## What Is Value?

# Russia's Role as a Scientific And Economic World Power

This special edition of the LPAC-TV Weekly Update, featuring guests Lyndon LaRouche and Rachel Douglas, and hosted by LPAC Economics Editor John Hoefle, is archived at http://archive.larouchepac.com/lpactv?nid=14306.

**John Hoefle:** Welcome to the LaRouche PAC Weekly Report. This is April 28, 2010; I'm John Hoefle, and with me today are two special guests: Lyndon LaRouche, the head of LaRouche PAC, and Rachel Douglas, the head of *EIR*'s Russia desk.

We're going to discuss a number of things today, one of which is, "What is value?" I think this subject is very timely, because, as we have seen over the last year or so, a lot of things that people thought had a lot of value have turned out to be completely worthless—and that should have been no surprise, but it was.

Lyndon LaRouche: Well, the problem here is that the conception of economics as taught, and believed in most institutions today, has been, and is, utterly incompetent. The idea that money is a measure of value is one of the greatest frauds ever pulled. And this idea in European civilization developed in ancient Greece, which was a maritime power, which developed in the process of the fall of the Persian Empire. So, this began the long reign of maritime culture powers in Western civilization, came from this process, where Greece fell in the Peloponnesian War, and people from Macedon and so forth took over from Greece. And then it led to the Roman Empire and so forth. So, essentially, the world was, Western civilization, particularly, Transatlantically, was a maritime culture which was based on the idea of money. And money was an international power, greater than the power of any particular state. And that was the way the world was run.

Changes occurred. One famous attempt by Charlemagne, which was successful while he lived: Charlemagne set up the first modern European state, from the Pyrenees, deep into what we call Germany today.

And he built a system of inland waterways, that is, building canals to connect rivers> And so, now, for the first time, it became possible to have commercial freight or the equivalent moving internally inside nations, except on some of the mouths of the greatest rivers. So that was the beginning of a real basis for a nation-state. However, the death of Charlemagne resulted in a success of Byzantium in destroying his system. But nonetheless, the precedent of Charlemagne continued.

So there was a long period of development from Europe, of the idea of economy, always based largely on a currency system, a monetary system. At a certain point, with the discovery of the Americas—which was discovered actually in a sense by Cardinal Nicholas of Cusa—by a follower of Cusa who studied his work and consulted Cusa's advisors and associates. Christopher Columbus, in about 1480, decided to cross the Atlantic in line with a map which was provided to him by an associate of Cusa, a map based on the work of Eratosthenes. And so, Columbus, in 1492, finally got the money to launch the trip, and we crossed the Atlantic.

#### **Massachusetts: The Credit System**

It didn't work at first: We crossed the Atlantic, but because the Habsburgs controlled the colonization in Central and South America, that was unsuccessful. The first successful development of a landfall inside the Americas, was in the state of Massachusetts, then the Commonwealth of Massachusetts; which introduced a credit system, which is the first time in history, with any continuity, that a sound conception of an economic development of society existed. It was created in Massachusetts during the 17th Century, and was crushed there, temporarily, by the crushing of the Massachusetts Bay Colony, and was revived later, under the influence of Gottfried Leibniz, in the form of what happened under Benjamin Franklin's leadership, and so forth. And with the support, up until 1783, of Russia,



LPAC-TV videograb

A corrupted notion of economy, based on the "cult of money," afflicts policymakers in the U.S.A., Russia, and most of the rest of the world. But there is now the opportunity to overturn such bankrupt notions. Shown: Lyndon LaRouche, John Hoefle, and Rachel Douglas discuss these and related issues on the LPAC-TV Weekly Report April 28.

Spain, and France, nations which were then subsequently destroyed by the effects of what became known as the Napoleonic Wars.

But the United States persisted, came back, and with the development of Lincoln's role, we created the Transcontinental Railway system, the first such system. Now, instead of depending merely on rivers and canals, to develop a territory, we now had a high-speed method of transport, and conquest of the interior of nations by national and international railway systems.

The example of the United States was, then, from 1877 on, copied in Europe by the influence of the American success on Germany, under Bismarck, and also in Russia, on the great ideas of transcontinental railway systems throughout Eurasia.

So, this is the basis of modern economy. But one problem, except for the United States: No nation in the world has ever developed a successful design of an economic system, except the United States—and that has only been episodic, under the right Presidents and the right conditions. Our Constitution is not a monetary constitution. Our Constitution is based on a credit system, not a monetary system; where Europe, today, up to this point, continues to be based on a monetary system, rather than a credit system.

A monetary system is intrinsically, in principle, an imperial system: That is, supranational powers, such as the Roman Empire, the Byzantine Empire, or the impe-

rial power of Venice, which led into the formation of the British Empire, have dominated, as a multinational power based on the control of economy by *money*, by money systems—an imperial money system. But we've now reached the point, today, that the continuation of an imperial money system, at the expense of the Roosevelt tradition, has brought the United States and Europe to the point of a general breakdown crisis. What you are witnessing at this moment, in Europe, is a *general breakdown crisis of the euro system*.

What has happened in Greece, which is a result of the idiocy of the Europeans, the European system, is now going to hit all of Western Europe. Exactly what the effect will be in detail is not known, but we are in the process of a global general breakdown crisis, of the world economy, a process of breakdown which is centered in the Transatlantic region, in Europe and in the Americas. So, at this point, if we continue with the present system, the world will go into a deep dark age, worse than that that Europe experienced during the course of the 14th Century. In other words, we're talking about a present situation, we're on the verge of a collapse of the world economy, in a manner which would mean reducing the present world population from 6.8 billion people to less than 2—which is, of course, the British-advertised and -stated intention for the world, a world population maintained at less than 2 billion people, and most of them pretty miserable people.



What is systemically wrong with the world economy? The belief in money as a standard of value has led, as it did in the 14th Century, to the current global breakdown crisis. Shown: "The Gold Weigher" by Cornelius De Man (Dutch, 1670-75).

# The Belief in Money

So, the question comes up, "But, what's wrong? What's systemically wrong? Why is the world making these mistakes repeatedly? Why is all economics, as taught, and practiced by governments, today, why is it incompetent?" Because they believe in money. They believe that money is a standard of value. And it's this belief in money as a standard of value, which creates the system, which leads to a breakdown crisis, as it did in the 14th Century, and *now*, *again!* 

And now, this affects all the Transatlantic region, immediately. It affects Russia, because Russia has a rotten financial system, which is British-controlled. So we have Russia, which is otherwise a viable nation, because of its great physical assets, is now in the danger of actually disintegrating, from this point on, because of the presently ongoing crisis. Now, the crisis may take various forms: It may slow down; emergency steps may temporarily slow it down. But as long as the present system exists, the present world system, beginning with the Transatlantic system, is in a process of *general breakdown*, disintegration, *mass murderous disintegration*, if we continue to operate under the present world system.

Then we have to go back, in our case in the United States, back to our tradition, our Constitutional tradi-

tion, which is a credit system, not a monetary system. And we simply have to do several things. First of all, there is no solution for the present crisis, unless the United States initiates it. It is not possible, to prevent the world as a whole from going into a crisis.

The crisis is very simple: We now have a Transatlantic crisis. The United States is now in a *general collapse process*. There is no bottom to this crisis. And under the present arrangement, there's no stopping it. As long as Obama remains the President of the United States, there's no possibility of the survival of the United States in this crisis. Because his committed policies are such that that's case.

In the meantime, Europe is doomed: Western Europe, Central Europe, are now doomed, by the euro system. And right now, in the past week, the euro system has been disintegrating. It's called the "Greek crisis"—it's not a Greek crisis. Greece was put through an operation to hide and protect the British system. It's a Transatlantic crisis, which is now centered in the euro system.

The euro system is now in the process of a general breakdown. And nothing can save it in its present form. The collapse of the euro system immediately threatens the Russian system.

Russia is a Eurasian nation, which is partly in



The nations of Eurasia—Russia, China, India, South Korea, Japan—despite countervailing British tendencies—are based, economically, on physical economy, with a nuclear-power orientation, and high-speed mass-transit systems, like the South Korean KTX-11 high-speed train pictured here.

Europe, but it's also Asian: It's Eurasian, historically. So under these conditions, the Atlantic side of the Russian system, the side that's controlled now by the British, through agents in Russia who are leading agents, like Gorbachov, Chubais, and so forth. They're notorious as British agents, and the people who work for them are British agents, with no loyalty to Russia, as such. They're loyal only to their own ambitions and to what they get from their British friends.

Now, on the other side, you have Russia, economically, in physical economy; China, India, also Korea, especially South Korea, Japan and other nations are based on a nuclear-power orientation. They're based on high-speed mass-transportation systems and their development, and other essential infrastructure. Even though China and India contain a majority of the population which is extremely poor, desperate, nonetheless, the development of nuclear power, investments in nuclear power and mass transportation, in these countries, means that there is a revival of the economy in process. The problem for these countries, is that if the Atlantic system collapses, now, then the collapse of the Transatlantic system will mean a chain-reaction collapse of the Russia-China-India and associated country system.

So we're now looking at the threat of a general dark age of the planet as a whole, unless we change, in particular, the policies of the United States. Because the only way Europe can survive, is by going back to a Franklin Roosevelt tradition in U.S. policy, and the influence that Franklin Roosevelt typified, as intended to go into the post-war period, had Truman not succeeded when he did.

So going back to the American System, the Roosevelt conception of the American System of political-economy, is the key to the revival, or saving the planet as a whole, from a chain-reaction collapse, starting in the Transatlantic region of the world, and spreading into the Asian part of the world. And that's our situation.

And the problem is, as long as we believe in money, as a money system, rather than as a credit system, we are doomed! And the problem is, that everybody who teaches economics generally, with very few exceptions, in the Transatlantic world in particular, is intrinsically incompetent in dealing with this crisis! And it's the belief in money, that is the root of their incompetence.

# **Return to Glass-Steagall**

Now, you say, "How could this be possible?" Well, look at the U.S. economy, for example: During the period since Truman took over as President, in most of these periods, we said, "Large corporations have been profitable," we've been told that the economy was growing, because the profits of certain parts of the industry—the nominal profits, the nominal assets—were increasing. But it was all a fake, because, in physical terms, the United States has been actually *declining* as a physical economy, since the end of the World War II. And because we rely on a money system, we count value in a money system, rather than a credit system, rather than a physical system. And most economists are incompetent.

I've been forecasting since 1956, and I never made a mistake! And none of my rivals ever made a correct forecast. They all failed. It's a matter of record. Because, they based themselves on the statistical methods of a money system, and the money system is inherently fraudulent. That's another story, and I've gone through this before: exactly why, how, I made these forecasts. Why I was right, and why the opposition of the so-called rivals were always wrong, and why the governments were wrong: because they based themselves on a statistical-monetary approach to understanding economy, and did not take into account a *physical economy*,

as represented by a credit system. And therefore, we've got to go back to a credit system.

And that means, that the first thing they are going to have to do, is they're going to have to learn economics from me. And there are a number of leading people, now, who are beginning to understand, accurately—and they're professionals—exactly what I'm proposing. And we can come out of this quite successfully.

But, that means, that we have to, first of all, put the entire system through bankruptcy reorganization. We have to go through a Glass-Steagall process, in which we wipe most of this crap off the books: We're going to wipe out most of the financial claims of financial institutions today. Those that do not meet a Glass-Steagall standard will be wiped out. And this will be extended into Europe and beyond—otherwise, no chance of recovery. And people will have to learn, what I mean by "physical economy," because if they don't, we're not going to get out of this dark age. And what's happening this week, in Europe, in a general breakdown crisis of the euro system, which

will soon hit Brazil—this week's developments!—will tend to, and are capable of, destroying the world economy *this week*, in a chain-reaction formation.

So, the idiots better wake up. Because the time has come: We're going to a credit system if we're going to survive. We're going to have a Glass-Steagall kind of reorganization of the world banking system and financial system, in the Transatlantic region. We're going to wipe out this garbage.

Now we will have the ability, through our Constitution, to launch a flow of credit, for a revival of the U.S. economy, and the revival of the U.S. economy through large-scale infrastructure projects of a necessary type, will revive the U.S. economy. If the U.S. economy revives, then Europe can revive, and the world can be saved. But without this change, there's no chance for the planet as a whole. *You are now in doomsday, just like the people in the 14th Century*. It's here and now. It's not something that "might" come: *It is already happening in Europe, this week*.

#### LaRouche Brings FDR to Russia

**Rachel Douglas:** Lyn, in Russia, you're very well known, both for this track record of accurate forecasts,



EIRNS

In 1996, LaRouche was invited to Moscow by scientific circles; his proposal that Russia adopt the nation-building policies of President Franklin Roosevelt, for Russian economic development, was well-received, and continues to reverberate years later. Helga Zepp-LaRouche is at LaRouche's right.

but also for your solutions. And as you were speaking about the need for the Roosevelt conception of the American System, I had a flashback to 1996, when you were the keynote speaker at a seminar in Moscow. This involved Academician Abalkin, who was one of the leading economists of Russia; it involved a gentleman who's deceased now, Valentin Pavlov, who was actually the last prime minister of the Soviet Union and himself had a track record in declaring speculators "bankrupt," for which he incurred their wrath in 1990, when he did a currency revaluation to clean up some of the dirty money.

Now, in 1996, the people who hosted you from the scientific circles, were not in power. Who was in power, was the group you referred to, of Yegor Gaidar, Anatoli Chubais, Vladimir Mau, Pyotr Aven, the people who are the biggest promoters of the cult of money inside Russia.

The resonance, the receptivity to your concept of restoring what FDR wanted to do at the end of World War II, was tremendous, from the senior layers, who were out of power. Today, they're not with us so much any more. Some of them are still there, in the interstices, in their institutes. And yet, as recently as two years ago,

or two and a half years ago, we saw the potential of the FDR kind of thinking catching on, when, you remember, there was a seminar in Moscow, celebrating the 125th anniversary of FDR's birth, and some of the speeches actually laid out some of the concept of what happened during the New Deal. Yet, the resonance of what was implied by that, from the United States, was nil. And now, some of the same people involved in that Roosevelt commemoration from a few years ago, are off in la-la-land, with visions of sugarplums, called "Silicon Valley in the Moscow area."

And, I think this gets back to this question of the attractiveness and the viciousness of the cult of money, and how it has caught people in Russia and elsewhere. I wondered if you would address that?

LaRouche: Well, first of all, it's not Russian money.

Douglas: Exactly!

**LaRouche:** It's British money. That is, Russia today, in monetary terms, is controlled by the British Empire. And it's actually, by, of all things, Goldman Sachs!

**Douglas:** The initiator of the BRIC [Brazil-Russia-India-China group].

**LaRouche:** Yeah. Goldman Sachs not only initiated that, but they ran a number of events to take over Brazil.

Douglas: Yes.

**LaRouche:** Brazil is now in a crisis, because Brazil is the Happy-Happy Land—it's a terrible Happy-Happy Land, but allegedly happy, except most of the people aren't—for this operation. And they have a marginal system which is propping up the entire British system, which is the current British monetary system—

**Douglas:** The Brazil carry trade.

**LaRouche:** Exactly. Which is the Inter-Alpha Group, which was founded in 1971 by the British Empire, at the same time that influences of the British Empire were crashing the U.S. dollar, in the same period, 1971. And so, this Inter-Alpha Group was originally an anti-American, anti-U.S. operation!

**Douglas:** Now, this European-centered phase of the meltdown that you just referred to, that's going to have an effect on Banco Santander and some of the other kingpins of the Inter-Alpha Group.

LaRouche: Oh, it's already—the Brazilian carry trade was operating on an 8% return basis, which was very high then, relative to other markets. Now, today, you have European interest rates are going up to 15% and higher. And they're not just increasing, they're soaring! We don't know how high this will get: You're actually in a hyperinflationary spiral, right now, in Europe. Which means that the Brazil carry trade is going to maintain itself—because it is a carry trade it's going to have a Japan-type crisis in its carry trade. Which means the whole system is going to have a carrytrade problem, which means that the whole Brazilian system is going down. Because this is going to have to match the European price. The European market is now in the vicinity of 15%, the last time I looked at it, and it was already still soaring.

So, we're in a general breakdown crisis of the European system, which is now going to hit Brazil, it's going to hit the BRIC, which means that the present Russian government's policy is gone!

**Douglas:** Exactly! So, the rug is being pulled out from under the swindlers and those who are agents of the British system, isn't it?

LaRouche: Yes!

# **Dvorkovich: Get More Money!**

**Douglas:** We had, the week before last, Arkadi Dvorkovich, about whom you spoke so eloquently last Saturday, in the United States. And at the top of his list of priorities, which he was very frank in describing to audiences in Washington, as well as in California, is: "Get more money!" He stated, as the advisor to the President of Russia, "My top priority is to get more money." He said, he wanted to invite private equity funds in, to fund high-tech startups in Russia. Now, of course, if you say "high technology" that sounds good. But unfortunately, the same addicts of the cult of money, have become part of what I think you've called the "New Flagellants," and we have the Facebook phenomenon, considered to be "high tech."

I had the misfortune of hearing a briefing given by an official of our government, in Russia, to Russians, who described social-networking websites as "the statecraft of the 21st Century"! And was accompanied by a delegation of so-called "high-tech companies" featur-

<sup>1.</sup> See Lyndon H. LaRouche, Jr., "The Case of Arkadi V. Dvorkovich: Free Russia from the Pirates of the Caribbean!" *EIR*, April 30, 2010.



Presidential Press and Information Office

Arkadi Dvorkovich (left), an economic advisor to President Dmitri Medvedev (right), reflecting his British pedigree, declared to the Russian President, "My top priority is to get more money."

ing eBay, and the Social Gaming Network, as if this had something to do with the future. So, this can be gone, right?

LaRouche: Yeah, well as Debra [Freeman] in a webcast here, reported on this, how this thing was set up.<sup>2</sup> The operation, by this man, into MIT and into California, was an attack on me, personally. The attack involves a fight inside Russia, between those who are—well, I would call them "the enemies of civilization inside Russia," such as Gorbachov, for example, Chubais, and so forth. These types are actually the enemies of Russia. They're British agents, they're enemies of civilization. And they happen to be my personal enemies. They're declared enemies of Putin, the Prime Minister of Russia.

So, we intervened against them, because they went directly to the key people with whom I'm collaborating, among leading economists in the United States, especially in MIT and in California. And they tried to pull an operation, which we dealt with. And I answered this, and I think this gentleman is now going to find himself in an embarrassing position, as a result of making a fool of himself. But he came to the United States, as a representative, deployed by a crowd in Russia which is British-controlled.

So now, you have a system—right now—you have a system, a general breakdown of the world system, and the Russia economy is now based entirely on dependency on the British-managed system, on the Inter-Alpha system, essentially: They're controlled by it—by Goldman Sachs! Goldman Sachs, who created the system—

**Douglas:** Yes. So, we're talking about the money control. And we're also talking about the idea control, aren't we? Because our investigation has found the roots of this crowd, in systems analysis, in IIASA [International Institute of Applied Systems Analysis].

**LaRouche:** Right, this goes back to Bertrand Russell.

#### Douglas: Yes.

**LaRouche:** So, this is a British imperialist system. Now, what happens, *if* we, in the United States, get rid of this President who will prevent this from happening; but without him, we can do it. Because we will respond to the present crisis in the way that Senator Levin has indicated.<sup>3</sup> It'll happen automatically. It'll happen as a reflex, because they are desperate, they demand some action, they will act. This President is the impediment to such a reform: He's totally British.

But if he's removed, or set back, and about to be removed, then we will respond to the kind of crisis that is going on now, by going to a Glass-Steagall response. That's what you have reflected in what Senator Levin was doing yesterday. Our response is a Glass-Steagall response—of Roosevelt. Under those conditions, we would reorganize the banking system of the United States, according to a Roosevelt standard, Glass-Steagall. We would reorganize the banking system. We would then *cancel* these many hundreds of trillions of dollars of wastepaper money—just cancel it, because it doesn't conform to a Glass-Steagall standard; it's

<sup>2.</sup> See LPACTV, "Debra Freeman on the Stanford Group, Four Powers, and Obama," April 27, 2010 http://www.larouchepac.com/node/14295; Freeman is LaRouche's national spokeswoman.

<sup>3.</sup> Sen. Carl Levin (D-Mich.) is chairing hearings of the Senate Permanent Investigations Subcommittee, on the crimes of Goldman Sachs, which led to the economic meltdown beginning 2007.

speculative money.

Then, the Federal government could issue credit, new credit, which is Federal credit, Roosevelt-style. We would then go with large-scale infrastructure projects: mass transportation, water projects, power projects, and also rebuilding the school systems and other things, which are infrastructure. These projects would stimulate the private industry growth, agriculture and industry.

So the way to do it, is you do the infrastructure first, mass infrastructure, as Roosevelt did. You start with large-scale, mass infrastructure policy. That creates the economy for the private sector. Then you have a banking system, which can now loan money into the private sector, for investments in agriculture and industry

and so forth, and restore things. We can do that.

If we do that, then Europe will do it, then Russia will do it. If they do it, then we've saved the international trade system. We've saved the international trade system, we've wiped out hundreds of trillions of dollars, probably a quadrillion or several quadrillions of nominal paper: We just wiped it off the books! We start from scratch with a new monetary emission, as a Roosevelt system, and we can start to regrow again.

# Gossip in Russia

**Douglas:** I'd like to press a point on this bankruptcy, because I'm familiar with some of the discussions of your proposals that go on in Russian circles, and there's I think what I would call a piece of gossip, about your bankruptcy proposal, on the part of some people—I think it's just a misunderstanding—and here's the form it takes. People will say: "Yes, LaRouche is calling for a bankruptcy of the whole system. Well, we all know the United States is the biggest debtor in the world. So what LaRouche, as an American, wants to do, is get the U.S. out of its debts, at the expense of the rest of the world." And I think we need to get out a two by four, to make clear that that's not what you mean!

**LaRouche:** Well, no, they wish—it's political. They're frightened. They think that they're hostages of the present government. Therefore, they say whatever they think is expected of them, if they're going to be



Presidential Press and Information Office

A newspaper owned by British asset Mikhail Gorbachov recently published an attack on railroads, and Russian Railways president Vladimir Yakunin (right), with Prime Minister Putin.

treated nicely in Russia. They don't actually believe it—because they know they don't know anything about it. And when people assert something they know nothing about, it indicates that they're making up a story.

Douglas: Out of fear.

**LaRouche:** Yeah, exactly. Or, opportunism.

**Hoefle:**Well, this visit by Arkadi Dvorkovich, and the operation which this represents is very instructive. Because you have the British, who understand clearly, that the only threat to their system, is what you're recommending. And that it is being taken *seriously* by economists and other political layers, here in the United States. And that if your policy prevails, they're toast.

LaRouche: The other thing is, in Russia, in particular, where they're trying to use President Medvedev as a dupe of this crowd, against Putin. So now, you have a political crisis in Russia, caused by this. So the reason they went after me is, because they saw my influence, as being the greatest potential for boosting what Putin is trying to do, on his side, in that leading faction inside Russia. So why would they send this poor guy, who's only 38 years old—he's a chess player, he's not an economist; he's a chess player, with complications of this and that, with a university education. And they send him out to California and to MIT, to attack precisely the people that I've been collaborating with, inside the

U.S.! What's he doing that for? He was sent by his masters from Russia—his British masters—he was sent to the United States to try to disrupt my operations, here, because my operation would tend to strengthen Putin's position against what the British are trying to do in Russia.

So therefore, they saw it as an immediate need, to try to pull me down, in aid of this crazy President we have, for that purpose. And they made a big mistake! Because they stuck their flank out, and you know what I do with a flank, when I have a shoe on!

Douglas: You know, there's actually a similar incident which occurred about three weeks ago, which is that a newspaper, which, believe it or not, is owned by former Soviet President Mikhail Gorbachov, suddenly came out with a huge attack on railroads. Not just railroads, but projects in general. And this newspaper—it's called Novaya Gazeta, which means New Newspaper—attacked, by name, Russian Railways President Vladimir Yakunin, who, as we know, has given public interviews calling for building the Bering Strait connection, really taking the two transcontinental nations and connecting them across the Bering Strait; and also attacked Viktor Ishayev, currently the Presidential representative in Russia's Far East Federal District. Now, Mr. Ishayev, ten years ago, wrote a paper on what Russia's economic policy should be, where he invoked FDR's New Deal.

So this is a certain grouping that came under attack from Mr. Gorbachov's newspaper. But what this newspaper said, was—you'd have to be sleeping to dream it—they attacked mega-projects, saying that big projects are Stone Age. It's a Stone Age approach which has nothing to do with what the people of Russia need. And then they proceeded to denounce some of Russia's greatest scientists, like Mikhail Lomonosov, of the 18th Century—he was in correspondence with Benjamin Franklin's circles about the development of Siberia, and about electricity, among other things. Lomonosov was famous for the concept that Russia will become great if it develops the Siberian frontier and the Arctic Ocean area.

And so, the Gorbachov newspaper said that this is an "ancient and stupid-sounding phrase," that the Russian people *don't* need Siberian development; they don't need railroad projects. Basically, they need to move toward the South—that's an argument that's even been the subject of whole books—and being able to

have high-tech startups and find their market niche.

This idea that the very type of project we associate with nation-building and progress, the transcontinental railroad, is "a technology of the past," is "obsolete," is "old-fashioned"—this is very widespread.

**LaRouche:** Well, he's a British agent. He's a British agent! I mean, he always has been, since the inception. He was part of the thing with—

Douglas: Gorbachov? Yes.

LaRouche: Gorbachov is a British agent! He was a traitor to Russia! He's considered by leading Russians to have been a traitor to the Soviet Union, and I consider him a traitor to Russia, today. Inside his own nation, he's a traitor to his own people, his own nation, and he represents a group of people who are all this British-run crowd, out of the Bertrand Russell tradition, the Bertrand Russell intervention into Russia with Khrushchov.

This was a process which was introduced—which is why I've said, my view that Stalin was assassinated.

#### Mother Russell and the Cambridge Apostles

**Douglas:** Because it was the next year that Khrushchov sent his emissaries to Bertrand Russell's World Parliamentarians for World Government conference.

**LaRouche:** Yes. And this was a change in policy. They eliminated Stalin, who had a different policy, in order to put a Khrushchov policy in. And Khrushchov's policy evolved. It began to gather up steam. When we had a negotiation with the Soviet Union, which was centered in Paris, we had a negotiation which could have—

**Douglas:** 1960, the Paris conference, where Nehru was present, and leaders of the Non-Aligned Movement, and de Gaulle. So there was a possibility for a global constellation for development—and the U2 incident occurred in the middle of it, and wrecked the conference.

**LaRouche:** The point is, is that Khrushchov was a British agent: He had become a British agent. Obviously, he made a complete change of character from the time, when he'd been in Ukraine earlier, to what he was as Premier. Brezhnev was a different case. They knew what the story was with Khrushchov, and they got him out of there, by unified agreement.

**Douglas:** But the tendency remained, even during Brezhnev's more traditional industrial—



wikipedia commons

The 1960 Paris Conference, where Nehru, de Gaulle, and leaders of the Non-Aligned Movement gathered, was poised to create a new global constellation for development. But the U2 incident occurred as it was taking place, and wrecked the conference. Here, British agent Nikita Khrushchov, then-Soviet premier, views the wreckage from the crash of the U2 spy plane.

**LaRouche:** Yes, because this was a process which led into the establishment of IIASA. And IIASA was, again, what the policy is *today* of Russia, the Bertrand Russell policy of that period.

**Douglas:** Well, it's just so important, I think, for our viewers that you mention Russell as the mother of these processes, because not everybody who's become recently a viewer of LPAC knows that you wrote an article in 1994 called "How Bertrand Russell Became an Evil Man," and you've called him "the most evil man of the 20th Century."

LaRouche: He is!

**Douglas:** I find, looking at the different aspects of the problem in Russia, that we have so many of these phenomena that came out of the Cambridge Apostles group in the 1930s, of which Russell was the mother. And really, that process gave us systems analysis, the Cambridge systems analysts, which then came in, in the Khrushchov period, to Russia; they gave us John Maynard Keynes, who moved from being a Russellian probability expert into being an economist, in whose book, *every* chapter title begins with the word "money"; and they also gave us the Kim Philby spy ring, which you famously identified in 1979, that it's fruitless to look for the "third man" or the "fifth man" because they were all

triple agents! Kim Philby was the famous British intelligence operative who defected to the Soviet Union, and Lyn said he was working for Britain all along.

But this whole complex came out of Russell's efforts during the 20th Century, didn't they?

LaRouche: Yes. But this was typical British. Russell was an extreme form of this, but he was a British imperial product, entirely. And he was one among the most sophisticated—and the most evil—of these types of products. Some of the others had delusions about industry and physical reality. Russell was a genocidalist from the beginning: Russell would make Hitler look like a hero, with what he actually did. I mean, relatively, for mass murder, there's no

one who's a bigger mass murderer, by advocacy, than Russell! And today, the British policy of genocide today, like the health-care policy of the current President—our President—is a policy of genocide, modeled directly on the Hitler genocide policy at the beginning of the war, today!

**Douglas:** The T-4 policy.

**LaRouche:** Yes. And the whole thing!

#### Monetarism: A Global Evil

So, this is the way it spreads. And what you have is, enemy agents have infiltrated the United States, and they've now given us a President whose policies, whose health-care policies, and social policies generally, are those of Adolf Hitler! Making the same argument that the Hitler regime made, at the beginning of the war!

And therefore, this is the kind of evil we're up against. It's a global evil, which has infected Russia. It's characteristic of the British system, it's infected Western Europe generally, and it's now infected our United States. And it all goes with this idea of monetarism. If people believe in monetarism, they're easily played. Because they believe that what they need is money. And therefore, the money they get or don't get, often determines their notion of self-interest: They lose the sense of human interest, and think only of a money interest. And that's how our people are corrupted. And

that's why they're getting enraged now, because they've been promised that they live in a money society where politics will supply them with the money needed for a decent life. And that's being taken away from them! And they look, and they say, "What are you doing to us!? You can't do this to us!"

Douglas: "Now, what do I do?"

LaRouche: Yeah. And then they find themselves in a hopeless situation, and then they find the members of Congress are supporting this policy. And they hate them more than they hate the President! The President has a policy which is absolutely Nazi-like, hateful! But they hate the members of Congress, because the members of Congress are supposed to be their representatives. And they think of them are most close to themselves than the President. That's why the people, today, of the United States, *hate* the members of the Congress even more than they hate the President. And he is, by the way, getting into negative numbers nowadays.

So, it's that kind of situation. And that's the way you have to understand these things.

You have to understand, why do masses of people actually tolerate leadership, which connives to do *this to them*? And then, when they're presented with the evidence which would bring them to the conclusion, that it's these people who're doing *this to them*—they block. And say, "No, you must be wrong. Popular opinion goes the other way." And popular opinion is often influenced by opportunism. And to get a people, like our people, out from under the influence of opportunism, to start to define their own interests in a truly rational way, think of their own interest historically, think about their ancestors and their descendants—that's happening in the United States, now.

**Douglas:** And the descendants—this gets to your whole perspective on science, because, after all, Bertrand Russell: Who could be more of an enemy of the tradition in science that your project and the Basement project on cosmic radiation, represents?

I remember in 1995, Lyndon LaRouche addressed a different seminar in Moscow, which you titled, "We Must Attack the Mathematicians, in Order To Solve the Economic Crisis." And you very subtly focussed your polemic on Leonhard Euler, and Euler's argument in his *Letters to a German Princess*, in favor of infinite divisibility, versus Leibniz's concept of the monad. And this was subtle, because Euler was based in Russia for

many years. But what was the Russian response when you did that?

**LaRouche:** Well, the problem was, the Communist Party, which had a very strong influence, in terms of the Russian scientific leadership, had all been—it's like the conflict between Vernadsky and his opponents—

## Oparin vs. Vernadsky

Douglas: Oparin.

LaRouche: Oparin, yeah. Oparin did not believe in the principle of life, and therefore, he attacked—he had only one occasion where he publicly, openly was allowed to attack Vernadsky, but the issue was clear. You would say, his view of mankind was mechanistic, his view of chemistry was mechanistic with respect to life, as against Vernadsky. And the problem was, even though Vernadsky is a sacred name in Russia, among many people, traditionally, even then, the people who would otherwise defend the name of Vernadsky would not defend the mechanisms, of the ideas by which he came to those conclusions. That's the problem: It's this Communist Party problem. And the problem with the Communist Party of Russia, as in other Communist Parties, is, they were all—Karl Marx was a follower of Adam Smith, and that problem infected everybody who thought they were a Marxist.

**Douglas:** Well, it made me very happy, that one of the big hits over the last year on our Russian website, was a page posted, probably a decade ago, which is your 1994 essay, called, "The Science of Physical Economy, as the Platonic Epistemological Basis for All Branches of Human Knowledge," which we published as a book in Russia, under the title, *Physical Economy*. And one of the *very big* chapter heads is called, "Smith, Ricardo, Marx: Economists of the British School." And this experienced a great surge in popularity over recent months in Russia, which I take as a very positive sign.

LaRouche: Sure it is. Because the respect for science among the intelligentsia of Russia is fairly strong. Even more so than in the United States. It's still there, but it hasn't been financed very much. It's because of the Academy of Sciences, the Russian Academy of Sciences, and the Ukrainian Academy of Sciences—both were repositories of this kind of thinking. And the influence of Vernadsky is extremely strong. Because, after all, the greatest achievements of the Soviet Union came out of the work of Vernadsky. So, wherever you had a real scientific institution, as opposed to the sociologist

types, the Academy of Sciences was very much pro-Vernadsky. You had to be pro-Vernadsky, or you were not going to be respected.

# The Russian Oligarchs: 'Pod People'

Hoefle: Well, when the Berlin Wall fell and the Soviet Union collapsed, a lot of people thought we were going to have a "peace dividend." The world was going to be headed into a bright, new future. And instead, what happened is, that the British moved in, with their criminal apparatus, funding the development, the rise of what they call "oligarchs," in Russia, which are really just front-men for the real oligarchy, and looting the country, and basically causing chaos, to destroy the country so that it could not reform as a nation. And now you have the rise of Putin, who's

trying to reform Russia as a nation, which the British are opposing.

LaRouche: The problem is rather elementary: There is a very strong scientific tradition, as I said, in Russia. This was the work of the Academy of Sciences, and it goes back to the 18th Century, with Czar Peter the Great, who was a supporter of scientific ventures—well, he was not always right on other things, but in that matter, he was right. And the movement around that, was persistent. And Leibniz was very influential in this process, the influence of Leibniz as such. So that you had a very strong tradition in the Academy of Sciences, despite the Communist Party aspect.

And Stalin was largely responsible for this, because Stalin—who was a very complex character—but he understood, as most of the Russian leaders did, against Bukharin, and others, understood the importance of this, understood the importance of science: that you could have a political system on the one side, but you had to have a scientific basis for its existence on the other side. So, on the question of science, Stalin's views were quite different than they would be morally on



wikipedia commons

The Russian "oligarchs," said LaRouche, are like the "pod people" of the 1950s movie, "Invasion of the Body Snatchers." "They went to Britain, got transformed by some alien thing from outer space, and now, they're not really Russians any more. They look like Russians, they speak Russia and so forth, they have the image of Russians—but they're really from a different planet and from a different universe, in point of fact!"

some other, political issues—about who to kill.

So, in this case, the Stalin tradition, which was used to mobilize the defense capability of the Soviet Union, in the sense of the science factor, was very strong. In the post-war period, the rebuilding of Russia was a science-driven policy. So it was deeply embedded.

And you had, Andropov, in particular—it was not new to him, but Andropov before he was leader of Russia, he had already begun a process, continuing Khrushchov, of taking talented young Russians out of science, and sending them to London to learn financial economics. And this process, which went through the Russell process, which went through all these things—Chubais is typical of the thing today—they corrupted them. Then, based in Britain, intellectually, based in Britain and the Netherlands—

**Douglas:** And Austria. **LaRouche:** Yes, Austria.

**Douglas:** Habsburg! Because the IIASA, the International Institute for Applied Systems Analysis, was *so* 

central to this. I read recently a paper Chubais wrote in 1990, and delivered at IIASA, where he laid out what they were going to do, whether it were under the Soviet Union or under Russia. And he said: First, we're going to have an extremely painful structural reform, and get rid of all these industries that we don't need, and cut the amount of freight on the railways. And basically, he described what was about to happen in the 1990s.

**LaRouche:** Well, that was the Russell policy.

**Douglas:** And *then*, he said: We're going to create the missing element. The missing element in Russia is the oligarchs. He didn't use that word, but he said: We need to create people with a lot of money, who can fund startups and so on. And that's what they're doing now.

LaRouche: Yes. See, what you've created, thereby—and these people are more loyal to Britain, than they are to Russia. You scratch the surface, their ideology is British-oriented ideology. So they really are like aliens, you know, like the "pod people"—the movie in the 1950s about the "pod people"? ["Invasion of the Body Snatchers"—ed.] They were taken over and they were replaced by "pod people" in their likeness. And what these people are, we call them the "pod people" who went to Britain, got transformed by some alien thing from outer space, and now, they're not really Russians any more—they look like Russians, they speak Russian and so forth, they have the image of Russians but they're really from a different planet and from a different universe, in point of fact. Now, they go back to Russia, with their Russian-speaking credentials, and they become the enemies who have bored within the country from which they came, and came back as "pod people."

So, if you think of the old movies about the "pod people," and you look at them, and you say, "Well, these guys are pod people! The whole bunch of them are pod people!"

If you look at the history of Russia, and some of the things we know best from the 20th Century, that the idea of patriotism in Russia is fairly clearly defined. And some Russian who thinks differently, you would say is not a patriot. Like some of our best-informed Russians, of that tradition, will say, "So-and-so is actually an enemy."

#### **Nuclear Power, Not Silicon Valley**

**Douglas:** And right now, when you have these clowns running around talking about re-creating Sili-

con Valley, which they don't bother to mention is halfempty in terms of office space—

LaRouche: Pinky!

**Douglas:** Yeah, with Poor Pinky on the loose, some of the senior Russians say, "Wait a minute! Why do we need to have some new such center for startups?" When they have in Russia, a tradition of what they call *Akademgorodok*," which means "Science City," very much oriented, again, to the Siberian frontier development, where you can solve a lot of challenging problems.

**LaRouche:** The problem is, the British hate Russia, and therefore, these people are enemies of Russia, who are Russians. Because, again, it's like "pod people."

Russia, first of all, is a Eurasian country culturally. It is not a European culture or an Asian culture; it's a Eurasian culture. It has a vast territory from the Russian border [in the west] to the Pacific Ocean, north, containing a tundra which only Russian scientists know how to deal with, in terms of mineral resources; which has this potential. And to the south of it, you have Mongolia, which is now just beginning to be liberated, from its isolation; you have China, which is growing actively,



Some crazy Russians (or Anglophiles) propose to re-create "Silicon Valley" in Russia. Perhaps they should hire "Pinky" (Robert Valentino), a former Silicon Valley engineer, whose job evaporated with the IT meltdown in 2000.

now; India, you have Japan which is committed, South Korea is committed, so you have countries which have a lot of poor people, mostly in China and India, and so forth, but you have a commitment to nuclear power, and to industry and to science! So, now Russia has a very special function, natural function in that setting. Combine the territory it controls, its experience with that territory, as a people, over centuries, and use that resource that it represents, and the people who *share a tradition* of that territory, for the development of the raw materials which *exist in northern Russia*, in the Siberian area in particular; for materials which are needed, on a mass basis in China and in India.

Typical is the nuclear policy: Russia is a nuclear nation, a nuclear power! And what is needed throughout the world today, is nuclear power development. Russia is the leader, in supplying Asia with nuclear power, specifically India, which has a long relationship with Russia, on nuclear power.

#### Douglas: And China, now.

LaRouche: And China, now! So, therefore, the existence and survival of China, India, and South Asian nations, depends on nuclear power, especially regions which have a high population-density, which can not survive, out of the levels of poverty now existing, without nuclear power. And so therefore, Russia has an organic interest as a nation, and as a former superpower. It's now a quasi-superpower, a ghost superpower, but nonetheless, it has the characteristic. So the patriotic impulse in Russia, is for that tradition, the success of that tradition, which goes with the history of Russia, since the beginning of the 18th Century, the development under Peter the Great and on—this is the tradition. And their nature is to be an independent Russia, which has a *natural affinity* for the United States!

**Douglas:** And to be the transcontinental nation. Because Mendeleyev, the great chemist, was also a railroad man, and an anti-British economist. His ally, Count Witte, pushed through the building of the Trans-Siberian Railway on the American model.

Now, today, there are hardly any *people* out there, and some of our friends in Russia who are patriotic, are so worried about the depopulation of the Siberian area—I think there's now fewer than 20 million from the Urals to the Pacific, so it's kind of like Australia, in terms of population-density!—that they've even floated the idea that maybe Russia would have to move its capital from

Moscow to the Far East. But how would you see them addressing this population and manpower question?

# **Developing Siberia**

LaRouche: Very simply: First of all, to deal with the Siberian territory, you have to have large-scale infrastructure development. When the Soviets worked on this, in particular, they depended upon the Science Centers for promoting this, and they had the projects. What happened, the depopulation of Russia, after the collapse of the Soviet Union, just stripped this area, first of all, because it was cut off. By Russia. So the territories exist, some of it's quite habitable, can be sustained—it has some interesting weather in the wintertime, but nonetheless-but the area is essential for Russia, in terms of the raw materials driver. Not only for Russia's as its own internal consumption, but for its neighbors. Only Russians can develop some of this territory. China can not develop it—but China needs it! The Russians can provide it. India, again, it's a spillover from Russia. The nuclear power case, is a case of this sort of thing.

So, the natural tendency is for Russia to become a patriotic nation, because of its Eurasian characteristics, and to orient traditionally to the United States, as a large territory, with some of the same challenges; where we include Canada and Alaska, we have the same kind of challenge in North America, that they have there in Russia.

So the idea is large-scale infrastructure development, without which you can not develop these territories, which is a similar problem; and a population which will slip into starvation if you cut them off from that. So therefore, they have an interest.

They also have an interest, as we do, in relationship to Europe. Europe is sort of a motherland, which never got sane. It got senile instead of getting sane. No, this whole tradition, the political tradition. But Europe depends upon this, Europe depends on Russia, Europe depends on the United States. And we depend on Europe as an ally, in developing Africa and developing the poor areas of, say, South Asia and so forth. So, we have a commonality of interest, as separate nation-states—because you can not destroy the culture, by trying to homogenize these cultures. You have to use the culture.

And so the British are afraid! They're out for a world empire, a single world empire, extending around the entire planet, and to isolate it from Martians things like that, strangers coming in. That's the British policy.

If Russia exists, it is not destroyed—and it can only

be destroyed by being self-destroyed—if Russia is not destroyed, then the British Empire can not rule the world: It's that simple. That's what the issue is.

**Hoefle:** And the same for the United States.

LaRouche: Sure. Exactly! That's what they're doing to us! That's why we went into the war in Indo-China. We were pushed into it to destroy the United States, which is what happened. And they had to kill a President to get access to do that! Kennedy—Kennedy was killed for that reason. Because Kennedy was opposed to starting the Indo-China war.

**Douglas:** And he'd met with General MacArthur on that question.

LaRouche: Well, more than "met": They consulted heavily. "No land wars in Asia!" No extended land wars in Asia! And Kennedy was sticking to it—so they solved the problem, by killing him. And sent some people, who were friends of the fascists in France and Spain, to go to Mexico, cross the border, kill the President of the United States; cross the border, get out of there, and leave a patsy hanging behind—who was not even involved.

**Hoefle:** Then we had the asset-stripping of the productive end of the U.S. economy, which really escalated after that, and the invasion of the parasites, the Wall Street crowd, and so we have an economy which has been completely taken over—

**LaRouche:** I think one of the chief culprits is Harvard Business School. Harvard Business School is a disease, it's not an institution.

**Hoefle:** It's organized crime. If you look at their networks, you could charge the whole thing under the RICO statutes!

**LaRouche:** RICO case against Harvard Business School? That's plausible.

#### LaRouche as Interim President of the U.S.A.

Hoefle: We now are at a point, where, because the Federal Reserve and the Treasury have been pumping in enormous amounts of money into the bailout, which despite all the talk and Obama's pretense in cracking down on the banking system—this all continues. And this poses a real problem for the people who believe in money, because the policies that they're implementing to "save the money" are destroying the money! What do you do, when you look at money as the value, and

suddenly you have hyperinflation, and your money has no value?

LaRouche: You know. I should take over the Presidency for about a couple of weeks—you know, just as an interim arrangement, as "acting President," or as custodian or advisor. Just call me, "advisor to the President," right? And I walk in there, and the President says, "What am I going to do?" and I say, "I'll tell you want to do. I know exactly what to do." I mean, I've been at this for a long time—I'm probably the world's leading economist in terms of understanding this kind of problem. I know exactly what to do. I know what the American precedents are to quote, to do it! I have actually understood and believe in the Constitution: I know how it works, I know where it came from. Because, after all, my ancestor landed at Plymouth. So, I am a "true American"! And therefore am also qualified in this stuff: Give me a couple of weeks in the White House, advising whatever is called the President, and if he agrees to go along, we'll get out of this just fine! I know exactly how to do it!

**Hoefle:** You know, they're probably cutting donuts out of their chairs in Britain, when they think about that thought!

**LaRouche:** They certainly are! They're afraid to kill me, afraid I might ascend to sainthood or something, and haunt them in that form!

**Douglas:** It's so important to have that connection to recent history! It's one of the beauties of reading Vernadsky, is you get a much improved sense of time, because he's prone to writing things like, "only in the very recent period," like 10,000 years, has such and such occurred on the planet, talking about the Noösphere and human cognition—

**LaRouche:** Yes, sure! You haven't even gotten there yet—wait till you see what we're going to be throwing at you soon, from the Basement!

**Douglas:** With cosmic radiation?

**LaRouche:** More!! Everything that you have believed is about to be changed!

# The Universe Is Creative

**Douglas:** This will really excite people in Russia. Because as big a hit as your *Physical Economy* book has been on the written page, our *very* biggest hit of the year, in Russia, is our video, with subtitles, of the LPAC/

Basement Moon-Mars development. And Russians—it's part of their culture, as you said with the science—that even in the worst times, they get so excited about an optimistic scientific idea.

LaRouche: Well, the point is, we're now going to eliminate the idea of Aristotle. The universe is creative. The universe as a system is creative, as Einstein identified the discovery by Kepler: that every part of the physical universe, which is actually a form of cosmic radiation, is not particles, connected by empty spaces. There's no empty space. The universe is filled with cosmic radiation throughout its extent. And out of this, certain things happen. Like you start from primitive elements, and chemistry, and you find that you generate, by a special kind of thing, which looks like thermonuclear fusion—it's a similar process—all the other parts of the Periodic Table evolve and develop. The universe is inherently creative. But only mankind is consciously, intentionally creative!

Life is creative: Life-forms develop out of life-forms; higher life-forms of out of inferior ones. A universe in its abiotic form, develops, evolves—not just with nuclear fusion. Fusion occurs,

in all forms, in the universe. The universe is creative! So the three spheres of Vernadsky, actually are subsumed by a common characteristic, which Einstein described, in describing Kepler's work, as, the universe is finite, but not bounded. It develops, inherently. And mankind is the conscious, creative factor, in the development of the universe: This is *our* universe! It belongs to us. We are products of it, and it belongs to us.

**Hoefle:** As opposed to being pollutants. **LaRouche:** The pollutants are all British.

Hoefle: Yes, yes.

**Douglas:** Vernadsky, in the same period he was writing about the Noösphere, was promising great joy in the development of the "cosmo-chemistry of the future."

**LaRouche:** Yes, this stuff. See, this was known in his time. This was known by all of these people who



NASA, ESA and A. Nota (STScI)

The universe as a system is creative. It is filled with cosmic radiation throughout its extent. There is no empty space. Shown: Light echoes from red supergiant star V838 Monocerotis, October 2004..

were in physical chemistry, leaders in physical chemistry, like William Draper Harkins, for example, whose name keeps coming up with us. And the idea of a "creative universe," the anti-entropic, creative universe, is the basis on which this thinking is based.

**Douglas:** But this gets us back to Bertrand Russell, because he hated that school!

**LaRouche:** I know. The point is, he's Satanic. Russell was literally Satanic. The only way you can understand him, is by saying, "Here is Satan's true, illegitimate child."

**Douglas:** So, if we get rid of Aristotle, Dirty Bertie goes with him, right?

LaRouche: That's right.

**Hoefle:** And there goes the Little Queen. Shrinks completely, and disappears.

LaRouche: She needs a shrink.

**Hoefle:** As do all the members of the royal family, it would appear.

But this is really fascinating, because the idea that our place, our role in the universe, is to participate in and guide the development of the universe. And that this contrasts with all of the idiotic nonsense, that's put out by the greenies, and put out by all of the various layers of Aristoteleans. Their power depends upon stopping that process, and keeping us locked in this medieval world that they like so much!

**LaRouche:** That's exactly it. That's the theme of Aeschylus' *Prometheus* Trilogy, is the policy of the evil, is that which is portrayed by the Olympian Zeus. That's evil: And that's Aristotle!

**Douglas:** And I think the perniciousness of systems analysis is that it masquerades as science. I think people in the Soviet Union—besides the out-and-out British agentry—it was packaged and sold to people in the Soviet Union as being scientific, "let's bring in the mathematics, let's be holistic." And yet, if you look at the founding of IIASA, you find out how appropriate your title of an essay which we put out in pamphlet form in 1981 was: "Systems Analysis, White-Collar Genocide." Because, Aurelio Peccei, the founder of the genocidal Club of Rome, had two other institutional, major projects: One was IIASA, which he was one of the catalysts of; and the other was, Prince Philip's World Wildlife Fund.

**LaRouche:** Yes. This was also earlier, Prince Bernhard and Prince Philip.

**Douglas:** Yes. Bernhard was still alive in that period, in the '60s, '70s.

**LaRouche:** But this was the same project, it was a British project. It was a project of the British system, the British monarchy's project: And the British monarchy is evil. I mean, you take the evil expressed by the Prince Consort Philip. It's not just Philip, it goes back earlier to the Crown Prince [Albert Edward].

**Douglas:** The Lord of the Isles, that one, under Victoria.

**LaRouche:** Who planned and organized what became known as World War I, and implicitly thereby set into motion a policy which became World War II! And set into motion a policy, the same policy which has

resulted in the present condition of the planet today. So you can go back to him, as being the progenitor, or the embodiment, of evil, in terms of the British monarchy.

Victoria was a different—her son was a different case, but the *evil* was him! He was the organizer of 1890, getting rid of Bismarck out of [power in] Germany, in planning the Sino-Japanese War, in also planning what became the Pearl Harbor attack, which was a British-Japan policy.

They had a little split, but Japan went ahead with the policy; the attack on Pearl Harbor was the result of a treaty agreement among the British and the Japanese in the 1920s. And it was carried out, and the whole Japanese Navy was built up for that attack on Pearl Harbor, from that point on! With British backing! And this SOB, Churchill and company, the way they played World War II, they did not want us to beat Japan in the Pacific. They wanted a *long*, protracted war. And Roosevelt and MacArthur didn't agree, so MacArthur made a mess of things [for the British], and a lot of people in the Navy and elsewhere who were on the wrong side, were on the British side, did not want MacArthur to do what he did.

**Hoefle:** Because this whole thing is a *continuous* assault on the nation-state.

**LaRouche:** And especially the United States. We are what they fear the most. And they concentrate the most on trying to corrupt us, and always have. Too many of our citizens allow themselves to be corrupted by this. They like the British system; they think the Queen is not evil, which means they don't understand what's right in front of their nose.

**Hoefle:** Yeah, we have our own "pod people" problem here. If you look at the Bushes, and Obama and others.

LaRouche: That's right, exactly. Benjamin Franklin understood that. He wanted to take the whole pack of these characters and ship them out in one boat—and not care if it sank! And he was overruled on that, and that was a mistake. If you take these people from Massachusetts alone, who were part of this British East India Company operation—

**Douglas:** The Tories.

**LaRouche:** Yes. And you put 'em on a boat and ship 'em out of the country, we would have had a much more secure nation, had we done that, as Franklin intended.