

Spannaus Files for Senate With Debt Warning

by EIR Staff

Nancy Spannaus, the LaRouche Democrat running for the U.S. Senate seat now held by Republican incumbent John Warner, filed 14,000 signatures with the Virginia State Board of Elections on June 11, to qualify for ballot status in November. Upon qualification, Spannaus will become the only Democrat on the ballot—which will also contain Senator Warner, and Jacob Hornberger, a Libertarian running as an independent.

The corrupt Gore-Lieberman dominated State Democratic Party apparatus decided two weeks before not to field any candidate, after previously refusing to allow for a primary or caucus.

Upon announcing her filing, Mrs. Spannaus, a Lovettsville resident, issued a statement on the impending hyperinflationary financial blowout, and the increased danger of an ugly U.S. military adventure over the course of the next few months. While the media joined the Democratic Party in boycotting Spannaus' press conference at the Board of Elections

in Richmond, the candidate got out the word on a major radio talk show in Richmond that afternoon.

The abdication by the Democratic Party has created a political vacuum in Virginia—as it has around the country. Statewide, the Democratic Party is giving four Congressional Republicans a free ride, in addition to Senator Warner.

LaRouche's Support

Democratic Presidential pre-candidate Lyndon LaRouche, in his endorsement of Spannaus' candidacy on May 20, noted the dangers involved in the political parties distancing themselves from any semblance of meaningful dialogue with the constituents. "That must now be changed," LaRouche said, and "therefore, the policies associated with Manatt, Fowler, Mary Sue Terry, [Paul] Goldman, and Gore, must be overridden for the purpose of rebuilding the party into a form which can earn the mandate to govern under the conditions of escalating crisis gripping the Commonwealth and the nation at this time."

In a June 4 statement announcing her final petition drive, Spannaus picked up this theme. "As a close LaRouche associate, I have the unique qualifications to be your Senator. I will engage Virginia voters in the kind of discussion required, to solve the policy crises before us. LaRouche, who is running for President in 2004, is the only leader who has earned the respect of U.S. citizens, and the world, on the question of the economic crisis, and its solution. His solutions represent the core of my platform: the application of the principle of the

Party 'In Denial' on Debt

In an interview with Richmond's WLEE-Radio on the afternoon of her June 11 filing, Nancy Spannaus was asked by interviewer Jim Jacobs about her warnings that the debt blowout of the U.S. economy, forecast by LaRouche, is now upon us.

Jacobs: If elected, are you going to be joining Democrats?

Spannaus: Actually, I hope I'll be leading Democrats, because we lack leadership in the party nationally, with people not wanting to face the depth of the economic crisis we have; they are *in denial*, as you would say nowadays.

We are in a situation where we need a new monetary system—

Jacobs: What do you mean, "a new monetary system"?

Spannaus: What I mean is, we are so *bankrupt*—all that we have been creating in the last decade, to three

decades, is debt. I have some charts that will blow your mind, if you want to look at them.

Jacobs: I'm afraid of your charts. They scare me. They are frightening.

Spannaus: That is like some of the Democrats. They don't want to hear it either—but it's not really a party question; it goes into both parties. We need a new monetary system because we have got to *freeze* some of this debt, which is never going to be paid.

The tax base is collapsing, and people are facing total destitution. You see Africa? You see Argentina? That's where we're headed, unless we have a new monetary system.

Jacobs: That's a mighty dire prediction.

Spannaus: It's not a prediction; it's a forecast.

Jacobs: Is the monetary system that corrupt?

Spannaus: It is that *bankrupt*. The kind of measures that are required are similar to a Chapter 11 for a firm.

Jacobs: So, you want us to default on our notes?

Spannaus: I want you to put them aside and freeze them while we rebuild productive capabilities—not our Federal government debt.



LaRouche Democrat Nancy Spannaus with the Virginia Board of Elections official who accepted her 14,000-signature filing for ballot status in the U.S. Senate race, after the Virginia Democratic Party refused to field a candidate against Senate Armed Forces Committee member John Warner. Spannaus' charts on U.S. indebtedness "scared" a Richmond radio interviewer.

general welfare to a world depression collapse which will, otherwise, take us into a global religious war, and a New Dark Age."

Where Are the Democrats?

Unlike many political campaigns in Virginia—where the candidate buys petition signatures for \$2.50 each—the Spannaus campaign activated several score citizens around the state, to take action for a candidate of their choosing. Dozens of citizens new to the campaign got involved, many acting politically for the first time in their lives.

In order to meet the the grueling petition requirements that demanded 400 signatures of qualified voters in each of the State's 11 Congressional Districts, as well 10,000 statewide, Spannaus squads fanned out around that Commonwealth, collecting nearly 10,000 signatures in only two weeks. According to several political sources, this feat is unprecedented in recent memory, and it astounded some party regulars who did not think it possible.

Spannaus supporters could be seen standing in front of supermarkets and discount stores, handing out literature and gathering signatures, often in blistering heat. A spokesman for the campaign said that voters were shocked at the failure of the Democrats to even mount a campaign, with many saying that the party's behavior was a "disgrace."

The petitioning took place despite a virtual press blackout of the effort, imposed with the connivance of the Democratic Party apparatus, at both the state and national level. To the extent that there was any report of a petitioning effort, it was attributed to Alexandria Democrat Gail Crook, who like Spannaus had unsuccessfully sought the party's nomination. Crook could gather only 2,000 signatures in the same period

that the Spannaus campaign organized the major part of its petition drive.

A spokesman for the campaign said that the response to the petitioning was gratifying and broad-based. The best response came from Muslim Americans, and from African-Americans, particularly those who have worked with the civil rights movement. Constituencies that have been traditionally hamstrung by the Democratic Party leadership, such as trade unionists, continued to hold back. But many other Virginians, representing normal working people, dug in, and got the job done.

But, while the petitioning moved along at a slow pace for a couple of months, the response exploded after June 1, the day the Democratic Party wrote "None" across its official statement on the Senatorial candidacy, the Spannaus campaign spokesman said. Virginia Democrats do not believe that all is well in the Commonwealth, or nationally, and they were incensed at the failure of the party to run a candidate. (This is actually the second time they have done so against Senator Warner; in an earlier race as an independent against Warner, Spannaus received nearly 20% of the vote statewide.) Nor were they pleased that nominal Democrat, Gov. Mark Warner, went on WTOP radio to effectively endorse the Republican Senator and indicate his support for not running a candidate.

While many Democrats and Republicans were willing to put a LaRouche Democrat on the ballot to ensure a debate, the fight now escalates to getting them to admit that they have been foolish to ignore LaRouche and Spannaus, and instead to mobilize behind LaRouche's solution to the global economic crisis. Spannaus has said that her campaign will become a leading element of LaRouche's own campaign. There is only one solution to the current crisis, Spannaus says. My solution is Mr. LaRouche's program.

Spannaus: Last Chance To Back LaRouche, Before Crash and War

Independent Democratic candidate for Senate in Virginia, Nancy Spannaus, announcing successful completion of her ballot petition drive on June 11 in Richmond, released a new and shocking picture of the indebtedness of the U.S. economy spiralling upward during 2002, and heading for a late Summer-early Autumn financial blowout.

In filing my candidacy for the U.S. Senate today, I am putting before Virginians, once again, the opportunity to listen to economist Lyndon LaRouche and myself, and support

LaRouche's solution to the worst economic and financial crisis in centuries. We told you that the system was coming down, but you stupidly decided to ignore us. Presidential candidate LaRouche's record of long-term economic forecasting has been right on the mark, and you're suffering now because you didn't listen—so I urge you to listen now, and support my candidacy as the vehicle to get out of this mess.

Forget all the babble about a "recovery." Only those who want to be deluded believe in that fairy tale. The reality is that the world financial crisis, which hit with the Russian/LTCM blowout of August-September 1998, is getting worse by the day. You've seen the layoffs, the budget crises, the trade collapse, and now, the beginning of the collapse of the U.S. dollar. It's getting more turbulent by the day.

Already, in the year 2000, the enormous rates of printing money, in order to try to pay the escalating, unpayable debts of countries and corporations, moved us into a classic hyperinflationary realm. In this mode, the rate of growth of the money supply, outstrips the rate of growth of the debt obligations themselves. The cost of servicing and rolling over debt becomes greater than the debt itself.

Today, this process is rapidly accelerating, moving us toward a hyperinflationary shockwave, which LaRouche estimates is likely to hit sometime between August and October

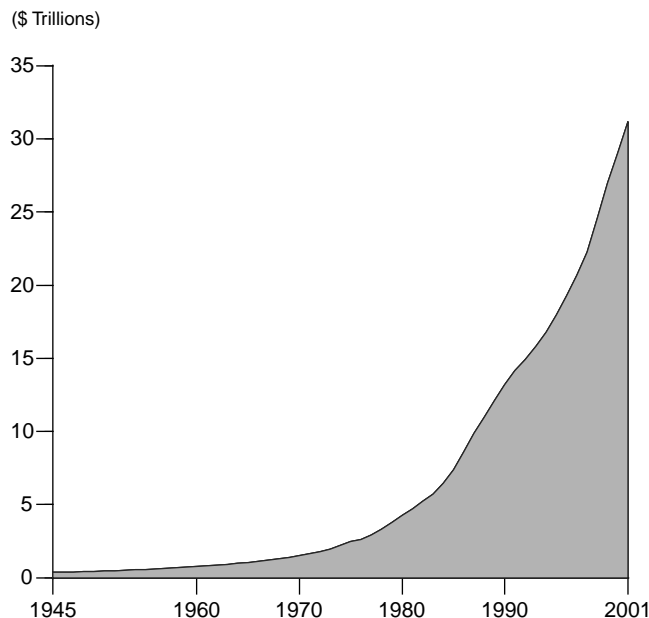
of this year. The model for this kind of destruction is the Weimar hyperinflation of 1923 in Germany, where the attempts to pay exploding debt obligations led to a destruction of the currency and the country.

Take the case of Brazil. There, due to the enormous debt (most of which is fraudulent due to the depredations of the IMF); to the linkage of the local currency (the real) to the dollar, and to devaluations and punitive interest rate increases; the level of indebtedness is rising at a hyperinflationary rate. Over the first five months of this year, the debt increased 13-15%, and in one week alone, the dollar-denominated debt rose 4%. These are unpayable rates, even under conditions of accelerated looting of the living standards of the population.

Debt Collapse Means Threat of War

In the meantime, the Federal Reserve is manically printing out dollars to try to cover such escalating debts—by no means limited to Brazil. The U.S. banks themselves, flooded with debt, are on virtual life support from the Fed. Then there's the U.S. debt itself, which has risen hyperbolically to the level of \$31 trillion, with exorbitant and rising costs of servicing it. One small example of that kind of rise is in household credit card debt, now estimated by some to be rising

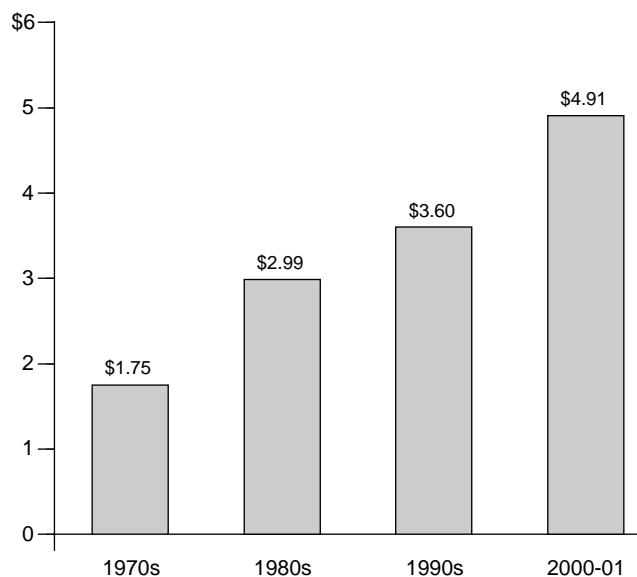
FIGURE 1
Total U.S. Debt



Source: U.S. Department of Commerce, Bureau of Economic Analysis; EIR.

The total indebtedness of U.S. firms and households, already enormous, grew at an increasing pace since 1995, reaching \$31 trillion by 2001.

FIGURE 2
\$ Rise in Debt for Each \$1 Increase in GDP



Source: Federal Reserve Board of Governors, "Flow of Funds Accounts"; U.S. Department of Commerce, Bureau of Economic Analysis; EIR.

"Servicing the debt now costs more than the debt being serviced." The amount of new indebtedness incurred in the U.S. economy for every dollar's increase in GDP, jumped to nearly \$5 in 2001, as the economy itself went into a swan dive.

seven times faster than alleged increases in household income. And that's just a small part of the problem.

There is no way in which this monetary relay-race is going to restart the economy—it will inevitably result in making currencies worthless, as the case of Argentina dramatizes. And there is no question but that some of the world's leading bankers understand this.

Therefore, the next few months represent a period of extreme danger, that the financial turbulence and economic collapse created by the bankers' incompetence will bring leading circles in Washington and Britain to launch a military adventure of the most ugly sort, to prevent the obvious blowout of their system. We are looking at a timetable for this Summer, as the crucial turning point: Either sane heads begin to put together political combinations for a new monetary system, along the lines put forward by LaRouche, or we are looking at a horrible war escalation, most likely in the Middle East, by the Fall.

With this crisis in mind, I launch my Senate campaign with the serious intent to win; because the future of our country depends upon LaRouche's solutions being taken up now.

Army Video Game Teaches 13-Year-Olds To Kill

by Don Phau

The U.S. military has joined the ranks of Nintendo and Sony, creating its own "point-and-shoot" video game designed to teach children as young as 13 years old how to kill. On May 22, the Army premiered "America's Army" at a large video-game exposition in California, calling it a recruitment device. The game will be available for free beginning July 1.

The Army's game promoters bragged that their game is superior to "first-person" shooter games, like "Counter-Strike," on the commercial market. "America's Army" debuted at the Electronic Entertainment Expo in Los Angeles.

The Defense Department reportedly spent \$6.3 million to develop the game, but, in fact, the military has been, for many years, pouring money into perfecting computer graphics and simulation utilized in their game. Lt. Col. David Grossman (ret.) has documented how the Army has trained soldiers on "first-person" shooter computer simulators (where the player is the shooter), what Grossman called "murder simulators" in an interview with Helga Zepp-LaRouche (*EIR*, May 24, 2002).

Members of a special Army officers unit called the Army Game Project, located at West Point, New York, spoke to journalists in early June. The officers were extremely proud,

that the Army's game "was better than 'Counter-Strike.' "

"Counter-Strike" was one of the point-and-shoot video games played obsessively by 19-year-old Robert Steinhäuser, who killed 16 adults and students, and himself, in a high school in Erfurt, Germany on April 26, in what has now surpassed Columbine as the worst incident of video-game-induced psychotic mass murder. "Counter-Strike" is also similar to the point-and-shoot video games which addicted the Columbine High School shooters, Dylan Klebold and Robert Harris, who killed and wounded 24 students in Littleton, Colorado in 1999, and the 14-year-old middle-school killer Michael Carneal in Paducah, Kentucky. The "immersion" in these "New Violence" products has been a characteristic, as Colonel Grossman and his associates have shown, of nearly all of the perpetrators of deadly mayhem in U.S. high schools and middle schools in recent years.

Call To Ban These Video Games

Shortly after the massacre at Erfurt, Helga Zepp-LaRouche, who is a candidate for German Chancellor, called for an international ban on violent video games. Zepp-LaRouche said, "Germany must call upon the United Nations to establish a protocol for a worldwide ban on the production and sale of films, computer games, and videos glorifying violence." At a conference speech of the Schiller Institute on Feb. 20, 2000, Zepp-LaRouche first exposed that Hollywood and the video-game makers were out to turn young children into savage killers.

On May 4, 2002 she conducted an interview with Grossman, who emphasized that there were three factors that turned the young students at Erfurt and Columbine into mass killers. Grossman said, "You need the weapon, the skill, and the will to kill. The video game provides two out of the three. They give the skill and the will to kill." Grossman, author of the book *Stop Teaching Our Kids to Kill*, is a former Army Ranger and former professor at the West Point Military Academy.

Maj. Chris Chambers is the Deputy Director of the U.S. Army's Game Project at West Point. He says that the "America's Army" video game was developed by the Naval Postgraduate School's Modeling Virtual Environments and Simulation (MOVES), a school devoted to military graphics and simulation located in Monterey, California. MOVES is a multimillion-dollar center for what's called "immersion" technology. This "immersion" is what turns the video-game player into an "addict."

The military had developed this school for training, but now, with its public debut in video games, this "experience" will be unleashed on the general public, targeting—the game's advertisements say—"13- to 18-year-olds for recruitment."

Targeted recruitment of children this young, to learn how to be killers in an army, has for years been a "marker" characteristic of terrorist armies, like the narco-terrorist Revolutionary Armed Forces of Colombia (FARC) or the various merce-

nary “strongman” armies in Central and West Africa. The U.S. Army now plans to recruit children as killers by distributing these games for free on the Internet beginning on July 1. The point had recently been made by Lyndon LaRouche, that the massive use of these point-and-shoot games by teens and pre-teens is itself the marker in the creation of a “utopian” or imperial-style army, on the lines of Samuel Huntington’s 1950s imperial primer, *The Soldier and the State*.

According to Major Chambers, “We knew throughout the Department of Defense we had a lot of military simulation experience that could be capitalized upon for this product, and so we looked at the centers throughout the DOD that are creating these simulations, and creating pieces of simulations, and [which] do the programming and graphics involved with other projects that the military has used. The Naval Postgraduate School has an institute which teaches this sort of thing, which is called the MOVES Institute. So we talked to them and they agreed to take it on as a project, a research project, as well as sort of a production project.

“We have ideas, and we are putting them in place right now, to go well beyond the state of the art. That’s why we looked at these folks, these are the scientists and academicians within the DOD which work with these technologies every day.”

The Army’s ‘SIMS’

Major Chambers describes the Army’s game as more advanced than anything on the market today. “What you probably have seen in the articles is reference to the first-person perspective action game, where you actually play a role in an action setting, a graphical setting where you are taking part in a light infantry operation. That’s the part of the game which got the most splash at the Entertainment Expo last week, because it’s the big end of the business, and there are a lot of heavy-hitting companies that are in that game genre.

“The other half of the game we put out is also called ‘Soldiers.’ It’s a role-playing-type game, which has a totally different look and feel; it’s done in photo realism, which has the look on your computer as streaming-video, but it’s not. . . . What that is, is similar to one of the most popular games out there, called ‘The SIMS.’

“This is beyond state of the art. The way the ‘Soldiers’ game runs, is that it uses a story engine that was created for this project, and had never been done before. It creates this movie for you in real time, based on the inputs you give to your character. Most other games of the SIMS type are giant decision trees where the character goes through a variety of decisions. If you tell it to go left or right, there is just a finite number of paths that the character can go. In our game, you really have an infinite number of paths. It can create in real time, stories that are affected by virtually everything else that’s going on in the game.”

Major Chambers explained why the game would attract young teenagers: “You’re in the role of an infantryman, taking

part in live training or a live operational assignment somewhere in the world. If you’ve seen these first-person perspective games, you’re actually taking the role of a rifleman or a paratrooper, or a grenadier in an operation. Those are very popular games.

“Our ‘Operations’ game is like that, but better. It’s better in terms of graphics . . . better graphically, action-wise and realistically we think it’s better. . . . We’ve gone to great lengths to painstakingly show the correct detail that’s involved with weapons, and employing weapons, and the physics of employing weapons; the physics of communications; the real liability you have on the battlefield in the small-unit operations. Other games don’t have the advantage of 200 years of expertise in these matters, so we knew that was our competitive advantage, and we were going to fill that niche in the market.”

Chamber concluded: “Each year we will make decisions to add to the game. We’ve got years’ worth of work that potentially could be done. We will go for the long haul. . . . A game is not exactly the same thing as what we have been doing in other places. So we hired people from the gaming industry to round out our team. We think we put a real winner team together.”

Another member of the Army Game Project, Maj. Paul Kusik, added that the Army’s game will explain to the player, in detail, how a gun works. If the gun jams, he said, the game goes through how to “break down the weapon.” The idea, says Kusik, is that “it was a way to connect with youth.”

The Monterey MOVES Institute

At the MOVES Institute for the Naval Postgraduate School, where the “brains” and “mad” scientists behind the military’s computer science are located, one computer “scientist” boasted that the Army’s game is one of the most advanced on the market. “On the level of technology involved in this, on the 3-D game, it is the first game out on top of what’s called a game engine. . . . The graphics and action are terrific on the 3-D side. We think it’s easily the match of anything in the market or likely to be in the market soon. The level of realism and depth, and essentially the layers of realism that are packed into the game, are something that we are very proud of. . . .

“This is the first type of product development for the market, that we are aware of, coming from a research institute. . . . All of the military branches have used computer games for one purpose or another, and in each of these cases though, they went directly to an outside vendor and had them either repurpose an existing game, or had them build a game for them.”

Two of the seven companies listed as sponsors of the MOVES Institute are run by George Lucas, the creator of “Star Wars,” the latest episode of which is called “The Attack of the Clones.” The Army’s slogan was formerly that it would turn boys into men: It now appears that the Army is out to turn boys into mindless “clone” killers.