Hvordan menneskehedens produktivitet udløses: En ny økonomisk orden. LaRouchePAC Fredags-webcast, 26. august 2016.

Matthew Ogden: I aften har vi en særlig gæst med os, Paul Gallagher, økonomisk redaktør for *EIR*, og som vil præsentere for os det klare og presserende nødvendige valg, som amerikanere må træffe for at opgive den forfejlede økonomi, som er Obamas politik med nær-nul-vækst, og beslutsomt må tilslutte sig den nye, økonomiske orden, som Kina har indledt. Med det forestående G20-topmøde, der skal finde sted om en uge, har Kinas præsident udtrykkeligt gjort det klart, at det er hans hensigt, at dette topmøde skal bruges til at fremme skabelsen af en »ny international finansiel arkitektur« i samarbejde med Rusland og andre betydningsfulde magter, baseret på videnskabelig og teknologisk innovation og vækst. I mellemtiden konfronteres USA og Europa med det transatlantiske systems fremstormende implosion, der ikke alene skyldes den enorme akkumulering af gældsbobler og eksponering til derivater, men i endnu højere grad årtiers fravær af enhver reel vækst i økonomisk produktivitet. Kinas program for udforskning af Månen tjener til at illustrere kilden til ægte, økonomisk værdi. Kun gennem en omgående vedtagelse af Glass-Steagall og en gældseftergivelse for at afskrive den kolossale boble af fiktive værdier kan USA blive en del af denne nye, økonomiske orden og tage del i udløsningen af menneskets kreative evner.

TRANSCRIPT

MATTHEW OGDEN: Good Evening! It is August 26th, 2016. My name

is Matthew Ogden, and you're joining us for our weekly Friday evening webcast here from LaRouchepac.com. As you can see, I'm joined in the studio tonight by Ben Deniston, from the LaRouche PAC Science Team; and by Paul Gallagher, a special guest today, Economics Editor for *Executive Intelligence Review*; and we also joined, via video, by Kesha Rogers, member of our Policy Committee, joining us from Houston, Texas. Hi, Kesha!

We are meeting here at the day that the 3rd edition of the LaRouche PAC publication *The Hamiltonian* is hitting the streets of New York City. This is Edition

3, the August 26th edition, as you might be able to see from this very small edition copy. The very large headline is "Obama is a Failure. The World Needs a New Financial Architecture, Now." That encapsulates the framework of our show today.

I think, as we've said recently over the last couple of weeks, we are highly anticipating the upcoming G-20 Summit, which is going to be held in China, hosted by China, hosted by Chinese President Xi Jinping, on September 4th and 5th — a little bit over a week from now. What's happening in the lead-up to that G-20 Summit is the consolidation of really what is becoming the framework for a new international financial and economic architecture. You have a consolidation of cooperation among countries of Eurasia — mainly China, Russia, and India, but many other countries besides — including moving forward with the development of the [international] North-South Transportation Corridor [instc], and many other economic bilateral and multi-lateral relationships among the countries of that region.

But, what is being stated explicitly by the leadership of China and of Russia is that this framework, this paradigm, must replace the failed paradigm which is now bringing the trans-Atlantic system down with it, and must become the

framework for a new international, global economic order. I think it was said, very clearly, by a spokesman for the Russian International Affairs Council, who said in an interview this week, "Russia and China should work together, within the G-20 framework, to secure a new international financial architecture." That's Andrey Kortunov, [Director General at the Russian International Affairs Council]. And then, just yesterday, a spokesman for the Chinese Foreign Minister, said, "What will happen during the G-20 Summit, is a major change in the world economic landscape."

Now, what we've discussed, including in a discussion today with Lyndon and Helga LaRouche, is that it can be seen very clearly that China and Russia absolutely "know what time it is," as Mr. LaRouche has been warning all of you: that we are on the verge, if not in the midst, of a complete implosion of the trans-Atlantic financial-economic-social-political system as a whole. And this is not just because of the debt exposure of the largest banks, or the derivatives exposure, or anything like that, but it is — and I think this is what Paul will get into in much more detail — it is because we have neglected any real economic growth, any real concept of economic value in this trans-Atlantic system for at least the last 30-50 years, and in fact have rejected the very idea of the necessity of productivity and economic progress.

We're going to be discussing that, but also from the standpoint which will be filled out in a little bit more detail in the second half of our show of what *is*the concept of real economic value, and how indeed are China and Russia leading mankind toward a revolution in economic productivity, which is centered very prominently around their dedication to a space program, especially around lunar development and lunar exploration. With that said, I'd like to invite Paul to open up the discussion.

PAUL GALLAGHER: Thank you! Let me start by saying we have to relate the American people, American policy-makers, American

elected officials emphatically to the September 3rd, 4th G-20 Summit being hosted by China, because just as there was a necessity about a year and a half ago for the United States to become part of the Asian Infrastructure Investment Bank [aiib] and the other global institutions of new credit for infrastructure which China was initiating, one will remember that at that time, instead, the Obama Administration set its teeth against the AIIB bank, tried in vain to sabotage it and prevent countries from joining it as members. One need only say that as of now, there are 60 nation-members of the AIIB, and of next year it's expected that there will be 90 nations trying to participate in the generation of high technology infrastructure credits in the grand task of the New Silk Road, (or the Eurasian Land-Bridges), across Eurasia, through the Mideast, into Africa – communication, power, transportation being revolutionized in this way. The Obama Administration took the United States to the sidelines, and worst, to the adversarial position, to try to sabotage that.

We have to do differently, in this case, because our economy is completely failing. We have the condition of an imminent second 2008 bank panic, not because of this or that particular deal, or even this or that particular bubble, but because the economies of the United States and Europe have sunk so far in the non-recovery of the 2008 collapse, that even the biggest banks themselves have been destroying their hosts and shrinking, their stocks collapsing, their collapse as a whole emerging from that cause, of the absolute inability to make profits in economies which they have done so much to ruin.

What China is proposing – and remember China has said, that the leading other nation-guest at that G-20 Summit is President Vladimir Putin of Russia – what they are proposing is a "new financial architecture." Now "financial architecture" basically means how do nations regulate their banks, and perhaps in the other order – how do nations create credit for purposes of progress: economic, technological,

scientific progress, and direct that credit where it should go. Secondly, how do nations regulate their banks; and thirdly, how do *international* institutions – particularly international credit institutions, lending institutions – how do they function, in order to make this progress possible for all the nations involved, and in particular allow less-developed nations access to both the credit that they need, the technological development, and the self-development of the skills which are necessary for this kind of progress. That's what a "new financial architecture" means. Clearly, the financial architecture since 1971, when we went to the floating interest rate, and, particularly since the Presidencies of Bush and Obama, this financial architecture has been a complete failure.

So, they are saying, this is not just a two-day summit, but a collaborative process which has to continue among the G-20 nations until a new financial architecture is accomplished. I'll get to what that would mean, particularly on the part of the United States and Europe. But, let me read one thing that a leading scholar in China said, about this September 3rd and 4th G-20. He said, "This is a very important summit for all the countries in the world." This is Su Xiaohui, Deputy Director of Strategic Studies at the China Institute of International Studies. Many scholars of his type might have said this. "China is hosting this summit because it is what other countries wanted. It is the other countries that wanted China to host this event, this growth and innovation summit. In recent years, there have been plenty of problems in the world economy, and all the countries in the world, including G-20 members, are eager to find solutions. Other countries know China can be a leader in addressing the world's economic problems."

What he is saying, in diplomatic terms, is many countries to take the lead in a summit whose purpose is an all-out drive to restore growth and productivity in the world economy, because

China has been the driver of growth and productivity in the world economy for the last ten years, joined now by India, and despite crippling sanctions, with some very striking accomplishments by Russia. For example, that Russia has become, as of right now, the world's leading wheat exporter. It has become self-sufficient in many categories of food, in which it was 50% dependent on imports when these sanctions were put on. So, although its economy, under these financial and economic sanctions, is not growing, nonetheless it has successfully grown in ways which prevented literal starvation of its economy and its population, by these sanctions. That's why they have to lead it.

This puts a challenge to China, obviously, to really hold their determination to make this summit a real accomplishment, in terms of growth and progress. Only a couple months ago the Chinese Finance Minister, Lou Jiwei, and the [Minister of Commerce (formerly known as the Ministry of Foreign Trade and Economic Cooperation), Gao Hucheng,] made public statements, particularly when the finance ministers of the G-20 met, saying the condition of the world economy is grim. World trade, in un-inflated terms, has essentially stagnated for the last 5-6 years. No growth at all. There are many nations in the world with no growth, they said. It's a grim situation which must be reversed by the G-20. Again, diplomatically, they weren't naming the zero-growth nations. But I will, very shortly.

China, on the other hand, is continuing to put large volumes of combined public and private credit issuance, something on the order of $250 billion a year equivalent, into investments, both within China, across the New Silk Road economic belt, and further afield as well. In comparison to that, you have the United States. Obama. We say he's a failure. No question. One of the things he fails at, is arrogantly bragging that "the United States sets the rules," and China has to follow them; that China is merely a raw-materials-producing and cheap-

goods-producing economy, and has to grow up and join the advanced economies of the world. This is one of the sports, in which Obama is a failure, is trying to brag and shine over China. Let's look at it.

U.S. economic growth in the eight years of Obama's Presidency has not equalled U.S. economic growth in the first year of Franklin Roosevelt's Presidency, nor in the second year of Franklin Roosevelt's Presidency. In both of those years, by the way this growth is calculated today, in recovery from the Great Depression, under the impulse of Roosevelt's policies, the growth in the United States was on the order of 10%-11% a year, in '33 and '34, and again in '35.

BEN DENISTON: Each individual year?

GALLAGHER: Each individual year. The total growth of the U.S. economy, by GDP measures, during Obama's entire Presidency, has been 1.1% a year; 8.4% over his entire [tenure]. So, he hasn't *equalled*, in 8 years of recovery from the Great Recession, the growth of each of Franklin Roosevelt's first 3 years in the recovery from the Great Depression.

Now, the reasons for this are more fundamental than the measures of growth, which include a lot of things, but suffice to say, that Europe whose annual growth per year during the same years that Obama has been President, has been an average of 0.6% per year. China's growth during that same 8-year period has been on average 8.1% per year. So, it's been very similar to the rate of growth which was generated under the impulse of Roosevelt's policies; and not accidentally, because the policies of credit-generation, infrastructure investment, high-technology innovation — in this context particularly space exploration, fusion technology development. In these areas, they have been very similar in the 21st Century context to what Roosevelt did when he became President; and getting similar results and exporting those results to a significant degree to the benefit of other countries.

What lies underneath this, as Lyndon LaRouche has really stressed to the satisfaction of everyone who has listened to him, and should go and look into this; is the loss of productivity – the collapse in the growth of productivity in the United States and European economies during that same period of time. There is a crude measure of productivity which one often reads about in the financial press and in reports from the Commerce Department and so forth. By that measure, which is simply gross domestic product divided by the number of hours worked of the labor force, by that measure, productivity growth during the term of Obama in the White House, has been approximately 0.8% per year. And actually, you can see if you look at the progression, that that growth took place in 2010, 2011, 2012, and part of 2013. Since then, we have seen no productivity change whatsoever; in fact, three of the last four quarters of the year reported by the Labor Department, have seen productivity in the United States go down, not up. So that productivity in the last 12 months of this economy has gone down. I won't go into the European figures.

This is crucial, even though it's a very crude measure, because it indicates that the productivity of labor is not increasing in such a way that labor can get higher wages; so wages stagnate when this is the case. New capital investments by business are not taking place; the rate of new capital investments by business is extraordinarily low. If this is now on the screen [Fig. ?], this shows a more fundamental measure of productivity growth known as technological productivity growth, or total factor productivity growth. Before giving you a narrow definition, let me read a report which was done by the National Bureau of Economic Research about the growth in the 1930s of this total factor productivity in the United States economy; which you can see is the highest of those bars. What the National Bureau of Economic Research said much later in a report written in this century, is that "The extraordinary growth of this technological productivity in the

Roosevelt New Deal era, was due to the very strong growth in electric power generation and distribution, in transportation, in communications, in civil and structural engineering for bridges, tunnels, dams, highways, railroads, and transmission systems, and in private research and development." In other words, what happened during that period of time which made it an even greater burst of productivity than we saw during the World War II mobilization which followed it, what happened during that period of time is that the tremendous demands on the economy of the great infrastructure projects of Roosevelt – including the development of nuclear power and the development of all of the huge hydroelectric power sources; was that everything involved in engineering power, in engineering roads, in engineering tunnels, in engineering great civil works of all kinds, was technologically revolutionized. The companies involved and the agencies involved made breakthroughs in research and development in order to do these things more powerfully and more efficiently; and really to conduct projects on a scale that had never been done before, in such a way that there was very rapid technological progress under the impulse of this pursuit. And scientific progress as well, if you think what underlay the development of the nuclear power piles, it was the beginning of particle physics, the beginning of nuclear biophysics, the beginning of plasma physics, and the basis for the attempt to develop fusion energy today. There were tremendous developments going on underneath these great works of the Roosevelt era.

So, if we go back to the slide for a minute, you see that by far the highest rate of yearly growth in this technological productivity; that rate of growth is almost 3.5% a year. That rate of growth is in the 1930s; followed by the 1940s, including the war mobilization when it is about 2.7% per year. And after rather a slump in the Eisenhower 1950s, back up in Kennedy's Apollo project 1960s to 2.7% growth per year in technological productivity; and then look what happened. If I

could take you off through the '70s, '80s, '90s, the first decade of this century with the Bush Presidency, 1% per year growth or less. And if I could take you off the end of that graph to the Obama years, it would be 0.53% growth per year, according to the National Bureau of Economic Research. So, you see there the under-girdings of the collapse of an economy in the complete loss of real productivity in that economy; and therefore, the ability to launch growth and sustain growth which this represented.

Again, it's very important that this was recovered so rapidly in the 1960s when Kennedy again put great expenditures and great projects at the very frontiers of science in the Apollo project to reach the Moon, but in the broader plans which were then being made and developed for the further exploration of space, which we'll get to. This made a tremendous difference. I should point out that, according to a recent study by the Harvard School of Business of this same factor, in China over the last decade, it has grown at a rate of 3.08% annually; somewhat higher or equal to the highest that the US has achieved, namely that under the Roosevelt period. So that when you have this collapse in productivity in the US and European economies, you have at the same time, de-industrialization of those economies accelerating; with the result of on the one hand, a real destruction of the labor force – the people. We've talked about this, it isn't necessary to go through it again; but we've talked about the connection between this process and the increasing propensity of Americans who were previously productive, to commit suicide in one way or another – by drinking, or drugging, or in other ways themselves to death. The data just keep coming, the studies just keep coming out on this; each one more depressing than the last. That has been the result of this real collapse; and it has even begun – as I indicated at the beginning – to shrink and undermine the biggest banks who have done so much to cause it. So that even the derivatives markets have, in the last few years, have shrunk; and so have the biggest banks, which became even

bigger by swallowing other banks in 2008. They have shrunk; they are parasitizing a host which is dying.

The best way to conclude, I think, would be to quote something that Helga Zepp-LaRouche said this morning, which I think is absolutely correct: "If the United States and Europe are to cooperate in 10 days with the purposes of this growth and innovation summit of the G-20, they must do two things, otherwise they're not cooperating. The first thing is they must implement and enforce Glass-Steagall regulation of their banks. And I should point out that China is the only major economy in the world which has a currently enforced efficient Glass-Steagall bank separation law; passed in 1993. It has been much debated since then, but kept intact and enforced. They must pass Glass-Steagall and enforce it; and secondly, they must write off — not just write down, but write off — the nominal values given to the still $500-700 trillion worth of derivatives on the books of their banks. In order that those banks can again, under Glass-Steagall become vehicles for the transmission of productive credit and progress. If the United States and Europe are willing to do that, then the real work can begin, of restoring growth and scientific progress to the world economy. If they're not, then they are effectively to be accounted saboteurs of this noble effort that is being led now by China." So, I'll stop with that.

OGDEN: I do want to add just one quick thing before we get into what Kesha and Ben have to present. I would say, Helga and Lyndon LaRouche are not merely peripherally involved in this process which is now coming out of China; but actually centrally involved, both now and historically. I think it should be remembered that just a few weeks ago, Helga LaRouche was one of the prominent speakers at an event called the T-20, which was a gathering of international think tanks and other persons of that type in the lead-up to the G-20 summit in China. Helga LaRouche was involved in that. Helga has travelled to China I think half a dozen times in the recent

several years now; and is a prominent personality in the public discourse there. One other thing that is notable is that the G-20 was developed as the G-22 in 1997-98 at the time that Bill Clinton was making a speech at the Council on Foreign Relations in New York City; where he called for a new international economic architecture. That was the framework in which the G-22 was formed. That was exactly the same time that people probably remember the recent webcast where we showed the video clip of Lyndon LaRouche speaking in Washington DC about the development of the New Silk Road, the Eurasian Land-Bridge, and the cooperation between Russia, China, and India in creating a new economic framework for Eurasia. That has now converged; the new international economic architecture and the New Silk Road Eurasian Land-Bridge is one thrust that's coming out of China and Russia. Historically, even rewinding back before that, Mr. LaRouche's proposal – which Bill Clinton did pick up on in a certain way in 1997-98 – was for a New Bretton Woods; a reorganization of the world economic system, which is something which he has been on the record centrally leading for 40 years if not more, going all the way back to some of the discussion among leadership of the Non-Aligned Movement for a New International Economic Order by that name. And also Mr. LaRouche's idea for international development banks, which is exactly what the AIIB or the BRICS new development bank now are echoes of.

So, historically, this is something that Lyndon and Helga LaRouche have led from a central position and continue to play a very central role in shaping. And I would just emphasize Paul's point that it is now encumbent upon the United States to take very bold and dramatic decisions to communicate, "Yes, we are no longer going to be Obama failures. We are no longer going to reject these overtures that are coming very explicitly from China for participation in this new system; but we're going to join it, and we're going to show not only our good will, but our intention to do so. By restoring Glass-Steagall immediately and freeing ourselves from the bondage of

this dying system which is dragging the entire trans-Atlantic down with it. So, that's an action point that needs to be taken in the days ahead.

GALLAGHER: That's very well added, and I think Lyn and Helga have given the kind of laser focus to this impulse for development, which China, Russia, other countries, India, have shown. That it had to be focussed around not only the frontiers of science, but the frontiers of travel so to speak; of passenger and freight travel, and of crossing the Eurasian continent, which had never been done before. But now, in addition, and particularly recently, Helga has, through a whole series of major conferences, put an additional focus on bringing that development, that Silk Road, through the Mideast; as the only way in which the cauldron of the Middle East could possibly be made into a peaceful and developing area, is through that same New Silk Road process. There's been a great response to that in countries like Yemen, Egypt, other countries of the Mideast.

KESHA ROGERS: I want to take up from there. I think the question at hand is, what is it that fosters this impulse for development that you spoke of, Paul; and what fosters the rapid increase of rate of growth in a society? Mr. LaRouche, over the years, has defined this as the creative development of the human mind and the productive powers of labor of a society to make new breakthroughs and scientific and technological progress that actually improves not just the conditions of mankind on the planet; but improves mankind's ability to actually go out into the far reaches of our galaxy, to develop the resources of our Solar System. This is exactly the discussion that we had with Mr. LaRouche — some of the Policy Committee members and our Basement Team — just recently. His response to the rapid developments of China's leadership in developing the Moon and their plans for going to the far side of the Moon by 2018, that what we're looking at here is not just going to the Moon for the sake of going to

the Moon, or finding another landing spot on the Moon. This is critical in a commitment toward international cooperation and a science driver essential for cooperation and development throughout the planet and beyond. Mr. LaRouche recently called for and made the point that we have to have a complete mapping and development of our Moon's surface. He called for the mapping of the Moon's surface being something that we do not and have not fully come to understand. A lot of people will say, "Well, we've already been there, done that." A lot of nations have landed various rovers on the Moon, or satellites on the Moon; or we've had orbiters taking pictures of the Moon. But one thing we have not done, is to go to the far side of the Moon; and recognize the potential that is set to be unleashed from this new feat and endeavor that only China – being the first nation – would be out to present and create.

So, I think when we think about what it is that fosters economic progress, again, we have to look at what China is representing as a leader of the world right now in terms of what they've unleashed in the rapid development of their momentum towards space exploration; and particularly development of the lunar surface. There is so much that we have yet to accomplish right now. We've only touched at a very small surface area of the Moon. It's important to see that the opening of the far side of the Moon represents a vast potential to give us new insights into human growth.

So, we were just a moment ago talking about the negative growth rates under the insane policies of the Obama administration. Well, what has this been caused by? What has this been a result of? This has been a result of Obama's continued murderous policy and spitting on the legacy of Presidents Franklin Roosevelt and John F Kennedy, and the visionary legacy embodied by the great German-American space pioneer Krafft Ehricke. What he has done, not just to dismantle the space program, but to dismantle the commitment towards human development and human progress. What has he done

in place [of that]? He's actually shut down our Constellation program; the program that had slated us in the trajectory in the United States to be in cooperation with nations around the planet around the commitment to return to the Moon, and eventually to the far side of the Moon. What did Obama replace this policy with? He replaced it with an insane policy of capturing an asteroid, cutting our fusion development program, and continuing to bail out the Wall Street speculators who represent no commitment to human progress and growth.

The American people have to ask themselves how much longer will we put up with this atrocity, this tragedy that has taken hold of our nation? Right now, you look at what was offered to Obama by the Chinese, by the Russians, in terms of "win-win" cooperation; the "win-win" cooperation exemplified by the offer of President Xi Jinping of China to not only work for the common aims of mankind in the development of the Silk Road development plan and projects that were going to benefit the growth of all mankind. To work in collaboration on the exploration of space, which is absolutely crucial to this intention. Obama has refused that. The American people and members of Congress have sat by and done nothing about it.

So, you look at the fact of, this is the reason why we face a negative growth rate in the society right now represented by the United States and the trans-Atlantic financial system. There are a lot of nations right now that are starting to get knocked over the head and recognize that if they don't join with the progress and the New Paradigm being set forth by China and Russia for international cooperation in space development and economic growth, they will be, as the head of NASA in the United States said about the US not cooperating and collaborating with China in space exploration, on the outside looking in. That's where we're going to be if we do not actually take up this full commitment to not just the exploration of space, but truly to what that means. It really can be defined by looking at the vision that was laid out by

Krafft Ehricke as a great associate and friend of Lyndon and Helga LaRouche before he passed away. What Krafft Ehricke identified in terms of the importance of lunar exploration in a writing that he provided prior to his death, earlier in his life, called "Lunar Industrialization and Settlement". I want to read from that just briefly, to give you a sense of what it is that is the priority for the development of the lunar surface in the way that Krafft Ehricke envisioned it. It must be taken up as a national and international mission again. So, Krafft says that: "The most important aspect of lunar development lies in the human sector. It bears repeating that technological progress and environmental expansion are no substitutes for human growth and maturity; but they can help the human reach higher maturity and wisdom. He goes on to say that "Human growth is contingent not only on the absence of war, or overcoming war, poverty, and social injustice. But also on the presence of over-arching elevating goals and their associated perspectives. Expanding into space means to be understood and approached as world development. As a positive, peaceful, growth-oriented, macro-sociological project, whose growth is to ultimately release humanity from its present, parasitic, embryonic bondage in the biospheric womb of one planet. This will demand immense human creativity, courage, and maturity."

So, that's what we're discussing here. How do you actually free mankind from this adolescent stage? From the understanding that we are confined to one small planet with limited resources, to the bondage of a biospheric womb on the planet that keeps mankind at states of limited development in a fetal position. When is it that human beings are going to decide to grow up and to leave the nest? That is what is represented by the mapping of the lunar surface; that is what is represented by mankind's reaching out and growing up and going out into the exploration of space. That is the creative process that we must take up right now, which is being denied to us by the attacks on our space program. This is not just

the space program as a fun, side project or a hobby; but what is essential to the creative progress of mankind as Mr. LaRouche has clearly understood and has made clear in his development of the Four Laws to Save the United States. The essential aspect of those Four Laws, as was stated by Paul earlier, starting with the Glass-Steagall banking reorganization, going into the progress of re-establishing a credit system, to invest in long-term development projects, has to be centered around a science driver fusion program. This can only be fully developed and fully realized when we realize and bring about our full potential in the exploration of space and everything that represents; including the development of helium-3 on the Moon.

So, as I've said; as Krafft Ehricke, as Mr. LaRouche understands, and as the Chinese and others who are cooperating with them understand, that the most important aspect that we're dealing with right now is the defense of human creative progress. So, I'll just stop right there.

BEN DENISTON: I think that's well said. Maybe the point to be taken through all of this, the focus on the issue of productivity in the beginning, this discussion of the space program, what we really need to push in this context is the realization that this program Kesha's laying out, returning to Krafft Ehricke's vision for lunar development and expansion into space; this is necessary. This is a necessary program, this isn't a cost. These are the kinds of things that actually are the substance of increasing the net total value accessible to mankind as a whole; increasing the productive powers of labor as we're discussing. You hear all this silly talk still about jobs; creating jobs, when we have a net collapse in the productivity of the economy, as we saw with what Paul went through, what Kesha's talking about. This is what actually creates the type of activity that increases the ability for society to sustain itself at a higher standard of living increasingly with less labor input required to maintain the

requirements of society. Maybe in the context of Mr. LaRouche's emphasis in the recent weeks, that's also the importance of his focus on Einstein. That also goes to a deeper level of what are the fundamental changes that mankind only uniquely can make that allow us to have these kinds of transformations. We certainly have a clear program before us with what China and Russia are leading.

Just for our viewers, next Wednesday, we're going to be discussing some of this lunar program in a little more detail. So, I would definitely highlight that as a coming episode; we're going to focus a little bit more on this lunar far side program. What China is doing; what's so unique about the far side of the Moon. We just have a clear march from these nations leading in this direction – fusion and space together. This is the driver that's absolutely needed; it's not a cost, it's not an expense. It's a necessary requirement for mankind; especially for the United States in our state right now. That should also be seen as driving to the process of pushing real fundamental breakthroughs in science such as we haven't had since Einstein. I know Jason Ross has elaborated this in recent days to good effect.

With the imminent breakdown of this financial system and the importance of this G-20 focus coming up right now in the context of clear recognition that we're right on the verge of something worse than a repeat of 2008; I think this being the clear message and marching orders for where we need to go, is absolutely critical at this point. It's not enough just to address and reorganize the financial system; that's absolutely required, but to what effect? To actually drive the kind of growth that China's leading; Kesha's leading a revival of that in Texas to get that going in the United States again.

OGDEN: Along those lines, this entire process that I laid out in terms of Mr. LaRouche's advocacy for a new international financial architecture, was never separate from his insistence that it had to be based on fundamental scientific revolutions;

the discovery and incorporation of new physical principles into the economy at large. Not let's rearrange just the bureaucracy of how banks work, or something like that. And it was not even just what other people turned it into, which was that we need equal representation for the developing countries; or the Third World is not having the proper voice at the bargaining table at the World Bank or something like that. It was never something at that level; it was always at the level of why did Mr. LaRouche found the Fusion Energy Foundation, for example. Can you imagine what kind of productivity would be unleashed by the development of commercial, controllable fusion power? That would be unequalled by anything that has come heretofore; it would make what FDR achieved look like hardly anything. Mr. LaRouche's emphasis with the Strategic Defense Initiative was always that we need a breakthrough in terms of physical principles; it was hand-in-hand with fusion energy development, but it was also bringing that into the realm of space exploration and harnessing principles which were beyond what man even understood at that point. In the same exact period, he was also discussing how are we going to have lunar colonization and colonies on Mars. This was LaRouche's emphasis all through that time.

So, the new economic architecture is not separate from a fundamental revolution in science on the caliber of what Einstein achieved; and that is what drives economic productivity. Nothing less than that.

GALLAGHER: I wonder if you can get the third graph on the screen. This gives an idea of how – this goes from 1958 over to 2012, and it's the NASA budget. This gives an idea of how rapidly leaderships of the United States abandoned the actual frontiers of space exploration before we had even gotten to the Moon for the first time. Because by the time we did, that tremendous drop was already underway; and it goes all the way to the present day. The same thing could be shown for the

United States effort in research on fusion. They just were abandoned in the face of the extraordinarily powerful visions of human future powers that pioneers like Krafft Ehricke had, in terms of covering the Moon's surface with a new human habitation and industrialization as a jumping off point for the rest of the Solar System. All of that – he called it the Seventh Continent – all of that was abandoned along with the tremendous power resources and capacities involved in the fusion technology. Today you can barely find a laser cutting process anywhere in US industry; these things have just been abandoned. If what you see in that graph were reversed very suddenly under the impulse of a desire and a decision that gets rid of Obama and his leadership, and a decision that says we will be part of a team of space-faring nations which in this endeavor would be led by China; maybe in others by us, in others by India, in others by Russia. We'll be part of that overall exploration and this will reverse; this would have a tremendous impact on the entire not only productivity, but the condition of society. This is really the condition of the individual human being, who has these creative possibilities is what LaRouche is always, always talking about; that this is what makes such possibilities of an individual becoming a genius and the fruitfulness of that genius. This expands it to the greatest degree, if leadership will make these kinds of decisions. This decision is right in front of us with this upcoming G-20 summit; and again, I repeat what Helga said. If the US doesn't put Glass-Steagall into law – it's now been adopted by both parties in their platforms; it ought to be law by no later than the end of this year. If the US doesn't put Glass-Steagall into law immediately, and enforce it right off the collapsing derivatives bubbles; then it's sabotaging this process which has to go forward. Then we will see more loss of our population, more suicide, more drug addiction, more hopelessness among the population unless we make this 180 degree turn.

OGDEN: One thing Helga has also repeatedly said upon her

return from these trips to China, is that – and I think other people just pick up on this, too – is that the optimism is pervasive; you can sense it among the population. The 3.8% growth rate in productivity, the 8% growth rate, is just a reflection of an attitude that says, "Our job is to create a future. We will give our children a future. Our lives have meaning because we are involved in creating a future which has not, prior to this point, existed." If you contrast that with an increasing pessimism, cynicism, rage – which is clearly reflected in this election process in the United States population – all of those are symptomatic of exactly what is being addressed in this discussion.

One other thing that Krafft Ehricke said which I thought was just well put; he said, "If God had intended us to be a space-faring species, he would have given us a Moon." Well, he did; and that's the launching-off point for mankind to move into the Solar System and beyond. So, if that's not an optimistic idea of the capabilities of the human species, I don't know what is. I know that that's one of the elements that is also being incorporated into the Manhattan Project process.

One more thing I wanted to mention before we close the show today, is the accompanying articles in this week's *Hamiltonian* are: 1) a short article by Jason Ross on the true genius of Einstein. It's called "Discovering Humanity's True Nature; the Case of Einstein". But then, the back side of the broad sheet is a discussion of 1) an article by Diane Sare, called "2016: America's Moment of Decision*, in which she discusses some of the legacy of the optimism surrounding the tradition of Classical music within the United States and the fight to revive that tendency among people who were close friends with Lyndon LaRouche when they were alive: Bill Warfield; Sylvia Olden Lee; Robert McFerrin; and others. And then there's a very short excerpt of an interview with the national music director of the Schiller Institute, John Sigerson, in which he's discussing the significance of the*

upcoming series of four concerts of Mozart's Requiem over the weekend of September 11th, in the interests of justice and in dedication to the victims of those attacks and everything that has happened since. So, that's another very crucial element in terms of the ability to uplift a population and to give them a sense that a future is possible; and that these kinds of very dramatic changes in policy could happen in a very short amount of time. If we were able to force the declassification of the 28 pagess, which *we* did; nobody can deny the very significant central role that we played in doing that. People might have said, "This is a hopeless cause." If we were able to do that, then yes, we also can force the passage and enforcement of Glass-Steagall and a radical, dramatic change in policy of the United States in the direction of this new economic architecture which is being led by China and Russia among others.

With that taken as the final word, I'm going to thank everybody for joining me — Paul Gallagher, Ben Deniston, Kesha Rogers; and thank you all for joining us here today. I know we continue to gain new subscribers of the LaRouche PAC live YouTube channel; so I encourage you, if you have not done so yet, to subscribe to this channel. You will get the opportunity to have a notification of this discussion that Ben mentioned next Wednesday, on the further implications of the Chinese lunar program. Thank you for joining us and please stay tuned to larouchepac.com. Good night.