



An Idea Whose Time Has Come: LaRouche's Four Power Alliance To Create a New Bretton Woods

August 27, 2018—Nearly ten years ago, on Nov. 18, 2008, Lyndon LaRouche delivered an historic webcast presenting his proposal for putting the British Empire out of its (and the planet's) misery, with a Four Power alliance of the U.S., Russia, China and India, to be the initiating force for a New Bretton Woods international financial system. The old speculative system was then in the middle of its 2008 death rattle crisis, from which it has still not—nor can it ever—recover.

The world would be a far different place today had LaRouche's call been heeded back then. But the intervening decade has *not* been lost.

First, a global alternative to the bankrupt British Empire has taken shape, especially over the last five years, in the form of China's Belt and Road Initiative. Even more important than the hundreds of billions of dollars of great projects that have been launched, the BRI is unleashing waves of optimism—what Helga Zepp-LaRouche has referred to as the Spirit of the New Silk Road—in corners of the planet previously sunk in despair. What else can one think, when one reads the remarks of the President of Togo, Faure Gnassingbé, on the eve of the Sept. 3-4 Forum on China-Africa Cooperation (FOCAC) in China? He told CGTN TV: "You know that the path to growth has no end. There is no limitation to our progress, so far. We have achieved some progress, but more can be done."

Second, more recently governments have been elected in the U.S., Italy and elsewhere, that are favorable to working with the four powers identified by LaRouche, and to fundamentally changing the global order, including its disastrous free trade dogmas and predatory regime-change wars. The ultimate such regime-change war is currently underway *inside the United States itself*, with the British Empire's assault against the U.S. Constitution

and the Trump Presidency, using its assets in the FBI, the media and the political parties.

That British foreign war against the U.S. must be defeated, much as we have defeated their earlier similar efforts—from the Revolutionary War, to the Civil War, to World War II. The period between now and the November midterm elections is one decisive battle in that war.

Mustering our forces to achieve that, and to get the U.S. on board with the Belt and Road Initiative, requires the kind of in-depth understanding of both the problem and the solution that Lyndon LaRouche provided in his Nov. 18, 2008 webcast—for which reason we include some relevant excerpts below:

"That's how the world incurred a presently outstanding debt, through such means as derivatives, in the order of *quadrillions of dollars!* Far in advance of anything that could ever be paid.

So, we are *never, never going to pay those debts!* We *couldn't* pay those debts. So, we're never going to pay them.

"What do you do in a case like that? What does the United States do in a case like that, under our Constitution? You declare those debts *in bankruptcy*. And what do you do with them in bankruptcy? You sort them out! Those things that should be supported, will be supported, and the rest of it will just wait, or die away. The great majority, the vast majority of the obligations outstanding today, as nominal claims against countries, *will be cancelled*. Those things which should be paid, will be paid. Those otherwise, will never be paid. And they will never be paid, in any case!

"Now, you have two ways to go: Either you collapse the world, with starvation and mass death, and those effects. Or, you put the thing through *bankruptcy reorganization*. And how do you do

that? Well, what I specified is very elementary: I have four nations in mind that can take the lead on this thing. And the four nations, which together, represent the greatest consolidation of power on this planet: These nations are the United States, Russia, China, and India, as joined by other nations, which join in the same deal. We put the world through bankruptcy reorganization. How do we do it? We use the U.S. Constitution to do that.

"The U.S. Constitution is unique in the fact we have a kind of Federal Constitution we have: that our dollar is not a monetary dollar; it's a credit dollar....

"Now, if the United States says, that we are going to back up our dollar, and enters into an agreement with Russia, China, and India, to join us, with other countries, in doing the same thing, to put the world through bankruptcy reorganization, in which we will *cancel* most of the outstanding financial obligations: It has to happen. Otherwise, no planet! If you try to collect on quadrillions of dollars of outstanding claims, from whom are you going to collect, by what means, and what's the effect? It is *against natural law*, to collect on that debt! How many people are you going to kill, to collect that debt? How many countries are you going to destroy, to collect that debt?

"So, we have this monetary authority outside, which has treaty agreements with governments, but which has no real obligation to governments otherwise, except the treaty agreement.

This agreement has resulted in the creation of a vast world debt, a monetary debt, which can never be paid. Well, obviously, the system is bankrupt! You shut down the system, and put it into bankruptcy reorganization — it's the only remedy....

"So therefore, we can create a new credit system, among nations, which I think — if the United States, Russia, China, and India agree, most nations of the world will happily join us, especially considering the alternative. And therefore, we can create a new world system, a new money system, a credit system as opposed to a monetary system. And under those conditions, we can proceed to advance credit on a large scale, for physical reconstruction of the world's physical economy. We can organize a recovery of the same type, which we undertook with President Franklin Roosevelt, back in the 1930s and 1940s. And we won't change from that, I should think, once we've done it.

"That's the only alternative.

"Now, what that means is, politically, the end of the British Empire; or what's called the British Empire. The British Empire is the present world empire. There is no other empire on this planet today, except the British Empire. The use of the 'empire' to describe any other system, is incompetent. The British are the only empire, and the British Empire is that which controls the dollar, the floating dollar today, the monetary dollar.

"So, under these conditions, we then proceed to world reconstruction. And what we do, instead of the present free-trade system, is we go back to a protectionist system, a fixed-rate system; in other words, currencies will have a fixed rate of exchange with respect to each other, or adjustable by treaty arrangements, but they do not float. And we then proceed to utter the credit, for large-scale infrastructure investment, which will be the driver of the physical reconstruction of the planet.

"That's the only remedy."