

Economic Crash: Pretext for Dictatorship, or Opportunity for a Better System?

Nov. 3, 2025 (EIRNS)—On Friday, October 31, Halloween, the Federal Reserve and US Treasury combined to inject \$50 billion into the banking system as “banks under pressure” turned to the “Standing Repo Facility” (SRF) for overnight cash. This is the biggest one-night demand since 2020. Is the system in trouble?

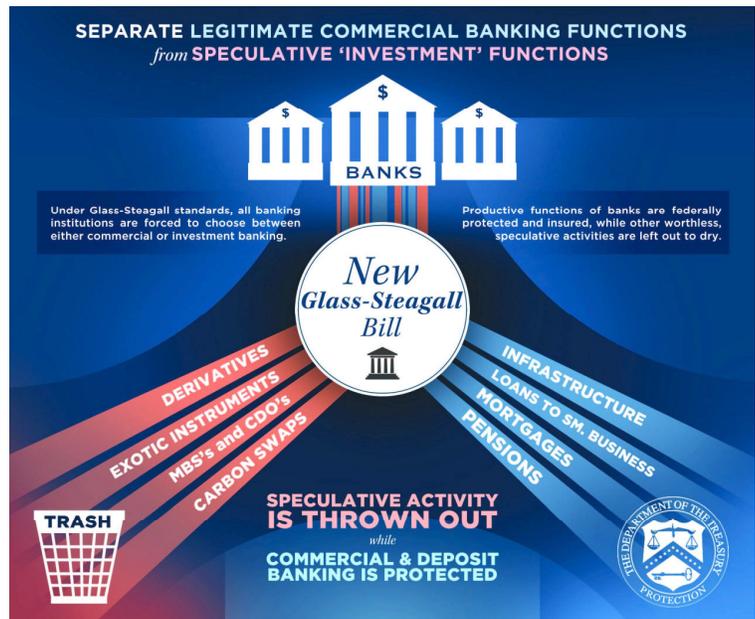
Since the 2008 crash, when Federal Reserve Chairman Ben Bernanke and U.S. Treasury Secretary Hank Paulson threatened the U.S. Congress with “blood in the streets” requiring “martial law” if \$700 billion were not immediately made available to Wall Street, over \$23 trillion has been poured into “too big to fail” bankrupt institutions, ultimately at taxpayer expense. Nothing was done to alter the dubious behavior which led to that crash. In fact, the same practices which led to the collapse were merely shifted into other areas, for example, from mortgages to car loans, which are the new imploding bubble.

The average price of a new car in the United States is now \$50,000! Many people under the age of 90 can remember paying less than that for their house! Not to worry—since housing prices have exploded, you can live in your car, as too many Americans are being forced to do.

The truth of the matter is that now even more money is concentrated in fewer banks than in 2008, making the situation overripe for doom. Playing with interest rates, and alternating quantitative easing and tightening will solve nothing, except to create additional economic hardship for the average American, while a tiny number of crooks become fabulously rich, until the whole house of cards comes down.

LaRouche’s Four Laws

In 2014, six years after the 2008 collapse, American statesman and economist Lyndon LaRouche



Reinstating the Glass-Steagall Act would separate the banks according to function, as done by FDR in 1933, investment banks separated from commercial savings and loan institutions.

wrote a short policy paper called “Four New Laws to Save the USA Now! Not an Option: An Immediate Necessity,” which began, “The economy of the United States of America, and also that of the trans-Atlantic political-economic regions of the planet, are now under the immediate, mortal danger of a general, physical-economic, chain reaction breakdown-crisis...”

He proposed four “laws” based on U.S. Constitutional principles to solve the crisis.

1. Reinstating the Glass-Steagall Act, separate the banks according to function, as done by FDR in 1933, investment banks separated from commercial savings and loan institutions.
2. Nationalize the Federal Reserve and create a national banking and-credit-system placed under the supervision of the Office of the Treasury Secretary of the United States.

3. Use the credit made available under this system to increase the productivity of the workforce, with investments in those areas which increase man's power over nature, such as modern transportation infrastructure, energy, water management, food production, etc.
4. Launch a crash program to develop fusion energy as part of the lawful development of the human creative potential.

Now that the BRICS-plus group of nations have already established a development bank to fund great projects to increase trade and "connectivity" among them. The United States must stop trying to halt the progress of 6 billion people and collaborate with this new dynamic, which is not foreign to the principles of the American Revolution.

An emergency conference should be called by the leaders of the United States, Russia, China, and India, to agree to write off large sums of worthless derivatives obligations, and to return to a fixed exchange rate system, with currencies pegged to gold or another appropriate physical standard. The United States would benefit immensely by collaborating with the rapidly developing nations of the global south, as opposed to risking nuclear war to destroy them.

Dictatorship Won't Work

Some have asked whether the current shutdown of the U.S. Government creates an opportunity for unilateral executive action, which would otherwise be illegal. Many Americans and active duty military officers have privately expressed concern that President Trump proposed using "our most dangerous cities as military training grounds," in blatant violation of the Constitution. Is this the plan to deal with the 42 million Americans who depend on supplemental food assistance (SNAP) which is jeopardized by the shut down?

It's time to end communism for Wall Street. Why should the American people and the nation be jeopardized for a handful of perverted billionaires and the "too big to fail" banks that enable their criminal behavior? To implement a new Glass-Steagall bank separation, the banks will have to be put through a kind of bankruptcy reorganization, where all the nasty things they have been up to, like laundering drug money, will come to light. Maybe some of them will finally go to jail for the harm they have done to the American people. We must save those things that people and communities depend on, and let the garbage go.

Watch: LaRouche's Four Laws - A New Era for the United States

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