

LaRouche in Ascoli Piceno: Italy's Leadership in World History Today

On the weekend of Oct. 7-9, Lyndon and Helga LaRouche visited the central Italian city of Ascoli Piceno for several conferences and meetings. The LaRouches were guests of the Chamber of Commerce of the Province of Ascoli Piceno, as well as of the municipality of Ascoli. On Oct. 7, they addressed a meeting at the Sala Gialla of the Chamber of Commerce, in the presence of city and provincial authorities; that same evening, they were invited by the Kiwanis International Club to deliver a luncheon speech. On Oct. 9, they visited the footwear district of the province, and addressed a public meeting organized by the Ascoli municipality. Below is the full, slightly edited text of Lyndon LaRouche's keynote address at the Oct. 7 Chamber of Commerce meeting. Subheads have been added.

My arriving here came out of [a trip to Italy] several months ago, when I was the guest of a parliamentary group in Rome, with Deputy Giovanni Bianchi. It was on the question of legislation then before the Parliament, legislation which coincides with two things: First of all, of course, this is the Jubilee Year, and Italy has taken a leading part, both on the government level and otherwise, in fighting for issues of human concern which involve the Jubilee Year: The question of justice for developing countries, for example. The question of debt reorganization, for justice for developing countries.

Also, this is the year in which the greatest financial crisis in three centuries of European history is onrushing. Now, despite the fact that the government of Italy is not powerful in its influence in the world, or in Europe, but is in a sort of secondary position in decisions made by the European Community, if you watch the parliamentary proceedings closely, you realize that Italy is in the leadership, as a voice supporting and proposing initiatives which are urgent for dealing with the present crisis. When the financial collapse will occur is not yet certain, because there is free will in politics. And therefore, sometimes things can be postponed for a short period of time—before they explode—by an act of will.

The crisis would have already exploded, except for the United States. Because of the U.S. election, the New York financial groups, the government, and the leading political parties decided, at any risk, at any cost, to try to postpone the financial collapse until after the U.S. Presidential elections. It may not be possible for them to do so. The international financial collapse could come this month, it could come next

month. Nobody can decide exactly when, because there are decisions which have to be made which will decide that. But it will come.

What we were discussing therefore, with Deputy Bianchi and others, were specific measures to reorganize the world financial system, for an immediate recovery from a general financial collapse. The collapse is going to occur. It cannot be stopped. It could be stopped, but there's no will in any government to stop it. They will be unable to mobilize political will to stop the crisis until after it has occurred. It's not unusual in history. Until people's illusions are destroyed, they will tend to cling to those illusions, and will not make the decisions they should have made, until they're terrified by what has already happened. This is the way that great wars strike. Great wars can be foreseen, but they usually take people by surprise even though they're thoroughly planned beforehand. Because there's a process, a human social process, by which the inevitable, or the probable, suddenly occurs.

The 'New Economy' Is Most Vulnerable

Now, in this circumstance, the area of Ascoli Piceno and the Piceno region, has certain advantages. An ability to resist the crisis, which larger, more developed areas, so-called, will not be able to resist. For example, one of the industries that will go out of business—virtually out of business, with the crisis, is the present form of the Internet. That, when the crisis strikes, the financial collapse will strike especially in certain areas. The most vulnerable area of large-scale employment will be the so-called "New Economy." So, a region which is depending upon the Internet and related industries for its survival will suffer the most. One which is less dependent upon the role of the Internet, has advantages.

Obviously, the biggest blows will come in the large financial industries. We are talking about presently, globally, \$400 trillion equivalent of short-term financial indebtedness. Most of this is concentrated in areas such as so-called financial derivatives. We have, globally, a gross domestic product of all nations combined, of slightly more than \$40 trillion equivalent. Now, how are you going to pay all of the debts of the world, suddenly, in a crisis, when you have over \$400 trillion of short-term obligations, most of which are under no accounting control by international markets? Most of the leading banks in the world, are bankrupt. The banking system of Japan is bankrupt. Most of the banking system of Europe is bankrupt. The banking system of the United States is bank-



Meeting of the Chamber of Commerce in Ascoli Piceno, Italy, Oct. 7, 2000. Left to right: Chamber of Commerce director Francesco di Matteo, Ascoli Mayor Piero Celani, Province Minister for Development Mrs. Paola Armelini, Chamber of Commerce Chairman Enio Gibellieri (speaking), Lyndon H. LaRouche, Jr., Helga Zepp-LaRouche, Prof. Gianluca Gregori.

rupt. When the crisis comes, these banks will be thrown into bankruptcy.

Under these circumstances, two areas, in addition to the so-called Internet-New Economy area, will be hit very hard. One will be, of course, financial services, real estate speculation. They will suddenly collapse—bankruptcy, as in the Great Depression, same kind of thing—very suddenly. Industries which depended upon globalization will suffer the most. Because, with a breakdown in international trade, or instability in international trade, firms that were involved in outsourcing are the most vulnerable. Large-scale industries which had no local market, no national market, will suffer the most.

Now you begin to see what I said just now: that there's a significant advantage in this region, to resist and survive. Because what some people would consider weaknesses, are actually, under these circumstances, advantages. There is a composition of employment and economic activity here, that is healthier, than in Rome, for example, or Milan. This is one of the ironies of the situation. Why? Because your industry is not so globalized, not so dependent upon the global markets as other areas. You have a lot of artisanship, agriculture, small industry—privately owned, entrepreneurial industries.

Thus, in an emergency, what would you do? Well, you would probably take your memory of the experience of your work with the Cassa del Mezzogiorno, which did an excellent job in many parts of Italy, and also in this area. And you would build up certain kinds of naturally suitable industries, largely privately owned, that is, entrepreneurial industries, increasing artisanship, improving agriculture, and especially concentrating on local and regional trade, and national trade—where

you're more secure. You have the customer you can talk to, the supplier you can talk to directly—direct simple relations, able to quickly adapt. You can make agreements by which you can foster employment among various interests and enterprises, because you can get together more quickly, and therefore, your history and experience in regional organization, political and economic, now suddenly becomes an advantage.

A Moral Crisis

If you look at what the recovery will have to be, which is what I was discussing in Rome with the Deputies and others a few months ago, the reason we're in a crisis now, is, first of all, moral. It's a moral crisis, in the sense that popular opinion, in the Americas—especially North America—and Europe, notably western Europe, has undergone a very profound change in the recent 35 years. We have moved away from the kind of economic thinking and morality on which we relied coming out of World War II. If you take the case of Italy's recovery, especially during the 1950s and the early 1960s, you think of the period of [Prime Minister Alcide] De Gasperi, you think of names such as [industrialist Enrico] Mattei, you think of De Gaulle, you think of the [Robert] Schumann plan, you think of what happened in Germany under [Chancellor Konrad] Adenauer, and then continued under [Chancellor Ludwig] Erhard. You think of the cooperation between the United States and continental Europe in the period from Franklin Roosevelt until after the death of President Kennedy. You think of the improvement of the economy of Italy, up and until the end of the 1960s, in which the industrial development of Italy progressed nicely, the improvement of the gen-

eral standard of living in postwar reconstruction was successful.

Then, globally, in the period following the assassination of Kennedy and the developments of the middle 1960s, there was what I regard as a moral collapse in European civilization. A rejection of precisely those things on which we had depended for making a post-war reconstruction, especially in the relations between Europe and the United States—especially western Europe and the United States. It was all thrown away, step by step. There came deregulation. There came the attack on the idea of technology-intensive industry, that is, real technology: manufacturing, machine-tool work, the small machine-tool shops which are called in Germany, the *Mittelstand*, which employ between 5 to 250 people, typically, who are usually led by engineers or scientists. The ones on which the large corporations depended for the ability to develop new tools, new designs of products. Smaller firms, highly specialized, supplying the technology which made large industry work, and large infrastructure work. Construction firms, which were actually high-technology. For example, in Italy, you had a very high-technology industry in construction in large-scale waterworks, in building tunnels and bridges, and so forth. This industry has been greatly undermined. You had in Italy, the sponsorship of the Cassa del Mezzogiorno. This was a very successful institution, when it prospered. The cessation of the program of the Cassa del Mezzogiorno has been, for the past 25 years, one of the great disasters of all of Southern Italy, and all of Italy as a whole. The failure to develop, reconstruct Sicily, to reconstruct Calabria, and so forth. This is a great disaster because the poverty of Southern Italy pours into and weakens Italy as a whole.

So, these are the kinds of ideas, or changes in ideas, which have destroyed us. The so-called “New Economy,” the entertainment industries, are typical. One example, entertainment: Television and games entertainment, which has become pure evil, not simply because of sexual morality, but because of the very way in which the image of man is presented in the television set by games, and the influence of this mentality in schools.

What’s the conception of man? What was our conception of man in the period of reconstruction of Europe and the United States, after the last great war? Our conception of man, was man made in the image of the Creator. The individual must be developed, because we, as human beings, have a creative ability which no animal has. And therefore, under Christianity, the struggle was to build political institutions which would treat every individual person as a person made in the image of the Creator. A person with a creative ability, who is therefore a sacred creature. Not an animal, but a sacred creature. And therefore, we must educate and develop our people in ways which are consistent with our nature—that nature. Our conception of human rights was a right to health care, a right to qualified education, a right to opportunity to develop, to develop the ability to make a contribution to society.

The way we did that, through the nation-state—and only the nation-state can do this—was to create institutions of state credit, long-term, low-cost state credit, which was then loaned, by the government—not a private institution—through banking institutions which were regulated by government, or through institutions, as in Italy, by the Cassa del Mezzogiorno, which would ensure that this credit, at low costs, on long terms generally, would flow into areas of entrepreneurship and other activity, or public works, which would develop the conditions under which the people of a nation and their productive functions could prosper.

The Past 25 Years

What was the characteristic of the past 25 years? Since 1971, since the institution of the floating-exchange-rate system in 1971, step by step, in Europe, in the United States, and spreading out of Europe and the United States, we have destroyed all of those standards of conduct, political behavior, and basic economic and financial policy on which our recovery from World War II depended.

Now, a society which is based on the nature of man measures its performance in terms of the conditions of life of man. Our individual persons and their posterity. Our commitment is not to next year, our commitment is to two generations from now. I mean, people have sacrificed as parents, for their children. What was the morality? The morality is, I am going to sacrifice, if necessary now, to ensure that my children and grandchildren will have a better life. That was the morality. That was the morality which we brought to government when we were decent.

What happened in the past 30 years? We went in a completely different direction. We destroyed the nation-state. We destroyed the monetary system on which the rebuilding of Europe and the United States depended. We no longer had a fixed-exchange-rate system; we had a floating-exchange-rate system. The prices of international loans, of international debt, went skyrocketing, because currencies would fluctuate. Look what happened to the lira in the middle of the 1970s, as a result of deregulation, when the IMF [International Monetary Fund] ordered Italy to go bankrupt. This was a political decision, which people like my friend, [Sen. Flaminio] Piccoli, recently deceased, and others, resisted. We lost the battle. Look at the result.

The same thing: education. Now, go back to the fact that—this is Italy. Italy has a long memory. It has at least a memory of 2,500 to 3,000 years. It remembers Magna Grecia. It remembers Sicily. It remembers Italy before Rome. It remembers Italy of the Etruscans. It remembers Italy of Capua. So, what was the greatest disaster that Italy remembers? The collapse of the Roman Empire. It was called the New Dark Age. What caused it? Look at television today. Look at games, like Pokémon, which children are playing, in Italy. What have we done? We have said, no longer do we need morality. We are like the Romans who destroyed themselves. We rely on *vox populi*. What is *vox populi*? *Vox populi* was what the ancients



Lyndon LaRouche (third from left) and Helga Zepp-LaRouche (left) at the Montegrano school for shoe engineers, in Ascoli Piceno.

of Rome called the ordinary people. *Popolari*. Predators! This was the original meaning of the term “popular.” How did the rulers of Rome control the people? Through *vox populi*. How did they control *vox populi*? By wars. They sent them out to kill and conquer other people. How did they build the morality to do this? By the games. By the bread and circuses. Entertainment. Read the description of the games in the Roman arena by Augustinus. Look at Nero. Look at Caligula. This is how Rome was destroyed. Not by its leaders. It was destroyed by its own people. It destroyed itself through substituting *vox populi* for morality.

Now what do you see in television today? January will be the 100th anniversary of the death of Giuseppe Verdi, and I’ve been campaigning, with others, for an international celebration for Verdi in Busseto on this 100th anniversary. I’ve been campaigning in Italy, for example, and in other places, to return to the standard of Verdi for musical performance, and so forth. Along with a number of leading singers and others in the world.

The Importance of Verdi

What’s the importance of this? Look at the greatest operas of Verdi, which are an expression of a great development of Classical composition, from Bach, in particular. Look at the subject matters of Verdi. They were based on what? Models of Shakespeare, ancient Roman and Greek history, on the basis of the writings of Schiller, the tragedies of Schiller. These were not entertainment. These were like the great masses, and like the great passions performed by Bach. You

had in the theater of the great Verdi opera, the great tragedy, you had an audience: the people! The people sitting in the audience. You had a drama based on people who had very carefully studied actual history. The tradition of Sophocles and Aeschylus in Greek tragedy. Real history or the myths which were used for history, the Homeric myths, in the case of Sophocles, and so forth, these dramas were not soap operas, there were not stories, they were not entertainment. They were showing people, ordinary people, history. They were showing how people destroyed themselves in real history. It’s like the great passions, the *St. Matthew Passion* or the *St. John Passion* of Bach, in which the congregation sits in the church and lives through the experience of Gethsemane and the crucifixion of Christ. This is a very powerful experience which brings people out of the smallness of their belltower, and their short-term life, to see themselves as human beings who have to be concerned about what they do about history.

So, you have today, not that. You don’t have Classics in school. Because all the Classics, whether it’s the teaching of history, the teaching of economic history, the teaching of science—it’s history. What is science? Science is the history of scientific discovery and its effects. A qualified student learns that history by re-experiencing the great discoveries on which modern civilization is based. Not today. Not in the schools today. Only in the exceptional schools. We no longer are individuals who locate ourselves living in the simultaneity of eternity. That is, we are born, and we die. We all know that. Therefore, what do we do with our life, which lies between birth and death? Are we just an animal? We’re born and we

die, like an animal? Or are we something else? Are we creatures of cognition, made in the image of the Creator, which, unlike an animal, have the gifts of discovery of ideas from those who went before us, which we transmit to those who come after us? Trying to add something useful to what we pass on.

Now, the object of education, the object of statecraft, is to bring the little person out of smallness, out of childishness, out of selfishness, into thinking about what their life means, what it means in history. What does it mean to God, looking at that life? This is what the great question of the passions is. I'm living, what does God see? What am I doing, for Him, and thus for myself? This was the greatness, for example, of the Verdi opera, because it is great polyphonic music, from Bach, by the tradition of Florence, the tradition of *bel canto*, the tradition of Leonardo da Vinci, who codified *bel canto*.

So, you have music, which is agreeable to the human nature of singing, in the six natural voices. These voices are mixed together, participating with passion in the experiencing of a historical lesson. Now, the audience looks at the stage, but they come out looking at themselves. They see Hamlet destroying himself and his kingdom. They see that this destruction was not necessary. In Italy, they read the case of Simon Boccanegra the same way. They say: "Me. This is me. Am I going to be like this fool?" From this, as from the great Christian legacy, they acquire lessons of how to make decisions. Because they think as if God were looking at them in each moment: Am I doing the right thing? The quality of conscience.

And today, what do you have? Entertainment today is the worst level, done by the age of modern electronic technology, the worst thing that was ever done under the worst Roman Emperors in the games. And little children, in a period of the greatest suggestibility, are obsessed with learning how to kill. Pokémon, or Nintendo games: They're practicing killing. You have a child who never shot a pistol before, in the United States, got a pistol, with six shots killed six people with head shots. A little boy! Where did he learn to kill six people with six bullets, quickly? He learned it on Nintendo games, which teach him to do that. Using Nintendo games based on military games to train police and to train soldiers to kill in the same way. You had a case of an innocent man in New York City, Amadou Diallo. He was not guilty of anything. They asked for identification; he reached for his wallet. They had—in that instant, 41 bullets went into that man, from four policemen. This is happening all over the United States, because they're trained that way. They don't think—they kill. And we're doing the same thing to our children.

Every place that Pokémon is being absorbed by children—in Italy, you have a potential killer, a person who is losing all morality. Now, if you think about our entertainment—in Italy, as well as in other countries—think about the changes. Think about Italy as the nation which has the greatest concentration of art treasures from the longest period. The world has been trying to steal Italian art for years, at cheap

prices, or without paying anything at all. And so an Italy, which was based on its Classical legacy, its historical legacy, for the development of even those children who were not well-educated, lost that. And you look at France, you look at Germany, you look at the United States, you look at Central and South America, you see globally the same thing.

Why Civilizations Disappear

Let me add one thing to this: that, as I have written a paper on this recently, if you look at the history of the world, including the pre-history, as described by Plato, for example, in the opening of his *Timaeus* dialogue, mankind has lived on this planet for up to 2 million years. We have indications which can prove that there were human beings living, for example, in Europe between 400,000 to 600,000 years ago. Because the artifacts associated with the psyche, the human psyche, the artifacts could have been made only by the human mind, not by an ape. Where did all the people go, from pre-history? Where did they go? Plato says, there are two reasons [they disappeared]. One was natural catastrophes. We had glaciers in northern Europe for 100,000 years, approximately; that's most of the pre-history of Europe. We're now in an interglacial period, and approaching the next glacial. You'll have nothing but ice cubes in Switzerland very soon, maybe a few thousand years from now. I think in long terms. I think in millennia. Meteorites have destroyed whole parts of human habitation. You have natural catastrophes of other kinds. Never, so far, has man been able to control a natural catastrophe. We've been able to deal with them, after the effect, control the effects, but never control the catastrophe.

Second, the most dangerous cause of the destruction of humanity, was the destruction of an entire civilization by its own culture, by its own equivalent of *vox populi*. Now, this being the history of man, Christian civilization, especially beginning with the 15th-Century Renaissance in Italy, has been the only civilization which has been able to control the periodic collapses of entire empires. Every empire that is created, is doomed. What is threatening the United States, and Britain, and so forth, right now, is really a collapse of the empire threatening a New Dark Age, just like the collapse of the empires of the past, of Babylon, Rome, and so forth. A culture so rotten, that it destroys itself.

The only antidote to that, was found in Christianity. And that was the conception of society which erupted into Europe in the form of the nation-state 500 years ago. And that was a society which could resist disasters. This is the greatest growth of life-expectancy, growth of population, improvement of conditions of life, in all the existence of mankind. It came out of the Christian form of the Greek legacy in civilization. Thus, if we lose European civilization, if we lose a Christian-directed European civilization, what is going to happen to the whole planet? Can the Asian cultures solve this problem? No, despite the fact that Islam has a monotheistic basis, it does not have this ability, even though it has a potential.

Only if we're able to use the legacy of European civilization in an ecumenical way to inspire cooperation with other parts of the planet, can we overcome the causes of the present crisis. And in that respect, looking at what I know will happen, in general — no one knows any more than in generalities what's going to happen — look not in this region at the disaster, but look instead at the fact that this region, because of these peculiarities, is a region of opportunity for withstanding the barbarians, when they start coming, with the collapse of the Internet. And being a bastion, and a factor, in rebuilding civilization as a whole, and Italy as a whole. So one should approach this disaster, like a general who is fighting a war that he can win. And if you're going to fight a war to win, you're going to fight it with optimism. You aren't going to fight it by sitting down in a foxhole. . . .

Now, what you have today, is you have a system of *fondi*, which are represented by merchant banks. The merchant banks control the major banks. They control the financial markets. Through these mechanisms they control the large corporations. Wall Street is one of the centers of this. The Wall Street banking system is controlled from the top, by people who own merchant banks. In other words, it's not owned by Chase Manhattan and J.P. Morgan, but it's owned by those who own those banks. So, the merchant banks own the banks. The merchant banks, as they did in the 1920s, have looted the banks. So all the banks of Europe have been looted by the merchant banks, with this so-called New Economy. The mergers and acquisitions are part of this process.

Now, the banking system is going to collapse, because of what it's involved in. Under these circumstances, what you have to do is, you have to destroy the power of the merchant bankers, and the *fondi* behind them. How do you do that? By asserting the authority of the nation-state. The nation-state has to reconstitute itself, set up a regulated system, put the banks in bankruptcy — not close them down, put them in bankruptcy reorganization — restore banking law, under which the banks can function as they should function in a nation: as credit mechanisms for the economy in general. So, what we're going to have to do, is actually put the world through bankruptcy reorganization, in the Classical sense.

The Question of Energy

Now, on the question of energy: There is no alternative at present, to reliance upon the so-called traditional sources of energy, which now are largely petrochemicals, and nuclear power. There are two reasons for this. One, although the problems of petroleum are exaggerated, the problem of using petrochemical, petro-fuels, is the fact that we don't spend enough to use it cleanly. We could have used clean coal. We could clean up production. There is no inherent environmental danger in using petroleum. There's an inherent environmental problem if you don't do it properly. But if you do it properly, it's not a problem. So the problem is, we don't do it properly. For example, why should we carry

oil on the high seas, from the country where it's produced? Why don't we refine it and clean it up there? We can do it, it would work much better. Because we can use the by-products more efficiently there.

Nuclear power is not a problem. The problem is: Is it properly managed? The right technologies are not used. To develop nuclear fusion — from now, or from any point in time, will take us about 20 years, to get to a fusion system, because it has not been developed. And this is a big development job. The problem is deeper, however. Solar energy is worthless. In some places you can use it, but generally, it's worthless. The test is this: The basic physical standard of energy supply for modern technology, is what's called energy-flux density. At the point of combustion, at the point you're transforming whatever you're transforming into energy — two things, first of all. First, the energy-flux density. That is, the density per square centimeter of cross-section of the energy per square centimeter. Therefore, what we require for modern industry, and for efficiency, is high energy-flux density generation of power. The only thing that meets that, which is ten times better than petroleum, is nuclear. Solar energy is the most inefficient. As a matter of fact, if you rely upon solar energy, you are going to consume more energy by solar production and distribution than you will get. So, solar energy loses energy. You can apply solar energy in certain ways and times, but it is not a reliable, significant source for an economy. To do this right, we have to have a major capital investment in large-scale energy systems. Now, the question is, what kind of a system?

There are ways of transmitting energy, from the point of production, to the point of its use, which are much better. So, the two problems here are: energy-flux density, properly controlled, and transmission of energy. For example, you take a highly concentrated city. Now, if you were going to have energy supply for the city, how would you get fuel for your automobiles, or your airplanes? You would not use petroleum. You would use nuclear energy to generate natural gas or methane. You would power your vehicles through that, possibly with hydrogen, you might use fuel-cell techniques, or modern fuel-cell techniques for local vehicles which would use that as a fuel. So, this is also an area of capitalization. We require a large-scale capitalization per square kilometer, per capita, globally, to increase the availability of energy produced by high-energy density means, and whole ranges of alternative methods of transportation of that energy to its consumer, according to the characteristics of the area you are serving. That is, a densely populated city, could build a pipeline system, build a chemical slurry, pipe the chemical slurry throughout the town, and the houses could get their energy for heating and cooking and so forth from that source more effectively, with less risk and less problems, than with other sources of distribution of energy. But the method you use has to fit the circumstances of the application. But those are the general problems.

Thank you.