

## II. Economics

# LaRouche's Exposure of 'Schachtian' Fascism Was Behind the Attempt To Kill Him in October 1986

by Harley Schlanger

*This is an edited transcript of a presentation by LaRouche spokesman Harley Schlanger at The LaRouche Organization's Manhattan Project event, on October 9, 2021. It includes the transcript of an excerpt from the historically important debate in December 1971 between Lyndon LaRouche and leading Keynesian economist Abba Lerner.*

Oct. 9—We are in the midst of a dizzying array of events, which is enough to make the heads of even sober people spin. We have a systemic breakdown, there's no other way to look at it. You can try to look at different sectors and what's happening here and there, but if you take it in its totality ... we're in what Lyndon LaRouche described as a systemic breakdown.

On the economy, there is inflation, energy shortages, supply chain breakdowns. Secondly, we have the accelerating collapse of infrastructure. Energy is one area, and this is not just collapsing, it's being deliberately collapsed as part of the Green New Deal. The idea that the climate is changing for the worse, because we are trying to produce enough electricity to take care of 8 billion people on the planet, is crazy. Roads need repair, bridges are collapsing. The public health sector has been badly damaged through underfunding and privatization, as became clear with the COVID pandemic—we didn't have adequate healthcare capabilities to take care of the people. It's all breaking down.

You have on top of that, the war danger. Just one



Photo: WFP

*A convoy carrying nutritional foods essential for expectant mothers and children, leaves the World Food Program's warehouse in Quetta, Pakistan, heading for Kandahar, Afghanistan on September 21, 2021.*

example: The *Wall Street Journal* had a report in the last couple of days that the United States has sent about two dozen special forces to train military layers in Taiwan. This was reported right after Joe Biden and Xi Jinping had a conversation in which Biden re-affirmed the traditional policy of the U.S. toward Taiwan, which is that there is one China, and Taiwan is a part of that. Well, why are we putting military people in Taiwan if we recognize that's part of China? Suppose we heard that the Chinese People's Liberation Army was training units in Texas, or in Washington State? So, one day

Biden re-affirms the One China policy, and then we hear that we're actually preparing a regime change with military forces there. And of course, the Chinese are rightfully concerned, and pointing out that this is, in a sense, an invasion.

Add to this the AUKUS pact—the just-announced Australia-United Kingdom-U.S. military pact, Asian NATO, the pivot to Asia. All of this is a pre-war targeting of China, based on the idea that somehow we can contain the second largest economy and the largest population center on the Earth through deploying military forces in the Pacific.

### **Demanding Poverty for the Planet**

What has also been exposed is a moral and intellectual problem—depraved indifference. The United States is conducting policies that are killing children in Syria, in Yemen. The World Food Program is reporting that 4 million Afghan children could starve to death this winter. Where is the outcry about this? Why are we not moving to rally forces and move goods that are necessary to protect people? Not to mention Haiti, which is not too far from the United States, where we're turning our back on that country, which has been devastated by natural disasters and outside interference.

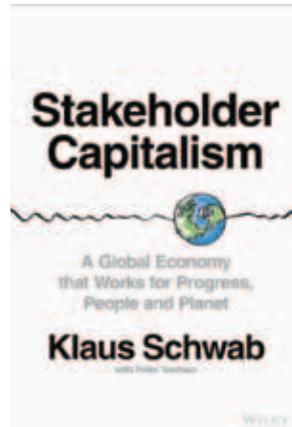
Then you have the spectacle of the U.S. Congress pretending to deal with problems, and I won't even get into that.... And then, finally, we have massive disinformation. We have lying narratives which are flooding the print and visual media, and outright censorship. We now hear that Google is moving to limit what can be said on its platforms about climate change. Soon, they will be censoring anyone who argues that the science behind climate change is a fraud.

All of this is a prelude to the next phase of the destruction of the Western economies, which is announced in a book by Klaus Schwab, the director of the World Economic Forum, the Davos group. The book is *Stakeholder Capitalism; A Global Economy That Works for Progress, People, and Planet*. [See book review elsewhere in this issue.] Here's just one quote that gives you a sense of what Davos is working for with the Great Reset and the Green New Deal. In attacking the idea of

building infrastructure in Ethiopia, [Schwab] writes:

This reveals the central conundrum of the combat against climate change. The same force that helps people escape from poverty and lead a decent life, is the one that is destroying the livability of our planet for future generations. The emissions that lead to climate change are not just the result of a selfish generation of industrialists or Western Baby Boomers, they're the consequence of the desire to create a better future for oneself.

He's arguing that the attempt of people in poor countries, or even in richer countries, to provide a better future for themselves and their families is what's dooming the planet! That's the kind of fake scholarship that actually is nothing more than lies to defend what we should correctly call a fascist depopulation policy. His



WEF/swiss-image/Moritz Hager

*Klaus Schwab, Founder and Executive Chairman of the World Economic Forum.*

stakeholder capitalism metrics have been drafted to determine whether any enterprise—a factory, a farm, a household, a school—is deserving of credit, based on its carbon footprint. [This] is a blueprint for the further dismantling of both modern industry and agriculture.

In discussing this in her weekly webcast dialogue, Helga Zepp-LaRouche made a very important comment:

This is fascism; no less than it was with the Nazis. The present Green policy is madness. It is fascism with a Green face. It will lead to catastrophic results if it's not reversed.... We must say it out loud in public.

This is something which has always been the policy

of the LaRouche movement—to tell the truth; to speak boldly. We put a Hitler moustache on Obama to describe his so-called Obamacare, which was designed to limit care, not to give people more care. LaRouche was called an extremist for these truthful comments. Instead of an honest evaluation of LaRouche’s charges, he was identified as an extremist in the 1970s, and targeted for elimination. We’re going to look at this process of why Lyndon LaRouche was singled out as a target of this network.

### Green New Deal Doomed To Fail

Before I go on, I want to make this point, though: There’s tremendous resistance to this from the American people, from people in Europe, from people in the developing sector, and especially from important countries like Russia, China, and India. Speaking for the poorer countries, the Indian Energy Minister said, “People want development; you can’t take that away from us.”

Schwab, in a sense, was echoing what Greta Thunberg said in a recent conference in Milan, where she said that the cause of the problem today was *the industrial revolution*. We need to go back to the economies as they existed before the industrial revolution, which would result in massive population reduction. And they intend to accomplish this through a top-down fascist reorganization.

So, the idea that LaRouche is extreme? No! He’s precise, identifying the true nature of fascism, and he’s been prescient.

The work of Schwab and others is defensive, and that’s something people have to realize. They think: “These are such powerful forces!” But [those forces are] in a desperate drive to reinforce what they call the “rules-based order,” an arbitrary unipolar system where the policies are made for the benefit of those in the City of London, Wall Street, and Silicon Valley, and imposed on a reluctant population.

This intent to carry out population reduction was launched in the mid-’60s. I’m going to take it from a 50-

year arc from 1971. We’re going to take a look at a special segment of that arc—the 15 years between 1971 and 1986—to see the pivotal importance of the leading opposition figure to that negative transformation. That leading opposition figure was Lyndon LaRouche, and to his death he continued in that position. And today, the LaRouche Organization represents that leading opposition worldwide, to mobilize to prevent the consolidation of this global fascist empire.

### ‘The Night They Came To Kill Me’

Last week was the 35th anniversary of the “Great Leesburg Raid.” This was something which I think people would be shocked to read about, given that many



EIRNS/Stuart Lewis



EIRNS/Stuart Lewis

Four hundred law enforcement officials raid the LaRouche movement’s headquarters in Leesburg, Virginia, as part of the effort by the “Get LaRouche Taskforce” to silence LaRouche, October 6, 1986.

were shocked by Robert Mueller’s heavy-handed deployment of the FBI against Roger Stone. The storming of [Stone’s] house, by 26-30 armed FBI agents, news cameras, disturbing the neighborhood, his wife, his family. And for what? For a lie that was concocted in Russiagate. That was considered heavy-handed.

Well, what happened on October 6, 1986 was much more heavy-handed. There were 400 officials—law enforcement, FBI, state and local police. There was a helicopter flying overhead; there were jeeps; there were armored personnel carriers.... This was the “Get LaRouche” taskforce that was organized by leading oligarchs in the United States: John Train, a Wall Street

financier; working with people like Henry Kissinger; working with the FBI under the direction of William Weld, who later became the Governor of Massachusetts and drafted the original bill which became Obamacare. One of the operatives of the Get LaRouche taskforce, who ran the case against LaRouche in Boston, was none other than Robert Mueller.

LaRouche explains why this happened, and I want the first post to go up, to give you a sense of how ludicrous it was. La-

Rouche described this in an [article](#) he wrote, “The Night They Came to Kill Me.” What he said in this article is that there were “three tightly-linked issues” that were the reason behind the efforts to silence him. The main reason, he said, is “my fight against the effort of certain liberal economists ... to put the world as a whole under the thumb of the policies of former Nazi Economics Minister Hjalmar Schacht.” You’ll hear more about Schacht in a moment. The three issues LaRouche identified are:

- His “pro-FDR opposition to Schachtian economics” which today is the stakeholder capitalism of Schwab and the Davos crowd.
- His “opposition to the so-called utopian military doctrines associated with ‘beast-man’ Dick Cheney.” This we’ve seen with the regime-change wars, the use of brutal “shock and awe” to destroy countries, to force them to submit to the demands of the unipolar order.
- His “intention to reverse the folly of the past 40 years’ downward drift of the U.S.A, from the world’s leading producer nation to today’s predatory mess of Roman Empire-style ‘post-industrial’ bread and circuses.”

Now, in the period leading up to this 1986 raid, LaRouche was very prominent. Going back to his national, half-hour Election Eve broadcast in 1976, when he identified Jimmy Carter as a puppet of the Trilateral Commission, and went after the policies of Zbigniew Brzezinski, Carter’s National Security Advisor, which provoked the Russians to invade Afghanistan and began the 40-year endless war against the people of Afghanistan. But he also became very well known for his exposé of the Trilateral Commission; of the [Council on Foreign Relations’] 1980s Project, which included Paul Volcker, George Shultz, and others, who were commit-



Ministry of the Presidency, Government of Spain

*When Swedish Prime Minister Olaf Palme was assassinated in 1986, the fake news story all over the U.S. media was that LaRouche and his associates were responsible.*

ted to what they called the “controlled disintegration” of the Western economies. That’s been unfolding since the Carter administration. LaRouche also played a leading role in identifying what was behind the terrorist assault in that period, the deployment of terrorists by NATO, by the CIA, including Operation Gladio, which was tearing apart Europe in the 1980s.

In 1986, when Olof Palme, the Prime Minister of Sweden, was assassinated, NBC News and the Anti-Defamation League alleged that Lyndon LaRouche was behind it. It later was discovered that this line came from the East German Communist “Stasi” intelligence. Yet, it was all over the *United States media* that LaRouche and his associates were responsible for the Palme assassination.

Also in March 1986, in an election in Illinois, two LaRouche associates won statewide nominations to Democratic Party candidacies for Lieutenant Governor and Secretary of State. There was evidence from pollsters that the LaRouche movement was gaining strength throughout the United States. It was at that moment that the raid was conducted.

### Exposed Schachtian Fascism in 1971

But we have to go back further to see why LaRouche was seen as such a threat. Look at what Lyndon LaRouche did in a very famous debate with an economist named Abba Lerner, who was a left-liberal Social Democrat, who was considered to be adequate to counter Lyndon LaRouche on behalf of a group of economists who were threatened by LaRouche’s growing hegemony on college campuses.

The reason LaRouche was gaining this hegemony

was because he had forecast what no one else had, i.e., that there was a deliberate effort to dismantle the Bretton Woods system. He made a now-famous forecast that there would be a break with that [system], which occurred on August 15, 1971, when Nixon was convinced to take the dollar off the gold reserve and establish a floating exchange system which we've had to the present day. Lerner was a prominent liberal who was put up to counter LaRouche. This video excerpt from that debate [of Dec. 2, 1971, at Queens College in New York City—ed.] will give you a sense of the substance of the debate, as LaRouche starts with explaining why Lerner's approach—which is the approach of the neo-liberals today—will ultimately lead to fascism.



EIRNS/Alan Yue

*In a debate with the liberal Keynesian economist Abba Lerner (seated foreground), Lyndon LaRouche explained why Lerner's approach ultimately leads to "Schachtian" fascism. Queens College, New York City, December 2, 1971.*

**Lyndon LaRouche (video):** The trouble with Keynes which Professor Lerner doesn't seem to grasp, is that in the ordinary course of events, economic teaching in universities is more like the practice of a priesthood than anything to do with reality. It's simply something you learn; you don't use it in business much. In point of fact, most business economists or most practicing economics in business, do not have an economics training, but usually an industrial engineering or some other type of training.

However, in the course of the crisis, these abstractions—which are the priestly affairs of economics education, which you have to learn to pass the course, primarily—become something more than abstractions. They become something related to concrete policies which affect the lives of people. And they have consequences for people. And thus, people who are too divorced from reality, seeing those abstractions merely as innocent intellectual toys, lack a grasp of the blood concreteness that these abstractions sometimes lead to in practice.

And therefore, since the lives and well-being of millions, and even billions of people are at stake, that error in the domain of abstraction is not an intellectual error. It can be a bloody crime against humanity. A professor who says, innocently, "The economy, from my point of

view, would be better organized if certain administrative arrangements were made," does not think out to the kind of administrative arrangements which in practice realize that very innocent practice.

Professor Lerner may attempt to divorce his economic policies from the policies of the government of Brazil, and see them in abstraction and detachment from that. However, you cannot carry out the economic policies which are recommended for Brazil without having the kind of government which makes those economic policies work. You could not have the kind of policies which are recommended, which he has recommended as a classic austerity policy for increased unemployment. Now, this is classic in the sense that this is precisely the policy of Schacht from 1933 on in Germany, in which wages were frozen to prevent the inflation and in order to increase employment. He may personally detach himself from that, but it's not possible for the politicians to accept his advice to detach themselves from the kind of government and kind of procedures which enable those abstractions to become reality.

And that has to be grasped, because now no longer is economics merely a plaything of an obscure corner of the academic priesthood. Now, economic policy is that which determines the lives and daily lives and conditions of the people. The form of economic policy determines the kind of government which is necessary to carry it out. And the only kind of government which can carry out the kind of policy which Professor Lerner rec-

ommends—in all well-meaning, all good intention—would have to be a Bonapartist or fascist government. [End LaRouche video excerpt.]

### **Bonapartist-Fascist Government?**

A “Bonapartist or fascist government.” What’s he referring to? The kinds of economic reforms that Lerner was talking about, that today Schwab and the Davos billionaires and the Mark Carneys, and the Finks of BlackRock are talking about, can only be implemented under a global central bankers’ dictatorship in which power is taken away from sovereign governments, from nation-states, from elected representatives, and put in the hands of technocrats, the same way Milton Friedman and George Shultz did in imposing the Pinochet dictatorship on Chile. They used a military dictatorship to enforce the austerity that they said was necessary to save the economy. In other words, kill people with fascist policies.

To save the economy? No, to save the corporate cartels. Schacht was a product of the corporate cartels and the trusts that came into existence after World War I, and after the Versailles Agreement. These were corporations that included leading U.S., British, and German corporations in steel, rubber, energy, banking. They chose Schacht as their representative. He was specifically chosen by Montagu Norman, the head of the Bank of England, and funding went to the German cartels from an American bank, the Union Bank Corporation of New York, which had two very prominent American board members: Roland Harriman of the Harriman family, and Prescott Bush, the grandfather of George W. Bush and the father of George Herbert Walker Bush.

These were the forces that worked together to put Schacht in the Hitler government. And it was Schacht who, as Lyn was saying, in order to enact these economic policies, came up with the strategy of working people to death in the concentration camps. So, before there were mass killings in the gas chambers in the Nazi concentration camps, they were starving people to death, working them to death, on behalf of these international corporate cartels.

Confirming LaRouche’s statement on this, was Lerner himself, who, at the end of the debate, said, “If Germany had accepted Schacht’s policies, Hitler would not have been necessary.” Listen to that again. “If Germany had accepted Schacht’s policies, Hitler would not have been necessary.” If you will accept the Green New Deal and the Great Reset, then we won’t need jackboots to force you to do it.

### **The End Result: Depopulation**

But that’s where we’re headed. These policies, the Bonapartist Schachtian policies in the Green New Deal and the Great Reset are not there—as Klaus Schwab so kindly said—to lead people from poverty and so on, to create a better world. They’re designed to defend the corporate cartels, especially in banking and finance. But also in insurance, raw material cartels, food cartels, big Pharma. The tools they use, they’ve been using: deregulation and free trade; quantitative easing, the pumping of liquidity from the central banks to the private banks, to give them the money to roll over the debt that’s unsustainable, even as they shut down their factories. These are radical, free market policies of the sort that were being discussed at that time when Nixon moved to pull the plug on the Bretton Woods system.

The super profits for the corporations depend on reducing the power of governments, so governments can’t regulate—so that sovereign nations can’t defend their populations or their productive system, but it’s in the hands of the corporate cartels through international courts and agreements so that you as a citizen have no recourse to do anything. And if the Great Reset goes through, economic policy, including spending—not just credit and financing but spending policy—will no longer be in the hands of elected representatives, but in the hands of technocrats working for the private banks.

Now, having seen the recent fiasco around the budget discussion and the debt ceiling in the United States, you might say, “Well, that’s good. We don’t need the Congress to do that.” *We do need the Congress to do it, but we need a better Congress.* If you take that budgetary power away from elected representatives, as Schwab is proposing, as Lyn said Lerner’s policies would require, then you take away the power of people to protect and defend the General Welfare, which is the Preamble of our Constitution.

The result of Schachtian policies on a worldwide basis, through the implementation of massive austerity—including energy austerity—would be mass depopulation. Precisely as advocated in Henry Kissinger’s “National Security Study Memorandum” (NSSM 200) [published](#) December 10, 1974, which Lyndon LaRouche made a big issue about. Precisely as the International Monetary Fund has demanded throughout the last 50 years, which we fought at every single opportunity.

So, when we’re looking at this fight, it’s not adequate to be roped into the traditional profiles of left versus right, socialist versus capitalist, free market versus government. Those are designed to manipulate

the suckers to get into a fight that cannot be won. And while you're fighting, the policy of global depopulation is marching ahead.

It's through the corporate cartels running the governments that we see this policy carried out. This is the British imperial system; the attempt to move us from an American Presidential system into something in which parties controlled by special interests determine the policy. Whoever you vote for doesn't matter, because it's coming down from higher up. That's what Schwab and Mark Carney and these people are trying to push through. And their problem—their only problem—is how to get people to accept these policies?

### 'Cancel Culture' Didn't Stop LaRouche

Well, our suggestion is—and the reason I'm presenting this today—is for people to take a look at LaRouche as a figure who was universally reviled by the enemies of America, and the American System, who was set up for being killed 35 years ago, on Oct. 6, 1986, because he was growing in stature as an international figure. And our movement was growing, our solutions were catching on. Today, the proposals we were making in the '80s and '90s have emerged at the center

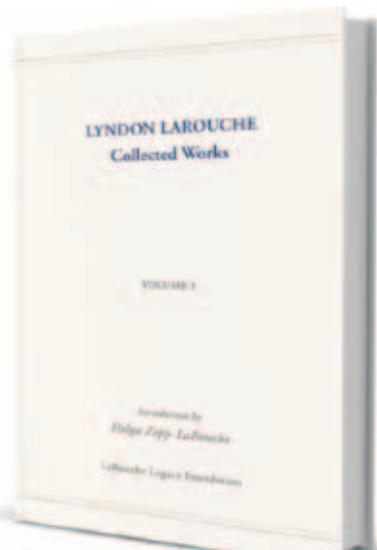
of an international fight: The Belt and Road Initiative; nuclear energy as opposed to being an environmentalist. These are the battles we were waging. And today, global development is at the center of this.

There is a growing awareness that something has to be done, but it needs to be attached to a serious program: That Lyndon LaRouche's program has been the most serious, and potentially effective development in the last 50 years, is attested to by the extent to which he was attacked. He was the original target of "cancel culture." [Max] Rosenthal, a writer for the *Washington Post*, I believe it was in 1978, wrote an editorial saying, "No journal, no newspaper should ever mention the name 'Lyndon LaRouche,' unless you're going to attack him." This is a perfect example of what we face. And yet, his ideas have taken hold throughout the world.

And I would urge you, in thinking this through, to go to our website and study some of these reports, look at some of the videos, read some of the articles, like "The Night They Came To Kill Me," to get a sense of what kind of an American Lyndon LaRouche was. And then to join with us, in The LaRouche Organization, to carry out LaRouche's program, for the future of our country and the future of the world.

## LYNDON LAROUCHE Collected Works, Volume I

This first volume of the Lyndon LaRouche Collected Works contains four of LaRouche's most important and influential works on the subject of physical economy:



- *So, You Wish to Learn All About Economics?*
- *There Are No Limits to Growth*
- *The Science of Christian Economy*
- *The Dialogue of Eurasian Civilizations: Earth's Next Fifty Years*

**So, You Wish to Learn All About Economics?** was first published in 1984 and has become the single most translated of LaRouche's books.

**There Are No Limits to Growth** first appeared in 1983 as a direct response to the Club of Rome's *The Limits to Growth*, thoroughly refuting the latter's unscientific Malthusian argument, which underlies the "green" environmentalist movement today.

**The Science of Christian Economy** (1991) is a groundbreaking study written by Mr. LaRouche during the five-year period he was unjustly incarcerated as a political prisoner in significant measure for the arguments he sets forth in this book.

**The Dialogue of Eurasian Civilizations: Earth's Next Fifty Years** (2004) follows in the footsteps of Cardinal Nicholas of Cusa to establish the scientific, cultural, and theological basis for a true dialogue of civilizations, in order to successfully address the existential crises facing humanity today.

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