage burned in 2017 and 2018, nor the number of lives lost, what distinguishes this October/November in California from those previous years is the repeated shut-down of electricity for millions of people as the power companies attempt to prevent their equipment from starting fires in periods of high winds. Despite these shut-downs, fires have started and some of them have begun from power company equipment and lines.

To give an idea of how incredibly destructive these fires are, let us first look at what happened in the Camp Fire from late last year. Early in the morning of November 8, 2018, a faulty electrical transmission line ignited a fire near the town of Paradise, in northern California's Butte County. Driven by the Diablo Winds, the fire spread rapidly, sending sparks and

burning debris hundreds of yards in front of the main fire. A firestorm then engulfed the entire town of Paradise, destroying 18,000 homes and businesses and killing 85 people. The firestorm moved so fast it was burning a football-size area every second. Evacuation was impossible for many and thus the high casualty numbers. The fire burned about 153,000 acres before being contained and was the most destructive and costly fire in California's history, with damage estimated at \$16.5 billion.

The faulty equipment that started the Camp Fire belonged to Pacific Gas and Electric Company (PG&E). That fire, and several other fires that the company's facilities had been determined to have started in 2017 and



USAF/Taylor A. Workman

*Remains of another Paradise, California home in July 2019, eight months after the devastating Camp Fire.*

2018, drove the company to file bankruptcy in January 2019, facing about \$30 billion in damages.

## California Dream Crashes and Burns

How is it that California, sometimes seen as the powerhouse of technology, the most advanced arena of the "new economy" of the internet, social media and all the other gizmos and attributes celebrated by "everyone," has become a failed state unable to maintain the electrical power system for nearly half of its population? California was once the creator of the world's most impressive infrastructure, like the Central Valley Project and the California State Water Project, as well as an education system second to none, and the world's most advanced aerospace industry. Now it can't keep the lights on.

This story has two elements which shall be explored here. First is the so-called cultural revolution—and its off-shoot, environmentalism—which began in the

1960s. Unlike the hell of the Chinese cultural revolution, which only lasted one decade, the environmentalist revolution, kicked off by the 1968 publication of Paul Ehrlich's book *The Population Bomb*, is today hegemonic in its cultural and political control in both the United States and Europe. The Malthusian outlook presented there has almost destroyed the idea of human progress—progress properly defined as the uplifting of humanity through science, technology, classical culture and bringing these benefits to more and more of the human species. The publication last week of a “[study](#)” endorsed by 11,000 so-called scientists stating that only population reduction can stop “climate change” is, finally, an honest statement of what the environmentalist

## Environmentalism

That these two elements were “joined at the hip” is first seen in the 1970 National Environmental Policy Act, signed into law by President Richard Nixon, who one year later pulled the plug on the Bretton Woods monetary system. Then, in 1973, Nixon signed into law the Endangered Species Act. These actions not only opened the door to massive abuse; they have been used to wreck the productive economy and brainwash two generations into thinking that the human species must always be in conflict with “nature.”

More directly for our story, and again demonstrating the “joined at the hip” nature of both elements, is the 1978 law signed by President Jimmy Carter, the Public Utility Regulatory Policies Act (PURPA), which mandated that the utilities carry out the administration's agenda to force the introduction of small-scale “renewable” energy sources, such as solar, wind, and biomass, to “compete” with fossil-fuel-and nuclear-based electric utility generation. This was sold to the public as a necessary response to the purported “energy crisis,” resulting from the 1973-74



U.S. Bureau of Reclamation

*An aerial view of California's Central Valley Water Project.*

movement has been all along.

The second ruinous process that has taken over the western nations has been the destruction of the productive economy, an economy based on scientific progress and the continuous building of new infrastructure that uplifts the entire economy to a higher platform of productivity. We have witnessed the imposition, by the London and Wall Street financial oligarchy, of a series of financial and economic deregulation measures, beginning with the ending of the post-World War II Bretton Woods system in 1971 and culminating with the repeal of the Glass-Steagall banking law in 1999. These actions have produced one financial crisis after another, accompanied by the wiping-out of physical/economic capabilities. In the midst of this insane process, the deregulation of electricity, especially in California, has destroyed the traditional functions of utilities like PG&E, leading into the current catastrophe.

Middle East “oil” war.

PURPA started the industry on the road to restructuring and is one of the first laws that began the deregulation of energy companies.

We will return to the electricity deregulation story a little later, but first we focus attention on the environmentalist issue. Note that while this article will not cover the issue of water resources and infrastructure, it should be mentioned that California's ongoing water crisis has the same roots as the electricity disaster.

## Fires Caused by the Green Frenzy

Let us first dismiss the often stated, but absolutely wrong idea that the increased size, intensity and destruction of recent years' fires is due to “climate change.” As Michael Shellenberger reported, in a *Forbes* [article](#), “Why Everything They Say About California Fires—Including That Climate Matters Most—Is Wrong,” on November 4, 2019:



Philip Ulanowsky/EIRNS

An April 20, 1979 anti-nuclear demonstration by the Shad Alliance at the Con Edison Building in New York City.

I asked Dr. Jon Keeley, a U.S. Geological Survey scientist who has researched the topic for 40 years, if he thought the 2018 fire could be attributed to climate change.

“It’s almost certainly not climate change,” he said. “We’ve looked at the history of climate and fire throughout the whole state, and through much of the state, particularly the western half of the state, we don’t see any relationship between past climates and the amount of area burned in any given year.”

Later in his article, Shellenberger states:

Keeley published a [paper](#) last year that found that *all* ignition sources of fires had declined except for powerlines.

“Since the year 2000 there’ve been a half-million acres burned due to powerline-ignited fires, which is five times more than we saw in the previous 20 years,” he said.

“Some people would say, ‘Well, that’s associated with climate change.’ But there’s no relationship between climate and these big fire events.”

That leads us to the real story. For more than a century, the U.S. Forest

Service, as well as various state forest agencies, have implemented an erroneous policy of *suppressing all fires*, which has led to a massive increase in undergrowth and dead vegetation—fuel for a potential catastrophic fire. Forests today have as much as ten times the number of trees per acre as they did 30 or more years ago, and thick underbrush to go with it. On top of this, in California, more than 130 million dead trees were added to the potential fuel in the forests between 2011-2017 as a result of the five-year drought and the accompanying infestation by bark beetles. With the forests loaded with fuel, when fires break out, especially those

wind-driven fires in California, they burn hotter and more intensely.

Logging the forests obviously removes much of that fuel. In earlier years, the logging industry played a crucial role, through practices such as clear-cutting and controlled burns, in preventing conditions that could result in a catastrophic fire. However, since the enactment of the Environmental Protection Act and the Endangered Species Act, federal and state actions have virtually shut down the logging industry, especially in the West. California now has the most legally protected forests in the world, and as of now, there is zero logging allowed on state owned land.



Kaibab National Forest

A forestry swing machine at work in Kaibab National Forest in Arizona.

These regulations were partially the result of the Spotted Owl rulings in the early 1990s by the federal government's application of the Endangered Species Act, making off-limits vast acreage of federal forest land. California forests comprise about 60 percent of U.S. national forests. It is estimated that every year about 3.8 billion board feet of new timber grows in California. Following the Spotted Owl restrictions, the annual harvest of timber from the state fell to about 1.5 billion board feet, about one-tenth of what it was in 1988.

### Signs of Sanity

Such restrictions may change now, as the Trump administration has proposed streamlining of the environmental review process, as promised by the U.S. Forest Service in June of this year. As announced by Agriculture Secretary Sonny Perdue and then-Interior Secretary Ryan Zinke, the move is driven by the need to reduce the fuel-load in the forests.

Even former California Governor Jerry Brown in August 2018, proposed changes in the logging rules that would permit private landowners to cut larger trees and build temporary roads without obtaining a permit, to thin the forests. To log private land now, current rules and laws require that a professional forester prepare an environmental impact statement that can cost a landowner tens of thousands of dollars, and then he or she must get approval from the state Department of Fish and Wildlife and the State Water Resources Control Board before being able to log their own land.

These same environmentalist measures have also prevented utilities, such as PG&E, from taking effective fire-control measures. A former PG&E engineer, who had been responsible for "system protection and supervising the remote control of powerhouses," reported to me that keeping the trees and brush away from the lines became much more difficult as more and more environmental restrictions were adopted. Previously, the workers would use exfoliates, herbicides, and soil sterilants under the power line right of way, but no more.



U.S. Forest Service

*A spotted owl in the Six Rivers National Forest. One of many animals endangered by the fires.*

### Deregulation Wrecks the Power Companies

There are three large, privately held power companies in California: Pacific Gas and Electric (PG&E) in the northern part of the state, San Diego Gas and Electric, and Southern California Edison in the Los Angeles area. I will focus on PG&E here, but much of what is said about that company applies to the other two.

PG&E is the largest U.S. privately owned utility with publicly traded stock. PG&E provides natural gas and electricity to most of the northern half of California, regulated by the California Public Utilities Commission. All power companies in the country are regulated by both the federal and state governments and have been since the

passage by Congress and signing by President Franklin Roosevelt of the Public Utility Holding Company Act of 1935 (PUHCA).

PUHCA gave the federal government the power to eliminate holding companies that "served no demonstrable purpose," and it required the strict federal regulation of the remaining ones. Most important, ownership of controlling shares by Wall Street firms was prohibited. The act also gave the Federal Power Commission regulatory control over both the interstate shipments of electricity and the accounting procedures of the utilities. The framework of regulation established under FDR's guidance created the regulatory compact by which, in exchange for being granted an exclusive franchise to provide electric power for a certain geographic region, a utility had the legal obligation to provide reasonably priced, reliable electric power to every customer in the area they serve.

Up until the late 1960s, PG&E was the pride of the state and its employees enjoyed not only high wages but an environment that made the company almost like their family. That all began to change with the rise of the environmentalist movement in the late 1960s and the shift nationally from an economy based on production to one based on financier speculation. PG&E's nuclear power plants were the target of the environmentalists and began creating financial problems for the

company as lawsuits delayed construction of the plants, sometimes for years, doubling or tripling the costs. This greenie sabotage has continued and worsened, such that today environmentalist lawsuits, not only have made the building of nuclear power plants prohibitive, but the never-ending suits have also been used to delay or stop virtually anything power companies seek to build, except solar and wind farms.

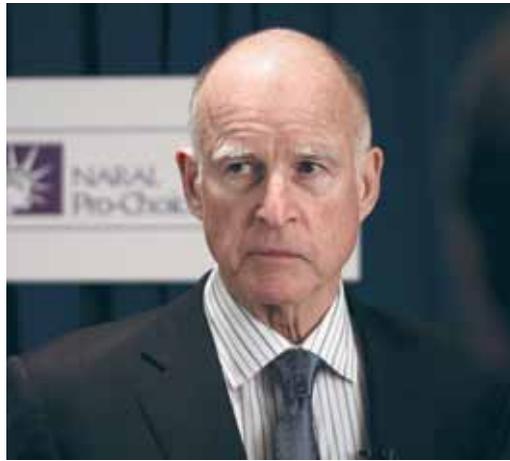
In 1976 a California state law prohibited the construction of new nuclear power plants, and with the closure of the San Onofre plant in 2013, California now has only one operating nuclear plant, Diablo Canyon. In 2016, PG&E announced that the Diablo Canyon plant, once the jewel of California's electric grid, will be shut down in 2024-2025.

None of this insane attack on the California power grid has anything to do with the cost of electricity or what is technologically feasible. In 2018 Governor Jerry Brown signed into law a bill that requires that 50 percent of California's electricity be powered by renewable resources by 2025 and 60 percent by 2030, while setting the goal of 100 percent zero-carbon electricity by 2045. Currently, the State of California classifies nuclear energy as not "qualified renewable," which means that the nuclear energy generated by the Diablo Canyon plant cannot be counted toward the "renewable" targets that must be met in 2025 and 2030.

In order to meet the 2030 target of 60 percent renewable, the current plan is to cut Diablo Canyon's electricity output in half by that date. Since the plant operates at a fixed cost, the cost of the electricity produced will rise sharply, perhaps double.

### Cascading Lunacy

Most bizarre, in 2045 nuclear power will be reclassified as "qualified renewable," at which time nuclear

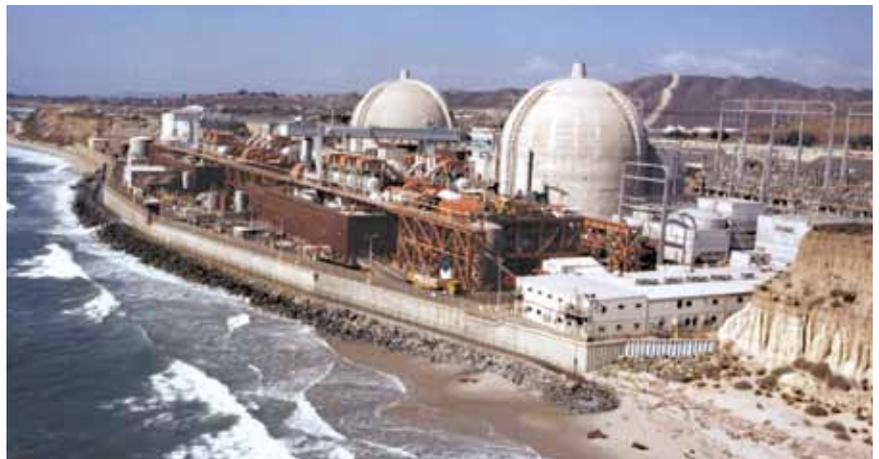


CC/Chad Ben-Joseph  
*California Governor Jerry Brown, April 10, 2010.*

generated electricity will be counted toward the 100 percent "renewable" target. However, if the current proposal to close Diablo Canyon goes through, by 2045 there will be zero nuclear power plants left in the state.

The insanity just keeps cascading. Current estimates are that California's population will rise from its present 40 million to 50-55 million by 2050. In the face of this, California has now literally outlawed scientific progress, as well as the best source of clean, abundant, inex-

pensive electricity. In order to replace the electricity they are not producing, PG&E now relies increasingly on buying electricity from outside sources. Currently, more than 30 percent of California's electricity is wheeled in from out of state, of which about a third originates at the Columbia River with the Bonneville Power Administration, which sends its power directly to the Los Angeles area, a distance of more than 1,000 miles. The construction of several large nuclear reac-



*The San Onofre Nuclear Power Generating Station, owned jointly by Southern California Edison, San Diego Gas & Electric and the city of Riverside, California.*

NRC

tors throughout California, together perhaps with other smaller modular nuclear reactors, would eliminate the need for almost all of this.

The environmentalist Malthusianism and the policy of financial deregulation have always functioned as one operation, and the various environmentalist laws have always been integrated with the deregulation of the

economy. The 1978 Public Utility Regulatory Policies Act (PURPA) forced the electric utilities to purchase power from new, non-regulated plants, called “qualifying facilities,” which used “renewable energy,” whether the utilities needed the electricity or not. Forced into long-term contracts with these “renewable energy” producers, for energy they did not need, they were paying double or triple the cost of what it would cost to generate it themselves.

The National Energy Policy Act of 1992 (NEPA) continued subsidizing “alternative energy” sources by providing a 10 percent investment tax credit for solar and geothermal power systems. Also, the 1992 Act created yet another class of non-regulated electricity producers, known as “exempt wholesale generators,” and broadened the authority of the Federal Energy Regulatory Commission (FERC) to order the utilities to provide transmission services to them. This meant that virtually any business could generate electricity and sell it wholesale, with guaranteed access to the highly complex transmission grid that companies like PG&E had built over almost a century.

The California power companies are being looted by this setup, to the tune of hundreds of millions of dollars per year, and they are paying as much as five times the cost that they would have incurred by producing the electricity themselves.

### **Reverse Robin Hoods**

As reported by Marsha Freeman in the October 6, 1995 *EIR* [article](#), “Deregulating U.S. Electric Utilities: the ‘Kill Factor’”:

... [G]enerating capacity that is not spoken for through long-term contracts, was to be available through a spot market. Under some scenarios, the market price for electricity will be calculated on an hourly basis. A central, or “pool” dispatch organization would have to match customers to available capacity. In between, there would be brokers, merchants, and other middlemen, who would try to drum up business for utilities, and find available capacity for consumers, for a fee. Analysts expect to see price hedging, futures markets, and a place for electricity on the Mercantile Exchange.

But it was to stop this kind of financial manipulation that the industry was regulated to begin with. . . .

When surveyed last year by Fitch Investors Service, Inc., 38% of the nation’s state public utility commissioners believed that competition will lead to bankruptcies in their state. In the 60 years since the industry was regulated, there have been only two bankruptcies. One was due to the 17-year battle to obtain an operating license for the Seabrook nuclear plant, and the other from bad savings and loan and real estate investments made by the El Paso Electric company.

### **How Deregulation Did-In PG&E**

With the continuing electricity market deregulation in the late 1990s, though a set of byzantine regulations, PG&E was forced to sell off most of its natural gas plants, thus stripping itself of much of its generating capacity. The utility was redefined, by law, as a “supplier” of electricity, as opposed to being a producer of electricity. PG&E, and other utilities, were then forced to buy back power from private companies generating power at fluctuating prices, while still forced to sell the power to its customers at a price fixed by state regulators.

The market which PG&E and others bought from was dominated by the Enron Corporation, which “gamed” the market, shutting down generating plants to create an artificial shortage, and thus raising prices that PG&E and the other power companies in the state had to pay by as much as thousands of percent.

Thus the California electricity crisis of 2000 began, with rolling blackouts in the state starting on January 17, 2001. The crisis intensified in the spring of that year, as Enron expanded its manipulation of the market. PG&E was caught in the middle, hemorrhaging money, and finally declared bankruptcy on April 6, 2001 (its first, but not last, bankruptcy). The state then acted to ensure the electrical supply to PG&E’s millions of customers but was trapped in the same “gamed” Enron-dominated market. Until Enron was eventually brought down with criminal indictments, the State of California, PG&E and other companies paid out more than \$50 billion to these criminals. Since that time the residents of California have been paying the highest electricity rates in the country, partially to pay off the \$50 billion of “Enron debt.”

A reorganized PG&E emerged from its first bankruptcy in 2004, but this “new” PG&E has demonstrated itself to be fully submissive to the escalating environ-

mentalist agenda. Each year PG&E now spends at least \$2.2 billion on the state-mandated buying of so-called renewables and has already reached the mandate of 30 percent of the power it buys to be from renewables by 2020.

PG&E has not just been tamed, but also made to kiss many asses including that of the Sierra Club. Coming out of bankruptcy in 2004, PG&E was forced to turn over 140,000 acres of wilderness to government agencies and nonprofit groups, guaranteeing that the land (mostly land around PG&E's dams and reservoirs) will never be developed. Adding insult to injury, PG&E also



budget for tree trimming and lying about it. Since 2004, this financier-imposed negligence has snowballed.

In 2010, a natural gas explosion in San Bruno killed eight people, and PG&E was found guilty of multiple felonies, including falsifying inspection and repair records. Nevertheless, PG&E continued its new tradition of neglecting maintenance and tree-trimming and to lie about all of it. After having been convicted and on probation after the San Bruno gas explosion, PG&E was charged again with having falsified gas pipeline records between 2012 and 2017. Then, in 2017 and 2018 nearly 40 of the 315 wildfires in the PG&E service area were caused by PG&E equipment. The largest and most deadly fire (85 people dead), the Camp Fire in 2018, was determined to have been caused by PG&E equipment.

### The 2019 Bankruptcy

California state law follows the principle of “inverse condemnation” for wildfire liability. Thus, utilities are responsible for damages from any fire caused by the company's equipment, even if tree trimming and maintenance of equipment have been done to established standards. The 2017 and 2018 fires that were determined to have been caused by PG&E equipment resulted in an unpayable \$30 billion liability for PG&E, and in January 2019, PG&E

*California transmission lines stretching to the mountains.*

once again filed for bankruptcy.

had to pay \$100 million for parks, recreation areas and restoration projects.

Making matters much worse, the post-2004 version of PG&E has also been forcefully refocused around financial decision-making coherent with the current usurious operations of U.S. financial markets. Even before deregulation, by the 1980s PG&E, like most of the U.S. corporate sector, had begun to focus more and more on enhancing “shareholder value,” i.e., paying out to stockholders as much as possible, while cutting its workforce, skimping on tree trimming and not maintaining and upgrading its equipment and facilities. In 1997, PG&E was found guilty of 739 counts of negligence and fined \$2 million, after it was shown to have been cutting its

Even before the bankruptcy PG&E had become the target of financial speculators. Vulture funds, like Elliott Management, run by the notorious predator Paul Singer, now own a significant portion of PG&E stock. These so-called hedge funds specialize in taking over debt plagued companies (or even nations, such as Argentina), buying up the debt for pennies on the dollar then selling off assets or suing until they receive full face value of the debt. Even though the main hedge funds holding PG&E stock, including Abrams Capital Management LP, Baupost Group LLC, and Elliott Management Corp., have lost \$4 billion in the past two weeks as a result of the plunge in PG&E's stock value, there are now other vultures circling overhead, and on

October 30, Governor Gavin Newsom invited Warren Buffett's Berkshire Hathaway to make a takeover bid.

Being the largest private utility in the country, with tens of billions of dollars of assets in facilities, equipment and the infrastructure that delivers natural gas and electricity to eight million customers, PG&E is now viewed as both easy prey and a ripe cash cow for the asset strippers and thieves.

### Fixing the Problem

There are no short-term fixes to this collapse of productive capabilities. It is a situation created by decades of wrong and even criminal policies. Only a national change, like that outlined in Lyndon LaRouche's "[Four New Laws](#) to Save the Nation" can really begin what must be done.

PG&E currently has 107,000 miles of distribution lines, 81,000 miles of which are overhead. The cost to put PG&E's overhead distribution lines underground (at an estimated \$3 million per mile) would be \$240 billion, a staggering figure, which does not even include the higher voltage transmission lines. Since 2012, PG&E has spent \$300 million to begin burying some of these lines.

At the rate this work is being done, as the CEO of PG&E Bill Johnson, said recently, there will be ten more years of cutting off electricity to customers during high winds. No one finds that acceptable, and this has led to talk of the state or the larger cities taking over the company. Making PG&E a public utility is not only difficult, but would take years to do so. At the same time, given the current political climate and culture in California, it is a certainty that any proposed public or state-owned utility would be dominated by an anti-growth green ideology.

On October 27, with new fires starting daily and millions of Californians without electricity, Governor Gavin Newsom declared a State of Emergency. He stated, "There are things that can be done immediately and will be done immediately." The question remains: What will he, and other elected officials, actually do?

Newsom could order an army of electricians and others to move in on PG&E and fix the equipment, hardening it and repairing potentially loose connections and other tasks. The Governor, on his own or in conjunction with the federal government, could also establish a CCC-type program to hire and train 5,000-10,000 youth as a "Tree Trimming Army." There are

other immediate emergency steps of this type that might help.

However, as useful as some of these measures might be, they still amount to putting band-aids on a dying patient riddled with cancer. As President Franklin Roosevelt made clear in his 1933 inauguration speech, action and action now, is demanded—Bold action that will reverse the suicidal decisions of the past five decades.

### Change in National Outlook Needed

Since 1971, the United States and Europe have been under the domination of a financial succubus, one which has imposed usurious banking practices and de-industrialization. That is now about to change. The landing by China of a spacecraft on the far side of the Moon, together with President Trump's commitment to the Artemis program and the return of human beings to the Moon by 2024—this time to stay—heralds the arrival of a new direction for human affairs.

California's real concern is not merely to "keep the lights on" or prevent forest fires. Our future is not akin to the legendary boy who placed his finger in the dike to temporarily prevent disaster. Rather, as the nation and the world move into the space-faring age, California must look to dramatically increase its energy production and usage, per-capita and per-square kilometer. This will require a change in the culture, a return to the human optimism and can-do outlook of the Kennedy Apollo era.

This will also require a national change in outlook and policy. The usury, the financial looting and the dead-end murderous green mentality must go. In California, PG&E must be returned to an orientation of producing abundant inexpensive electricity, utilizing the most advanced technologies, including nuclear, modular nuclear and eventual fusion energy approaches. In his "Four New Laws" Lyndon LaRouche specifies the precise measures, and the thinking behind them, which are now required. In his proposal for a "New Bretton Woods System," LaRouche defines the economic methodology necessary to create cooperative relations among nations that will make rapid increases in human productivity a cornerstone for the world economy.

The current PG&E debacle denotes the lawful end of a failed paradigm. The new paradigm is awaiting our intervention.

# British Escalate Drive to Impose Green Fascism on Europe

by Karel Vereycken and Paul Gallagher

Nov. 10—London-centered environmentalist foundations have now launched a determined drive to transform the world’s largest international investment bank—the European Investment Bank (EIB)—into a “climate bank.” If successful, this would result in the banning of all investments by the EIB in fossil fuels and “carbon-based” technologies *by next year*. It would also put the “Bank of the European Union,” the EIB, in harness with the big central banks—the Bank of England and the European Central Bank—with a shared agenda to completely deindustrialize Europe, denying credit for all energy investment, except for wind and solar farms. Even the

tation to become a climate bank, it would be a declaration of war against the human species, and every one of the bank’s directors and policy-making officials would be subject to indictment, under the Nuremberg Code, for Crimes Against Humanity.

Since its founding, the EIB has often contributed in a positive way. The Luxemburg-headquartered bank has a capital near 250 billion euros and 400 billion in outstanding loans. It co-financed the construction of the Eurasia Tunnel and Marmaray Europe-Asia Railway in Turkey, the London Crossrail Tunnel, the M10 motorway in Russia, the Gazela Bridge in Serbia, the Raca Bridge between Serbia and Herzegovina, the



CC/WikiPicture  
*The European Investment Bank (top) and two of its projects: the Eurasia Tunnel (left) and the Marmaray Euro-Asia Railway (right).*

CC/Palauenc05

CC/Btian P. Dorsam

German government, notorious for shutting down nuclear and coal-fired power production, refuses to back this move, as does the Italian government.

Jacques Cheminade, the French former Presidential candidate and friend of Lyndon LaRouche, who heads the “Solidarity and Progress” movement, has called for the defeat of this fatal policy move. His statement follows this introduction.

The elimination of the EIB as a source of productive investment would be another major step toward imposing an outright Malthusian policy on Europe. This is not merely a misguided, suicidal banking scheme; it is a willful policy to commit mass murder. It is Britain’s current-day Morgenthau Plan, only this time targeted at all of Europe. Were the EIB to agree to accept a reorien-

D1 motorway in Slovakia, the Sostanj Power Plant in Slovenia, and the Bujagali Hydroelectric Power Station in Uganda. It has supported the Trans-European Networks’ (TENs’) transport and energy projects. In 2008, the EIB invested \$500 million to improve capacity of the locks of the Panama Canal. And most recently, on November 11 this year, it formally agreed to provide €140 million, its largest loan ever for port investment, to support expansion and upgrading of the Port of Piraeus. The loan was signed in Athens in presence of Prime Minister of Greece Kyriakos Mitsotakis, of Chinese President Xi Jinping and Xu Lirong, Chairman of COSCO Shipping Corporation, and of the vice-president of the EIB.

Since 2010, however, the EIB has been under attack by the British oligarchy and its allies, operating through envi-

ronmentalist foundations and NGOs such as the CEE Bank-watch Network, and leaders of the European Climate Foundation such as Lord Nicholas Stern. It has been issuing “green bonds” for a decade, but those bonds were still frequently to finance projects to improve energy efficiency, connectivity and transportation.

But in July 2019, a proposed new lending policy was up for discussion by the EIB’s directors. That proposal, if accepted, would mandate that the EIB “transform itself into the EU Climate Bank.” Their October meeting, due to national resistance, did not adopt it. But the pressure is mounting, and through the agitation of groups such as the World Wildlife Fund, Greenpeace, and Friends of the Earth, the demand now is that the European Commission accept the transformation of the EIB into a fascist green bank by the end of this month. The demand was joined by the environment ministers of Denmark, France, Latvia, Luxembourg, Netherlands, Portugal, Spain, and Sweden.

### To Return Europe to Rural Idiocy

Any EIB decision to radically halt all of its funding for fossil fuel energy infrastructure would result in the



destruction of Europe’s productive potential—by lowering energy density and energy efficiency—and the ability to support the population. This, in fact, is the intention:—to create a paradigm in which productive investment is prohibited, and a policy of depopulation is imposed from above.

The destructive impact these actions would have on the physical economy, could also be the tipping point of the entire financial system,

about which Bank of England Governor Mark Carney and others have “warned,” while doing everything to bring it about. It could quickly depreciate over \$20 trillion in fossil-fuel related assets worldwide.

The multinational policy we need, in fact, is the opposite of this. The United States, Russia, China, and India can lead an agreement for a new Bretton Woods credit system. Such a system, organized through Hamiltonian national banking methods, could rapidly implement investments in precisely the kinds of capital projects which characterized the EIB’s history, utilizing to the hilt advanced nuclear and fossil fuel technologies, and pushing for breakthroughs to achieve fusion power.

JACQUES CHEMINADE

# Why I Oppose the Proposed Policy Change of the European Investment Bank

*The following is an edited translation of the policy statement released on November 9, 2019 by Jacques Cheminade, twice a [candidate](#) for the French presidency. He is a long-time LaRouche associate and founder of the French political [party](#), Solidarité et Progrès (Solidarity and Progress).*

The current debate among European governments on the proposed European Investment Bank (EIB) change in lending policy, points to the severe risk actually posed by such a change.

The proposed dangerous changes, detailed in the EIB’s July 2019 [draft](#), are designed to comply with the Paris COP21 climate targets as follows (emphasis in the original):

18. The Bank will focus on meeting the long-term investment challenge associated with the EU 2030 targets. A consequence of the focus on these priorities is that the Bank will **phase out financing of investment in energy infrastructure directly associated with fossil fuels.**

To meet those targets, the EIB, under the new policy, would cease, starting in 2030, any funding for any fossil-fuel related energy infrastructure, not only for peat, lignite, coal, and oil, but also for natural gas.

The draft change includes the following stark provisions:

19. Once in effect, this means that the Bank will have a clear position not to support upstream oil or gas production, coal mining, infrastructure dedicated to coal, oil and natural gas (networks, liquefied natural gas terminals, storage), and power generation or heat production from fossil fuel sources (coal, gas, oil, peat).

20. The Bank's decision to phase out lending to fossil fuels is a significant change in its policy. To manage this change smoothly, the Bank will no longer originate projects after the adoption of this policy and will stop lending to fossil-fuel energy projects by the **end of 2020**.

21. The Bank acknowledges that fossil fuels will continue to play a role within the global energy system up to 2030 and that switching from oil or coal to natural gas may reduce greenhouse gas emissions in the short term. Such investments are very likely to take place even without EIB financing, in any case. Phasing out support for fossil fuel projects reflects a decision by the Bank to focus its limited resources on investments needed to meet the EU 2030 targets and 2050 objectives, which present high investment needs, a longer-term perspective and a greater investment challenge.

So far only Germany, which is already phasing out of nuclear and coal, is opposing this project, and seems aware of the extreme difficulties such a decision will bring. Solar and wind energy are expensive and provide very low energy den-



Bank of England Governor Mark Carney,

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## The European Investment Bank proposes an end to fossil fuel lending to fight climate change

Can banks play a role in achieving global objectives? Image: REUTERS

The European Investment Bank wants to stop funding new fossil fuel-reliant projects by the end of 2020, a draft of the EU lending arm's new energy strategy showed on Friday.

The development bank proposed phasing out support to energy projects that were "reliant on fossil fuels: oil and gas production, infrastructure primarily dedicated to natural gas, peat, gasification or heat-based on fossil fuels."

sity. In addition, by their intermittent nature, solar and wind cannot be managed currently without the use of efficient gas turbines.

Beyond the destructive impact on the physical economy as a result of the lowering of energy density and therefore energy efficiency, such a radical halt by the EIB of all funding for fossil fuel energy infrastructures, could become a "tipping point" for the entire world financial system, the "Minsky climate moment," about which the Bank of England's Governor Mark Carney and others have been warning the world for years, while in fact doing everything possible to get us precisely there. Divesting from coal, oil and gas could brutally depreciate the value of an estimated \$20 trillion in carbon-related assets worldwide.

Are the European governments going to play the game of industrial scorched earth and leave room for this Green New Deal to generate a financial bonanza for the megabanks, with the consequent social destruction?

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