



On the Subject of
Strategic Method



A NEW BRETTON WOODS

F.D.R. and Jean Monnet: The Battle Against British Imperial Methods Can Be Won

by Jacques Cheminade

After his 1936 Presidential campaign, Franklin Delano Roosevelt, reelected President of the United States in a landslide, had won his battle against the “money changers.” He declared, on June 26, 1936, that he was a defender of the General Welfare, as defined by the U.S. Constitution, and championed “the organic power of the state to defend the American citizen against the economic tyranny of some.” In his nomination speech, he had attacked the “economic royalists,” “the privileged princes of new economic dynasties who reached out for control over government itself.”

F.D.R. saw his task as both domestic and foreign, because he fully understood that the United States had become a world power, and was therefore endowed with a mission to fulfill.

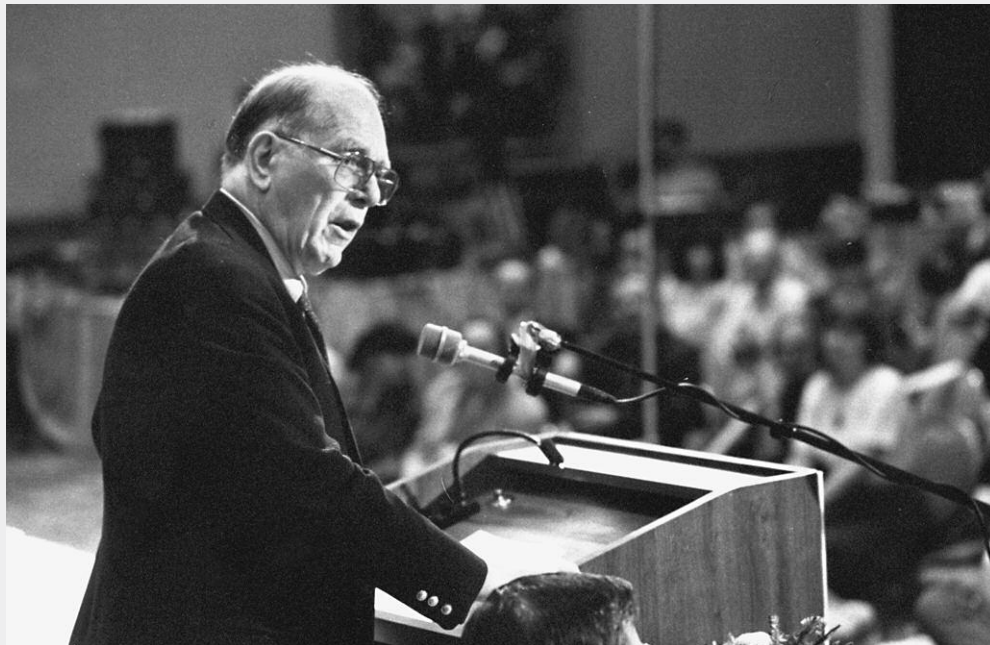
On foreign policy, in his Oct. 7, 1937 Chicago “Quarantine Speech,” he suggested quarantining law-breaking nations, just as one would quarantine sick patients, “in order to protect the health of the community against the spread of the disease.” Summoning the disillusioned America which, after World War I, had taken refuge in a

policy of isolationism, Roosevelt told the country that “Americans must take a stand,” and “for the sake of their own future give thought to the rest of the world.” The President’s enemies called him a warmonger, with the *Wall Street Journal* running headlines such as: “Stop Foreign Meddling.” In clear words, the voice of the oligarchy was saying, “Stop attacking Mussolini, Hitler, and the Japanese feudalists.”

Domestically, Roosevelt knew that to continue his task of just social change, and to carry out the economic mobilization needed to deal with foreign dangers, he had to clean up the mess in his own party. As the 1938 Congressional election approached, he decided to eliminate the conservative Democrats, who were not only obstructing his reforms, but “deliberately repudiating the very principles of progress which they had espoused in order to be elected.” It was his job, said Roosevelt, to see to it that “the Democratic Party and the Republican Party should not be merely Tweedledum and Tweedledee to each other.” Electorally, that “purge” was a relative failure, but it drew the line within the party, getting rid of the forces that could have meant defeat in 1940 and 1944, two other Presidential elections that Roosevelt later won. Such a principled, far-reaching approach, encompassing domestic and foreign policies as a “one,” is in absolute contrast to the petty arrangements of present-day politicians.

The author is the chairman of the French Solidarity and Progress party. He wishes to acknowledge the invaluable contribution by Lonnie Wolfe and Richard Freeman in preparing the research that went into this speech.

Therefore, there is no point for us Europeans to be anti-American or pro-American as such, which are the two sides of the same impotence. Our challenge is to support both within and outside the United States the proponents of the American System, who are the inheritors of the European Renaissance.



*Lyndon H. LaRouche, Jr.,
addresses Schiller
Institute conference,
September 1995.*

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Before I go into what followed, three preliminary points have to be raised, all key to be understood by a European audience. None of them is self-evident, and all are crucial to meet the challenge which is facing each of us today.

U.S. Manifest Destiny

The first point is that the United States is not a monolithic mass, for good or evil, but the field for a decisive fight on a world scale. Yesterday, Roosevelt represented the American System, that of Alexander Hamilton and Abraham Lincoln, against the Anglo-American oligarchy. Today, Lyndon LaRouche, a Presidential candidate in the Democratic Party, resumes American history at the point where the death of Roosevelt left it on April 12, 1945. Therefore, there is no point for us Europeans to be anti-American or pro-American as such, which are the two sides of the same impotence. Our challenge is to support both within and outside the United States the proponents of the American System, who are the inheritors of the European Renaissance. Our duty is to understand the issue of the fight, and to be interventionists when America's official policy betrays America's manifest destiny. This is the meaning

of LaRouche's candidacy today, for us all.

The second point is that, without Franklin Roosevelt and his key associates, we as representatives of our European nation-states would not even exist today. Without Roosevelt's American mobilization and interventionism, the victory against Nazism would never have been possible, and Europe would have become a rubble-field. In turn, that American mobilization would never have taken place without the victory of Roosevelt over the Wall Street bankers. And without the support of the American trade unionists and farmers, support that Roosevelt had gained through his policies—for example, the Wagner Act, parity prices, and infrastructure development—such a mobilization could never have been organized. This is the point at which a great design uplifts a population, to meet the challenge of a great historical moment.

My third preliminary point defines our task today. Right now, the enemies of Roosevelt are back in power in the United States, and, like the Morgans or the Mellons of the 1930's, they are trying to make us believe that there is no other possible policy than a dictatorship of their financial profit. These forces are at work to turn the clock of history back to before the New Deal, and to enforce what they did not manage to accomplish in 1933-35: a

Mussolini-style coup, as exposed by Maj. Gen. Smedley Darlington Butler. On our side, by contrast, what Roosevelt achieved should be an immediate inspiration, as it was for Europe, and in particular for France and Germany, after 1945. This puts in their historical perspective—as vital thought-objects and not mere schemes, as political weapons and not mere technical arrangements—LaRouche’s Eurasian Land-Bridge and New Bretton Woods proposals. These are the levers to change history, beyond what Roosevelt himself was able to do, but coming from a similar reference point, as an enrichment to the historical fabric.

The Last Three F.D.R. Administrations

Let’s now go back to the three last Roosevelt Administrations, from 1937 to 1945. Having won a tactical victory against the oligarchy and its New York banks, Roosevelt had the leeway to organize a dirigistic war mobilization, and to plan a better and more just postwar order for the world. The dynamics of the mobilization, in turn, cornered the bankers who, after 1938-39, were no longer able to attack Roosevelt’s policies frontally, which would have been tantamount to national treason.

Roosevelt, as a reader of Hamilton, resorted to all the means of state-oriented policies to defend the General Welfare of the people. Against the British tradition in the United States, represented, among others, by Martin van Buren, Roosevelt was a staunch dirigist. Where a van Buren would say, during the 1837 panic, that “the less government interferes with private pursuits, the better for the general prosperity,” Roosevelt said the following: As Governor of New York, speaking in 1931 to an extraordinary session of the state legislature, convened to respond to the Great Depression, he asked,

What is the State? It is the duly constituted representative of an organized society of human beings, created by them for their mutual protection and well being. “The State” or “The Government” is but the machinery through which such mutual aid and protection are achieved. The cave man fought for existence unaided or even opposed by his fellow man, but today the humblest citizen of our state stands protected by all the power and strength of his government. Our government is not the master but the creature of the people. The duty of the State toward the citizens is the duty of the servant to its master. The people have created it; the people, by common consent, permit its continual existence. One of these duties of the State is that of caring for those of its citizens who find themselves the victims of such adverse circumstance as makes them unable to obtain even the necessities for mere existence without the aid of the others. That responsibility is recognized by every civilized nation.

Roosevelt, understanding how dangerous the international situation was becoming, extended this notion of a “just State” to world affairs. In January 1940, he warned of the dangers of short-sighted isolationism, and he asked Congress to levy “sufficient additional taxes to meet the emergency spending for national defense.” On May 16, 1940, informed of the fall of France, he told the nation that the war in Europe was spreading out of control, and asked Congress to “appropriate a large sum of money for tanks, guns, ships and 50,000 airplanes.” He decided to run for a third term when he saw that nobody else in the country was fit for the challenge: The population was frightened, and the industrialists and state bureaucracy, not to mention the bankers, thought that Roosevelt was insane to demand such levels of military production. When he won his request, on Dec. 29, 1940, he urged the nation, in one of his famous “fireside chats,” to help the democracies, whatever their weaknesses, in their life-and-death struggle against fascism. “There can be no appeasement with ruthlessness,” he said, asking for more ships, more guns, more planes, more of everything, so that the United States could become the “Arsenal of Democracy.” On March 11, 1941, F.D.R. was finally able to overcome the opposition of Congress and to sign the Lend-Lease Bill. It gave him unprecedented powers, and launched a supply program which kept the Allied cause fighting on the battlefronts until the U.S. entry turned the tide. On Dec. 7, 1941, the Japanese attack on Pearl Harbor, and the paradigm-shift in the American population that LaRouche so often refers to, occurred.

By 1942, the 50,000 planes requested in May 1940 had been produced, and then Roosevelt demanded that military production be stepped up considerably: 60,000 airplanes, 45,000 tanks, and 6 million tons of merchant ships. The industrialists said only: “Aye, aye, Sir.” The President promised: “The militarists of Berlin and Tokyo started this war. But the massed angered forces of common humanity will finish it.” And so it happened. But why and how?

Jean Monnet: A Pro-Industrialist Banker

This is the history of the “Victory Program,” and of a small man, who was one of the great men of the past century, Jean Monnet. Monnet was, first, about the only Frenchman who understood something about American affairs, and second, about the only European banker who was pro-industrialist in his worldview. He liked and admired the “physical power of American industry,” and the relative absence of social prejudice in the American

lifestyle. He had a very good sense of the difference between the United States and England, and immediately understood, in 1940, that the fate of Europe depended upon American policies. In exile after France's occupation by the Nazis, he jumped, through his various connections, into the middle of American and British government circles, calling for some other policy than just extrapolating from the usual schemes. F.D.R. immediately understood the role that Monnet could play, and used him as an "inspirer," a rabble-rouser in the American state bureaucracies. Roosevelt and Monnet both clearly understood that in exceptional periods, men who operate according to business-as-usual, are a terrible problem, and that problems must be short-circuited, and things organized to make the machine work.

Monnet, in one of his first memos to the American Presidency, reports in 1940 that the Cash-and-Carry system of American-British relations was meaningless, and that the American war mobilization was inadequate and suffered from lack of a centralized authority. Monnet writes in his *Mémoires*: "We [he and his close group of friends] decided to reverse the logic of the financiers, who accommodate needs to existing resources, absurd logic when the needs are those of the survival of the free world: for such an undertaking, one always manages to find the resources." He put the target for American military production at whatever was needed for the United States to win the war *alone* against Germany, Italy, and Japan, because he viewed Great Britain as only an element in the American scheme. On Nov. 30, 1940, he said that the present U.S. program was not enough for that goal, and therefore should be changed.

There you have this small man, intervening audaciously and provocatively on the most important issues of war and peace! Roosevelt apparently enjoyed it, because Monnet went directly against the accountants' and financiers' views. Monnet writes in his *Mémoires*: "Mustering all my strength, I contributed to the coming into being of this unstoppable war machine. Its motive was simple: The stubborn will of a small group of men, united around the bearer of an unprecedented power and responsibility, himself supported by a vast majority of the public."

At the time, George Ball expressed his surprise: "Jean was by then a legend in Washington. . . . I was quite surprised, he was different from us all, he was really *sui generis*."¹ He never ceased putting pressure on Roosevelt's entourage. During the Spring of 1941, indeed, he was probably the key factor in pushing for the American war mobilization before Pearl Harbor. The usually sober John Maynard Keynes tells French banker Emmanuel

Monnet: "When the United States was at war, Roosevelt was presented with a plan to build airplanes that every American technician found to be miraculous or far too much. Monnet was the only one who dared to think it was not enough. The President rallied to his views. He then imposed on the American nation an effort which, at first, seemed impossible, but which was, in the end, completely accomplished. This key decision has probably shortened the duration of the war by a year."²

Keynes's judgment is confirmed by Robert Nathan, deputy chief of Roosevelt's Office of War Mobilization, who says, "In retrospect, I find that Monnet's contribution was of vital importance. It was the untiring and efficient efforts of Jean Monnet to meet goals that were so great, which led the highest spheres of our government to become conscious that the demands on the U.S. for a war mobilization could not be met under its present mode of operation. In the crucial decisions of May-June 1941, his role, in my view, was immense."³ It is also Monnet who convinced Roosevelt to drop what we call today "consensus methods," and to "delegate the Presidential authority to a person whose function should always be to have a general view of the situation, checking constantly on the execution of all the programs which should fall on the diverse agencies in charge of the day-to-day decisions. He should speak in the name of the President and clarify doubts with the respective administrations."⁴ On Jan. 13, 1942, Roosevelt created the Office of War Production, headed by Donald Nelson. Monnet, as an adviser to the British Supply Council in Washington, reports Lord Roll, "told us one day with his heavy French accent: 'Would you like to hear the President say: "We will not build 2,000 planes. We will build 10,000 planes. We will not build 2,000 tanks. We will build 10,000 tanks." ' I can't vouch for the exact numbers, but what he was announcing to us, was the Victory Program."⁵ Monnet's message to the British was clear: I am F.D.R.'s man, and you'd better listen to me.

This key role of Monnet will become all the more significant after Roosevelt's death, as a messenger of the New Deal conceptions in postwar France and Europe.

As for American war production, it was indeed a miracle. The 1941 Victory Program provided for \$150 billion for the creation in two years of 216 divisions, of which 61 were armored, together with the production of ships and airplanes in the amounts that I have just identified. The results were soon impressive. For example, in 1942, at first, it took six months to produce the famous "Liberty Ships," the merchant ships of British design, on American assembly lines; but, by 1943, production time was reduced to 15 days! The armaments

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President Franklin D. Roosevelt with Winston Churchill, Atlantic Charter Conference, August 1941.



The Granger Collection

industry organized assembly-line mass production on a scale and with a speed never before seen. The Balfour cannon, for example, was assembled in less than ten hours, initially with untrained labor. As for the airplanes, the auto-makers pooled their resources to produce the engines, and between Pearl Harbor and D-Day in Normandy, 171,000 were built, at an average pace of about 6,000 per month!

Grand Design for Postwar Reconstruction

As early as 1943, it was clear that with such a war machine, and the massive fight being carried out by the Red Army, ultimate victory was secured. It was only a question of months. So, Roosevelt began immediately to think in terms of how to maintain the war mobilization, but to reinvest it in a policy of peace through mutual development among the former belligerents and, beyond, for a massive world investment policy to achieve the take-off of the developing countries, freed from colonial rule. On Aug. 10, 1941, Roosevelt had already told Churchill: “I can’t believe that we can fight a war against fascist slavery, and at the same time not work to free people all over the world from a backward colonial policy.” With that in mind, he conceived the original scheme for

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In January 1945, in his annual budget message to Congress, F.D.R. spelled out detailed plans for a \$100 billion postwar infrastructure program, to transform and expand the war industry into postwar civilian industry, and to make education, quality health care, and decent housing available to all Americans, beginning with the returning G.I.’s.

On Feb. 12, 1945, he delivered another message to Congress, urging the ratification of the Bretton Woods Accords and outlining his conception of the World Bank and the International Monetary Fund. It was not at all his intention to promote a tool to interfere in the national sovereignty of states, but, on the contrary, to secure an economic take-off, creating the material conditions for such sovereignty. The system was, of course, not a perfect one, because it implied a privileged dollar, but it was entirely oriented toward the effort of America to construct and reconstruct the world, not to organize the takeover of the Anglo-American oligarchy over nations and people, as was later the case after the financial drift of the 1960’s and the deregulation that fol-

lowed the Aug. 15, 1971 decoupling of the dollar from gold.

Roosevelt's great postwar design was to put an end to the British, French, Dutch, and Portuguese colonial empires, to make of the victory over Nazism an instrument for general liberation, and to organize a world community of interest based on infrastructural, long-term development, through issuance of long-term, low-interest credits, a sort of "deferred payments" system, in which the completion of projects would in the future allow the deferred, step-by-step reimbursement of the amount of credit advanced.

Roosevelt's sudden death, on April 12, 1945, prevented this grand design from being carried out. Only the Marshall Plan was left, in the framework of the Bretton Woods system, but limited to Western Europe, whereas Roosevelt had wanted it for the benefit of the whole world. Worse, where Roosevelt intended to rally Russia to his postwar new, just order, through the advantages of common development, the Marshall Plan was soon embroiled in the logic of the Cold War. The European leaders of today, who criticize the naiveté of Roosevelt and admire the "realism" later shown by Churchill and Truman, understand nothing about what was at stake back then. Roosevelt's vision, as we have described it, led him to respect the national sovereignty of states, and to uphold social justice for all men, while Churchill's, imperial and financial, was nothing more than that of the Anglo-American cabal, based on looting and globalist one-world rule, which Roosevelt had fought and temporarily won out over within the United States.

Much is said of the great quarrel that pitted Roosevelt against Charles de Gaulle, which was real and violent, but became less traumatic after de Gaulle discovered the United States for himself in 1944, and the disagreement was finally resolved in a legitimate alliance for the development of all peoples, when de Gaulle supported Kennedy, the disciple of Roosevelt. That "Gaullism" and "Rooseveltism," despite the legitimate opposition of interests due to the national peculiarities of France and the United States, could converge upon a design of mutual economic development of the people of the world, and a rejection of the Anglo-American model, was ironically understood by Monnet, who, despite his own disagreements with de Gaulle, supported his return to power in 1958, because he was the only man capable of solving the French colonial mess in Algeria. The confirmation of what I have just said, was given, as a proof given by vice to virtue, by the assassins of the Kennedy brothers and Martin Luther King, who were the same people who tried to murder de Gaulle, for the same oligarchical reasons.

Roosevelt Confronts Churchill

Two key points remain now to be stressed, as lessons for us today. The first is the much-less-commented upon, but far more fundamental quarrel that pitted Roosevelt and Churchill against each other throughout the war, and lets us understand the difference between the two major forces that are fighting each other today, the American System forces and the Anglo-American, British-American-Commonwealth forces. This should be clear to all Europeans, but it is unfortunately not so. The second point, even less well known, including in our own movement, is the legacy of Roosevelt's New Deal in Europe, through the explicit postwar contributions of Monnet to the economic recovery of Europe and the political conceptions of Konrad Adenauer, Robert Schuman, and even de Gaulle himself. A few ghosts may not forgive me for saying all that, but it is absolutely true, and represents one of the most beautiful ironies of contemporary history through our common transatlantic universe, in which the emergence of Lyndon LaRouche in the United States is the most recent and lawful element.

To better understand our first point, let us evoke a rather dirty but revealing image. It is that of Henry Kissinger, on May 10, 1982, mounting the podium at Chatham House, the London home of the Royal Institute of International Affairs, to deliver the keynote address for the bicentennial celebration of Jeremy Bentham's Foreign Office. Kissinger prided himself on his loyalty to the British Foreign Office on all crucial matters of postwar policies in any dispute between the United States and Britain. The crux of his disagreement with the United States, he told his audience, was the essential opposition in policy and philosophy between Franklin Roosevelt and Winston Churchill. Roosevelt, Kissinger said, had condemned Churchill for being "needlessly obsessed with power politics, too rigidly anti-Soviet, too colonialist in his attitude, and too little interested in building the fundamentally new international order towards which American idealism has always tended."

Kissinger concluded, saying that Churchill was right, and Roosevelt, wrong. So much for the mass of lies and half-truths about the so-called "special relationship" between Britain and the United States. The historical evidence shows that Roosevelt entered into the military alliance with Britain with only one purpose in mind: the defeat of fascism and Nazism. But also, that Roosevelt was fully committed to dismantling the British Empire. Historian Arthur Schlesinger, Jr., a close collaborator of Kennedy, goes so far as to state that, according to the evidence given by F.D.R.'s son Elliott in *As He Saw It*, Roosevelt saw Great Britain and its imperial system as a

far greater adversary to the United States than Soviet Russia.

In any case, the wartime opposition between Roosevelt and Churchill was fierce, and defines present-day history. Roosevelt, as early as in papers published before 1930, and most notably his 1928 article in the journal *Foreign Affairs*, stated that moral principles must govern foreign policy, and that imperialist looting and gunboat diplomacy are contrary to documents that he regarded as sacred, the Declaration of Independence and the U.S. Constitution. In 1936, Roosevelt further elaborated his conceptions, stating, “We seek not merely to make Government a mechanical implement, but to give it a vibrant personal character that is very much the embodiment of human charity.” Churchill cynically commented a few years later: “Roosevelt was a man of dangerous moral sentiments.”

The first serious clash between Roosevelt and Churchill, as reported by Elliott Roosevelt, took place in Argentina, Newfoundland, on Aug. 13 and 14, 1941, at the discussions of the famous Atlantic Charter, an eight-point declaration on democratic principles. Let’s quote Elliott:

“The British Trade arrangements,” he [Churchill] began heavily, “are. . . .” Father broke in. “Yes. Those Empire trade agreements are a case in point. It’s because of them that the people of India and Africa, of all the colonial Near East and Far East, are still as backward as they are.”

Churchill’s neck reddened and he crouched forward: “Mr. President, England does not propose for a moment to lose its favored position among the British Dominions. The trade that has made England great shall continue, and under these conditions prescribed by England’s Ministers.”

“You see,” said Father slowly, “it is along in here somewhere that there is likely to be disagreement between you, Winston, and me.

“I am firmly of the belief that if we are to arrive at a stable peace, it must involve the development of backward countries. Backward peoples. How can this be done? It can’t be done obviously by Eighteenth-century methods. Now—”

“Who’s talking about Eighteenth-century methods?”

“Whichever of your ministers recommends a policy which takes raw materials out of a colonial country, but which returns nothing to the people of that country in consideration. *Twentieth*-century methods involve bringing industries to these colonies. *Twentieth*-century methods include increasing the wealth of a people by the standard of living, by educating them, by bringing them sanitation—by making sure that they get a return for the raw wealth of their community. . . .”

“You mentioned India,” he [Churchill] growled.

“Yes. I can’t believe that we can fight a war against fascist slavery, and at the same time not work to free people all

over the world from a backward colonial policy.” [Emphasis in original]

So, this quite brutal exchange speaks for itself. F.D.R. had commented to his son earlier: “We’ve got to make clear to the British from the very outset that we don’t intend to be simply a good-time Charlie who can be used to help the British Empire out of a tight spot, and then be forgotten forever.”

Finally, Churchill had to bend. A clause of the Atlantic Charter states: “That they [the signatories] respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them.” Churchill insisted that this only applied to occupied nations. Roosevelt, however, demanded the inclusion of the term “all,” meaning that its applicability was universal—it included all colonial peoples, and to start with, those of the British Empire.

Writing in 1950, Churchill, otherwise a hypocrite, let down his guard about his true feelings about Roosevelt: “The President’s mind was back in the American War of Independence and he thought of the Indian problem in terms of thirteen colonies fighting George III at the end of the Eighteenth century.”

Indeed, in July 1942, F.D.R. sanctioned a world tour by former Republican Presidential candidate Wendell Wilkie, whom he had recruited into a tactical alliance against British imperialism. On his return to the United States, Wilkie delivered a nationwide radio broadcast on his findings. He declared:

In Africa, in the Middle East, throughout the Arab world, as well as in China, and the whole Far East, freedom means the orderly but scheduled abolition of the colonial system. . . . When I say that in order to have peace this world must be free, I am only reporting that a great process has started which no man—certainly not Hitler—can stop. . . . After centuries of ignorant and dull compliance, hundreds of millions of peoples in Eastern Europe and Asia have opened the books. Old fears no longer frighten them. . . . They are resolved, as they must be, that there is no more place for imperialism within their own society than in the society of nations. The big house on the hill surrounded by the mud huts has lost its awesome charm.

The next day, Roosevelt was asked at a press conference for his comment about the last section of the Wilkie speech. He answered that Wilkie had only restated a well-accepted point, that “the Atlantic Charter applied to all humanity.”

When Churchill could not contain himself and declared before the British Parliament, on Nov. 10, 1942, “I have not become the King’s First Minister in order to

Jean Monnet was probably the only man who understood, in economic terms, that only Roosevelt’s ideas could save Europe; while men like Adenauer, Robert Schuman, De Gasperi, and de Gaulle, were conscious of the need to create the political conditions for such dirigistic policies. It is the combination of these two things that saved Europe from chaos and collapse.



Fondation Jean Monnet pour l'Europe

Jean Monnet with President John F. Kennedy at the White House.

preside over the liquidation of the British Empire,” F.D.R. wrote in a letter to an aide: “We are going to have worse trouble with Britain [after the war] than we do with Nazi Germany now.”

Roosevelt was well aware that his conceptions were strongly rejected by his own State Department. No matter how many times he lectured its agents on the need to avoid postwar regional security arrangements or an overreaching world government, they kept trying to create a new and bigger Versailles system, with a new and bigger League of Nations. This was absolutely not Roosevelt’s conception of the future United Nations Organization: He did not want, he frequently said, to walk down the failed path of the Anglo-American Woodrow Wilson. His comments to his son Elliott, notably in December 1943, make the point clear:

“You know,” Father was saying, “any number of times the men in the State Department have tried to conceal messages to me, delay me, hold them up somehow, just because some of those career diplomats aren’t in accord with what they know I think. They should be working for Winston. As a matter of fact, a lot of the time, they *are*. Stop to think of ’em: any number of ’em are convinced that the way for America to conduct its foreign policy is to find out what the British are doing, and then copy that. . . .

“I was told,” Father said, “six years ago, to clean out that State Department. It’s like the British Foreign Office.” [Emphasis in original]

At another point, he commented, “I’ll take care of these matters myself. I am the only person I can trust.”

The LaRouche Heirs of a ‘Global New Deal’

Roosevelt’s postwar grand design was that of a “Global New Deal,” to achieve at the level of world politics what he had undertaken within the United States. Two things have to be immediately stressed. First, it is only Lyndon LaRouche and his co-thinkers who today are the heirs of this Roosevelt of the last years. As I am going to mention Roosevelt’s projects, it will be easy for you to understand why. Second, Roosevelt’s programs were undoubtedly inspired by a concept of physical economy, gained both through his reading and re-reading of Hamilton, and the experience of the dirigistic war mobilization, as conceived with Monnet.

Roosevelt’s postwar “Global New Deal” was, in fact, a Marshall Plan concept extended to the whole world, in a much more coherent way, and the emphasis, as opposed to the later Marshall Plan, was put on human coloniza-

tion programs to develop the areas of the world then underpopulated or underdeveloped. Roosevelt's view was that war refugees, and the more miserable men of the world as well, should be given a mission similar to the design of those who colonized the New World. Everything that had been thought about these matters by others, Roosevelt understood, had been wrong, because they were thought out on a too-small scale, and without the sense of linking science and technological development—the American System—to the project.

Roosevelt proposed that there be surveys done of Asia, Africa, Australia, and North and South America, to determine areas of millions of square kilometers for resettlement. Plans would then be drawn up to develop infrastructure, irrigation systems, cities, farming. He wanted to build a number of superports at key locations on several continents, to help speed a just world trade. He proposed the construction of several major rail lines, including in China, and a link through China to Russia. He also proposed to build a rail line across Africa, from East to West, the old trans-Sahara project of France's Gabriel Hanotaux, and a rail line from the new Gulf superport, through Iran, into Russia, and then going east and west. He called for construction of canals and waterways in Asia and Ibero-America, and for water-management projects in Asia, including the Ganges-Brahmaputra River system of India, and in Europe linked to the development of hydroelectric power. He also proposed massive irrigation plans for the Sahara; water, said Roosevelt, could be pumped from underground and aboveground rivers and streams for use in gigantic reforestation projects, oil resources being developed not only for export, but mainly as a part of these larger projects.

This sounds familiar to all of us. And yes, the Global New Deal is the direct forerunner of LaRouche's grand design today, more so even than you may think. Let me give two anecdotes to show what I mean.

First, when Roosevelt, after Yalta, on February 1945, visited the Middle East, he told his friend and Labor Secretary Frances Perkins: "Why is the Mideast so unstable? Because people here are so poor. They have almost nothing to eat. They have nothing to be normally busy about. They need supplies, and they need to find them in their very land. Only this would diminish the risks of a big explosion in these regions. See what the Jews have been doing in Palestine. They constantly invent new ways to cultivate the desert." He stopped to think a bit, and then went on: "When I am going to be no longer President, and this bloody war is at last going to be finished, I think that we may head to the Mideast with Eleanor, to see if

we could set up some firm, such as the Tennessee Valley Authority, and do something for these countries." Well, he could not think of nuclear energy in those days, but the concept of a common purpose, of peace through common development, is fully there.

Second anecdote: Perkins reports the following dialogue between F.D.R. and a pretentious journalist of those days:

"Are you a communist, Mr. President?"

"No."

"Are you then in favor of capitalism?"

"No."

"Are you a socialist?"

"No."

The young man, who had his notes in his lap, continued:

"But then, what is your philosophy?"

"My philosophy," said Roosevelt. "I am a Christian and a democrat, and I prove it through my acts, that's all."

After Roosevelt was reelected for a fourth term, in 1944, and used the election campaign to educate Americans about their special responsibility in the creation of the postwar world, the British and the Wall Street bankers did not like it at all. Republican candidate Thomas Dewey, who was controlled by John Foster Dulles, whose personal characteristics were even worse than those of his brother Allen, claimed that Roosevelt and the New Deal apparatus responsible for his economic proposals were communists. The British sent emissaries to check whether the situation were really as bad as they thought. That is, as good British oligarchical financiers, they wanted to debrief F.D.R. on his plans to finance his projects.

At the Pacific War Council, in Washington, F.D.R. said that he wanted to create low-interest credits for projects and programs, and wanted to work toward a coordinated plan to eliminate the interest-rate problem completely. He proposed that steps be taken by governments to bring this about: It was his conception of a Bretton Woods system. Lord Halifax, the British Ambassador to Washington, already made apoplectic with a plan to bring several million Chinese into underpopulated Australia, then sensed that something bigger was at stake. He questioned Roosevelt about how such a broad plan could be only for the Pacific. The President, he warned, was proposing major changes that would have a major impact on the rest of the financial world, including his own country, Britain. "So be it," Roosevelt replied soberly.

Then, Halifax asked what serious economic experts thought of such radical ideas. Roosevelt said politely that

he welcomed the ideas of everyone, including the people at that table. He then continued, that “cooperative allies did not need to be, or need, experts to make their plans work.” When Halifax silently expressed his dislike for such poor taste, Roosevelt added: “I realize that the experts would probably attack this proposition [about debt and interest] with enthusiasm, however, I have come to realize that nearly everything taught me in college by ‘the experts’ has been proven wrong!”

The Aftermath of F.D.R.’s Death

But Roosevelt, overworked and overtired, died of a massive cerebral hemorrhage on April 12, 1945. During his last days, he was working on a plan which he had preliminarily dubbed “Food for Peace,” which involved the unleashing of American agriculture to feed the world, while deploying American technology to make hungry nations food self-sufficient. On the day he died, one Chicago banker sighed with relief: “Thank God, that’s over.” But the way the majority of the American population felt was expressed by a young soldier, who stood before the White House, repeating: “I felt as though I knew him.”

Churchill did know that Roosevelt’s health was deteriorating, through reports of his own personal physician. It is certainly the case that Churchill deliberately caused strain and helped to wear down Roosevelt by personally insisting on two summits in Canada during the height of the 1944 Presidential campaign, and though his delay of the proposed summit with Stalin until it required a difficult, 12,000-mile mid-winter trip to Yalta.

In any case, as soon as Roosevelt was buried, the British oligarchs and the Wall Street establishment did everything to throw out his plans and programs. The United Nations was soon taken over by a pack of British agents; Stalin’s paranoia was worked upon and the conditions for the Cold War established; Truman was induced to drop two atomic bombs on Japan, to scare any opponents of the new world order; the doctrine of Mutually Assured Destruction was imposed on fearful populations; and the British, French, Dutch, and Portuguese colonies were not freed. The British imperial flag rose again. The Marshall Plan was reduced to a scheme to reconstruct Western Europe as a buffer against Soviet Russia, and not extended to the nations of the South. Worst of all, the legend of a weak Roosevelt, who at Yalta had “sold Poland, Hungary, Romania, and China down the river, with no respect for the nation-states,” was spread by the British themselves, helped by the Harrimans and the Dulles brothers, when, in fact, it

was Churchill who had cynically started a two-empire game with Stalin, to protect his own!

The Torch Is Passed

It is only today that we have a clear chance to reverse that disaster, and go back to what Roosevelt intended. It is the old idea of peace through mutual development, in Europe and on a world scale. It was first the attempt of Count Sergei Witte, Emil Rathenau, and Gabriel Hanotaux at the end of the Nineteenth century, and second, that of Albert Thomas and Walther Rathenau at the end of World War I, the idea to mobilize the means of a dirigistic economy set up for war in order to secure post-war peace through great civilian projects. Third, it was Roosevelt, and now it is up to us to succeed at the point where those predecessors left history. Lyndon LaRouche is the man carrying the torch, with our strategy to make of the financial crash a lever and an eye-opener to go, politically, beyond our predecessors. It is, this time, the frontal and decisive fight against British imperial methods, with no compromise possible, inside and outside the United States.

For we Western Europeans, in particular, it is a very precise challenge, whose meaning can only be understood if we go back to the Europe of 1945. Because it is then, that what was left of the Roosevelt drive came back to us, endowing us with a unique responsibility whose hour of truth is coming today. We had the chance, in particular we French and Germans, to receive the best of the inheritance, and our historical duty is to bring it back to the whole world, as a gift for its and our future. We French and Germans have not yet grasped a real understanding of what it means, so, if you have been moved by the fight that Roosevelt led until his death, you have to consider the key point I am going to make now.

If we managed to build our modern states from the rubble of World War II, it is thanks to the Rooseveltian drive; not because of the American protection against the Reds, but because of the ideas of the American System that were applied in the Europe of those dark days. It is here that the name of Jean Monnet reemerges, at the core of a crucial challenge.

Monnet and ‘Indicative Planning’ In France

Jean Monnet was probably the only man who understood, in economic terms, that only Roosevelt’s ideas could save Europe, while men like Adenauer, Robert Schuman, De Gasperi, and de Gaulle were conscious of

the need to create the political conditions for such dirigistic policies. It is the combination of these two things that saved us from chaos and collapse.

Monnet, as soon as he arrived in France, in 1944, stressed the need for “indicative planning,” to break with the routine, promote pioneering technologies, and create a national drive to achieve at the same time reconstruction, modernization, and an increase in the living standards of all. He conceived, following the Roosevelt model, a team of about thirty people to propel the French administration, and to organize a collective effort around modernization committees, composed of representatives of the administration, experts, employers, trade unionists, and executives, to muster all the forces of the nation around a “one.” He proposed to de Gaulle to take full responsibility for this Commissariat au Plan, on the condition that he be directly connected to the then-president of the Council, the head of the French executive. At the end of Monnet’s presentation, de Gaulle asked him: “You are certainly right. But do you really want to try?” Monnet answered: “I don’t know if I am going to succeed, but I am convinced that there is no other way.”

When de Gaulle left office, in January 1946, Monnet imposed his full powers on all the weak French politicians, and centralized the state economic policies around him. The first three French plans were a total success, and the basis of the French economy was reestablished. A key point, is that to finance the investments in the plan without discontinuity or inflation, a fund for national modernization and equipment was created, to which Monnet managed to give full responsibility for the management of the equivalent in francs of the Marshall Plan funds, as industrial leverage. In other words, the French authorities would get American basic products as grants or with long-term loans; they were re-sold inside France for francs, the equivalent of the dollar prices; and with those francs, the fund would lend to industrialists or invest in equipment for projects, with a leverage effect, a multiplier economic impact, anti-inflationary by its very nature. In other words, the fund was set up as a central reconstruction engine, collecting the repayments in francs and channelling them into further investment projects, in accordance with the needs of the nation as defined by the plan.

It was in France and Germany, through the French Fond National de Modernization et d’Équipement (National Fund for Modernization and Equipment) and the German Kreditanstalt für Wiederaufbau (Reconstruction Credit Bank), that the Marshall Plan funds played the role that Roosevelt would have wanted. Monnet’s comment was that, in Great Britain, the Marshall

aid credits, instead of being used to restore or to modernize industry, as was the rule in France and in Germany, were used with the perspective to restore British financial power, according to the perverse system of foreign investments. The weakness and backwardness of British industry were caused by just that, and they kept accumulating over time.

In France, the concept of indicative planning, as conceived by Monnet and de Gaulle, was developed by a small team of people instructed to bypass the bureaucracy through the organized pressure of the trade unions and the employers’ associations, the Roosevelt-Monnet method. Philippe Lamour, the creator of the Compagnie du Bas-Rhône-Languedoc, which modernized southeastern France, and then of the Société du Canal de Provence, the Corsican Somivac, and the Société pour l’Aménagement des Coteaux de Gascogne, all gigantic projects on the scale of the economy of France in those days, reports the following, according to Libert Bou:

David Lilienthal [first head of the Tennessee Valley Authority] inspired us. Monnet had given me his book, *Adventurer in Planning*, to read, and I was enthusiastic. There had happened at the same time water management, agricultural development, land development, and the construction of the first atomic energy plant. When Lilienthal came to Paris, Monnet introduced me to him, and then told him: ‘Please, tell this young man what you have done in Tennessee. Tennessee, it was no better than Auvergne! It was made up of badly kept, old farms, and now it is a land of plenty.’ Lilienthal laid out the notion of land development—*aménagement du territoire*—and so we started to do it in France. In *Build for the People*, Lilienthal indeed specified that what was done in the United States could be done in Europe, in the Po and Rhône valleys, for example, or in Asia and Africa, in the Ganges and Nile valleys. It was a dynamic concept which completely changed my ideas on agricultural investment. I could not convince anybody in the Agriculture Ministry, but we did it, because thank God it coincided with the Marshall Plan. It is then that the agricultural revolution started in Europe.⁶

It is therefore clear that it was with the American methods of the New Deal system, that Europe was salvaged from the rubble of World War II and the backwardness of most of its elites.

Even more interestingly, Monnet thought that if French industrialists were to proceed by the old methods, disaster would soon loom. So, he told his team: “Let’s send them to the United States.” And he had his friends organize the famous “productivity missions,” through which hundreds of French industrialists came to America to learn how the Americans worked.

It was with the American methods of the New Deal system, that Europe was salvaged from the rubble of World War II and the backwardness of most of its elites. Thanks to Roosevelt, the ideas of the American System came back to Europe to inspire the German system of ‘Rhineland industrialism,’ and the French ‘indicative planning.’

West German Chancellor Konrad Adenauer (left) and French President Charles de Gaulle, Rheims, France, July 1962.



Let’s hear Monnet’s close collaborator, Jean Fourastié, comment:

The *missions de productivité* were Monnet’s baby, and originally linked to the Marshall Plan. I organized them with Bob Silberman, sent to France by the U.S. Office of Labor. We put together 400 of such missions, assembling in the same boat industrialists, engineers, specialists and workers. [In 1946 France, such an idea, with industrialists who had just cooperated with Nazi Germany, and workers who were, in great numbers, Communist affiliated, was in itself quite an undertaking.—JC] There was a unanimous judgment when they came back: They had been given the recipe for a take-off.

Here comes the most interesting part. Fourastié continues:

The idea was very well received, quickly and everywhere. We all noticed that there was something paradoxical that our European treatises on economic science would ignore the concepts of productivity and technological progress. Economic science, as it was taught in France—but the situation was the same in all Europe—ignored such notions.

Later, he commented, “We owe it to Monnet and America.”⁷

The European Coal and Steel Union

At that point, Monnet understood that both economically and politically, continental Europe could not do without an active and independent Germany. He was convinced of it when he met his British friend Edwin Plowden, who was to become the first president of the British Atomic Energy Authority, in 1954. Plowden, otherwise a very clever and well-informed man, exhibited an absolute lack of interest in European continental development. He was only concerned, deplored Monnet, with the value of the pound, the British Empire, and the “special relationship” with the United States. Monnet thus realized that nothing good could be done with Great Britain. Then he looked at the American leaders, and, comparing them to those of the Roosevelt times, concluded that not much could be accomplished with them either. Hence, his idea of a “federal Europe,” as a long-term political reference.

He was well aware that it is not through abstract schemes that you can change reality; therefore, he decided to start with a precise physical project, then the much-needed physical base for Europe: coal and steel production. He saw in it three things: the first step toward peace through development in Europe, the possibility of con-

cretely integrating Germany as a full-fledged independent partner in European development, and, for France, the only grand design that would force the break with its economic backwardness and its catastrophic colonial delusions. Later, in 1956, his second step for the economic integration of Europe was also physical: It was the Euratom, the atomic energy production agency, and not the Common Market, which he only endorsed when there was no other choice. Europe, he would keep repeating, is “a federal power plus the peaceful use of nuclear energy.”

As soon as Monnet had the idea of a European Coal and Steel Agency, with a Franco-German core but open to all European countries wishing to join, he started testing it with his close network of friends. On the basis of such discussions, he wrote a short and precise note for then-president of the French Council of Ministers Georges Bidault. Let me quote its main points:

The accumulated obstacles prevent the immediate realization of this close association of the peoples of Europe that the French government considers as its goal. The way to overcome such obstacles is to immediately engage the action on a limited but decisive point: The joint production of coal and steel would immediately ensure the creation of a common basis for economic development, a first step toward European federation, and would change the destiny of those regions of the world, for so long involved in the production of weapons of which they have been most often the main victims. . . . In opposition to an international cartel which has the tendency to share and exploit national markets for restrictive practices and to maintain high profits, our planned organization would secure the fusion of the markets, the expansion of production, and the adjustment from above of the living standards of the workers.⁸

Bidault was not enthusiastic, but fortunately, Foreign Affairs Minister Robert Schuman’s right-hand man, Bernard Clappier, gave the Monnet note to his minister. Schuman, on April 29, 1950, was going for a weekend to his house in Lorraine. He used all his time there to read and reflect upon the paper, and when he came back to the Gare de l’Est train station in Paris, he told Clappier (he was not a great speaker): “Well, I have read the Monnet paper; it is a revolution. My answer is yes.”

Monnet was in a hurry, because there was a Franco-British meeting in London scheduled for May 10, to discuss an American project on dismantling of the Ruhr Authority. Monnet knew that he had to take the Anglo-Americans by surprise. As soon as Clappier informed him of Schuman’s support, he rushed to meet his friend Alexandre Parodi, General Secretary of the Foreign

Affairs Ministry, to tell him not to inform his administration, because “to succeed, we had to leave aside all the ambassadors and the usual diplomatic impediments.” Schuman then sent a messenger to their friend Konrad Adenauer, caught during a cabinet meeting on May 9, which the French envoy asked to interrupt. Adenauer, not very happy about it, was overwhelmed with joy when he learned what all this was about. “It was exactly my conception of harmonizing the key European industries, and I sent my full approval to Schuman.”

Two steps remained to be taken: First, to convince the French government to approve it, also on May 9, and to announce the project in the afternoon, through a Schuman declaration at the Foreign Ministry, the Quai d’Orsay, in the presence of Monnet and his team! The press and the ambassadors fell off their chairs in surprise. The second step was to neutralize Dean Acheson, the American Secretary of State, who had the bad idea to stop over in Paris before going to London. Monnet masterfully did the job, and “the limited imagination of my friend Acheson,” writes Monnet, may have prevented him from seeing all the implications of the project.

On May 10, in London, British Foreign Secretary Ernest Bevin had a fit of rage: “Britain has been humiliated! This is the policy of *le fait accompli*. We can’t accept that.” French Ambassador to London René Massigli supported Bevin, and Schuman presented his deep apologies, but modestly tilting his head, he added: “But it is now done.”

Monnet was not at all surprised. Lord Plowden comments: “Since my conversation with him in the Spring of 1949, Jean Monnet, I believe, had renounced the idea of building Europe with Great Britain.”⁹

Our Task Today

Now let’s come back to Europe at the end of May 2000. We have a clear task. And our standards are the Schuman-Monnet-Adenauer initiative of 1950, together with the Franco-German friendship treaty of 1963, the de Gaulle-Adenauer treaty. Well, the formalistic bureaucrats would say, “But Mr. Cheminade, you are putting together two things that can’t be: on one side, Monnet’s federal conceptions—which German Foreign Minister Joschka Fischer claims to reflect—and on the other side, de Gaulle’s absolute attachment to national sovereignty. These do not work together.” Well, I am happy to say, they do. Not in a formal way, but as a matter of content.

This is the lesson of Roosevelt. Put the content first: to win the sacred cause of the nation-state means first to

defeat the British imperial methods, and their Anglo-American upsurge. This can only be done through associations on the basis of common principles and common causes, with a precise backing of great projects, to shift the economic conditions and change the thinking of the peoples. For such great projects, if they exist, and as they proceed, delegations of sovereignty to a higher authority are possible, not to stifle or crush the nation-state, but, on the contrary, to give it a higher purpose. Not institutions built on quicksand, out of ideological prejudices, but coming into being out of a common purpose, common actions on the physical reality. Physical economy first!

In that sense, Monnet and de Gaulle worked, at the crucial moments, in the same direction, and, in a way, Adenauer and Roosevelt were their common denominators. In Germany, it is the track of Friedrich List, and in France that of Carnot. The key point here, is that both French and German original contributions first created the American System, and that after World War II, thanks to Roosevelt, such ideas came back to Europe to inspire the German system of “Rhineland industrialism,” and the French “indicative planning.” What I presented to you today, is the irrefutable evidence of this.

Ah, but this is not an abstract matter, food for bureaucrats, historians, or a passive audience. It is history, here and now. It gives us—Frenchmen, Germans, and continental Europeans—a special responsibility toward ourselves, the United States, and the world. We have to pick up the torch that our leaders have left lying on the ground, and build Europe in the only way it could be meaningful, with a great design for itself, and beyond itself. This means the spirit of Monnet, Adenauer, Schuman, and de Gaulle, of De Gasperi and Mattei, of which the New Bretton Woods and the Eurasian Land-Bridge are the expressions. They belong not to Europe or to the United States, but to our common future as an alliance of sovereign nation-states, as living gifts for our future, enriched by our common contributions.

Retrospectively, we can say this or that, and grumble about such-and-such shortcomings. Maybe Roosevelt didn't have the best understanding of German and French history, and he certainly should have kicked his Treasury Secretary Henry Morgenthau in the ass, for his insane plans to destroy Germany forever and to turn France into pastureland. Maybe Monnet was too much of an Anglo-Saxon, and his federalism was not compatible with the nation-state principle, at least in the long run. Maybe de Gaulle, in 1945, still had his own imperial delusions, and his dreams of l'Union Française were dangerous, as proven by the Setif massacres of May 8, 1948,

by the colonial French troops in Algeria.

But, the real problem comes, when our grumblings prevent us from acting today. Because we have no excuse, if we look at it from the standpoint of the future, and not of the past. A leadership cadre has been developed around our movement, around the ideas of LaRouche and his co-thinkers, and we have developed, or should have developed, a mastery of the questions of human cognition that our predecessors had not. All our conference has been about that. Now you are in a condition to compare, and you have nothing left to hide. We know better who we are.

Therefore, as for us Europeans, we have an additional duty. It is to revive and bring back to the United States what is left in our hands of the treasure that was sent to us from America in the postwar reconstruction. This means to support LaRouche, and, yes, to intervene in that sense in American domestic affairs, through the support of the only present-day representative of the historical American System, our American System.

Let me end with two quotes, one from Franklin Delano Roosevelt, the other from Robert Schuman. Not two of these nice quotes which make you look literate; but instead, of the type that are aimed at changing the meaning of one's life, and which are both of absolute relevance to our present identity as patriots and world citizens.

Roosevelt, at the Democratic Convention of 1936: “To some generations much is given. Of other generations, much is expected. This generation of Americans has a rendezvous with destiny.”

Schuman: “What we do is not only done for our nations, we do it while looking far beyond our borders, thinking of what all humanity expects from us.”

Indeed, we have today a rendezvous with destiny. Our predecessors are looking upon us, and humanity expects us to move, always beyond the borders of our cognition, always thinking and doing more, to win the decisive battle and defeat the oligarchical principle once and for all.

1. George Ball, interview with Eric Roussel, in Eric Roussel, *Jean Monnet* (Paris: Fayard, 1996). All quotes from Roussel have been translated by the author from the French.
2. Emmanuel Monick, *Emmanuel Monick pour Mémoires*.
3. Robert Nathan to Eric Roussel, in Roussel, *op. cit.*
4. Jean Monnet, Dec. 15, 1941.
5. Lord Roll to Eric Roussel, March 12, 1992, in Roussel, *op. cit.*
6. Libert Bou to Eric Roussel, Rungis, June 27, 1992, in Roussel, *op. cit.*
7. Testimonial of Jean Fourastié, Jean Monnet Fund, Lausanne, Switzerland.
8. Jean Monnet letter to Georges Bidault, April 28, 1950, in Roussel, *op. cit.*
9. Lord Plowden to Eric Roussel, in Roussel, *op. cit.*