

the proposal for debt relief for poor countries in the Jubilee Year, promoted by Pope John Paul II and the Italian Catholic Bishops Conference, and enacted by the Italian Parliament in July 2000. Panizza answered the host's question, "What do you think about LaRouche's view on an urgent financial reorganization?" saying, "I fully agree with everything LaRouche said, and I am always amazed to see how his ideas fully coincide with mine. I think such a financial reorganization would be much more effective in stopping international terrorism than bombing Afghanistan, since the main support to terrorism does not come from Afghanistan, but from financial interests involved in the drug trade and financial speculation worldwide, as LaRouche said."

Galloni then emphasized the importance of what LaRouche had said about the phone call between President Putin and President Bush on Sept. 11, which averted a serious international crisis. Galloni also endorsed LaRouche's proposal for Third World development as the only solution, not only to poverty and destabilization, but also to the economic crisis in the developed countries, including Europe, which depends largely on export markets.

Father Frascali added to the discussion his social experience, being a priest who works daily with the "forgotten man," those children and adults who are the first victims of what he called a "rush to success and riches," ignoring social values.

At that point, Vecchio asked LaRouche to give his view, as an economist, on American economic thinking, and on John Maynard Keynes. LaRouche explained that many people in Europe tend to concentrate on Keynes, when they debate free-market economics, as opposed to other schools in economics; but that the American school of economics actually goes back to President Abraham Lincoln.

Economist Panizza underlined the importance of what LaRouche said regarding three "American System" economists—Alexander Hamilton, Friedrich List, and Henry Carey—given the demonstrated failure of present economic theories to face the world financial crisis.

The debate ended with the announcement of several future broadcasts on economics, with Professor Panizza and Galloni as permanent guests. Many viewers called into the TV station to congratulate LaRouche and the other speakers for their courage in openly discussing such important matters as the attack against the United States and the economic crisis. These are normally avoided now in TV debates, in order to stick to the propaganda line coming from CNN, BBC, and other media.

After the debate, LaRouche was invited to a Thanksgiving dinner attended by the speakers, LaRouche's collaborators in the Italian Solidarity Movement, and young researchers and political activists who were not able to participate in the TV debate. The discussion continued at a restaurant in the vineyards of the Frascati area. Before leaving Rome the next day, LaRouche paid a visit to the Etruscan tombs in Cerveteri, which are dated as far back as the Seventh Century B.C.

Lyndon H. LaRouche, Jr.

Western Europe's Role In The World Crisis

The following are Lyndon LaRouche's opening remarks to a seminar in Rome, on "Western Europe's Role In The World Crisis Since Sept. 11," on Nov. 21. Subheads have been added.

I'll divide my remarks into three sections, which are integrated. First of all, I will tell you a story, which is a true story, of my experience from Sept. 11 to today. Second, I shall refer to the economic setting of this story; and then, I shall describe the strategic—political-economic strategic, issues which are posed by this.

My experience with Sept. 11 began at about 9 o'clock in the morning, U.S. Eastern Daylight Time. I was scheduled to be on a two-hour radio interview at that point. So, as the 9 o'clock hour passed, then the story of the first strike against the building in New York occurred, and then, shortly after that, the second. And, naturally, the discussion with my host and me, on the air, concerned these developments which had just broken out. Before the two hours was up, and by the time that the Pentagon had been struck, I knew with certainty that what I had experienced, was an attempted coup d'état, by forces inside the United States, at a very high level of the military command. Nothing else. The technical features of the developments were sufficient to prove that at that time.

The only event which reasonably approximates that, in recent history, occurred in France, at the time that de Gaulle was becoming the Prime Minister and President of France, in which a group of generals, over the issue of Algerian policy, actually attempted to stage a coup, first, against the pre-de Gaulle government, then against de Gaulle, and then the assassination of de Gaulle. The other thing that was similar—[aside, responding to question] (Yes, Sartre, and more important, Jacques Soustelle; Jacques Soustelle and Paul Rivet and Jean-Paul Sartre, were all part of the same operation.) So, the other incident in the last century, which was very similar to that coup d'état, was the Hitler coup d'état of January-February 1933.

The Emergence Of 'Special Warfare'

Now, I knew where it came from, in the sense that we have developed—as many of you here know, because you've studied these things, from the standpoint of the history of Europe and Italy. Because, what happened in the postwar

period, that is, after World War II, with the development of nuclear weapons, a new emphasis in direction of warfare emerged. A certain Anglo-American faction had set up a conflict, which became a thermonuclear conflict between the Soviet Union and the Anglo-American forces. And under these conditions, of increasing danger of nuclear warfare, what became known as “special warfare” became rather popular with the powers. This included the quasi-mercenary armies, it included also international terrorism, which was always organized by governments, never by private organizations, and involved the emergence of a special type of military faction, which in the United States was associated with Allen Dulles, and with people like that.

So, what I saw—I’ve had a lot of experience with these fellows, in opposing them, in my history. I know the species of animal very well. And, in a case like this, sometimes you don’t know *who* did something, but you may know the species of animal that did it. It’s not as important, at this point, for me to go into the details of how and what the proof was, but, the point was, there were certain characteristics of the U.S. internal security provisions, and the way things happened on that date, that could only have happened under the direction of the highest level of military command, operating in conducting a coup, within and outside the government.

Now, as in the case of the attempted coup against France, and de Gaulle, the person, and the Hitler coup of 1933, in a coup of this type, you have two forces which are actually in support of the coup. You have the conspirators, who are actually a very tight group, and very secreted, very well organized. On the lower level, most of the accomplices don’t know what they’re doing. They just know, what they’re doing is, that they’re following orders. And, as in the case of the Kennedy assassination, they’re often given misdirected orders, to confuse them, so they can’t suspect what they’re up to. And then, outside the actual, immediate conspirators, there is always an ambiance of agreement, philosophically and politically, with the general objectives which motivate the coup-plotters.

The ‘Third Geopolitical Plot Of The 20th Century’

Now, in this case, it was long known in Europe—and many of you know it fairly well—the issue was the “clash of civilizations” policy of Zbigniew Brzezinski, which might be called the “third geopolitical plot of the 20th Century.” That is, the first one, was to start the First World War, which was organized by the British to prevent cooperation in continental Eurasia. The second one was, of course, to send Hitler against the Soviet Union, and thus, to start another geopolitical war, which would prevent cooperation in Eurasia.

What set the stage for this, was what happened, beginning 1988-1990: The collapse of the Soviet system, meant the elimination of the last credible strategic obstacle to Anglo-American world domination. But, over the ten years since that

has occurred, under the influence of so-called “globalization,” which is another name for the Roman Empire, is that the monetary and financial system, which was being set up by the victorious Anglo-American banking interests, was collapsing.

As we sit here now, that system is in a terminal state of collapse. *It’s the greatest collapse since the 17th Century.* Remember, that, in this case, in this collapse, you had a great buildup in Europe, of industrial power, of agricultural power, in the last quarter of the 19th Century and into the end of the First World War. So that, when the Depression occurred, in 1929-1930, it had been a dozen years since a high point of previous agro-industrial development. When the crash of 1929-1933 occurred, this occurred at a time—it was about a dozen years after a high point of previous industrial-agricultural development had occurred. In this case, today, it’s a period of about 35 years, since about 1966, when the British and United States began to tear down the agro-industrial potential of leading countries. And since the 1971 buildup of the so-called new monetary system, the floating-exchange-rate system, the destruction of infrastructure, the destruction of agriculture, the destruction of industry, the destruction of the economic-productive potential of populations, is enormous; about 30 to 35 years of destruction have occurred in Europe and the United States and elsewhere.

We’re in, right now, a situation, economically, which is worse than 1929-1933. The system is about finished: Argentina is about to go; Turkey is about to go. We now have a rate of hyperinflation, that’s developing in Japan and Europe, in the monetary and financial sphere, while we have an accelerating rate of deflation, in the physical economy. We have a massive aggregation of debt. So, we have, now, a situation, in which the system as a whole, which has a *tremendous* amount of financial debt which can never be paid, which simply has to be cancelled—is so great, that the system is now finished.

We have the greatest rate of combined monetary and financial emission we’ve ever seen. For example, Europe could not maintain itself physically at present—Western Europe, could not maintain itself physically, on the basis of its product. We’re using up past infrastructure; we’re using up past resources. Take Japan: Japan is ready to blow. Japan is in a hyperinflationary monetary-financial expansion. The United States is *officially* hyperinflationary. We have an official borrowing rate of 2%, an official discount rate of 1.5%, and an actual inflation rate of about 6 to 7%.

So, therefore, you come to a point where, at the same time, you have cooperation that’s developing in Eurasia, among Russia, China, India, other countries; in the case of Germany, Germany’s only net exports, in growth, are in China and Russia. And you’ve got a similar situation for Northern Italy, certain potential in the Northern Italian—five areas that have most of the exports. Europe can not survive on the present levels of economic output. The export markets exist; they



Lyndon LaRouche with two of his fellow speakers at Rome seminar and on Italian TV, Labor Ministry Director Dr. Nino Galloni (left), and Prof. Roberto Panizza (right).

exist in Asia. They do not exist in the sense of merely simple exports—though China will absorb a lot of its imports. They require a massive injection of credit into large-scale infrastructure, to make possible the realization of this potential. As for what we have in Western Europe itself, only infrastructure can revive the economy, because we don't have the facilities, we don't have the labor skills for large-scale expansion of productive employment. So, you would have to use large-scale infrastructure projects to absorb unemployment, and as a stimulant to other parts of the economy.

This requires large-scale credit. With a bankrupt financial system, this means state credit.

You already see, in the case of the United States, since the 11th of September, the United States is shifting away from privatization, toward the state sector. Most of this is fairly silly expenditure. It's not the kind of expenditure we need. But, in Europe, we know how to use state credit to get expansion of the economy. We have many lessons on how to use infrastructure projects, to stimulate the private sector, to stimulate agriculture, to stimulate a general growth pattern. And, if we can do that, we have the largest market imaginable in Asia.

Eurasian Cooperation vs. Geopolitics

In this process, while this crisis was going on, we've had, beginning since 1998, with the Primakov prime ministership in Russia—what I was pushing at the time, is to use the cooperation, or the *potential* for cooperation, among Russia, China, and India, as *pivotal centers* to bring all of Eurasia together in a cooperative venture for economic revival. The liberal faction in Russia managed to kill that with Primakov, and get Primakov bounced out. But—in a quite strange way,

and I won't give you the bottom line on it, because I don't know the final answer—Putin has done, generally, a very interesting job, as President of Russia. The cooperation with Japan, with China, with India, with Iran, with other countries; reaching out to Germany; reaching out to other countries, for cooperation, is a very interesting and amazing operation. Since about two years, about this time, I've also picked up, on the other side, the counter-operation. What is obvious, at this point, is, without some kind of crisis intervention, the natural tendency throughout Eurasia, is to take these agreements, in which Russia is a fulcrum, between Western Europe, Russia, Central Asia, China, Japan, Korea, India, and so forth—to take these agreements, and to turn them into an engine of economic recovery and stability, not only for Eurasia, but for the world in general.

Now, then, comes the other side—then comes the reaction expressed by Kissinger and Brzezinski, most plainly by Brzezinski. It comes also from London, from the British royal family circles. Geopolitics: "We must have a geopolitical crisis in Eurasia, to prevent these nations from coming together in cooperation under these circumstances."

Now, what happened, then, in this context—this is what the coup is about: The *pivot* is the present Israeli government, which is committed to a "clash of civilizations" war against all Islam. We have the financial angels of the present Israeli government from the United States, who are backers of this operation. (They're not angels, they're devils, but if they'd ever been angels, they'd have been *fallen* angels.) They call themselves "Mega," because they used to call themselves billionaires; now they have too much money to call themselves "Mega." This is the group around Tisch, Lauder, and so forth—this crowd. This is the U.S. group, which is behind

the military, which is behind Sharon. This is represented, on the military side, by Wolfowitz, by Richard Perle, by Armitage at the State Department, and so forth. This is also the British monarchy; this is also a large part of the Manhattan oligarchy. So, they are *for* the idea of a conflict with China; to threaten Russia; tell Russia, “Don’t ally with China, or we’ll smash you.” . . . [tape interrupted].

So, you see, the pressure is on, to bomb Iraq, to bomb Sudan, to invade Somalia—to go for a full-scale clash of civilizations. So, there’s a major fight, with the British monarchy on the one side, with their allies in the U.S., who are *for* the Brzezinski policy, while the President of the United States, with [Colin] Powell, is *resisting* this policy, but with this stupid thing in Afghanistan as the way of doing it.

So, I would draw three conclusions from this. First of all, this situation describes the state of degeneration, of decadence, of the political classes that run most of the world today. The stupidity—just the sheer stupidity, let alone the other horrors—of this situation, is astonishing. Secondly, that we are in a situation where the world could actually go to hell over this issue, the way I’ve just described this setup. And don’t assume that this Afghanistan war is under control—it’s not. This war is going on; it’s getting into a worse phase now. This can become very complicated; the pressure on Pakistan can destabilize South Asia.

What’s the situation? We have actually, still, three powers on this planet, that make decisions about the planet as a whole. One is the British monarchy, which runs a number of countries. Another is the United States, which considers itself a global, never-defeated power. It’s a part of the American culture, to think in those terms. Then you have Russia, which, despite its bad times—as it’s now recovered some degree of optimism—also thinks in global terms. And both the United States and the former Soviet Union (representing the derelict forms available), were formerly the great thermonuclear superpower capabilities. If this thing could work, between Putin and Bush (despite all the things about Bush I could say), you have a certain opportunity for getting out of this thing alive. In other words, if two of the three former superpowers—the British monarchy, the United States, and Russia—*agree* on stability, then you have a chance for stability.

What Is Required Of Western Europe

But, that means, what Bush is emphasizing is right on this: You have to crush that horror-show in the Middle East, right now. This persecution of the Palestinians, at this stage, is becoming a detonator, a trigger, which can set off a conflagration worldwide.

This can not be done by the United States and Russia alone. What this means, is, that other nations, especially the nations of Western Europe, must come into play in this. What we have to reach for, as an objective, in my view, is that we have to end the imperial system, and that the European governments, as bad as they are, in continental Europe, must

begin to play a more significant, active role in the *formulation of policy*, so that some kind of concerted force of *reason*, and concern for the world as a whole, can be introduced. You won’t get this from Japan; you won’t get this from Korea; you won’t get this from China; you won’t get it from India. You won’t get it from Southeast Asia. We must bring the force of the best features of European culture together as a group of nations actually coming up with a new policy. It’s the only solution.

And, to do that means one thing. We are dealing with cultures which are partly extended-European-civilization cultures, which includes Islam, generally. Now, what we have in European culture, is one thing—including Islam [interruption from floor, asking for clarification of Islam as extension of European culture]. Islam is; the normal part of Islam is. [Rebuttal from the floor.]

We have people in the United States, who are religious nuts, but that doesn’t come from Christianity. We have lots of them. You have the same thing in Islam, so you can’t indict Islam, because of that.

The point is, is that the positive side of Islam, as in the positive side of Reform Judaism, as in Christianity, the agreement is on, essentially, the nature of man. Our conception of law, at least what we’ve developed in modern European civilization, is based on natural law, on a conception of man. For example, we have President Mohammed Khatami of Iran, who has proposed the dialogue of cultures. We have John Paul II, who has taken leadership on this question of a dialogue of cultures. These are ideas, which are consistent with the best of European civilization. The best refraction of every part of European culture *agrees* on this.

So, we are in a period of great suffering and great misery. I think, only if this factor is introduced—which requires that the two so-called superpowers, Russia and the United States, must maintain some kind of agreement, if this is going to work. But, I also know, that other nations of continental Europe *must be involved*, as a balancing factor, to make it work.

So, I would say in conclusion of this, because of the process here—my point is: We’re in an unbelievably deadly crisis of humanity, where the situation now has no easy description and no easy solutions. But I think a lot of people are aware of how *bad* the situation is.

But we know the situation of the political parties in Western Europe; we know that the two leading parties in the United States, are scrapheaps, intellectually. We see what was done to the Italian political system. We see the disintegration of the German political system. We see France, what the condition is there. So, I think, we’re aware, that we’re in a dangerous crisis, and that the time has come that we need discussion of *ideas*, which can bring the conception of new approaches to politics, invigorated types of parties, into being. The hard-boiled party loyalties are just not productive, these days. There has to be, I think, a reassignment of party structures, based on ideas, rather than on traditional alliances.