

LaRouche Briefs Youth Movement on Strategic Context of Auto Campaign

Lyndon LaRouche and the international LaRouche Youth Movement, along with Helga Zepp-LaRouche and EIR's Paul Gallagher, held a conference call on May 5 to map out the campaign to save the U.S. auto industry. We publish here Mr. LaRouche's opening remarks, and one of the questions and answers.

Okay, now I'm going to restrict what I say in opening remarks to begin with, to what I think is the crucial point. Because what I've written and what has been publicized on the proposal, to you guys, should be pretty much self-evident, as least after you discuss it among yourselves.

Now, I want to deal with the overall world situation. We have, of course, today, an interesting thing: We have this fellow Leuschel, with whom we are acquainted from Belgium, who has published a book and has an ad on page 9 of the financial section of the *Frankfurter Allgemeine Zeitung*, today's, which has caused some bit of chatter here in Germany, among our people I guess, and among others, where he quotes me and cites me as an authority. That's enough to say. But the point is, this is getting pretty hot.

All right, now. First of all, let's look at this proposal on auto as draft legislation, or its draft pre-legislation. Let me explain that, in good legislation first of all, you decide what you're going to do, and you say it in straightforward language which is unambiguous in its intention. Then you walk the thing through a bunch of people who exist in the houses of Congress, who know how to process a statement of intention into the form of legislation, in a sense, so that it will slide through with the least possible friction—not without friction, but with the least possible friction, through the legislative process. And what I've written is the statement of intention which governs the design of the intended legislation. So you guys should not be out there saying “whereas, whereas, whereas.” Forget that. That's not your job. Your job is to follow what I'm doing, and let the people in the Congress and the staffs, who know how to do this, take the other part. Don't you try to do their job. We do our job, and they will do theirs.

So here's what the problem is: You have to start from a conception, and it won't make any sense to a lot of people unless you get the conception across clearly, point by point. Don't duck any of the issues which I mention. It'll fail if you do. There's no “smart” way to avoid the issues which I'm going to mention.

First of all, you have to concentrate on the fact that the

world is now in a terminal phase—that is, we don't know how many weeks or months that is—but it's in the terminal phase of a collapse of the present world monetary system. Specifically, the monetary system which has been in operation since about 1971-72, since the close of the Bretton Woods system, and the monetary system which has been operating in a worse form since 1987, under the influence of changes in policy internationally, which conform to what Alan Greenspan is associated with, in terms of financial derivatives.

This system is now finished. There is no possible way that this system can continue to exist much longer. It could go down Tuesday, it could go down three months from now. It could go down five months from now. It's going down. *There's nothing that can save the system*, except a change to a new system. So nothing within the present system, no reforms within the present system will work, unless they are designed for a new system which is being brought into being. What I've proposed on legislation is a design to work within a new system, and is functioning as a transition and preparatory phase for bringing that new system into being. It's the anticipation of the new system in the early future which is the key to this proposal.

Now get to some of the other keys. First of all, we are in, as I said, a world financial crisis, which is worse than that which struck Germany in 1923. It is the worst in all modern history. The only precedent in European experience, or extended European civilization's experience, for the present crisis which is now onrushing, is the general New Dark Age which broke out during the middle of the 14th Century, with the bankruptcy collapse of the Lombard system, which was a Venice-controlled system, which at that time controlled European civilization and beyond.

All right, so that's where we're at. This system is now finished.

The 'Greenspan Crisis'

The system's collapse is expressed by the exponential rate of increase of prices of primary materials. Now sexually impotent people are saying that we're having a gasoline price crisis. That is not our crisis. That is a crisis, but it is not *the* world crisis, nor is there anything you can do about that within its own terms. Nothing you could do with things that to try to ameliorate it, various things like that; but anything you do in that direction will *require* you, if it's going to succeed, to deal with the entire system. You can not deal with the gasoline or



EIRNS/Stuart Lewis

Lyndon LaRouche cautions his youth movement: "Don't duck any of the issues which I mention. It'll fail if you do. There's no 'smart' way to avoid the issues which I'm going to mention." Here, LaRouche talks with LYM members at a webcast in January 2006.

the petroleum price crisis without dealing with the *entirety* of the world's hyperinflationary movement in primary metals as well as in petroleum and gas.

So any proposal outside of those understandings, is false, and forget it. Don't play with it, don't even fool with it at all.

The crisis which is now hitting has a specific, immediate form, which should be called a "Greenspan Crisis," because it was the changes in the world monetary system introduced by Alan Greenspan from 1987 on, when he came in as head of the Federal Reserve System, following Volcker, in the middle of what was a 1929-style crash in the world stock market, or at least the U.S. stock market, and the crisis that had occurred in October was comparable to 1929.

At a point of a 1929-style crash, which by the way, I had forecast that year earlier; I had forecast it in the Spring, and it happened in October as I said it would happen in October. So that crisis was then the basis for attempting to postpone and avoid the implication of that crisis, by a hyperinflationary expansion of money and monetary assets. And also of course, with financial assets on top of this. What Greenspan did, to be recalled, is he went into the banking system, and he *bailed out the banks*. The key mechanism, which I've quoted before, the key device he used, was to use the Federal Reserve System, under conditions of a hyperinflationary policy in speculation, to fund the banks that were out of cash because of the '87 crisis, to fund them again so they could invest in a hyperinflationary kind of process, which we've been going through since that time.

And the key thing is the mortgage crisis, because, what

they did, is, the banks had mortgages. Here they are, they're out of cash, no sources of deposits coming in to compensate for this loss of cash. How can they engage in a big speculative market? Well, Greenspan said, "Bundle up your mortgages and deposit them with Fannie Mae and Freddie Mac. The Federal Reserve System will now subsidize the transfer of those mortgages to Freddie Mac and Fannie Mae, so you in the banks will now get money." Then the money operation was done through various kinds of schemes and swindles, which were all implicitly hyperinflationary. The thing has come to the end-phase, which we emphasize here; it's the end-phase because you've reached the point where you have a hyperinflationary crisis in raw materials, primary materials.

The reason for the crisis in primary materials, is the people who were engaged in this speculation,

have come to realize, if they didn't know it in advance, that they're at a point that the system is finished. And what they're thinking about, if they're the smart guys, they're thinking about where do they go when the financial system disintegrates? Like Germany in 1923: That's the parallel that many people will study. How did some people become rich when Germans in general, went bankrupt in 1923? They got rich because they knew what was coming, and they had moved their assets in such a way that they came out of the 1923 crisis *owning* the most valuable assets around, not only in Germany but in other countries. So that, when the crisis in 1923 came, the normal people in general were bankrupted. But a bunch of people who were either insiders, or who understood what the insiders were doing, recognized that in a crisis like this, when you have an hyperinflationary crisis, you go to grab material assets which *remain economic assets*, even if the entire monetary system disintegrates. And that's what they did.

So what are the assets that would survive the monetary system? All right, now real-estate assets aren't worth much, because they're already hyperinflated to the hilt. So owning real estate is not a good thing. Being a creditor of the entire real-estate system, so you will own all the property when the system collapses, that's another thing. But in general, the specific interest which attracts the greatest amount of world capital, of witting capital which knows where the world is going, going toward the biggest crash in all history, is buying up *primary* materials, things that will have *intrinsic value*, for any economy, which tries to emerge from a general collapse

of the present world monetary-financial system.

Now, those things they're buying up include the ultimate control of land, as the creditor who will take everybody else in, and put them through the laundry when the system collapses, and they'll own all the land. But primarily, they're going for control over raw materials, primary raw materials, of which petroleum is only one example, and metals are the prime example. Since there is a finite resource of high-quality metal resources, ores, on this planet, therefore you can control the planet as a whole if you control these resources, politically. And that's what they're aiming for, that's the character of the crisis.

So, we're presently at the end of the present world system. No matter what happens, either way, whether the financial crowd were to try to beat down the speculators—which I don't think could ever happen—or the speculators take over, we're headed for a collapse of, not just economies, not financial markets, but of civilization itself. It means you're looking at a situation in which the population of the planet over a generation or two, would be forced to collapse to below 1 billion people from the present more than 6 billion. That's the kind of New Dark Age prospect which is implicit in this situation, *unless we change the system*. And what we're doing is proposing to change the system.

Change the Rules of the Game

Now, the automobile sector is crucial in this, because together with aircraft, it contains the greatest concentration of machine-tool-design capability. It's not auto workers as such, because the auto workers as such depend for their significance on being involved in an industry, or a group of industries, which represent machine-tool-design capability: the majority of the machine-tool design capability of the United States and much of that of the planet. So therefore, we have to save this section of physical production, because it's most crucial to any recovery. Now, I explained that in the proposal.

But the other part is this: How do we deal with hyperinflation? This is the problem you run into when you deal with politicians: How do you deal with hyperinflation? They will tell you, we're in a free-trade economy; that this is irreversible. We're also in a globalized economy, which they say is irreversible: so, a hyperinflationary free-trade economy. Well, that's doomed, that's mass suicide, so they're wrong on that. And you can not compromise with the assertion that if they say that, or believe that, they are wrong! Not only are they wrong, but they're suicidally wrong. They're like a guy who says, "I'm Superman," and jumps from a skyscraper and plans to fly. He'll fly, for a short term, and all the way down—and with a definite ending.

So, there is no way that under the present system, the present rules of the game, the present legal rules of the game in the United States, the present habits of making policy in the Congress, that this country can survive. Therefore, that

has to change. Now there are several aspects of the change. One is the immediate one. You have, now people are saying, you must raise the rate of interest to control monetary expansion, go to a prime interest rate 5, 6, 7%. Well, that won't work: That'll just tend to have a hyperinflationary effect, but it will also not stop the inflation. Because the inflation is located in primary materials essentially, and that is not going to stop simply by adjusting the interest rate.

On the other hand, if you don't put a check on the free flow of M3 into this inflationary machine, you're just going to get a higher rate of inflation and you'll go to Hell quicker. So therefore, either tight money or loose money is not tolerable. Raising the money supply is not a solution.

The question is, how do you raise the money supply? What we're proposing is to raise the money supply, but how? By tying up the money in long-term investment. Long-term investment goes into what? Employing people in production of long-term goods. What? Not just automobiles, which are fairly short term, but into power plants, which have a 30- to 40-year life-span. We invest in them for say, 25 years. Into large water systems, which have a 50- to 100-year life-span, things like that.

So, we're investing in productive assets or infrastructure which is essential to productive assets, which has a physical life-span of more than a quarter- to a half-century. That means that we're tying up the money that the government is printing, so to speak, as credit to buy into this project. With this, we're employing people. Now these people are being paid on the short term, but the income we're going to get from this production is going to be on the long term. In other words, each year, you're getting a portion of the income back from your total investment. It may take you three to five years to build a nuclear power plant. It will have a 25- to 30-year life-span. So you, in effect, are going to amortize this investment over 30 years. But you're going to pay out against it, in terms of wages and so forth, in the sense of one-thirtieth or one-twenty-fifth of that total investment per year. Which means, that when you invest for a 30-year investment, say five years to build a 30-year investment, those are the numbers you're playing with, those kinds of ratios. So therefore, in this case, you're tying up money.

Now what the government has to do, then, and the monetary system has to do, it has to say there are certain things which are long-term solid investments, as in infrastructure and also certain industries, certain aspects of industry, including agriculture; therefore, the government will authorize the creation of money, will use that money to finance production in agriculture, industry, and infrastructure on that basis—especially in long-term investments. It will now employ people in the short term, week by week and month by month, in this production. We will pay this thing off, that we've invested, over a quarter-century or longer.

That's the kind of thing we want. That's what we're talking about with the auto industry. We're talking about a quarter

to a year or more investment in this section of the auto industry which we've designated for recapture. We're going to invest the productive potential of this reorganized section of industry, in building railroad systems, in building power systems, in building essential elements of navigation and inland water systems, and so forth and so on. We're going to invest it that way, in infrastructure. We are also going to give credit, from the government or through a government facility, to private contractors who are auxiliary to the production of these products in this section that we've taken over.

So therefore, what we're doing is, we're getting cheap loans from government credits, say 1 to 2%, for the primary investment in this process. We're going to let the price of loans on things which are not in this category float higher. We're going to restrict the amount of money that we put into the system for this other area, while we're going to be abundant in areas which are long-term investment. We're going to create a situation which is attractive for private investors to tie up their investment in long-term investments, rather than the fast turnover, jumping from one corporate stock to another, which is characteristic of the recent period.

We're going to encourage people to invest in long-term investments, of one to two generations or more, and *tie up* the money which is existing, which is being invested, in these long-term investments. We're going to create a situation in which it is not advantageous, in terms of return on investment, to go floating around with the kind of thing that's being done today.

So therefore, by the aid of Federal regulation, and international agreements, we're going to go to an economy which is based on *long-term* considerations, and to minimize the influence of short-term considerations. And that's what we're doing, implicitly, with this.

The Indispensable Role of Government

Now, the other aspect is, that government is not too good at private industry, for obvious reasons. It's particularly not too good for large corporations which are no longer dedicated to long-term accomplishments, but are dedicated to short-term stealing, like the typical large corporation today. So therefore, what we're dealing with here, is that kind of restructuration: which means we invest largely, on these government programs, in large-scale infrastructure, and also of course, funding contractors who participate in this development of long-term infrastructure.

So therefore, we are shifting the economy in that way, but we're doing it by concentrating on the area that government *can* function efficiently in infrastructure, where it tends not to function so efficiently in the private sector, otherwise, generally. So we're actually making that kind of shift.

And so therefore, we are dealing with a long-term policy. We're starting with a long-term perspective for reorganization of the world system. We're dealing with an explosive potential, where the present world system is going to disinte-

grate anyway. What we're trying to do, is rush in, with a change in direction of policy, as Roosevelt did in his way when he came into office; a change in direction of policy, where we're putting a long-term factor in, of very large chunks. Proceeding, what we will do as the next phase, we will actually go in and reorganize the entire financial system, as such, and put it through, in effect, what is called bankruptcy reorganization by the Federal government.

What this is going to do, whatever the form it takes technically, is, we're going to shift back, we're going to go back to a national banking system. What is going to happen, of course, in this situation must happen: The Federal Reserve System is going to be taken into receivership, because the banks of the Federal Reserve System are now all bankrupt. That is, if you take the accounts openly, and just resolve what's there, and where it's going, you have to say, "These things are bankrupt."

But we can't close them down, because they involve all kinds of assets which must be managed to maintain the continuity and function of private lives and all these sorts of things. So therefore, we're going to put them under *financial reorganization*. And a financial reorganization which is going to take account of things which, for human reasons, or economic reasons, must come first, and other things can wait.

How We Will Reorganize the Banking System

So, we're going to reorganize the banking system. Well, how do you do that? Well, the banking system of the United States is predominantly the Federal Reserve System, by law. Well, the Federal Reserve System was a misconception from the beginning, but nonetheless the principle is, it is something which the government can deal with. So therefore, what do we do, the Federal government which is going bail this bankrupt system out, is going to put the banking system itself into bankruptcy, into receivership. Now what does that mean? It means the Federal Reserve System goes into receivership by the Federal government. What happens then? Oh, you're back to a pure Hamilton type of national banking system.

The credit mechanisms which are Constitutional, as specified in the U.S. Constitution, are now used to say that the Federal government, which creates all the currency by law, and which has a unique authority to create currency, and nobody else does—this Federal government is going manage what it creates, currency. And it's going to do that through a national banking system. The national banking system will actually be a system which services and supervises the private banks of the United States, at least the inter-state banks, and indirectly of course, through the inter-state banks and the state mechanisms, the state-chartered banks. So, the United States' new system, the new Federal Reserve System, which had been taken over in bankruptcy by the Federal government, is now going to become the agency of government which controls



the way the credit system and the monetary system functions in the private level.

And that's the reform we're going to make. And that's going to be the direction we go in. And we can come out of this whole thing quite nicely. If the United States does it, as no other part of the world *can* do it, under its present culture and laws, then other parts of the world *will* tie into the U.S. reform, as a part of an extended international reform. And that's the way the world can get out of the mess.

Transform the Physical Economy

So, what we're doing now, is we're taking the leading, immediate issue before us: We can not allow the auto industry to fold up the way it is planned. That can not happen: because the chain-reaction effect is, that's the end of the U.S. economy, that's the end of our nation, it's the end of sovereignty. We can't tolerate it. Therefore, we move in, and take this sector of the industry that they're planning to shut down, we take it over, we take it over for the production of products other than autos as such, and do other things, largely in basic economic infrastructure and things of that sort. We create that form, and we proceed with long-term improvements in things we need desperately.

For example, the power system of the United States is bankrupt. We couldn't operate with an expanded economy now, because we don't have the power to do so. We're going to have to build nuclear and other power plants on a *rapid rate, now!* We're going to have to rebuild a railroad system, to deal with many of the problems in the United States, which

can not be solved without re-creating a railroad system. This means magnetic levitation systems for main trunk passenger, so forth; it means high-speed rail generally for areas which are of lesser priority. It means a reassortment of the relationship between the air transport system, and the railway system. We're going to deemphasize highway travel, by having efficient, low-cost service, in terms of mass transport. We're going to rationalize the air-rail-road system.

We're going to reverse the policy of concentrating inhabitation and production in a few areas, such as, for example, take the case of the central area of western New York, western Pennsylvania, Ohio, Michigan, and Indiana, which is the heart of the auto and related industries. Now, we've had a loss of population in these areas, and a loss of income and a loss of standard of living here. We're going to have to reverse that drift from those areas into others. We're going to have to go back into a greater utili-



Transrapid

This magnetically levitated train, designed by the Siemens Transrapid, operates between Shanghai and its airport, a distance of 20 miles. A U.S. maglev system would start in the most densely populated corridors (about 5,000 miles), and would require an increase in the nation's generating capacity of 10%.

zation of the total land-area of the United States. We're going to have to distribute the population more over the entire area of the United States, and less in a few areas like this thing that's going to crash around Northern Virginia, around Washington, which is due for a collapse.

So therefore, we've going to reorganize the United States, so that we are going back to agriculture, and developing the land for that base, we're going to go back to a lot more emphasis on local industry, particularly private industry which is locally controlled, or closely held corporations. And we're going to plan to distribute our production and our development over a larger land-area and raise the standard of living of the population per capita, and the income of communities, by going from a post-industrial society, which is a low tax-revenue base for communities, to a productive economy which provides a higher tax-revenue base for local communities.

So we're now going to make better utilization of our land-area, so that we're using *all* of the land-area, developing *all* of the land-area, instead of concentrating population more and more in a few, what are going to become vast, concentrated slums, unless we do something about it.

So that's in general what this is about. So, now back to you. . . .

Dialogue: The Battle in The United States

Q: Hello, this is Daniel from Leipzig. I have essentially two questions. First of all, in the briefing this morning, William [Wertz] wrote that this auto reorganization is important for Germany. I can see especially how that is the case for the Opel and Delphi plants, Opel being connected to GM and so forth, and supplies. Is there more than just this?

And secondly, how much does successful reorganization of the auto sector depend on financial reorganization? Or how much does national reconstruction of nations depend on multilateral agreements, which would create stability in the financial system?

LaRouche: This is like a war, fighting a war. Which does not mean that you deploy your troops on all battlefields at the same time. You maybe intend to go to all battlefields, but you concentrate your limited forces on the basis of strategic decisions as to where the place is you've got to fight that battle. You don't try to divert your forces to fight all battles equally, in all locations. Otherwise you're bound to lose at the hands of a smart enemy.

LPAC Releases DVD: Auto And Economic Recovery

In late April, the Lyndon LaRouche Political Action Committee (LPAC) released a one-hour DVD documentary titled "Auto and World Economy Recovery," as a political mobilization tool to send a message to Congress: Save U.S. auto industry capacity and workforce, by a Congressional intervention to retool the industry, to help build vitally needed economic infrastructure.

The documentary shows how this was done on initiative of the United Auto Workers (UAW), at the outset of World War II, to make auto plants "the Arsenal of Democracy"—as Detroit was dubbed; how it was proposed again by UAW President Walter Reuther at the end of the war, to retool to build railroads and housing; and Lyndon LaRouche's full proposal today, to use the 50-60% actually unutilized auto capacity at present, to repair and build the high-tech new infrastructure the nation's economy sorely needs—bridges, water and power systems, high-speed rail, schools, hospitals.

As Mark Sweazy, UAW President of Local 969 in

Columbus, Ohio, says in the DVD, "We have plenty of floorspace . . . we can do it. . ."

Millions of Jobs

The documentary includes archive film footage of historical precedents, especially the actions of Franklin Delano Roosevelt. In only a four month period in the Winter of 1933-34, nearly 4 million jobs were created in public works by FDR's right-hand man Harry Hopkins; and millions more throughout the decade, in the large-scale FDR infrastructure projects.

Film clips show Lyndon LaRouche at 2005 webcasts calling for acting today on this same principle. LaRouche stresses that the machine tool capacity embodied in the auto sector, now threatened with almost total shutdown, must be preserved, or the U.S. ceases to exist as an industrial nation. The workers, families and skills in the auto communities must be preserved in place. He outlines specifics of how this can be done through Federal "receivership" powers.

One of the most striking aspects of the DVD are statements from a whole series of Mid-West UAW leaders, taken in February by the LaRouche Youth Movement camera/interview team of Bill Roberts and Adam Sturman, on how devastating the current shutdown of auto is, but how a "New Marshall Plan for auto" could take shape. UAW Presidents Oscar Bunch (Local 14, Toledo), Joe Joseph

The view is that, on this matter, we have to internationally use the action which is now occurring in the United States under our initiative, and use specifically that action, in the United States, as information to the processes in the other places, in Europe and so forth.

So therefore, the battle now is in the United States. It is not a battle which could be fought in parallel in various countries at this point. Because the problem is, you get a breakthrough and you've got to get a recognition of authority for the breakthrough occurring. We can do that in the United States.

For example, this thing that appeared in the *FAZ* today as an ad . . . is an example of that. Leuschel, a person who's known to us from our studies of such matters over a period of years, has this ad citing me as an authority on this issue, in the financial section of the *Frankfurter Allgemeine Zeitung* today. That is going to have repercussions. But that exists around the world.

So therefore, what we have, the kind of thing I was saying, what I put out as the proposal, the kind of information that Paul [Gallagher] just summarized on the situation, this information going out into these areas and other parts of the world will have the proper effect. And therefore, you don't have to think about parallel organizing, of doing something the same as we're doing in the United States and other countries. What

(Local 1970, Dearborn), Marty Green (Skilled Trades Representative, Caledonia, Michigan), along with Wayne County Commissioner Phil Cavanaugh describe the situation.

The documentary also features a set of economic animations and maps, to make real the nature of the decline of the Upper Midwest over the past 40 years. Not just auto plants as such, but all of industry, agriculture, and urban and rural life have deteriorated, as shown county-by-county in terms of falling ratios of basics per capita and per unit area, such as electric power provision, rail service, hospital bed availability, water supplies, education, and so on.

Michigan State Rep. LaMar Lemmons III gives a guided tour of the destruction of Detroit. Ohio Rep. Catherine L. Barrett (Cincinnati) scores the job loss.

In contrast, the DVD features a concluding section, "A New National Infrastructure," outlining—with color tech animations—priority projects that must be undertaken today: high-speed rail, including magnetic levitation; advanced flood protection—even sea gates for New Orleans, and most essential, nuclear power. A color schematic shows how a fourth generation high temperature gas cooled nuclear reactor works. It can be coupled with high-tech desalination, to provide vast new water supplies for the Southwest, where, for example, the water table is dropping drastically in the Ogallala and other aquifers.

you have to think about is, we're doing something in the United States, that's where the war-front is, and if the United States doesn't change the war-front, there's no credibility for its being conducted in any other part of the world.

So therefore, *we must win the battle in the United States*. Otherwise we will lose the war! Our major objective should be, to win the world war. And we have to win the battle in the United States to win that.

Now, what we have to do to win the war, beyond the launching of the attack from the United States, under U.S. leadership in that sense, is we have to take the same program, programmatic outlook, creating the details on the battlefield in the United States, and get that out to all these other areas: that *this* is what is happening.

You're in a very interesting period on this, typified by the case of the Stephen Colbert "roast," which is actually—and I've emphasized, this "roast"—if you know the United States inside, as I now know it, you realize that there's a big phase-change occurring in the United States. You have the Cheney and Bush factor, and in terms of one poll, Bush is the 20% factor, on support for his continuing what he's doing now. Which means that, already, Bush has lost a lot of the support of the lunatics, because his lunatic factor in the United States among voters is about 30% or so of the voters. And if he gets down to the 20% area, that means that even a large number of the lunatics are quitting the Bush campaign. And there are also things going on that can change as quickly.

So the fight in the United States, is a credible fight. You see signs all over the world that the Bush thing is crumbling. The *danger* now, is the fact that the Bush-Cheney phenomenon (to call it a phenomenon), is crumbling, which means that the Bush-Cheney phenomenon is the dying tiger, which is prepared to strike, because if it doesn't strike now, it never will be able to. So it's a very dangerous situation in that sense.

But in terms of the long-term process, history is against the present policies of the United States and of Europe. History is against it. History is against the current world policies. And if people defy history by clinging to present lines, then we'll go through a Dark Age.

So, this is the issue. We have to look at it this way, not as a sense of separate fights around the world. We have to see this as one war, in which the United States is the crucial center, the decisive point, on which the fate of the world depends. But then, we can not win the fight in the United States, unless the fight *in* the United States can be extended, as a U.S. fight, into other parts of the world. Because the Europeans have no courage. You're telling the Europeans, when you talk about what we're doing, you can't copy it in Europe: Because European systems are based on *private*, privately controlled central banking systems, which control governments. We don't *have* a European government in West or Central Europe, which is capable of doing that under its present constitution. But if the United States *does* it, then these government have to do it.

So, we're trying to correlate this international situation to win that kind of war.