

EIR Political Economy

Washington must ally with China, not London

EIR has produced a new video, titled “*The Eurasian Land-Bridge: Washington Must Ally with China, Not London*,” featuring exciting recent developments that are totally unknown to those Americans who do not read the publications of the LaRouche movement. The speakers in the documentary include former Mexican President José López Portillo; Lyndon H. LaRouche, Jr.; Schiller Institute founder Helga Zepp-LaRouche, the wife of Lyndon LaRouche; and EIR Ibero-American Intelligence Director Dennis Small.

The following is the edited text of the video, which can be purchased from EIR for \$25, order number EIE-99-002.

The video begins with a film clip of former President López Portillo, speaking on Dec. 1, 1998 at the Mexican Society of Geography and Statistics. Dennis Small then proceeds to narrate the documentary.

José López Portillo: And it is now necessary for the world to listen to the wise words of Lyndon LaRouche.

Dennis Small: 1998 was the year in which the international financial crisis exploded on the world scene in a visible fashion. Country after country, from Indonesia to South Korea, Russia to Brazil—the international financial system went into a major world crisis. It happened in a way and with the timing, and in a fashion that had been forecast for decades by the leading American economist and statesman Lyndon LaRouche.

Now, as we enter 1999, in this year, that international financial crisis is going to crash like a tidal wave over the United States itself, and over Europe. But this is not only a financial crisis or an economic crisis. This is a civilizational crisis. This is a crisis in which the values, the moral questions, the financial issues, the political institutions, are all being swept aside by this tidal wave.

Humanity is poised at the edge of an abyss. And over that

abyss, is a New Dark Age, like that of the 14th century, when half of humanity disappeared. That will be the future of humanity, unless—and that “unless” is the topic of this video report today.

There is an alternative to this New Dark Age, and to this international financial crisis. It is an alternative that is being put together under the leadership of China, with other nations such as Russia, India, and nations of Asia, such as Malaysia, participating as well.

It is an alliance of sovereign nation-states that are saying “no” to speculation, “no” to globalization, “no” to British-sponsored free trade, and are instead rebuilding their economies in a sovereign fashion around productivity, around investment in technology and science, and most significantly, around a global infrastructure project which is called the Eurasian Land-Bridge.

The Eurasian Land-Bridge is not just an idea; it is being built today. And it is a project which must be joined in by the United States and by other nations of the world, if we are to avoid a plunge into a New Dark Age.

That political fight, to build a coalition of forces, an alliance internationally, to build the Eurasian Land-Bridge, has been prominently promoted internationally by Lyndon and Helga LaRouche. In country after country, continent after continent, through their direct travels and activities, they have been building the coalition of forces that is necessary to put an end to the British oligarchical speculative system.

For example, in April 1996, the LaRouches travelled to Russia, where they presented these ideas of the Land-Bridge, and the underlying economic policy issues that must be behind such a great infrastructure project, to leading economic policies thinkers in Russia—policy thinkers who today, are playing a prominent role around the Primakov government of Russia.

More recently, in November 1998, Helga Zepp-LaRouche was invited by the government of China to partici-



Former Mexican President José López Portillo and Helga Zepp-LaRouche, at a meeting of the Mexican Society of Geography and Statistics, Dec. 1, 1998.

pate in an international conference on the Eurasian Land-Bridge, which was held in four cities in that country. Then, in December 1998, she travelled to Mexico to report on these breakthrough developments to audiences in that country, and to broaden the alliance of forces to include emphatically the United States and its close neighbors such as Mexico, around the concept of the Eurasian Land-Bridge.

In many of these countries, from Russia to China to Mexico to Brazil, increasing numbers of political forces of influence are calling on the world and on U.S. President Bill Clinton in particular, to listen to the wise words of Lyndon LaRouche, in order to get out of this financial crisis.

Mrs. LaRouche reported on the matter in the following fashion to one of her many audiences in Mexico City in December of 1998:

Helga Zepp-LaRouche: It is extremely important that I report to you about an alternative which is shaping up. While on the one side, there is a grave danger that civilization is plunging into a Dark Age, such that if the policies of the international monetary institutions are continued, then many countries can suffer the fate of Honduras, Nicaragua, Indonesia, or most parts of Africa. So, while I'm absolutely clear on that danger, I also want to report to you that just in the last two weeks, something extraordinary has occurred: namely, that the countries of Eurasia are joining together in building the Eurasian Land-Bridge—the idea to integrate the Eurasian continent through infrastructure programs.

Now, when Jiang Zemin, the President of China, just went

to Russia, he announced a new cooperation between China and Russia. And the one speech I would like to bring to your attention is the one he gave in Novosibirsk, a famous science city of Russia in Siberia. This speech is one of the most outstanding speeches given by any statesman in the last years. It is a “Class A” speech, giving a vision for all of mankind for the next century. And this speech has been completely blacked out by all Western media. (And I hope that there are some patriotic press in Mexico that will just reprint the entire speech.)

What Jiang Zemin says in this speech is that the scientists of Russia will cooperate with China to once more make science and technology the key driver of the world economy, and that China will look into the resources of its 5,000-year-old history to become the avant-garde in science and technology for the next century.

Now, what is the background of this extraordinary development?

Small: That background was elaborated by Mrs. LaRouche in a February 1997 presentation to a Washington, D.C. audience:

Zepp-LaRouche: In 1988, Mr. LaRouche made the famous proposal for a soon-to-become-real unification of Germany, which he just referenced. He was, to my knowledge, the only Western economist and statesman predicting the collapse of the Soviet Union more than a year before it happened. He was the only one who predicted the unification of Germany



Helga Zepp-LaRouche at the eastern terminal of the new Eurasian Land-Bridge in Lianyungang, China, October 1998. She headed a Schiller Institute delegation attending a conference on "Asia-Europe Economic and Trade Relations in the 21st Century and the Second Eurasian Bridge," held in four Chinese cities.

at a point where all German politicians called the unification of Germany the "lie of the century," people should forget about it, and so forth.

And Mr. LaRouche said, "Let's take a unified Germany, and use Western technologies to develop Poland and make that the model of how you can transform the economies of the Warsaw Pact with Western means, into a modern economy."

Then, in 1989, at a point when you all remember the pictures on TV, the Berlin Wall came down, beginning of November. People were happy; this was an incredible historical moment. And again, I must say, given the fact that I and my friends Michael [Liebig] and Anno [Hellenbroich], were on the scene, busily trying to shape history, there was no one—not [Chancellor Helmut] Kohl for sure, not from the U.S. administration, or anywhere else, who had an idea of what to do, how to capture the historical moment of the fact that the Wall dividing the Eurasian continent would come down, really the first time since the Versailles Treaty—no one except Mr. LaRouche, who proposed the famous program of the Productive Triangle. This was the idea to take the territory in the triangular area between Paris, Berlin, and Vienna, which is about the size of Japan, and which still, to the present day, has the highest concentration of industrial capacity and skilled labor power.

We basically proposed that eastern Europe should be integrated through the development corridors, namely, the idea to build up transport lines—one corridor going from Warsaw to Moscow, St. Petersburg; another one to Kiev, another one to the Balkans, to the Black Sea; another one to Sicily, bridg-

ing into Africa; another one to Ibero-America.

In 1992, we presented a proposal for the Eurasian infrastructure alliance, because at that point, the Soviet Union had collapsed. And we proposed to combine the productive triangle, situated in western Europe, through infrastructure lines, all the way to China (see map, p. 30): Line A being the northern route, the Vladivostok Trans-Siberian Railroad; Line B going through Ukraine, Kazakstan, China; and Line C from Turkey, Iran, Kazakstan, China.

So, we proposed to integrate the Eurasian continent into one piece. And we had many conferences about this in Moscow, in other places. And especially because China at that point was still involved in a very dangerous mixture. On the one side, a state-planned economy, but at the other side, also being absorbed in the speculative bubble. And fortunately, we put out many warnings against "financial AIDS," which was the financial speculation in the economy—these warnings were published widely in China.

So by 1993, the Chinese government consciously went away from the bubble economy, put more emphasis on a dirigist policy, and there was a clear revival of the famous policy of the founder of modern China, Dr. Sun Yat-sen, who in the 1920s had put out a beautiful document called the "International Development of China." [The map he used] has a very elaborated system of integrated railways, water projects, and other infrastructure programs. . . .

In '93-94, there were further important changes in the economic policy of the Chinese government to reduce the bubble, both in the real estate market and in other markets.

They implemented more dirigistic measures, put more stress on the Eurasian Land-Bridge, and basically announced that they had the intention to develop the northeast regions of China, to improve the relations between China and Europe and the rest of Asia.

In May '94, the vice minister of the State Commission on Science and Technology, Mr. Hui Yongshen, gave an exclusive interview to *Executive Intelligence Review*, in which he said that the Eurasian Land-Bridge would be the central feature of its international economic and foreign policy.

In May '96, I myself, together with a delegation of the Schiller Institute, participated as speakers at the Beijing conference with the title "Development of the Economic Regions Along the Euro-Asia Continental Bridge."

This conference was an absolute watershed, because the Chinese government announced there their strategic, long-term perspective for China until the year 2010, which is already written in government legislation. And they have no lesser goal, than to bring the entirety of China up to the level of the world as quickly as possible.

Different spokesmen, whose speeches you all can read in the report we published, basically announced that "a new era of mankind has started, namely, the Land-Bridge era," where, for the first time in human history, there will be no more regions of the world which will be disadvantaged because of their geographical positions. But because of the Land-Bridge conception, you can bring the development into all areas around the globe, and especially the landlocked areas will participate in the same kind of advantages that previously only maritime cultures had, or civilizations based on rivers.

But I think the most important thing was that this conference, in which I think 64 nations participated, expressed an incredible cultural optimism, an optimism which you do not find in the United States, in Europe, for sure not in Russia. And people were just completely excited about the idea that the underdevelopment of mankind, is coming to an end. . . .

Small: During her tour of Mexico, Mrs. LaRouche addressed the deeper historic issues behind the current battle over the Eurasian Land-Bridge. And she identified this as a 500-year-old battle between two opposing concepts, the concept of oligarchism and the concept of the nation-state, ideas which are completely irreconcilable, one with the other.

Of special significance, was her presentation before the Mexican Society for Geography and Statistics, one of the oldest and most prestigious intellectual institutions of Mexico. Speaking with Mrs. LaRouche from the podium, in response to her speech, as the official commentator, was the highly respected former President of Mexico, from 1976 to 1982, José López Portillo:

Zepp-LaRouche: Now, this is very important, because the fact that some countries of the world have abandoned the idea of globalization, and have started to impose protectionist

measures to protect their people and their economies against the effects of the financial storms, means that there are two dynamics in the world right now. And I think this is also important for Mexico to consider. Because in the coming weeks, we will see the next phase of the collapse of the world financial system. And these financial storms are without any precedent in known history. . . .

Now, what is the issue in all of this? The conflict which is coming now to its final resolution, is one which started in the 15th century. Up to the 15th century, all cultures in the world, were of an imperial form. The law which existed, was just the whim of an oligarchical elite imposing its will on a backward population of approximately 95%, who were illiterate, who had the status of human cattle, who did not participate in culture, in politics, in self-government.

The idea of the nation-state which emerged at that point, was that the government for the first time, had to take care of the well-being of its people; that the government had to foster science and technology as the precondition for the improvement of the population's living standard.

Through the work of teaching orders such as the Brothers of the Common Life, the proportion of the intelligentsia in the population increased. Through all of these developments, under the reign of Louis XI, the living standard under his rule increased by 50%, or doubled in 20 years.

The most important thinker of this period, was my favorite philosopher, Nicolaus of Cusa, who was the Foreign Minister of the humanist Pope Piccolomini in this period. He, in his writings, especially in his main work, *Concordancia Catholica*, developed the idea of the representative system, which was the idea put forward for the first time, that the individual could choose representatives, and that these representatives would have a dual reciprocal responsibility: on the one side, to represent the best interests of the state, but on the other side, to make sure that the well-being of the people would also be pursued.

It is this representative system, which actually is the only way in which the rights of the individual can be maintained, which is the reason why the sovereign nation-state is the most important defense of the people. It was this idea of the representative system, which laid the foundation for the American Revolution, and therefore the first truly republican state, abandoning the idea of the oligarchy.

Nicolaus von Cusa also had the idea that peace and concordance among nations could only be guaranteed by the concept that peace in the macrocosm, is only possible through the maximum development of the microcosms, which is the idea that only if all nations of the world develop to their maximum, and that it is the interest of each nation to make an effort that other nations develop in the maximum way, that you can have peace.

These ideas of Nicolaus of Cusa and his successors like Leibniz, in my view, must become the basis for the New World Economic Order. So, the need to have an alliance of

Eurasian rail network plan as first presented by LaRouche's associates in 1992





sovereign nation-states, helping each other in their development, is the question on the table today.

The problem was that already in the 15th century, the oligarchical capital of that time, the city-state of Venice, recognized that the nation-state was the most important barrier to the looting of the population. In the last 500 years, these two systems of state — nation-state and oligarchical system — have been in a continuous fight with each other. Today, the efforts to have a globalized economy, to have globalization, to have the International Court overruling national society, to have the IMF and World Bank as dictatorships of the world, represents a renewed effort by the financial oligarchy, to impose a neo-feudal system.

Obviously, we need to remedy the situation today. We need a radical change in the value system which has emerged in the last 30 years. We have to throw everything out of the window which is a “sacred cow” today: globalization, free market economy, outsourcing, and similar ideas. And we have to go back not only to the sovereignty of the nation-state, but also to the right of the nation to protect its people, to impose capital and exchange controls, to have fixed parities, to have a completely new set of tariff and trade agreements among nations which are set up on a just basis.

We have to write off about \$150 trillion in worthless debt. We have to cancel almost all debt of especially the developing countries, but also of most industrialized countries, because not even Germany or the United States will be able to finance their debt.

We need to go back to the ideas which were successful when Germany, for example, reconstructed after the postwar period, favoring scientific and technological progress, industrial growth, with the state taking a larger role in creating the framework to provide the conditions for private entrepreneurs to be able to produce. The nation-state has to take over those tasks which the private entrepreneur will never take care of, which is the health system, which is education, and other social questions. . . .

We are on the verge of entering the next millennium. And I think that we are called upon to not let this crisis throw mankind into a New Dark Age, but to join our efforts to create a just, new world economic order, which will allow for the well-being of all people in the world. And we should be conscious that future generations will look back at us as the people who either allowed the world to slide into Hell, or who helped to create a new Golden Age for all of mankind.

Small: Helga Zepp-LaRouche’s speech before the Mexican Society for Geography and Statistics may have been the highlight of her ten-day tour to Mexico. And as you will see shortly in the response from former President José López Portillo, it was an historic occasion. However, it was characteristic of the kind of response which her remarks earned all across the country. And in fact, it is characteristic of the kind of response LaRouche’s ideas are getting around the world.

For example, when Lyndon LaRouche and Helga LaRouche travelled to Russia in April of 1996, they warned their high-level audiences about the onrushing financial crisis, and about the measures that had to be adopted to deal with it, unless they wished Russia to disintegrate as a nation.

When, in August of 1998, the world financial crisis crashed over Russia’s head, and the Russian government was forced to declare de facto state bankruptcy, those ideas of LaRouche were placed on the front burner. Similarly in China.

As a result of Helga Zepp-LaRouche’s trip in November of 1998, these same ideas are being taken with the utmost seriousness, and are actually being implemented to a significant degree by the Jiang Zemin government.

Helga Zepp-LaRouche spent 10 days in Mexico. She visited the three principal cities in the country, Mexico City, Guadalajara, and Monterrey, and in those cities, she spoke to audiences totalling over 1,000 people. They were public events organized by the LaRouche organization of Mexico, the MSIA, or the Ibero-American Solidarity Movement. There were other conferences organized by the Law Department at the University of Guadalajara in that city, and there was the event that we have referred to at the Mexican Society for Geography and Statistics.

That society was founded during last century, in 1833. And one of its earliest members was a German scientist and geographer by the name of Alexander von Humboldt. In fact, a bust of Humboldt graces the patio of the house in downtown Mexico City which houses the society.

Von Humboldt was an extremely important scientist. He travelled the world, including Mexico, and was in touch with all of the leading humanist organizers of his day. So in that sense, it can fairly be said that Helga Zepp-LaRouche’s trip to Mexico followed in the footsteps of Alexander von Humboldt.

In addition to her public presentations, Mrs. LaRouche held a series of press conferences, television interviews, and in fact she received very broad and widespread media coverage in all of the cities that she went to. Perhaps 20, 25 articles appeared in the Mexican dailies, the major dailies, covering her events, the content of what she had to say, and the political impact of her remarks.

In point of fact, her remarks unleashed something of a tidal wave in Mexico, a political tidal wave, as layer after layer realized that the Eurasian Land-Bridge was and is the alternative for Mexico.

Mexico is a nation that is today facing annihilation, both economically and politically. There is 50% real unemployment in the country. The price for its major export, oil, has plummeted by 50% over the last year. This has wreaked havoc with the federal budget, because 40% of budget revenues come from oil. And so, under IMF instructions, the government of Mexico has chopped its budget to shreds four times over the course of 1998, and there is still no hope of balancing that budget.

The policies of NAFTA, created by George Bush and Carlos Salinas de Gortari, have devastated Mexico. The country is facing not only poverty, but poverty that is rapidly becoming hunger, and hunger that will rapidly spread into African levels of starvation, if these policies and this economic system continue.

The current government of Ernesto Zedillo has unfortunately continued the policies of his predecessors in support of IMF-sponsored free trade and austerity cutbacks of the budget. He agrees with the policies of globalization, and has continued to sponsor them.

However, Mrs. LaRouche, in her visit to Mexico, made it very clear that her intention in visiting Mexico, was by no means to criticize the government of Mexico, but rather to offer to different political layers in that country, an alternative that is shaping up internationally, to break the blackout, to let Mexicans know that there is an alternative that they can choose to the IMF genocide which is currently wrecking their nation.

The other purpose of her trip, as she made very clear to her audiences, was to broaden the alliance of nations that are currently forging the Eurasian Land-Bridge, to emphatically include the United States and its close neighbors such as Mexico, and that Mexico, because of its close geographic and historic relationship to the United States, has a very special role to play in that strategically decisive process.

Mrs. LaRouche's remarks and her analysis resonated throughout Mexico, and were picked up in a politically significant way by different layers. Perhaps the most important of all, were the remarks made by President José López Portillo, President of Mexico from 1976 to 1982.

López Portillo's was the last administration where there was actual economic growth in Mexico. His government was committed to technological advance, to using Mexico's oil to trade for technology with the United States and other nations; it was committed to industrialization, it was committed to nuclear energy, it was committed to city-building, and it was committed to *stopping speculation, and replacing the global system of speculation and free trade with one committed to production.*

For all of these reasons, José López Portillo got into an enormous political fight with the International Monetary Fund. And he fought like a true statesman. President López Portillo was one of the very few sitting heads of state—Prime Minister Indira Gandhi was another—but López Portillo was one of the very few who met with Lyndon LaRouche, which he did in 1982, in order to discuss these policy alternatives. Mr. LaRouche subsequently wrote a book on the policy alternatives which he had discussed in Mexico, which was called *Operation Juárez.*

López Portillo's views coincided on many points with those of Mr. LaRouche. And he stated them without fear, and like a statesman, on many occasions. Perhaps one of the most historic was his October 1982 address to the United Nations

General Assembly, where he issued a clarion call for a New World Economic Order:

López Portillo: But the most constant concern and activity of Mexico in the international arena, is the transition to a New Economic Order. . . .

We developing countries do not want to be subjugated. We cannot paralyze our economies or plunge our peoples into greater misery in order to pay a debt on which servicing tripled without our participation or responsibility, and with terms that are imposed upon us. We countries of the South are about to run out of playing chips, and were we not able to stay in the game, it would end in defeat for everyone.

I want to be emphatic: We countries of the South have not sinned against the world economy. Our efforts to grow, in order to conquer hunger, disease, ignorance, and dependency, have not caused the international crisis. . . .

After major corrective efforts in economic affairs, my government decided to attack the evil at its root, and to extirpate it once and for all. There was obviously an inconsistency between internal development policies, and an erratic and restrictive international financial structure.

A reasonable growth policy was irreconcilable with freedom to speculate in foreign exchange. That is why we established exchange controls.

Given our 3,000 kilometer border with the United States, exchange controls can only function through a banking system that follows the policies of its country and government, and not its own speculative interests or the fluctuations of international financial chaos. That is why we nationalized the banks.

We have been a living example of what occurs when an enormous, volatile, and speculative mass of capital goes all over the world in search of high interest rates, tax havens, and supposed political and exchange stability. It decapitalizes entire countries and leaves destruction in its wake. The world should be able to control this; it is inconceivable that we cannot find a formula that, without limiting necessary movements and flows, would permit regulation of a phenomenon that damages everyone. It is imperative that the New International Economic Order establish a link between refinancing the development of countries that suffer capital flight, and the capital that has fled. At least they should get the crumbs from their own bread. . . .

The reduction of available credit for developing countries has serious implications, not only for the countries themselves, but also for production and employment in the industrial countries. Let us not continue in this vicious circle: It could be the beginning of a new medieval Dark Age, without the possibility of a Renaissance. . . .

We cannot fail. There is cause to be alarmist. Not only the heritage of civilization is at stake, but also the very survival of our children, of future generations, and of the human species.

Let us make what is reasonable possible. Let us recall the

tragic conditions in which we created this Organization, and the hopes that were placed in it. The place is here, and the time is now.

Small: It was the same José López Portillo, 16 years later and now the elder statesman, who responded to the LaRouche message in the following way, at the Mexican Society of Geography and Statistics on Dec. 1, 1998:

López Portillo: I congratulate Doña Helga for these words, which impressed me, especially because first they trapped me in the Apocalypse, but then she showed me the staircase by which we can get to a promised land. Many thanks, Doña Helga.

Doña Helga—and here I wish to congratulate her husband, Lyndon LaRouche. . . .

And it is now necessary for the world to listen to the wise words of Lyndon LaRouche. Now it is through the voice of his wife, as we have had the privilege of hearing. How important, that they enlighten us as to what is happening in the world, as to what will happen, and as to what can be corrected. How important, that somebody dedicates their time, their generosity, and their enthusiasm to that endeavor.

For my part, I fulfilled a period of responsibility, and I can report, in a somewhat dramatic way, what happens to national economies in an international financial order such as that which has ordered our affairs since Bretton Woods.

At Bretton Woods, as we all know, institutions were organized by the victorious powers, all capitalist: the International Monetary Fund, the World Bank, and in some way, GATT [the General Agreement on Tariffs and Trade], to organize the world through the control of currency, through the financing of development, and of trade, through the force of the powerful, and in their image and likeness, which, of course, did not turn out to be ours. No one outside the powerful were taken into account. I can report on what happened in my government, and perhaps it is important that I repeat it here. . . .

But at the same time, for geopolitical reasons, we had to insert ourselves into the international world, into the environment which surrounded us, and to enter, somehow, into the international bodies which ruled the world.

But, what happened when the Mexican Revolution clashes with those powerful bodies—expressions of powerful countries which have no reason to take into account the revolution of a developing country, which had lived through such a turbulent 19th century and which has so many social conflicts? Because we should recall that Mexico is a country of profound inequalities, as was observed since the 19th century by Baron von Humboldt himself. This is a country of inequalities, and as such, could be left neither to free trade, nor free competition, nor the values of liberalism, today called neo-liberalism.

As a result, when we would go to the international bodies, they disdainfully did not take into account either our political problems or our social problems. And, by dint of their rejection of the values of our Revolution, we became accustomed to disdain it, and even to forget it. And thus Mexico has forgotten its Revolution, and, as a result, the national economy which we had somehow wanted to establish.

And so I have heard, with special interest and even enthusiasm, that those who can do it in this world, are thinking of reforming the Bretton Woods agreements, in the right way, such that the world economy might function to resolve human problems, with humanism, and not to benefit capital, while forgetting or sacrificing the value of labor.

I remember that in the time of my responsibility, all of the prescriptions which the international bodies gave us, tended to depress demand—not to foster production, but to depress demand: “Pay less to your workers, to your peasants; sacrifice employment.” When, in our country, to govern is to create jobs.

When we tried, for example, to establish regional justice—this is also a form of inequality in Mexico, the different regions which also need to be developed, but for this, you need, for example, subsidies, privileges—and they threatened us: “Watch out! That’s encouraging dumping.” And we held back. Little by little, in this way, we lost the spirit of the Mexican Revolution.

This, briefly, is the experience of our national economy—and thus the importance that someone in the world is thinking on behalf of everyone, and is opening doors. Let us hope, Doña Helga, that your husband can influence the government of the United States, so that the proposals which you so brilliantly have laid out to us, can, in some way, be realized, and with them, that each people can express its uniqueness in the cultural realm, and in every possible aspect. Thank you.

Lyndon LaRouche on videotape, May 10, 1997:

Lyndon LaRouche: There are only two nations which are respectable left on this planet, that is, nations of respectable power. That is the United States, particularly the United States not as represented by the Congress, but by the President. It is the identity of the United States which is a political power, not some concatenation of its parts.

The United States is represented today only by its President, as a political institution. The Congress does not represent the United States. They’re not quite sure who they do represent these days, since they haven’t visited their voters recently.

The President is institutionally the embodiment of the United States in international relations. The State Department can’t do that, the Justice Department can’t do it, no other department can do it; only the President of the United States under our Constitution, can represent the United States as an entity, its entire personality, its true interests, its whole people.

Now, there's only one other power on this planet, which can be so insolent as that toward other powers. And that's the republic of China. China is engaged, presently, in a great infrastructure-building project, in which my wife and others have had an ongoing engagement over some years. There's a great reform in China, which is a troubled reform. They're trying to solve a problem. That doesn't mean there is no problem. But they're trying to solve it.

Therefore, if the United States, or the President of the United States, and China, participate in fostering that project, sometimes called the Silk Road Project, sometimes the Land-Bridge Project; if that project of development corridors across Eurasia into Africa, into North America, is extended, that project is enough work to put this whole planet into an economic revival. And I'll get into just a bit of that, to make it more sensuously concrete.

Now, China has had cooperation with the government of Iran for some time. Iran has actually been completing a number of rail links, which are an extension of China's Land-Bridge program, or Silk Road project.

More recently, we've had, on the side of India, from Indian leadership which has met with the representatives of China, to engage in an initial route among the land routes for the Land-Bridge program. One goes into Kunming in China. I was in that area, in Mishinaw, during part of World War II. When we were out of Mishinaw, and we had planes flying into Kunming, "over the hump," as they used to say in those days. I'm quite familiar with that area.

But if you have water connections and canal connections and rail connections, from Kunming through Mishinaw, that area, across Bangladesh into India, across into Pakistan, into Iran, up to the area just above Tehran, south of the Caspian, you have linked to the Middle East, you have linked to Central Asia, you have linked to Turkey, you have linked to Europe.

Then you have a northern route, which is pretty much the route of the Trans-Siberian Railroad, which was built under American influence and American advice by Russia.

You have a middle route which is being developed in Central Asia, with China and Iran. India is working on a plan which involves only a few hundreds of kilometers of rail to be added, though there are a lot of other improvements along the right of way, which would link the area north of Tehran through Pakistan, through India, through Bangladesh, through Myanmar, into Kunming, into Thailand, into Vietnam, down through Malaysia and Singapore across the straits, by a great bridge into Indonesia.

There's a plan also for the development of a rail link through what was northern Siberia, across the Bering Straits, into Alaska, and down into the United States.

There's a Middle East link—several links from Europe as well as China, but from China—a Middle East link into Egypt, into all of Africa. So that what we have here, is a set

of projects which are not just transportation projects, like the transcontinental railroads in the United States, which was the precedent for this idea back in the late 1860s and 1870s. But you have development corridors, where you develop, on an area of 50 to 70 kilometers either side of your rail link, your pipeline, so forth, you develop this area with industry, with mining, with all these kinds of things, which is the way you pay for a transportation link.

Because of all the rich economic activity every few kilometers of distance along this link, there's something going on—some economic activity. People working, people building things, people doing things, to transform this planet in great projects of infrastructure building which will give you the great industries, the new industries, the new agriculture, and the other things we desperately need.

There is no need for anybody on this planet who is able to work, to be out of work. It's that simple. And that project is the means. If the nations which agree with China, which now includes Russia, Iran, India, other nations, if they engage in a commitment to that project which they're building every day; if the United States—that is, the President of the United States, Clinton—continues to support that effort as he's been doing, at least politically, then what do you have?

You have the United States and China and a bunch of other countries ganged up together against the greatest power on this planet, which is the British Empire, called the British Commonwealth. That's the enemy.

And if, on one bright day, say a Sunday morning after a weekend meeting, the President of the United States, the President of China, and a few other people say, "We have determined this weekend, that based on our advisers and the facts, that the international financial and monetary system is hopelessly bankrupt; and we, in our responsibility as heads of state, must put these bankrupt institutions into bankruptcy reorganization in the public interest. And it is in our interest to cooperate as nations in doing this, to avoid creating chaos on this planet."

The result then, is that such an announcement on a bright Sunday morning will certainly spin the talking heads on Washington TV. But otherwise, it means that the entire system, as of that moment, has been put through the guillotine, and the head is rolling down the street—Alan Greenspan's head, perhaps.

That means we have, at that point, the impetus for building immediately a new financial and monetary system. Now, in putting a corporation which is bankrupt into viable form, what do you do? You've got to find the business that it's going to do, which is the basis for creating the new credit to get that firm going again. The Land-Bridge program, with its implications on a global scale, is the Great Project which spins off, directly and indirectly, enough business, so to speak, for every part of this world, to get this world back on a sound basis again.