

End-Game Is On: Getting Out in Time!

by Lyndon H. LaRouche, Jr.

July 12, 2010

*[Published in **Executive Intelligence Review**, Volume 37, Number 28, July 23, 2010. View [PDF of original](#) at the LaRouche Library.]*

Since my Summer 1956 forecast of a deep recession to strike suddenly, somewhere during the February–March interval of 1957, I have never published a forecast for the U.S. economy which did not occur as I had foreseen. The reason for this distinction, is that all my putative rivals in such matters have relied on statistical monetarist trend-lines which are inherently incompetent by the very nature of the method adopted.

Such was the outcome of my series of forecasts for the U.S.A. over the course of the 1960s, leading into what I had forecast as the probable breakdown of the Bretton Woods system during an interval of the late 1960s and very early 1970s. This was the case for my sundry forecasts during the course of the 1980s, and for 1992, 1996–98, 2001, 2004, and for the close of the month of July 2007.

Thus, I never *predict* as the silly statisticians do; *I leave such foolish trifles to the racetrack and Wall Street gamblers*; I *forecast* intervals of crisis which require remedial decisions, as I do here and now.

I explain what this is all about.

Already, back in 1984, at a time which the future Federal Reserve System Director Alan Greenspan, was still plotting to destroy the U.S. economy's protection supplied by the Glass-Steagall Law, then in that miserable wretch's capacity as an official for the London market's J.P. Morgan bank, the process of bankrupting the world through repeal of Glass-Steagall was already under way.

The subsequent, 1999 repeal of Glass-Steagall, by such wormy infestations as the Federal Reserve Director Greenspan's mole-ish accomplice Larry Summers, unleashed the greatest, global-wide hyperinflation in all world history, over the recent two decades.

Now, we are at a moment when the economy of the trans-Atlantic section of the world economy is careening into an even worse crisis than that of the more modest type known as the Autumn 1923 breakdown of the inflationary Weimar Germany mark.

The form of this crisis is hyper-inflationary in the same sense that the history of the Weimar mark reached in the Spring through Autumn of 1923; but this present case is already, immediately, far, far worse than anything known to modern world history since the 1648 Peace of Westphalia. Indeed, the British intention in its leading role in authoring the presently imminent breakdown-crisis, had been set into its current breakdown-phase under the avowed intention, of relevant dupes of Britain inside Germany, as elsewhere, of “bringing down the Westphalian system.”

The most critical of the relevant features of the post-2001 developments centered within the trans-Atlantic markets has been a collapse of the real economy at the same time that the expansion of purely fictitious, nominal financial assets, such as those associated with the financial-derivatives markets, has zoomed beyond all possible estimates, into the domain of a vast quadrillions of nominal U.S.A. dollars in what is the actual worthless financial assets polluting the accounts of Wall Street and the British Commonwealth markets. The rate of increase of the ratio of purely fictitious financial capital to productive capital defined by a Glass-Steagall yardstick for commercial banking, is now fully hyperbolic.

The world as a whole, especially the trans-Atlantic region, is presently, thus, at the brink of a global collapse which will transform all forms of nominal money of every nation into a state of worthlessness on all of the world’s international markets. In short, a general, global breakdown-crisis, which is hitting the trans-Atlantic world most immediately, but will, soon after that, swallow the entirety of this planet.

For this situation, there is only one remedy; all other supposed alternatives are to be regarded as clinically insane. That remedy is the immediate application of the strict 1933 standard for a Glass-Steagall application among a concert of some leading nations of the world, joined together with a British-puppet-Obama-free U.S.A., to establish a solid network of national commercial banking systems operating according to such a strict rule.

To this effect, I have prescribed a core-alliance of an Obama-free U.S. Government, organized around a four-power initiative constituted among the U.S.A., Russia, China, and India, a four-power initiative intended to draw in numerous other nations of the world into a form of global fixed-exchange-rate system.

We are now entering a phase of the present global situation at which we will soon hit the point at which a generations-long global, vastly genocidal breakdown of the entire planet will

occur, unless we act to impose the sudden remedy, well before September 2010, of a global Glass-Steagall reform among most of the world's leading powers, excepting such probably, presently incurable cases as the British Commonwealth system. (However, I would be pleased to welcome the United Kingdom which chooses the more prudent alternative of accepting my design.)

Two generations under the effects of such a breakdown-crisis would be fairly estimated as sufficient to reduce the world's population, from about the present 6.8 billion souls, especially the poorest parts of the populations, to the target of Britain's Prince Philip and his World Wildlife Fund: less than 2 billion, and mostly miserably uncouth specimens at that.

The Matter of Timing

It is not at all difficult to present a fair estimate of when the point of no-return would be reached.

Estimate both the order of magnitude of the ratio defined by the increase of worthless financial debt, that associated with financial derivatives and the like (financial mass "A"), to the presently collapsing portion of the monetary throughput which matches the characteristics of a Glass-Steagall standard (financial mass "B"). The relationship is hyperbolic. (Those who do not recognize that relationship as hyperbolic should kindly shut their silly mouths.) As the costs of U.S. "Bail Outs" since August 2007 have shown, when compared with similar patterns in western Europe, we have a set of trends which show clearly why the Inter-Alpha Group in banking, which represents in net effect about 70% of the world's official banking, is already hopelessly bankrupt, when the two categories of nominal financial assets, real and merely financial, are taken into account. The pattern we have seen during the same period the Euro fantasy was imposed throughout western and central Europe, signifies that we are presently, already stuck at the rim of a shock-front-like barrier, a point at which there is no hope for a continued existence of civilized mankind on this planet, unless the Glass-Steagall standard is efficiently imposed immediately.