

LaRouche: The U.S.A. Must Take the Lead

Here is an edited transcript of Lyndon LaRouche's concluding remarks, made by telephone hook-up from the U.S., to the July 26 EIR seminar in Wiesbaden, Germany. After his opening statement, he fielded questions from the assembled guests. Subheads have been added.

As you know, from my address this past week [the July 22 webcast], what's settled is this: We require, first of all, the first measure is the Homeowners and Bank Protection Act. Without that, nothing's going to work. Next, we require a two-tier credit system, which now means, from the U.S. side, a 4% rate on bank loans, and a lower rate on government-protected special loans, that is, 1-2% for that range. With the function being, to protect the U.S. dollar, so we're not running, emptying the banks of their cash. And this will be coming in just slightly below the European rate, and significantly below the British rate. But since the United States has the advantage of being an investing country, whereas Western Europe now is not capable, under Maastricht, of doing that side of operation, the main thing is to undercut the British, but at a 4% level, which means that we could save our banking system.

The next stage, the third stage, is to get a proposal, from the United States, to Russia, China, and India; and, on the assumption that we can get cooperation among those four countries, we can extend that group to other countries.

The important thing to remember, the only way this saving of the international system could occur, is *from the United States*. That is, any combination of four other countries than that, would not work. If the United States is not included, there's no way to save the system now. We're in for a complete crash of the world system.

The reason is, that the U.S. system is based on a credit system, not a monetary system. That is, Constitutionally, the United States system is based on a credit system. That is: If the United States makes a monetary emission, or authorizes one, or conducts a treaty agreement which does that, all the parties to that treaty agreement, can now be operating, instantly, on the equivalent



EIRNS/Stuart Lewis

The only way of carrying out the urgently needed policies to save civilization, LaRouche said, is for the United States, in combination with other leading powers, notably, Russia, China, and India, to come together and create a new international monetary system. Here, LaRouche addresses a webcast on July 22.

of a fixed-exchange-rate system. On that basis, which could only occur with the United States as a party in that agreement, a recovery could begin to be organized.

Unless these three conditions, as I just described, are met, we have reached a point that the *present world monetary-financial situation would be considered hopeless! We already are finished off! The world is finished, unless this agreement is made.* And it would be quite feasible.

So far, we have no action—yet—official action in the United States. We've had votes for this, on the terms of the Homeowners and Bank Protection Act; we've had very strong support from certain circles in banking to agree with my idea of a two-tier credit system. We have no action, of course, on this other action, though there is discussion, coming from Russia, China, India, and so forth, discussion in the direction which would be favorable to the third condition. That's where we stand.

The problem here is, in the U.S. in particular—because Western and Central Europe, right now, are, from our standpoint, hopeless for getting an initiative of this type. They can only be, in a sense, passive or subordinate partners. Europe could not initiate this, but as a

subordinate partner could participate. We'd have to get rid of the Maastricht agreement entirely, in order to have Europe functional again, but this would do it.

So that's the situation.

The problem now, of course, is the U.S. election: If Obama were to be the putative nominee in the United States, the situation would be hopeless. Forget civilization. If McCain, as he stands now, were that, we'd have a similar situation. However, there are institutional factors in the United States, which could change. And of course, if Hillary Clinton were still the putative candidate for the Democratic Party, she probably would be willing to make the proposal *as a candidate*, which would activate the discussion with Russia, China, and India, which could get the whole thing going again.

But that's our situation: It's a *dangerous* situation, from all obvious conditions, the conclusion would have to be, the world system, the world financial-monetary system, is going through a breakdown crisis—not a depression, certainly not a recession—but a general breakdown crisis, in which all currencies become hopeless.

In other words, you're looking at a situation like Germany in 1923, toward the autumn of '23 in Germany. You're at a point of a general breakdown crisis, on a global scale. That's where we are. The only thing is, that some miracle, which we're trying to make happen, could change things. The initiative has to come from the United States; it means Obama has to be out of the way; it means that we have to have a different candidacy, which means the month of August is crucial on this. After the month of August, beginning of September, either we have some progress in this direction, *or the world situation is technically hopeless, for the time being*. That's where we stand.

Dialogue with LaRouche

Q: Good evening, Mr. Lyndon. I would ask about the Middle East. What about the Middle East? We are from the Middle East, I don't hear anything about the Middle East until now.

LaRouche: Well, the Middle East is not a factor in this sense: Because, the Middle East situation will depend entirely upon what the world environment is. And the initiative from the United States, and the cooperation, with a U.S. initiative, from Russia, China, and India, is crucial for every part of the world. That is, without these four powers coming into a prospect for

agreement, there's no hope for the rest of the planet. There are no local solutions.

Now, however, on the situation, that doesn't mean we lie down dead in the Middle East. What we have now, with complications, is the possibility, built around Syria, of a nest of agreements being reached, which essentially would be peace and cooperation agreements, which could stabilize the entire area. That is, when we had a success in the case of Lebanon of getting a government constituted there, without disruption, and the fact that we have negotiations between Syria and Israel, implicitly, which are not far from the terms that would have to be settled for agreement there; and with the possibility of agreement among Arabs and Israelis, and among Arab countries themselves, many of them at least, in that region; and with the possibility of bringing Iran into the complex of agreements, and Turkey, we have the possibility of a regional scheme of peaceful cooperation, which could solve the problem.

What we need, however, is to provide a context for that, and the context has to be a new international monetary-financial system: Because without a new *international* monetary-financial system, we can not possibly solve the problem of the world as a whole. I mean, there's no way in which a particular part of the world could survive under these conditions, by itself.

So, the Middle East thing is on the table, as far as I'm concerned. It's very serious. But the most important thing, right now, is a nest of peace agreements and cooperation agreements, among the nations. I think that process is underway. I think most of the elements of agreement are already under discussion, in one way or the other, and my concern in this area, is to defend and promote the success of that process of agreements, without pushing it too hard, because I realize we have to be patient, but we have to have patience under the conditions of confidence that we are seriously negotiating what has to be negotiated.

So I don't leave the Middle East out. I simply say, that we have to provide the context, in which the existing efforts at peaceful cooperation are given favorable conditions and support.

There Are No Designated Candidates, Yet

Helga Zepp-LaRouche: One question we had come up this morning, was, that the governments are not really the powers, and the official institutions are not really the ones who decide. But you have these powers behind these institutions, which are the control-

ling factor. So, one of the participants brought up the question of: How do you affect that, given the fact that you have this powerful financial oligarchy, and how do we focus our intervention in history at this moment, taking this problem into account?

LaRouche: Well, the situation is not simple. For example, we have, in the United States—because my situation is crucial in this—various things in motion, various forces in motion, and it’s not a completely settled situation by any means. First of all, we have to understand, that *there is no securely designated candidate for nomination* for the Presidency of the United States. All the boola-boola about Obama does not mean that he is already a securely designated nominee for the Democratic nomination for President. We don’t have any security on the question of McCain. McCain’s situation perhaps, is a little more secure than that of Obama, but in neither case do we have a Vice Presidential prospect in sight.

So we have, at present, *no secure picture of who the next President, or leading contender, might be*. We are now in the situation, at the end of July, and the month of August, *in which the greatest financial tumult and uncertainty in modern history, is now occurring!* The question of the two candidacies, of a Democratic candidacy and a Republican one, both, will not be clear until early in September, probably about the time of my birthday [Sept. 8].

So, there is *no* situation, from which you can stably calculate *who is what*, and simplify the issues. The situation is changing rapidly, and it’s changing fundamentally. *The entire international banking system is in process of disintegration*. We could have a situation by September, in which *there is no stable banking system in the world! No stable monetary system in the world!* We could be in a state of utter chaos! All calculations which are based on statistical projections of the present trends are incompetent. And most of what is reported on banks and conditions of banks and financial systems is not even mainly incompetent, they are *lying and incompetent*: That is, people are telling lies, but they don’t know which lies are the more probable ones to be continued.

So therefore, in this situation, there *is no certainty*. You’re like in command in warfare: You have the parameters on the ground; you know what the forces are; you know what many options are, but you’re going to have to make command decisions, very rapidly, on the basis of shifting emphasis on options.



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The only hope, LaRouche said, is that we will have an upheaval in the U.S., opening up the possibility that Hillary Clinton, or another qualified Presidential candidate, might emerge. But it would have to happen in the month of August. Shown, Clinton campaigning in New Hampshire.

Therefore, you have to stand back with confidence, and define what a winning position is. Then you have to have a command structure, which will execute the same kind of command function that a leadership does in war, a competent leadership in war.

So, there are no pre-calculable projections, based on so-called probability. We’re in a *real* situation, not a hypothetical situation.

The key thing is, in the United States, the crisis is discrediting the people who are making present policies. That is good. Because as long as the present policy combination is in place in the United States, there’s no hope for civilization. But the crisis is so bad, and the discrediting of the institutions is proceeding so rapidly, that we must expect an upheaval in the present political situation, in each part of Europe and the United States, now, in the immediate period. We have a more stable situation in Asia, in the sense that Russia, China, India, and some other countries are relatively stable politically, now, relative to an absolutely chaotic situation throughout the trans-Atlantic community. So the trans-Atlantic community and Southwest Asia, are completely chaotic.

One of the big problems, of course, is the drug problem, and this is the attempt to destroy Pakistan, which is

now in progress, and the threat that someone from Britain, together with the Cheney faction in the United States, might actually start a war attack on Iran, are the incalculable factors in that region. That's where we stand.

And the only hope, and my recent experience gives me more hope of the possibilities, is that in the United States, we are going to have an upheaval, and the possibility that even Hillary Clinton might come back—because she's still a candidate for the nomination—something like that might happen, or a different combination to similar effect. But it would have to happen in the month of August. And until we get through that hurdle, all we have, is increasing potential for what I'm proposing: The potential consists largely now, of key people in key institutions who are coming to agreement with me. But this is behind the scenes, not up front. If this goes from behind the scenes to come up front, then we have the kind of situation which I depend upon us to have; because if we don't have that kind of situation, I think the situation for the planet as a whole is *relatively hopeless*.

The British System Is the Key

Q: [as translated] Our friend from [Southwest Asia] has a further question. He says that we recognize that there's a certain opening between the United States and Iran, there are types of negotiations going, on the nuclear program, and so on and so forth. But at the same time, you are saying that there are people around Cheney's circles who want maybe to bomb Iran. So, who's in this process? Who is for the diplomacy, and who is—there's a contradiction, our friend says.

LaRouche: Yes. That is absolutely correct, correctly posed. The only thing is, that too much emphasis is placed on assuming that the United States is an independent factor in determining this problem. The United States is not the principal independent factor in this in situation: The *British* system is the key. And of course, it's the British relationship to the BAE [Systems], which is crucial in understanding the way this is going to affect that whole region.

The key thing is, the British are running an empire. The United States is not an empire. The illusion is, in many parts

of the world, that the United States is an empire. It is *not* an empire. If you go through, as I have, who owns and controls the Presidential candidates in the United States, who is controlling many of the international operations, these controls are not coming the United States. There's some influence from the United States, but it's not coming from the United States. *It's coming from London!* The center of this crisis is London, not the United States.

There are factors in the United States, such as Cheney; so, what is Cheney? The Cheney faction is an extension of a faction *in London*. And it's tied to the Labour Party more than the Conservatives. The greatest danger, the greatest threat, comes from the Fabian element inside the Labour Party and things associated with it. And it comes from secret operations. That's our problem here. That's our problem around the world.

So, for example, the Maastricht Treaty and its implications for continental Europe, make continental Europe, from the borders of Russia to the Atlantic Ocean, totally unstable, totally out of control. And London is the problem! And the Maastricht Treaty is key to understanding the problem.

Take the case of a potential attack on Iran. That, of course, is the greatest immediate, short-term danger that we have to consider. That could be done by almost anyone. The purpose of that, however, is not to realize that the purpose of such an attack, would be to *make a mess* of the world! To cause a chain reaction of chaos which will just tear the whole world apart. And this is



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Bush is an idiot; Cheney is run from London. They would, under London's direction, start a war with Iran, to destroy the peace negotiations now in process in Southwest Asia.

coming from London.

Cheney comes from London. And you have the Baroness Symons, who was a key part of the Blair Administration formerly, who was one of the key figures, who was operating in Southwest Asia, who typifies the kind of people who will explode the whole region. But this comes from London, and not from the United States. But Cheney represents a faction in the United States, which is controlled from London, and deployed from London.

The President of the United States is an idiot. He's a crazy idiot, but he's an idiot. Cheney and the people around him, typify the dangers. And they would, *under London's direction*, just the same way that Blair started the U.S. war with Iraq, deploy U.S. and other forces, in order to make a surprise attack, so-called, for the sole purpose of destroying the threatened peace negotiations which are now in process in the region of Southwest Asia.

That is the chief, immediate danger affecting that region, in particular.

The Future of Africa

Jacques Cheminade: It's a question from an [African diplomat]. He sends his full greetings and expresses his respect to you. He feels that after 50 years of independence, Africa is at the same point it was at the time of the Berlin Conference in the 19th Century. They have even the impression of a setback, because Africa can not decide for itself, and it's absent from the concert of nations, from the capacity to intervene. How do you see the future of Africa, within the framework of the end of globalization which is taking place at this moment? He wants to know, how do you see Africa at the end of the globalization process? Has Africa a future after globalization?

LaRouche: If globalization comes to its own conclusion, there's no hope for Africa. My contention is to end globalization, to rip it up, and to return the world completely to a system of sovereign nation-states, as Franklin Roosevelt had intended, had he lived at the end of the war.

The situation now, in respect to the countries of Africa, is—the intention is, since the middle of the 1970s, when this policy was adopted, during the period of the [Gerald] Ford Administration—but it was not a Ford Administration; it was a policy which was put in, during the period of the U.S. Ford Presidency—this is 1974-75. At this time, the policy adopted by the Anglo-

American powers, under British direction—and Henry Kissinger signed one of the papers on this thing, but he did that as an agent of this process, it was not just his idea—the policy is, that the raw materials of Africa are not to be used up by the Africans, but are to be conserved for the future use of the Anglo-Americans. That's the policy that was agreed upon.

That is the policy today.

Now, this is also the British policy in particular, but it's got an American tail on it. For example, right now, you take the attack on Zimbabwe, the targetting of Sudan, and a number of others—the targetting of Mbeki, for example. There are a number of situations which indicate, the intention is that Africa will not be allowed to maintain its present population; it must decrease its population. It will not be allowed to have sovereignty. It will not be allowed to develop and exploit its own raw materials for its own use, and so forth. One of the indications here, is that China is the only country, major country—and this is particularly with respect to East Africa—which has made a significant contribution to cooperation in the development of infrastructure and other things in Africa. If you look carefully, as you probably know very well, there is no significant effort, in support or *allowing* African countries to develop their own resources for their own survival. The pattern of genocide, by direct genocide, or by indirect genocide by causing chaos in Africa, *is* the current policy! Under globalization, that policy will become total. Totally victorious.

So, there is no hope for Africa, if globalization is allowed to continue the course it's on now.

The only hope is a return to a policy of *the sovereign nation-state*, and the kind of policy that Franklin Roosevelt had intended for the close of the war, had he lived. And had Truman not replaced him, with a *pro-British policy*.

So that's our situation. Therefore, the point here is, the development of Africa, requires large-scale infrastructure development. That development can come chiefly by a global development, in terms of rail lines, and power systems, and water management. That is, there's a Eurasian development extending into the Americas, as by the Bering Strait project. And if a similar effort is made into Africa, the infrastructural extension for development of Africa, in line with what the Chinese participation is doing there now, this opens up the gate for *hope*, for the real, long-term development of sovereign African states. And that should be our policy. I don't think we should sit back and accept the

idea “what is going to happen to us?” I think we have to intervene, to determine what is going to happen.

My view is, that the present crisis of the world as a whole, is so severe, that there’s no part of the world that could survive the presently onrushing financial and related crisis, without cooperation. If such cooperation occurs, it will occur largely on a basis of nuclear power, water-development projects, mass transportation projects. These projects will have to include, naturally, a system of rail or magnetic levitation communication systems and transport systems, throughout Africa. My view is that that African development—nuclear power, mass transportation, water management—will open up the base line for the investment and development of African nations. And I think the only solution is, to fight for that perspective, that global perspective, with the African aspect emphasized, and to mobilize the people of Africa intellectually, about the realistic hope, that such changes can be brought about.

False Hopes in Russia

Q: The Russian government sees that in this crisis, their economy is one of those, which is not doing the worst, and they feel that they can also help Europe. The better forces in Russia, sometimes think that they can help Western Europe as the crisis goes on to create a kind of stability and to come out of this crisis somehow. So what would you say to such forces, with what they’re trying to do? And also to Europe?

LaRouche: That’s a false hope, it’s a delusion. That would be a delusion. I know that there are expressions of such views from Russia: the idea, for various emotional reasons, to say, “We don’t need the United States, we can operate, we can help Europe,” and so forth. They don’t realize what the reality is, and I don’t think they really are that skillful, by my standards, on economics. I think the present Russian government, under Putin and under Medvedev, has obviously made a great improvement over the situation previously. And they’re doing many things which I think are very useful and commendable, and I’m optimistic about it in that sense. But when it comes to understanding the international monetary-financial and strategic situation, I don’t think that Russia presently has yet achieved a competent insight into the actual nature of the present global situation.

Without the United States playing the role which I’ve indicated, in cooperation with Russia, China, and India—that would mean bringing in all the other countries, but you have to have a group of key powerful



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The Russian government, under Putin and Medvedev is doing many useful and commendable things, LaRouche noted. But when it comes to understanding the international monetary-financial and strategic situation, Russia has not yet achieved a competent insight into the actual nature of the present global situation.

countries, to make the change—but once the agreement is made with sufficient power to make the change, the other countries which obviously will come in, will become an integral part of it from the start, *then* things are possible. But until that change is made, *nothing good is possible.*

One must not get into this thing about saying “if . . . then, if . . . then, if . . . then.” Look what you’re looking at: you’re at a point, if you look at the obligations of the international financial system, what happens if the dollar collapses? If the dollar goes down, China goes bankrupt; Russia goes into a catastrophe; all of Europe is in a catastrophe; the world is in a catastrophe. We are in a global breakdown crisis, of the *entire world system!* Not a recession, not a depression, not a regional crisis, but a total crisis of the entire world system in its present form. Only by creating a new fixed-exchange-rate system, around agreements among a group of core countries, which has to include the United States first of all—without the United States it won’t work—that’s a New Bretton Woods system, in which Russia, China, and India, with the United States, take the initiative to bring other nations into an agreement with them, of cooperation on creating a *new* monetary-financial system, that is, a credit system, which is geared to global development. Without that, nothing is possible. And any idea

that there are alternatives to dealing with the United States on this thing, is a delusion.

Q: This question is still connected to the Southwest Asia situation, but there are some commentaries being made in the Presidential campaign. Like McCain: One of McCain's advisors presented the idea that Jordan is Palestine, that the Palestinian issue could be resolved by turning the Palestinians over to Jordan as a solution. And then there is a question about redrawing the map of the Middle East, which was presented earlier during the current Presidential administration. But there are people, maybe in the McCain camp, who still harbor that type of idea for changing the map of the Middle East, once again. That's the question.

LaRouche: Okay. I think the threat from the statements of McCain are not too significant. McCain says a lot of things. But unless you get a combination which I would be afraid might occur around the McCain candidacy, I would think there are certain Republican forces around McCain, who would prevent any such idea from actually being pushed. So I don't think there is, in the normal sense of things, a threat from McCain, through just things from his mouth, but not actually from him as a source.

The great danger of precisely that, comes from only one quarter right now: It comes from London, and it comes from London's ownership of Obama, Barack Obama. Remember, Barack Obama is totally a British agent, they *own* him. They own him more than once. And he will be nothing *but* a British agent. If Obama were President, *exactly* what you're afraid of would be attempted.

What Should France's Farmers Do?

Q: As you know, we have some farmers in France, who are opposing free trade, and are mobilized on the world food production issue. What would you suggest to them—how they could do more, to restart farming all over the world?

LaRouche: Well, first of all, there's nothing in this direction that can be done, unless we settle this question about international power. Europe, as we all know, is right now pretty impotent, because of Maastricht. There's rumbling. There's resistance, as in France on some issues, as in Italy from other sources. But Europe is—Western and Central Europe, continental Europe—are totally impotent right now, in terms of any policy-making, whatsoever. Because they're trapped in the

system. Until somebody breaks out of the system, the help has to come largely from the United States. It may seem like a distant prospect, but that's all we've got!

Because you've got to see everything in terms of the fact that the present international monetary-financial system *is in a process of disintegration*. In other words, this is like, on a global scale, Germany in December 1923: That's the kind of situation, historically, used for a standard of comparison, of where we're going now. Unless we *overthrow, all of the present trends in policy-making*, in Western Europe and the United States, that is, all the main monetary-financial, strategic policy trends, unless we overthrow them all, there's no chance for this planet as a whole. Because a collapse of the U.S. will mean a collapse of Europe, a collapse of the British system also, which means a collapse of China, a collapse of Russia, a collapse of India. It's just differential rates of collapse.

There is *no hope* of secondary solutions for the world, under those conditions. *This is a war, we must win*. This is a war against a dark age, it's a war for the very continued existence of civilization. If we can turn the situation around in the United States—and that is *not* impossible—if we can do that, then in that case, the Four-Power proposal that I've made, for the United States, Russia, China, and India, and grouping countries around that, *would lead to an immediate, fundamental change in the situation*. Without that change, *I don't see any hope for any part of this planet*.

British Geopolitics and the Fabian Society

Q: We've got a lot of questions in France, on the Fabian Society. And if you can say a few words on the purpose of the Fabian Society, why it's so dangerous, and how the Obama candidacy is part of this historical scheme.

LaRouche: We did a video here, which I think you should all have access to on this kind of question, because I think we did the job fairly well. It's published on the website [www.larouchepac.com]: It's the "1932" video, which lays out the change in world history, which came about in the aftermath of the victory of the United States, over Britain, in defeating Britain's agents, the Confederacy in the United States. And that the changes were made by the British in their strategy, to try to destroy the influence of the United States victory, inspiring large-scale railroad developments in France, in Germany, in Russia, and elsewhere, and similar kinds of development. Like the Bismarck reforms in Germany of the late 1870s and 1880s. These were considered by



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H.G. Wells was the evil Fabian Society mastermind of the “dirty tricks method of world politics.” Left: a scene from the movie “Things to Come, based on Wells’s book.

Britain as the greatest threat to the British Empire ever conceived.

And it was the threat of American methods based on nations admiring the success of the United States, both in defeating the British, by crushing the Confederacy which the British had created, and also by the development of the United States as a continental nation, with large-scale railway systems and so forth, which was a model of success, which inspired France in the 1870s, inspired Germany in the '70s, and '80s, and led Russia in the same period under Mendeleev's projects. So this was the origin of what was called, “British geopolitics”: Where the power of the British Navy to control the world through the oceans, was threatened by the development of continental railway system and similar kinds of industrial development.

So, at this point, where the original aim of the British Empire to control the world had been ruined by the U.S. victory over the Confederacy, and the development which followed between 1865 and 1876—this had constituted a *mortal threat* to the possibility of continuing of the British Empire. At that point, the British Empire evolved a new method, a new strategy. And the new strategy was based on the precedent of the Roman general Fabius, who created a special kind of defense of what became the Roman Empire, against the temporary defeat by Hannibal's forces, inside Italy.

So this became the dirty tricks method of world politics, and the new kind of British policy: The key part of this policy, because England and the British Isles are a

complicated place—you have Scottish, Welsh, English people; you have pro-industrial interests, you have pro-national interests and so forth, in there. So the empire aspect of the British Empire, which is the *Anglo-Dutch* aspect of the Empire, the financial aspect, created an arm which was built up largely with the name of Cecil Rhodes, but around H.G. Wells. And H.G. Wells, of course, was a fascist, as he confessed himself to be in the early 1930s. And so, the British Labour Party became the core of fascism, in England, although there are other elements in the Labour Party. But the Labour Party organization itself became the base for fascism, as typified by the role of H.G. Wells, as the chief of intelligence for this faction of the Fabian Society in World War I, and also in his plans for World War II, as in his famous writing and movie, *Things to Come*.

And the post-war policies of Britain have also come from the Fabian Society, from people not only like Wells, who laid out the policy, but Bertrand Russell, who was probably the most evil man of the 20th Century.

And so the Fabian Society represents a liberal-labor core, ideological core, of the methods, which were developed by the British over the course of the late 19th Century and 20th Century for conducting war. It was H.G. Wells, for example, and his friends, who created World War I, and implicitly, World War II, who created the corruption which has occurred in Europe in the post-war period, to the present day. Today, Tony Blair is probably the worst fascist in England, or he certainly has a record of that, and people around him—the Blair crew is the most evil. You have Conservative types who are more complicated—they may be pro-imperialist and so forth, but the imperialist types of the Conservative Party and others have a somewhat different character than the Fabian Society. The Fabian Society is the maximum concentration of evil in Britain.

And that's what the significance of the Fabian Society is. It's an idea of the *alternative*. When Hannibal was defeated Rome, initially, and the Romans were in short shred, because of that defeat, at that point, the Roman method of Fabius was used to draw down the forces of Hannibal, until Hannibal could be defeated. And that's exactly—the Fabian Society was created as a new conception of warfare *against the United States victory over the British in the U.S. Civil War*.

If Obama Wins, the U.S. Loses

Q: I'm coming from Austria... I have a question about the elections: Is it really a realistic scenario that Hillary Clinton, at the end of the road, is going to be the nominee of the Democratic Party? And if so, what must happen that that scenario is going to be real?

And second, if not, do you know who is going to be the running mate of Barack Hussein Obama? Thank you.

LaRouche: Yeah. Well, I don't what's going to happen in the United States. I'm trying to shape what's going to happen in the United States, and therefore I have to say, that I don't think my powers are infinite. I think my influence is now increasing greatly in the recent period. More and more people are coming over to my camp, including from some of the financial circles, simply because they realize I'm right and the others are lunatics! And even among some bankers, I'm getting a growing constituency of bankers who believe that my proposals for monetary-financial reform are appropriate. Meanwhile, my enemies are becoming more discredited by the moment.

As to whether Hillary could—[inaudible] that she will, is uncertain. Hillary has two aspects: First of all, she probably is, potentially, the most powerful figure in the U.S. Senate right now, or will be, because anyone who's got over 18 million votes as a candidate—she got more votes than Obama did!—is a figure to be reckoned with, either in the Senate, or as a candidate. As Vice President? No. As Vice President, that would be probably a failure.

But Obama, I don't think can make it. If he can make it, then the United States won't make it. That's the best way to put it: If Obama succeeds, the United States will fail.

On the Vice President? Nobody's made up their minds yet. There are things all over the place. The place is highly uncertain, highly unstable, absolutely hysterical. You have to realize, that the entire banking system *of the world* is virtually going under. All of Western and Central Europe, including the British; all of North America, is absolutely bankrupt.

Now, to me, that is not a great challenge, being an economist. Because I know what you can do with properly constructed bankruptcy. If governments are determined to have banks function, because they need them for the economy, the banks will function. They may be functioning under bankruptcy protection, but they will function. Because governments who are not stupid will

make sure they function, in order to maintain the stability of society.

The only hope now is, in this moment of crisis, that this crisis, which is coming on with great force, will *break the will to resist what I'm proposing*, from within the ranks of institutions. In other words, sometimes, it's like as in battle: You sit back and you say, "Well, what can you do? I have to wait for the enemy to destroy himself. Then I can do something." And that's the situation I'm in now, and that's the situation a lot of us are in, in the United States. There is a minority in this country, which *would move, in the direction I propose*. But we are not going to be able to move, until we *break the will* of those who are still controlling the situation. And the way the will of those people is going to be broken is by their own failures, by the bankruptcy they're bringing down on themselves, and on the rest of them. It's that kind of strategic situation which must be understood.

And my approach toward the rest of the world is based on that consideration. I'm saying: Don't lose your nerve! The enemy is coming on. The enemy is terrible. He's trying to destroy everything. But be careful. Get ready. The enemy is going to destroy himself, and we have to be committed, in advance, to very quickly acting, around ideas which will work, to deal with the situation. And therefore, my main hope outside the United States, is that specific thing. If we get something from the United States by September, when the failures—the terrible failure, the terrible collapse of the world financial system, including the U.S. financial system—will have occurred during the month of August, by September are we still in a position to push forward exactly what I've been proposing? I think we could be. And that's the best shot we've got.

I don't see, and I'm probably one of the best forecasters in the world on this kind of thing right now, I don't see any prospect for the planet, unless we can do that. I think we can. My concern is that we not lose our nerve, and that we rally our forces to be prepared to take up the opportunity when it's presented to us.

A Rising Movement Among the People

Q: [A guest from France] The citizens are observing their inability and impotence to control the elected officials. This impotence is programmed into the constitutions which do not allow citizens to be able to exert some real control over the elected officials. What do you think of what the Athenians did? They introduced random elections of the elected officials, in particular among



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"I think we're looking forward to the possibility of the emergence of new leadership, of people who are oriented to the desires and sentiments of the lower 80% of populations, which are largely nationalistic, in the sense of patriotism, in their character. And I think that's what we have look for. I'm optimistic." Shown: The LaRouche Youth Movement organizing in Boston, July 31.



those would be in charge of writing the constitution?

LaRouche: Well, you've got to look at the situation in the United States. The character of the United States has been, since the Vietnam War, since the killing of Kennedy, actually, that the lower 80% of family-income brackets has become increasingly distant from power. In elections, their behavior is to select a secondary or tertiary issue around which to rally—a demand for this, and demand for that. They don't challenge the composition of the top-ranking power directly. Now, this is especially since 1968. The 68ers changed everything, they changed everything for the worse in Europe, they changed everything for the worse in the United States, and through other parts of the world. The passing of de Gaulle in France, the way they spit on Charles de Gaulle in '68, typifies the change in moral character of government in that period.

Now we've come to a time, where it is the upper 1-3% of the income brackets of the population, which have the greatest power, and which disgrace themselves the most. The collapse of banks, the spectacular bankruptcy of major financial predators, global predators, is bringing about a situation, where there's a collision—there's a rising movement right now, among the people. You saw this in the primary campaigns, and it's getting

even more intense now, in the United States: A rising assertion on the part of the lower 80% of family-income brackets, at least certain parts of the whole process, *toward taking political power*. At the same time that the great financial powers of yesterday, which are running governments from the top down in Europe, as well as in the United States, they are becoming *hated*, and discredited and despised.

So you're coming to a point of junction, which I think is going to be reached in September, if there's not a Middle East war again. But at that point of junction, is the point at which the citizens of the United States *may intervene*, to take charge of the election process, by their influence, their weight. This would tend to be echoed, I think at this time, as par-

ticularly in France, for example, and possibly, in Italy: that these two states have potential for resistance, for popular resistance, against the global trends presently. Under those conditions, I think we're looking forward to the possibility of the emergence of new leadership, of people who are oriented to the desires and sentiments of the lower 80% of populations, which are largely nationalistic, in the sense of patriotism, in their character. And I think that's what we have look for. I'm optimistic.

Under those conditions, we will be able to do, as has been done before: Very rarely do we make fundamental changes in government. We change governments by slight manipulations in their character. We're now at a point, where there can be a reversal of what happened since 1968, and it only requires a slight affirmation of control of government by the lower 80% of family-income brackets of populations, by putting their pressure in the situation, and they can switch the whole process around, in a direction, that is, for a kind of mini-renaissance. And I think that's quite within our reach. Not only is it in our reach, I think it's the only thing worth doing. If we can get a significant part of the lower income brackets of the population to *move*, to exert a real influence, on a discredited present establishment, I think we can get the results we want.