

nation which issues that currency.

3. The mechanism for generation of new credit, credit in excess of producer's credit to buyers or savings, must be only the lending of currency-notes issued by governments' treasuries through national banking systems. The loan of the newly created credit, in the form of loan of currency-issues, should be restricted to investments in production of physical goods or infrastructure, including credit for export of produced physical goods.

4. This must be reenforced by trade-agreements among governments, bilaterally and multilaterally, which have the effect of stimulating international trade. Such agreements should include multilateral agreements of co-sponsorship of major infrastructure projects of those types which are generally beyond the capacity of any one nation.

5. Governments must work to establish an international consensus respecting general goals of emphasis in advancement of technology. . . .

The 'Oasis Plan' for Mideast peace

by Lyndon H. LaRouche, Jr.

On July 8, 1990, during the buildup to George Bush and Margaret Thatcher's war against Iraq, Lyndon LaRouche issued this call for an "Oasis Plan," to provide the basis for a lasting peace in the Middle East. The following is edited from oral remarks. (LaRouche was, at the time, in prison—a political prisoner of Bush and his Anglophile political faction.)

In reality, in absolute terms, this is the time to revive the content of "peace through economic development" in the Middle East.

Many will object that this is a revival of what was most recently described as the new Marshall Plan proposal of former Israeli Prime Minister Shimon Peres, and, for reasons related to Peres's sponsorship of these ideas, many will say today that an "Oasis Plan" of that sort is out-of-date, is unworkable, should not be considered to be a politically practical proposition. Peres is out of the prime ministership and, for the moment, is not seen as likely to return, nor is an Israeli politician of his type on this matter likely to return.

The second difficulty, is the international financial situation, particularly the absolute desperation—hysteria—of the two great basket-cases of the English-speaking world: Great Britain and the United States. Both are determined to impose upon the entire world the particular type of free-market insan-

ity which has successfully ruined, altogether, the British economy, and has plunged the United States into a hopeless condition of bankruptcy, at least under present monetary and banking rules.

Therefore, it will be argued that the superpowers, and the nations under the domination of the Anglo-American influence, would refuse to allow the conditions needed for a Middle East economic reconstruction, with an emphasis on infrastructure-building.

However, despite these and related objections—ideological, strategic, and other—the fact remains that the price of *not* having what I would call, perhaps, an Oasis Plan for the Middle East, a peace settlement based on the Oasis Plan, is beyond belief, not only for those living in that area, but for any outside.

Let me review this, look at the world condition, and then come back to the guts of an economic peace plan, an Oasis Plan for the Middle East today.

The superpowers look for new enemies

What has broken out is not "peace," but probably a temporary accommodation based on respective desperation between two empires—the Anglo-American and the Muscovite. What has been created is a condominium, which is partly a recurrence, and partly wishful reaching for the goals of the former Trust arrangement of the 1920s, and the hoax of wishful Western thinkers in negotiations with Stalin during the Yalta period and immediately after. In the context of this sentimental embrace of Gorbachov on the one side, and British Prime Minister Margaret Thatcher and President Bush on the other, the superpowers are looking for new enemies—especially the United States, the Anglo-Americans. The British, of course, find a traditional enemy in Germany, and are determined to frustrate it by any possible means; that's the leading tendency in London, the tendency which brought us two world wars in this century, first by orchestrating World War I, beginning with the overthrow of Hanotaux in France, and, second, with the New York-London, Harriman-Morgan-Montagu Norman efforts to back [German Economics Minister] Hjalmar Schacht in forcing Adolf Hitler's dictatorship upon the German people in the 1932-34 period.

These forces, in Moscow, and especially the Anglo-Americans, have adopted as their adversaries for economic warfare Japan, western Europe, and a few nations such as India. They have adopted for their principal adversaries the nations of the southern part of this planet—inaugurating a North-South or a population-environment war.

These are fanatical people in the West, oriented toward the revival of pagan imperial Rome, who, like Hitler—who was of a similar persuasion—see the problems of modern Europe as the undermining of pagan imperial Rome by the introduction of the Jewish monotheistic God and the political triumph of that God in the guise of Christianity. Hence, the rationale of Hitler's anti-Semitism and his stated goal of eradi-

cating Christianity, once he had won World War II.

We face a similar effort today, an attempt to eradicate Christianity, for the enhancement of Gaia, or similar resurrections of the pagan Earth Mother goddess, of the Ishtar, Shakti, Astarte, Astar, Isis variety, and to do with the populations of the developing nations at their whim.

Wars against the developing sector

In this context, we have the Middle East conflict. The form of North-South warfare—as proposed most vigorously by the Anglo-Americans, but supported in the environmentalist arrangement with Moscow—divides the developing sector, so-called, into regions, and poses the question of future wars in the form of regional out-of-area deployments by NATO forces. Thus, the discussion of out-of-area deployments back in 1982, since 1982, and most freshly at the recent NATO affair.

So, everything is geared for that kind of deployment—military and other—against the nations of the southern part of this planet.

Now, given forces in the northern part which think that population wars, or wars of devastation which lead to mass reduction of population, elimination of nations, in the horrible aftermath of short or prolonged wars, see the Middle East as a cockpit, in which this regional management, population and environmental management policy, might be introduced. In other words, there are people in the Anglo-American area, and in Moscow, who would be presently delighted to have a new Middle East war in one form or another—either a new Lebanon, throughout the Middle East, or a so-called conventional war. They would not be upset to find the war leading, say, before a truce period, to an exchange of lethal missiles, possibly biological warfare weapons, warheads, between Iraq and Israel, and so forth. Anything to set into motion the process of population reduction, not so much through warfare itself, but through the efficient forces in the aftermath of warfare, in the Lebanization of the entirety of the Mideast.

The price of failure

Although to some, an Oasis Plan seems an unlikely proposition under the present circumstances, the price of failing to implement such a program is beyond belief. Therefore, the emphasis should be: There is no obstacle so great, or so difficult, that we should not seek to overcome it in order to further economic cooperation of the type indicated here.

The penalty, finally, can be viewed, in terms of analogies, with two aspects of European history.

One should think, first, of what happened to Europe from the late 13th century into the middle of the 14th: The rise of usury and the politics of usury, under the Guelph leadership, of the so-called Lombard bankers, led to the depopulation of Europe by probably 50% over that period, if one measures population by the number of parishes which vanished from the map, culminating, of course, in the Black Death and other

terrible things. We can see some echo of that in Lebanon today.

Secondly, we can look at the Thirty Years' War, 1618-1648, in central Europe, and its devastation. One studies this best, we know from looking at all the facts available to us, from the standpoint of Schiller's studies in preparation for the composition of the Wallenstein period.

This is what we are headed toward in the Middle East. This is the model of that toward which we are headed, if we do not break the pattern, if we do not oppose the obstacles of the type which I have named.

What can be done

Now, we should take into consideration, on the relatively hopeful side, the fact that we are near the end of the present Anglo-American monetary and financial system. The United States is about \$21 trillion bankrupt; the infrastructure, agriculture, manufacturing, and related things in the United States are collapsing; the productive potential of the United States is ruined, as a result, most emphatically, of the past 12 years of deregulation, the Volcker measures, environmental radicalism, and so forth.

The United States would have to be changed from the outside, as would Britain. Britain could not be revived as a viable economy on its own powers, and its ability to steal from other parts of the world—the principal source of Britain's wealth over the past 200 years—is no longer a credible option. The United States' options—despite its temporary success in reducing Central and South America to a collection of colonies—for the longer term, are not good ones. A Fortress America is not a tenable proposition.

The only thing that could get economies going is the replacement of central banking of the British style, usury of the Lombard style, by a resumption of national banking, as in the national banking of the administration of U.S. Treasury Secretary Alexander Hamilton, or the work of Friedrich List and others in Europe.

Governments can generate credit, and successfully, on condition that the flow of this credit generated by the monetary processes of the government, is restricted to infrastructural and other investments that are inherently sound national investments.

Such is the condition of the infrastructure for the Middle East, including Israel. Israel cannot accommodate its new, augmented population without a major transformation in infrastructure—it just is untenable. You cannot solve the problem with only housing; you need new infrastructure in the form of transportation, energy, water management, and so forth. For Israel and for Jordan, what comes to mind immediately are such projects as the Dead Sea development. A channel from the Mediterranean into the Dead Sea, which performs the function of being a new industrial center, for the obvious mining and metal processing and other industry, which is based on a combination of water and nuclear energy

as the basis for an industrial boom in that region, shared among the peoples who live from Jordan and the Dead Sea, all the way down to the Gulf. The production of so valuable a commodity as water, by means employing, as its energy basis, or power basis, high-temperature gas-cooled nuclear reactors, is the obvious central proposition for that region, which could be the beginning of a greening of the Middle East on a larger scale. By entering into cooperative agreements on economic development, with a group of local powers in the region, we create an economic common interest on which political agreements may be premised.

The other aspect to be considered in an Oasis Plan for the Middle East, is that unless we provide rational solutions, particularly those based on the wonders of science and technological progress, then the result must be mass insanity. If the rational world is not provided to the desperate, then they will seek solace and power in the ultimate irrationality. That's the lesson of history; that's the lesson of what is happening in the Arab world, from the Atlantic outposts of the Islamic world, toward the East. Unless we change the course of events, we go down.

As part of the same package, therefore, such projects as, say, a high-speed rail project between Dakar, Senegal, and Djibouti, along an old project—over 120 years old in design—could be implemented, changing the prospects for the Sahel region, the sub-Saharan nations, and so forth, and make possible the otherwise impossible: The reversal of the expansion of the Sahara desert and the beginning of development. The opening of large-scale water projects in Africa, including the rational use of the excess of rainfall upon Zaire, for the nations to its north—these kinds of things must be done. Even though these are somewhat beyond the range of the Middle East per se, they are nonetheless part of the project which immediately affects it.

The economic road to peace

These kinds of things should be done, things which I've proposed over the years, from 1974 all the way to the present, as Middle East solutions. I say again, that I've been told, repeatedly, that an economic-based solution is not possible, that you must have a political solution first and then bring in an economic-based solution. My experience of the past 16 years in particular, and my study of the experience of the years before this, says: Those who have insisted upon a political solution first, before considering an economic alternative, have failed. That experiment has failed. We must have the economic basis established, and establish the political agreements on the basis of those political agreements being imperative to establishing the necessary economic cooperation and to achieving the benefits of that economic cooperation.

Therefore, I would say in summation, that we must have these solutions as the alternative to the kind of Malthusian, neo-Malthusian Dark Age solution imposed as the so-called peace plan by the superpowers—the Anglo-Americans and

the Soviets—upon the Middle East. Otherwise, we get hell for all concerned, and because of the follies of the parties in the Middle East which reject this alternative, which accept the Anglo-American-Soviet peace plan, they will find themselves with the same fate as the brave leaders of the forces which sank in the swamps of the Thirty Years' War. We must have it.

The opposition to an economic solution comes mainly from two sources: from the environmentalist fanatics—the Nazis of the 1990s are the environmentalist fanatics, including their animal rights fanatics, who are determined to destroy Judaism and Christianity for the sake of the pagan Mother Earth goddess whom they worship. That is the Nazism of the 1990s. The other opponent is Adam Smith and his kind: the assumption that we must maintain, perpetuate the present monetary and financial structures which ought to be swept from the face of the Earth in mass bankruptcy.

The very fact that mass bankruptcy is erupting, in the existing monetary institutions, creates the opportunity for establishing alternatives, in the form of Hamiltonian, shall we say, national banking. So, therefore, if we are sufficiently determined, and as determined as fear of inaction motivates us to be, then we shall move seriously on an Oasis Plan for the Middle East, and use the Oasis Plan as the basis for a political solution, a political solution as an alternative to a new Thirty Years' War, a new Dark Age, in that region.

Grand strategy for developing Eurasia

by Lyndon H. LaRouche, Jr.

Here are excerpts from "The New Role for Russia in U.S. Policy Today," by Lyndon LaRouche, EIR, Aug. 25, 1995.

The present writer's televised Berlin address of Oct. 12, 1988, signalled this proposed application to the new Russia of the tradition of American System political-economy. In that address, which was broadcast to a national U.S. television audience that same month, the imminent collapse of the Soviet system and reunification of Germany was announced and a policy of reconstructive cooperation toward eastern Europe was identified. That policy of reconstruction was later elaborated in significant detail, beginning November-December 1989, in policy statements and prospectuses issued under the rubric of "the European Productive Triangle."

This Productive-Triangle policy anticipated all the principal features, and more, of the later "Delors Plan." It proposed that the emergent world-center of economic progress, since Charlemagne, the approximate spherical triangle whose apices are Paris, Vienna, and Berlin, be mobilized as the pivotal