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# LaRouche on Tasks for Post-Cheney Era

American statesman and physical economist Lyndon H. LaRouche, Jr. gave an historic webcast on November 16 before a Washington, D.C. audience of 235 people, in which he outlined the present state of the battle between the “globalist” financial oligarchy and the institutions of the sovereign nation-state, as the world plunges toward economic and financial collapse (see p.3). The enthusiastic Washington audience of trade union leaders, elected state representatives, city councilmen and 100 or so members of his LaRouche Youth Movement (LYM), among others, heard his plans for a U.S.-led global economic recovery based upon sovereign governments emitting large-scale credits for great infrastructure projects in power, water, transportation, health and education.

The centrepiece of the infrastructure-led recovery, LaRouche explained, is the “machine tool principle” at the heart of any viable economy, whereby new waves of

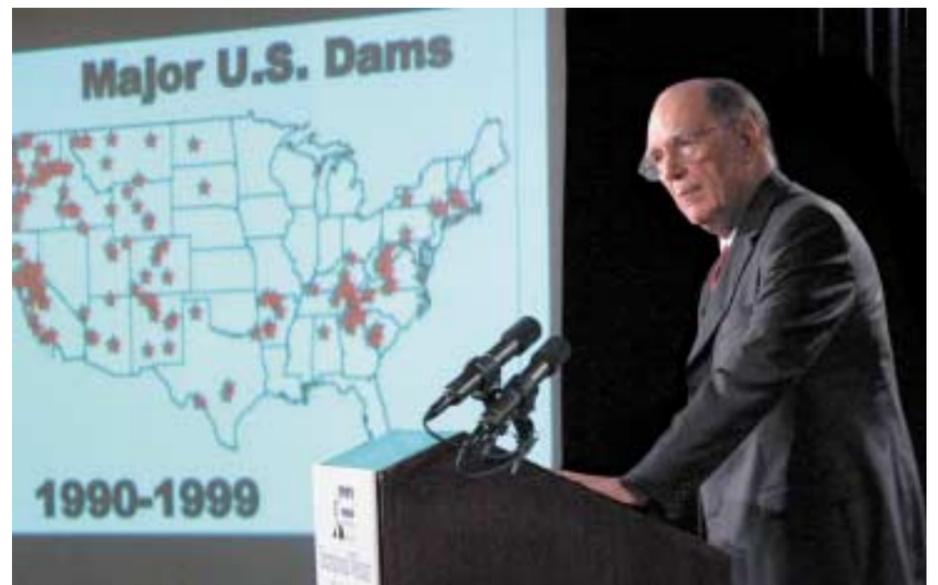
scientific discoveries are turned into machine tools, which unleash ever-higher rates of physical productivity, and thus well-paid employment. A country without a machine-tool industry can not be sovereign, and will inevitably descend toward Third World conditions, he emphasised. LaRouche has proposed emergency legislation to the U.S. Congress to save the greatest concentration of machine tools in the world, in the U.S. auto industry, which is now being destroyed by speculative hedge funds and other financial sharks.

Following his speech, LaRouche took questions from U.S. Senators, congressmen or congressional staffers and others on a whole range of subjects. He again hammered home the point that Vice President Dick Cheney is the chief representative inside the Bush Administration of the international financier cartel, and for there to be any prospect of organising an economic recovery, Cheney has to be driven from office. Thanks to La-

Rouche’s efforts over the last three years, that effort is well underway: Cheney himself is under investigation by a special prosecutor for leaking the identity of a CIA agent, while his chief of staff Lewis Libby, along with his enforcer in Congress, Republican Majority Leader Tom DeLay, are both under indictment, and dozens of other Cheney-tied individuals are also under investigation.

## Organising a Recovery

LaRouche’s November 16 webcast marked an inflection point in his deepening dialogue with the U.S. Congress, particularly the Senate. Given that Bush is a psychopath and Cheney is a sociopath, the Bush presidency does not function. Thus, the specific urgent measures to deal with the unfolding global financial collapse and to organise an economic recovery, must come from the Senate, whose actions increasingly reflect LaRouche’s proposals. And, as the U.S. begins to ditch the globalist, free-trade policies on the pathway to recovery,



Lyndon LaRouche at his November 16 Webcast, here addressing the collapse of the U.S. water infrastructure system.

the political and economic effects of that recovery will radiate throughout the world—precisely as happened in the 1930s Depression. LaRouche has now deployed his staff at *Executive Intelligence Review* magazine, along with leaders of his LYM, for detailed studies of how President Franklin Roo-

sevelt pulled the U.S. out of the 1930s Depression through great infrastructure projects like the Tennessee Valley Authority (TVA), and how U.S. industry—particularly the auto sector—was converted during World War II to unleash the economic miracle which secured the Allied victory against fas-

cism. As the world’s leading physical economist, he is also authoring a series of papers on how Roosevelt’s methods must be refined and enlarged to take into account the far worse shape of the U.S. economy today, than when Roosevelt began his recovery in 1933.

## Synarchist Puppet Howard Destroys the Nation-State

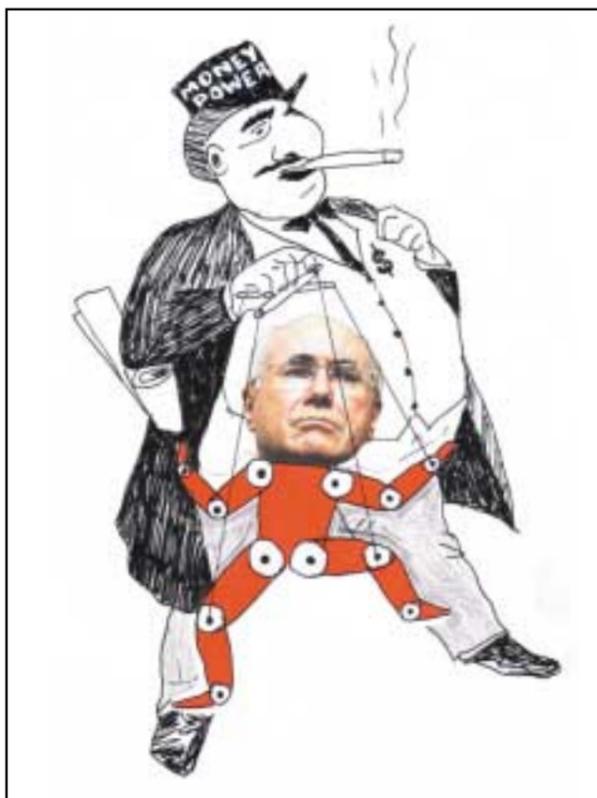
by Robert Barwick

During the 1920s and 1930s the international financial oligarchy (the Synarchy—pron. “Sin-ark-ee”) installed fascist regimes throughout Europe, as part of its scheme to eliminate sovereign, self-governing nation-states from the face of the earth. Men such as Mussolini, Franco or Hitler were financed and installed as mere puppets of the Synarchy. Fascism is on the rise again today, only this time it is called “globalisation”. And, in case populations become restive under the brutal collapse in living standards which globalisation inevitably brings, the Synarchy is readying the classic kinds of police-state fascist rule which Hitler typified.

This process is now happening in Australia, and the man leading the charge for fascism here is John Howard. Merely look at the horrific

legislation he is ramming through Parliament in the closing days of 2005 alone: draconian “anti-terror” laws little different than Hitler’s (see p.2); IR “reform” whose purpose is to crush trade unions and living standards, just like Mussolini and Hitler did; and his cruel “welfare-to-work” scheme, which is nothing but a typical fascist slave-labour scheme.

Throughout his political career, Howard has been nothing but a puppet of the Synarchy, in particular of its main postwar thinktank, the City of London, British Crown-sponsored Mont Pelerin Society, whose local affiliates include such radical rightwing “thinktanks” as the Institute of Public Affairs (which gave birth to the Liberal Party), the Tasman Institute, The Centre for Independent Studies and the HR Nicholls Society. These are



funded by many of the same big mining companies, the banks, and big corporations which organised such mass fascist armies here in the 1930s as Sydney’s New and Old Guards, and Melbourne’s League of National Security. Howard’s father was a member of the fascist New Guard in Sydney, probably because he worked for Colonial Sugar Refining (CSR), the chief sponsor of the New and Old Guards.

As we have documented in this newspaper (April, 2004), these fascist armies were prepared to seize power in the Depression if the ALP threatened to implement the same kind of directed-credit methods to finance great infrastructure projects which President Franklin Delano Roosevelt used to get the U.S. (and the world) out of the Depression and to defeat fascism in World War II. In this new worldwide financial and

economic collapse, who will rule: sovereign nation-states committed to the Common Good, or the Synarchy?

Outside of the efforts of LaRouche’s associates in the Citizens Electoral Council, the situation inside Australia itself would appear desperate, given that the ALP under the pro-globalisation, pro-fascist Beazley is no different than the Coalition under Howard (decent individuals in both parties notwithstanding). Fortunately, however, the battle for Australia (as for any other sovereign nation-state on the globe), will not be entirely decided here, but largely in Washington, D.C., where the fascist Cheney cabal is on its way out, and where LaRouche’s influence in both the Democratic and Republican parties is growing by the day. The best thing you can do for Australia is to join LaRouche’s movement here.

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# Howard: Prime Minister for Torture, War and Fascism

by Robert Barwick

Lyndon LaRouche began this campaign to oust U.S. Vice President Dick Cheney and his neocon cabal from the institutions of the U.S. government in 2002, with a pamphlet series exposing the neocons as "the children of Satan". These neocons, LaRouche charged, traced their philosophy back to the Spanish Inquisition established with the expulsion of the Jews from Spain in 1492; through the Martinist freemasonic lodges which ran the bloody Jacobin Terror of the 1789 French Revolution; through the dictator Napoleon; and on through the Martinist-modeled Synarchist International which sponsored the European fascist regimes of the 1920s to the 1940s. Many in Washington said, "We don't like these guys either, but LaRouche is exaggerating!"

Then came the exposures of Abu Ghraib and Guantanamo Bay, and the revelation that the Bush Administration had authored numerous policy memos and "presidential findings" which scrapped the Geneva Conventions and unleashed the policy of torture. And, when former prisoner of war Senator John McCain, who had himself been tortured in North Vietnamese camps during the Vietnam War, in October 2005 proposed an amendment forbidding the U.S. to use torture, Cheney went on a jihad against McCain and his amendment. McCain's amendment nonetheless passed the 100-member U.S. Senate by 98-2. And then came the indictment of Cheney's chief of staff Lewis "Scooter" Libby for leaking the identity of CIA agent Valerie Plame Wilson, in an

attempt to discredit her husband, former Ambassador Joseph Wilson's exposure of the Cheney propaganda that "Saddam is acquiring nuclear weapons" as a justification for the Iraq war.

Cheney is now universally recognised as precisely the "beast-man" LaRouche said he was. Less recognised, is the fact that Prime Minister John Howard has been an enthusiastic accomplice of Cheney and his neocon mafia (including its Blair allies in London) in all of its "beast-man" measures, including attempting to establish a fascist police state in Australia (as Cheney had attempted in the U.S.); in lying, leaking national security secrets, and savagely attacking anyone exposing the hoax of Iraq's "weapons of mass destruction"; and in endorsing and implementing torture as a state policy. Listed below are only the briefest documentation of Howard's beast-man activities, extensive documentation of which is available on the CEC's website, <http://www.cecaust.com.au>.

## Fascist Police State Measures:

Howard's *Anti-Terrorism Act of 2005*, along with accompanying legislation, provides for, among other hideous things:

- \* Vague, catch-all definitions of "terror" and "terrorists." No evidence is required that the "terrorists" are planning a specific attack, only that they might be "considering" one.

- \* Sedition laws with seven-year sentences for "exciting disaffection against the Government" or "promoting feelings of ill-will and hostility."

- \* Police powers to imprison



Guantanamo Bay and Woomera Detention Centre: What's the difference?



anyone for 14 days or to confine them to home detention for up to one year with no charge, and to "shoot to kill" in making such arrests, as British police did around the subway bombings in July.

- \* Family members or journalists who disclose such imprisonment or detention may be sentenced to 5-7 years, and those detained or their lawyers may not see the evidence upon which such confinement is based.

- \* Conversations between lawyers and their defendants may be taped, a procedure outlawed even at Guantanamo Bay.

- \* The use of unchallengeable video or other evidence from abroad, opening the door to that gained by torture.

- \* New "stop, question, and search" laws modelled on Britain's notorious laws in Northern Ireland.

- \* The use of the Army to carry out civilian policing for the first time in Australia's history, under even the "potential" of a terrorist attack. An earlier Howard law gave the Army the right to "shoot to kill" civilians.

- \* ASIO has been doubled in size, and the Australian Army is being reorganised to function as a "counterinsurgency force" rather than as a traditional army. Citizens presumably breathed a sigh of relief when Foreign Minister Alexander Downer proclaimed, "There won't be soldiers patrolling the streets shooting at people."

## Lying for the Iraq War:

In February 2002, former U.S. Ambassador, Joseph Wilson was sent by the CIA to the African nation of Niger to see if Cheney's line that "Iraq is acquiring yellowcake uranium from Niger for nuclear bombs" were true. When Wilson exposed the charges as groundless, Cheney, Libby and the "White House Iraq Group" mounted a campaign to destroy Wilson and his wife, for which they are being investigated by Special Prosecutor Patrick Fitzgerald. Almost simultaneously, Tony Blair personally initiated a campaign to destroy one of Britain's top nuclear weapons specialists, Dr. David Kelly, who exposed Blair's campaign that "Saddam could launch nucle-

ar weapons within 45 minutes" claim as a hoax. Kelly was found dead on July 17, allegedly a "suicide."

Meanwhile, in Australia, one of the "Three Musketeers" of the Iraq War along with the US and UK, Howard personally mounted a campaign to attempt to destroy Office of National Assessments analyst Andrew Wilkie for exposing the fact that the ONA knew the "Niger uranium" story was a crude forgery already in 2002, even as Howard made the Niger uranium claim to Parliament on Feb. 4, 2003, as part of the build up for war; that Saddam's supposed mobile WMD labs were obviously "mere water tankers, possibly fire trucks"; and that Australia's intelligence services were well aware that the U.S. (Cheney) planned to go to war against Iraq, regardless of the lack of documentation of WMD. Other military or intelligence figures who would not lie or manufacture evidence for the Iraq war, such as Lt. Col. Lance Collins (who backed Wilkie) or Department of Defence analyst Jane Errey, who disputed the WMD claims as obvious "propaganda", were all ruthlessly attacked by Howard and his allies.

## Torture:

- \* The Howard government was fully aware of the systematic U.S. torture policy at Abu Ghraib and Guantanamo Bay, and repeatedly lied in Parliament and elsewhere to enable that torture policy to continue, including even that of Australian citizens Mamdouh Habib and David Hicks, for which latter two the evidence is extensive. As Habib's lawyer at the time, Stephen Hopper, stated, "I never thought I would see the day when the Australian Government would aid and abet the torture and abuse of an Australian citizen on this scale." (See "Australia in the Middle of Iraq Torture Scandal", June 18, 2004.) Howard's Anti-Terrorism Act 2004 specifically legalised, under Australian law, the torture regimes at Abu Ghraib and Guantanamo.

- \* The Howard government oversaw the systematic torture of men, women and children in the "refugee detention centres" such as Woomera. The evidence for that charge is overwhelming, and has been

## LaRouche Youth Movement



In the first week of November the LaRouche Youth Movement (LYM) shook up Canberra, distributing thousands of copies of the Oct/Nov *New Citizen Extra* headlined: "LaRouche: 'Dump Cheney Now!'" on the streets, and conducting meetings in Parliament. They met with 6 MP's and a number of advisors, briefing them on LaRouche's growing influence in Washington, D.C., his battle to force Vice President Dick Cheney to resign, and his proposals for economic reconstruction, beginning with the auto industry, which industry is as crucial for Australia as it is for the U.S.



Deakin Law School's two champions of torture: Mirko Bagaric (l.) and James McConvill (r.)

presented by the United Nations Working Group on Arbitrary Detention; the government's own Human Rights and Equal Opportunity Commission; former Woomera nurse Barbara Rogalla; Melbourne QC Julian Burnside, and many others. There is also an extensive body of evidence that the Howard government was directly involved in the October 19, 2001 sinking of the "Suspected Illegal Entrance Vehicle X" (SIEVX) and the death of 353 men, women and children through its agents in Indonesia. Australia's former Ambassador to Indonesia Tony Kevin has charged, "I believe that the premeditated sinking of SIEVX was a final deterrent solution, generated under this program" (the government's People Smuggling Disruption Program, PDSPP.) See "Australia Tortures Children in Camps", May 28, 2004.

- \* Howard introduced his draconian Border Protection Bill 2001 under cover of the "Tampa crisis". As the *Australian Financial Review* of August 31, 2001 noted, "The special powers would not be open to challenge or review by the judiciary or by Parliament. The bill was intended to override all other laws, both international laws covering seafaring and Australia's criminal and civil law." When Howard attempted to ram the bill through in an emergency late-night sitting, the ALP erupted at that provision, forcing even Cheney toady and ALP leader Kim Beazley, to demand its

withdrawal, though Beazley's ALP ensured the passage of the entire bill, minus that provision.

- \* Howard has repeatedly tried to establish "star chamber" courts, under the guise of "anti-terrorism" or "refugees", which would be outside Australia's normal legal system. One such quasi-judicial body is the Refugee Review Tribunal, from which there is no appeal to any Australian court. One of the RRT's members, Mirko Bagaric, is head of the Deakin Law School in Melbourne, and *Australia's foremost proponent of torture*. In his article of May 17, 2005 in *The Age*, "A Case for Torture", Bagaric argued that it would be "verging on moral indecency" not to use torture, if it were regarded essential in the war on terror. Bagaric's pro-torture rantings were endorsed by his fellow Deakin Law School faculty member James McConvill as "superb" in an *On Line opinion* article of November 17, 2005. There, McConvill gloated that the Victorian Parliament *Crimes (Homicide) Bill 2005* legalised torture in case of a "sudden or extraordinary emergency", even when the victim is tortured to death. "As long as the use of torture is reasonable and proportionate", beast-man McConvill argued, then it is a "useful and reasonable means of obtaining information about a crime or potential crime from an individual."

Continued Page 3

## Dick Cheney's Two Stooges:



Without Their Dick, They're Just Nuts!

## Join the Citizens Electoral Council!

The *New Citizen* is the newspaper of the Citizens Electoral Council, a national political party and the Australian associates of American economist and statesman Lyndon H. LaRouche, Jr. With some 3,000 members, the CEC is not far behind either the ALP (with no more than 7,500 members according to former ALP chief Mark Latham), nor the Liberal Party, which has fewer members even than Labor. However, in terms of ideas and the activities of its members, the CEC beats the "majors" hands down. For more information on the CEC, see [www.cecaust.com.au](http://www.cecaust.com.au).

# Australia and America: The Fight for the Common Good

by Noelene Isherwood

A thoughtful Australian reading the transcript of American statesman and economist Lyndon LaRouche's webcast below, will be struck by the extraordinary parallels in the havoc which globalisation has wreaked in both countries, but even more by what the two countries share in terms of their best, most optimistic moments and policies. Everything which LaRouche says about the soul of the real American republic, which was established to be a "beacon of hope" and a "temple of liberty" for the entire world, can be found in Australian history, albeit to a lesser degree.

That "lesser degree" is because of the other side of our souls: our heritage as subjects of the British Empire, and the rotten institutions bequeathed to us from it, such as our impotent Anglo-Dutch parliamentary sideshow which passes for "self-government", instead of the tripartite Executive/Judiciary/Legislature of America, and our "independent central banking system", through which private financiers have usually dictated everything of importance in our country, though we did once have, for a time, an actual national bank.

## LAROCHE WEBCAST

# LaRouche on the Tasks Before Us in the Post-Cheney Era



The following is an abridged version of Lyndon LaRouche's opening remarks to the Nov. 16 webcast in Washington, D.C. For the full transcript, see [www.larouchepac.com](http://www.larouchepac.com). Subheads have been added.

...The problem is that, today the world is in the greatest financial crisis in modern history. It's a point of fact that there is no major banking

Look briefly at the sweep of our history, and you see why LaRouche's America—an America freed from synarchist influence to become once again what it was founded to be—is the greatest hope of any Australian who desires to get our country out of the fascist tyranny toward which it is now headed, and to establish, at long last, a sovereign republic.

Many of the prisoners of the 1788 First Fleet were Irish, Scottish and English republicans, ardent admirers of the just-concluded 1776-1783 American Revolution—a unique event in world history in which a handful of colonists inspired by the ideals of "life, liberty and the pursuit of happiness", defeated the greatest empire the world had ever known. From not long after his arrival in 1823 through the mid-1850s, our greatest and most popular political leader was the Rev. John Dunmore Lang, who regarded himself as the Benjamin Franklin of Australia and who fought for an American-style republic, which he called "The United States of Australia". Lang planned for a popularly-elected president who was not a creature of an

easily-destabilised parliament, as in the Anglo-Dutch model. Then, in the 1890s, the founders of the Australian Labor Party took the American, rather than the British spelling of "Labor", to signify their ideals. Foremost among these ideals is that expressed by the Preamble to the American Constitution, which specifies that the "general welfare"—the common good of all its citizens and their posterity—is the guiding principle of that entire Constitution, a principle echoed by our greatest trade union organiser, W.G. Spence, a co-founder of the ALP:

"The welfare of the people must be raised to the first place—must be the uppermost and foremost consideration. How to secure the good of all... the broadest justice, the widest extension of human happiness, and the attainment of the highest intellectual and moral standard of civilised nations should be our aim. ... Let each remember that man had failed before because each carelessly left to some other the work of the Common Good. We must reverse that. Each must take his or her share. With unity above all as our watchword, the Common Good as our aim,



King O'Malley, founder of our Commonwealth National Bank.

we will soon find common ground of agreement... The best start we can give to our children is the certainty of better conditions; the sweetest memory of us to them the fact that we did so."

And so, over Britain's strenuous objection, Australian republicans insisted that the name of our new nation upon Federation be "The Commonwealth of Australia", and our Constitution reflected key aspects of its American predecessor.

When King O'Malley founded the Commonwealth Bank in 1911, he proclaimed, "I am the Hamilton of Australia", referring to General

George Washington's aide de camp in the American Revolution, Alexander Hamilton, who then became America's first Treasury Secretary and founder of the First National Bank of the United States. Said O'Malley, "He was the greatest financial man who ever walked the earth, and his plans have never been improved upon..."

And then, in World War II, with our country under dire threat of a Japanese invasion, our greatest Prime Minister, John Curtin, proclaimed in December 1942, "I make it clear that Australia looks to America, free from any pang about our traditional links of friendship to Britain." Together with General Douglas MacArthur and his forces, we Australians under Curtin's leadership turned the tide of the war in the Pacific, ensuring the ultimate victory over Hitler's ally, Japan.

And so, again today, we Australians look to another great American, Lyndon LaRouche, as representing the best of our own national traditions and of ourselves as a nation. In that noble spirit, please read carefully Mr. LaRouche's historic address of November 16, 2005.

bankrupt, but the major banking system, the central banking systems, the Federal Reserve System, are hopelessly bankrupt. There is no way of settling accounts, to get out of this mess. In the case of the United States, this means putting the Federal Reserve System into government receivership—the whole system!—because all the components of the system are bankrupt! And therefore, the only thing that can be done is for the Federal government to take the Federal Reserve System itself into bankruptcy, for reorganization, in order to ensure that essential functions of finance are continued, that businesses don't close up, that pensions are paid, and so forth and so on. A similar situation exists in Europe. A similar situation exists in the world.

We have two problems, immediately. One is the problem of how we're going to stabilize the world when it's about to go bankrupt, totally. We don't know what day this will occur. People who try to forecast days don't understand humanity. Sometimes, once in awhile, you can know that something will happen on a certain day, but most of the

time, what you can know is that you're in a bind, you're caught in a framework, in which the crash is now inevitable, in an estimatable range of time. The day on which it will occur, you don't know, because human beings can make decisions, and those decisions can postpone this event or that event, but at a price. The price goes up. The longer you postpone a bankruptcy, the more bankrupt you become. The longer you postpone recovery, the worse it becomes.

As we have in the room here today, people who represent part of the UAW, which has been thrown into virtual bankruptcy, you have General Motors, which is ready to shut down, at least its domestic operations. It means a whole section of the U.S. economy is about to be shut down, and if you take out the auto industry, and take out part of the aircraft industry, we don't have a machine-tool capability. We are no longer a sovereign nation! And there's some people who are going to wait and watch that happen, and we lose our sovereignty and existence. There's only one way to stop it, and that is to put the whole shebang into bankruptcy, and into reor-

ganization, to keep the wheels turning. Now, I'll talk some more about that, but that's the kind of problem we face.

### On a World Scale

If we look at this on a world scale, it becomes more complicated. Here, you have to think strategically, and here's where most people won't tend to think in this direction. But somebody has to think in this direction. I think I've got elected for that job.

What we have, is we have a group of nations. There's only one nation in the world that is capable of initiating a recovery for any part of the world, and that is the United States. Either we initiate a global bankruptcy reorganization of the world system, or there is no hope for any part of the world.

The danger is not a Depression. We've had the Depression. We had it in October of 1987. [When the New York Stock Exchange collapsed 508 points, or 22.6%, the largest one-day crash in history.—ed.] We had a 1929-style Depression, and we fooled around with that. But then the Soviet system collapsed, and then we looted the Soviet system, and we've been living on the gut of the innards, which we've been eating at dinner table, of the Soviet system. We've now run out of that. We have destroyed industries. We've ruined ourselves, very much the way [U.S. President Herbert] Hoover ruined us in his term, from 1929 on. You know, the U.S. economy collapsed by half under Hoover. It didn't collapse because of 1929. It collapsed because of what Hoover did about 1929! And what Hoover did was the work of a genius compared to what this Presidency has done. We have reached the point of international bankruptcy, so the world financial system—the way it has been operating, especially over about forty years—is no longer viable.

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From Page 2

### The American Republic

Under the strictures of the Synarchy's Maastricht Treaty in Europe, which mandates brutal austerity and the deindustrialisation of the European continent, the juridical and police and intelligence agency structures for fascist régimes are systematically being put in place, just as they are under Blair in Britain, and under Howard (and Beazley) in Australia. In only one nation in Western European civilisation—the United States of America—is there a full-scale revolt underway against the fascist police-state measures which invariably accompany a Depression,

at least in nations ruled by Anglo-Dutch parliamentary systems, as is Australia and all of Europe. The spearhead of this revolt in the U.S. against "torture and fascism" is the LaRouche-led drive to oust Cheney, the Synarchy's kingpin. The permanent institutions of the U.S. republic are slowly but surely mobilising to rid the nation of this alien entity. Thus, the greatest ally of any Australian who is terrified that Australia is rapidly going fascist, is a United States returning to its true self, under the indispensable leadership of LaRouche and his LaRouche Youth Movement.

## China's People's Daily Interviews LaRouche

On November 22, 2005 one day after President Bush concluded his visit to China, the government-controlled *People's Daily* published on its English-language website a lengthy interview with U.S. economist and statesman Lyndon LaRouche. LaRouche is no stranger to the readers of *People's Daily*, since his economic and political comments are referred to regularly in its columns, but this first of an eight-part series is the most sweeping exposure of his thinking and activities yet to appear in a mainland Chinese publication.

While the interview has not yet been published in Chinese, it was the most popular news item of the day, ranking number one in number of "hits" on the *PD Online* site. The interview begins with LaRouche's observations on the unraveling of the international financial system, which was underlined by the *People's Daily* choice of title, "Global financial crisis is coming."

This entire international financial system is finished, one way or the other. The question is, are we going to save the nations and the economies?

Now, some people think that an economy is a product of a financial system. They say, "Well, the bankers, oh, they will do something or they can do something." They will do something! Once they've brought in Hitler, they will do something. And if you don't want a Hitler solution, you've got to come up with something else. You've got to put the bankers into bankruptcy, into receivership.

We have a situation now, as you observe the way our economy has been destroyed. We used to have a lot of farms, independent farms. They don't exist anymore. [Zbigniew] Brzezinski [head of the U.S. National Security Council under U.S. President Jimmy Carter, 1977-81-ed.] helped get rid of those, during the Brzezinski Administration, which was sometimes called politely the Carter Administration. Eh? We used to have private industries, we used to have machine-tool shops, we used to have all kinds of industries, local industries. We used to have local businesses, closely held. Not giant corporations. These were the gut of our economy. The giant corporation is not the gut of the economy.

If you look at the gut of an economy, any large corporation like General Motors, the auto industry, the auto industry does not produce—in terms of General Motors—does not produce automobiles! It assembles them! The components are developed by subsidiaries. Its components which are put in, they're largely from smaller industries. We have put out of business the gut of our economy, the people who produce. We call it a services economy. It's like a house of prostitution, where people get serviced. It is not really an economy.

#### For Example: Monsanto

For example, Monsanto. Monsanto should be put into bankruptcy, for intellectual bankruptcy. What does it do? Some idiot in a corrupt administration decided they could patent nature. It was Monsanto. They could, by various tricks, say they invented genes! By discovering one. By mapping a gene, they say, we "discovered" the gene. We can now map it. We own it. You want it? You lease it from us, at our prices. So we have a situation where the farmer can no longer produce seeds. He's not allowed to! He can go to jail for producing seeds. He's got to buy them from Monsanto.

We are faced with an ecological catastrophe based on this. Our food chain is based on the homogenization of types of foodstuffs, for a global economy. Now, one of the great things in food security, just as one example of the problem we face, in food security, variation was our defense. If a disease hit a particular type of crop, a particular type of animal, as part of our food supply, or a tree, a type of tree that we needed for our environment, well, some trees would die but other trees, which have a slightly different genetic structure, would not be infected and would not die.

But the way we're homogenizing our food supply, you have one type, it's called the world tomato, the world orange, the world banana. And a simple catastrophe, a genetic catastrophe in the form of a disease, could wipe out that whole supply. It's what Monsanto has done to us. It's not only the United States. They've done it to Brazil, they've done it to other countries on this planet. So

we've been under the reign of absolute insanity, of destroying our productive capabilities, and destroying the private initiative on which we used to depend. And making a mystique about the giant corporation.

What we have today, which is where the danger comes from, because what was done to us was not a mistake; it was a crime. It was deliberate. What has been done to us since the reign of Henry Kissinger and Brzezinski, is we have been destroyed systematically, beginning with 1971-72 with the destruction of our fixed-exchange-rate-system, monetary system. And piece by piece, every part of our economy that made us independent, or the economies of other nations, has been destroyed. It's been destroyed by environmentalism, by globalization, by methods of the type I just described to you. We no longer have a residue of private businesses, private entrepreneurs, as being the gut of employment and the gut of production in our economy, or any other part of the world, to speak of.

What we have is giant corporations. These giant corporations are not actually producers, they're slave owners. They're controlled by international financier interests, which do not belong in the United States. Most of these entities, which are powerful, have no loyalty to the United States or to any government. We have been globalized. We have been internationalized. We have now a

**"So we have a situation where the farmer can no longer produce seeds. He's not allowed to! He can go to jail for producing seeds. He's got to buy them from Monsanto. We are faced with an ecological catastrophe based on this."**

virtual system of world government, under the power of these bankrupt institutions, these financial institutions, which control the world.

The intention has been to eliminate the sovereign nation-state. To eliminate production as a power of economies. To globalize everything. To produce a world economy, in which there are no nation-states, in which the highest power in the world is international financial wealth, typified by the mentality of someone like, say, Felix Rohatyn of the United States, or people like that, who are part of an international cabal, the same cabal which, on a smaller scale back in the 1920s and 1930s, called the Synarchist International, gave us fascism. Fascism in Italy, 1922. Fascism in Germany, Hitler, done through the Bank for International Settlements. And Hjalmar Schacht, done by what? By the head of the Bank of England, Montagu Norman. With the support of whom? With the support of the grandfather of the present President of the United States, who wrote the order to a German bank, which re-funded a bankrupt Nazi Party in time for Hitler to be appointed as Chancellor of Germany. These same international financier interests, in a greatly bloated, expanded form, have been headed for world government. How did this happen?

#### The Most Powerful Economy

The United States, of course, came out of the Depression as the most powerful economy the world has ever seen. We were already the most powerful economy in the world in 1940-41, before we went to war. We did not become powerful because of the war. We became powerful enough to conduct the war. Where other countries would have hundreds



(l.) After producing genetically modified seeds, Monsanto forces farmers to buy seeds from them. A canola crop in Kojonup, Western Australia. (r.) Globalization destroys the local machine-tool industry and high-skilled jobs like operating lathes.



of pounds per soldier, we had tons! We had the greatest logistical power the world had ever seen. We had 16-17 million people in military service, the greatest army in history. And we saved the world. And we saved it because of President Franklin Roosevelt, who understood what he was doing. Then Roosevelt died, and Harry Truman, who was a pig, took over. And Harry Truman was not the author of the idea. Harry Truman was the guy who worked for the guys who did give the orders, including the people who owned Winston Churchill. We were headed for World War III before World War II ended.

Winston Churchill, for example, wanted to go to war against the Soviet Union while we were still fighting Hitler, and then Roosevelt died, and that sort of succeeded. We had two nuclear weapons which had not been approved, because we hadn't run the tests yet on the—we had three nuclear weapons. One for testing and two were prototypes. They were not production-line weapons, they were prototypes.

One was a uranium bomb, the other was a plutonium bomb. One of each. The original intention had been to use one of these on Berlin, but before we had the job ready, Germany surrendered. We couldn't use it on Berlin. We did, under British direction, destroy a lot of cities which were innocent cities, which were cities of civilians, not military targets, just to prove how nasty we could get. Then, when Truman became President, he was told about the nuclear weapons, and under British orders, we used them on Hiroshima and Nagasaki, civilian targets. We used them because we had them. And we used them because we wanted to start World War III, nuclear World War III. By then, the Soviets, in the course of the late 1940s, developed nuclear weapons and achieved priority in developing an operational model of a thermonuclear weapon. So we shifted to a different policy.

This was all intended. We went into a right-wing turn. We didn't continue our investigation of the Nazis, the Nazi bankers, the funders. We stopped it. Allen Dulles, who became the head of the CIA, brought the hard core of the Nazi system, into the Allied security system, including the CIA. This is the issue we have about the torture thing. The torture mechanism of the Nazis was taken over by the United States and British. It was run from Germany, occupied Germany. These institutions were incorporated into the CIA, into British intelligence and other places, and they resulted in things like the Pinochet regime in Chile, and Operation Condor in southern South America under Henry Kissinger's reign. And that has been going on from the end of the war to the present day.

#### The Assault on the American System

So this is the kind of world we've been living in. It was intentionally

created. The intention was, *to eliminate the United States*. Because as long as the United States existed in the Constitutional form that Roosevelt represented, fascism could not come back in the world. And finance capital could not become a predator, to eat the world. So the goal was, get Franklin Roosevelt out of the Americas. Destroy the American System. Destroy the American agro-industrial system. President Kennedy was killed, and the program went into full swing. Eisenhower had warned against it, but it went into full swing. So, from the time we went into the Indo-China war, we were headed toward our own self-destruction.

Our adversary was not the Soviet Union. We had an adversary in the Soviet Union, but that was secondary. Our adversary was closer to home, in our own financial system, in our own banking and financial system. They wanted to destroy us.

Look at the effect! Did they destroy us? Look at the standard of living in the lower 80% of our family income brackets, since 1977. There has been a consistent decline. Look at the pattern of our states. Look at the state of Michigan! Look at the state of Ohio! Look at western Pennsylvania. Look at states across the country, especially the northern belt. Look at the Grain Belt. We have been destroyed!

How? By policy. It has been the policy to uproot the United States for once and for all, for what it represents. This is the enemy! This is the real enemy!

#### A System of Empire

And we've lived under a system of empire. We had the Roman Empire, which emerged out of the Second Punic War. We've had the second Roman Empire of Byzantium. When that collapsed, we had the Venetian Empire, with the Venetian banking system and the Norman chivalry, with its Crusades, as predators, which destroyed most of Europe and most of civilization, until they collapsed in the 14th Century.

We had the birth of the modern nation-state in the 15th Century in Europe, with the Council of Florence. But then they came to destroy it, and they destroyed it beginning

in 1492 with religious warfare, which went on until the 1648 Treaty of Westphalia. And when we thought we'd licked that, they came back with something else, called the British Empire, which started actually in 1763, and the British empire, or the Anglo-Dutch liberal system, as it's otherwise called, or the Venetian Party, has dominated the world since that time, *except* for one little republic, which became a giant, the United States. *Everything good that has happened on this planet, of any significance, has come from the United States.*

For example. Once we defeated slavery, which was a British thing stuck into us to try to destroy us, from the 1820s until the Civil War; once we defeated that, once we went away from a free-trade system back to a protectionist system, the American System, we became a great power. By 1876, at our Centennial Celebration in Philadelphia, we were acknowledged as a great power. And then Bismarck's Germany, in 1877-1878, adopted the American System as an industrial model, complete with a social welfare system, which is being destroyed only today.

Russia. The great scientist Mendeleev, was in Philadelphia, went back to Alexander III, and they launched the great industrialization inside Russia, including the trans-Siberian railroad. Japan, 1877, from the United States, became an industrial nation, and on the road to the power that Japan represents today. China, later on, in the struggle for New China, was a reflection of the same thing, under Sun Yat-sen. All the great things happened.

And then, the British Empire started a war, starting in 1888-1890. Bismarck was overthrown, which opened the gates for warfare. The President of France was murdered, to open the gates for warfare. Various things of the same type happened. Japan was urged to betray the United States, and to launch the first war against China in 1894-1895, and that led to Pearl Harbor, because the British in the early 1920s had made a treaty with Japan, for naval warfare against the United States. The plan included the plan for an attack on Pearl Harbor. Later the British and the Japanese divided opinion,



The drafting committee for the American Declaration of Independence in 1776.



(l.) U.S. battleships at Pearl Harbor bombed by the Japanese. (r.) The Anglo-American oligarchy directed their puppet, U.S. President Harry S. Truman, to needlessly drop two atomic bombs on Japan in 1945 in order to terrify the world into accepting world government.



because of Churchill, on this question. But Japan came on and carried out the plan for the attack on Pearl Harbor, and we had people in our own country that covered up the fact that that attack was coming, which was the famous trial of Billy Mitchell, when he proposed to develop carrier aircraft to deal with what we knew in our military intelligence, was the plan of Japan and Britain for an attack by British and Japanese naval forces against the United States. History changed things. The British came to us to rescue them, later on, but in the meantime, Japan continued the policy, and attacked us at Pearl Harbor, according to their earlier agreement with the British.

The policy was to destroy *us!* Not because we were that good. We were never quite that good. We had some pretty bad Presidents, you know, and some pretty rotten people here and there, and some rotten practices. But the character of our nation, the conception of our nation as a state, was a product of the best thinking of all European civilization. People from Europe built up this United States of ours, because they wanted a bastion, which would become a model, for them. Would set a precedent, for them, to secure the same kind of freedom we had, the same kind of system we represented. And those who represent this idea of financial empire, or a worldwide services economy, which is the same thing as slavery, have been determined to destroy these United States, by one way or the other. If they couldn't take us on by direct attack, they would corrupt us from inside. And the great destruction of the United States has come *from the inside*, not from external enemies! We couldn't be defeated by any external enemy, unless we destroyed ourselves, inside, first. And that's been the case for the United States ever since Lincoln's victory over the Confederacy, and getting rid of Maximilian in Mexico. And that's the problem we have to understand.

#### Our Historic Mission

Now, that being the case, we have a mission. We have an historic mission, which goes back much earlier than the 18th Century, much earlier than the 1763 process where we began to fight, to struggle for our liberty. Our mission is to bring forth on this planet, a kind of society, a society of sovereign nation-states, which is a durable form of life for humanity, for generations yet to come.

We're now at the point where, as the financier powers which have brought upon us this latest disaster,

and who are behind these poor fools, this poor idiot Bush, the President, and this poor depressed, depraved criminal, Cheney, are being used as tools against us, and the question is, how do we—we now have good signs, we have the signs that our institutions are working. The Congress, the Senate, has shown that it works. The system works, apart from its imperfections. It works, nonetheless! And that is a good system, which absorbs imperfections and yet functions to perform its mission. Our institutions are well-designed, when they're used properly.

We have now won a victory. We have in a sense recaptured our country. Since the summer of last year—we had seen the Democratic Party converted into the anti-Roosevelt party—we have now swung back in large degree to the memory of FDR, and to what he represented. An attitude of, "we can do it again." It's not perfect, but the Senate has shown, and other institutions have responded, that in this country there's still the potential to rebuild and recapture this country to what it represents. And a lot of good things have happened, including the beginning of the frog-march.

But then, beyond that, we have this larger issue. We can not live as the United States today, isolated in a world that's disintegrating. Therefore, we have to think about what kind of a world system is required: Not because we impose it, like George Bush's conception of democracy, but because other nations which may or may not agree with us on many things, know that it is wisdom on their part to cooperate with us to build this kind of a world system.

Now, we're talking of a world system, we're talking, first of all, about the Americas and Europe. The states of the Americas are, for various reasons, particularly since the developments which occurred in them in South and Central America, after Lincoln's victory, they became more and more oriented to the North American system. And what you will find that is generally good in these republics, are constitutional and related legacies which reflect the system of the United States, as in Mexico, as in other countries of the hemisphere. So, if we do the right thing, we will have not too much difficulty in finding a policy with a person like President Kirchner of Argentina and others; we will have no difficulty in rebuilding the system of the Americas, the sovereign states of the Americas. That will not be a big challenge.

We have, implicitly, the potential with Europe. ...

If the U.S. market collapses, where's China? It goes into a spiral of collapse. If the U.S. market collapses, where does India go? Where does Europe go? Where does India go if Europe and the United States both collapse?

So you're looking at a world which is in danger, and it's in danger because of free trade. You can not maintain this planet as a safe place to live, while you maintain free trade and allow globalization. You must have an American-style protectionist system, in which we have trade barriers. We set up protection so that goods are not produced below the true cost of their production. And the true cost of production is the cost of maintaining the population as a whole, which produces that wealth! Which means pensions, it means social welfare systems, educational systems, health care systems. It means infrastructure in general.

Now, of an economy in general, 50% of any modern economy is an investment in infrastructure. These are investments which run with a lifespan of 25 to 50 years, a 25-50-year investment, in dams, power systems generally, water management systems, mass transit systems, high-speed mass transit systems, not all these trucks trying to crowd highways, and turning superhighways into parking lots at rush hour time, but a real system. Power systems which provide adequate power, at the densities we require. Maintenance of our area, so we maintain our environment, maintain our forests, maintain the productive biological structure of our nation. It costs money. It costs effort. And we have to treat this effort as part of the cost of production!

Pensions are part of the cost of production! To provide for the aged is part of the cost of production, because the aged and the young are part of a system, just like children are part of a system. They may not be working. They may not be employed. But they are an essential part of a system, and you have to *pay for the system*. You have to maintain the system physically, materially. It's called the American System, the protectionist system, which we understood better after the experience of the Depression, and the experience of the successes under Franklin Roosevelt. *The world needs a Franklin Roosevelt system.*

Now, to have that kind of a system, which means about half of your

total investment, in international trade, in fact, about half of that, is in long-term investment, either in basic economic infrastructure, like dam systems, power systems, water systems, whatnot; education systems, health-care systems; but also in high technology, which means capital-intensive technology in agriculture and industry. These *also* are long-term investments—nearly 10, 15, 25 years, too. A good machine tool—it lasts for a long time, it's adapted to many new things. But it's an investment you must have, and you must maintain it.

So therefore, that means that you have to have a fixed-exchange-rate system. You must fix the prices of currencies among each other, in a fixed way, so that you don't have fluctuations in prices, and rates, and costs on investment. In that way, you can have stable agreements. Because—what?

#### Creation of Credit

Where are we going to get the capital, to rebuild this world economy? *The banks are bankrupt!* Where are you going to *borrow the money?* There *are* no banking systems that can provide the financial capital for recovery! It doesn't exist! These banks are bankrupt. Where does the money come from? It comes from the creation of credit by governments! In a regulated system. The

**"Our mission is to bring forth on this planet, a kind of society, a society of sovereign nation-states, which is a durable form of life for humanity, for generations yet to come."**

creation of credit by governments, for the purposes of long-term loans, at fixed prices, for investments in infrastructure, and for providing investments for capital investments in useful industry and agriculture.

These loans, which are what? At 1-2% interest, simple interest, over the long term, run through a banking system which is coordinated by the government, as a national banking system—private banks participating in a system coordinated by government—get this credit out, the way we used war production credit during World War II. You get the credit out, for what are declared to be purposes of national interest.

The first thing, is to try to bring the level of population in production, up to the level that you're above breakeven. Now, if you're operating above breakeven, current breakeven, you're not in bad condition. Therefore, get above breakeven.

Once you're above breakeven, now you bring into play technological progress, which will increase the productive powers of labor and the quality of product. *Now you get real growth.* And the next generation will be better off than the present one. And so forth and so on. That's the American System at its best.

Now, we had the basis for that, at



There is no "China miracle": lacking sufficient modern technology, 70% of China's population work under slave-labour conditions.

the end of the war. The basis was provided by the leadership of Franklin Roosevelt, in what became known as the Bretton Woods system, which was destroyed by the friends of Kissinger, and Shultz, in 1971-72, under Nixon, but was in the process of being destroyed even before that—because the Vietnam War helped to do that. So therefore, we destroyed the system, we went to a floating-exchange-rate system, we *destroyed* the world economy, by a floating-exchange-rate system. We no longer had a stable system of credit, at fixed rates, the fixed exchange rates, over long periods, where you could efficiently have the development of economies on a large scale, or the world economy.

We have to, therefore, *create* that kind of system, again. But this time, we have to create it to include not only the Americas, not only the Americas and Europe, but we have to also include Asia. And if we do that, then we have the means for dealing with a great stain on our conscience: What Henry Kissinger did to Africa.

And Africa is going to require *great aid* from these countries—not lending as much as great aid in infrastructure: Because, what we've done to Africa, sub-Saharan Africa, is a crime beyond belief. They do not have the means of recovering on their own. The biological effects that we've imposed on Africa under these conditions, are such that they don't have the ability to rebuild on their own. We must help them. That is our moral obligation. We must give them things, to help get them started. We have to get them through the next generation, to try to get them back on their own feet again, and help them develop.

So therefore, we in the United States, looking at what the Senate is facing today, we have to look ahead. We have to say: We're in a war, against an enemy. The enemy are these institutions, these financier institutions which have come to destroy us, which have almost destroyed our nation, and corrupted our people, as was done to the children born after the close of World War II. That's the first thing. We have to restore the system that was destroyed, rebuild the nation. We have to think about rebuilding the world, and rebuilding as I indicated.

That means, we have to build a world system. And so, the war is against the enemy, who has destroyed us and other nations, by his Delphic methods. But we have to create a system which is accepted by other nations, as a mutual system, and that is the peace. *That is the victory.* That means that we have to do certain things, not simply because they're convenient for us here. We have to do things, because we have to do them *now*, or they won't be done by the world, and then we would suffer from that.

**If the World Goes to Hell**

We can not survive as a nation, if the world goes to Hell. Therefore, the way we act as a nation in our interests, must take into account the effect of our policy, or our lack of policy, on the rest of the world. Because it's the kind of world we're helping to build, in which our posterity will live! And we have to think about the *peace, the peace for our posterity: a world in which they can live, for generations to come!* We have to build that kind of a system. Our Constitutional system contains that potential: *No other nation on this planet has that potential, that we have!* Therefore, we have to use what we are; we have to use our heritage for that purpose.

This means, of course, that the planet is getting smaller. Not really, but it's smaller in terms of human action, in the size of human population. This is particularly evident to us in Asia, where the great part of the whole world's population is now located.

Now, we can't maintain the world the way we've been running it up to now. We have to develop new kinds of resources, new technologies, new sciences, new branches of science. We have to engage in a policy of continuing scientific revolution and technological progress. This relies upon what?

It relies on three things: First of all, the quality of intellectual development of our population, including our young—educational systems. Presently, they stink! We have a Youth Movement going, and the Youth Movement is struggling with almost no means, but it's doing a better job than the universities are, in terms of actual knowledge. We can do it. All right: We need a new educational system, an education for *reality*, an education for science, not this gobbledygook we get for services economy nonsense. "Bend over, I'll service you"—hmm? Right?

Also, we need the application, a technological orientation of entrepreneurship: Because the way you get things done, is—you have to understand the human mind. Some people know how to destroy the human mind, but they don't know how it works. They just don't like it—"Let's destroy it! Destroy it! Grrr! Get rid of it, it's a problem!"

Now, we call it "private initiative," that's a bad word, because of the connotations of it. But, in point of fact, any discovery, or *re-discovery*, or development of a discovery, occurs primarily within an individual mind, as a sovereign act of an individual personality. And society is a system of cooperation among sovereign, individual personalities. Someone gets an idea, it spills over to someone else, they cooperate and so forth, and things happen. And therefore, you want a system—you can call it an "entrepreneurial system"—in which the greatest freedom for people is to use their individual minds in collaboration *to make things happen*, that make things *better*. And this is usually science-oriented, or science-application oriented. So therefore, you need a system which is a science-and culture-driver system, which should be centred in our educational system.

Now, you need a system which can absorb that, in the labor force. So you need a system of organization of entrepreneurship, in which this natural potential of the educated population is expressed. You don't say, "We're going to prescribe it, you're going to invent this." You prescribe a problem. Somebody comes up with a solution. That's entrepreneurship. So

you need that kind of a system.

**The Machine-Tool Principle**

Now, we have in society, certain categories of people, some of whom are represented here today, who are associated with the machine-tool sector of industry. If you want production, if you want progress, science is not enough.

For example: Suppose you're a scientist, you make a discovery: how do you certify a discovery? Well, you have to design a test apparatus, which actually is a test-of-principle apparatus. Now, in that apparatus, you will have built in something, which actually is new. It tests the principle you have never consciously used before. You're testing to see if it actually works, the way you have conjectured it would. Right? Now, once you've done that, and it does work, now you have a secret you've discovered: That test apparatus, that you designed (and you could probably go back and do a better job of redesigning it later), but that test apparatus you've designed, is the basis for what we call "machine-tool design."

Now, this is the way you take a population which has moderate skills, moderate scientific skills, and through the machine-tool approach, you produce product and systems whereby a large population, thousands of people, can work around a few hundred people, who are involved in machine-tool design. In a sense, the machine-tool designer, by introducing innovation into the productive process, and employing thousands of people in using the innovation, increases the productive powers of labor of the entire population. So, what they're trying to do with destroying General Motors, and the rest of the auto industry—as they're doing, as a productive industry; and the aircraft industry—what they're doing, is destroying the machine-tool capability of the United States! Which means, what? We no longer have the ability to develop technology, we can only copy other people's. We're being destroyed.

And the poor people in the United States, who have come to believe in a services economy, *don't understand that*. There are people in the Senate, who don't yet understand that. People in other channels of government, don't understand that. People in parties will argue against that! They don't understand it.

But, the success of the U.S. economy depends upon it!

Take the success under Roosevelt: Do you know what we did, in World War II, in going into it? Do you know how many machine-tools were sitting out there with the U.S. government tag on them? We took people who had no machine tools—we mass-produced machine tools under government contract. We leased these out to firms that had government contracts for military and related production. We produced as no one had ever seen production before! With a machine-tool system. Rosie the Riveter became a machine-tool specialist—out of a household! That's the way it worked. That's our system! ...

[Mr. LaRouche then chronicled the destruction of the physical infrastructure of the U.S. (power and water, in particular) over the last forty years, with graphics.]

**Biosphere and Noosphere**

Now, on top of that: The world is somewhat in trouble. The world as we know it, is divided into three areas of chemical activity. One is the abiotic system. Second, is living

processes and their products. The third, is human intellectual activity and its products, which is a growing percentage of the total fossil accumulation of the planet. Now, our objective is, to increase the ratio of human [cognition] to Biosphere, to abiotic.

Now, what we depend upon when we mine for minerals, we don't go into the core of the Earth to get our minerals. We go into the fossil area of the Earth, which is called the Biosphere. For example: What is a fossil? Well, the atmosphere is a fossil. The atmosphere was produced by living processes. Water is a fossil. It is produced by living processes. The reason we have oceans and rivers and things, is because biological, living processes, produced water. And this water accumulated and it became oceans and whatnot. We produced—the living processes produced the atmosphere we have, the carbon dioxide. You know, plants *love* carbon dioxide. Carbon dioxide is not a pollutant. We should increase the carbon dioxide content of the atmosphere: The plants would be much happier, and it wouldn't be inconvenient for us. They grow much better with carbon dioxide—that's what they *feed* on! That's what a green plant does, a chlorophyll plant *feeds* on carbon dioxide! It's its favorite dessert. You want to make the plants happy? Give them more carbon dioxide!

What do you do? If you want to have real growth, build a hothouse—you may not like the carbon dioxide concentration, but the plants will be ecstatic, and they'll grow wonderfully for you. They gobble up that carbon dioxide! Just give them enough power and carbon dioxide, and they're happy: They'll produce vegetation like mad.

So, we're now at the point where we have to consider the fact that we are tending to deplete the minerals in the Biosphere. Now, the minerals in the Biosphere, like iron and so forth, we get them because they are concentrated as what? They are part of the dead bodies of living things. You get a potassium concentration, iron concentration, any other kind of concentration: Usually, this concentration is the result of the residue of dead living things. That's how people know how to find these things: They go into areas where they know this kind of development occurs, and they're looking for a residue of a formerly living process of a certain type, and they get iron there, they'll get this there, and so forth. That's the



"The machine-tool designer, by introducing innovation into the productive process, and employing thousands of people in using the innovation, increases the productive powers of labor of the entire population." Above: Edgetek SuperAbrasive Milling (SAM) – High Speed Grinding Machine Tool. (r.) Surface finishes of a few nanometres are capable of being generated while at the other end of the scale very high specific material removal rates can be achieved.



way it works.

So, therefore, we're getting to the point that the planet is becoming somewhat depleted, in terms of the rate at which we're consuming known resources of these types—and we have to start thinking about replenishing them! And that's a problem in advanced physics, of high-power physics. So therefore, the economy of the world is going to have to change, and shift from a low-power-density economy, to a high-power-density economy, so that we can manage the planet with new technologies, where we no longer simply go down there and *grab* raw materials, which are left over from dead living things millions of years ago; but now, we're capable of regenerating something, rather than simply using it up. We're going to that kind of economy. Therefore, we have to go to a high-power economy, a high-technology, high-power economy. We have to go from a cheap-labor economy, to a machine-tool economy. That's the direction we have to take.

We have to think about a world system, which respects the fact of the nation-state, maintains it. Don't try to globalize the world. No more globalization. Cheney's already too fat.

**Looking to the Future**

Go to a managed system, where we rely upon our scientific respon-

sibilities for development. Let each nation develop with its culture, in its own way. And what we need is a system of cooperation among those nation-states. The obvious thing is the United States' relationship to its neighbors in the Americas, which is a unit of cooperation. The United States' cooperation directly, for example, with Europe, as with Continental Europe, in particular. And envisaging the cooperation between Germany and Russia, as a pivot for cooperation throughout Eurasia: Because Germany and Russia are key to trade with China, and trade with India, for example, and Central Asia. So then, we have to deal, again, with the African question.

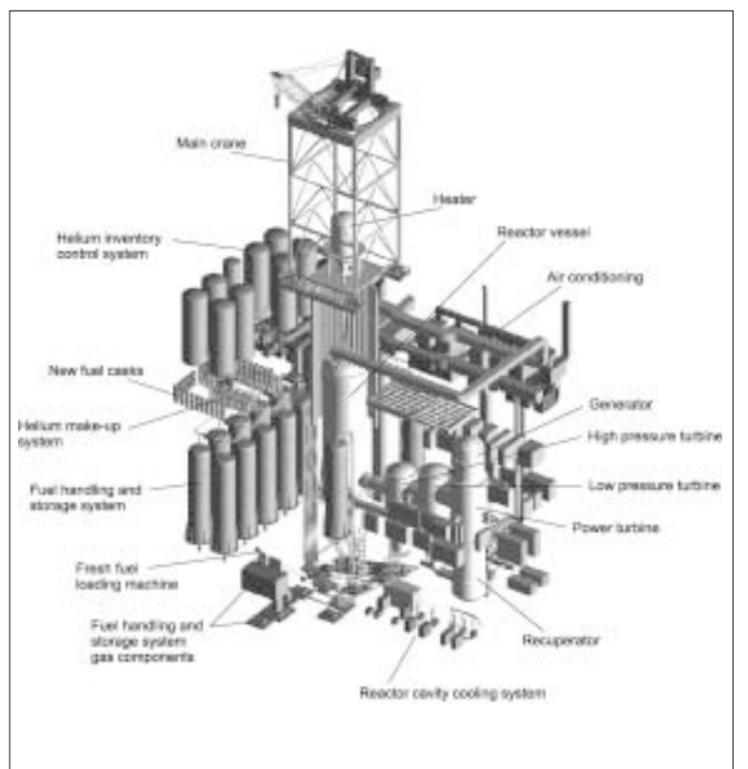
So therefore, we need to create a world system, as a system of cooperation among sovereign nation-states. Doing this as a United States which is proceeding from its own *character, its own Constitutional character*, its own historically determined Constitutional character. And—maybe the world will stop hating us.

But, that's our responsibility. Not simply to address the problems before us, not to come up with practical, immediate responses to problems. We have to look ahead. We have to look ahead three generations. And we have to take the steps now that are necessary, so that two or

*Continued Page 7*



The Warragamba Dam near Sydney. We must dramatically expand our national water infrastructure. (r.) Australia and America both require vastly expanded power supplies, utilising such advanced technologies as the super-safe, modular high-temperature, helium cooled, pebble-bed reactor.



# Which Way for U.S., Australian Auto: Conversion with LaRouche, or Wipeout?

by Allen Douglas

In both the United States and Australia, the vital automobile industry—the cornerstone of both nations’ industrial capacity—is on the verge of being destroyed by the Wall St./City of London-centred financier cabal running globalisation. A debate has erupted in both countries on how to deal with the crisis, but the only actual solutions on the table come from physical economist and statesman Lyndon H. LaRouche, Jr.: the conversion of much of the oversized auto industry into production of vital components of desperately needed national infrastructure, including power plants, mass-transit systems, water management systems, etc., under tariff protection and with credits supplied by government.

On November 22 Ford Motor Co. Chairman Bill Ford gave a speech in Washington, D.C., when he urged a “collaboration between government and business” to save the industry, including provision of tax credits for the conversion of auto factories. LaRouche lauded Ford’s call, and in an open letter to him, specified the broader approach which must be taken. (See accompanying excerpts.) LaRouche’s open letter and an accompanying piece in which he specified further necessary measures for recovery circulated throughout the U.S. Congress and widely internationally.

### Auto: Bastion of Machine-tools

At issue here is the continued very existence of the nation-states of Australia and America, since, in both countries, the auto industry represents the heart and soul of industrial and manufacturing capacity. A take down of the auto industry in the U.S., will decimate the U.S.’s machine tool capacity (the tools which make other tools), without which a nation can not really be sovereign, as Australia found out during World War II, when it went from just three machine tool manufacturers to 200 in

1943, producing 14,000 machine tools annually. Although our machine tool industry has subsequently been decimated due to the anti-industrial, globalist policies beginning under Hawke/Keating in 1983, our auto sector is the heart of our vital tooling industry (cutting tools and jigs and dies, in particular). As former Melbourne mayor and 32-year GM veteran Ivan Deveson recently observed, “There is no doubt, that the automotive industry is the backbone of manufacturing technology.” The technologies developed in and for the auto industry flows into a whole range of industries, including aeronautical manufacturing and the defense industries. As in America during World War II, when Ford led the way in conversion to produce bombers and other aircraft, the auto industry technology in Australia in places like Fisherman’s Bend was used to produce the weapons we used to defend ourselves.

### The Social Cost

There is a staggering social cost at issue, as well. In Australia, 55,000 people work directly in the car-making industry, with some 300,000 jobs overall dependent on the industry. In the United States, the massive cutbacks in auto production already over the past couple of decades of globalisation have already devastated whole sections of the U.S., particularly in its industrial heartland states of Pennsylvania, Ohio, Illinois and Indiana. Take just GM itself: In 1978, GM employed 520,000 production workers in the U.S., but by the start of 2005 globalisation had shrunk this to only 114,000. GM shut five more production facilities this year, reducing its employees to 106,000. On November 21, General Motors’ lunatic CEO Rick Wagoner announced that he would close all or parts of 12 more GM plants in the U.S. and Canada and fire 30,000 production workers—slashing GM’s production workforce by another 30,000!

A week earlier, the CEO of GM spinoff Delphi (the U.S.’s largest auto-parts maker) Wall St. thug Steve Miller, declared that he would lay off 24,000 of Delphi’s 34,750 production workers in the U.S. and Canada—staggering 71% of the workforce. Whole cities and even states in the U.S. will turn into ghosttowns. The auto cuts are already hitting hard here, with 14,000 jobs lost in just the last three years, with many thousands more to come. GM Holden, for instance, just announced that 1400 jobs at its Elizabeth assembly plant in South Australia will go, on top of large numbers of other cutbacks already announced or planned in the auto industry in Victoria and South Australia. Our \$10 billion parts industry will be flattened, as well. The Australian federal government has no plan to stop this wholesale destruction, and the state of Victoria’s recent commission offered no solutions either. Both embrace globalisation and proclaim that Australians just have to learn to “work smarter”, as their jobs flood overseas.

### The Assault on General Motors

The Synarchist financiers are moving in for the kill on General Motors, the largest industrial firm in the world: the company has \$485 billion in physical assets, while speculative, highly-leveraged hedge funds have driven down the value of its stocks to a minuscule \$13.5 billion, making GM a sitting duck to be taken over and looted. In recent years, hedge funds have increasingly combined their financial muscle (illegally) to strip major corporations. They take over an ailing company (whose stock they usually have driven down in the first place), strip it, sell off its assets, leave it a bankrupt shell, and then move on to the next victim.

In his November 16 webcast, LaRouche was frank about the dwindling power of the labour movement in this depression and its



General Motors Holden vehicle assembly line at Elizabeth, South Australia.

inability to use “normal” trade union tactics to win against the bankers and their fascists like Delphi chief Steve Miller, who not only plans to sack 71% of his unionised workforce but reduce the wages of those remaining to \$10-12 dollars an hour, out of which they will have to pay most of their own health care for the first time. This need for labour to “go political”, instead of begging for scraps at the globalist table, is exactly what the leaders of Aus-

tralia’s labour movement did when they founded the ALP, after labour had been crushed in the brutal shearers’ and dockers’ strike of 1890. A taste of how this is done was seen in the extraordinary lobbying day in Washington, D.C. on November 17, when leaders of the United Auto Workers joined the LaRouche Youth Movement to unleash an earthquake in the U.S. Congress. (See accompanying articles next page.)

From Page 6

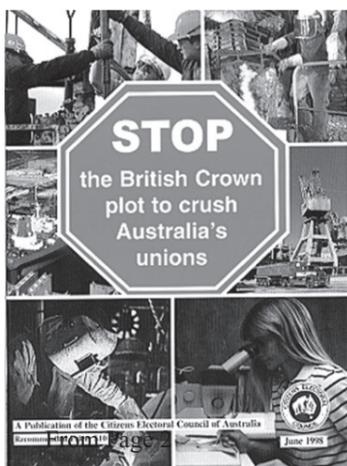
three generations from now, when certain kinds of problems become mature, that we have laid the *groundwork* for the ability of our descendants, to solve those problems. We can not sit back, and just simply put one thing on top of the other. We have to think ahead. We have to think of the past, we have to think of the future, but we have to think ahead.

*We need a system for this planet, that will last for 50 to 100 years to come, in terms of relations among nation-states. We need a system of cooperation. We need a system of vision, of where we are going! We need a system of values, of what we value, as accomplishment. We need*

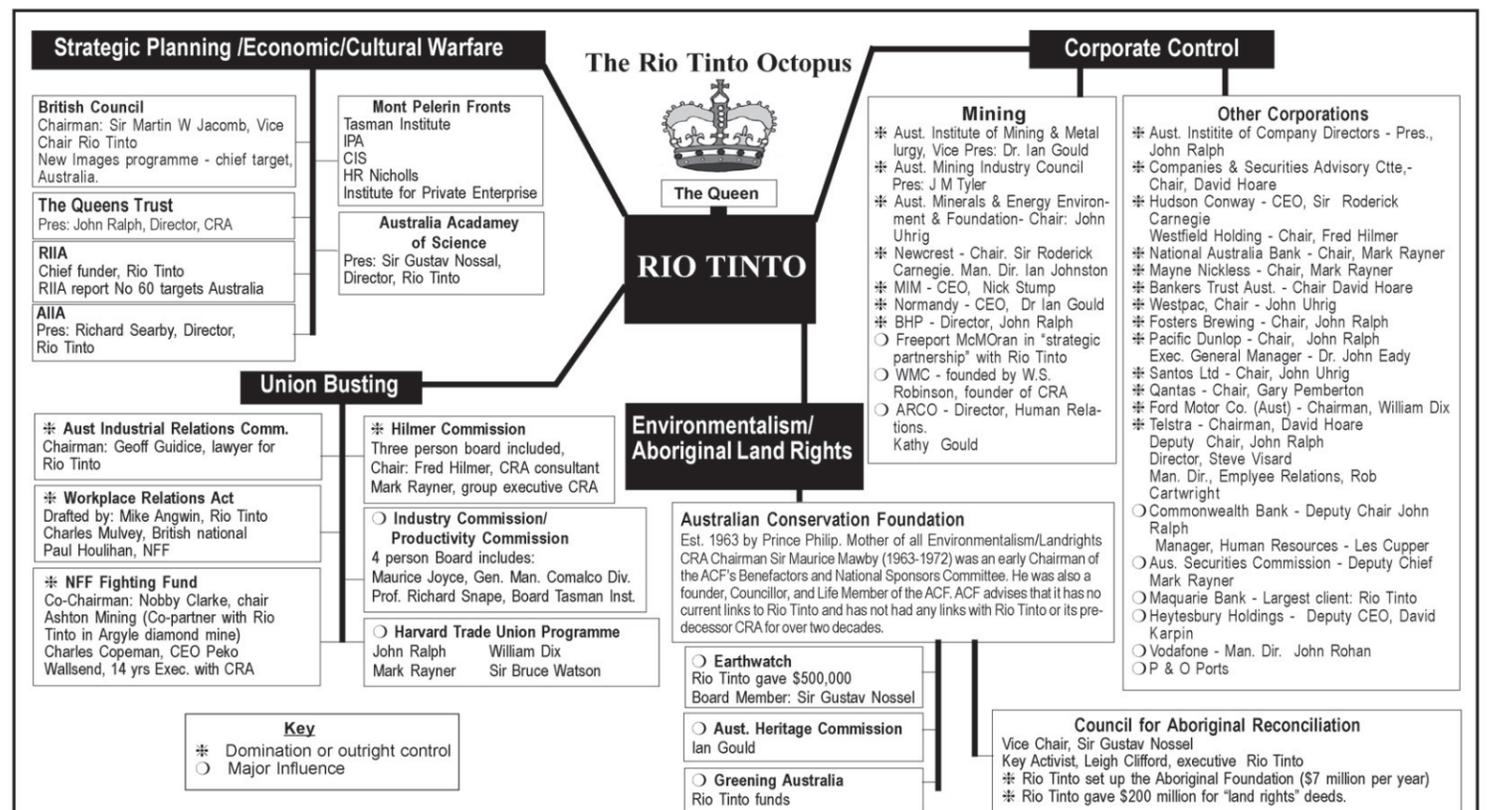
an orientation toward our children: Especially our young *adult* children, who have 50 years of work, and influence before them: *They are our future!* Without them, we don’t have a future! And therefore, their fate, for 50 years to come, is *us*: We will die, but whether our lives mean anything or not, will depend, 50 years from now, on what happens to those young people, what kind of a world we create for them.

*That’s strategy.* Not war. Strategy is strategy for peace, for building a system which is so good, that people don’t want to break it, and therefore, you have peace.

Thank you. [ovation]



The CEC in 1998 issued its comprehensive dossier (including the flow chart shown here) on the plot by Rio Tinto to crush organised labour, *Stop the British Crown Plot to Crush Australia’s Unions*. (Queen Elizabeth II is the single largest shareholder in Rio Tinto.) The pamphlet opened, “Excepting the special case of World war II, when our entire nation was in mortal peril, the Australian labour movement today faces the worst threat to its existence since the fierce onslaughts of the early 1890s, when troops were deployed to crush the shearers and dockers.” To defeat this threat, we said, labour must name the names of its actual enemies, and “Come out of your defensive foxholes



to take responsibility for the nation as a whole." The Combat/Burrows ACTU leadership, too gutless or too stupid,

did neither. However, the CEC's charges that Rio Tinto was behind the IR "reforms" were finally aired (with-

out attribution, but in unmistakable detail) as a feature of Channel 9's *Sunday Program* on November 20,

2005, including, ironically—and belatedly—by Combat himself.

# LYM, UAW Leaders Join Forces to Shake Up Capitol Hill

by L. Wolfe

WASHINGTON, Nov. 17 (EIRNS)—Capitol Hill and the U.S. Congress were the epicenter for a political earthquake today, 85-100 members of the LaRouche Youth Movement (LYM) were joined by more than 150 Ohio members of the United Autoworkers for a rally outside the Capitol and a mass lobbying effort intended to force the Congress to take action to save the nation's auto industry and critical machine-tool capacity from collapse.

Many of the UAW leaders, along with other trade-union officials, had arrived early to participate in Democrat Lyndon LaRouche's Nov. 16 webcast, where they heard the former Presidential candidate reiterate his call for Congressional action to save GM and the auto industry's machine tool capacity. Most of these also participated in a special post-webcast dinner dialogue with LaRouche where he emphasised the need for a new political trade-union militancy to fight for an FDR-style recovery program, based on support for the Constitutional principle of the General Welfare.

The rally and lobbying came as GM inched closer to bankruptcy, and as the management of already-bankrupt Delphi prepared in effect to liquidate its union contract, eliminating its benefit and pension programs.

## Marching on the Capitol

Two busloads of Ohio UAW members and retirees arrived here



Mark Sweazy, President of United Auto Workers Union Local 969 at Delphi Corporation, speaking at a rally before the U.S. Congress on November 17.

this morning. The unionists marched through the streets to a site near the Cannon Office Building for the 11:00 a.m. rally, wearing tee-shirts and buttons reading "Proposing a workable solution to Congress, in Defense of General Motors" and "Congress Save Our Communities, Save Our Economy and Our Jobs." There they were joined by 85-100 singing LYM members as well as other trade-union and elected officials.

With the dome of the U.S. Capitol in the background, UAW Local 969 president Mark Sweazy addressed the crowd, demanding that Congress now take the action they should have taken last spring, when LaRouche first proposed his "Emergency Program" to save the auto industry. LaRouche PAC spokeswoman Debra Hanania Freeman, repeating a theme from the



Members of the LaRouche Youth Movement organising at the Democratic Party National Convention in Boston in August, 2004.

LaRouche webcast, told the unionists and others that nothing can be done effectively to save the auto industry and the economy unless the "gang of thieves" led by Vice President Dick Cheney is removed from power. We are not here to beg for crumbs from the Congress, she told the cheering crowd. "This is OUR house and OUR government, and we are here to tell them what they must do" to serve the General Welfare.

Michigan State Rep. Lamar Lemmons of Detroit said that his city, which was the birthplace of our nation's auto industry, is now devastated, inhabited by very poor people with no hope. Do you want your city to end up like Detroit? he asked. We have to change the policy in D.C. and the only person to speak out for emergency measures to save auto has been LaRouche,

Lemmons stated. Cleveland City Councilman Kevin Conwell echoed Lemmons, saying his city now has the highest level of poverty in the country; to reverse this, we must mobilize to support LaRouche's emergency measures.

The organizers were also addressed by other UAW officials, including John Clark from Adrian, Mich., Russ Reynolds, president of a Flint UAW local, and UAW vice-chairman Art Reyes.

Following the speeches, the LYM were introduced and sang the "Battle Cry of Freedom"; the group then marched to the Capitol.

## Lobbying Congress

The labor activists had originally intended to go up to Capitol Hill on their own, but after the rally, they requested that the LYM go with them; each group of 20-25 unionists thus had a contingent of several LYM, with unionists carrying petitions that they had circulated on saving auto.

Most of the unionists who had come on the buses had no prior experience with the LYM, but quickly learned about the effectiveness of the "LaRouche method" in dealing with Congress. Discussions in the Congressional offices often started out on a specific issue, such as pensions, but soon, they were refocused on the broader questions of policy. After a while, the unionists realized that they were going to have to provide the leadership to Congress, who didn't understand anything about an industrial, production-based economy: the labor reps were soon asking the LYM, "What do we do next? We're following you!"

In all, there were a total of 40 Congressional meetings, nearly half of which were set up on the spot, including with many Republicans, who are often anti-labor.

## The Worldwide LaRouche Youth Movement

Web: <http://www.wlym.com>

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# Reorganising the Auto Industry: LaRouche Open Letter to Bill Ford

What follows is the text of Lyndon LaRouche's public letter to Ford Motor Company chairman and CEO Bill Ford.

## RE: Reorganizing the Auto Industry

Dear Chairman Ford:

As your statement implies, the U.S. automobile industry is essentially the major component of the machine-tool design capability of our republic as a whole, complemented chiefly by a kindred role of the machine-tool-design component of the aerospace sector. If we dismember that specific capability, we become a Third World-like relic of our former selves. Economic devastation will sweep every part of the nation's communities, which would be directly and indirectly affected by such a ruinous development.

This industry is not made by au-

tomobiles; it, among other things, makes automobiles. It can produce almost anything which we might rely upon the existing auto industry to produce, such as a new mass-transportation grid, including magnetic-levitation grids, crucial elements of urgently needed new power-generation installations, essential components required for rebuilding the nation's ruined and depleted water-management systems. Essentially one-half of a competent design of a modern economy depends upon basic economic infrastructure. That is the ration which distinguishes us from the highly vulnerable industrial sectors of the economies of the Asian countries such as China and India today, where national income, at current export prices, is insufficient to meet the needs of the lower 80% of family-income brackets of those nations today.

The required stimulus for a U.S.

economy under the recovery measures which a reorganization of the Federal Reserve requires, will be a concentration on basic economic infrastructure by government, coupled with the revival of the private sector through contracts and credit to private vendors in participating support of those programs at the Federal and state levels. The national-security urgency of rationalizing a national air-rail system of functional reunification of our territory, is merely an apt illustration of the way in which the capacity of the automobile industry must be diversified, a full utilization of its machine-tool-vectored capacity as a whole, within a new division of labor in respect to the industry's net product.

This will require an act of Congress, probably emanating from the relevant committee of the U.S. Senate, to create the authority providing the needed cover for the reor-

ganization of the existing automotive industry to that effect.

Under such an act, the existing industries, and their associated key machine-tool associates, would enjoy federally supported means for orderly reorientation without loss of any essential productive elements. A special facility, established under Federal law, would be needed to provide a protective cover for this, while creating the programs of expanded categories of activities, beyond the existing industries' present marketing missions, in mass transport and other fields.

This Federal provision must include the orientation of establishing the U.S.A. as once again the technological leader which we en-



Machine tool operator at a GM plant in Ohio.

courage and assist other nations to match and emulate. Science and its indispensable partner, machine-tool design, must become once again the exemplary standard of U.S. industrial performance. That must be the mission of the Federal provision for this reform.

Sincerely yours,

Lyndon H. LaRouche, Jr  
cc: U.S. Senate

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For a **FREE DVD** of Lyndon LaRouche's Nov 16 Webcast call toll-free **1800 636 432** or send in this coupon to CEC PO Box 376 Coburg Vic 3058, and leave ALL your details below.

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