

# World In Crisis Needs A New Monetary System

*The following is the transcript of the seminar at the India International Center, on Dec. 3, in New Delhi. Subheads have been added. The moderator, Professor Kaushik, is former chairman of the Center for Russian, East European, and Central Asian Studies, Jawaharlal Nehru University, New Delhi, and present chairman of Maulana Azad Institute of Asian Studies, Calcutta.*

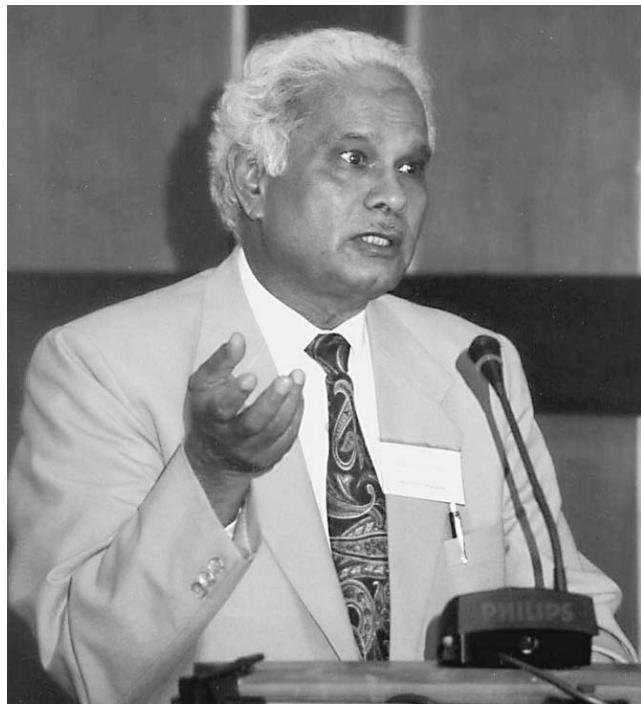
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## Prof. Devendra Kaushik

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At the very outset, allow me to extend, on behalf of Maulana Azad Institute of Asian Studies, Calcutta, on my personal behalf, on behalf of many friends and admirers of Mr. LaRouche here, to extend a most cordial welcome to Mr. Lyndon H. LaRouche, Jr., and Mrs. Helga Zepp-LaRouche. It is really a matter of great pleasure that they are in our midst.

I think, and most of you here will agree with me, that we have with us, one of the most powerful thinkers of our times. A physical economist, an economist with a difference, for



*Prof. Devendra Kaushik, who chaired the seminar, welcomed LaRouche as “one of the most powerful thinkers of our times.”*

whom economics is not just a matter of money, but a commitment to the general welfare, and common good. I’m glad that I have this opportunity to greet and welcome Mr. LaRouche, because I’m associated with an institute which is located in Calcutta, and Calcutta is the first city with which Mr. LaRouche’s association with India had begun. If I’m right, in 1946, he had come there, in the wake of the conclusion of the Second World War. He had been south, in Southeast Asia, while in the U.S. Army. And since then, Mr. LaRouche has been committed to India. He is an admirer, a great admirer of India, and I’m proud that my association with him has enriched my understanding of the ongoing processes in the world.

He is a wise man, of the Renaissance tradition. An economist, who enriched further the ideas of Leibniz, and invented the Leibniz-LaRouche method of quantifying the relationship between technical advances and growth of the physical economy. It’s a pity that in India, LaRouche—though India is very centrally situated in the scheme of things—is not so much known, as we would have liked him to be known; his ideas, I mean. But in many important areas of the world—Ibero-America (Latin America), Africa, Europe, Italy, France, Poland, and in Russia—his ideas are acquiring a great influence.

I’m a student of Russian affairs, and I know how powerful is the impact of his ideas on contemporary Russia: Read Academician Lvov, or Academician Abalkin, or Glazyev, who is chairman of an important Duma committee. His views are expressed, prominently displayed, in the Russian journals, and Russian newspapers, such as *Ekonomicheskaya Gazeta*, *Pravda*, *Izvestia*, and *Russki Predprinimatel*—I happened to read, it’s a very decent publication, a very important interview given by him. He has appeared several times before the Duma, the State Duma [lower house of parliament] of Russia, for hearings, and I think in Russia, and China also, his ideas, and the ideas, you know, of this couple, here present in our midst—Eurasian Land-Bridge. Mrs. Helga LaRouche is a tireless campaigner for this idea of the Eurasian Land-Bridge, which offers the only hope to redeem this world, which is now besieged by the impending doom of the international financial and monetary system.

I would not like to anticipate what he is going to say here. Once again, I welcome both of you, sir, Mr. LaRouche, and Mrs. Helga, into our midst, and request you to enlighten us with your presentation. Mr. LaRouche.

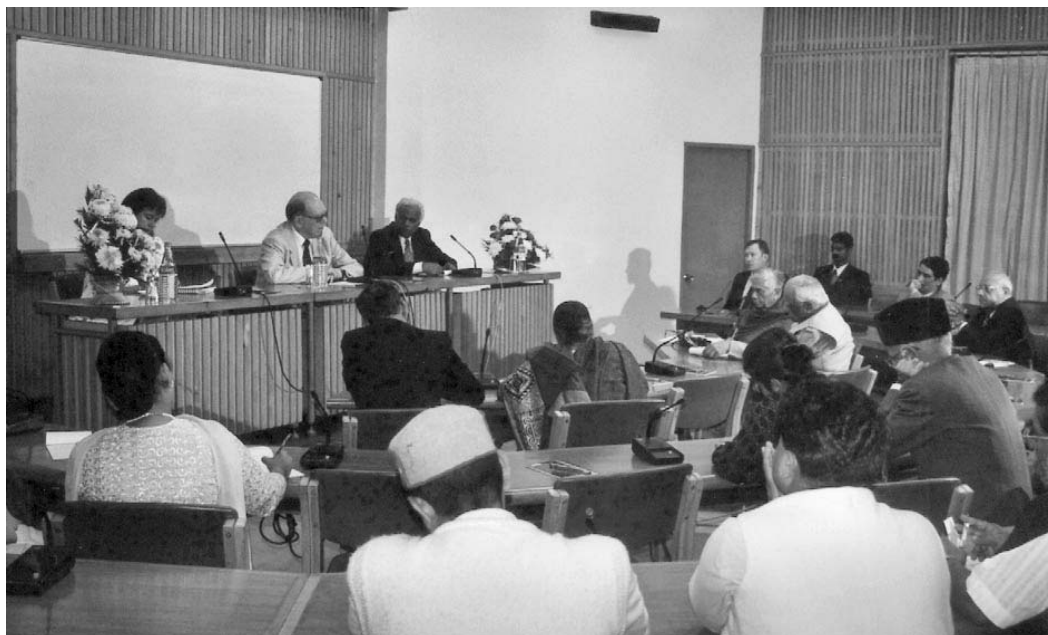
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## Lyndon H. LaRouche, Jr.

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Thank you. I’m very glad to be here, of course, and of course, I know, or have met, many of you attending, personally, and I’m glad to see you again, always.

What I’ll do is, there are three points I shall make. The idea here is not to present so much a report, in the ordinary sense, but to give an outline of the structure of thinking, which



*The LaRouches' Dec. 3 seminar at New Delhi International Center on "Growing Global Crisis: World Needs A New Monetary System," was attended by former national cabinet ministers, economists, intellectuals, and journalists. LaRouche speaks next to moderator Prof. Devendra Kaushik.*

must be used to understand both the present situation, and the probable solutions for the present world crisis.

First of all, we have to redefine history, modern history, because what is usually accepted as modern history, is *not* modern history; it's fiction, invented to apologize for the policies of one or another group, and make up, like family histories—you pick invented ancestors, instead of the real ones, and much of history has that character.

## **We Must Redefine History: The Modern Nation-State**

The beginning of modern history goes back, of course, in Europe, to the 15th Century, to a Renaissance. And the significance of that for today, is principally, that a new kind of institution, the modern nation-state, was conceived in Italy in the 15th Century, in the Renaissance. The difference between that, and all preceding forms of civilization, even though there were intimations of that in earlier developments—the essence of this revolution, was that, for the first time, the idea that one group of people could rule over other people as virtual human cattle, was denied to be a principle of law. This was the imperial principle of law, on which, from ancient Mesopotamia, Sparta, the Roman Empire, the Byzantine Empire, and European feudalism had been based, on the idea of a majority of the population being treated by a limited minority, as if they were wild, or tamed, human cattle. And hunted down, bred, utilized, and culled, according to the pleasure of the masters, as the Malthusians today argue: "If the population is excessive, regrettably, we'll have to cut the herd." The same kind of idea.

So, under the modern nation-state, it was established that there is no moral authority for government, except as that

government is efficiently committed to promote the general welfare, the common good, of *all* of the people over whom it rules, and their posterity. That's the basis, that principle of the general welfare, or common good, is the foundation. This idea was first brought to successful expression in France, under Louis XI, who made a revolution in creating the foundations of modern France, out of rubbish. This French revolution was echoed in England, by the overthrow of Richard III, and the installation of the government of Henry VII, who was sane, unlike his son, Henry VIII.

So, at that point, the forces of oligarchy, led by Venice, sought to overthrow the nation-state. And the nation-state, as a result, was thrown into a period of civil war, religious war, from 1511, till 1648, until the Treaty of Westphalia. Under these conditions, the possibility of restoring the kind of nation-state which Louis XI of France, or Henry VII of England, or Henri IV of France, had attempted to bring into being, was in jeopardy. And therefore, Europeans looked to the Americas, where colonies, European colonies, had been developed, in the hope that republics of the desired form, could emerge in this area.

This did not succeed in the Spanish area, principally because of the Hapsburg influence internationally, and British influence. But it did succeed in the United States—in what became the United States.

## **The Ideas Of Leibniz Shaped The American Constitutional System**

Now, the United States was created with the backing of all the leading intellectual circles of Europe, the good ones. In France, but throughout Europe as a whole. The major intellectual influence in shaping the United States, and its Consti-

tution, was Gottfried Leibniz, the great scientist of the 17th and early 18th Century. The ideas of Leibniz, as opposed to those of Locke, or opposed to those of Hobbes, were the foundation of the American Constitutional system.

The problem we had in creating our republic, is, we had a rotten element inside it. We have the same problem in India, of course, in the freedom of India. You had to take what you had, and make a government of all of the elements, including some which might not have been too agreeable, at the time. We had that too.

We had a financier interest, closely tied to the British East India Company, principally, in New York and Boston, the Boston area. We had also Southern slaveholders, centered in the Carolinas and Georgia. These were elements which polluted the founding of our nation.

In the wake of the Napoleonic Wars — the French Revolution and Napoleonic Wars, the United States, which had just been created, became isolated. And thus, the wars of Europe became the determinant of the fate of the United States, which was a small nation, floating like a cockboat on the seas of the world as a whole, and always in jeopardy. We became corrupted. The power of a New York-centered financier group, the power of the slaveholders, increased, until Lincoln led a revolution, which overthrew a British puppet-government, the Confederacy, and established, between 1861 and 1876, the United States as the most powerful single nation-state economy, the most advanced technologically, on this planet.

## Growing American Influence

This occurrence, as viewed in 1876, by leading Europeans, led to a revolution in Europe, and Asia. It led to the so-called Meiji reforms, of the 1870s, in Japan. Modern industrial Japan was actually a personal creation of Henry Carey, the leading economist of the world at that time, deploying his student, E. Peshine Smith, into Japan, to guide the Japanese in creating the foundations of a modern economy. At a later point, you had in China, the influence of Sun Yat-sen, who was educated and developed in Honolulu, who became the leader of a struggle for the foundation of modern China.

In Russia, Mendeleyev, the great scientist of Russia, was, in 1876, at the Philadelphia Centennial Exposition. He returned to Russia, delivered his report to Alexander II, and with the later support of Graf Witte, established the American model as the direction in which the Russian economy was being developed. It was Mendeleyev who developed not only the Trans-Siberian Railroad, with the cooperation of Witte in the completion, but also, created most of the industries of Russia, based on the American model. The letters of Mendeleyev to the Tsar, on the subject of industrial projects in regions in which the rail system was being constructed, are a model for reference still today.

In France, there were positive influences after the ouster of Napoleon III. This went on until about the 1890s, in which

the American influence was an increasing influence throughout the world, in shaping the direction of reforms in the Old World. In none of these cases, was a true republic developed in Eurasia. You had czarism in Russia. You had the Hirohito system, essentially as we referred to it in the World War II period, in Japan. You had oligarchy-run Europe. You had the Hapsburg tyranny, which was still squatting like a succubus in Vienna. You had all kinds of relics of the past.

And what Europe did, was essentially make certain reforms. The reforms were reforms in *feudal* institutions. The parliamentary system is a feudal relic. It was created by imposing reforms upon monarchies, in which the forms of parliament, which had been created originally to represent the oligarchy, and advise the monarch, were compelled to make concession on lawmaking, to various levels of popular opinion. And this gave us the parliamentary forms, which people in Europe prize as being a gain. They're vulnerable forms of government, as you know, because a parliamentary government is inherently subject to destabilization. You can have a parliamentary crisis: The government's out. So therefore, the problem in parliamentary systems is to maintain a long-term continuity of policy, sufficiently long-term — and I'll come to that — in order to make the project successful.

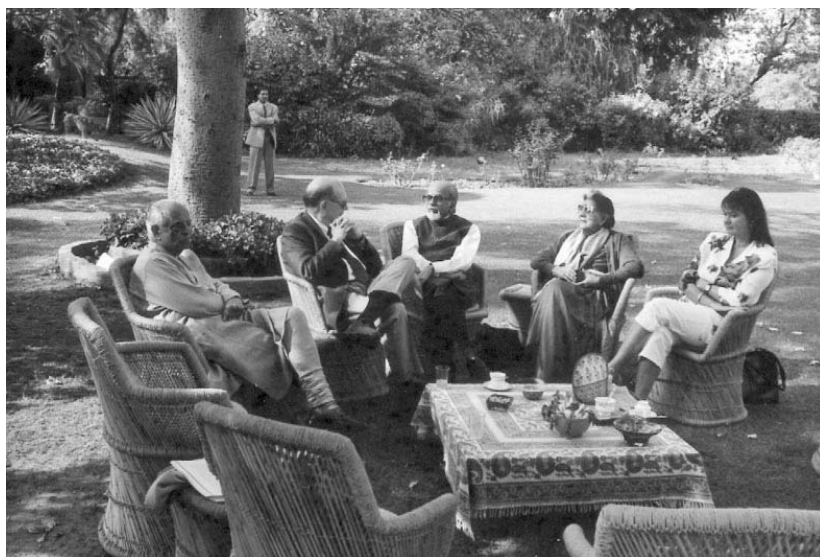
So, Presidents are elected, and governments composed, of certain durability, which have democratic features within them, but are durable. Which means that people can make commitments to terms of five to ten years, and longer, in terms of *policy*. And virtually no reform can be carried out, in almost any country, effectively, and brought to success, in less than a five- to ten-year period — which I'll get to.

But, despite those shortcomings, we had around the world in the late 19th Century, what looked like an American Century. That is, the influence of the success of the American Revolution, as attested by the developments of 1861-1876, as a model for reform of the world as a whole, and of relations among states.

This changed during the course of the 1890s. The British monarchy recognized, that the development of trans-Eurasian rail systems, and economic development, meant an end to the ability of a maritime power, an imperial maritime power, to dominate the world as a whole.

Remember, historically — as you know from the history, or sometimes prehistoric history of India, in which the Dravidian-speaking language group dominated the entire Indian Ocean region, and its adjoining littoral, as a great maritime power. Sumer was created by Dravidian-speaking peoples. Yemen, Abyssinia, were developed by Dravidian-speaking peoples. The culture which radiated from the subcontinent, radiated all over the oceans, the Indian Ocean, and Asia.

And the British had inherited that idea of maritime power. Economic power was largely based on the littoral areas, adjoining the oceans, or up the riparian rivers, and riparian systems of the rivers. The inland areas of the continents were not adequately developed — as in China today. The great problem



*The LaRouches were welcomed in their visit to India by former Prime Minister Chandra Shekhar (upper right); by former Prime Minister I.K. Gujral (above, talking to Lyndon LaRouche); and by India's current President, K.R. Narayanan (right).*

in China today, is the coastal region, and the great riparian channels, tend to be developed economically; the inland regions, beyond the reach of the coast, beyond the great riparian conduits of trade, are not developed. And that's the great problem there.

However, if you develop systems of transport and power, across the continent, as we did in the United States, with the transcontinental railway system, then you can unite a continent, and it becomes cheaper to move freight across the land-mass, and much quicker, than by sea. And this results in a great revolution.

### **The British React With 'Geopolitics'**

So, therefore, under the conditions typified by the Mendeleyev work, in developing the Trans-Siberian Railroad, the threat was that Eurasia would unite, in cooperative ventures of this sort, linking the Atlantic Ocean to the Pacific Ocean across the land-mass, and this would make a great revolution in the human condition, under which the interior of Eurasia would become a development area. This, London recognized as a grave threat to the power of the British Empire.

And therefore, the British developed two plans, one typified by Admiral Fischer, the head of the British Navy, who invented the Dreadnought, the so-called Dreadnought policy, to dominate the seas absolutely. And also, to create Kuwait, which was originally owned entirely—stolen by the British monarchy, and owned by it, and created as a source of oil for an oil-fired British Navy, intended for what became known

as World War I.

But, the idea was: How do you overthrow and disrupt the tendency for cooperation among France, Germany, Italy (which emerged as a nation during this period), Russia, Japan, China, down to India? How do you do that?

And they came up with the idea called "geopolitics": Set the nations which you wanted to have cooperating, against one another's throats. This was called World War I.

World War I began in France in about 1892 with the Dreyfus Affair, which was actually a plan for the overthrow of the existing government of France, making the way for the horror-show which came in later—1898: The power of France was destroyed by Kitchener, above Khartoum, and broke the attempt of the French to create a railroad system which would link Dakar to Djibouti across the Sub-Saharan region. This led to the formation of the Entente Cordiale between France and Edward VII. This led to the Balkan wars, to the increasing alliance with Russia against the Ottomans, with France. This led to the folly of Germany, in allying itself with Austro-Hungary, which lured Germany into the trap of what was called World War I.

### **The Crucial Feature Of Modern History: McKinley's Assassination**

Now, the crucial feature here, which defines modern history, is the 1901 assassination of the President of the United States, McKinley. McKinley was the last President in that period, until Roosevelt, who represented the American Sys-

tem tradition, exemplified by Lincoln. This brought into power a man who was a total British asset, Theodore Roosevelt, who was the nephew of the man who had been leader of the Confederate intelligence service, and trained by him. So, you had a British agent, Teddy Roosevelt—took over the United States, and with his friends in Wall Street, and among the former slave-owners of the Confederacy, established their power over Wall Street. This was done directly by Edward VII through Jacob Schiff, who was Edward VII's chief agent on Wall Street, who created the Federal Reserve System, and some other things.

Wilson, who's the important successor of Teddy Roosevelt, after Taft, and was put into power by Roosevelt's intervention, was a man of a Southern tradition, a Confederacy tradition—not only pro-slavery, but an admirer of the Ku Klux Klan. And the man who, from the White House itself, launched the mass revival of the Ku Klux Klan in the United States, leading to the Ku Klux Klan horrors of the middle-1916 period, through into the 1930s. So, American racism today, is essentially a consequence of the revival of pro-Confederacy views, by a Democratic President, Grover Cleveland, who introduced Jim Crow; by Teddy Roosevelt and Woodrow Wilson, who were advocates of the Southern cause against the Lincoln tradition. And all of whom were allies, and essentially Governor-Generals, for the British monarchy, of the British monarchy.

This began the phenomenon which defines the 20th Century: 1901 on, the Anglo-American Imperial Century.

## **FDR Interrupts The Anglo-American Imperial Century**

The interruption and disturbance of this came with one President, especially: Franklin Roosevelt. Franklin Roosevelt was the great-grandson of one of Hamilton's collaborators, Isaac Roosevelt, an ally of Hamilton's. And Franklin Roosevelt represented that family tradition—the patriotic tradition—against what was called the “English tradition,” or the “British tradition.” So, he attempted to use the occasion of a crisis, to attempt to reverse the trend, back to the Lincoln legacy.

This was the cause of the Roosevelt era, its characteristic. And this was the impulse behind Roosevelt's commitment, up until the time of his death, and just slightly beyond, for decolonizing the entire world. As he warned Churchill, in a famous meeting at Casablanca, Roosevelt's intention was, that the power of the United States, which would be established by the close of the Second World War, would mean that the United States would have the power to bring about the instant freedom from colonial rule, of all colonial subjects of Portuguese, British, French, and so forth, and Dutch, imperialism.

And Roosevelt's body was not cold, before the Truman Administration accepted Churchill's proposal, and Indochina, Indonesia, and other parts of the world, were colonized,

or recolonized, again. Which led, of course, to the emergence of the Non-Aligned Movement in the immediate postwar period, in reaction to this kind of recolonization process, and its implications.

So, therefore, we can understand the entire history of this period, in those terms, leading up to the present.

Here are some of the breaking points, which have to be kept in mind. Therefore, you have the 1861-1901 period of U.S. history, and world history, which might be called the period of the ascendancy of the American Revolution's influence in changing the world as a whole, and threatening to bring about what John Quincy Adams, who had been the actual mentor of Lincoln, had intended: a community of principle, shared among perfectly sovereign nation-states. The intent of Roosevelt was exactly that: that the world should become, in the postwar period, a community of shared principle, among sovereign nation-states, each perfectly sovereign.

This was disrupted, of course, by the 1901 development, the assassination of McKinley, which was done by a British-linked influence, run by a terrorist mob, steered from London. It was broken in 1945, but there were some features to this, complications.

Roosevelt's impact on the world, and the United States' impact on the world under Roosevelt, could not be denied. So, although the decolonization policy of Roosevelt was cancelled, within the week he died, nonetheless the Bretton Woods system, created in 1945, essentially, launched after the war, until 1963-1964, functioned very well for the countries which participated in it. You would find in most of the Americas—as in the United States, Canada—Australia, New Zealand, and so forth, and in Japan, and in Western Europe, that the Bretton Woods system functioned to the net benefit of the populations, in terms of an improvement in the standards of living, and similar kinds of benefits. That the world as a whole was better because of that system, despite the injustices, and despite the disparities which were included within it.

With the assassination of Kennedy, this came to an end.

## **A Paradigm Shift**

Now, take the characteristics of this. You had the period from 1962 to 1965—was a period of great crisis. Crisis for India, for example. The India crisis, the war with China. The things that broke Nehru's heart, were all a reflection of this change. The attempted assassination of President Charles de Gaulle, in 1962. The ouster of Macmillan with the Profumo scandal, orchestrated in that same period, 1963. The assassination of Kennedy, these and other things, were all reflections of a fundamental change, in policy, from the Bretton Woods system.

And with the launching of the Vietnam War and some other things, the policies of the United States and other nations began to be pushed away from a policy of expanding economic progress, economic development, into a policy of Mal-

thusianism, of so-called “neo-Malthusianism.” Under this policy, the world economy has decayed as a whole, consistently, over the entire period, from 1965-1966 to the present time.

The crucial point was 1971. You had the Wilson government in Great Britain, which first inaugurated the destruction of economy. The destruction of the British economy, United Kingdom economy, under Wilson, the first Wilson government, was unbelievable; it was terrific. This was imitated in the United States, beginning 1966-1967. The force initiating this was the Nixon campaign for the Presidency, in 1966-1968. During this period, 1966, Nixon went down to Mississippi, and other places, to negotiate with leaders of the Ku Klux Klan, and allied racists, such as the Trent Lott who is presently the leader of the Republican faction in the U.S. Senate. Therefore, Nixon embraced racism, as an integral policy.

Following Nixon’s introduction of the 1971 destruction of the Bretton Woods system, which led to all of the world financial chaos which is now hitting us, the Democratic Party decided it, too, had to join the racist cause, and therefore Zbigniew Brzezinski picked a fool, Jimmy Carter, to become President. And hand-steered him, and controlled him, with the New York crowd, from the beginning to the end. Jimmy did more to destroy the U.S. economy than any President since the death of Roosevelt. By himself: deregulation; radical introduction of free trade; the introduction of the destruction of the world economy, which was done by Paul Volcker, with his Volcker measures introduced in 1979, which was the policy of the Brzezinski crowd; which has now been continued by Greenspan, the successor of Volcker. So, that system has been the problem.

So, this is a crucial part of the whole process.

During this entire period, from 1945 to 1989, the world was dominated, strategically, by a peculiar kind of alliance, and a hostility, between the Soviet Union and the Anglo-American powers. A hostility which became a kind of partnership, based on hate. Nuclear weapons had been introduced from London by the faction of H.G. Wells and Bertrand Russell, with the explicit proposal, that by introducing nuclear weapons, you would create a situation in which nations would surrender their sovereignty rather than risk war, and therefore would give up sovereignty for world government.

So, this was the arrangement. The way they started it, they started a conflict between the Soviet Union, the United States, and Britain, which was launched from London, which began the entire period. This evolved, from 1961-1962 on, into a peculiar kind of partnership between the two opposing powers, called *détente*. So, the world was now managed by whatever the United States and Britain, on the one side, and the Soviet government, on the other side, could agree to, in terms of world policy. This was an integral part of the process of disintegration, and marked the significance of the 1962-1965 period. This was the period in which the postwar develop-

ments had been brought to the point, through the missile crisis of 1962, where the world was now ruled by a peculiar kind of *détente* arrangement between two superpower blocs, and the rest of the world was subject to that. This meant *doom* for all of the aspirations of the Non-Aligned Movement, and similar kinds of things in the developing sector generally.

Look at the pattern. India and China are powerful nations, in their own right. They’re not world powers, and therefore, have been able, in various ways, to resist this, as was the characteristic of the Indira Gandhi government, in particular—her governments in particular, to resist this particular entrapment, in this cage, this captivity, of the agreement between two superpower blocs, which was the problem of India, during the entire period of her prime ministership.

How do you negotiate the survival of India, and India’s interest, when the world is dominated by a pair of superpower blocs? That was the problem.

## **Malthusianism And The Destruction Of The Nation-State**

So, this led to 1989, and the inevitable collapse of the Soviet system. The collapse of the Soviet system was then seen by the Anglo-American powers, as the occasion for destroying the institution of the nation-state, which had been first introduced to European civilization in the 15th Century, with Louis XI, and with Henry VII. Malthusianism, globalization, free trade, and so forth: These were measures intended *to destroy, to eradicate, the roots of the nation-state, and its culture, from the world*. This was a policy based largely on destruction. People have been looking for stealing—well, stealing goes on, because that’s the instinct of these creatures, but the essential strategic purpose is *destruction*, not conquest. Because if you can destroy the institutions which defy you, then you have conquered by default.

This means Malthusianism, which I’ll come to now. It means Malthusianism because, as long as you have to educate a population to master modern technology, the education of that population in science and technology creates a population which is *not* going to consider itself, would not accept the idea of being human cattle. If you can think, if you understand the laws of the universe, at least in some degree, if you understand the principle that man can improve his condition by willfully mastering nature, then you are not going to accept being cattle. And therefore, if you wish to reduce the human race to a mass of human cattle, ruled over by a minority and oligarchy, like an Anglo-American globalized oligarchy, you have to destroy the ability of people to maintain technological progress. You have to eradicate much of the roots of existing technological progress.

So, now you come along; you say, “We have to defend nature against man.” When you go to defend nature against man, what does that mean? You’re wrong.

So, what you’re doing is, you’re demanding the greatest collapse in the level of the human population, in a rapid pe-



*"India and China are powerful nations, in their own right. They're not world powers, and therefore, have been able, in various ways, to resist this [superpower entrapment], as was the characteristic of the Indira Gandhi government." Nuclear fuel assembly at Hyderabad; Mrs. Gandhi campaigning for re-election in 1979.*



riod, ever imagined. You're demanding global genocide. You're demanding the destruction of those institutions upon which the modern society is based. That is the intent. If you read the literature, if you get into the conferences, you get into the fights with these creatures, who are the advisers and think-tank associates of these kinds of policies, that's what they say. They say it in one way or another. The best way to smoke it out, is to propose the contrary policy, and they'll run screaming around like banshees, around the room, around the ceiling. And that is the problem we face.

You have a group of people who have been determined to *destroy*—and they've said it; *neo-Malthusiansim, ecologism, globalism: These are the means, the policies, by which the destruction of the human race over several successive generations has been intended.*

And it's working.

Look at Africa: There are virtually no African nations left. Africa has become a no-man's-land, which Anglo-American and Israeli mercenaries deploy to kill, to organize killing, and to loot raw materials. Look at South Africa: South Africa has virtually no sovereignty over its own raw materials resources. Anglo-American interests control the thing entirely. Look in Central Africa, the Great Lakes region. Look at it today: You have a genocide going on, beyond belief. *This is the image of the world, the future world, if we let it go that way. The image for India. It's the way to understand what's going on in Southeast Asia.*

## **Economics: Mankind Can Change Its Population-Density**

Now, let's look at economics, from that standpoint. The issue then becomes that of economics, *in that sense.*

The crucial thing is that mankind is the only species which has the willful capability of increasing its population-density. No other species can do that, willfully. No other species can change its own apparent nature. Species can *adapt* to their conditions, but they can not *change* their nature. And that's the essence of economics, and that's the essence of the *issue* in economics today.

We have one kind of economics which is essentially Malthusian by implication: That's called "accounting." It's called "contemporary accepted science." Because an accounting is essentially linear. It does not allow for any radical change in fundamental principles of science. It does not allow for that kind of society. You teach people how to manage existing technologies, not how to introduce new ones.

For example, let's take the case of India, as I saw it when Mrs. Gandhi was still Prime Minister. I looked at the IITs [Indian Institutes of Technology]; I looked at the problem in India. India was producing some of the world's leading academically qualified people, who were being exported to the United States and Europe, and elsewhere. You took the top 10% of the graduates of IITs, and they were being shipped around the world, to find employment outside of India, not in India.

Then you look at the other problem which is imposed by India's defense of itself, against the IMF and similar predatory institutions, which meant that you maintained a tight budget, which was intended to protect this precious independence of India, which depended upon the farmer. Therefore, you could not open up the Indian market for free trade. Because once you did so, then the farmer would no longer be free, as a farmer, and then India would be torn apart, as other countries have been torn apart, which do not have agricultural indepen-

dence.

So, Mrs. Gandhi, in a sense, was right, in her tight-money policies, her tight policies against conceding to free-trade demands, and her tight administration of the policy. But the effect was horrible. The effect was in the universities itself. What did we see in the IITs, the ones I visited? You saw a lack of pedagogical experimental apparatus. You saw a lack of access to research experimental development, which meant that you were doing something terrible to anyone who's studying physical sciences in particular. You're denying them the ability to understand physical science, which means you're producing a nation of great mathematicians, in one sense, but who are not necessarily good physical scientists; who do not have the impulse to go out and do what India needs: which is, develop science, and apply it to the Indian production, the Indian population itself, to raise the level of productivity of the land and people of India.

So, there was a *trap*: Where, in order to defend India as it was, India was being denied the ability to develop India as it must become. The same problem, is the problem we see in China. You have an agricultural population, which is precious. The independence of the country depends upon *that* food supply, by *that* population, to be the *independence* of the country. It's also a source of export income. You see in China a similar characteristic; a different kind of situation, but a similar problem. Here are two countries, the countries with the largest population of any country on this planet, neither of which has had the freedom to fully develop scientifically, the productive forces of its own nation. And this has resulted in a stagnation, in certain respects, within the national economy.

We see the same thing in other parts of the world. But, this is the Indian situation, and I refer to it in particular, because it's concrete.

## Science: 'Plausibility' vs. Solving A Paradox

Now, the problem is this: When you teach science at the blackboard, you are creating a problem. Because the fraud that is created, is that the teacher attempts to make the scientific discovery *plausible*, without giving the student the experience of the paradox, which provokes the discovery of the principle. The attempt is made to make the scientific principle *plausible*, by a mathematical exposition at the blackboard. When, in point of fact — . Let's take two great discoveries, as points in fact. Modern, comprehensive mathematical physics was begun essentially by Nicolaus of Cusa, who was the founder of modern mathematical physical science, and followers of Cusa — Luca Pacioli of Italy, and his promising student, Leonardo da Vinci.

The great, explicit follower of Cusa, Pacioli, and da Vinci, was Johannes Kepler. Johannes Kepler was the founder of modern, comprehensive mathematic physics. He was the discoverer of universal gravitation, and no one else. This discovery is recorded, and the originality of his discovery is recorded, in his famous 1609 publication, *The New Astronomy*.

The completion of these discoveries by him, was essentially summed up in his *World Harmony*, where he went to the planetary system as a whole.

Now, the discovery in this case was based on, what? All previous European systems — that of the hoaxster, Claudius Ptolemy, that of Copernicus, and that of Tycho Brahe — were all intrinsically failures. Because they assumed that the universe functioned in terms of perfectly circular motion, as defined by the blackboard; by drawing circles on a blackboard, or on paper, or similar kinds of things. And it doesn't. Kepler pointed out — that is, in the orbit of Mars — that you had an apparent eccentricity: that the orbit was elliptical, rather than circular. And, through his experimental work on this question, showed that there was a principle operating, which could not be explained at the blackboard; but that there was a principle existing *outside* the blackboard, and similar minds — an intention, which was governing the regularity of these astronomical cycles. This was the principle of gravitation.

You had a similar discovery, by Pierre Fermat, the French scientist, who showed that, in reflection, as opposed to refraction, it might appear — as the fellow at the blackboard would argue — that the light is propagated in terms of shortest distance. But, he also discovered, that, in terms of refraction, light is refracted in terms of quickest time.

Therefore, geometry, as taught at the blackboard, does not correspond — and mathematics, as taught at the blackboard, does not correspond to reality.

What is at stake here? It's a very elementary principle, which Vernadsky struck upon from a different standpoint; which is the difference between economics as taught today, and economics as a physical science. Economics, as taught today, is linear. Linear mathematics, which has no correspondence to physical reality. It is at the blackboard; it is on the computer; it is linear.

It's wrong.

The collapse of the so-called "New Economy." The great bubble — the so-called Information Theory bubble, which has just collapsed catastrophically around the planet, is a demonstration that von Neumann was a hoaxster and an idiot, and Wiener, too. But, people believed in it, because they wished to believe that you could explain science and economics at the blackboard. Not by work. Not by actual production.

## Improving The Power Of Man Over The Universe

It also denies the nature of man, which is the crucial issue. Man is the only creature, who can make discoveries, in the way in which Kepler and Fermat did. The human mind is capable of a capacity, which sees the world *outside* the limits of so-called "sense certainty." Sense-certainty is what? Sense-certainty, or the senses, do not show us the real world. The senses report to us, the experience of a part of our biological apparatus, and try to interpret the experience on the periphery of our system, and try to find out what is going on, *outside* our skins, to cause the things that we feel *inside* our skins.



This process of discovery is what is properly called “science.”

How do we discover? We discover a paradox. We discover, that experience shows us, that some things don’t work the way our senses tend to suggest they do. Microphysics, for example, is a perfect expression of this: All of microphysics is based on things which are efficient, which determine our power to exist, especially today, but which exist *beyond* the power of our senses to detect. How do we know these things? We know these things, because we solve paradoxes, with a power of the mind, of *insight* into the significance of certain paradoxes in our experience. Like physical paradoxes. Like the paradox that Kepler used, to discover gravitation. The paradox which Fermat introduced, which caused modern European science to develop a so-called relativity of physical space-time conception.

The same thing is true in economics. *The basis of man’s increased power over the universe, the power to exist, the power to increase the life-span of populations*, and by increasing the life-span of populations, increase the possibility of the development of populations. Because if you have a life-expectancy of 30 to 40 years, how can you have a developed population? Who is going to support the children, for 20 to 25 years in development, if the parents are dying between the ages of 30 and 40? You can’t do it. Impossible. Therefore, the important thing is: How can we increase man’s *power to act, in and over the universe*, to improve the life-span of our people? To increase the amount of development we allow for our children, who are really children from the ages, essentially, of zero to 25, today, in terms of professional development? How can we provide 25 years of life, of a child, to the full development of that child’s cognitive capabilities as a future adult? How can we do that? We must improve the productive powers of labor, to the included effect, of increasing life-span, increasing the possibility of health-care to [deal with any condition] which threatens life-span. And, by these means, we make it possible *to improve the quality of man*.

We educate people: How, properly? Not how to learn how to repeat what someone said before us, but how to re-experience the great discoveries from the past. For example: Why is Vedic and Sanskrit so important for study in India? Because, we know that that aspect of the language, as Panini reflected, came from a long time before. I saw in one of the recent science magazines, a recent discovery, of an argument among three different views on the significance of river systems, which obviously existed, in part to the west of here, some ancient times ago. This is important! Also, as Tilak emphasized; we know these things today, we know scientifically, that Tilak was right: That some of the ancient calendars, which are transmitted to India, come from ocean cultures, which are *Arctic Ocean cultures*! We also know, from the work of Barry Fell and others, who traced some of these linguistic patterns throughout the waters of the Pacific and Southeast Asia, that there were great maritime cultures, which existed, which have had impact upon people.

And, if we’re going to understand the roots of language,

if we’re going to understand where our people came from, if we’re going to understand the various influences which *shaped the culture*, which a cultivated person can have today in any of these countries, they must, in a sense, be allowed to *experience* what their remote ancestors experienced, in the way of important discoveries. Ancient poetry, for example, is extremely important for this, especially the Classical forms of ancient poetry, which reveal to us certain characteristics of language. And, enable us to criticize the language we’re using today, by insight into how language is developed.

So, the key thing, is to develop a person, who is — what? Who is *an effective reflection of the great contributions of past mankind to the present*, especially of the immediate population, of which he’s a part, the immediate culture of which the person is a part. And, to be qualified to address not only the current problems, but to foresee the requirements, which the future must have, from the present.

And, this is economics: That the idea of accounting for things, of course, is obviously necessary. But we should never try to develop an economy based on accounting. We should rather look at the past, the present, and the future, and say: “How can we foster the development and utilization, of those discoveries of principle, which represent man’s discovery of increased power over nature? And, how do we organize those discoveries, and create the conditions of work, under which *we can bring forth the future*?”

Therefore, man is, in a sense, mortal, but immortal: Man is mortal in the sense that our lives have a beginning and an end. We are immortal, as no animal is immortal, because we are capable of re-experiencing cognitive discoveries of principle, which no animal can make. We benefit from these discoveries from our predecessors, from whom those discoveries *are transmitted to us*. Our children should *know* those discoveries. We should not die, without transmitting those discoveries to our children. Our children should learn from that process of re-experiencing discoveries, how to make their own discoveries; how to judge the present and the future. We must have a sense of *mission*, of what mankind must accomplish, 40, 50, 100 years from now — a vision of what that must be. We must make our policies, today, on that basis.

## Infrastructure: The Essence Of Economy

For example, just in conclusion, on this point: *Infrastructure*, basic economic infrastructure — transportation, power, water management, education; health care is a part of the same thing. *These are the essence of economy*! Well, the science of economy, is not what someone does, sitting on a pile of dirt, with a certain technology. The ability of that technology to work, depends upon the infrastructure: If you want an efficient economy, you must have an efficient mass-transit system, especially for freight, as well as people. If you wish an efficient economy, you must have a health-care system: You can’t have essential people *dying* on you, for reason of diseases, which you could cure. Therefore, you must have a universal health-care system: Because you can’t protect *one*



*Investment in infrastructure is what the nation's progress depends on, and it requires thinking in 25-year, or one-generation, cycles—not in terms of "shareholder value." Here, India's Bhakra Dam.*

person against conditions that threaten life *if you don't protect all*. Therefore, you have to have a universal health-care approach. No matter whether it's private, or public—it must, in net effect, be a universal health-care system.

The investments in infrastructure, improvements of land—for example: Let's take the question of the water management of India. How do we get sufficient water into the Deccan, for an extended period, in order to transform the potential of the population of the Deccan? What kind of investment is that? That's an investment, which involves approximately a 25-year, or one-generation cycle, to get that thing fully in operation and self-sustaining, before the benefits are fully realized.

What about the question of power development, in India? Well, a nuclear plant: The optimum nuclear plant, today, is a high-temperature gas-cooled reactor, which runs between about 120 to 200 megawatt output. This kind of plant, which is the safest kind of plant we now have—which is being used in South Africa, it's being developed, also, in China, which they got from Germany—would be optimal for India, because it's very readily adapted to the so-called "thorium cycle." And, the thorium cycle is very valuable, in the sense that it is not a weapons-oriented cycle of fission. Therefore, since India has a good thorium potential, the idea of using a high-temperature gas-cooled reactor in the thorium cycle, is optimal for India, as a peculiarly Indian development. Which would also fit the needs of countries which would desire such reactors, in the vicinity of India's market. If you have these kinds of things, placed around India, at the right locations, you have, for the present time, the optimal source of energy, for development in any part of the country you choose.

But, these kinds of things, like an educational system, are essentially a quarter-century investment. And, therefore, how do we do this? How do we get this? We create public credit.

That is, we go into debt; the government goes into debt, to create the cheap credit, to make these long-term investments possible. And so, these come out as 25-year-span investments—some longer, some shorter. You invest in an industry: What does it take to invest in a technology in an industry—a new technology? This means: Is it a five-year investment, a ten-year investment? Just to design a new product! A 10- to 15-years' investment to cycle out the investment in a machine tool, of a new type, a new technology. You must have credit for this.

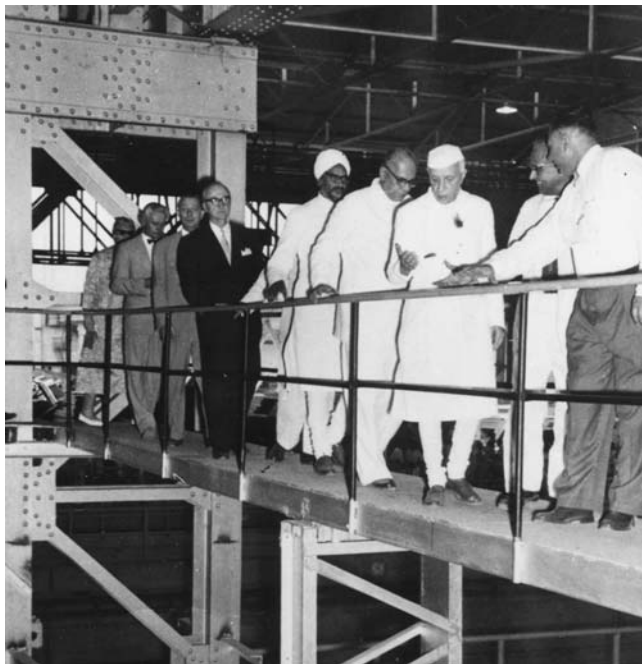
And, therefore, we must organize the economy, around *long-term thinking*. What are good *long-term* prospects for humanity? For 5, 10, 15, 20, 25 years? No government is thinking, unless it's thinking 25 years ahead! Because the effects you desire, the roads you're going to take, will affect the nation for 25 years to come. It will also affect relations among nations, for a quarter-century, or longer, to come.

So, we must choose the road we're going to walk into the future. We must create the impetus, for walking in the future. We must think of ourselves, not in terms of the satisfaction we get, from what we eat, or enjoy as pleasure, or entertainment today. We must derive our pleasure from the joy, as a poor parent does, in fostering the development of a child for the future. We must think of ourselves in the present, as creating the future, and doing nothing shameful in the eyes of the past. And find our identity, which is a kind of *spiritual* identity—as distinct from the sense-certainty identity—in that process.

## **The Current System Can Not Be Saved**

Today, we have, with the breakdown of the present corrupt system—and this system can not be saved: The present monetary and financial system can not be saved. Anybody who is trying to save it, by internal reforms, is a fool! *It can not be saved*. You have to *cancel* it! Don't treat that as the mother of economy. The mother of economy, a modern economy, is the *sovereign nation-state*. You have to say, Marx was an idiot, when he invented the term "capital," as he used it: There is no such thing as capitalism, except as a form of disease: It's called "the British disease"! The ideal form of modern economy, is the American System, which was created by all of Europe, and which was admired greatly in other parts of the world, for many years, until recent times.

The American System of political-economy, as set forth by various Americans, including the first Treasury Secretary, Alexander Hamilton, is elementary: The state is responsible for infrastructure. It must control all credit. It must direct banking. It must ensure the flow of credit to those things, which are useful to the nation. The things that are required, are: One, basic economic infrastructure. Second, you must foster inventions—art, improvements; and foster the entrepreneurs who are willing to invest, and risk, in making those improvements. You must protect the markets, which give these entrepreneurs the opportunity to *bring their inventions to fruition*, not subject to the ravages of free trade. That is the American System. That is the system of economy which is



*"Indira Gandhi was right, in her instinct for protectionism. Her father, and others, were right, in the Non-Aligned Movement, in saying, 'You can not function, merely on national protectionism. You must find a new, more just, world economic order.' " Indian founding father Jawaharlal Nehru, Indira Gandhi's father, tours a steel plant at Roukela in 1961.*

derived, in principle, not from the United States by itself, but from all of Europe's knowledge, in bringing together the idea of the modern nation-state. It's a form of government, whose existence and motive must be the promotion of the improvement of the general welfare, of *all* of the existing people, and their posterity.

And that must be government.

We've come to a time, when the alternative has failed. Free trade, globalization, and so forth, have become horror-shows, which destroy us. The floating-exchange-rate system has destroyed the world. It must end.

We look back to the period, 1945-1963, '64, and we find that the old Bretton Woods system, the fixed-exchange-rate system, with a lot of regulation, a lot of protectionism, worked. India's survival, for example, has been based on the limit imposed by India's instinct for protectionism. Otherwise, India would have been crushed, as many other countries were crushed. Indira Gandhi was right, in her instinct for protectionism. Her father, and others, were right, in the Non-Aligned Movement, in saying, "You can not function, merely on national protectionism. You must find a new, more just, world economic order, in which the possibility of utilizing these principles, can work, can succeed." Not in the constraints under which Mrs. Gandhi, for example, had to operate, in her managing the system.

And, then, we simply say: "We do it that way. We learned

from the lessons of experience. We take the models of the past which *did* work. We apply those models, because they will be most acceptable, because we can prove experimentally, they were right. We *do* that." Now, how do we do that? Well, we have to do what the Non-Aligned nations really wished to do. What we have to do is, we have to take the crisis, in which it is easily demonstrated, that everybody who wants to continue the present system, is some kind of an idiot! And, a dangerous one, at that. We have to say, "We have to go back to the modern nation-state as a matter of principle. And, nation-states which wish to survive, must accept the fact, that the present monetary system, the present financial system, is a hopeless piece of rubbish. And, don't try to kill your children, to save the system.

"We don't need it. If we, as governments, or a number of governments, agree—as sovereign governments, representing sovereign nations and sovereign peoples, if we agree, to put this stinking, rotten system into bankruptcy reorganization; and to say, we're going to continue the economy, but not the monetary and financial system, then we use the authority of sovereign nation-states, and agreements among sovereign nation-states, to put this stinking hulk into bankruptcy reorganization!

"We, as a group of nations, make agreements among ourselves, on credit, which we will create, by agreement among states—and this credit among states, will be used through banking channels, which we control, including private banking channels; we will put the money through banking channels, for the required purpose, in order to make long-term credit agreements, under which long-term transmission of technology can occur, in order to save the world economy."

And, that is exactly what we proposed in terms of the Eurasian Land-Bridge. The present situation is: That, if we can agree, and understand that the nations of East and South Asia require an early, and rapid infusion of technology, to develop these economies so that they can survive; and if this can be done through credit arrangements, extended by governments for periods—of within a 25-year period, at interest rates of 1 to 2% simple interest, on long term; and if we take the great infrastructure projects and so forth, as the driver force; and if we unite the need of Western Europe for markets, for this type of technology, and the role of Russia, as the transmission belt between East and South Asia, and Western Europe; and if we think of this as the center of the world, and bring nations in Africa, in the Americas, into the same arrangement, then we have the basis for creating a new monetary system, under which this world can come out of this mess.

If we *do not* make such agreements—which is the other side of the thing; if we *do not*, then we're headed for a new dark age.

Thank you.

**Professor Kaushik:** I think we just had a highly stimulating, thought-provoking lecture. It looked as if we are attend-

ing lectures at various faculties — history, economics, science, education, culture. But, the fact is, that all these lectures are delivered by a single person in, a very, very integrated manner, in a single auditorium, and we don't have to rush from one faculty to another, in order to learn lessons.

I thank Mr. LaRouche for his brilliant exposition. And, before we throw open his presentation for discussion, I think Mrs. Helga LaRouche would like to say something, just to supplement it, with her ideas on the Eurasian Land-Bridge. And, then we can have a discussion.

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## Helga Zepp-LaRouche: The Urgency Of The Eurasian Land-Bridge

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Very briefly. Mr. LaRouche gave you the historical evolution of the idea of Eurasian infrastructural integration. Now, with the collapse of the Soviet Union, the idea of uniting Europe and Asia, through such infrastructure corridors, and, in that way, elevating the populations of the frequently land-locked areas, to the same level which before, only maritime cultures enjoyed, was an acute item on the agenda. So, in 1989, Mr. LaRouche had the brilliant idea, immediately after the fall of the Wall, to extend these corridors eastward, into Eurasia. After the disintegration of the Soviet Union, around 1991, we developed the first comprehensive proposal of such a Eurasian integration. And, for several years, we were like lone voices crying out in the desert, propagandizing such a policy.

And, a good thing is that, now, especially in the last year or so, after Putin became President of Russia, this is no longer just an idea and a program, but many, many projects are under way, to integrate Eurasia in this way: For example, between Japan and Russia, the idea of building a tunnel to Sakhalin Island; the integration of the South-North Korean railway, with the Siberian railway; to have the Siberian railway open up the northern regions of Russia, which are a tremendous wealth of raw materials, and could be a tremendous source of development for the entire continent. The Chinese government, with its westward orientation, recognizing that the U.S. market as an export market for Chinese products is disappearing, is now moving very fast in the direction of connecting the Old Silk Road with the European and Middle Eastern regions. Egypt is playing a very important role, by recognizing that it is both an Asian and an African country. And especially given the extremely proud historical tradition, Egypt, being one of the cradles of mankind, is recognizing that, if it goes back to its ancient tradition, in being a promoter of universal development, that the modern function of Egypt is to connect the Eurasian Land-Bridge, through infrastructure, into Africa, and in that way, creating the real possibility to save Africa, from an otherwise certain death.

So, one of the concerns which brought us to India, at this point, is to try to get the Indian elite, in particular, to recognize that a renewed effort has to be made by the planners of this country, because the moment of crisis will come very, very soon. And, as a matter of fact, it's not one second too late, because we're in the middle of this financial collapse. And, if people have the right conception, then this crisis can be used to put the new world economic order, based upon the Eurasian



*Helga LaRouche pays a visit to Raj Gat, the shrine of the ashes of the great spiritual leader of India's unity and independence from Great Britain, Mohandas K. Gandhi.*

Land-Bridge, back on the agenda; and, not only on the agenda, but to realize it.

So, I'm actually optimistic, because, while there is a great danger to civilization right now, the positive thing is that many forces in the world *are* moving to save mankind from collapse.

I just wanted to add these short remarks.

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## Dialogue With LaRouche

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**Professor Kaushik:** Thank you, Mrs. LaRouche, for brilliantly supplementing Mr. LaRouche's ideas. I think we have some time at our disposal for discussion. So I throw it open for discussion and comments.

**Dr. V.K. Chopra:** I've listened to your fascinating address with great admiration and respect. In spite of my incredibly good formal education, and nearly 60 years of working experience, your address made me feel how ignorant and uneducated I am about world history. I would very much like to have your address in print, to be able to study intimately and educate myself. Regarding your prescriptions for the future, first of all, I fervently wish that we see you in the White House in 2004. [LaRouche: Thank you.] That in that high position, you will help implement the idea that you mentioned about the nation-state in your concluding part of the address.

**LaRouche:** Thank you very much.

### The 40-Year Development Of India

**Q:** I'm Dr. Nirupa Sen, correspondent for *Current Science*. This is a question about what is your plan for the development of India, which you had sponsored. Are the plans, whatever is in the plan document, is it still relevant at this point of time? And, during your visit to India, what has been the response by the elites, regarding planning for the future of India? What has been the response to this generally?

**LaRouche:** Well, I would say the 40-year plan we did before, is an old plan. Now, 20 years later, the world has changed. It was done specifically with the idea Mrs. Gandhi was then Prime Minister, and our intent was to provide to her—we'd had discussion with her before, in earlier times—and it seemed that the most useful thing we could do for India, since she was disposed to know about such things, was to provide something that she and her associates could use in India, to devise a plan for India. Because we thought that the long-term view was needed, and we thought that about two generations would be required to realize anything that India would accept as a long-term view. And she, of course, was sympathetic, because she would always look at the poor of India, as her reference point: If it doesn't benefit the poor, there's something wrong. And that's my view. If it doesn't benefit the poor of India, to elevate their station, we've failed. If you've benefitted the poor, and uplifted them, why, then



*Dr. Nirupa Sen, editor of the Indian journal Current Science, questions Lyndon and Helga LaRouche at the New Delhi seminar.*

you're moving the whole country in the right direction.

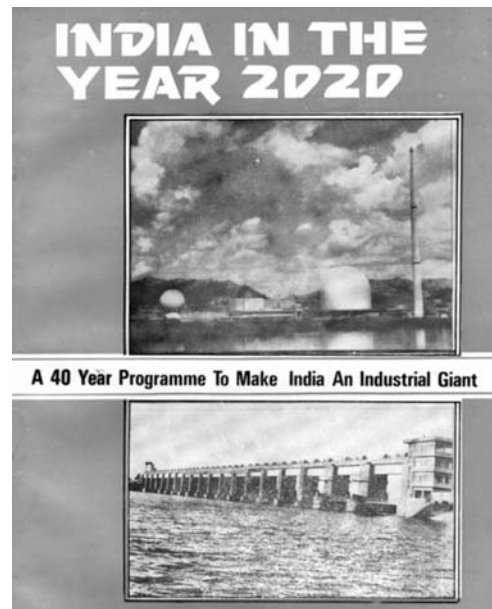
Because we've seen things, as Mrs. Y— pointed out to us, at one of the villages we visited, you can see the problem of the teachers in trying to get the parents to accept, bringing the children to the schools, the teachers who are devoted to trying to help these students, these young fellows. So that in order to make the revolution in India that was required, you would have to actually motivate the process in which education would really take off, and people would understand the importance of supporting it.

So, we said 40 years. And we looked at some of the things that are required—there were two or three generations required. So, it's still relevant. I would simply situate the same way of thinking, with some of the same objectives, today.

**Q:** The second part of my question: What response has there been by the policy planners of today, in the country, to you—?

**LaRouche:** Basically, it's been more of a spiritual and factual character, than anything else. Coming back to India—. You see, my view of relations is largely a spiritual one, in my sense of the term "spiritual." That is, the cognitive powers of mind must be engaged; you must engage in transmitting concepts back and forth, not just words, not information. And my concern has been to establish relations, or re-establish relations, with people who think, who are the thinkers, people who are typical of the thinkers in India, knowing that the radiation of thinking, among thinking people, is the way in which science works, and in which politics really works. And therefore, I was more concerned to have the opportunity to report on certain things, which I thought Indians ought to hear from *me*, personally, because I'm prepared to tell the truth, whereas some other people from my country are not. And that India should have the advantage of hearing some of the truth of the matter, so that they could judge for themselves, how to look at some of these problems.

But, mainly that. It was spiritual. What do we think? To



Lyndon LaRouche during an earlier visit to India, speaking at the Indian World Affairs Council in 1982; at that time, his 40-year development proposal, *India In The Year 2020*, was published in India and internationally. Many of the New Delhi seminar participants knew this LaRouche program well.

engage, to set forth channels for the future, where we're more efficiently engaged in communicating ideas, which might lead to useful results.

## The U.S. Role In The Eurasian Land-Bridge Project

**Vinod Sehgal:** [former Indian military attaché to France] Two short questions, Mr. LaRouche. First thing, I do read publications worldwide, so at this point in time, which group or grouping would be the prime mover for pushing the Eurasian corridors, giving them effect?

Second question: Should it come about, what you are propagating, will it to some extent, diminish the power of the U.S.A.? And should that be the case, would they not oppose it? Thank you.

**LaRouche:** I think your question — let's take the second one first, because it's more straightforward.

No, it does not diminish the power of the United States; it increases the power it should have, while diminishing the power it shouldn't have.

For example, I live in a country where, for the past period, from 1977, the beginning of the Carter Administration to the present, 80% of the population, of family-income brackets, used to represent the overwhelming majority of the national income. Today, the 80% of family-income brackets, the lower 80%, represent the actual *abyss* in share of national income. Which means that we've been doing something terribly wrong since Carter, especially since Carter, economically.

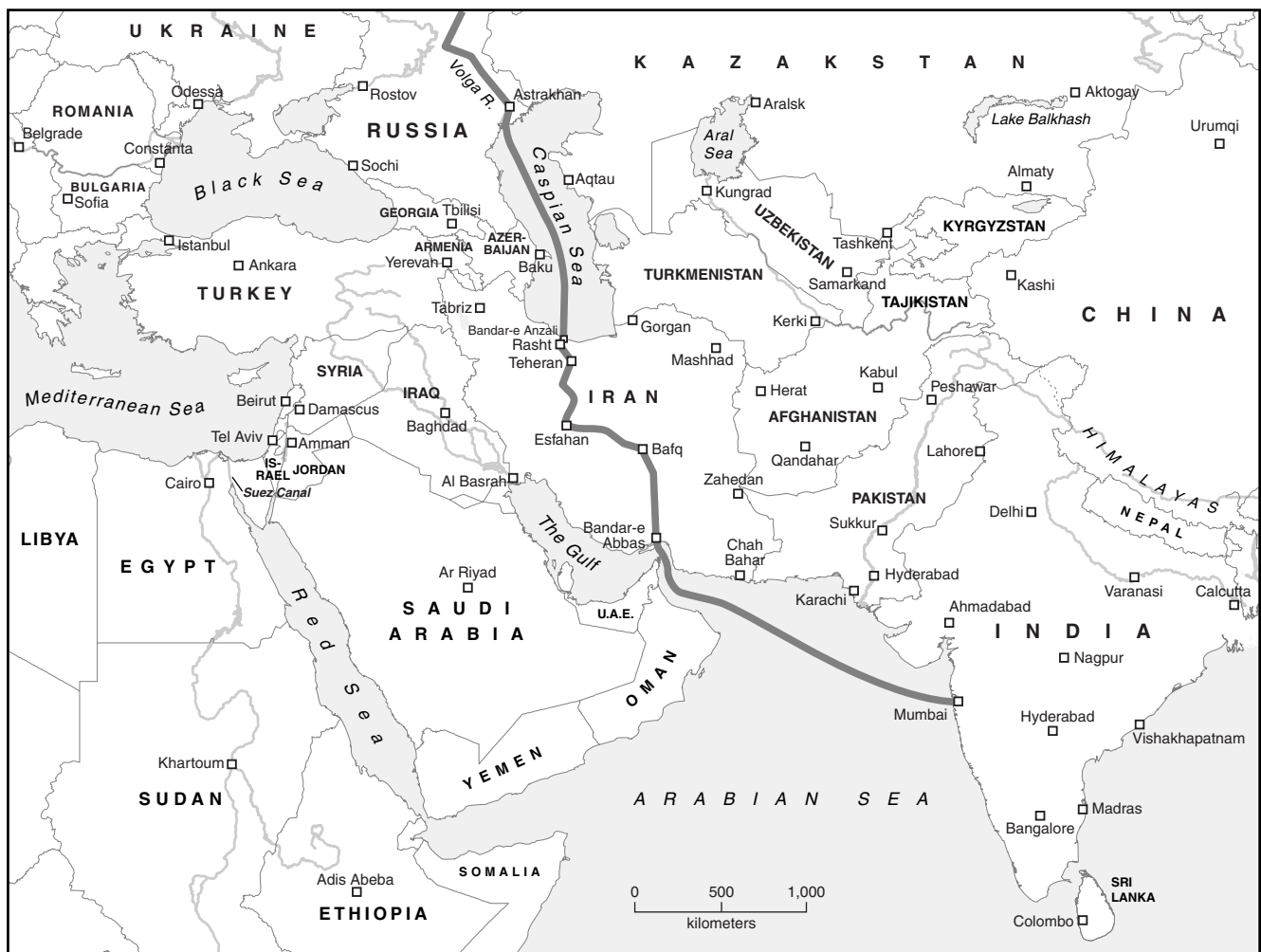
Now, I want a nation — I'm an older man, I won't live forever (I don't think — nobody's offered me that). And there-

fore, I see this condition of my country, I say, "The country is not going to survive, unless we reverse this tendency." The power of the United States *should lie* in the quality of its people, and the quality of the development of its people, and its historic mission, which, in my view, the historic mission of the United States is: Bring forth on this planet, a community of principle among perfectly sovereign nation-states, to end the last vestige of colonialism and empire, in any form, or guise. The point is, that there's a complication: is that any people has a certain cultural distinction, which tends to make that people a suitable subject of a national identity. And even though we may have exactly the same ideas, our cultural antecedents are different. And therefore, we approach the discussion of these ideas, in a somewhat different way, on consideration of our own respective national antecedents.

Therefore, when a nation wants to deliberate, it has the advantage, as a nation, of deliberating in terms of shared cultural antecedents, for its present ideas, even though the *resulting* ideas may be exactly the same as by another nation. Therefore, I think that the nation-state, the perfectly sovereign nation-state, is the form of society which must exist into the infinite future. We must not aspire to change that. Therefore, we must strengthen the right of every nation to *be* a sovereign nation-state, in the true sense. On that basis, we must now come to *agreement* on those things which are truly in the common interest of all mankind, and therefore, the relations —. That is my purpose.

The United States, because of the superiority of its *Constitution* — not the implementation of its Constitution, which may be another story, recently, right? — but the Constitution,

FIGURE 1  
The New Russia-Iran-India Transport Corridor



John Sigerson / EIRNS 2001

*Russia has a unique and vital role to play in promoting the development of India and the rest of Asia, due to its historical tradition as a Eurasian nation with a sense of sovereignty in respect to the world as a whole.*

which is based on the idea of a sovereign nation-state republic, a Presidential republic, which I think has proven to be the best form of republic you can have. That is, you must have an institution of some degree of relative permanence, which has authority, but which also has the consent of the people. And it must be based on a Constitutional—not a set of laws, but a Constitutional set of *principles*, by which the people cooperate and develop their laws. And that is the mission of the United States, to play that role, bestowed upon it by European civilization, in enabling us to come into being.

And therefore, that's the power I desire.

The United States, as part of an Anglo-American financier interest, to dominate the world as an imperial maritime power, which is the present aspiration of some in my country, I *abhor*. And the sooner that's gone, the happier I'll be.

## Russia's Eurasian Character

Now, on the influence: Curiously, but not accidentally, the most important influence I think I have outside my own country, is in Russia. This has a long history to it—not an unturbulent history, as some here know—but it's a long history.

First of all, the importance of Russia is, that there are only three national cultures on this planet, which have a true sense of sovereignty in respect to the world as a whole. India has a sense of sovereignty in respect to Asia. China has a sense of sovereignty in respect to Asia. But when it comes to managing world affairs, the only three cultures which will assay to manage world affairs, are the British monarchy, the culture of the United States, and the culture of Russia. None of which have been colonized, none of which—at least not in modern



times — none of which have been occupied by foreign powers, at least not in modern times. And therefore, we have deep in our culture, an imbedded sense of authority. So, when it comes to saying, “Overturn this piece of junk called the present monetary system,” an American or Russian can say that readily. And the British monarchy would say, “Well, if we chose to do it, we might do it.” That sort of thing.

But the problem is, that countries of continental Europe, the countries of Asia, do not think that way. They think of: How do we learn to *reform* the existing system, to live within it? Don’t destroy the house, but find better quarters within it.

And thus, Russia, which was a power, and which is a power in its instinct, responds differently than other nations. Under Yeltsin, no. Under Putin, yes. I can’t—I’m not going to underwrite Putin. But I say: The difference is that Putin represents a Russian President who represents Russia, where Yeltsin didn’t. And therefore, whatever he does, he’s Russian. He proceeds from the sense of Russia’s role on a world scale. His negotiations with India are exemplary. His negotiations with Japan; especially with China; the intervention in trying to bring the two Koreas together, despite the U.S. effort to separate them again—these kinds of things. The negotiations with, going to Kazakhstan, the trip of the Pope to Kazakstan, and the instant welcoming of that by Putin. Other things of this sort. And the dealing with the United States.

So therefore, what’s happened is, the transformation of Russia, which has gone through three phases in this century—more than three, but three principal phases: from czarism, and its breakdown; from Lenin and what followed, to the breakdown in 1989-1991; and now the breakdown of the world globalization system. Globalization is now effectively dead, or else we are dead—one of the two.

So therefore we come to a point, at which you need people who are willing to think in terms of: “What are we going to do about the condition of this world? Not the condition of our nation, but the condition of this world?”

In Russia, there’s a current, which is largely centered in the intelligentsia of Russia, many of whom were intelligentsia as part of the old Soviet system, many were dissenters within that system. But they’re different from the old Communists, the old Marxian Communists. They’re different in the sense, that, as I do, they see the individual as the maker of history; we do not believe in “objective forces of history.” We do not sit back and say, “We have to follow world public opinion, the objective forces of history.” World public opinion today stinks. I don’t follow it. I propose to change it. We know we have to change it. We know we have to change the ideas *within* countries.

Therefore, the responsibility is like that of the scientist. No scientist has learned anything if he doesn’t make a revolution. No political leader is worth much, unless he makes a revolution. Because there always are challenges, which require leaders who can pull the institutions of society away

from their habituated ideas, into the new ideas which the society must adopt. And I’ve expressed this with this effort.

We had two conferences in Russia: One, which my representatives were at, where my paper was submitted; a recent one, on the spirit of science in Russia. Another one, which will occur soon. Both involve a recently deceased friend of mine, Pobisk Kuznetsov, a Russian scientist of some significance, and which represents the core of the Russian scientific community, which were all his friends, including all of the scientific institutions. And I proposed that we have a discussion of the continuity of the work of Mendeleev and of Vernadsky. Now, I don’t completely agree with Vernadsky’s picture, but Vernadsky was a great scientist, and a great discoverer—very valuable for all of Asia. Because, what we’re engaged in now, is a great transformation of the noosphere. That’s the way to look at it. We’ve got to transform the biosphere, and the noosphere, into forms which are both sound, scientifically, and also in the interest of mankind, of the nations.

Therefore, as we look at the Central Asia and North Asia aspect of Eurasian cooperation, the question of the ecological development, the biospheric development, the noosphere development of Central Asia, and into the tundra regions of North Asia, is the key part of the development of the Eurasian continent. My view is that Russia is a *Eurasian* nation. It is not simply in Europe and Asia, but it is Eurasian in character. It has Eurasian instincts as a nation, as a national body. It has ties to China, to India, to other countries, which are crucial, which are unique. That doesn’t mean that India and China always agree with Russia, but it means it’s a bridge country, between Western Europe and the countries of East and South Asia. And therefore, my concern is to get Russians to adopt *that* view, and thus, to help to bring together—.

For example: Let’s take the question of bilateral relations between China and India, which are much discussed here, and I suppose are much discussed in China as well. How do you deal with the fact that, especially since 1962, there has been a continuing sense of a potential military conflict between China and India, which affects all of us? How do you bring these nations together? How do you define a common interest, over and above this continuing issue of conflict?

I’ve suggested, as also every Asian nation, East Asia and so forth, is inherently in conflict. Korea with Japan. Japan with China, and so forth. Southeast Asia, the same. Within Southeast Asia, within Indonesia, there’s conflict. So the problem of Asia, is these conflicts, these traditional and other conflicts, which make it difficult to set up any long-term, durable agreement, especially on a bilateral basis. My view is that on a *multilateral* basis, if we can create a platform of common interest, which is more compelling than any bilateral conflict, that nations will find the impulse to overcome the causes of bilateral conflict, and come to a



endurable sense of common interest. And I think that Russia is the nation, which has come through czarism, Communism, and, worst of all, liberalism, and now hates the stuff, in a world which has to abandon economic liberalism as the price of its survival. You can not be an economic liberal, and actually expect to contribute much to the survival of your nation in any part of the world today.

So, therefore, we need to create a platform of perceived common interest, in a new order of relations among sovereign states. And Russia, I think, is prepared to play that role, whereas nations such as Italy, Germany, France, are not. And therefore, Russia is one of the best defenders, as being *in Eurasia*, of the idea of a *specifically Eurasian interest* of cooperation. And it becomes, therefore, one of the best catalysts for bringing the United States into that picture. Even though the present President of the United States does not please me, in any particular respect, nonetheless, the relationship which has developed between Putin and Bush, since their meeting in the Balkans, and the more recent developments of Sept. 11, can become, and should become, the basis for a sense of a commonality, a mutuality of interest, between the United States and the Americas in general, and Eurasia. If that commonality of interest can be established, then the fate of Africa is also ensured.

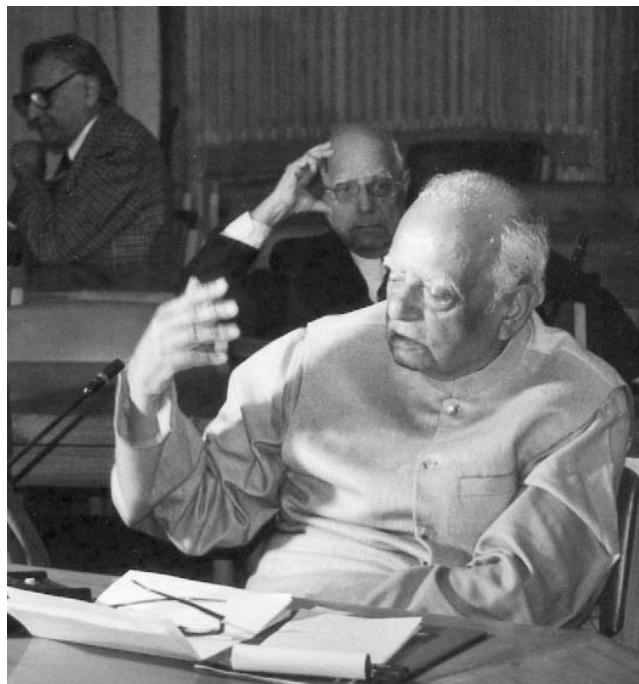
## The Preservation Of The Nation-State

**J.C. Kapur:** [publisher of the magazine *World Affairs* and owner of the Kapur Solar Farm] I would just like to make a small comment, that I think one of the most significant things, which you have said in your speech here, and which we are confronted with in India, in the process of our development toward the future, would be the destruction of the nation-state. You said, destruction of the nation-state to a considerable extent, has been realized in Africa, has been largely realized through genocide, or whatever arguments you may have.

Now, to destroy a nation-state like India, which is 6-7,000 years of history, and if you did still not destroy it, after 500 invasions and 300 years of colonialism—we are still around. Why are we around? Why is this nation not destroyed?

So, I would say that behind that, is the cultural situation in India. There is a hidden, psychic link which connects people all the way from the lowest corner of India to the north: that hidden psychic link. So somehow, whenever an endeavor has been made to destroy the nation-state, they have rushed to destroy the culture. Because it's obvious that without the destruction of the culture, the destruction of the nation-state can not take place.

So that is why, amongst the things which you have seen today happening in this country, is an attempt on the culture. Whether you are meeting differences between Muslims and Hindus, which in a pluralistic country which accepted everything, which allowed everybody to come in—that break is taking place. They are trying to create rifts between the Christians and the Hindus, who protected the Christians in the



*J.C. Kapur: "Whenever an endeavor has been made to destroy the nation-state, they have rushed to destroy the culture."*

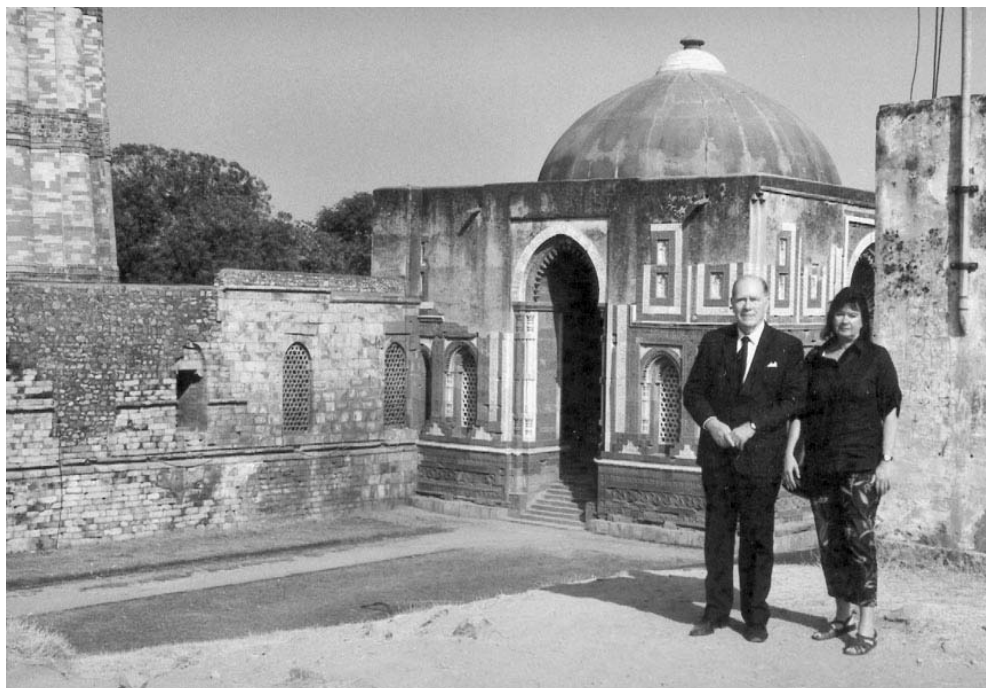
other areas, to come to India. Seeing the whole process. So, therefore, I think it is the *most significant thing*, globalization can not function without the destruction of the nation-state. And the nation-state can not be destroyed, unless one would destroy the culture.

So, the process which is going on today, is the process of destruction of cultures, such as the tribal cultures of Africa, tribal cultures of Latin America, tribal cultures of many of the other countries of the world. This is what is happening.

Now, therefore, in fact, anything which India, and other countries in part, can do, I feel will only be possible, if we can protect that *pluralistic culture* of this country, which allowed the germination of all kinds of things which happened in India. So, under these circumstances, I feel the most important element today is, how to protect our culture.

Secondly, the most important thing is that: How to bring about that, during the periods of transition, which you have said that the financial system is breaking down: How do we see that, before the system really breaks down, there is something very positive visible, which can become acceptable to a large mass of the people around the world? Otherwise, attempts will be made, as from colonialism, you went to Bretton Woods; from Bretton Woods you moved to the next stage, to bring in disparity, having the different currencies; and now something else is being done. The same thing will happen again. We have to see that that doesn't happen. This is the key in my view.

**LaRouche:** I'll just say one thing quickly on this, on



*The LaRouches visit Qutab Minar in New Delhi, Nov. 30, 2001. This was the first monument to Muslim rule in India. The centerpiece of the complex is the minar, a tower with beautiful intricate carvings of Koranic verses, which took several centuries to build, beginning in the 12th Century. It is an architectural/artistic "dialogue of cultures," called the "Indo-Islamic style."*

your remarks. Since you raised the question, we should have discussion about the Cato Institute [report] and others, which had been published subsequently, on the attempt to influence Clinton and his circles on India and other countries. I think it's extremely important that that publication be widely circulated among relevant Indian circles, to know—and this should be circulated worldwide—to understand one of the problems. What you reported to me in this respect, explained something to me, which had mystified me recently, on an encounter I had on just this issue, and I couldn't understand why the Clinton circles would be so enraged, and so upset, about this question. You explained it to me, by pointing to that Cato Institute, et al., business. And I think it's extremely important that that be publicized widely, and that it be publicized widely among relevant Indian circles, so they know *exactly* what the problems were in the Clinton policy toward India and Asia, generally, and understand some of the problems which spill over, through State Department circles, in dealing with India now.

**Kapur:** The only problem there is, which my friend here said something about: The Cato report was on the front page of almost every newspaper in India, in small print. A number of things were said from their report. But only the print area. People largely, even highly sophisticated people, can not connect the entire Cato report, and the contents of the report, and the significance of the report, to the total picture as it is in Washington. So the issue is, of the understanding of the implications, not the publication of the report.

**LaRouche:** Yes, I know. We agree.

## Eradicate Global Poverty

**Chandrajit Yadav:** LaRouche, Mrs. LaRouche, your visit to India is a very welcome visit. I must introduce myself. I am a former Union minister and former Member of Parliament, as my friend K.R. Ganesh, sitting by my side. I think that you're visiting India after 20 years? [LaRouche: Seventeen years.] Seventeen years. Even that is a very long period.

I wish you could visit more often, to this part of the world: not only India, Russia, Southeast Asia, China, because as you rightly said that, this part of the world will play a very important role in shaping the new, just economic order. And I think that one lesson which is good in itself of 11 September, although it was a very tragic event, but I think that the whole world must try to learn the lesson from that tragic event, why this thing had happened. Why terrorism was not taken note of earlier, and why all of a sudden, terrorism has become the main target for the international community.

I think that there are several injustices going on. As you said wisely, that economics must be for the poor. The mission of economics is not only to create wealth, and to create more wealth and go for greater development and create a different kind of monetary system. But its humanist mission should be: To, for the welfare of the human being, to create, to diminish hard labor, eliminate poverty on a very large scale, in the whole world today; and growing unemployment, at the same time growing disparities. And therefore, social tension is also increasing very much.

One objective of the present world system does not seem only to dominate—certain capitalists of the world want only



*The Indian nation encompasses a great diversity of ethnic and religious groups, such as those voters shown here: a Muslim woman on the left, and a Hindu Brahmin on the right. India's enemies seek to create fissures along ethnic and religious fault lines, to promote the geopolitical strategy of a clash of civilizations.*

to dominate the whole world—but also they are making the entire humanity as the victims of materialism. The one major problem in my opinion is, the growing sense of materialism, and also consumerism. Because today the whole effort of the capitalist world is, to create a system or a society of consumerism, make individuals and human beings totally materialistic, and as you very rightly said, that you have a sense of a spiritualism. But one target seems to be, destroy spiritualism! And that is another major danger. So, the entire developing countries are being subjected to a new kind of economic imperialism. As you made the very significant remark, that Africa has become a no-man's-land. It's a major continent! But now, the first target was Africa, to destroy that continent, nations totally subjugated, and dependent on others. And now they're making a force, really, to make the entire developing countries as dependent on them.

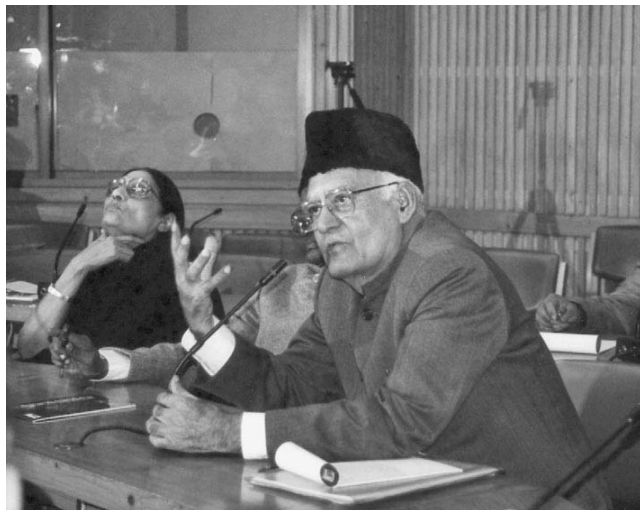
I very highly appreciate your concern for the developing countries, especially for Asia, and also for India. Otherwise, in 1981, you'd not have taken care to produce the "Forty-Year Plan For The Development Of India." That shows your concern also. And your friendly feeling for Indian people, which I very much appreciate.

I will say that you seem to be speaking with a strong sense of conviction, that the present monetary system, international monetary system, is finished, has no future. But there has to be some kind of alternative system. I would like you to finally throw more light—that when this present international monetary system is finished, then what kind of alternative system will emerge? At the world level, as well at the regional levels?

And especially for the developing countries? Because the basic problem today, are that two-thirds of the population lives in these countries, and they are not making progress, they do not seem to have any future. Even in our country—I would just like to bring to your notice—I'm sure that seeing your interest in the area, you must be doing so. But, just to remind you, that after 52 and 53 years of our independence, almost one-third of our population—and when I say one-third, it means almost 30 to 40 gross of people, 300 to 400 million people—it's not a small population. They are still living below the poverty line, and that poverty line is an inhuman poverty line. Even safe drinking water is not available to them. Another one-third of our population, is living with very sub-standard living. Thus, two-thirds of India. It means 600 to 700 to 800 million people in India are living a really sub-standard life.

What future is for them, if we become only the victim of the present exploiting system? And as you very rightly said—I am very glad that you have a very original idea, that we aren't speaking of making some reforms within this existing system—that won't work. There has to be some alternate view—part, of development. There has to be some alternate view—part, of ideas, and thinking, and a vision! After all, human beings are not only just to live from one day to another day. We must build a prosperous, a cultured, thinking society.

So, I think that these ideas have to be discussed at length, as Professor Kaushik said: very unfortunately, because you, obviously, after a long time, to sum up your ideas through



Former Union minister Chandrajit Yadav: “When this present international monetary system is finished, then what kind of alternative system will emerge?”

your magazines, are known to people, but you are known only to the intellectual people. You should be more known to the common people, more thinking people. And if you visit more, I’m sure that there will be people to organize the larger-scale discussion with you. You have some very original ideas, and those ideas have to be discussed.

So, I’m saying, that in India, we have, as I said, two-thirds of the population living a substandard life. We have in India, between the age group of 6 and 14—our children—60% are not going to school. And if they are going, then within two or three years there are large-scale dropouts.

Our women, 36% of our women, are illiterate. They have not been able to go to school, because of the poverty, because of the social system. We do not want that—I’m not using that word “Taliban,” people may misunderstand, and I don’t want to use that—but what unfortunately happened in Afghanistan the last few years, closing schools for girls, destroying schools, making them live a life of animals. So I’m saying that these are the problems, problems of Asia, problems of Africa, problems of even Latin America, and I say, in a sense, the problems of two-thirds of the people in the whole world.

So, I’m glad that you visited, and I’m glad for Mr. Maitra, who provided us some opportunity, informing us that you’re visiting Delhi, and therefore we were able to come and understand your ideas, your vision, and also have some kind of dialogue. I wish to thank you again, and I wish you visit India soon again. Thank you.

**LaRouche:** Thank you very much.

## Ecologism Means Genocide

**Dr. Padma Seth:** [member, National Women’s Commission] I have a little question. You have clubbed Malthusianism, globalism, ecologism. I’d like you to explain about

the ecology part: Globalization we suffer, Malthusianism we—

**LaRouche:** The ecology idea was developed by the group of Bertrand Russell and H.G. Wells, and their associates, and was foisted upon the world under the infamous book, published in 1928 by Wells, called *The Open Conspiracy*. And you find the essentials of the program are there.

This idea, of course, came from the progenitor of H.G. Wells, Thomas Huxley, who created Wells out of mud. So, this comes from the ideology of the Haileybury school; this comes from Benthamism, and so forth. And they’re spread around the world with the idea that if you accept the idea that man should not alter nature—that there’s a balance in nature which is predetermined, and you must not alter it—that what you will do, by simply making that demand, you will ensure genocide.

Now, Wells made it clear, as did Russell, that genocide was desirable, and technological and scientific progress had to be stopped, in order to promote genocide, to keep the world’s population within dimensions which they found agreeable, and to keep people as stupid as possible, by denying them, by making them hate technology, making them hate science and technology. Which is what you get in most of these crazy terrorist movements which are created; they are generally anti-scientific, anti-humanistic movements.

This came into vogue, on a popular basis, with the Indo-China War period. It was established as international policy by the British government, by British intelligence, through people like Dr. Alexander King, and others. It was spread into the Soviet Union, through the International Institute for Applied Systems Analysis. It was an operation which was run by Cambridge University, the Cambridge systems analysis group. It was spread throughout the world. It was spread in India widely by the associates and followers, the networks, of Bertrand Russell, who—to me—presented this argument.

So, this is a form of insanity.

You know, the way to approach this problem is as I have done. And, on this account, the ideas of Vernadsky are extremely important. Vernadsky defined the biosphere in a rigorous way, from the standpoint of geology.

Oh, by the way, I’ve seen the latest *Current Science* magazine, for example—had some interesting business on the question of geology, in this last week’s issue. It’s really quite fascinating, and important to consider. Particularly when it refers to the condition of parts of India. Fascinating.

In this point, the question of human existence, is, man has cognition. Not, man is an animal, but, man has cognition, has the same right and obligation to transform the biosphere, as life has the right to transform the abiotic domain. Man has the obligation to do that. It is man’s nature to do that. Man does that by fundamental scientific discovery, and applying those discoveries, to increase the potential population density, and power, of the individual members of society. And therefore, any intervention against that, is anti-spiritual; it’s a violation

of the rights of nature of man.

But this is what's being done. The biggest source, the biggest argument, for the destruction of civilization, which has occurred in the past 31 years, has been based on the spread of the doctrine of ecology. If we eliminated that doctrine of ecology, as taught by these circles—. It was spread already in the early 1940s, or mid-1940s, from the Bertrand Russell circles, such as the Unification of the Sciences Project in the United States and elsewhere; spread through Margaret Mead, the Wiener crowd, and the John von Neumann crowd—these kinds of ideas were spread. And they were spread around the world.

They were spread into Russia. They were one of the most crucial factors in bringing about the internal self-destruction of the Soviet Union. With the spread of the ideas of ecology, through the International Institute for Applied Systems Analysis channel, which was actually a British intelligence channel, and created in parallel, because Moscow was suspicious about bringing the Club of Rome into Moscow directly, so the same group that created the Club of Rome—Dr. Alexander King, and so forth—created the IIASA, together with people like McGeorge Bundy in the United States, as a channel for corrupting the Soviet Union. And one of the most successful influences in causing the Soviet Union to destroy itself, was ecology.

**From Audience:** The Pugwash Conferences, also.

**LaRouche:** Right.

## Increase The Power Of The Biosphere

**Dr. Seth:** May I have one more? Excuse me. My question was more on the environmental aspect. And soil erosion and similar problems; and congregation in the cities. That's my problem. And environmental pollution. This also includes population . . . the growth and density of population. So I think the quality of the culture should also interest you, because it's not merely nature, but human culture.

**LaRouche:** Well, human culture—. The point is, the job, is the question of national governmental and world policy. Our job is to improve the biosphere for man's existence, not to destroy it. That's why you have to have a scientific approach, you can't have an arbitrary approach of any kind.

For example: We need to increase the power of the biosphere as a whole, which means you have to increase high-grade biomass.

For example, forestation in the Deccan: You need to change. You need to change the water transport systems, to transform deserts into places. You have to manage the oceans. You have to manage the land, for mankind. You have to take the same approach to the planet Earth that you would attempt to take, in Earth-forming the Moon . . . or Mars, for example. For example, if we're going to put scientific stations on Mars—and we have reasons to do so—we're going to have to create a synthetic environment, beneath the surface of



*Geological debate is occurring in India over its ancient Vedic history, which demonstrates a maritime civilization which came to inhabit the ancient rivers systems to India's west—the Indus, and the (now buried) river valley called here Sarasvati. LaRouche discussed the crucial Indian scientific work of Panini and Tilak.*

Mars, and we're going to have to know how to do it.

When you put people in space, well, you've changed a lot of things about human life, as going into space. These are not the same conditions in which human life was designed on Earth. Therefore, you have to know how to deal with these policies.

So therefore, you have to have a science. That's why I push this—I push this question. You must have a scientific approach to this question, and use Vernadsky, and his concept of biosphere and noosphere, and use that as science; and say, we must look at how we manage our planet, and beyond, from the standpoint of science. And therefore, national policy, and national law, must be based on science, not the kind of pseudo-science which present-day ecology represents.

## The Coup d'État Against The Bush Administration

**Q:** I would like you to explain your analysis of the Sept. 11 events.

**LaRouche:** The Sept. 11 events were an attempted military coup d'état inside the United States, against the Presi-



*"Our job," said LaRouche, "is to improve the biosphere for man's existence, not to destroy it. That's why you have to have a scientific approach, you can't have an arbitrary approach of any kind." Here, scientists and engineers at India's Institute for Petroleum Exploration.*

dency of George Bush. There was earlier reference to this question about terrorism. We use the term "terrorism," but I do not define terrorism as an independent category. That is a big mistake. It's a mistake in discussion of the situation in Afghanistan now. That is not the issue.

We have things that are called terrorism, but what we have really is, under the conditions of nuclear supremacy, nuclear weapons supremacy, major powers resorted to use of what is called irregular warfare, as a substitute for regular warfare. See, from the period of the various things that developed in the 16th Century, around Leonard da Vinci, and Machiavelli, the concept of warfare, suited for modern civilization, was defined. And during the 18th Century—as a result of the American Revolution, as the result of the reforms particularly by Carnot in France and by Scharnhorst in Germany—you have reforms in military art, which gave to the modern regular army, and the idea of the rule of law.

The Treaty of Westphalia was a key part in European history, of defining a rule of law concerning warfare. And unfortunately, that's been abandoned today. The reason we had that law, we realized the danger inhering in religious warfare, and ethnic warfare. That is, people must not kill one another because of ethnic issues. They must not kill one another over religious issues. This is the essence of the progress of modern European civilization, is presumably to recognize that.

So what we did, having reached, with World War II, the highest rate of development of modern warfare, we immediately retreated from modern warfare, to sub-modern warfare—a decadent form, which is called irregular warfare.

Now, irregular warfare are means other than uniformed, acknowledged military means, to accomplish political aims, like those of warfare, within one's own country, or in foreign countries.

For example, there is no such thing as international terrorism. International terrorism is only what we call irregular warfare, which is organized by governments. Now, I've done a number of studies of a number of terrorist organizations. None of them are independent. Independent terrorist organizations either do not exist, or they don't survive very long. An independent terrorist organization goes out on the street, and it's going to be wiped out very quickly, by any government. The only way in which a terrorist organization can flourish, under the pretext of being independent, is because some government, or similar authority which controls governments, is protecting it.

Now, in this case, you had the development of this in an extreme form, in the 1970s especially. It started in the 1960s, late 1960s, with the development of terrorism to promote a post-industrial society—that was the original purpose. That continued into the 1970s. In the 1970s, we had, with Kissinger and Brzezinski as National Security Advisers, a new form of—particularly after the SALT agreements of 1972—you had now the use of irregular warfare as a surrogate for warfare between the United States and the Soviet Union—an extension of what happened in Vietnam.

Every form of terrorism of any importance since that time, is that.

Let's take the case here, of the Sept. 11 event. The problems in Afghanistan really started with Kissinger's operation

to overthrow the Shah of Iran, which is a British intelligence operation, planned by Bernard Lewis, who is the number-two of the British Arab Bureau. And all Kissinger's policies against Iran, were planned by Bernard Lewis. All of the important policies on the "Arc of Crisis," and "Clash of Civilizations," were planned by Bernard Lewis, the policies of Brzezinski, then and now.

So, in the middle of the 1970s, Brzezinski and his friends went to the Islamic Jihad organization in Egypt, and began to recruit people from Islamic Jihad into this operation, which became known as the Afghansi. They went to a Wahhabi tendency in Saudi Arabia, and got money from some of these—you know, you have all these princes there, they pass out money. So they got some money from these various princes, to finance an army called Islamic Jihad, or became known as the Afghansis.

For example, you had the case of Goldsmith, Jimmy Goldsmith, who was a key operative in the Pakistan area, for British intelligence, in partnership with the United States in running the Afghanistan operations of the late 1970s. In 1982, the operation was taken over by George Bush, in partnership with Jimmy Goldsmith. So the warfare in Afghanistan, and terrorism in that area, was run—it was run through certain interests in Pakistan, which were bought. Most of this was done with weapons trafficking and drug trafficking, which financed it. So we had to create large armies of irregular forces, of volunteers, as a troop of mercenaries, just like the British East India Company did in India, in which the troops that were brought in, were not British regulars, they were not British forces, they were British East India Company private armies, and mercenary armies. So, mercenary armies were again on the scene, under various guises, conducting irregular warfare.

What is happening, for example, on the borders of Northern India now, in Nepal, and Sikkim, and so forth, the Naxalite operations, these are operations by powers. These are not independent movements. This is irregular warfare against India, on what is considered the most vulnerable part of India.

On Sept. 11, you had this faction inside the British, the U.S., and other interests—had been operating with these objectives. However, if you're going to run a coup d'état, a modern coup d'état—. One must not believe the newspapers; one must understand how a military institution functions. If you're going to run a military coup d'état, you don't go out and recruit people to it. You don't ask them to join the coup d'état. You get them involved, because of their involvement in other things you're doing. That's the way the Kennedy assassination was set up. People who were involved in the Kennedy assassination were recruited around a screen of organizing an invasion of Cuba. That's how the Kennedy assassination was set up. The people who were in the Kennedy assassination, the masses of them who helped set it up, all thought they were going for an invasion of Cuba. And a continuation of the Lansdale attack plan for the war against Cuba. A U.S. military attack on Cuba.

So, the way it works is, you have a tight circle of top-ranking people on the *inside* of the military. These people on the inside orchestrate the mobilization of forces for undisclosed, or misdisclosed, purposes. They then deploy these elements, like military units, to their assigned functions. And if they survive, it's after the accident has occurred, that they know what they did. And even then they don't know what they did.

That's how you do a military coup.

The way we define the Sept. 11 events is very serious, very simple. Every government has security arrangements—particularly every major power—which are intended to apply to the potentiality that a section of its own military, or police, might be corrupted, and therefore, might be used to arrange a coup d'état. That is, any sensible government. Some of you have been near the PM [Prime Minister] position, you know this stuff; that you have to anticipate the danger of a coup d'état. This has happened a number of times in India. So therefore, you have precautions, security precautions, in the military and in the police forces, which are intended to detect, and prevent, the success of any enterprise of that sort.

In the United States, as a nuclear power, we have very special kinds of protection arrangements, detection arrangements, intervention arrangements, stay-back, sleep arrangements, deep-penetration of agents, and all kinds of things, to be on the inside of whatever might be planned. The only way you could run something like what happened on Sept. 11: You had to be on the inside, and you had to have control over shutting off certain security arrangements. Which is why you ask yourself: Why, after the first plane went up, and then the second soon afterward, and then the Pentagon attack, why were there no F-14s stationed—as they're supposed to be—waiting for the order to shoot down the plane which is on the course of doing that? How were these things done? Some Arab pilot trained in some flying school is going to fly a modern jet, at speeds of up to 500 kilometers per hour, do a J-turn, and go into an object at the 86th story of a 110-story building, which looks almost like a pebble, or a golf ball, to a pilot approaching at that speed, when he makes that decision? No, you don't do that.

Nor is this done by some Arab coming in and taking over the pilot's seat. Maybe somebody took over the pilot's seat, but it wasn't some Arab who took over the pilot seat; it was a highly trained pilot, who knew exactly what he was going to do, and was trained for it many times before. It was done from *inside* the U.S. military.

Now, then you look at it afterward.

You say, why did it happen? Well, when this thing happens, you know what was done. For example, if you get a tiger that goes into a village, and kills people, you know it was a tiger. You then have to find out which was the tiger, and you go out and find it. But you know a tiger did it. You don't wait until you get the name, rank, and serial number of that tiger, before saying a tiger killed these villagers.

The same thing with the cobra. You don't know which cobra did it, if he got away, but some cobra did it.

So, the same thing. We don't know to this day, which of these uglies did it. But we know why it was done. . . .

**From Audience:** Why?

**LaRouche:** It was done for the obvious reason: clash of civilizations. Now, you look at the subsequent events. If you had any doubt about what the purpose was, the subsequent events tell you. You have a major fight, factional fight, within the U.S. government, within the Bush Administration, in which the President and Powell and others, like General Zinni, are out to prevent a continuation of the Israeli slaughter against the Palestinians. To bring about an enforced peace, aimed at an independent Palestinian state. That's the policy of the President of the United States. That was the policy of the President of the United States *before* Sept. 11. It's the policy of the President *after* Sept. 11.

Now, he's a poor President, but nonetheless that's his policy, and that's his intention. He has many people in his government who are on the opposite side. Well, we know who they are. You can see it in India, on CNN, if you get the CNN broadcast. You can see it on the Murdoch chain. You can see it from the *Washington Post*. You can see it in other press which express a different view. There's a major fight inside the United States of: "Should we have a clash of civilizations war?" Clash of civilizations war means, that Sharon does what he tried to do once, and will do again, and the Israeli Defense Forces will do it: is to climb up, tear down al-Haram al-Sharif, and put the Third Temple of Israel on top, in place of the mosque. You do that at the same time you're killing Arabs and Islamic people all over the world, what have you got? You have incited a worldwide religious war.

Which is what their purpose is. Brzezinski has said so. Kissinger has said so. So what you have, is the devolution of the development of irregular warfare, in the post-1972 period, in which military commands are polluted by the use of mercenary tactics, but under regular military command, to conduct surrogate wars. Such as those you're seeing in Nepal, Sikkim, and right in India today, which is the problem here.

So that the problem is, therefore, you have an inadequate President, who's trying to defend the world and his government, against the destruction of civilization, by a generalized religious war, and once you start an Islamic religious war, in and outside Islam, you're not going to stop it that easily. All the ethnic pots will boil.

And that's the intention, to destroy civilization. That's coming from London; it's coming from people inside the United States—the supporters of Al Gore, the supporters of the Attorney General of the United States, and others, and crazy military people. It's coming from inside Britain, similar faction there. And it's coming from those inside the United States, and British, who control the IDF command—which, if you want to talk about modern Nazis, the IDF command is

your modern Nazis. . . .

So, that's the essence of the matter. And it should be a lesson to us all, as to the nature of the world in which we're living.

## What Kind Of New World Economic Order?

**Prof. Arjun Sengupta:** [School of Economics, Jawaharlal Nehru University; former economic adviser to Prime Minister Indira Gandhi; former adviser to International Monetary Fund Managing Director Michel Camdessus] I wanted to intervene for a very simple reason. After I heard your speech at Jawaharlal Nehru University, you probably remember, you gave me a book to read. This is your book on recovery [*The Road To Recovery*]. And having read that, I was quite excited, and I thought that probably this would be a good way of starting a major movement around the world, where every country, or at least leaders of every country which are thinking in terms of a new vision, could unite.

Now, I wanted to explain what I understood from your book, and your discussion, and whether that is something which you'd like to own, and then we can all join.

Frankly, in that kind of a vision, your very interesting discussions about the Sept. 11 events, and the conspiracy and all that, are interesting. They can be challenged. As you know, you are a good academic, so you know that any of these statements requires empirical justification. They can take us to a different kind of a debate. But they are not germane to the main point, or the main theoretical framework, that you are building up. And that is why I would concentrate on that particular theoretical framework that you are building up.

It is also not necessary for you to attack consumerism. My esteemed friend, Mr. Chandrajit Yadav, talked about it. People may or may not like consumerism, but it is not neces-



*Prof. Arjun Sengupta: "What is important, is not globalization, but our failure to channel, control, regulate, globalization."*





*Addressing the need for a protectionist policy, LaRouche underlines, "You must have a wages policy which protects the wage-income of the worker in the household. You must think of wages not in terms of individual workers; you must think of wages in terms of household income, as units. And that's an area of protectionism which must intervene in the entrepreneurial area; as well as in other areas." Here, a worker assembles electronic equipment for the Bhabha Atomic Research Centre in Trombay, India.*

sary for you to attack that. In fact, all of us who are old, say that we are against consumerism, but the younger people don't, and you have to carry the younger people. So I would say that that is not germane to our discussion either.

I think attacking globalization is also not germane. What is important is, and I think in your book you put it very well, it is not globalization, but our failure to channel, control, regulate, globalization. Like a market economy. A market economy can exist, and can do quite a lot of good things to many people, and in terms of efficiency, technology; but it requires guidance. It requires governance. I want to put it in this way, because it might give you some kind of popular support if you attack globalization, but this would deflect your main line of your thesis, which is not attacking globalization as such; but ways to regulate globalization.

And similarly, I think that Mr. Kapur has raised a very major point about cultural identity. In your framework, national states will exist, and should exist, as cultural units. But will not exist as isolated economic units, or isolated political power centers. In fact, the most important message that you give, is that in this new world, the old power-balance game is no longer going to work. So nation-states, focal points, or power centers, will no longer exist.

Similarly, nation-states as economic entities going against each other, will not be able to function. The only way nation-states can exist is as the cultural units, because cultural identities remain; and they remain because people like to share their identity.

If this is the case, as I understand, you have three elements in your whole structure. You would like to build up an infrastructural system, which will enable private entrepreneurs and private individuals to function, to have innovative activities; because you believe entrepreneurs are still the basis of techno-

logical progress. And they should be able to function. But there is a function of an enabling environment of which infrastructure is very important, which can not be built up by private market interests; which will require an international understanding of providing resources, at a cheap cost—2% or so—and it is because the [desired private] rate of return is much higher than that, so we can not marketize that rate of return.

So, your first point is to build up that global infrastructure. In fact, I don't think it is even necessary for you to limit yourself to Eurasia. This can be done for the world order.

And if that is done, then you allow the private entrepreneurs to function, compete with each other, be vectors of technological progress, use this infrastructure.

And thirdly, social arrangements based on equity and democracy.

These are the main points—and empowerment, which follows from there.

And talking about the new international system—but these three would be the basic elements—in which the United States itself should be very much interested. Because as I mentioned, the United States could now cease to be a military-industrial complex, and move toward helping build up that infrastructure system all over the world. It will give it kind of a push. It will also be a system in which the Russians, the Indians, the Chinese, all of them would be interested, because they could benefit from that.

Now, I am putting it in this way—if my understanding is correct—then you probably could unleash a new movement that all of us could join. It is not a question of just populist pressures here and there. The people want to be happy; they want to be rich; they want to have more goods, more opportunities, more freedoms. Your system will provide that, and will



*In India the most backward agriculture and use of resources—due to lack of infrastructural investment and universal education—co-exists with the most advanced plant-genetic research, as in the study of the effects of nuclear radiation on plant physiology at India's Agricultural Research Institute.*

move to a different international order, which would be a humane world order, based on a universal fulfillment of all human rights—this is also another point which comes out from your presentation.

Thank you very much.

## Protectionism And Wages

**LaRouche:** I say, generally, yes, I'm in concurrence with the general thrust of your remarks, on all points.

The entrepreneurial thing contains one little problematic feature: The importance of protectionism. For example: the importance of protectionism in wages. You must have a wages policy which protects the wage-income of the worker in the household. You must think of wages not in terms of individual workers; you must think of wages in terms of household income, as units. And that's an area of protectionism which must intervene in the entrepreneurial area; as well as in other areas.

You must also protect the capital investment of the entrepreneur, by regulating prices at such a level—you might call it fair prices, as opposed to fixed prices, but fair prices—which guarantee the entrepreneur the right to a price, and a protected price, in the market, which is equitable for his long-term investment and so forth, and recovery on that. So therefore, you are fostering the entrepreneurial; you are not actually an entrepreneur, but you're doing for the individual entrepreneur what he can not do for himself. It's to create the environment in which he can function.

Similarly with other things among nations. Protectionism:

You must provide protectionism for those things which are important, but for which they can not protect themselves. Such as international trade, and so forth. And once you include that, then I would say, "Fine, yes."

**Professor Sengupta:** This is the main area where we can have a long debate. Your wages protection—if, by protectionism, you mean sacrifices protection—this wages protectionism is not feasible to maintain, except for what is for the future. Only if there is productivity backing higher wages—

**LaRouche:** Exactly.

**Professor Sengupta:** Now, your capital protection is very well-taken, provided we have no alternative way of subsidizing capital; and this is what you were saying, that you are trying to provide it in terms of prices; the alternative may be subsidizing—

**LaRouche:** The key thing is the family unit, and the education of the member of the household.

**Q:** That is the most important. That is reflected in your basic human rights that you speak of—

**LaRouche:** Exactly.

## We Must Free States Of Oligarchism

**Q:** I hope you are going to be the well-informed President of America—about India; because one of your Presidents did not know about the Indian Prime Minister. [Laughter.] Senior

Bush, not Junior Bush. Junior Bush knows Vajpayee very well.

What I am going to ask you—because in the new economic world order, in the past years, sir, we had lots of contradictions. The contradiction is Israel. The contradiction is Palestine. And the contradiction is India and Pakistan itself; the two countries that nuclearized. And our past experience with America is very bad.

And so my point is, America knows how to create things, but doesn't know how to use them. They created Osama bin Laden; but then they didn't really rehabilitate Osama bin Laden. And the outcome was the 11th September. Similarly, the U.S. destroyed—helped in collapsing—the Soviet Union. And what happened? The scientists left the Soviet Union, and they settled in different countries; and they produced anthrax.

So, are you going to take care of all these things in the new economic order? Please tell me, because we are also fighting with terrorism, very heavily, like you are right now fighting. For you, it's a new experience; for us, it's long term. Thank you.

**LaRouche:** First of all, Osama bin Laden was, in a sense, an Anglo-American creation, not an American creation. You have to say "Anglo-American," or you miss the target. He was essentially a unit deployed by Anglo-American interests to subvert Central Asia and Russia; to spread something else

in the Sufi areas, like Afghanistan and Chechnya, which no Sufi would tolerate—

**Q:** I need one intervention. I'm quoting you only. You said that all the militant groups need state protection, or protection from similar institutions. Osama bin Laden studied in the Massachusetts Institute of Technology, the best institute of America. And secondly, he was protected—his ideas and everything were protected, when the Cold War was going on.

**LaRouche:** Well, it was the British government and the United States government. And he was nothing but a drunk and a woman-chaser in his youth, who later became a different kind of degenerate—

**Q:** [From audience]: And he did not study at MIT.

**LaRouche:** The problem is the control of states by a phenomenon called oligarchism, the Venetian tradition. And to the extent that certain financier interests are able to subvert governments, control governments, and use the instruments of governments to their advantage, these kinds of problems arise.

What we have to do, essentially, is to have an economic system which does not allow the encroachment of oligarchism of that type, into our systems. If you set up the right kind of economic system, these things can not survive. These things are intended to promote that [oligarchical] kind of economic system. Therefore, if we tear down that kind of economic system, it will have no power base on which to operate.

## The Issue Of Cultural Identity

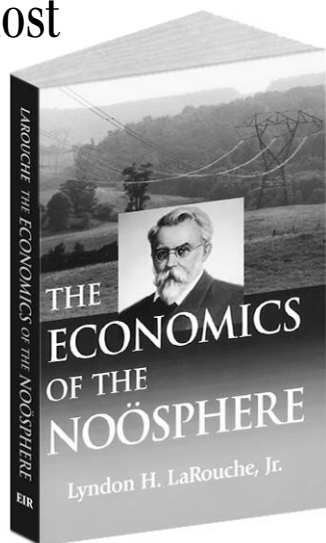
**Professor Kaushik:** Thank you. Now, I think, Mrs. LaRouche, you may have the floor.

**Helga LaRouche:** I just wanted to address what several people mentioned: this question of cultural identity as being crucial.

I disagree a little bit with what you [Professor Sengupta] said—that one should not attack consumerism and materialism. I think one has to make, especially, young people conscious about it, because if you look—I did—at the TV here, at some of the "Bollywood" [Calcutta's film industry] productions, you have almost an Indian version of Britney Spears. And the problem is, that you have a lot of young people, of 10, 12, 15 years old, who all try to imitate these pop videos. And they walk around like this. . . . And in a certain sense, this is mental slavery. Because the stupidity and the banality of this is so big, it stupefies people and makes them, again, a new version of game for the international oligarchy.

Now, we have right now the danger of a real clash of civilizations. You have the danger, that if this present situation in Afghanistan, and everything that hangs around it, is not stopped—if, for example, the hawk faction in the United States and Great Britain is victorious, and they are able to spread the war beyond Afghanistan, maybe to Iraq; or, who knows, Iran was mentioned, Somalia—then the danger could be of a real war of civilizations; of Christianity against Islam,

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*India's youth, like youth the world over, are being bombarded with images of sensuality and materialism. Here, a website promotes the "styles" of Calcutta's film industry, known as "Bollywood."*

against Hinduism, against Confucianism. And you can really see all of these cultures clashing in a perpetual war.

Now I believe that Leibniz was right, that we indeed, do live in the best of all possible worlds; that in front of a very big danger, something is called forward in people, to outdo a big evil with something even more good. I think this is part of human nature, that if challenged in this way, you can produce something beyond what is presently the threat.

In that sense, I think that the Renaissance of each culture — of Indian culture; of European culture, which right now is almost lost among many people, especially the young, they don't know anything about it any more — I think that if we look at it this way, that each culture is now called upon to revive its best traditions; the best traditions and not the bad traditions, you can have a dialogue among these cultures, where each culture focusses on the best aspects of the other one. And to do that, obviously, you have to have a concept of your own culture first, because, otherwise, you have no basis from which to talk.

Now, Nicolaus of Cusa, who is one of my favorite philosophers from the 15th Century, had the idea that the only reason different cultures can even talk to each other, and understand

each other, is because each one produces scientists, wise men — and women, for that matter — poets, composers, people who have a universal language with which they can communicate. Therefore, I think if you start to look: What are the universal principles in each culture — in Indian culture, how is this reflected? in Confucianism, in Islam, in other cultures: That way we can start the dialogue. And I think that out of a terrible crisis and danger to mankind right now, if we start to approach it this way, we will overcome what I call the childhood of mankind, which is oligarchism. Because I don't think oligarchism is something that will be with us forever. And once we start to do that, and start to know the other culture, from the standpoint of knowing our own culture and cherishing what it was contributing to universal progress, I believe that people will eventually — when all children will have the chance to learn about the other cultures in this way — we will start to love them. Because once you start to recognize the beauty of all of these different cultures in the world, it will be like the crown of pearls; where you will be strengthened in what you do, in what your identity is, but you will also be enriched by the contributions of the others.

And since we are for the first time sitting in one boat — I mean, we have reached a point in history where either we all make it, or none of us will make it — then I believe, that through such an exchange of different cultures, we will be able to make a new Renaissance like nothing in the world before.

So I'm actually optimistic that we can turn this crisis into something brilliantly new.

**Professor Kaushik:** Thank you. Well, I think we have had a very fruitful brainstorming session, for which our thanks go to the couple here, LaRouche and Mrs. LaRouche, and to all the participants who made illuminating observations. So far as I am concerned; well, I am an incorrigible Marxist-Leninist adherent of Mr. LaRouche. [Laughter.] I did my post-graduate degree at Lucknow University.

For me, with the collapse of the Soviet Union, since 1991, my contacts with Mr. LaRouche have been like a refresher course in Renaissance, in European history; European history from a different perspective. And I must say, with due deference to what he believes in and what he says, that I find a lot of common ground between Marxism-Leninism *creatively interpreted* — creatively, not in the *nomenklatura* way — and, at least in the present situation, what he has been saying. I want to tell him that had Lenin been alive, he would have come out with the same conclusion, after the analysis of rentier-speculative capitalism. Well, what else do we call it?

I know your Alexander Hamilton, and Benjamin Franklin, and Roosevelt, and Friedrich List — but then in the reality, we wind up with rentier-financial capitalism. It must not be called anything else but capitalism.

But let us not go and fight about it. I thank my guru, profusely, and I thank you all for your participation. We look forward . . . [applause]. So please, come again.