

Time to tell the truth

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The text of a prepared address, which U.S. Treasury Secretary Robert Rubin delivered to an Oct. 1st forum, sponsored by the *Wall Street Journal*, is typical of what has been traditional “boardroom-bullshit” speeches for about fifty years or more. Before anyone rushes to interpret Rubin’s carefully pruned text, the critic should pay close attention to the auspices displayed.

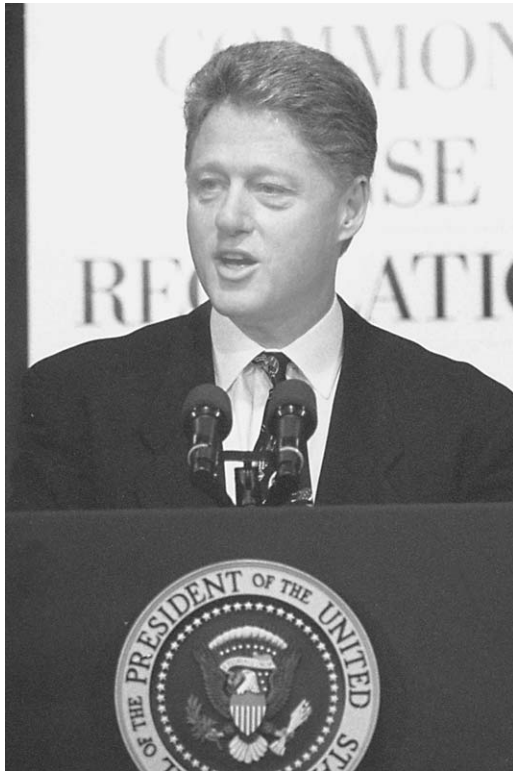
“Ninety-five percent bullshit” is a high standard of candor for such public performances. In such boardroom theater, the stiletto is always present, but the camouflaged point is barely visible within the froth of a lace-decked sleeve. Always say, “Joe has done a terrific job; but, a genius, hidden in our back-room, has, quite miraculously, discovered some very slight room for improvement in Joe’s wonderful work.” Damn with a profusion of faint praise, is the rule for such occasion.

When hearing, reading, or viewing such a display of standard “boardroom” remarks, certain touches must be noted. In this case, the additional features, from a video viewing of Rubin’s address, included, first, the plain sticking to the prepared text. Second, if the case ever came to court, boardroom veteran Rubin had protected his rear from the Iagos of the White House backstabbing mob, with customary touches, distinguishing “my opinion” from the line which the White House has allowed to be implicitly attributed to the President.

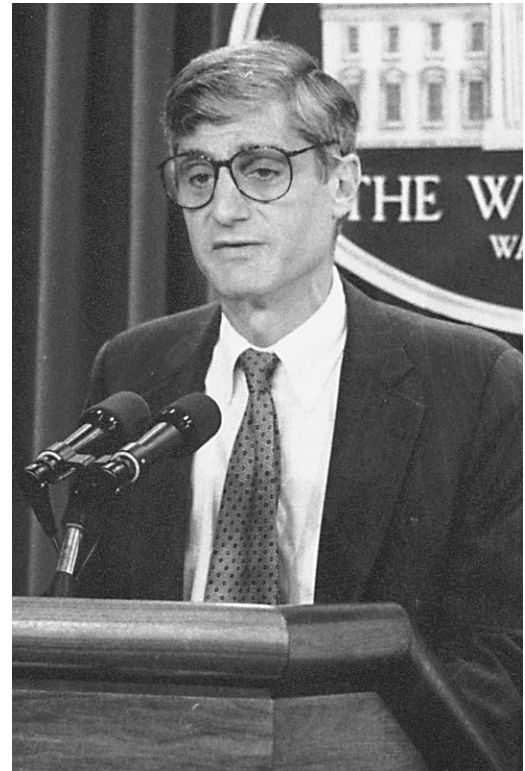
In some circles, such a speech, whose content is 95% flagrant falsehoods, is not regarded as lying, but only as an exercise of discretion.

It would appear, that the White House has strayed from the effective candor which President Clinton displayed in his appearance before the Starr chamber. When the President said, then, in effect: “It is none of your damned business!” he was telling the strict truth; it was his questioners whose questions were essentially lies, were plain efforts of dissimulation, attempts in sophistry, aimed to divert the grand jury proceedings away from the truth relevant to the constitutional occasion. Later, the majority of those who observed the replay of the videotaped session, cheered with joy when the President showed the guts to stick it to Starr, but good. President Clinton’s biggest problem, is that he does not do that often enough; too often, he permits himself to be talked, by his so-called “advisors,” into doing things which bring him down.

So far, the President has refused to tell the truth about the U.S. economy. There are no mere technical problems. There has been no actual growth of the U.S.A.’s real economy any



President Bill Clinton (left) and Treasury Secretary Robert Rubin. “Unless the President stops the flood of ‘boardroom bullshit’ from the White House itself, and admits, finally, that everything he has praised, up to now, as an achievement of the past thirty years’ reshaping of national and global economic policy, has been the cause of the worst, onrushing disaster which the world has suffered in all modern history to date . . . we shall not survive.”



time during the past twenty-nine years! Every change in policy which he points to as an “improvement” in the U.S.A. or world economy, has been, in truth, nothing but a literally bloody disaster. It was what the President has repeatedly identified as the achievements of “free trade,” “deregulation,” and “globalization,” covering the past twenty-nine years to date, which are each and all crucial contributing factors in bringing about the presently ongoing, greatest financial, monetary, and economic disaster in all modern history.

It is not a matter of “simply telling the truth,” or not. There are no “white lies,” but only real lies, buried in the false picture of economic reality painted, repeatedly, so far, by the President’s administration, as by the “95% bullshit” content of Rubin’s referenced Oct. 1st address.

Yes, the President and Rubin have recently stated, and restated, a number of things, truthfully, which, in and of themselves are of importance. However, what the administration has praised, on these accounts — what it has buried under an avalanche of “boardroom bullshit” — is what he must openly damned and destroyed, just as he openly damned and discredited the mid-August Starr chamber proceeding. If he does not do that, the U.S. — and the Clinton Presidency, with it — are not going to survive the effects of what will be hanging on the Christmas tree you don’t have, come Christmas 1998. We are in a giant, rapidly oncoming financial hurricane, which has the force to destroy entire nations, including every nation-state of the Americas, even as early as before Christmas, unless the President calls for an end to the “boardroom bullshit,”

and acts to destroy those very policies of the past thirty years which he has, so far, repeatedly defended. There is no way in which the usually lying “boardroom bullshit” of crisis-management sophistries, will save the butt of either the President, or, the entire Congress, or, the Supreme Court, or the nation as a whole, unless the President stops the flood of “boardroom bullshit” from the White House itself, and admits, finally, that everything he has praised, up to now, as an achievement of the past thirty years’ reshaping of national and global economic policy, has been the cause of the worst, onrushing disaster which the world has suffered in all modern history to date. Until he says, of all these bad things he has so often, so ritually, praised, “It is time to kick the habit, or we shall not survive.”

The Greensperm Syndrome

This past week, Federal Reserve chairman Greenspan came before the Congressional committee hearings, smelling as if he had just fallen into the ripest of all outhouses. Even Greenspan’s usual fans, among the Republican members of the Committee, knew that it would be useless to attempt to cover up the obvious stench. “How could you have let such a thing happen? . . . Why did you lie to us about this?” was the tenor of the questioning by Republican Leach, among others.

If those Republican Members had been on their toes, they might have suggested that the White House explain why, in the light of the global derivatives collapse, the President permitted Secretary of State Madeleine Albright to defend Soros

from the charges of Malaysia's Prime Minister Mahathir bin Mohamad, and why the State Department is still engaged in carrying the British MI6 line against Mahathir now. Chairman Greenspan had covered up the facts which exploded in the LTCM scandal, but what he had done was consistent with the previous official administration line on the subject of derivatives.

It is much worse than just LTCM. LTCM is the detonator of a chain-reaction, which could, possibly, bring down the entire world economy (outside of China, and a handful of other possible exceptions) during as soon as this coming week. That is not yet the really bad news. The bad news, is that the leading banks of the U.S., together with the leading banks of Switzerland, came very close to being wiped out by the collapse of their LTCM golem.

It gets worse, rapidly. LTCM only typifies the situation inside the leading U.S.A. and Swiss banks. There are many LTCMs ripe to fall next week, or soon after that. There are complexes of other big syndicates of the same type, centered in London, in the British Commonwealth as a whole, and among the leading and other banks of those nations scheduled to plunge into the place of doom called the "Euro" at the end of this year. Meanwhile, the Japan banking bomb, which, in itself, could be sufficient to set off a chain-reaction collapse of the global financial system, is ready to pop momentarily. The 1929 crash was nothing compared to what is already breaking out around the world.

That is not yet the really bad news.

If the Congressional Committee had wished to discover the really bad news, they might have asked Chairman Greenspan: "How is it that all of the world's leading banks and other giant financial institutions have been so collectively and consistently stupid for all of the past eight-plus years?" since the ominous political assassination of the most influential obstacle to the financial and economic policies of Thatcher and Mitterrand, Deutsche Bank's Alfred Herrhausen, in November 1989? True, Thatcher and Mitterrand, with the consent of President Bush and Bush's advisors from among the veterans of Kissinger Associates, crafted the lunatic policy under which the global derivatives swindle was unleashed. But, Thatcher, Mitterrand, and Bush did not do this alone.

If they had been on their toes, the House Committee's members would have remembered, that the wave of manic-euphoric mass-insanity, called derivatives, was a scheme for which the two relevant clowns associated with LTCM won the Nobel Prize! Thatcher, Mitterrand, and Bush, must take the blame they deserve, but they could not have done this alone. Virtually every leading financial house of the world, including the world's leading banks, were sucked into the lunacy fabricated by this pair of pseudo-scientific quacks. Think of it! Virtually the entirety of the ruling financial class of the world went insanely incompetent: Otherwise, the derivatives swindle could not have occurred as it did. Think of all the financial advisors, political parties, and officials of

governments, around this world, who joined in defending George Soros and derivatives. Clearly, there has not been much in the way of sanity among the captains of finance and their lieutenants in government, during the past eight-plus years. That is a real case of "boardroom bullshit" run wild.

The Republican members should have asked a question or two about the Republican Party's Russia branch, the International Republican Institute, which, to the present day, is the most influential peddler of the same nonsense there, advice which could bring a horrible right-wing dictatorship into the saddle in that nuclear power. So much for the reforms in Russia which have been pushed from the U.S. political scene.

From that point on, it gets much, much worse.

Virtually all of the major news media, and the dominant circles in the leadership of both the Republican and Democratic national party organizations, have been up to their eyeballs in pushing the exact same policies responsible for the collapsing derivatives bubble. Worse, tens of millions of suckers have placed and probably lost their pensions and savings into the promised "higher returns of the private sector," into the same money markets controlled by the types behind the LTCM catastrophe. This has been truly a case of mass insanity. It should make you wonder about the confused citizen who thinks the "really important issues" are those which "directly affect my pocketbook," or "my local community." It should make you wonder about what is called "the authority of popular opinion."

If many citizens had not detected the extremely pungent smell exuded from Chairman Greenspan, it was probably because this was the same aroma floating around their offices, their local party headquarters, their campaign committee offices, and their bedroom, too.

Governments face doom

More than financial, monetary, and other economic institutions are at the brink of doom at this moment. Governments, too, are threatened with immediate disintegration. Take Western Europe, for example. There is not a single political party, excepting perhaps in Slovakia, in any part of Europe west of Belarus which is prepared to cope with what I and my associates have repeatedly warned, since my 1992 Presidential campaign, would be the inevitable effects of allowing the present derivatives bubble to continue to the present point of its chain-reaction collapse. In these parts of Europe, the strategic situation is different than in Russia, and it is different in the U.S.A. than it is either in Russia or other parts of Europe.

To understand the situation throughout Western Europe, one must emphasize that, excepting President Charles de Gaulle's leadership of France's Fifth Republic, excepting the intent of Konrad Adenauer's leadership in postwar Germany, and excepting the intent of the best Christian-Democrat leaders in Italy, there never was an actual republic established in Twentieth-Century Western Europe. Instead of republics, what has evolved is a relic of feudalism, typified by accretion

of those external trappings of democracy associated with parliamentary government. Thus, apart from parliamentary regimes which are easily overturned in “confidence votes,” or similar festivities, the power of the state is located within state bureaucracies of types which have evolved out of earlier state bureaucracies of the feudal system. The British monarchy is a perfect example of an epidermis-thick layer of a merely apparent democracy, cloaking a monarchical form of dictatorial power within.

The only state within European civilization which meets the formal requirements of a sovereign nation-state republic, is the Presidential system defined by the U.S. Federal Constitution of 1789. Some other states of the Americas, such as Mexico, have the constitutional form of a republic, but lack the freedom to exert true sovereignty, notably in respect to external economic affairs, in the degree necessary to qualify as an efficient republic.

China today fulfills the requirements of a sovereign nation-state republic. India, although of very much mixed political and related features, is a major, and very influential nation committed to exerting sovereignty in matters deemed of most vital self-interest. Malaysia’s Prime Minister Mahathir has seized certain of the most essential, exemplary features of sovereignty for his nation, despite the efforts of the British monarchy, and some accomplices of the British monarchy within the U.S. State Department, to destroy that sovereignty. It is not essential to discuss other most interesting forms of cases, such as Australia, for our purposes here.

The other most interesting case which we must review now, is that of Russia. The possibility of maintaining a civilized order globally, depends upon an optimal form of collaboration among three or four key, but, mutually highly dissimilar, nation-states of the planet: the U.S.A. under President Clinton (otherwise, forget it all), China, Russia, and, hopefully, India.

That said, consider the global pattern under the circumstance, that, as early as this coming week, or not long after that, the world’s \$140 trillions-plus derivatives bubble implodes, in a chain-reaction of super-critical reversed leverage. Consider Europe first. There is no government in Europe west of Belarus, which could survive such a global event.

For example, the present, outgoing government of Germany, is exiting in a manner which suggests more a rout, than an orderly retreat. The successor government is not due to assume office until Oct. 23rd, and both the policies and composition of that new government are presently uncertain. Nothing in the announced policy-considerations of the SPD leadership suggest even a whiff of sensibility respecting the scope and depth of the catastrophe about to strike, probably significantly prior to Oct. 23rd. In France, the situation is actually worse, but, as the timing of the Stavisky scandal might remind us, France, like the head of Hamburg’s famous pirate *Störtebächer*, sometimes lurches through a few moments of delay, before it actually falls. Forget Norway, Swe-

den, Finland, and Denmark; they are gone already. The Benelux countries are small, and correspondingly vulnerable. Italy has been gutted of actual government by the post-1991 “Clean Hands” operation run by Britain’s Prince Philip, Soros, et al. The Iberian peninsula is, currently, politically and financially, virtually non-existent. And, so on.

Under those circumstances, if governments can not muster the qualities of leadership of such past leaders of Germany as Adenauer and Schumacher, who will govern the nation-state of Germany, or other European nations? In Germany, as in France, the answer should be obvious: in the worst case, the permanent state institutions will simply man their stations, under a coordination supplied, at last resort, through the Bundesrat. One is reminded of the 1931-1933 crisis in Germany, in which a fascistic German government of Brüning, modelled on the policies of the Blair-like Ramsay MacDonald, fascistic Labour Party government of Britain, made Germany virtually ungovernable. An effort to put the pieces together, through the state institutions, was attempted under von Schleicher. However, the British arranged the toppling of von Schleicher, and brought Hitler into power in Germany, a Hitler who took control of the state institutions, and governed in that way. In the worst-case situation, that sort of choices will confront Germany and other Western European states today.

A different, but somewhat analogous situation exists in Russia. There is a brutal parallel between the Hindenburg-Schleicher-Hitler options of 1932-1933 Germany, and the Yeltsin-Primakov-Lebed options of Russia today. If Primakov succeeds, under efficient implementation of the advice supplied by such advisors as Abalkin and Lvov, Russia will survive, and the danger of a U.S. Republican Party-backed choice, of a Russian version of a French General Boulanger or a Hitler, can be avoided. However, if, as Britain did, in arranging the overthrow of Schleicher and accession of Hitler, the U.S. and Britain insist on pushing through the already hopelessly failed, so-called “reform” in Russia, the result will be the fascist “solution” in nuclear power Russia, courtesy of the ideologues of the Gingrich-backed U.S. International Republican Institute.

Thus, if President Clinton can terminate the flow of the truckloads of “boardroom bullshit” now being produced daily by White House and Democratic National Committee political advisors, and if Primakov’s efforts are allowed to succeed, then the combination of the U.S.A., China, and Russia, will supply the pivot around which numerous other nations of the world, including India, Germany, Japan, and so on, can regroup their efforts, to create, de novo, a new, “protectionist” model of international financial, monetary, and trading system, needed to defeat the forces of doom now displayed in the unwholesome political aromas which bedeck Chairman Greenspan. What sane person could object to such emergency measures? clearly, all of those who have directly contrary opinions have now been proven, conclusively, to have been clinically insane!