

Letters to the Editor

The 'American System': LaRouche's, Hamilton's

I have a suggestion for future editions of *EIR*.

In many articles, especially those authored by Mr. LaRouche, the term the "American System of political economy" is used as if we all know what that means.

I have read many editions of *EIR* and have yet to see the term explained. Perhaps you can use the following quote which I found in "The LaRouche Congressional Campaign Platform" (courtesy of Susan Schlanger).

On the bottom of page 22 under the sub-head of "Foreign Affairs" there is an explanation of the "American System of political economy." I quote:

"This is a system of national economy committed to fostering the steady increase of the average productive powers, and standard of living of labor, through fostering capital-intensive, energy-intensive entrepreneurial agricultural and manufacturing investment in employment of scientific and technological progress. This means the creation of the indispensable climate for successful entrepreneurial enterprises, the fostering of adequate amounts of capital-intensive, energy-intensive, regulated investment in basic economic infrastructure: water management systems, generation and distribution of power, general transportation, general communications, and of health and education services."

Maybe someone needs to come up with a glossary of terms Mr. LaRouche frequently uses.

Sincerely,
Richard J. Anastasi
Irving, Texas

The Editor Replies: I take the opportunity to amplify on the theme. Anthony Wikrent, a member of *EIR*'s economics staff who contributed the passages from Henry Carey to our issue on American System economics (Vol. 19, No. 1), has provided the following excerpts from *The Federalist Papers*, no. 11 by Alexander Hamilton. This may be the first mention of the term, "Amer-

ican System." Note that he saw this as a means of countering the colonial depredations of European empires. Hamilton was arguing here, of course, for the necessity of forming a federal Union by ratifying the Constitution drafted in 1787:

"The importance of the Union, in a commercial light, is one of those points, about which there is least room to entertain a difference of opinion, and which has in fact commanded the most general assent of men, who have any acquaintance with the subject. This applies as well to our intercourse with foreign countries, as with each other.

"There are appearances to authorize a supposition, that the adventurous spirit, which distinguishes the commercial character of America, has already excited uneasy sensations in several of the maritime powers of Europe. They seem to be apprehensive of our too great interference in that carrying trade, which is the support of their navigation and the foundation of their naval strength. Those of them, which have colonies in America, look forward, to what this country is capable of becoming, with painful solicitude. They foresee the dangers, that may threaten their American dominions from the neighborhood of States, which have all the dispositions, and would possess all the means, requisite to the creation of a powerful marine. Impressions of this kind will naturally indicate the policy of fostering divisions among us, and of depriving us as far as possible of an *active commerce* in our own bottoms. This would answer the threefold purpose of preventing our interference in their navigation, of monopolizing the profits of our trade, and of clipping the wings by which we might soar to a dangerous greatness. . . .

"A further resource for influencing the conduct of European nations towards us . . . would arise from the establishment of a federal navy. There can be no doubt that the continuance of the Union under an efficient government would put it in our power, at a period not very distant, to create a navy which, if it could not vie with those of the great maritime powers, would at least be of respectable weight if thrown into the scale of either of two contending parties. . . . A price would be set not only upon our friendship, but upon our neutrality. By a steady adherence to the Union, we may hope, ere

long, to become the arbiter of Europe in America, and to be able to incline the balance of European competitions in this part of the world as our interest may dictate. . . .

"Under a vigorous national government, the natural strength and resources of the country, directed to a common interest, would baffle all the combinations of European jealousy to restrain our growth. This situation would even take away the motive to such combinations, by inducing an impracticability of success. An active commerce, an extensive navigation, and a flourishing marine would then be the inevitable offspring of moral and physical necessity. We might defy the little arts of little politicians to control, or vary, the irresistible and unchangeable course of nature.

". . . I shall briefly observe, that our situation invites, and our interests prompt us, to aim at an ascendant in the system of American affairs. The world may politically, as well as geographically, be divided into four parts, each having a distinct set of interests. Unhappily for the other three, Europe, by her arms and by her negotiations, by force and by fraud, has, in different degrees, extended her dominion over them all. Africa, Asia, and America have successively felt her domination. The superiority, she has long maintained, has tempted her to plume herself as the Mistress of the World, and to consider the rest of mankind as created for her benefit. Men admired as profound philosophers have, in direct terms, attributed to her inhabitants a physical superiority; and have gravely asserted that all animals, and with them the human species, degenerate in America—that even dogs cease to bark after having breathed a while in our atmosphere. Facts have too long supported these arrogant pretensions of the European. It belongs to us to vindicate the honor of the human race, and to teach that assuming brother moderation. Union will enable us to do it. Disunion will add another victim to his triumphs. Let Americans disdain to be the instruments of European greatness! Let the thirteen states, bound together in a strict and indissoluble union, concur in erecting one great *American system*, superior to the control of all trans-atlantic force or influence, and able to dictate the terms of the connection between the old and the new world! [emphasis added]"