

# The Crash Is On!

As this issue of *Fidelio* goes to press, the global financial collapse which Lyndon LaRouche has forecast is an onrushing reality, despite the Herbert Hoover-like denials of U.S. Secretary of the Treasury Paul “the fundamentals are strong,” “the recession never happened” O’Neill. On the record, LaRouche is the most successful long-range economic forecaster of the past thirty-five years. He has never published a forecast which failed to materialize. The present world and U.S. monetary-financial system is disintegrating, exactly as he forecast it would. And now, as the system is disintegrating, the only workable reform on the table is that of LaRouche.

In the first half of 2002, U.S. stock-market values alone have lost \$1.5 trillion. Moreover, just as the New Economy bubble of the dot.coms and telecom sector has burst, with the Nasdaq falling almost 75 percent in market value since March 2000, the next to burst will be the housing bubble. The financial pages of U.S. newspapers have rapidly become police blotters. Enron, Arthur Anderson, ImClone, Tyco, WorldCom, are not cases of “loan assassins,” however. The fraud is systemic. It is the way business is done. And the biggest fraud of all, is the data provided by the U.S. government itself. There is as much substance to the government statistics, designed to prop up the financial bubble and promote the “economic recovery,” as there was to WorldCom’s profit reports.

The U.S. current account deficit for the first quarter of 2002 was a record \$112 billion. Sustaining such a deficit requires a flow of \$1.5 billion a day in foreign investment into the United States. But, the inflow has already now dropped by 55 percent. As a result, the dollar is collapsing against both the euro and the yen.

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## EDITORIAL

The collapse, accurately forecast only by LaRouche, can not be avoided.

Under these conditions, unless LaRouche’s economic solution is acted upon, the danger is that, not only will the financial collapse accelerate, but the Bush Administration will move decisively towards fascist, police-state measures domestically, and war in the Middle East, by as early as the August-September-October period. President Bush’s speech on the Israeli-Palestinian conflict, in which he effectively gave the go-ahead to the Israelis to

eliminate Yasser Arafat, must be seen in this light.

What is the alternative? As LaRouche has stressed most recently in presentations in the United Arab Emirates and in Sao Paulo, Brazil, reported in this issue of *Fidelio*, the only alternative is to put the entire system through the equivalent of Chapter 11 bankruptcy reorganization; to create a New Bretton Woods system, junking free trade, deregulation,

## For the Love of Truth

The greater the gift I must bequeath upon you,—and what greater gift than truth has any man to give to man?—the more I must take caution that its value is not debased in my hands.

There is none among you to whom history has nothing important to convey; however different the paths toward your future destinies, it somewhere binds them together; but one destiny you all share in the same way with one another, that which you brought with you into this world—to educate yourself as a human being—and history addresses itself to this human being.

The course of studies which the scholar who

privatization, etc., and returning to protectionism; to promote the Eurasian Land-Bridge; and to defend the sovereign nation-state as the only institution capable of promoting the General Welfare.

As LaRouche has emphasized, such a reform is hated by all American Tories and their lackeys, almost as much as they hate God Himself. All of the notable expressions of lying and hatred against LaRouche and his proposals come chiefly from what is known as the “American Tory” persuasion, who recognize in LaRouche what they regard as an obnoxiously effective expression of that patriotic American Intellectual Tradition of Benjamin Franklin, Abraham Lincoln, and Franklin Roosevelt, which they had hoped had been stamped out.

In this special double issue of *Fidelio*, we present you with a clear choice between the American Intellectual Tradition of Lyndon LaRouche, and the American Tory tradition of the neo-Confederate Nashville Agrarians, and such of their offspring as Henry Kissinger and Zbigniew Brzezinski, two of the

feeds on bread alone sets himself, is very different from that of the philosophical mind. The former, who, for all his diligence, is interested merely in fulfilling the conditions under which he can perform a vocation and enjoy its advantages, who activates the powers of his mind only thereby to improve his material conditions and to satisfy a narrow-minded thirst for fame, such a person has no concern upon entering his academic career, more important than distinguishing most carefully those sciences which he calls “studies for bread,” from all the rest, which delight the mind for their own sake.

Who rants more against reformers than the gaggle of bread-fed scholars? Who more holds up the progress of useful revolutions in the kingdom of knowledge than these very men? . . .

How entirely differently the philosophical mind comports itself. . . . All his efforts are directed toward

men most responsible for the destructive paradigm shift of the last 35 years, the consequences of which we are now suffering.

This choice is presented in two features and a number of supplementary articles: Lyndon LaRouche’s “Freedom vs. ‘Democracy’: How ‘Democracy’ Became Diseased”; “Seduced from Victory: How the ‘Lost Corpse’ Subverts the American Intellectual Tradition,” by Stanley Ezrol; and a package of articles on the origin of the sovereign nation-state—“Henry VII and the Creation of Shakespeare’s England,” by Robert Trout, and “William Shakespeare and Sir Thomas More: The Conscience of Kings,” by Paul Gallagher.

Whether the world survives the coming months is ultimately up to you. Contrary to the existentialist Jean Paul Sartre, who wrote in *No Exit* that Hell is “other people,” we do have an exit from Hell, and that exit is *to organize other people*. In this war to save humanity, we have but one weapon—our love of the truth. Let us wield it as Lyndon LaRouche has done.

the perfection of his knowledge; his noble impatience cannot rest until all of his conceptions have ordered themselves into an organic whole. . . . New discoveries in the sphere of his activities, which cast the bread-fed scholar down, delight the philosophical mind. . . . Even should these new discoveries leave it in ruins, a new chain of thoughts, a new natural phenomenon, a newly discovered law in the material world overthrow the entire edifice of his science, no matter: *He has always loved truth more than his system*, and he will gladly exchange the old, insufficient form for a new one, more beautiful. Indeed, if no blow from the outside shatters his edifice of ideas, he himself will be the first to tear it apart, discontented, to reestablish it more perfected.

—Friedrich Schiller,  
from “What Is, and to What End Do We  
Study, Universal History?”