



The Principles We Must Use in the Banking Crisis—Starting with “People First!”

The collapse of super-woke Silicon Valley Bank and Signature Bank, tremors at Credit Suisse, and runs on multiple regional banks, coupled with the unprecedented and unlimited federal bailouts of their depositors (ignoring the law’s limit of \$250,000) have produced a mass of theories about “what is really” happening.

We can only say a couple of things for sure: First, the main culprit is the Federal Reserve. It ran a decades-long program of zero interest rates to bail out the speculative bubble it built which exploded in 2007-2008. Instead of solving the problem, the Fed built an even bigger bubble, aided by Joe Biden’s spending spree on the Green New Deal and a war which continue to destroy the economy’s productivity, principally by driving energy costs through the roof. When the inevitable inflation became unbearable for most of the population, the Fed raised interest rates precipitously. That caught the poorly-managed and completely unregulated SVB and Signature Bank (the equally woke Fed and FDIC were absent) and other regional banks up short, holding bonds and treasuries which they could not sell to stabilize themselves. Second: the Fed remains committed to a level of inflation necessary to continue to bail out the Wall Street and City of London bubble on the backs of U.S. taxpayers, no matter what the financial and societal cost.

That is why the first step in addressing the actual crisis is to abolish the Federal Reserve and replace it with a national bank dedicated solely to providing credit to build modern infrastructure, develop advanced nuclear energies, and fund space and other frontier scientific projects which can raise the levels of human productivity in the real physical economy—the one road out of this mess. Join our fight to abolish the Fed and restore economic sovereignty.

Secondly, as Senator Josh Hawley suggests [@HawleyMO 8:48am Mar 14], it’s time to bring back Glass-Steagall and choke off the speculative economy which is killing us.

There’s obviously a corrupt political side to this, evidenced by the fact that SVB was the main bank for Silicon Valley,

the financiers of the fascist Democratic Party and its Security State. There may be a larger globalist motive in wiping out regional banks and consolidating everything into the money center banks favored by the Empire, while pushing centralized digital currencies. We are watching that and other weird features of this development.

But, again, none of the purely monetary sides of this development addresses the underlying problem. The Globalist Empire is actually bankrupt, and the culture wars, drugs, and the Green New Deal continue to collapse the one thing that matters: human physical economic productivity. As many are finding out, money doesn’t really grow on trees, and there aren’t really little green men under the floorboards efficiently running “the market,” despite the best efforts of the Biden Administration to convince us otherwise.

Use the QRcode to read the 1988 “People First” document by Lyndon LaRouche. It was the signal policy of his 2000 presidential campaign, which was getting underway just as major financial crises hit Asia, Russia, and the United States and was widely distributed as a pamphlet throughout the United States. It was also printed in EIR magazine. 1998 was the year when the cratering of the financial system which fully manifested itself in 2007-2008, first began to appear as large cracks in the edifice. Despite differences in specifics, the principles set forth in this document remain universal in their application today. Learn them, fight for them, and we have a great chance to save the nation.



**Use this QR code
to read “People
first”.**



Banking Collapse Caused by Federal Reserve. We Need a National Bank Now!

The sudden collapse of Silicon Valley Bank underscores the immediate need to get rid of the Federal Reserve and replace it with a Hamiltonian National Bank. After the 2008 financial crisis, itself caused by decades of funny money policies by the Federal Reserve, the Fed drove interest rates to zero and below and pumped the system full of free money. This accelerated during the pandemic.

Under these conditions, the Fed's free-money policy encouraged wild speculation that allowed banks like SVB to vacuum in huge amounts of short-term deposits which they invested, at the Fed's urging, into low yielding long-term bonds. Now that the Fed is raising interest rates the value of those bonds are dropping and consequently the banks like SVB are caught in a liquidity squeeze.

Most of the deposits in SVB are not insured. Hedge and venture fund

vultures are already screaming for the Fed or the U.S. Government to bailout the uninsured deposits.

LaRouchePAC says loudly and clearly: NO MORE BAILOUTS. Put the system through bankruptcy re-organization. Get rid of the Fed and re-establish a National Bank to provide credit for large scale manufacturing and frontier projects like the Freedom Cities and manufacturing powerhouse proposed by President Trump.

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