

Lyndon LaRouche and the Nov. 5 Watershed

LaRouche and three LaRouche Democratic candidates joined in a webcast on “The Electable LaRouche: The American Tradition versus Empire”

The following transcript is slightly abridged from a two-hour special video webcast of The LaRouche Show, with the personal appearance of Democratic Presidential pre-candidate Lyndon LaRouche. The LaRouche Show usually airs as an hour-long Internet radio program, every Saturday from 3-4 p.m. Eastern Time, at www.larouchepub.com/radio. In the second hour of the special Oct. 19 program, LaRouche was joined by Michigan State Representative candidate Kerry Lowry, Connecticut State Representative candidate Laurie Dobson, and U.S. Senate candidate Nancy Spannaus from Virginia.

Michele Steinberg: Good afternoon, and welcome to The LaRouche Show for Saturday, Oct. 19, 2002. . . . Lyndon LaRouche was our guest a week ago, Oct. 12. It's been a rapid pace of events. Joining us also in the studio is Nancy Spannaus, Independent Democrat for the U.S. Senate in Virginia, the candidate who destroyed Oliver North in 1994. . . .

Lyn, things are moving quickly. Tell us the updates.

LaRouche: Well, we're looking at Nov. 5. On Nov. 5, a change will occur in U.S. politics, and international politics. We don't know what the change will be, but we do know there will be a very dramatic change in policy. We are in a situation in which the entire international financial system is collapsing. And people who are getting their quarterly reports on their pensions and mutual funds know that. Or, if they don't know it today, they'll know it in a few days. The past quarter has been a disaster for most Americans, either with lost jobs, raises in rent; because of a collapsing real estate market, their rents are going up, as in the Leesburg area, right here. People's rents are going up because the market is collapsing, for real estate. It's one of those little contradictions that go on these days.

So, we have the worst financial collapse in the memory of any living person in the United States today. That is assured. This is the big issue. The other issue is George Bush's commitment to a war that no one wants. That is, no one who is sane wants this war, including, I understand, most of our top flag officers in the Pentagon and elsewhere, who may not be good strategists, but they know what “nuts” is, and they don't like this stuff, and for good reason.

So therefore, we don't know exactly what's going to happen, except we know this Nov. 5 election will be a phase-shift

in internal politics, and therefore, in international politics. The war is not yet in. There are attacks on Iraq. We've had attacks on Iraq before. But it is not officially, yet, the open war. Presently, the situation is jammed up in the United Nations. The United Nations may make an agreement in the Security Council, which is a compromise, but I don't think it will be a compromise that George wants. Now, George has to think about going to a unilateral war, because if the United Nations doesn't agree with George, Blair may come under tremendous pressure, and he may back off, leaving George all alone with his Chicken-hawks. He's virtually fired his generals, and he's got these draft-dodgers out there planning a war. That is not a good situation for the United States. It's a war for which there is no plan to get out of it.

Now, in the meantime, we had a little interesting complication. We had an alleged concession from China—from North Korea and China—to the effect that North Korea has been developing nuclear weapons capabilities. These are not, probably, awesome, but they are significant, because they are nuclear weapons capabilities. Now this has thrown everything into a jam-up. Of course, it's obvious that North Korea does not intend to start a nuclear war. Why does it want nuclear weapons then? Why would it have gone on a program which it claims, it admitted to the United States it's done—we haven't gotten clarity on that yet, but that's going on. Obviously, they did it to create a bargaining chip.

You may recall that the United States was in support of the Sunshine Policy, under Clinton. The idea was that we'd bring the two Koreas together, and the United States would be the sponsor of some economic assistance and other things which would help this process along. Then, things got a little bit crazy, and that was sabotaged, despite many of the people were still for it. So now, North Korea wants money. They want help. They want financial or equivalent help, to bail out their ailing economy. They figure, now they can use the nuclear bombs as a bargaining chip, to get some cooperation from the United States: “Okay, we'll give up our nuclear weapons. Give us some help.”

So obviously, I don't think North Korea is alone in this. I think some other countries in Asia may be thinking in similar directions—it's to try to get some sense into Washington. And we're in that kind of period.

So, we're in a very complicated situation. The financial



Lyndon H. LaRouche, Jr.
and Nancy Spannaus,
candidate for U.S. Senate
from Virginia, in the studio
at the Oct. 19 webcast.

system is collapsing. The monetary-economic system is collapsing. People are suffering in the United States as not since 1929-1933, more and more of them, and that will increase. We have a government which is determined to stick to an economic policy which is, in fact, under these conditions, clinically insane. They're committed to a war, which is, by all standards, clinically insane. We have a world situation where there is no need for the United States, at this time, to conduct a war against anyone, for any purpose. There is no problem of any significance, strategic significance, in any part of the world, that, were I the President of the United States today, I could not solve, by finding cooperation with other nations to develop solutions. There's no need for anyone to shoot anyone.

I also understand this terrorism racket much better than most Americans do, and there are ways that we can deal with that, and it should be dealt with. But there is no reason for a war. There is no sane reason for the economic situation which faces the United States today.

Bankruptcy Reorganization

Now, here's where we stand: We are, as I said, in the worst depression in the living memory of any American—probably in centuries, actually, when we look at the bottom line on this thing. We can get out of it. I could get us out of it, by methods which are not dissimilar from what Franklin Roosevelt did. Different, but not dissimilar. The same principle, the same general idea. However, it would take us a quarter-century, about a generation, for us to rebuild the United

States as such, up to the level at which we would say we had overcome the effects of the past 35 years of step-by-step collapse of our economy: loss of our industries, transformation from a producer society into a consumer society, so forth and so on. Take a quarter-century. Which means that we would have to create a system of credit—because most of our banks are bankrupt. Most of the leading banks of Europe are bankrupt. Chase Manhattan is practically a junk firm right now. The collapse of Brazil, the collapse of Argentina, collectively, would probably sink a number of leading U.S. banks, which have a heavy position in South and Central America.

So, we're going to have to put the banks through bankruptcy reorganization. We're going to have to use the credit of the United States, on long term, a 25-year perspective of rebuilding the economy, number one; number two, preventing any avoidable hardship, loss of employment and so forth, among people, population generally today—a gradual improvement, restoration of health care, improvements in education, buildup of infrastructure, rebuilding our national rail system, protecting and rebuilding our air-travel system, and so forth. Things like that.

So, we can solve the problem. But we have to have a system of regulation, because we can not pay for these things, in terms of return on capital extended, in the short term. We can buy our way out of this, over 25 years, with long-term, low-cost, Federal credit. We can save essential banks, even though they're bankrupt, by Federal methods. We will, in effect, either create a National Bank of the United States, like the first U.S. Bank, or we will do things, such as Roosevelt

attempted to do: We will organize through the Treasury, a bankruptcy proceeding for existing banks. We will take all banks which are essential and viable, as banks, whether they're bankrupt or not. We will keep them in business, in order to maintain pensions, to maintain savings, to maintain credit lines for local businesses—we'll do all these things. But we're going to have to go into hock, in a sense, long-term credit, at 1 to 2% interest rates, for a period of up to 25 years. We will buy our way out of this; we will pay and build our way out of this. We don't have to have any suffering. Get rid of Nixon methods; get rid of the kinds of things we've done over the past years.

So, we can solve these problems.

Now, we also have the greatest marketing opportunity that we've ever had before. We have giant markets, such as China, India, Southeast Asia. We have a great potential in South and Central America, if we decide to develop that area, rather than ruin it, as we've been doing over the past quarter-century. These are tremendous markets, for long-term capital goods export, infrastructure development. This means that we can go back to being an industrial power again, an agro-industrial power, restore our agricultural potential, based on the independent farmer, high-tech independent farming. We're going to have to rebuild that. It will take us a generation to rebuild it. We're going to have to open up new industries for export of high technology into these great new markets in Central and South Asia, in Central and South America, which is one of our primary markets. So, we can have a prosperous future. We can guarantee that the next generation, the generation now in the 18-25 age group, that that generation's children can have a bright future.

Europe has the same kind of problem we have. The same kind of internal problems, economic problems. They have similar kinds of opportunities, with slightly different markets than we have. They have the same interests we do. China has a long-term interest in cooperation with us. That's a very large part of the human population. South Asia, Southeast Asia—a very large part of the total human population. They have a vital interest in cooperation with us, for their future.

So, as President of the United States, committed to deal with this depression, committed to avoid any unnecessary wars, we have a bright future. The problem we have is that things are jammed up in Washington.

Get Rid of the Chicken-Hawks

Now, what has to happen is this: We have a Democratic Party, which, at the top, is, right now, not worth much. We also have, in the Republican Party, a great number of sane people. You may not believe it, but there are some very sane people, and they're saner than some of our Democrats. On the basis of a patriotic sense of mission, not the kind of partisan politics we've had in the recent period, but a sense of national mission, I believe that we could pull together, rather quickly, enough of leading Republicans, and prominent Democrats,

that we could walk into the White House, some time after Nov. 5, if the voters turned out, to make sure the Senate and the House of Representatives are not completely messed up—walk in there and say, “Mr. President, we propose that you make some changes in your government. We propose that you get rid of the Chicken-hawks, these draft-dodgers who want to fight war all over the world, such as Richard Perle and Wolfowitz, and these other draft-dodging Chicken-hawks.”

Steinberg: Even Newt Gingrich is in there, we hear.

LaRouche: Oh, he's one of the worst.

But, anyway, get rid of these guys. Bring in a sane team. Work with us to build a bipartisan policy to get this world and this nation out of this war danger, and out of this economic crisis. I would hope that the results of the Nov. 5 election, mid-term, will help to create that kind of environment. I know what to do. I know the President doesn't know what to do. But you don't dump a President, even if he's incompetent. What you do, is you build competence around him, and try to educate him as to what his true self-interest is, as President: to succeed in office. And the rest of us will say, “Mr. President, you may not know what to do. We do. We'll help you. And when we get through with your Administration, you will have been a success.” On that basis, I think we can change the situation. I know that around the world, from the people that I talk to in various parts of the world, we can do that. And this, I think, is the perspective.

Steinberg: Lyn, to do this, do you think that the Democrats have to take back the Congress? Or, could some other combination happen?

LaRouche: We've got a big question mark here. First of all, the people in the Congress, who've behaved very badly, led by Gephardt—this guy behaved like a skunk, and I don't think he has much chance of higher office at any time in the future. I think he just scotched it. Daschle was a disappointment. Obviously, what Senator Byrd did, from West Virginia, he did a good job. Kennedy, did, given the difficulties he had, a good job. But, the Democrats behaved badly. They capitulated to the intimidation, the blackmail, and so forth, that Bush and Company imposed upon them, that Rumsfeld—whether he's got false teeth or not, I don't know—but it was bad, whatever he did. Cheney is a menace. His wife is worse. I mean, you'd want to fire Dick Cheney to get rid of his wife Lynne.

But, in any case, now these Members of Congress are going back to run for reelection: one-third of the Senate, and all of the House of Representatives. When they get back to East Podunk, and similar localities, they're going to find that the reality is, contrary to the Washington, D.C. gossip, that the great majority of Americans are concerned about two things: the economy, which is crushing them; secondly, they don't want the war. Just as Europeans don't want the war. And they're going to find that they can get lynched, come

Nov. 5, in the polls, if they don't change their tune. As to whether that's going to happen, I don't know.

Right now, the Federal Reserve System, the Treasury and so forth, are committing what I would consider a crime. They're plastering the financial markets with money, to try to push up the Dow Jones and Nasdaq and so forth. It's completely fake. I've checked the markets, through my sources, and there is no market activity sustaining this apparent, five out of six days' growth, in the financial markets. It's completely faked. It's being faked, largely by the U.S. government. It's being faked to try to keep the American people quiet until Nov. 5, so there is not a revolt which may eliminate Jeb Bush as Governor of Florida, and might eliminate some other Republicans on the issue of this war. It might, it would hopefully—it can't do it now—eliminate Lieberman, but that's—

Steinberg: He's not up for election, but we can box him in.

LaRouche: We can box him in.

Plunge Protection Team Steps In

Steinberg: . . . Everybody's heard of the Plunge Protection Team—it sounds like the old Nixon Plumbers, or something—Roto Rooter—what is that about?

LaRouche: I think it's sort of Roto Rooter, and some people are feeling that in a relevant part of their anatomy.

This was something that was dreamed up in the Fall Of 1998. You remember that Clinton had threatened in September of 1998 to do something about international financial reform. His then-Secretary of the Treasury, Bob Rubin, was leaning in favor of that kind of approach. Then Clinton backed off suddenly. And they hit him with the Monica Lewinsky and other nonsense then. And there were a number of changes. In October, when the Washington monetary conference occurred, Clinton had backed off totally. The other G-7 nations had backed off totally, from any kind of reform. They were faced with a threat of a Brazil crisis to hit about February of 1999.

So, in this context, one of the leading world drug pushers, George Soros—he says he's a “drug legalizer,” but, in point of fact, he's the mechanic that sets up the situation to help the drug-trafficking. Like the New York Stock Exchange, which depends to a great degree, on the Colombian drug traffic. You know, you dope up the stock market, like doping up race horses, hmm? So, he had a guy down in Brazil, called [Central Bank President Arminio] Fraga, his puppet, still there, finance officer. So, Soros came up with this idea—“wall of money”: We can prevent the Brazil crisis, which at that point was inevitable for the early part of 1999. We can prevent it by flooding it with a wall of money. They went in with a wall of money policy against Brazil, which included what's called “dollarization” of its debt. It's a completely artificial swindle against Brazil. But they went ahead with it.

So, as a result of that operation, which continued in various forms—from that time up until recently, there's been a continual operation, called the Plunge Protection Team, which started under Clinton, and continued under the present President Bush. This does not work any more. What I've been doing, through my sources, in European and other markets, is checking this: There is no regular Plunge Protection operation in place right now. What there is, is an out-and-out raw operation. You see, in the Plunge Protection operation, you depend on counter-party relationships. You make swaps, credit-debt swaps. Now, you've got a situation now, where J.P. Morgan-Chase Manhattan, which is the biggest derivatives bank in the United States, vulnerable, is no longer a worthy counter-party. Nobody in the world will touch a major agreement with J.P. Morgan Chase right now. It's rumored that they might go under. We don't know. But all the indicators are, they're close to that.

So, now what's happened, is you've had a raw, direct, political pouring of money, by some means, other than just the Plunge Protection method, which was done, plunge protection in 1998, new method done, for a very short term, it's done simply—politically—to get the nation, politically through the Nov. 5 election without a big disaster for the Bush Republicans.

Steinberg: That's a very big risk, it seems to me, because, it's dramatic changes every day. This week they were saying that the 1,000-point rally—and it looked like the “1,000-Year Reich”—it just folded. And then, they had to prop it up again, and the consequences, such as Jeb Bush losing the election down in Florida; on the other side, this instability, has contributed to elections of very good people, like your friend Enéas Carneiro in Brazil. Now, what does that mean for the prospects of a New Bretton Woods?

LaRouche: What you're dealing with, on the banking side: Look at the market. The question is, if the stocks are going up, who is buying? Who is the mysterious buyer?

Steinberg: That's what we want to know.

LaRouche: That's the point! This is a fraud. This is a gigantic fraud! And it's the kind of gamble that no one would take, not even a government. Not even the government of the United States, which is pretty wild these days, would take that, unless they were doing it on the very short term. They're saying, if we can control power, as of Nov. 5, then we can cover up for the fraud we have committed on the markets, to try to get there.

In the case of Enéas, it was fun. I was brought in there, into Brazil, in June, to get this honorary citizenship of one of the largest cities in the world, São Paulo. But I was also brought in for a number of conferences of strategic implications, and to use the occasion of this ceremony of my official inauguration as an honorary citizen, to deliver a statement on U.S. foreign policy, as my speech, in gratitude to the city for



LaRouche with Dr. Enéas Carneiro, in São Paulo, Brazil in June 2002. Dr. Enéas won 1.5 million votes in the Congressional elections on Oct. 6—the highest vote for any Congressman in Brazilian history. He is an advocate of LaRouche’s program for a New Bretton Woods.

this honor. Also, I laid out things.

We also had other discussions, not only with my presence there, but with other parts of the Americas. We’ve got into a situation, which I described then, and which I will describe now: The United States, and the IMF, and Brazil, are in a mutually hopeless situation. There is no way, under any conditionalities—which Freddie Krueger’s sister Annie would like to impose upon Brazil—under which Brazil could survive. So therefore, if you go ahead with IMF conditionalities, you are going to sink the entirety of South America. Remember, Argentina is about to go; it’s in the bucket. Brazil is on the edge of going. It has a dollarized debt—it’s galloping growth; they’ve just gone to over 20% overnight interest rate. It’s a killer.

Look at Venezuela: about to blow up. Colombia: dominated by the drug market. Ecuador, Peru, Bolivia: more or less destroyed. Mexico: under a crusher. So we’re looking at

a situation in which, under these conditions, Western Hemisphere conditions alone, under present IMF conditionalities, there’s no way that IMF conditionalities can be imposed and maintained, without sinking the entirety of the U.S. financial interest in Central and South America. Can’t be done.

Therefore, the IMF has to give up! There have to be conditions given, for reorganization of the indebtedness of the countries of South and Central America, which correspond to what is required to enable these countries to begin to recover from the rape which has been performed on this part of the world since Aug. 15, 1971. Now, if Brazil were to default, we’re talking about an order of \$300 billion—if they were to default, that would cause a chain reaction, which would sink most of the banks of the United States, overnight.

So therefore, if the IMF imposes its conditions, causes a default, you would simultaneously sink South and Central America, and the U.S. financial system.

So, we discussed this. We went through some of the figures. George Bush is going to have to give in. Someone is going to have to fire Annie Krueger and get a human being in there [at the IMF], to replace her. We’re going to have to put the IMF system under reorganization.

Let’s take one aspect of this: You have, in the past two days, you have from Prodi of the European Commission; you have also a Senator from France, they have led a chorus, saying that the so-called “Stability Pact” has to be scrapped; the Maastricht agreements have to be scrapped. Europe can no longer accept the conditions which were imposed upon Europe by the combination of the former George Bush—#41; Mitterrand; and Thatcher. It has to be scrapped for the sake of Europe’s survival. So, we have around the world, at the same time that the Italian Chamber of Deputies has adopted a policy which I introduced to Italy, by a majority, calling for a New Bretton Woods system, a reorganization of the international monetary system.

What we’re at is, the point that we go to Hell, or we reorganize the present IMF [system], in the way that I have been proposing for some decades, especially the past decade.

Bush’s ‘Axis of Evil’

Steinberg: . . . Lyn, our first question today is about North Korea and China. The question comes from the Washington, D.C. correspondent for a Chinese publication, called 21st Century World Herald, and that is Jiangong Zhou, and he has several related questions.

He says, “Do you think the admission of North Korea, about its clandestine nuclear weapon plan, justifies President Bush’s rationale of ‘evil axis’? If yes or no, why? Secondly, do you think the United States should work on an international effort, to remove the potential nuclear weapons from North Korea? Why? Third, what kind of role can China play, in terms of stabilizing the North Korea peninsula, specifically on this particular matter?”

So, going back to the first one, on the admission: Do you

think that this justifies Bush's "axis of evil"?

LaRouche: No. It does not. This is one of those cases, to which I referred earlier, where somebody wants to start a war, or something tantamount to going into a war, where the problem can be solved in a completely different manner.

The problem is this: There are problems in many countries. North Korea has its own internal problems, political, as otherwise. But when you're dealing in the real world, you have to realize, that many countries have governments you may not particularly like; or that they have internal problems, which you find particularly offensive or dangerous. Now, when you're a great power, like the United States, and when we behave sanely, we can get a lot of cooperation from Europe, in general, and elsewhere; so we have great power, greater political power, actually, than we have military power. We have to know how to use it.

Now, under our Constitution, which is unique in the world, the office of the President of the United States, is the most powerful position, elected office, of any nation-state in the world. Because, under our system, unlike European systems, the Presidency represents the executive power of government. And therefore, the Presidency is all-powerful, in the sense, of fulfilling that responsibility. The Congress, the Legislative branch, is not an Executive agency, and should not try to become one. The courts are not an Executive agency. So, our system of government, under our Constitution, is unique.

You have to know how to use that power. The President is responsible. . . . Say I were President (just to be hypothetical, to get the picture), if I go to the governments of Europe, including Russia; go to the British government; go to the Canadian government; others, and say, "We have a problem," they're going to talk. We have to come to a joint understanding of what we're going to do—we'll talk. And they'll accept the idea of the United States, playing the role of leadership—the U.S. Executive, playing the role of leadership—in that situation.

Now, you come to a case like North Korea, a troubled country, created by circumstance of the post-Roosevelt period, which says—according to the report—it has nuclear weapons. That is a problem. How do we solve the problem? Well, we have to look at the context. We also have, in South Korea, a President of South Korea, a very amiable and capable man, who is part of the "Sunshine Policy." We've secured, with the help of Russia and China, we have secured agreement for North Korea and South Korea to cooperate in linking the rail system of North and South Korea. What does that mean?

Japan has been brought in, to help finance this, by coming up with a reparations grant to fund the building of this link, connecting the rail system of North and South Korea. What does that mean? That means, for Japan, from the port of Pusan, at the southern extremity of Korea, to Rotterdam, we have continuous rail connections throughout Eurasia. This means we have similar benefits for China. China is now working on

rail connections, which leads from China, through Burma, into Bangladesh-India. We have now, in process, the possibility of opening up a gigantic market, to transportation corridors, for development of the continent of Eurasia.

China has a tremendous market. It's a poor country, in large part, but it has a tremendous market. But it needs the kind of cooperation, under which it can use long-term credit, for its internal development, and can afford to buy what it needs for its own long-term internal development, through cooperation with adjoining nations.

So therefore, my concern with Korea is: I want to save, not only the Korean stability and achieve reunification of Korea, in the long term, in cooperation now, I have to be concerned as an American President, with the interests of Japan, as well as Korea; the interests of China, the interests of Russia, especially eastern Russia; I have to be concerned with the implicit interests of Southeast Asia, in security, and also with relations between China and India, Pakistan, and so forth.

So therefore, my approach to this is not, "How do I beat somebody over the head in North Korea, because I don't like the nuclear arsenal up there; it's dangerous?" What do I do? What I do, is: I call the President of China, and say, "You're the key party in here. Can we talk to our mutual friends in North Korea, and see what they want, to get rid of that thing that bothers us?" I guarantee, we'll succeed.

Steinberg: That's very, very apt, because the current President, Bush "43," is going to be exactly in a situation to be meeting the President of China, in the very near future. Do you think we could persuade him to take that approach?

LaRouche: Well, I think the President of China is going to have that glint in his eye, when he meets the President of the United States. I can't tell what the President of China's thinking, but I know that he's an intelligent man—a very intelligent man; I know something of his history; and I know what's going to be on his mind, as a topic of discussion, when he looks into the eyes of our President, here.

And certainly, he's going to be concerned with that. I wouldn't be surprised if the whole revelation, of the existence of this nuclear capability in North Korea—which happened some time ago, remember; this has just been leaked. But the official knowledge of this, and acknowledgment was earlier! That this was done, precisely to try to get a negotiation with the United States, in the direction I've just suggested I would do.

And, I would do it. I think, if the President of the United States is intelligent, he could get something very easily. He could call Bill Clinton up—you know, Bill and I don't always agree—but I think this would work. I think Bill Clinton, as a former President—because he had a policy on this unification process, and was involved in this negotiation—I think that Bill Clinton would be prepared, to strengthen this thing; to join with President Bush, in supporting a kind of bipartisan



President Bush with Chinese President Jiang Zemin (right) at the Great Hall of the People in Beijing, Feb. 21, 2002. The two Presidents met again Oct. 25, with an opportunity to work out a reasonable settlement of the North Korea problem.

commitment to that kind of solution, to this problem posed by these nuclear capabilities.

And I think that the government of China, with Jiang Zemin coming in, would be very happy to have that proposition put on his plate.

No Need for Iraq War

Steinberg: Just finishing up with our question from our friend from the World Herald, I think you've answered it a great deal. He says, "Do you agree, China should join the U.S. international effort on this particular matter, and on Iraq? If yes, why? If not, how do you think China should deal with the Bush government?"

LaRouche: Well, I think on the Iraq thing, we've got to look at it somewhat differently. I think on this case [Korea]—I think the Secretary of State might be a very appropriate person to be involved in this, as opposed to the President—to advise the President on this. Because, this is a new issue; it's somewhat separate from Iraq.

On the question of Iraq, we have a deeper question: It is well-known, that our serving flag-officers and others, in large degree, think or have suggested, that the President's policy for Iraq, the policy of the "Chicken-hawks" around Cheney's "Chicken-hawks" (or maybe, Lynne Cheney's "Chicken-hawks") is insane. The whole Iraq policy, is insane: We don't need it. We don't want it. It serves no purpose. I think, if I were President, I would have no problem with our military, on that question.

We don't need that war. It serves no purpose. If we have problems, we have much better ways to solve them. And, the

President has been lied to by the people who had advised him on this thing.

So, the problem in that case, is: How do you get the President of the United States, to accept the fact, that he has been massively lied to, by maybe Lynne Cheney's Chicken-hawks: Richard Perle and Company; that the President has been fooled, and played the fool, and been played for a fool, by Ariel Sharon—who is a descendant, politically, of a known, professed fascist, Vladimir Ze'ev Jabotinsky? And he is a fascist, too.

So, we have an Israeli fascist, who is becoming increasingly unpopular with the Israeli population and with international Jewry, is foisting upon the United States, with the help of this collection of Chicken-hawks, these draft-dodgers, a war, which we don't need, and the Middle East doesn't need, and which Israel doesn't need.

So, in this case, I don't think that China is the real thing. China is part of the Security Council of the United Nations. There it comes in. But, I think the problem here, is to get the President de-brainwashed, freed of the grip of these Chicken-hawks. So, it's a different problem than the North Korea problem.

Steinberg: Well, one of the ways to do that, is to have absolute clarity of what this terrorism problem is, and especially, the so-called al-Qaeda, which is now supposedly here, there, everywhere. You spoke about this on Sept. 11, 2001, as the events were unfolding. Tell us about this panic.

LaRouche: The problem here is: In the case of Afghanistan, the Taliban were a problem—without question. They

had nothing to do with Sept. 11, 2001. Nothing. They are a part of an international terrorism problem. There are elements of al-Qaeda which are problematic. But al-Qaeda is not a coherent, simple organization.

There are no independent powers of terrorism—it's like some crazy James Bond thing, some secret power, supranational power, outside government, the big enemy you have to defeat. There is no such international terrorism.

Terrorism is an operation, which, to the extent that it's strategically significant, is run by governments. It's not run as an independent force outside governments. There are no significant terrorist organizations, which are not a front for a government. And, we've dealt with the thing. For example, in the case of Italy, 1970s; 1980s in Germany: We now know, in the Italian case, the Italian terrorists were a branch of an Anglo-American operation, run under NATO cover, which was set up as "Gladio," as a post-war "stay-behind" organization in Italy, for the contingency of a Soviet invasion, or a Communist takeover of Italy. Now, this organization had three components—Gladio—initially: One, it had Christian Democrats; two, it had Communists and Socialists; three, it had Fascists. When the Fascists were brought into Gladio, by the United States, by the British, and under NATO later, when they were brought in, the Communists, and the Social Democrats, and Christian Democrats, backed away from Gladio, because of the Fascist component. It was this Fascist component, run by an Anglo-American operation, in Italy, which ran the terrorism and the ultra-left violent groups, in Italy, during the 1970s and into the 1980s.

In terms of the case of Germany, the terrorism, which was the so-called "anti-nuclear terrorism" in Germany, the so-called Baader-Meinhof and similar gangs that came out of there: That was all run by the same kind of Anglo-American interests, in cooperation (as was shown later) with the Stasi, the secret service of East Germany! You had people in Germany, who were both Stasi agents and Western agents, who were running these kinds of operations.

What we know about terrorism—and I've worked with some of the top specialists against terrorism in the world, in various countries—any significant terrorism is run by governments. There is no such thing as international terrorism. That is a myth. There are specific terrorist capabilities which exist, which are run. Any significant terrorist operation, which somebody tried to set up as an independent operation, in any major country, could be shut down within a matter of days. We have the police investigative capabilities to knock 'em out. If it's around, it's because somebody's letting it run loose.

And, that's what happened in the case of Sept. 11, 2001. Somebody ran an operation, inside our house. But they ran it from inside our house! And we were negligent. We didn't take the precautions and maintain the precautions to deal with that kind of threat, which we should have known existed, because of the upcoming financial crisis. And a financial crisis, of a global, systemic nature, brings forth these kinds of

dangers: We had let our guard down, and it was our own responsibility—don't go blaming people in other countries for this: It wasn't. It was people in our own country, principally, who had let our security services down—that is, the real ones. Not the funny guys investigating Nazi-style, Himmler-style, local community spies, but real security. We let it down. And, what we found, on looking at the score, after the attack on the Pentagon and the Twin Towers had passed over, we found that things that we had assumed were there to protect us, from such operations, weren't functioning that day; and maybe, hadn't been functioning for a number of months.

So, that's the problem. So we should get rid of this myth, about international terrorism. And get some people in, who really understand this stuff. Get off this newspaper and Justice Department propaganda. We know what we're dealing with. We know how to deal with this thing, without creating a police state.

The Dark Side of the Moon

Steinberg: . . . Staying on this theme, this actually comes from one of our colleagues at EIR, Scott Thompson. And, it's on what you've been addressing about the Chicken-hawks. "At the Labor Day keynote address, you laid out what needs to be done, in terms of rebuilding American infrastructure. Right now, the Chicken-hawks are screaming about war in the Middle East that may blow up the world. You have a host of neo-cons, Darbyite, so-called 'Christian' Armageddonists, and every other kind of slime-mold emerging, when you turn over a new rock in the Bush Administration. What's your assessment on the possibility of cleaning out this snake-pit, and putting you in as the elder statesman, telling President Bush what must be done?"

LaRouche: I think, if you wanted to clean up the snake-pit, what you do is, you'd hit it on the flank. There are a lot of different varieties of snakes and kooks, and so forth, that are floating in our environment. But, what you want to do, is: You want to turn the tide. So you pick one target, which will turn the tide.

Okay, the place to hit, is the Moonies. The most important, and most significant nut-factor, which is a serious threat to our political order, inside the United States, is the Moonies. Now, the Moonies are well-known. They were, of course, closely associated with Nancy Spannaus's old adversary, Oliver North, in the days of CAUSA. That was what the Moonies were, running this Virginia operation, in part. This was Iran-Contra—the Moonies. These are people who have money that doesn't exist, but they spend it. They buy souls, for gold watches. They said, Christ was a fake; that the Reverend Moon is the real thing; and that you have to marry a bride chosen by Moon, and you might be saved!

They're behind a part of the reparations operation [for African-American slavery]. They're buying up politicians. They control Falwell; they control—most of the far right, religious right, in this country is controlled and coordinated

with the Moonies. There's a key figure, called Col. Bo Hi Pak, who's close to drug-pushers in various parts of the world. He comes out of Asia.

Now, what we're doing, and the way you deal with a thing like this, is: You expose it! You don't go out and tell lies about it. You don't do what the Washington Post does: They go out and tell terrible lies about somebody, because you want to hurt them. No, you tell the truth! And, the truth is the best weapon. You tell the truth about Reverend Moon and Bo Hi Pak, and who he's buying up and who he's selling; and how he bought up Jerry Falwell, how he bought up Viguerie; how he is at the center of the far right, the racist far right in the country, and how many African-Americans, so-called, are being bought by Moon, to work in bed with the racist, anti-black far right. You pull that out, and I guarantee you, the biggest factor of loose, religious, and other kinds of nuts, in the United States, will scamper. And the rest of the mess will be cleaned up.

What To Do About a Bad President

Steinberg: ...We have an e-mail ... asking, "Who would have the power to declare the 25th Amendment of the Constitution [regarding the President's death or incapacitating illness]? And why has no one done anything now, to remove this present Administration from destroying the world?" A frequent question — "get rid of Bush," not "change the geometry."

LaRouche: That's a mistake. The Constitution of the United States is very important. It's the only Constitution of its type on the planet. It was designed by Europeans, led by Benjamin Franklin, under conditions that such a Constitutional form of government could not be established in Europe, because of the religious wars and so forth, which had made a mess of Europe. But, Europeans made it possible.

So therefore, we have an instrument of government, in our Constitution, whose fundamental principle is the Preamble. The Preamble contains three elements: One, the sovereignty of the United States, which is absolute. There is no higher authority than the sovereignty of the United States. Number one. Number two, no law, no policy, no tradition, is enforceable under our Constitution, which is inconsistent with that principle of the general welfare, otherwise known as "the common good." Third, that it is not sufficient to maintain the general welfare of the present population. We are as accountable, and more accountable for our posterity, than we are for ourselves, living today.

Now, that Constitution has provided an Executive power, under it, which is the most efficient instrument of government in the world, for Executive power. You don't tamper with that — you don't monkey with that, for expedient reasons. You don't shoot a President. You don't impeach him for trivial causes. You don't impeach him, except to save the Constitution. You never use the Constitution to impeach a President. You impeach a President to save the Constitution, the integ-



The best way to clean out the nest of Chicken-hawks, LaRouche says, is to hit it on the flank: the Moonies, "the most important, and most significant nut-factor, which is a serious threat to our political order, inside the United States." Here, Rev. Sun Myung Moon and wife.

rity of government.

Now, so therefore, what you go at, is the corruption. For example: How can you criticize George W. Bush? He's not to blame. He didn't make himself President. We had two candidates, both of whom were eminently unqualified for the office of President. (Perhaps also unqualified to be dog-catcher, for all I know!) And, the American people, in their wisdom, and the political parties, reduced the number of eligible, leading candidates for Presidency of the United States in the year 2000, to two guys: one guy of limited mental capability — the present President; the man who is controlled by his teleprompter. The other, is a guy who is a little bit — "not all there"; rather eccentric, funny, "not all there."

So, don't blame the present President for the fact that he's President. He didn't make himself President. He is President.

What we have to do, in a case like this, is, we have to do two things: First of all, we have to say, "Okay. Unless this

President has done something impeachable, he stays.” And I will lead the procession, to say, “He stays.” Unless he’s impeachable. The other thing is, of course, a mental problem, but that’s the same idea. You act to save the Constitution; not use the Constitution to eliminate inconveniences.

All right, so George Bush is an inconvenience, because of his limitation. You don’t dump him. And you don’t try to dump him with scandal or orchestrated games. He’s not the problem. The problem is the system. The problem is the same rotten political system, that gave us two unworthy Presidential candidates, as the only choices for the voter in general, in the year 2000. And that’s what you have to fix!

Don’t be a single-issue nut. Some people think, “We-e-l-l, I got five things. And I’m gonna pick a President, based on if he supports me on these five things.” Or promises to—he never will do it, but he’ll promise to. That citizen is a nut. He should go out and sit in the outhouse and cry. And say, “I am a nut.”

Single-issueism has no place in sane politics. Politics proceeds from questions of policy, and principle. What is the fundamental interest of the United States? What is the sovereignty of the United States? What is the general welfare of the United States? What is the condition of the posterity of the United States? And, what are the principles, consistent with that Preamble of the Constitution, under which we act? That’s what you should vote for—and nothing different.

Now, there are certain issues, which are issues of principle, not single-issue kinds of principle. But issues of general principle, like a universal physical principle. These are the issues, we have to function on. For example: Principle today—in 1944, at the Democratic Convention, of the Summer 1944, a bunch of clowns said, “We’re going to get rid of Roosevelt. Roosevelt’s going to be elected for the next term, his fourth term. But he’s not going to serve out the term, because he’s got bad health. Therefore, we’re going to get a Vice President nominated—contrary to the President’s desire—who will be our man, when the President is no longer in office, when he dies.” That was Harry Truman.

This process, done by this bunch of clowns, at the 1944 Democratic convention, set into motion the horror-shows, which we experienced in the post-war period: including the unleashing of this Utopian military policy, whose objectives were, to eliminate Eisenhower, eventually; but immediately MacArthur, and anything like him or Roosevelt, from U.S. politics. And to destroy the constituency, which had elected Franklin Roosevelt for four consecutive terms.

So, the country was changed. This change, especially after Eisenhower left office—Eisenhower was the last President who controlled the Utopians, whom we know today as these draft-dodging Chicken-hawks, who want war all over the world. When he was out, Kennedy could not cope with the Utopians. He was brainy enough; he was learnable, he could learn enough, he could do the job; but, he didn’t have the influence on the military that was needed—and he talked to

MacArthur too late. If he had talked to MacArthur a little bit earlier, he might have had some advice on how to deal with the problem. But, they killed him. Johnson was impotent, because of that. Not totally impotent: He did two good things on civil rights. But he was the prisoner of these guys.

Since that time, since this process—1964, approximately, the United States underwent a change, from being the world’s leading producer nation, to a consumer society, a post-industrial consumer society: a decadent nation, which we are today, in imitation of ancient imperial Rome. Instead of producing our own wealth, we stole it from the people, from whom we had the power to extract it.

And that’s what our problem is today.

Candidates’ Forum

Steinberg: . . . Joining us now, in the second hour of today’s show, will be three candidates who have taken up the responsibility, as individual citizens, to challenge the population to make the changes that are needed before the crisis hits. . . . Let me introduce them. First, we’ll have Laurie Dobson, Democratic Party candidate for the 141st Legislative District from Connecticut; . . . Laurie will be followed by Nancy Spannaus, candidate for U.S. Senate from Virginia; Nancy is here in the studio with us. Nancy is not just a candidate; she is the Editor of New Federalist newspaper, and one of the key founders of the LaRouche movement in the United States. . . .

As I mentioned earlier, in 1994, Nancy ran a campaign to “Stop That Son-of-a-Bush,” Ollie North. He was running for United States Senate, and while the neo-conservatives were taking races all over the country for Congress and Senate, Nancy’s activity, with LaRouche collaborators here in Virginia, stopped that cold. We won a victory against an opposition that Ollie North mounted, a campaign that had covert funds in the range of \$50 million, we were told, as a Senate race. How did we do that? Well, we’ll talk about that, and we have to have the same kind of determination to destroy the Chicken-hawks’ effort of today.

Then, the third candidate talking to us will be Kerry Lowry, who is the Democratic candidate for State Representative from Eastern Michigan. This, I believe, is the first time that Kerry has run for elected office, and the first time as a LaRouche Democrat. When we had Kerry on this show, earlier this year, he said he decided that he had to do something different with his life, and get serious. He stood as a candidate, won [the Democratic primary] by a landslide, over 60% of the vote. . . .

I’d like to welcome Laurie Dobson first. Go ahead, tell us about the campaign and the fight up there.

On Lieberman’s Turf

Dobson: I’d love to.

Speaking of the fight, I’d like to mention that we have a



Laurie Dobson, Democratic Party candidate for State Representative in Connecticut: "My opening salvo was to declare as a LaRouche Democrat. And it was like a bomb."

wonderful campaign staff from all the offices. They've been helping me enormously. My husband, Michael, as well—I want to thank them all who are in the middle of this; it's exciting. I'd never thought I'd do anything like this. But I have to say, I'm very gratified for the decision I made.

I'd also like to greet people tuning in today, from the Connecticut region, Darien and Rowatyn, Fairfield County, and encourage them to call in with any questions.

Quickly to tell everyone my history of living here in Rowatyn: I've got three children, and I've been here 21 years; and I got involved in community involvement, and trying to expand my sphere of responsibility; just trying to make a friendly human environment, starting an organization—environmental group—called Friends of Rowatyn's Environment, on the local level, and trying to work and be more effective. However, I found out that on the city level, you can't really solve things. You have to go to the state or the national, or even international level, and things just can't be always solved locally, because they're not really local in origin.

People that tried to make my race a small local race—it was frustrating. The Democrats that, I have to say, wanted me to stay away from issues, stay away from anything substantive—this was an unsought nomination, but I decided I wanted to be the best candidate I could be, regardless. I thought I could balance the two things—leadership and being a politician—and realized that sometimes you come to a crossroad, and have to choose to step forward on your integrity.

Basically, I was disappointed with the Democrats here. They not only did not want me to take on real leadership issues; but they wanted me to kowtow to Lieberman. Here in Connecticut, he's rather the party's anointed leader.

So I decided to go off to a conference in Washington at Labor Day, sponsored by the Schiller Institute, to learn about the national issues a little more. Michael suggested that. He's been aware of LaRouche Democratic policies to reconstruct the nation, all along. I just decided that I thought I should see if and how that could work for Connecticut.

So I went off, and after attending the conference—when Mr. LaRouche spelled out, pretty irrefutably it seemed to me, what was happening in our country, that it was collapsing from infrastructure and economic breakdown; and then how to correct it. I realized that that's how I had to approach the real problems here in Connecticut. And a light went off. Here we are, we're not an invulnerable enclave; the problems that are affecting us in Connecticut are those hitting everywhere nationally. . . .

So I decided I would step forward; and I launched out there with—my first opening salvo was to declare as a LaRouche Democrat. And it was a bomb. And it's not stopped being in the papers, as—one thing after another—an attempt by the Democrats to stop me from speaking, stop me from getting any money, doing everything they could to stop it. But fortunately, I had never lied to anyone; I came to my decision honestly.

So I'm the party's endorsed candidate at this point. We've been reaching people—after the first shock of coming forward with a succession of articles in the papers, and constantly [being] out there discussing this, and not holding back; that's been the strength.

Steinberg: Laurie, let me ask you specifically about this very interesting program that you've been developing, that you call an FDR-type program, based on LaRouche economics: high-speed rail, I believe you call it the Athena Line, or the Athena Program.

Dobson: Sure. Not only do we have a problem with having no real economy; but we have a major transportation problem. I had already been investigating this on my own, as a nominee, by talking to rail experts. I knew from common sense that rail infrastructure would have to be the main thrust of any revitalization here. So we realized that we could restore the old rail lines from the New York area, where there's a

Maybrook Line, it's called, which travels inland, on a parallel to the seacoast area—which is, as everyone around here knows, so terribly impassable at this point, because all of the truck freight is going along that line. And so what we needed to do was restore the rail line inland, which is already there, and goes along connecting the old industrial cities.

I had thought, with talking to other experts locally—before I knew about Mr. LaRouche's plan—why not get this line back again as an alternate? But then the idea of restoring our inner cities, revitalization with industry, precision manufacturing, manufacturing, entrepreneurial high-technology venture businesses would be ideal; because not only are you trying to divert rail traffic back to these cities; you're trying to restore these cities, and the vital economy of the entire state. And along with that, Mr. LaRouche's idea of doing air infrastructure rebuilding—not only do you need that, but you need high-speed rail. So the magnetic levitation lines—and we thought, this would be an ideal way to travel—to use these existing rail lines where they go along these industrial cities; and also to have the high-speed passenger traffic from Boston to New Haven, to New York; and use that as phase one of a pilot project that would, of course, interconnect all the way across the United States and across the world. And that's Mr. LaRouche's idea for the world land-bridge.

And I thought that was so wonderful, it just seemed common sense. . . .

I'm in Lieberman territory; and as a result of my coming out on this, there's been a lot of backlash in the papers. And people have heard that. But it's public opinion; and we're working on that, and I think we're really doing a wonderful thing here. . . .

Defeat the 'Cheneyiacs'

Steinberg: Thank you. . . .

Nancy Spannaus, candidate for United States Senate. Nancy, welcome.

Spannaus: Thank you. We've been having a great time in Washington, D.C. This will be the seventh week of one-minute-ad bombardment in Washington, which is the major market for Virginia radio at the same time. The initial idea of this—to put it in general terms—was to provide the sanity of LaRouche's road to recovery, against the lunatics pushing war. But the way you would best define that, is actually to put LaRouche's voice on radio in Washington, D.C.—which we were sure would catch some people's attention.

Right now, we have about 22 spots a week. And some of them begin like a shot. For example—we don't have time to play them here—but there is one where I introduce LaRouche saying, our government is like “a man with a shotgun, holding the nation and the world hostage, like a family being hostage in an apartment;” and going on to say that these are crazy people, and don't let these lunatics plunge us into war.

Now, what we understand, is that the diplomatic community, sane people in Washington, are very encouraged by the

fact that this is actually being said—the truth is being said. On the other side, we know that the Republicans and Democrats have begun to scream. Sometimes they send it out in press releases. Like the head of the Democratic Party in Virginia, who had a public fit of childish petulance, complaining that I called myself a Democrat. But since he couldn't point to his own Democratic candidate, this was something of a problem and a public embarrassment for him, and he shut up after that.

Actually, as Lyn referenced before, some of these Democrats are much worse, on the issue of lunatic war against Iraq, than even some of the Republicans. In fact, my chief opponent, John Warner, has with some reluctance gone into this, but then ultimately, really moved up front into becoming a spokesman for the [war] policy in the Senate, as people know.

So there is some rug-chewing going on, from what we can see; but specifically, on the question that there is a lunatic cabal that is pushing the war. And in fact, you could call this Ollie North II—in the sense that Ollie North, as an operative, obviously, of the Utopian faction back in the early 1980s, was willing to do anything—run drugs into our cities, rip up the U.S. Constitution, sell arms and create terrorist movements, some of which actually evolved into Osama bin Laden and so forth, and to rip up the social safety net. Because there was another side to what Ollie North was fronting for, for his financial backers, which included the Moonies and the drug-runners themselves who were making money off this; the think-tanks that went after Clinton, and so forth.

This is the same kind of lunacy that we're now facing, that has entrenched itself, come back into office, in the grouping around Dick and Lynne Cheney. We are investigating more of the particular overlaps of personnel. For example: Michael Ledeen, “universal fascist,” an out-front spokesman for the Clash of Civilizations policy right now, which the Cheneyiacs are operating on. And he was actually one of the guys in the NSC [U.S. National Security Council] doing Ollie North-style work, with the Iran-Contra operation, the funding of the mujahideen in Afghanistan, and so forth, at that time. So you've got the same crew; and the objective is to knock out that crew and bring sanity to the fore.

Now I have discovered, however, since Senator Warner does not come forward to debate any of these issues, I have gotten the chance to meet the other person on the ballot, who is a Libertarian, also running as an independent. I was shocked that he got on the ballot, because he had to get 10,000 signatures, and he has no visible presence. But he is a direct agent, as well, of this same grouping—the Cato Institute; drug legalization; he comes out against the war, rabidly against the war; and then pushes the very same policies of destruction of the U.S. Constitution that Ollie North and these other neo-cons would push.

So there's a real operation going on here, to try to lock in this thing, on both sides. You can't look at “positions.” I told

a bunch a people last week, that if you want “positions,” go to the Kama Sutra, don’t come to a political candidate from the LaRouche movement, because we operate from the standpoint of principle.

We intend to escalate. We’ve got two more weeks of bombardment by air, and we hope to go to a final “shockeroo,” of television for the last week, to knock the Cheneyiacs out of the box.

Steinberg: Thank you, Nancy. . . .

We have a question from Berlin, for Lyndon LaRouche . . . from e-mail. It’s . . . from Berlin, a student from the Free University who had interviewed Helga [Zepp-LaRouche] during the [German elections] campaign. [His] question is, “What is to be done to take the weight of the IMF debt off of Brazil, so this country can recover, without destroying the U.S. economy?”

LaRouche: There’s a principle which, under U.S. law, used to be called Chapter 11. It’s when an essential institution—especially a nation, but even a firm, which is essential to the community—is in financial bankruptcy; you put the thing into bankruptcy reorganization, put it under protection of law reorganization, and enable it to continue its function; and more, to carry out a program of recovery to financial stability again. In the case of a nation, this is imperative; it’s not debateable.

In any bankruptcy, you go before a court, a bankruptcy court, and the question is: Is the entity essential? And does it have an intrinsic viability? Is there some plan under which it’s going to become a viable institution again, financially. If so, you say, fine. If not, you say, maybe we should liquidate it, if it’s not essential to the community.

In the case of a nation such as Brazil, the largest nation in South and Central America, you cannot liquidate it. The bankruptcy judge does not ring down the gavel and say, “Liquidate it. Break it up.” In that case, the creditors will have to take the beating, because the general welfare is more important than all creditors combined. So you try to find an equitable solution for the problem, but which gives primary concern to the welfare and survival of the institution.

If you look at the way in which this has gone on since 1971: there’s not a country in Central or South America which legitimately has any debt to any foreign agency today!

That is, if you take the actual paid-in debt—that is, the cash that was actually paid to them at any time, for consumption by the nation; all of these countries have, many times over, paid every penny of that debt. So there is no country in Central and South America which has a net debt; except what happened was, the IMF came in, and devalued the currency, but demanded that the country increase its indebtedness to compensate the creditors.

Therefore, the IMF created an artificial debt which it imposed upon these nations. So they [IMF] should eat it. It’s not a legitimate debt.

So in a case like this, when push comes to shove, and you say, “Buddy, something’s going to go. Derivatives are going to go.” Financial derivatives, we wipe them off the books. Whole categories of debt that are worthless, you wipe them off the books. When it comes to saving a nation, any indebtedness must be subordinated to the vital interests of the nation. That’s the law of the general welfare. That is natural law. And anything else is going back to feudalism.

What I compare this to, is what happened in Europe over a period of religious war which was started about the 1330s, by the Holy League. This was run by Venice; it was adjunct to the Crusades, including and following the Fourth Crusade; and Europe was indebted and indebted and indebted, until about the middle of the 14th Century. In the 14th Century, the banking system of Europe collapsed. The effort was made—not to put the debt through bankruptcy reorganization, but to collect the debt. The imposition of the collection of the debt plunged Europe into a new dark age—as it was called—in which 30% of the population of Europe was wiped out in a short period of time. Genocide.

This genocide of the 14th Century led to the great reform of the 15th Century, the modern nation-state’s first creation, on the principle of the common good.

So no person, no agency, has, after these lessons, the moral authority to use a nominal debt to crush the existence of a nation-state. The debt must suffer. And if the debtor has any equity left over, after the primary requirements are met, then we’ll try to give them fair treatment.

Global Impact of an Iraq War

Steinberg: . . . This question comes from Peru, our group down there which is meeting and participating in this webcast. . . . He says, “What will be the impact of this absurd war against Iraq, on Latin America and the Third World?”

LaRouche: Well, I think if you say, what is the impact on the world? then you could know what the impact is on Central and South America.

The impact on the world, is that this will unleash—well, let me step back. First of all, the United States has, technically, the means to virtually obliterate Iraq. It cannot win the war, but it can obliterate the nation. It can eliminate the nation; it cannot beat the nation. Because what will happen, is, that in Iraq, they will fight in the streets; if the United States tries to put troops in there, unless you intend to use nuclear weapons against whole cities, which is not exactly a good idea, we’ll have to fight door-to-door, street fighting. The body bags will come pouring in. Even if they win that process, at great cost, the chain-reaction effects on the world will be such, you will plunge the entire planet into chaos.

You have to realize, the President of the United States has been lied to; he doesn’t know what he’s talking about; he doesn’t know what decisions he’s making. He’s being brainwashed by the Cheneyiacs—as Nancy calls them—the Chicken-hawks; and he has no idea what he’s doing. He’s

using the authority of the President of the United States to override his best advisors, who are the professional military officers, on this policy. He's going against our allies in Europe, who know much more, and have much bigger interests in that area, than we do.

So it's a foolish policy. The chain-reaction effects of such a war upon the planet are such, that you would plunge the entire planet into a new dark age, planet-wide. That's why I've said, "This war, and this Presidency's policy, is insane." It is not a debateable policy; it's an act of insanity.

Therefore, the impact on these countries is terrible. One should look, instead, not on what the impact of this would be on these countries, but look at what the impact of not doing it could be, on these countries.

We have an area from the Rio Grande border with Mexico, down through the hemisphere—tremendous potential. This is—the essential security of the United States, in the Western Hemisphere, since the time of John Quincy Adams as Secretary of State, has been the recognition that the welfare and independence of the countries of the Americas, as sovereign republics, is the first line of defense of the United States itself. And therefore, what we have to do, is cut out the insanity; stop the macho imperialism; get down and help Mexico rebuild; help all these countries in Central and South America, which are our friends, rebuild.

Therefore, the decision not to go to war with Iraq, would tend to force the question of: What do we do about the world economic crisis? And since we want to survive, what about our markets? Our markets in Central and South America. What are we doing for those markets, to give them the ability to purchase from us? What are we doing to buy from them what we need?

And therefore the rejection of the war, would be of great benefit, implicitly, for these countries. Whereas going with the war would cause a global situation which would be terrible for all of these countries, [even] with no direct effect as such.

Steinberg: Thank you, Lyn. . . . I wanted to follow up on that last question about Peru, and the United Nations, because something very interesting has gone on at the UN this past week. Instead of limiting the debate to the 15 members of the Security Council, what you had was something like 114 countries petition to speak on the question of the Iraq war and international policy. What do you think that phenomenon of standing up to speak represents? and what would you tell a country to speak to?

LaRouche: I think what happens, is that you've got a lot of countries around the world, who are influential countries, including nations which are members of the Security Council, which have suggested to their brothers and sisters in other countries, to raise a fuss. They say: You don't want this to happen; back us up! Take a stand. Show that the world is against what the Cheneyiacs, as Nancy calls them, are up to; that this is insane.

There also is a very complicated process of negotiations. Some of these countries are tied, directly or indirectly, to the British Commonwealth, even though they're not under the Queen, as such. They're British Commonwealth countries. And there's a great fight in the British Commonwealth itself, as well as in other countries, to get pressure on the Blair government to take a position with Europe, continental Europe, against Bush, on this policy.

What you have is an effort, in which a funny role is being played by the Secretary of State, who is in an anomalous situation, but I think his actual policy is transparent. He is a member of the Executive; he is accountable to the President. And therefore, he carries out the President's policy, or he resigns. That's the option. So therefore, his own policy, I'm certain, would be somewhat different than the President's policy on this thing. I think he'd be very happy to have the United Nations take this thing out of the United States' hands; I think he'd be happy if someone would step on Sharon, too. And hard. . . .

But [Colin Powell] in a difficult situation, and therefore there's a game being played. Partly it's a face-saving game. And partly it's a matter of our President's mental life. Our President is the kind of man who says, "Ah'm smilin' at ya. But if you don't do lahk ah want ya, ah may have ta kill ya." He's that kind of President, as we saw in Texas, as governor, on the question of the death penalty. He's that typical type of Southern plantation racist type, who says, "Ah'm smilin', but if you don' do lahk ah tell ya, gonna kill ya. The blood's gonna flow!"

Given that—that the President does not like to be frustrated, he tends to become enraged, and say, "Kill somebody"—he's like the Pooh-Bah from *The Mikado* of Gilbert and Sullivan; he cuts people's heads off with his "snicker-snee," or something. In any case, there's a game being played among Russia, France, and Blair, to try to come up with a compromise that is not much of a compromise, in which, on the one side, the resolution will appear to give George what he wants, which is the permission to go ahead with war; and on the other hand, get the inspectors in, and hope that nothing goes bad. It's a lousy way to deal with the situation. But it's an understandable one.

And therefore, in this situation, the participation of many nations on this issue, is a moral factor which is not insignificant. It has no official, clear-cut power to say "No." But it has a great moral authority. And the moral authority, in this case, when push comes to shove, is rather important.

Homeland Security

Steinberg: . . . We have a question for both Nancy and Lyn from . . . the state of Virginia, concerning Virginia and D.C. defense workers. As we've seen with this Beltway sniper situation, our law enforcement and military can not stop the shootings. One victim was actually an FBI analyst. What is your policy to defend the United States from terrorism? How

should we go about homeland security?

LaRouche: Well, I'll try it first. This is a very tricky problem, because . . . apparently, according to the *modus operandi*, number one: This looks like an observer/shooter situation, going for targets of opportunity. Secondly: Such an operation—that is, point and shoot against randomly selected targets—is a targetting of the population, the psychology of the population. And this is the thing that is of most concern; because, apart from the fact that people are being killed, who are innocent of anything—through no wrongdoing of their own—nonetheless people are dying and are being killed, daily, in great numbers in this area, who are doing nothing wrong of their own to incur this. So, the point is, somebody is targetting, not individuals in the population, but targetting individuals in order to target the mind of the population as a whole. That's what the problem is.

So therefore, this has a political motivation. The problem is, that this brings discredit to the Attorney General of the United States, Ashcroft. Because the Homeland Defense policy, particularly his element of it which is being deployed in this area, is obviously totally impotent. And therefore we have to look at this operation from a different standpoint. From an intelligence standpoint, not the kind of thing that's coming out in the press now.

First of all, one shouldn't build this up; it's being built up by the press, The press, the leading press is mishandling this. The television press, the electronic press, and the print press is mishandling this, because this is obviously—the purpose is to get at the mind and terrify the mind of the population in general. The target is not the individual, the individual is a by-blow victim of the main target. The target is the mind of the population of the population of Northern Virginia—where the Homeland Defense operation of Ashcroft is running a pilot program. So, the first place to investigate is—“John are you doing it? Is this your operation, John? Do you get some vision from someplace, at a church meeting or something, to do this kind of thing?” Why is this happening? Somebody's targetting the population—to what end? The only end is to promote John Ashcroft's Homeland Defense operation, his blockwatching operation in northern Virginia. And also Washington—no other reason.

Spannaus: Unless they come up with a swarthy Middle Eastern type who did it, and then it's also to promote the war on Iraq, right?

LaRouche: It's still the same thing.

Spannaus: Right, absolutely. The other point I've made to Miles before, on this, the fraud of the Homeland Security, is: On the one hand, they are totally incompetent, as the ISA court even said; they're just ripping up the Constitution, and they don't find anything of relevance, which does raise the question of complicity. But the other question, is how do you have a serious homeland security approach, if you aren't

dealing with the economy?

As we have put forward, and Lyn has put forward again and again, the real threat to national security, is the fact that you may soon not have a rail system in the nation as a whole. The airline system is going bankrupt faster than you can count the ticker on the stock market. It's just job after job, bankruptcy after bankruptcy. The public hospitals are being shut down. The fact that the powers-that-be continue to keep D.C. General Hospital shut down in Washington, which had the capability to deal with biochemical warfare, is proof positive that no one has a competent sense of homeland security, whatsoever, under those circumstances. And that's what has to be taken into account in saying who's competent to lead in this situation.

Steinberg: Let me ask you, Nancy, one other loaded question. Covert operations, and what Lyn and you were mentioning before, about Ollie North. They built up the drug gangs in Ibero-America, ran cocaine—we had a little song about that. That was very effective.

Spannaus: You can find it on the website. Everyone should turn on the website—they can hear the song!

Steinberg: It was called “Goodbye, Ollie.” “You flew cocaine, Ollie, in your plane, Ollie,” to the tune of “Hello, Dolly.” Very effective.

But you also mentioned in passing the building up of al-Qaeda, Osama bin Laden. These were American- and British-trained and financed terrorists, and they're still running loose today, targetting Arab regimes, as well as anybody and everybody. So, what would real Senate hearings into intelligence failures be looking like.

Spannaus: Well, you might start off with something like what Senator Byrd did in the Iraq debate, where he actually put upfront the fact that Donald Rumsfeld was in an embrace with Saddam Hussein, giving him biological and chemical agents in the early 1980s. I mean, you could find the pictures that would actually do this kind of thing. That would be required; and then, most importantly, I believe, as Lyn has often pointed out, you would have to have a real crackdown on the money. Because drug money is holding up our banking system. I don't know, maybe the drug lords, from Colombia, came in to create the [market] rally last week. I mean, without that drug money, this thing would have been gone long ago, and even the minimal efforts that Clinton made, to do a little bit on the offshore Cayman Islands drug operations, got shut down as soon as Bush came into office. I'm sure that Bush, President Bush himself, didn't make that decision. Find out who made that decision, and maybe we can have a very interesting investigation. That would be my view.

Campaign in Detroit

Steinberg: We're going to try to get Detroit back. . . . Kerry, go ahead and tell us about the campaign, and what

fighters are you starting up in Michigan?

Lowry: Well, to briefly to touch base on the first question you asked earlier about what's happening in the economy up here, it is certainly getting worse by the day. Every day, reality hits closer to home, with people who have previously tried to ignore it. And, that's definitely a factor that works in the favor of anybody, and everybody, who is out there talking about Mr. LaRouche's policies. . . . Yesterday morning, I had the opportunity to speak before the Livonia Chamber of Commerce. And there were approximately 60 people in the room, and I was the first one to speak, because I was the first one there. A very scientific way of choosing who spoke first.

And, anyway, I got up on the podium, and I said, "Folks, since the beginning of my campaign, I have campaigned as, and have associated myself with, the LaRouche organization, and I made no bones about it." I said, "Folks, you know, this country is \$32 trillion in debt, this world is \$400 trillion in debt. There's no way that these debts can be paid. Any sane accountant would tell us to file bankruptcy. Let's get this thing reorganized." And from there I proceeded to discuss the Italian parliament's endorsement of Mr. LaRouche's call for a New Bretton Woods.

To make a long story short, they gave me 5 minutes to speak. I think I probably took closer to 7, they were about ready to push me off the stage. There were definitely some eyebrows that rose, as soon as Lyn's name was mentioned, but for the most part, it was a receptive crowd. I know when I left the meeting, after listening to everybody else speak, a lady who's running for state senate, as a Democratic candidate, told me that I had hit the nail on the head, with what I had to say to the people there. . . .

But, you know, the economy's getting worse. There's nothing going on out there. There's nobody addressing the issues, and the solutions, like Mr. LaRouche and the people associated with his organization, and with this movement, as well as the candidates that are out there running—Nancy and Laurie and myself. . . . The fun is being out there campaigning and talking to people, and looking at the reactions, and letting them know that there are alternatives to the garbage that we hear from just about every other direction.

Lieberman and Organized Crime

Steinberg: Thank you, Kerry. . . .

Laurie had told me earlier that she had a question for Mr. LaRouche, and I mentioned the Joe Lieberman problem up in Connecticut. Laurie, did you want to say something, about either one of those issues?

Dobson: I sure do.

Well, you know that quote about most people leading lives of quiet desperation. I think, these days, it's getting maybe more quiet and more desperate. And with so many people in my area in the market, stockbrokers, lawyers, speculators, business owners, and I guess, given that the Joe Lieberman camp here is still so very strong, . . . people don't under-



Kerry Lowry, Democratic Party candidate for State Representative in Michigan: "The fun is being out there campaigning and talking to people . . . letting them know that there are alternatives to the garbage that we hear from just about every other direction."

stand, he is the one standing over Bush while he's writing these war documents, and encouraging people. The Lieberman-reality, I call it. And I guess, maybe, Mr. LaRouche, if you could help people here, understand the scenario of collapse, as it would be under your policies, versus Mr. Lieberman's. Maybe you could give us an A version, and a B version. What would life in Connecticut, or in the world, be like, if the Lieberman policies would be taking place, when all this collapse actually calamitously happens?

LaRouche: You don't have a chance, because, remember, what is Lieberman? Lieberman's relevant connections, are organized crime—Michael Steinhardt and Company, that crowd. So, what do you expect from organized crime in a depression? Well, look what we had with organized crime in the last depression. Meyer Lansky's mob, which is what Lieberman is tied to. Tied to the Cuban Lansky mob, as well as the New York Lansky mob. Michael Steinhardt. They're going to steal. They rob, steal, use gangsterism.

What is he associated with in Connecticut? With non-existent Indians running reservations for the benefit of organized crime. What is Kerzner, what's Sol Kerzner? We know him from South Africa. We know him from London. We know him throughout the United States. What's he tied to? What's his link to McCain? McCain's tied to what? Organized crime, the Bronfman mob. That's where the family money came from, for McCain. What's he involved with? Indian reservations! The same swindle in the name of the American

Indian — out there in Arizona they have some actual American Indians, not like the imitation Indians they invented up in Connecticut.

But the Indian leaders out there, know they're being ripped off, and are complaining about it. But, organized crime took it over.

So what would you get in economics under Lieberman? You'd get, organized crime replaces industry and employment. Drug-pushing, the whole gamut of the things we had from organized crime, in the past. That's what he is. He is a mouthpiece. He's like the accountant for organized crime. He's in there, he pushes the money around and so forth, does that.

The answer is, what do we do about it? Well, it's obvious, in Connecticut. You've got a labor force, which has skills. They're not going to have jobs much longer. Look what's happening now. The entire New York-based — that is, New York to Hartford insurance-based area — of that kind of employment, is going to be hit. Law firms, stockbrokers, insurance deals, this kind of thing, the financial community thing — they're going to be out. You may have as high as an 80% wipe-out of employment of people in that sector. They're going to want jobs.

And I think the key thing that's got to be brought across to them — and reality is coming across. Just look at this thing, Laurie. We're now getting this third quarter closing reports, which should be in now to most people. The third quarter closing, on people on pension funds, mutual funds, and so forth — the statements, the quarterly statements they get — they're being wiped out. We're talking about 30-40% wipe-out of their nominal assets, in the past quarter approximately, something like that.

So, this continues another quarter, these guys are out. Therefore they have to look for a new lifestyle. But they have to look for an opportunity which is not being a slave, or sending their daughters to work for prostitution for organized crime. Or something like that.

Dobson: And what hope can you give them?

LaRouche: Program. Program for reconstruction. If you have a state program, a government program — state, Federal, local — backed by the creation of public utilities to organize essential infrastructure, that creates the opportunity for the private sector to bid, as subcontractors, to government projects such as public utility projects. And that's the alternative to the kind of job they have. They have to make a career

shift. Assess their talents, assess their abilities, hope for a new kind of job, and fit themselves in to what we would hope, we are going to provide, as the new types of employment for them.

In the meantime, assure them of the fact that we're not going to have people running around the streets, hungry, without health care, and so forth, just because they have to be temporarily dislocated.

Dobson: So, I think you're a truly humanitarian-response type policymaker, and I think that I'd like to really find a way to bring that home, that Lieberman's policies will not care for the people of Connecticut.

LaRouche: That's the bottom line.

Steinberg: Okay. For listeners and organizers, there is going to soon be published, by Executive Intelligence Review, a full special report, on the infrastructure projects that Lyndon LaRouche has designed. We can implement these. We've got to get through the election, as Lyn has said. After Nov. 5, the world is going to be very different. . . .

Irregular Warfare

Again, on the theme of terrorism, this question comes from . . . a reader of EIR.

And he says, "When reading Executive Intelligence Review and other writings, we get an inventory of many particular oligarchic-type policies, and their implementation, which is sometimes called 'irregular warfare' operations. But, as we begin to cognitively digest this, we begin to get a sense that these particular operations are part of an overall grand strategy. Have we correctly understood this, or are we just witnessing the integration of particular interests, in the same direction?"

LaRouche: What the purpose of irregular warfare is, in general — it's used for many purposes, there are many kinds of irregular warfare — but in this particular case, and for this immediate concern, what is going on, is an attempt to destroy the basic social structure, or the remaining part of the social structure we had, from the time that the United States was the world's leading producer society.

The same thing is being done, to the same purpose, in South and Central America. We're destroying it.

The same thing is being done in a different way in Africa.

The United States and Britain, together with some Israelis, are running genocide against the black population of Africa. And this is the United States government, the United States State Department conduits are running this kind of thing. The same thing in South and Central America.

So, what we have is an attempt to destroy political structures.

For example. The Democratic and Republican parties, in one sense, no longer exist. Where are the meetings? Where's the structure, in which the citizen can participate in the party? The party organization is a handful of people, who are running

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it largely through hacks. Which is run largely through Wall Street money, or similar kinds of money, or drug money. We don't have parties—that's the destruction of structure. You have goons, who throw people out of meetings, so there can be no democracy in the Democratic Party, or Republican Party meetings, to speak of.

The same thing is going on, in what happened in Washington, D.C., around this operation against D.C. General Hospital. You had irregular warfare. You had the official representative to the Congress from there, you had the mayor, who were part of an operation to destroy the infrastructure of the city, to loot it, to get the people out, to ship them across the river, to Anacostia side, and to turn this into a World's Fair-type real estate scam, and destroy the people, to destroy the structure, to change the character of society.

And that's what this irregular warfare is aimed at, principally now. The school system is irregular warfare. The university system is irregular warfare. There is no education going on, essentially, in the school system, that we could call education by former standards. In universities, look at the courses they're teaching. Look at what's coming out. Look at the content of what's supposed to be science courses—it's garbage. People go to universities not to become skilled in some professional or related skill. They go to universities to show that their parents could afford to spend the money, at those prices, to put them through a

university, where they learn nothing, but they came out with social status because they have a sheepskin to wear, if nothing else.

Steinberg: Sounds like Yale University, and President George W. . . .

Lyn, I want to thank you. I want to thank Nancy Spannaus, Kerry Lowry, Laurie Dobson, for running these campaigns, and encourage the LaRouche movement to organize this week, intensify the battle to stop this war, and bring about the solutions for a New Bretton Woods.

Lyn, in the last minute, do you have any summary statement?

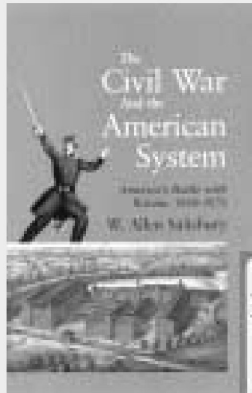
LaRouche: Well, I think as I say, Nov. 5th is coming up. Wherever we can, around the country, build up, around the Democrats, or Republicans who are sane, and get them in; change the composition of the Congress, shake up the machinery, and get rid of, and weaken, this bunch of draft-dodging Chicken-hawks who want to make war everywhere. And if we do that, we can change the country. And, as I said, the objective, my objective, is, as soon as possible, to be able to get a bunch of people to walk into the White House, and say, "Mr. President, we'll save your Presidency, and you'll be a success if you do what we tell you. But you've got to get rid of these bums. And we'll come in here and straighten this thing out, and you'll be a success." That's the objective.

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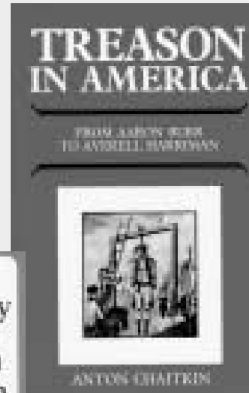
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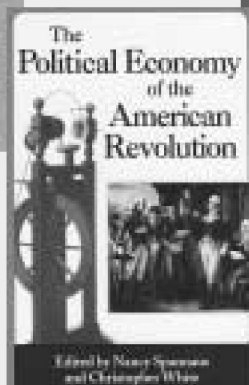
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