

The Threat of Fascism Today

by Lyndon H. LaRouche, Jr.

What follows is Lyndon LaRouche's keynote address of July 15, 2004, delivered to his campaign webcast of that date. The webcast, which originated in Washington, D.C., was moderated by campaign spokeswoman Debra Freeman, who described the impact of LaRouche's campaign to remove Vice President Dick Cheney from office—a campaign LaRouche announced during a webcast in Washington a little more than a year ago; and one whose impact could be measured, Freeman said, by a 1,600-word article on the front page of the New York Times of that day—July 15—speculating on, not whether Cheney will go, but how he will go.

Subheads have been added to this transcript.

I shall begin with just a notice, and a comment, on an event earlier today in Wiesbaden, Germany: My wife, Helga, was leading in the memorial for a recently deceased friend of ours, and collaborator, Mark Burdman. Those proceedings will be on record, for people to read, to hear. But, there's something *in* Mark Burdman's death, and in his life, which is relevant to the subject which is already scheduled for today. And referring to that, helps to humanize, personalize, and make clearer, the subject which I originally intended to present.

Mark died of MS, or complications of MS, which so far is a disease which you do not outlive. He at the same time, over decades, with a diminishing physical capability, which he was fighting to resist, spent this period of time, about 20 years, in Germany, with his wife, functioning in Germany as a station on my behalf, apart from just his function there. What he did was this—some other people associated with me, do this—but, as many of you know, I am in touch with people of influence, in many parts of the world, more or less constantly. The contact is sometimes based on circumstances, whether I may issue a policy-statement or so forth, and you have certain people who represent me, who share what I am saying, on a policy matter, with these circles, in various parts of the world.

And Mark was one of those, doing this, who would exchange feedback to me, from these circles, which helped me have a pulse, on most of the important decision-making processes going on in the world today at the highest level. So, that's why I'm probably one of the best-informed persons in the United States, on the United States itself, and on the world at large. It's through people like Mark, who are capable of carrying the kind of ideas I represent, and sharing

those ideas with people who often disagreed with them, but who were capable of understanding what I was saying. And that way, we maintained an international dialogue, throughout Europe, throughout parts of Asia, throughout the Americas, and into Africa, by these kinds of mediation, which Mark specialized in.

Now, he's dead. In the process of dying, as he was going from one hospital treatment to another, to stay functioning, he would come back from the treatment, recuperating, get back on the phones, talk to his contacts from various parts of the world, and the dialogue went on. It went on until the day before he died, when he took himself to a hospital, because he was having an attack which proved to be the terminal one, because of a conflict of the medication, with the treatment, with the disease.

Now, the point was, to make this reference to Mark, is, in a sense, his immortality. Now, many people who are religious fundamentalists, don't know about immortality. Because they think of immortality in terms of a place outside the universe, which you go to, and it's completely different premises than you're living in now.

Those of us who are wiser, who are competent in science, for example, or who studied the work of Plato, or the writings of Moses Mendelssohn, for example, know better. We know that, what we perceive, as sense-perception, which is what we associate with our mortality, is only a shadow of reality. Reality consists of those principles beyond the senses, which act upon, and shape, the events which appear to us as the results of our senses.

Now, these ideas actually have the character, for us, of universal ideas, of universal principles: When a person, like a great scientist—well, for example, Einstein, as an example of that—a great scientist, who deals not with sense-perception as such, but deals with the discovery and application of principles which have *universal power*, in shaping the condition of the universe and of mankind *in the universe*: These people never die! Because, what they *do*, lives on, and has their personality attached to it.

Now, Mark was a person who dealt with those kinds of ideas. There are people around the world, who are sympathetic to that approach, or who actually share it. We are the makers of history. The others experience history. We make it. We make it, because our intentions enable us to make it.



Presidential candidate LaRouche speaks to the July 15 webcast, just days before the Democratic National Convention at which he, and the LaRouche Youth Movement, launched a new political mobilization committee called LaRouchePac.

How History Is Really Made

For example, leading into what I'm going to say on today's subject: World War II started in 1918. And at that time, events were put into place which led to World War II, all the way through the death of Franklin Roosevelt in 1945. Now, think of that period, of about 27 years, in which fools are marching around the world, thinking they knew, on the basis of today's events, where the world was going. Here's what happened: A group of powerful financier interests, people who are more important than bankers—people who *own* banks, control them, create them, and destroy them—like Morgan. The Morgan interests have destroyed Morgan several times—put it into bankruptcy, then bought it up cheap again, and started all over again.

These kinds of people, who are in the Venetian model, constitute a network of international family-related, financier power. They are the most powerful influence in the world, especially in European history since 1763, when the British East India Company, through the Treaty of Paris, became a world empire. And all world events, since 1763, have been based on the impact of the Anglo-Dutch Liberal system, which became an imperial power, with the Treaty of Paris in 1763.

So, here we're coming out of World War I, which is a farce—a bloody, cruel farce. But at this point, these bankers, these circles of bankers, including names like Harriman, du Pont, Morgan, and so forth—Mellon—in our own country, and in other countries, these groups decided they were going to play a game: They were going to destroy the impact of the United States, the impact of our country's republic, in establishing efforts in Europe and elsewhere to establish sov-

ereign republics, in place of the world being run by empires, empires of financier-family interests, such as the British East India Company.

So what they decided, is to create an impossible situation, in 1918, at the Versailles meetings: There, they set up what was called the Versailles monetary system. Now the Versailles monetary system, was a plan to put the world into a financial-monetary crisis, and political crisis. And out of that crisis, to create a system of dictatorship, which we saw developing over 1922 through 1945, of fascist regimes, beginning with Mussolini's regime, which was put into power by a banker, Volpi di Misurata, from Italy. Fascist regimes, all the way until the end of World War II.

This was the original *intent*. The details were varied. The details were not fully planned. But, the intention was, to orchestrate a *failed system*, a system

which was failed from the beginning, the Versailles system; to bring it to a crisis; to make a revolution in international banking and financial affairs; and to run the world by an empire, a world empire, based on a system of dictatorship, for what the Hitler regime and so forth, in Europe, represent in our memory today.

What they did, is, they set up the Versailles system. The architecture of the entire international system was based on the following ingredients. Number one: It was based on war reparations, paid by Germany, to France and Britain, two countries that were financially bankrupt, hopelessly bankrupt as a result of the costs of World War I. These French and British interests, being paid by Germans, with reparations fees, would then pay the New York bankers, to whom they were indebted. So you had an architecture, of German reparations; French and British bankers and interests in Europe; and American bankers at the top of the pyramid, with a world system called the Versailles system. Which was brought to an end in 1931, with the formation of the Bank for International Settlements, with the cessation of the British gold standard, and with the creation of a financier cartel, where the entire world was essentially controlled, financially, by this international financier cartel, which *intersected* the Basel, Switzerland Bank for International Settlements.

Roosevelt Spoiled the Fun

What happened—what spoiled the fun—was that in 1932-33, Franklin Roosevelt happened. Now, Franklin Roosevelt was a true patriot of the United States, which very few Presidents have been! His ancestor Isaac Roosevelt was a founder of the Bank of New York, was an ally with Alexander

Hamilton *against* Aaron Burr, who was a British agent, a traitor, and a scum-bag; general, all-round bad guy. Roosevelt had that tradition in his family. He wrote a paper for his graduation at Harvard University, on that subject, of the American System of political economy. When he was struck with polio, and in the process of struggling to recover, or master the effects of poliomyelitis, he refreshed his understanding of his roots.

And going from Governor of New York, to become President, he was fully determined, to re-introduce the American System of political economy, to wipe out the heritage of Teddy Roosevelt, of that Ku Klux Klan fanatic Woodrow Wilson, that scum Coolidge, and that dummy, in a sense, political dummy, Herbert Hoover.

Now he was opposed, Roosevelt was opposed: Then, in his nomination, the head of the Democratic National Committee hated him, as much as McAuliffe hates me! And did as much as he could, as McAuliffe has tried to do to me, to keep me from getting the nomination! So, that's the parallel—me against McAuliffe. John Raskob, the banker-owned head of the Democratic National Committee, was Franklin Roosevelt's leading opponent in seeking the nomination and election—Raskob, who was also involved in a 1934 planned military *coup*, against the Roosevelt government! Raskob the Rascal.

What Roosevelt did, was, when he went into office, and sat down at the desk after being sworn in—with not a pencil or a paper on that desk!—acted by calling in two women, who were assigned to him as secretaries, and, in getting the ball rolling, saved the United States *from Hell*. Including such measures as the bank holiday.

What Roosevelt did, was two things, which are most notable: First of all, *he saved the United States*. Because if Hoover had been re-elected—Hoover was not a fascist; but Hoover was sort of the Brüning of the American System. If Hoover had been re-elected, we'd have been a fascist state by 1934, just like Nazi Germany. The American version. Roosevelt saved us from that.

Roosevelt also prevented something: He prevented the British from joining Hitler, in the events of summer 1940, which would have meant the British Navy and the British Empire would have gone over into the same camp with the Nazis, and with Japan. And the world today would be a fascist system, a Nazi system.

Roosevelt's margin, of leading the United States, saved the United States from dictatorship, and saved the world, from a fascist dictatorship.

That's the way history goes.

Roosevelt understood what I just described to you, in his own terms. And, he acted, with a long-term understanding—first, of what the United States had been created to become, what the enemy was, what the issues were, and what the special powers of the United States, by virtue of its Constitution, were, to be able to act, as a sovereign nation, under these

circumstances, *to save this nation*. And to save the world, from what would have been a Nazi tyranny of the world, had Winston Churchill not struck the deal that he struck with Roosevelt, when the British Expeditionary Force was on the beaches at Dunkirk. *That saved the world*.

That's the way history works.

After Roosevelt Died

So, these fellows who put Hitler into power, intended to put something like him into power. But it didn't end there: The day after Roosevelt died, under Truman, the Nazis began crawling back into the woodwork of the Americas, and elsewhere. This was the right wing, under Truman. This was the policy of "preventive nuclear warfare," designed by Bertrand Russell, adopted by Truman, which created the Korean War, almost got us into a thermonuclear war with the Soviet Union. At that point, the Americans said, the intelligent ones, said to Truman, "You don't run again. You git! Y'understan' that, Missouri boy! You git!"

And they brought in Eisenhower, who was not a nut, who was a traditionalist. And Eisenhower got the nation sort of safely through the 1950s, not too badly damaged, except for that idiot Arthur Burns, he dragged in with him. But that wasn't his fault.

Then, what happened? Eisenhower left office; Kennedy came in. Kennedy was a smart guy, but he didn't understand what he needed to know. He began to find out the hard way fairly soon. And he went the hard way, because he didn't understand soon enough, what his enemy was.

What happened is, Allen Dulles, who was a certifiable Nazi, John J. McCloy, who had become a certifiable Nazi, and similar kinds of people, began to move, once Eisenhower was out, to seize the opportunity. Because Eisenhower, being not only a military man, but representing a strong tradition in the United States, was the one political figure who had the ability to hold the fascist element in our system, in check. When he was out of office, the fascists came out. They were called the "pigs," the Bay of Pigs, Allen Dulles's operation. The missile crisis was done by the international fascist force, the Nazi force, left over—they orchestrated it, for their purposes. Kennedy did as well as he could.

But that was a period of crisis. Changes occurred. De Gaulle: They tried to assassinate him repeatedly, by a Nazi by the name of Soustelle—Jacques Soustelle, operating from fascist Spain. Then we had—Kennedy was killed. The murder was covered up—there was no investigation. There was an investigation, but nobody published anything.

Then we went into the Indo-China War, a *perpetual war*! A perpetual war, with nuclear implications, played with the threat of nuclear weapons, all over the place.

Brainwashing a Generation

And then we began to be destroyed: Because a new plan for introducing a world empire, based on Nazi-like principles,

was in process. And the way it worked, was, they took young people, who had been brainwashed under Truman—that is, they’d been born under Truman, and they’d been brainwashed under Truman. The worst of them came from suburbia, where their families were the scared bunnies of the 1940s and ’50s: “Don’t do anything, your father may lose his job!” “Be careful who you talk to. Be overheard saying the right thing. Never tell the truth. Learn to go along to get along.” Hmm? Prostitutes!

Or, what is said by the famous Curtius, the historian, in talking about the fall of Greece, the fall of Athens in the Peloponnesian War. What took over the United States, with the Baby Boomer generation’s indoctrination, especially during the course of the 1950s, was classical sophistry. “There is no truth: Lie all the time. Learn what the approved lies are. Put ‘spin’ on it.”

So these young fellows, who were the bright young fellows from the families who were more privileged, from suburbia, where they’d fled to to get away from the cities, where all these working people lived; these fellows, they were selected! They were the cream of the crop! After the missile crisis, they were going into the universities, especially the leading universities, which normally produce, as output, a selection of people who become the rulers of the nation, in the corporate life, and the political life of the nation.

And these young fellows went on campus. And what did they do? They took off their clothes, took LSD, spent all night with marijuana and cheap wine, trying to figure out how the world worked, hmm? We had a cultural paradigm shift, which is called the Baby Boomer generation. And the key factor in this, was, to take sophistry to its extreme: “There is no truth, there is only the current vogue; and blue-collar people are *bad!*” “Blue-collar people are bad. Trade unions are bad. We have to have a—paradise. We are the Golden Generation!” “We’re going to create a worker-free society! We’re going to get rid of industry! We’re going to get rid of technology! We’re going to take our clothes off!”

And they did!

That didn’t work too well, but what they did, eventually, they became prejudiced against that. And you have a generation, between 50 and 64 years of age, today, in general, who are the upper 20% of family-income brackets, who dominate most of the economic life of the nation, and the political life of the nation. And they don’t know what work is! They don’t know what production is!

You have the other part of the population, the lower 80% of the family-income brackets, who perceive themselves as *underdogs*. They don’t try to run the country: They try to beg for favors. It’s called “single issues.” Not just the one-child family, but single issues in a different sense. And they will go for single issues: “my community”; “my family”; “my special interest.” “No, I’m not going to get involved in national politics—I don’t care what happens there! I don’t care what happens on the state level! I gotta think about my local commu-

nity, and my family interests, and *the way I feel!*” Underdogs! Whimpering underdogs!

They don’t vote to shape the policies of the nation: They vote to get something out of the people who *will* shape the policies of the nation. They say, “Buy me! Bribe me! Give me something! I want money! I want special concessions. I want my religion to become national policy. I just invented it yesterday, and I want it to become national policy tomorrow.”

The Greatest Financial Crisis

So what we did is, we created this monster, which results in effects of the following type, which I’ll now begin to describe: We’re on the road toward the greatest financial crisis in modern history. It is now happening. Sometime soon—tomorrow, several weeks from now, months from now—but within the period between now and the beginning of the year, this present world monetary-financial system will, not collapse, it will disintegrate! If it’s continued in its present form.

What we’re going back to, is a situation which is comparable to 1931, but worse. In 1931, when the post-World War I financial system, monetary system, was collapsing, could no longer be sustained, there was an agreement among leading financier interests, to form the Basel-based Bank for International Settlements, to reorganize the Versailles debt system. And, in addition to creating this bank as a controlling bank, of which Schacht was an official, they also set up this cartel, whereby German corporations and other corporations would buy into sections of the debt which had been assigned to municipalities in Germany. So, you had a cartel now, which actually owned nearly everything in Europe, financially. Which was tied into cartel extensions, into the banking system in New York City.

This cartel, with the Bank for International Settlements being established, *the British dropped the gold standard*, the British gold standard. So now the world was being run by a cartel. It was this cartel, which survived Hitler.

After the defeat of the Nazis at Stalingrad, and a few months later, the defeat of the Japanese fleet at Midway, the possibility of a Nazi world victory was excluded. The ultimate defeat of Nazi Germany was ensured. It was an ugly business, a long business, but it was ensured.

Some people planned for the postwar world. The same people who had formed this cartel, the same people, including Hermann Göring, who had been part of the Nazi system—and what they did, is they used their cartel influence, inside the U.S., and British, and other institutions, to prevent an exposure, of what the real Nazi system had been: the cartel side. And they, with the death of Roosevelt, and their armlock on Truman, began to come back to power, in various parts of the world.

Now they created, between 1964 and 1981, with the changes that had occurred in the aftermath of the Kennedy assassination, and the launching of the Vietnam War, they’ve now created a financial system *which does not work*. This

international financial system, is bankrupt. There is no such thing as anybody on this planet, who is not bankrupt. There are two kinds of bankrupts: those who know it, and those who haven't found out yet. Because what they think are assets, aren't worth much. It's comparable to the situation in Germany and Europe in the 1920s. They are, again, moving to collapse the system, to go back to the methods of the cartel, and to establish a fascist world empire, called globalization and outsourcing, and so forth, which will replace the existing world system. And they intend to rule the world forever.

Now Cheney is only a carpet-chewer for these guys. His wife is much more dangerous: She's the one that has the leash on her husband the beast. And he's a puppet-master who controls the President of the United States. Some people say, "Don't get rid of him. We have to defeat Bush."

Put that pig in a kennel—now! Don't leave it loose, it spreads diseases!

Anyway, so that's the situation. That's where we are. That's what the Convention in Boston this next week *means*! It's not who's going to be nominated for President. That is not the issue. Who is going to *own* the person, who is nominated for President? That's the issue.

Look at John. I mean, John is not a stupid person. John is not a bad person: John Kerry. But, does he own himself?! He's rich; but does he own himself? He does not! Not politically. He's controlled. By Shrum-bag, and similar kinds of people.

So the point is: Who is going to control the next President of the United States? Is it going to be the people? Is it going to be the long-term interests of the United States? The two-generations-to-come interests of the people of the United States, and the world?

Or, is it going to be this bunch of Nazis—in fact? In fact, you can trace the genealogy, they *are* Nazis! You can prove it. We've got some in Northern Virginia, who are provably direct legates of the Nazis, running around there.

Who's going to control it? That's the point we face.

Working With the 'System'

Now, what they're saying is, in a sense—the way they try to dope you, is, they say, "Well, you've got to work 'with the system.'" But, what is "the system"? The system is the postwar system, since-Roosevelt-died-system—which has undergone various evolutions, or, shall we say, degenerations. Especially since the assassination of Kennedy.

It underwent accelerated degeneration, under two National Security Advisors: Henry A. Kissinger and Zbigniew Brzezinski. Kissinger was typical of the group, including George Shultz and Paul Volcker and so forth, who destroyed the monetary system, the Bretton Woods monetary system, in 1971-72. After Kissinger was key in the London and international oil-marketing cartel, in running the famous crisis, the oil crisis of that period.

Brzezinski, introduced, again, preventive nuclear warfare

as a policy: The Committee on the Present Danger was a revival of the Truman policy for preventive war, nuclear war. I happened to stop that, by exposing it in a national TV campaign, in October 1976.

So they didn't do that, but they did everything else. It was under Brzezinski that we *deregulated* the United States, and destroyed the economy, the internal economy: We destroyed agriculture; we destroyed the transportation industry; we destroyed the power industry; we destroyed our cities. This was done. And then, we had Paul Volcker, who destroyed the savings and loan associations, and other things. So, we have been destroyed as a national economy, step by step, over this period, starting with the Indo-China War; then going to the Nixon phase; the Carter phase, which was really the Brzezinski phase. Then, we had poor Jack Kemp, who is not the worst person on the planet, who had this Kemp-Roth—it was terrible. The Garn-St Germain bill was a piece of thievery. And we kept getting worse, and worse, and worse.

Then we went, in 1987—I had the privilege in June of 1987, of forecasting a probably inevitable collapse of the New York Stock Exchange, to occur in the first week, approximately, of October. Which did occur.

At that point, Volcker was leaving as Federal Reserve chairman, and Alan Greenspan (otherwise known as "Bubbles") was coming in. And Alan said, "Hold everything. Don't do anything. I'm going to do something!" And what did he do? He invented financial derivatives. What he did was, he said: "Gambling side-bets will now be counted as money. And you guys will create side-bets, called financial derivatives, or hedge funds."

Then, we had the "IT" revolution, which is actually IT revulsion—it didn't work, as you may have noticed; finally, in the Spring of 2000, it began to collapse.

We've reached the end of the rope. The system is now collapsing. And people say, "But, you gotta work within the system." "What reforms? What's your platform?" "What kinda sex are you for?"

I have no interest in your sex! Just don't do it in my presence, whatever it is!

No, they are ducking the real issue: The issue is, we have to go back to the American System, as Roosevelt understood, Franklin Roosevelt, in the 1930s. It was going back to the American System, that saved this nation from fascism at home. It was the impact of the American System, which enabled the United States to build up the power, to ensure the defeat of the Nazi attempt at empire. It was the American System, as embodied by Roosevelt's design in the Bretton Woods system, which enabled the United States to create an international monetary system, the old Bretton Woods system, under which we worked with Europe and other countries, to build up the world economy, up until the assassination of John F. Kennedy.

What we have to do, is say, "This was a mistake. These were mistakes. We should have cleaned out the Nazi system,

when we had the chance, instead of bringing it into NATO security, and into the CIA, in the form of Allen Dulles and company, and James J. Angleton.” We have to do, what we should have done then. We can’t simply change history. But we can learn the lesson of history, and apply that lesson to our present situation.

The Social Transformation

Now, that comes to the point now. Let’s take the first issue: *What has happened to create, in particular, the economic crisis, threatening the lives of the people of the United States today?* That should be number one, before the Democratic Party Convention in Boston: What was done that was wrong, which has destroyed the U.S. economy, and threatens the well-being, and even the lives of our people today? What is it? And how do we get rid of it?

All right, let’s look at it. [At this point was shown an animated graphic of the Incredible Shrinking Physical Economy—ed.] Number one: We were transformed—and we’ll repeat this, after I’ve described it—we were, up until the middle of the 1960s and slightly beyond, the nation that launched the man on the Moon, in 1969. We were that nation. We did that with technologies we had then, *we don’t have today!* We were, in the postwar period, we were the world’s leading producer society, in terms of agriculture, in terms of manufacturing, in terms of technologies, in terms of the general welfare, the standard of living. We were the world’s leading producer society.

What did we become? We became *this!* [pointing to the animated graphic]. When did it begin? Well, it effectively began under Arthur Burns, but it began as a policy, with the rise of the Baby Boomer generation, in universities, during the 1964-68 period; with the rise of the so-called “ecology movement,” with the anti-blue-collar movement; with the “we don’t like people who work” movement.

So, what we did, is, we were transformed, especially after ’71-’72, as the Baby Boomers, coming out of the universities, began to have more and more influence on politics, and actually on shaping economic practice; we became less and less a producer society. In other words, a crucial turn was made, which was like the things that happened in the 1920s and ’30s: 1971-72, you had these three swine—the three little pigs—Henry Kissinger, Paul Volcker, and George Shultz. Those are the Three Little Pigs. These are the ones, who according to what John Connally personally told us—remember, John at that point was, in 1971, the Treasury Secretary of the United States. What John told us, personally: We said to him, “John, why did you do it?”—this is the Aug. 15 decision. “Why’d you do it?” He said, “Well, frankly, it was done—Kissinger, Volcker, and Shultz planned it, and pressured me to do it, to advise the President to do it.” We said, “It was a mistake.” He said, “Yeah, it was a mistake.”

Then, Shultz, in 1972, went to the Azores Conference, and peddled the policy of Nixon, to the International Mone-

tary Fund, the nations of the International Monetary Fund: creating a floating-exchange-rate system. Where we had had a fixed-exchange-rate system, which had been the basis for postwar recovery of the United States, Europe, and other countries, we went to a *floating*-exchange-rate system. A floating kidney system, hmm?

Then we said, “Okay, we control the monetary-financial system in London, through the London market. What do we do? We Anglo-Americans” (or we Anglo-worms, or whatever you want to call it): “*We* control the system. We will organize a run against the currencies of South and Central America, and other countries. We will drive the value of their currencies, on the open, free, unregulated market, down to a low price. They will scream—and we will be friendly. We will say: ‘Why don’t you call in the nice IMF and World Bank? They will advise you.’ ”

And the nice IMF and World Bank officials will say, “What you’ve got to do is the following: You’ve got to devalue your currency! Officially!”

“Okay, boss. We’ll do that.”

“Oh, wait a minute! Wait a minute—but you’re not going to get by with this, now, remember. You owe debts to people. And you’re going to have to increase your indebtedness to correspond to the effect of dropping the value of your currency. You will no longer pay your foreign debts in your own currency. Debts you incurred in your currency, will no longer be paid in your currency. You will pay them in dollars, and pounds-sterling. And we will create an international debt, which you will now carry, at interest rates we will determine.”

So now we turned the people of South and Central America, in particular, into slaves! We sank the value of the peso, we sank the value of the Argentine currency, all the currencies of South and Central America—and we turned these countries into slaves! We forced them to shut down their development, to shut down much of their infrastructure, to lower their standard of living, and to work as cheap labor, for us in the United States.

Then along came Al Gore, and so forth, at a later point, who convinced Clinton to go along with NAFTA, and other forms of outsourcing and globalization.

What we have done, is by orchestrating a floating-exchange-rate system, we have looted the entire planet, by forcing them to work for us as slaves—replacing the workplaces in the United States. So, now the lower 80% of our family-income brackets have lost their farms, have lost their jobs in industry, at an accelerating rate, and that sort of effect: Because we outsource, by becoming like the Roman Empire, a society of bread and circuses. What you get, instead of wealth, is: “*entahtainmint*. An’ Ah do mean, *entahtainmint*. Outta yer own bodies, an’ that of yer neighbors,” chiefly.

So, we have become corrupt. We played games. We gamble. We don’t produce.

We gamble in side-bets. We don’t produce.

FIGURE 1

Pennsylvania Counties At or Above the Hill-Burton Standard for Hospital Beds, 1970 vs. 2001



A real economic measure: the shrinking of hospital bed availability shown here in Pennsylvania over 30 years. The Hill-Burton Act of 1946 set standards for hospital beds of various types per thousand people. In most U.S. counties, hospital coverage has fallen below even the minimum end of the Hill-Burton range.

We say, “We’re rich. We’re powerful. We are the model of success!” We are the parasite of the world.

But, what happens when you run out of victims? What happens when the cannibal runs out of victims? The cannibal’s children go hungry.

Now, let’s go back to this thing. Just one more look at this, the incredible shrinking economy. See, the “market” which everybody admires, has gone up. What do people talk about? “How’s the market doing today?!” “What’s the news on the market?” What does television tell you? “The market! The market! The market!” The Three Little Pigs went to market: Kissinger, Volcker, and Shultz, the Three Little Pigs went to market.

What has happened, is, our economy has been systemically destroyed—not just systematically, but systemically destroyed, because principles of practice have been built into law, and into the practice of life generally; into our universities, into all of our institutions: that we, as a nation, as a reflex reaction to reality, react like jerks. Like suicidal jerks, economically.

And people say, “That’s the system. Ya can’t put the toothpaste back in the tube!”

I can! And I intend to do so.

So, that’s the problem.

Health, Steel, Railroads

Now, let’s get to this next [case], on the hospital situation. At the end of the war, we had a Hill-Burton legislation, which was based, in part, on reflection upon our experience with 16-17 million people in military service, during World War II, served by a military medical system. And the military medical system, which had the assignment of treating almost everyone, particularly as informed by the horrors of the so-called “triage” policy introduced in France, during the First World

War. We tried to avoid triage in World War II, by developing a medical system, a delivery system, which would prevent us from triaging our own citizens, civilian and military alike. This was called Hill-Burton.

The legislation was essentially simple, and it was a very short piece of legislation—not like one of these long, 2,000-page pieces of junk that won’t work anyway. Very simply, we say that the objective has to be, to define every county of the United States, with its population, as having a certain standard in terms of number of beds per capita, by type, and located such—the hospital is located such, that everybody will have efficient physical access to medical care, at a point of need. The point being, is that other parts of the medical system, including the private physician, are oriented to the hospital system, and related systems. Therefore, if you have the hospitals in place, with the right qualifications, the right equipment, the right beds, and so forth, then you have the optimal way of treating the needs of the American people, whether as soldiers, or as civilians.

You had all elements of this: You had the Veterans Hospital system, all these other kinds of systems. The idea is, put them all together, and look at them on a county-by-county basis, and say that “We must set a standard, in each county; it should be managed by the county, of bringing private, and other elements together, for annual planning and cooperation in developing the delivery of an adequate medical care system, on a sliding scale—based, as we go along, we will change the standard, as we learn more and more about the requirements, for preventive health care, as well as others.”

Now, look what’s happened, on a national scale first. States that were adequate—this is 1980. The states had achieved an adequate level, by Hill-Burton standards. Now, let’s see what happened after that [the figure used here is not available]. The green ones are the ones which were adequate.

Now, look at the next one—on the Pennsylvania county situation (**Figure 1**). Pennsylvania: county by county, 1980. Adequate. Now, '85; '87, see them dropping away? Dropping like flies. 1989. 1990. Hmm? '94—how d'you like that? Right?

Now, let's look at steel production. These are the steel states, essentially. That's what's happening. Go to the next one.

We're losing it.

Now, let's look at another question: the railroads. What happened to our national railroad system—these the connections among all this production process? What happened to them? (**Figures 2 and 3**).

Highway traffic jams, anyone?

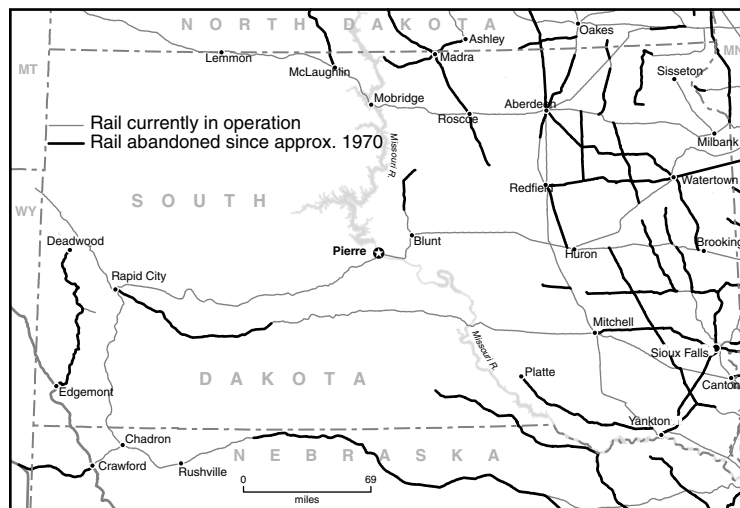
So, that's what's been done to us, in our economy. We have transformed ourselves from the world's leading producer society, to a Roman Empire-like society of bread and circuses. We pass out bread to our poor, and less and less all the time, as health care typifies this. We have more circuses, mass entertainment. It gets bigger, more plentiful, and more degraded. You can almost be sent to prison for putting a plot in a screenplay these days. It's considered an offensive against morality. What you want to do is show those lurid effects of sex and blood. That's what people consider entertainment. They're just too lazy to do it for themselves. They want to watch it instead.

But that's what we've become.

And this is what is going to vote in Boston for a Democratic National Convention? *This* is the basis on which candidates will be selected, on which platforms will be adopted, and candidates and political figures otherwise be enjoined to get out and make this thing work. "Don't criticize it, make it work! Get behind it, make it work! It's our system! It's the American System! Don't talk about yesterday, don't talk about production! We're against that! Don't talk about murder of the people of South and Central America. Don't talk about the genocide in sub-Saharan Africa. Don't talk about what we did in the Middle East and Southwest Asia. Don't talk about what we're trying to do in the Philippines. Don't talk about the war we'd like to have between Taiwan and Mainland China, with Japan in the middle, and the United States orchestrating it. Don't talk about these things. That's the system, boy! Go with the system, boy! Be one of the crowd. Don't be one of those *outsiders*, those guys out there protesting in the streets. Don't be with them. Be with the system. Any doubts? Call up Ridge at Homeland Security."

FIGURE 2

South Dakota: Abandoned and Existing Rail

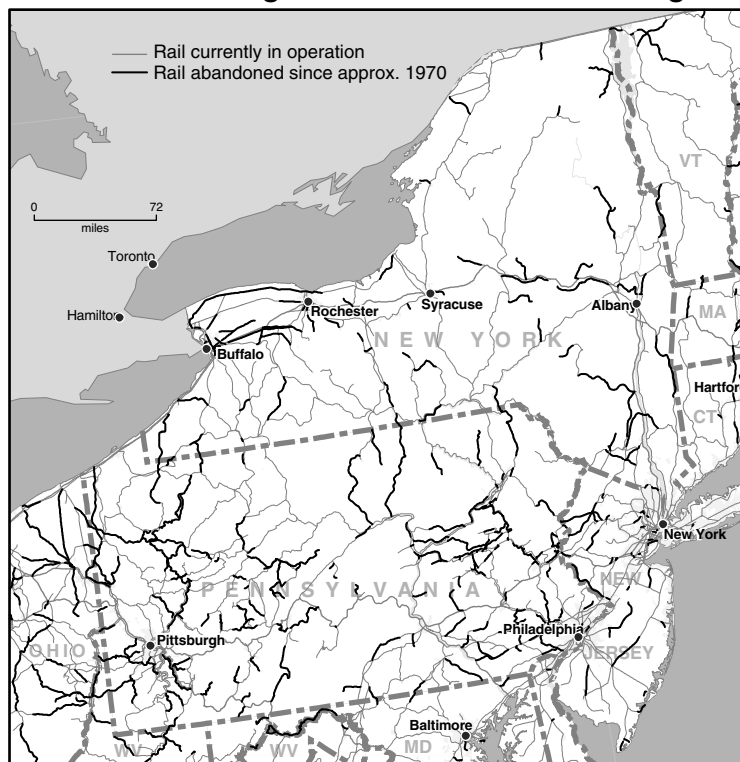


John Sigerson / EIRNS 2002

South Dakota is representative of many farm states: More than half of the rail grid in the eastern half of South Dakota, connecting it to the East, has been abandoned.

FIGURE 3

Middle Atlantic Region: Abandoned and Existing Rail



John Sigerson / EIRNS 2002

The Middle Atlantic region of Pennsylvania, New York, and New Jersey: Pennsylvania, the historic cradle of America's rail development, has seen extensive parts of its rail system abandoned.