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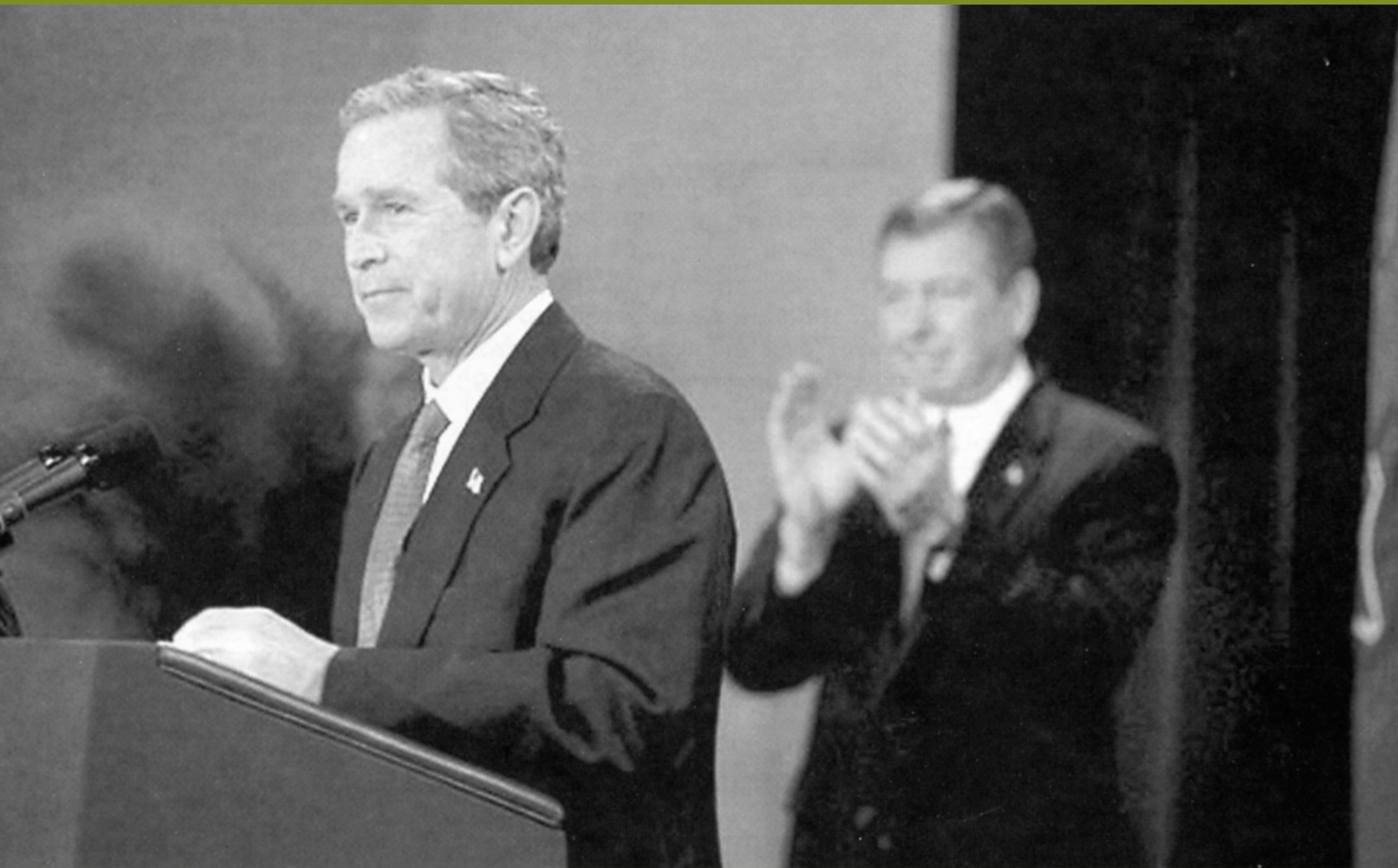
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Japan Is at War With Itself  
The Lessons of the Erfurt Massacre  
Arab World Sees LaRouche As Voice of Reason

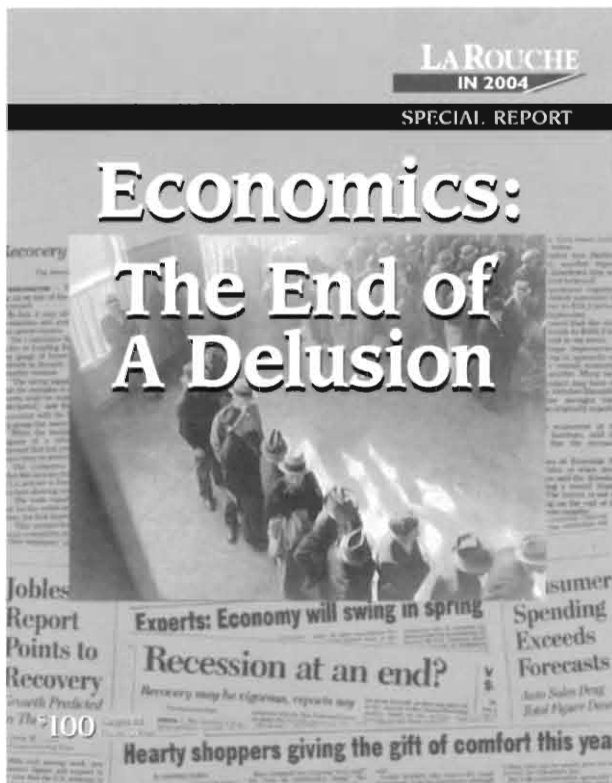
**'Laputa's President Bush'**



# Economy in Crisis:

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"On the time-scale of history, the terminal moment of our nation's recent follies has now arrived. Now, if our nation is to survive, we must acknowledge, that the leading trends in policy-influencing opinion, over the recent thirty-odd years, have been cumulatively disastrous in their net effect."  
—Lyndon H. LaRouche, Jr.

This Special Report features LaRouche's overview of the principles of a "science-driven" economic recovery strategy from the current global depression; the "Triple Curve" collapse function of the U.S. and world economies, and why it is qualitatively worse than that of 1929-33; and what must be learned from President Franklin D. Roosevelt's 1933-45 recovery strategy.

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## From the Associate Editor

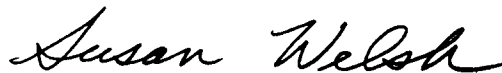
**T**he shocking truth is, that the miseducation that adult Americans received in secondary school, respecting the axioms and postulates of geometry, and the supposed self-evident existence of the counting numbers, contributed directly to the mass insanity in which so many victims participated during the 2000 Presidential campaigns.

Lyndon H. LaRouche, Jr. proves it to you, in his beautiful, symphonic article in this week's issue, "Laputa's President Bush." This, together with his May 1 webcast address on "The Middle East Blow-Back Effect" (see *National* for a first report), constitute the kind of intervention, with the power of truthful ideas, forcefully and metaphorically expressed, of which history is made.

LaRouche demonstrates that "the greatest threat to you today, is not the economic depression. The greatest threat is the delusion that the depression is not occurring. That delusion is what might kill you, and this nation, too. Therefore, being freed of that delusion, is the most important of the challenges confronting your neighbors today." In his elaboration of how this delusion has gripped our countrymen, you will find—as I did—a poignant, and painful, picture of your own family, neighbors, and colleagues.

The author explains the epistemological keys to breaking out of the wrong-headed way in which we think. His argument, admittedly, is not easy going. "To the majority of readers, some of this may appear to be too exotic to be relevant to the case of the breakdown in progress in the Bush Administration," he writes. "But, stay the course; you could not possibly understand the how and why of that Bush Administration, without taking the lurid forms of mysticism associated with Locke, Quesnay, and Adam Smith into account. It may seem weird, but weird is the way the collective mind of the Bush Administration, among others, works, or, if you prefer, does not really work. We fellow-Americans, have a really sick mess in Washington on our hands, and it is neither centered in, nor originated with the January 2001 inauguration of President George Bush."

Don't miss the report in *International* on the shock-wave effects that LaRouche's influence is having in the Arab world, in the aftermath of what Yasser Arafat aptly called "Jeningrad."



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*President George W. Bush, with Attorney General John Ashcroft lurking in the background.*



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By Lyndon H. LaRouche, Jr. "To understand the policies whose authorship may be only superficially attributable to U.S. President George W. Bush today, thoughtful historians might wish to reference *Gulliver's Travels*, Jonathan Swift's famous satire on Britain in the age of Walpole and Hogarth. As I shall demonstrate to you here, the story of Gulliver's floating island of Laputa, aptly suggests that Washington, D.C. today is a floating island of political lunatics. . . . This must be recognized as the true nature of what many foreign observers mistake for an actual, current policy-session of either the President's White House circles or the U.S. Congress."

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## Japan Is at War With Itself

by Kathy Wolfe

Following Japanese Premier Junichiro Koizumi's April 21 visit to Tokyo's Meiji-era Yasukuni war shrine, the outcry was sharp, from Chinese President Jiang Zemin and Korean President Kim Dae-jung on down. But our headline does not refer to a military war in Asia, at least not yet. Koizumi's action is typical of a war of paradoxes going on inside the Japanese elite. On one hand, the resistance to Wall Street and the International Monetary Fund's demands, to destroy Japan's industrial base, is high in certain quarters, and some realize that opening new trade vistas with the Eurasian Land-Bridge nations is the only way out. On the other, Koizumi and his economics team continue to promote IMF policies which will gut Japan's industrial base, while going out of their way to alienate the rest of Asia.

Japanese Infrastructure Minister Chikage Ogi announced on April 26, for example, that the Construction Ministry is writing a 100-year blueprint for the nation's infrastructure, a competent concept unheard of in the "shareholder value" mentality dominating Western nations. The Ministry of Land, Infrastructure and Transport (MLIT) now has ten long-term public works projects planned, eight of which will be completed in fiscal 2002. Yet, on the other hand, the Harvard-educated Economics Minister Heizo Takenaka stated on April 22 that public works must be cut by 30% over the next five years, from 30 trillion yen (\$230 billion) to Y20 trillion (\$153 billion). Japan has continued to build high-speed bullet trains, water, and electricity projects, extending to every corner of the archipelago, but under Koizumi, such activity has been politically scandalized, using the theme "construction is corruption."

Finance Minister Masajuro Shiokawa, after sharply attacking the IMF in mid-April for "meddling in Japan's affairs," has announced a war of letters, which the Ministry of Finance (MOF) is sending to Moody's, S&P and other Wall Street rating agencies, protesting their threats to lower Japan's Government Bonds (JGB) rating again (below that of Bo-

tswana) in mid-May. The MOF has also announced new restrictions on Wall Street "short selling" of Tokyo stocks and is reining in margin lending.

And what of the Japanese banking crash, which Wall Street opinion-makers insisted was due, when deposit guarantees for long-term bank deposits were removed on April 1? Instead of collapsing major Tokyo banks, as the American Enterprise Institute loudly forecast, the removal actually caused huge amounts of funds to flow from long-term accounts all over Japan, *into* short-term deposits in Tokyo's top seven banks. Again the MOF faction committed to defending the country against foreign attack, has created a highly short-term bailout which will stave off disaster perhaps weeks or months, but is not viable.

### Defensive and Incoherent

Patriots in Japan have no coherent positive policy, and are flailing in their attempts to keep the collapsing giant of the global IMF monetary system from stepping on defenseless Japan. Without a positive policy, such as Lyndon LaRouche's program to build the Eurasian Land-Bridge, already being taken up in Korea, Japan's economy can not survive, and with another kind of nationalism also growing, a new war in Asia can not be completely ruled out. As the *Nihon Keizai News* editorialized on April 22, "Spring 2002 Brings Echoes of Spring 1938." In 1938, it says, Spring came very early and it "coincided in time with the trampling of the framework of peace" as Germany went to war. "The uneasiness . . . of 1938 can be felt again in the Spring of 2002." Japan's top financial daily never specified what it meant in this highly abstract commentary, but the title says enough.

Japan's elites, meanwhile, are very much aware of the vulnerabilities of the United States in this situation. "Weak Dollar Predicted" was the Nikkei headline on April 25, in which Ryuichi Atsuta at the Tokyo branch of Bank of America, said that over the next month the yen is likely to

keep strengthening. “There are negative factors surrounding the dollar,” Atsuta pointed out. “The view of Tokyo that the U.S. stock market and economic conditions there are not as bullish as was earlier believed, is spreading. . . . The rising U.S. current-account deficit will prompt investors to sell the dollar.”

Asian diplomats say there was a major fight at the just-concluded IMF annual meeting in Washington, about putting warnings against “the rising U.S. current account deficit” in the communiqué, which the United States refused to allow. At the IMF press conference on April 21, French Finance Minister Laurent Fabius—like American Congressmen at hearings since—openly differed with U.S. Treasury Secretary Paul O’Neill on this. After O’Neill said the U.S. deficit was not important, Fabius declared that, *au contraire*, it most definitely is a “threat to world currency stability.” Japan’s delegation strongly supported the French view, *EIR* was told.

“Japanese Finance Minister Masajuro Shiokawa Is Fed Up,” headlined Nikkei’s coverage of the MOF’s plan to dress down Moody’s Investors’ Service and other Wall Street raters. “Tired of being told by foreign credit ratings agencies that Japan’s economy is in the dumps, its financial system is shaky and that the government’s fiscal deficit is unsustainable, Shiokawa, and his ministry, have decided to fight back.” The Finance Ministry is currently preparing letters to the three major ratings agencies—Moody’s, Standard & Poor’s, and Fitch Ratings—asking them to justify their recent decisions to downgrade Japan’s bond ratings. “When you think of the responsibility that the yen has, in being one of the world’s major currencies, we can’t allow for ‘impulsive’ ratings decisions,” Shiokawa said. “I want to know if they are taking into account the fact that Japan is the world’s largest creditor nation . . . or the fact that we have abundant foreign exchange reserves.”

Thomas Byrne, vice president and senior credit officer of sovereign risk at Moody’s, told Dow Jones on April 26 he was “fairly certain” his agency would announce its decision by May 13 on the “below Botswana” issue.

### Short-Term ‘Hyper-Bailout’

Unfortunately, the situation in Japan gives the Moody’s gang a lot of room for their nasty doings. Japan’s April 1 deregulation of deposit guarantees has temporarily caused a short-term “hyper-bailout” in which large masses of money are moving chaotically into the major banks, and interest rates have collapsed to zero even in the private banking system. But money this “hot” can flow somewhere else on a minute’s notice. Japan’s public believes that the government will treat the Big Seven banks as “too big to fail.” So the deregulation action has sent them all running to the largest banks, bailing out those banks, the bank stocks and thus the Nikkei stock index.

Ironically, the Japanese press since April 1 has been filled with stories headlined “Money Pours Into Overnight Ac-

counts”; “Banks Cut Interest Rates To Avoid Deposit Pile Up,” and so on. Short-term deposits by individuals at the five largest Tokyo banks rose by Y11 trillion (\$85 billion) in the last 12 months to Y43 trillion (\$330 billion), a rise of over 22%, the Bank of Japan reports. Short-term deposits in all banks jumped Y40 trillion (\$308 billion) during that time. The proportion of short-term to total deposits rose to over 40% in March, up from 30% a year ago. Consumers also yanked cash out of money market funds, which dropped over 21% in the same period, because with their bonds issued by Argentina and Enron Corp., they are worth less than investors paid for them.

Japan’s largest banks are now cutting interest paid to depositors to keep them away. The three largest bank groups—Bank of Tokyo-Mitsubishi, UFJ Bank, and Sumitomo Mitsui—just lowered their annual interest rate on short-term deposits from 0.02%, to 0.001%, effectively zero. The banks can’t use the funds because they have no one to lend to, and meanwhile the Deposit Insurance Corp. just raised the premiums that banks must pay on deposits—so banks don’t want them.

The April 1 deregulation also caused massive funds to flow into Japanese Government Bonds (JGBs)—the same bonds that Moody’s is threatening to downgrade—into Tokyo real estate, and into the Postal Savings System. Total JGBs held by the corporate sector doubled over the past year to Y1.5 trillion (\$12 billion), said a Bank of Japan survey. In the first two months of this year, corporate monthly net purchase of government corporation bonds topped Y1 trillion every month. Corporations also shifted funds totalling more than Y10 trillion (\$75 billion) out of money market funds, into JGBs. “Government bonds are currently the only safe financial instrument in which we can invest surplus funds,” says an official at a machinery maker. Meanwhile more than 30% of personal savings have been put in the Postal Savings System, growing at the rate of \$50 billion a month and now at Y240 trillion (\$1.9 trillion).

So far, the weakening dollar has prevented the real “Big Dam” from breaking: The Japanese population has been unwilling to venture beyond home ground and dump yen assets. But this could change in an instant. Deposits at Japanese branches of foreign banks have also reached a record Y10.5 trillion, up 32% from a year earlier, according to the Bank of Japan.

### Physical Economy Threatens To Go Under

Meanwhile, in the policy vacuum, the real economy, and industry in particular, are collapsing, with six major construction companies announcing massive losses for the fiscal year ended March 31. NEC Corp., Hitachi, Matsushita Electric, Fujitsu, Toshiba, and Mitsubishi Electric announced over \$15 billion in combined losses in late April, as companies all over the globe slash capital spending on equipment. The six have laid off over 85,000 people, 5% of their workforces, shut

factories, and closed unprofitable businesses. Physically speaking, this threat that major Japanese industrial firms will go under, as major industrial concerns in Korea such as Daewoo and Hyundai have done, is far worse than the net loss of ¥4.1 trillion (\$31.5 billion) announced in mid-April by the Big Seven Japanese banking groups.

Deflation of the physical economy is accelerating with the Consumer Price Index falling a full 0.8% in fiscal 2001 to March 31 from a year earlier, the fourth straight year of decline for the first time in the postwar period, the Public Management Ministry reported on April 26. And with unemployment continuing over 5%, the unprecedented sight of homeless people has begun to appear in major Japanese cities. Some 300 homeless people from Tokyo and Osaka marched to the Diet (parliament) on April 26, to press for the early passage of legislation to provide relief to an estimated 30,000 homeless people across the country. The marchers chanted, "Pass the legislation" and "Give us jobs."

In Japan, that is the beginnings of civil war, unless something is done soon. Perhaps it's not too soon to warn of the 1930s.

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## Interview: Greg Blaska

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# U.S. Farm Law Won't Stop Imports or Meet Costs

*Greg Blaska, of Sun Prairie, Wisconsin, was interviewed April 26, the day of the release of the Congressional Conference Committee agreement on a draft new farm bill. Blaska is a longtime farmer and dairy sector leader, serving on the National Dairy Board from 1995-2001, and active in the Wisconsin Farmers Union.*

**EIR:** The Congressional Conference Committee has now said it has agreement on a new farm bill draft—with only minor details remaining—to replace the infamous 1996 "Freedom to Fail" Farm Act. As you know, the new bill drops the 1996 pretenses that "market forces" will save farming. But, the new bill has no policies that actually would restore U.S. agriculture.

Let's begin with your specialty, dairying.

**Blaska:** Well, dairy: If you follow what's happened in the



New England states, where for the past six or seven years, they had to have a compact in order to get enough income to stay in business; that has slid into the new farm bill now. And when we talk about all the Eastern farmers who are not making enough money to stay on the farm, well, this has also followed through to the Midwestern farms. Our production in Wisconsin has dropped to the lowest now in about 20 years. The reason it is dropping, is that we aren't getting a cost-of-production price for the milk.

In the old days, we had a parity program, until about 1980, when President Reagan's first official act, was to remove parity pricing for dairy. So we lost parity, and now our prices do not reflect the cost of production of milk.

Our costs go up just like any other costs of U.S. products. What we are seeing happen is, that we are in deficit about 10 billion pounds [of milk] now annually, for national production—that is, to make all the fluid milk, and cheese, and butter that we need, and ice cream mix, and all the good dairy products.

What's happened is that the free-trade zealots, who pretty much dominate now; as far as the World Trade Organization, they have allowed imported dairy products from many, many countries to enter, without a quota or tariff. They don't come in, in the form of good cheese, or fluid milk—the fluid milk market is still protected with domestic supply, but they come in as something else. In the cheese market now, one of the big offenders is one of the huge corporate international companies, called Philip Morris, which has made their whole process line out of milk protein concentrate.

**EIR:** You are speaking of the Kraft subdivision?

**Blaska:** Well, yeah, I like to say Kraft. I mention Philip Morris, because when Philip Morris took over Kraft, about 10 or 15 years ago, they changed their domestic supply issue. Then they started to be a world company, and they had to deal, the same as Philip Morris does, for only one goal in mind: to get the lowest-cost ingredients into their cheese. So what we are seeing happen, is that they were the leader in using the milk protein concentrate and entering into the process cheese lines that they have. So when you go into the convenience store, or to the supermarket, they dominate the shelf space, with foreign products. So, our domestic suppliers have to back off. They just can't sell their products, although it's better quality—and we've passed all the rigid tests for good quality milk: The competition is not that. I mean, we are getting it from India, from Poland, from Argentina, and of course, most of it comes from New Zealand and Australia.

**EIR:** So that's "mpc"—milk protein concentrate, mostly, you are talking about?

**Blaska:** That's what's balanced the market. And now, some of the ice cream makers have also tried to use it—although the ice cream industry went for a higher-quality product, after they failed, 20 or 30 years ago, to introduce a cheap product.



Nutrition Facts		Amount/serving	%Daily Value*	Amount/serving	%Daily Value*
Serving Size 1 oz (28g/ about 3/8 inch slice)		Total Fat	6g 9%	Total Carbohydrate	3g 1%
Servings Per Container 16		Saturated Fat	4g 20%	Dietary Fiber	0g 0%
Calories 80		Cholesterol	25mg 8%	Sugars	2g
Calories from Fat 50		Sodium	410mg 17%	Protein	5g
		Vitamin A	6%	Calcium	15%
		Vitamin C	0%	Iron	0%

INGREDIENTS: MILK, WATER, MILKFAT, WHEY, WHEY PROTEIN CONCENTRATE, SODIUM PHOSPHATE, SORBIC ACID AS A PRESERVATIVE, SODIUM ALGINATE, SODIUM CITRATE, APICAROTENAL, SODIUM LACTATE, SODIUM CHLORIDE, MILK PROTEIN CONCENTRATE, LESS THAN 2% OF SALT

“Velveeta” brand, produced by Kraft/Philip Morris, is one of the most prominent products made from imported milk protein concentrate (mpc). It cannot be sold as “cheese,” and is termed, “pasteurized, prepared cheese product.” Most of the imports come from New Zealand and Australia, but also, India, Poland, and elsewhere, under free trade pressures. MPC imports went from 805 metric tons in 1990 to 44,878 tons in 1999, and now have displaced about 2% of total U.S. milk production. The consumer has lost that much actual food, for “free trade” substitute food.

The consumers want the good ice cream. However, they [the industry] can use imported butter fat, to a certain extent, in the ice cream mix. And some of the ice cream people are making the mix out of imported butter fat, which also doesn’t have a quota or a tariff. So our dairy farmers are stuck. We have only one choice, and that is, terminate.

That’s what’s happening.

**EIR:** What about the casein imports?

**Blaska:** We let that one slip many years ago. Casein was a concentrate of protein also. It made Louis Rich awful rich. He made that coffee creamer out of the casein. He owns the stadium in Buffalo. He owns the football team. He made his money off the U.S. dairy farmers, and the dairy farmers never said a word.

**EIR:** He was the “Casein King,” with the fake coffee creamers?

**Blaska:** That’s exactly what I’m talking about. That’s where the creamer came from, to replace our natural cream. They make a liquid out of it. Most of the better restaurants have gone back to real cream. . . .

The famous brand that Kraft has, Velveeta, 100% of that brand is imported now. That’s made out of milk protein concentrate, every package I’ve looked at in the stores for the last three years.

**EIR:** Do they write, “mpc”?

**Blaska:** It’s on the label, “milk protein concentrate”—they have to write it out. They don’t use the initials. The consumers have no choice. And Kraft has control of the distribution system, for some reason.

**EIR:** So the farm bill offers so-called support for dairy farmers, while imports flow in.

**Blaska:** They’re talking about a \$1.5 billion program for

dairy. What they need to do is look at the cost of production. I always use the Cornell University Business Survey, which is very honest, and it’s around \$15 per hundredweight [of milk]—depending on the year and what the cost of business is.

That cost is wrong too, in that it includes the low cost of corn, which is subsidized by our own nation, to be a low-cost product. The dairyman is buying all his corn products, at that low price, which is \$1.50 a bushel—which is way below the cost of production. However, the corn farmer industry, and agriculture, has been subsidized out of the general fund, enough to make up, so that when we

raise the corn, we can pay for the equipment, and it comes a little closer to our cost of production. . . .

In milk, we are not asking for a subsidy. All we’re asking for is a clean break as far as tariffs and quotas, so that the competition is even. The big problem is, that the dollar value for the importers—the great demand to come into the country, because they can double their money, if they can sell their butter fat, or their milk protein concentrate here in this country. . . .

And if we overproduce, the dairy farmers have never questioned the fact that we could be taxed for the overproduction on a per-hundredweight basis, to pay for the cost. Then the government would have a big inventory of dairy products to help in the world relief programs. It seems like we have a lot of problems, as we fight these wars around the world; like right now, look at the Palestinians. Somebody is going to have to feed those poor people for a while.

**EIR:** You helped mobilize U.S. farmers to send milk powder to Iraq, in the early 1990s.

**Blaska:** Right. And the dairymen are glad to do that. If we produce too much, we would be glad to pay for that milk ourselves. But we need a national program, so we can do that. Individual farmers can contribute some, but it won’t work on a big scale. The Roosevelt program was that way. We continued after the war, we continued to produce more in dairy products than the country needed. And these were all used in the relief programs to rebuild the world. The Japanese people, what they feared most was starving, after the War. And the American farmers produced this product, especially milk powder. The Japanese still mention it, 50 years later, how grateful they were that we brought food to them.

**EIR:** So there is no question of how to manage food supply. It’s a nice problem to have, if you are producing “too much”!

**Blaska:** It would be a nice problem. But in dairy, we are so

far short now, that we have *nothing to give away*. Nothing. Because we are 10 billion pounds short now, of national production.

**EIR:** What do you say about the world patterns of production, when it comes to the meat packer side—cattle, hogs, other livestock?

**Blaska:** The Congress, of course has been pretty well bought and paid for.

**EIR:** The new conference farm bill dropped the idea of having a ban on the big packers owning livestock themselves.

**Blaska:** Sure. They paid for that fair and square with their political action money. That's what we get. And the farmers don't have a program like that, that we can put together—lobbying money. So the packers are controlling it. And it's going to be a real serious problem, because they're going to set the price, what they're going to pay. And what they're going to do, is blend it in with imported products, so the price is the lowest price possible. . . .

I feel real disgusted about the packer issue, that we allowed those industries to own their own cattle, and feed them. They absolutely are going to set the price that the farmers are going to receive, which is a disaster, because they are going to set it too low. It's going to be below the farmer's cost. So they'll own the industry, just like they do the broiler [chicken] industry, in a few years. It won't take long.

**EIR:** Already, the largest producer in hogs, Smithfield, which produces 12% of the hogs slaughtered in the United States, and processes over 20% of our pork, has big operations in Canada, as well as Brazil, Poland, and elsewhere.

**Blaska:** Yes, they import a tremendous amount of beef and pork to blend in with the American supply, and it's not labelled as to country of origin. That's one thing, that if we can get out of Congress, a labelling provision.

**EIR:** What about food safety, when you have long world trade supply lines, over thousands of miles?

**Blaska:** It's ridiculous that none of the imported milk protein concentrate is inspected—very, very little. And when this value got to be so high, you know, from the foreign product coming in, because of their money exchange, and their surplus supply—we even cleaned out the Polish supply, which was all irradiated, from the nuclear disaster of Russia. And from Ukraine, we picked up all that whole milk supply, and so the American consumer gobbled it up, and didn't know the difference. And that's what is so sad. I hope none of them got sick.

**EIR:** As you say about history, after the Second World War, when the United States was supplying wholesome product—this milk powder and so forth—it was seen as useful to have American specialists go abroad, and help re-build agriculture

sectors. I think there was breeding stock sent back to Europe and there were projects in Africa. Would that be the kind of thing we could resume today?

**Blaska:** Oh, absolutely. And one of the solutions for these problems in Palestine-Israel, is to rebuild that whole area. And Israel does not have the money to do it, because we are already carrying their economy with our tax dollars. I think that's one of the problems that we have right now. We pay the Israeli defense budget, and we don't do anything for the other side. We have to be more fair, in how we solve that problem.

**EIR:** In other words, you say concretely, that if we did the kind of thing—you know, LaRouche has called for an “Oasis Plan” approach, where you get enough water and energy in there, you could see putting in the kind of livestock—whether it be milk cows, or the Awassi sheep, or the goats?

**Blaska:** Yes, they could rebuild their agricultural economies over time, but it won't happen unless, in 10-15 years, in the meantime, we give them the food, if we have the surplus. We do have some grain we are donating. But the real product they need, is dairy.

**EIR:** High protein?

**Blaska:** High-protein products, to save those kids. Especially in Iraq. I guess Iraq was on the agenda down at Crawford, Texas, in a pretty big way, the way it sounds. So that, what the [Saudi] Prince [Abdullah] said, is that, we don't want any more wars with Iraq, and using our land to further it. So maybe we are moving into a different arena right now. I hope that happens. And the American dairy farmer is willing to help, but this farm bill has got to put the cost-of-production back on every product that we raise.

**EIR:** You are raising the principle for both here and abroad, of making sure everyone is fed?

**Blaska:** Absolutely. That includes all of Africa, and in our lifetime, we will never see that done. That's such a big job, the African issue. And there's more. Look at Afghanistan: That's not going to happen in six weeks, restore their economy. It's been devastated. Now that we went over there, to purge it, I think we have an obligation to help those people establish a decent economy.

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# Adult Stem Cells: New Therapies, No Cloning

by Wolfgang Lillge, MD

Most people around the world believe that embryonic stem cells offer the greatest promise for developing new medical treatments: In reality, adult stem cells from the body of the patient being treated, have shown a much greater potential for curing severe diseases. One reason for this distorted public opinion is the pattern of media reports about ongoing research with stem cells. Any new result, even if a very minor one, with embryonic stem cells, is blown up in the media as a major breakthrough. But when researchers announce even greater success using adult or alternative sources of stem cells, there are generally only small notes in the remote corners of the science pages.

The same spin has an obvious political purpose, as it has a major influence on the current cloning debate, both in the United States and abroad. There is a powerful lobby, including biotechnology companies and investors, that is pushing hard to completely open up scientific research to the “therapeutic” cloning of human embryos, disregarding moral objections associated with it. While adult stem cell research continues—somehow anonymously, but with remarkable success!—the public focus is clearly on embryonic stem cell research. The current debate in the U.S. Congress on whether to allow cloning of human embryos for research purposes is a reflection of that.

What is needed in the legislative process is a clear perspective about the consequences of such decisions. Scientists cannot achieve progress by overriding basic human values; here, this means developing treatments for diseases by killing human embryos in the process. One must understand there is no qualitative difference between cloning a human embryo for “therapeutic” means (to obtain embryonic stem cells) and for “reproductive” means (to produce a complete human clone).

## The Use of Stem Cells

The legislation in the United States is still undecided: The House has passed a strict cloning ban, which the President supports; many Senators are being lobbied and have come out for human embryo cloning for “medical research only.” In Germany, such attempts remain banned, but the importation of stem-cell lines produced by this method from other countries, has now been permitted. In Britain, no restrictions exist on attempts at human cloning. What must be brought to bear is the informed moral stand of the citizens, against a further moral decline of society.

Reviewing the research results of the last couple of years, it becomes obvious that embryonic stem cells involve severe problems when scientists try to use them as means of treatment. Largely unmentioned is the high “price” paid for these very uncertain results. To obtain embryonic stem cells, an embryo—a nascent human being—must be killed in the *morula* phase of growth, when one can harvest “pluripotent” cells (i.e., those still able to develop into many different cell types).

The general idea of therapy with stem cells, both embryonic and adult, is to use these cells to regenerate or replace diseased tissue, as in Parkinson’s disease or multiple sclerosis patients. One of the major advantages of adult stem cells is that cells from the patient’s own body can be used, which removes the risk of immune reaction against reimplanting these cells; whereas, in the case of embryonic stem cells, exogenous cells are used which definitely will provoke a major immune response. The only future way out of this immune dilemma would be to produce embryonic stem cells of the patient, by way of “therapeutic cloning.” For that, you take a body cell, extract the nucleus, insert this nucleus into a denucleated egg cell, and stimulate its embryonic development. If it reaches the *morula* phase, you kill the embryo extracting the stem cells, which should be immunologically identical to the patient’s cells. After culturing and transforming them into the needed tissue, they will be retransplanted to the patient for treatment.

There has been, so far, no report of successful treatments of humans in this way. These cells seem to be too “unripe”—also reflected by the fact, that embryonic stem cells have a severe tumor risk. Of course, all these approaches are in a very early phase of research; but why pursue a technique where such problems are combined with a major moral handicap?

## New Promising Results

The pattern of media twisting was visible recently when several important research results were achieved. Anyone who relies just on television for news, or quickly scans newspapers, would have missed them altogether. Using experimental procedures with adult stem cells, patients with Parkinson’s disease and multiple sclerosis have experienced significant medical improvements. Comparable benefits using embryonic stem cell treatments have not yet been demonstrated even in animal experiments.

The most recent case concerns a 57-year-old man, who was diagnosed at the age of 49 with Parkinson’s disease, typified by a progressive loss of dopamine-producing cells in the brain. The disease worsened progressively, leading to tremors and rigidity in the patient’s right arm. Traditional drug therapy did not help. As reported by neurosurgeon Michel Levesque of Cedars-Sinai Medical Center in Los Angeles, at a conference in Chicago in early April, stem cells were harvested three years ago from the patient’s brain using a routine brain biopsy procedure. They were cultured for sev-

eral months in the laboratory, growing to several million cells. About 20% matured into dopamine-secreting neurons. In March 1999, these neurons were injected into the patient's brain. Within three months the man's motor skills had improved by 37%, with an increase in dopamine production of 55.6%. By March 2000, the patient's overall performance had improved by 83%, and as of March 2002, no symptoms of Parkinson's disease can be seen—and that, without taking any other Parkinson's medication.

Even if this is yet only a single case, a treatment program on the basis of adult stem cells could soon outdo other approaches, including recent therapeutic attempts using neural cells of aborted fetuses. Levesque will now expand his program to 12 additional patients.

One can only assume, that had the treatment been conducted with embryonic stem cells, the media would have spread the story all over the place.

There is also a potential new treatment for people with severe cases of multiple sclerosis (MS). Recent research results were presented during the American Academy of Neurology's 54th Annual Meeting in Denver, April 13-20, 2002. The new treatment involves removing stem cells from the patient's blood, killing those cells that are working against the body's immune system, and then returning the healthy stem cells back to the body. Similar treatments have also been tried in advanced stages of cancer, where strong chemotherapy would destroy the blood-producing system in the bone marrow.

"The hope is that these stem cells will eventually reconstitute into healthy immune system cells and the disease process can be stopped," said study author George Kraft of the University of Washington Medical Center in Seattle. There, 26 people with severe MS underwent this treatment, called autologous stem cell transplantation. Their results were followed for an average of 14.2 months. Conventional treatments had previously been unsuccessful for all of the patients, either with no improvement or intolerable side effects. After the stem cell transplant, 20 patients were stable, with no change in their amount of disability. Six showed some degree of mild improvement by some measures. "This is good news," said Kraft. "These patients had all been rapidly deteriorating over the past year, so to get them to a point where they are stabilized is great progress."

Meanwhile in a Canadian study begun in 2000 at the University of Ottawa, younger MS patients, at a less severe stage of the disease, have shown even greater benefit from the same procedure. Six months after the first patient was treated, she was found to have no evidence of the disease on MRI scans. Three other patients have also received successful adult stem cell grafts, with no current evidence of active disease. It is still too early to tell whether the Canadian patients have achieved permanent remission or a cure, but there can be no question that the research is significant.

We may add a short list of other advances made in adult-cell therapies and research in the recent period:

- In Israel, doctors inserted white blood cells of a paraplegic patient into her severed spinal cord, after which she regained bladder control and the ability to wiggle her toes and move her legs.

- Harvard Medical School researchers killed cells producing insulin in mice, inducing diabetes; then, the animals' adult stem cells took over and regenerated missing cells needed to produce insulin and eliminate the disease. This compares to an experiment in which embryonic stem cells, injected into diabetic mice, achieved a 3% insulin production rate, and all the mice died. "The permanent reversal of Type 1 diabetes in mice may end the wrenching debate over harvesting stem cells from the unborn to treat adult diseases," said the *Harvard University Gazette* of July 19, 2001, of this astonishing success. "It should be possible to use the same method to reverse Type 1 diabetes in humans," says Denise Faustman, the associate professor of medicine who leads the research. Set-up has already begun for a trial for human patients at Massachusetts General Hospital in Boston.

### **Nature Creates Doubts**

Against the mounting evidence in favor of adult stem cell treatments, a note was published in *Nature* magazine in March, implying that hopes for this research and practice may be premature. The claim that adult stem cells are just as versatile as embryonic ones may have been misleading, said the British publication's note; they may be just fusing with other cells to form abnormal hybrids, which are mistaken for pristine new tissues.

What seemed a strong argument on first view, soon turned out not to be very convincing. The conditions of the experiment reported were such, that no significant results could be expected, and later the authors themselves admitted that fusion of this type is a very rare event. However, the *Nature* warning was multiplied widely enough in leading non-scientific media, to create a general doubt in public opinion.

In contrast, a small, but highly important note went almost unnoticed: Catherine Verfaillie at the University of Minnesota reported, that she had found stem cells in the bone marrow of adults, that can turn into every single tissue in the body. Until now, only stem cells from early embryos were thought to have such "pluripotent" properties. If further research confirms these findings, there would be no need to resort to "therapeutic cloning" of human embryos in order to get matching stem cells.

Experiments so far seem to confirm that the cells—dubbed multipotent adult progenitor cells, or MAPCs—have the same potential as embryonic stem cells. Verfaillie says that her lab has reliably isolated the cells from about 70% of the 100 or so human volunteers who donated marrow samples. She reports the cells seem to grow indefinitely in culture, like embryonic stem cells; some cell lines have been growing for almost two years and have kept their characteristics, with no signs of aging.

THEN, AND NOW

## Why Roosevelt's Explosive 1933-45 Recovery Worked

Part 3, by Richard Freeman

*The following is Part 3 of 3 of an article that appeared in a LaRouche in 2004 special report, Economics: The End of A Delusion. Part 1 (see EIR, April 26, 2002) traced the roots of President Franklin Roosevelt's economic outlook, and showed that his approach was grounded in the American System of political economy, as defined by Alexander Hamilton and by the Constitutional principle of the General Welfare. Part 2 (see EIR, May 3, 2002) put to rest the oligarchy's charges that FDR's steps to bring the United States out of the Great Depression was make-work; in fact, tremendous building up of the United States took place.*

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### C. The Economic Mobilization for the Arsenal of Democracy

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The "Arsenal of Democracy" economic mobilization, from 1939, utilized the full achievements of the preceding New Deal, and added a new qualitative dimension, to achieve an economic expansion the scope of which had not been seen before.

In this period, science became the driver of the economy, spinning off new discoveries month after month. The question was: What can be done to change the underlying geometry, and therefore the capability, of the physical economy as a whole? Investment was targetted into those capital goods sectors with the highest civilian or military growth rates. These sectors' superior technologies and higher productivities cascaded over into the economy as a whole. At the same time,

the technological skill level of the labor force was upgraded. The creative powers of the population were ignited and directed.

A new principle, of "crash program" mobilization behind a scientific mission, was in operation. From the outside, the World War II buildup of the American economy seems a miracle. It was—but a repeatable miracle. It demonstrated that for most of its history, the U.S. economy, though the world's most advanced industrially since the late 19th Century, has not been living up to half, or even one-tenth, of its potential. *An economy is never functioning until it is tested by being pushed to extremes.* Then industry not merely doubles or triples, but shows a capacity to grow non-linearly, exponentially. The economy discovers new powers and a new perspective.

Roosevelt, assuming the role of wartime commander-in-chief, implemented the principles of the American System of political economy that had guided the New Deal, but with a new characteristic emphasis.

Abundant and cheap credit was injected into the economy, through the Reconstruction Finance Corporation and through the U.S. Federal Reserve Board lending window, but *only for top-priority productive sectors*. These productive sectors were manufacturing, construction, mining, power generation, transportation, and to a more limited degree, agriculture. Other sectors of the economy got limited credit; but speculation, rentier-finance, the secondary real estate market, and the like, were suppressed and cut off from credit.

Teams of the best scientists and engineers were assembled to make planned scientific breakthroughs. The Manhattan

Project is the best known and most breathtaking World War II example. Under this program, within two years, \$3 billion was spent, 22,000 scientists and engineers were assembled, including such scientists as Enrico Fermi and Ernest Lawrence, as well as Colonel Leslie Groves and the Army Corps of Engineers, to harness the processes of the atom, discovered by Marie Curie and her heirs, and to produce a controlled reaction from uranium 235. In this way, seminal ideas about the physical universe were forced into existence and fleshed out, permanently altering nature and men's lives.

Electricity was used on a scale not attempted before, including doubling the electric horsepower funneled to manufacturing between 1939 and 1945. Electricity is a pre-World War I technology, vastly more efficient than thermal-heat energy sources for powering machines, turning generators, etc.; but it was only fully exploited during World War II. Projects such as the Tennessee Valley Authority and the Grand Coulee Dam, which were developed by Roosevelt during the 1930s, supplied the massive amounts of electricity necessary to exploit, for the first time, the highly electricity-intensive aluminum industry, without which the United States might not have won the war.

Capital goods and raw material resources were directly allocated where necessary.

The training and retraining of workers was undertaken on a scale unprecedented in American history, including training 3 million civilians between 1941 and 1942 alone.

These elements in their general form are the elements of the American System of political economy, founded by that "American-in-spirit" Gottfried Wilhelm Leibniz in the Seventeenth Century, and formulated in policy and in name by Alexander Hamilton, Benjamin Franklin, and Abraham Lincoln.

The necessity to crush the Nazi forces, and secure civilization, made this economic transformation necessary; but the dynamics of the "science-driver principle" illustrate how it worked, and completed the Roosevelt recovery.

## A New Economy

Contrary to the popular myth, the World War II buildup did not represent simply "using unused capacity." The essential process was one of building—on top of the civilian economy—a brand-new war economy, *using the newest technologies and the highest labor productivity*, and therefore radiating a tremendous rate of growth. War goods production, in itself, represents pure overhead or waste to an economy; once produced, war materiel leaves the reproductive cycle forever, as if simply taken and dumped into the Atlantic Ocean. Then how can war goods production generate growth? If it embodies new technologies, the resulting higher productivity in the civilian economy, more than pays for the war expenditure, by means of higher overall productivity and output.

Moreover, there was a very personal method by which the war command economy worked: President Roosevelt con-

stantly and relentlessly drove the production goals higher and higher, outstripping what was thought possible. An internal memo written by Stacey Macy, one of the higher-placed officials of the War Production Board in 1943, illustrates the point. Macy predicted that the United States would meet its war and civilian goals for 1943, but that the next year, the economy would fall apart. In fact, the next year, output grew. In 1944, various memoranda concluded that the U.S. economy could not resolve the strains and make it through to the second half of the year. It did. Each time, the economy would outperform itself.

From the very beginning of the war, FDR would throw out a figure, and most would proclaim that it couldn't be done. When he first proposed 26,000 planes in March 1940, the press denounced his plan as "Buck Rogers." Roosevelt's strength was to ignore the idiots of the press. Every six months, he increased the production quotas—using realistic engineering estimates, but always at the extreme end of their scale. Invariably, the quotas were met.

When he had to be, Roosevelt was ruthless. This has led various of his biographers to label him "duplicitous," and "power-hungry." This is buncombe. While not formally an intellectual, FDR believed fully in the reality of ideas—live and important ideas *such as winning the war*. His passionate pursuit of such an idea, in all its reality, might make him appear to be changing course from day to day. It might make him invade his officials' bailiwicks to get things done. This quality, becoming more forceful in the war years, made him—despite his shortcomings—fill the office of President, and not rattle around in it like most other Presidents of the Twentieth Century.

This will become clearer, after a preliminary review of what the "arsenal of democracy" mobilization achieved, what obstacles the Roosevelt administration had to overcome, how the production goals were achieved, and finally, the capital intensity and productivity of the buildup.

In terms of raw goods output, the outpouring of the U.S. economy from January 1940 through August 1945, totaled more than half of all the Allies' combined military and civilian output, and included:

*300,000 war planes*  
*124,000 ships of all types*  
*41 billion rounds of ammunition*  
*100,000 tanks*  
*434 million tons of steel*  
*36 billion yards of cotton textiles.*

Compare: The Navy in 2002 is complaining that there may not be sufficient capacity to produce its order of 30 planes for the year.

But there were also profound alterations in the economy and the labor force. **Table 3** shows the industrial production index during the war years. As can be seen, between 1939 and 1944, *the index and thus the real goods output of the economy more than doubled*, increasing by 118%. In 1945, the index fell, reflecting the demobilization from war production in the

TABLE 3

**Industrial Output Growth, 1939-45**

(Industrial Production)

Year	Index (1967=100)	Per Annum Change
1939	21.7	—
1940	25.0	15.2%
1941	31.6	26.4
1942	36.3	14.9
1943	44.0	21.1
1944	47.4	7.7
1945	40.7	-16.5

TABLE 4

**Profits and Wages, 1939-47**

Year	Average Annual Wages (dollars)	Corporate Profits (billions of dollars)
1939	\$1,363	\$ 5.3 billion
1940	1,432	8.6
1941	1,653	14.1
1942	2,022	14.3
1943	2,349	23.5
1944	2,517	23.6
1945	2,517	19.0
1946	2,517	16.6
1947	2,793	22.3

latter part of the year. The average annual compounded growth rate was an astounding 16.9%. **Table 4** shows that average gross wages doubled between 1939 and 1944. (The effects of wage-price controls finally ended wage increases in 1945.) Some of this increase is, of course, due to longer hours worked. Real wages, nonetheless, rose by more than 50% during this period.

At the same time, corporate profits increased 4.5 times, demonstrating that profits can grow spectacularly with enough surplus being generated to greatly increase wages as well—because leaps in productivity vastly increase the size of the surplus.

**Table 5** shows the transformation of the labor force. In 1939, the official number of unemployed, at 9.5 million, was almost as large as the total number of the manufacturing workforce, at 10.3 million. By 1944, the unemployment level had fallen to 0.67 million; there was an acute labor shortage throughout all sectors of industry. This represented a reduction in the unemployment level by 8.81 million. Were the United States today able merely to replicate the achievements of 1939-44, unemployment would not exceed 1 million persons.

From 1939 until 1944, the U.S. Armed Forces grew from 370,000 to 11.41 million. The common, but false interpreta-

TABLE 5

**Employment by Sector, 1939-47**

(In Millions)

Year	Armed Forces	Civilian	Manufacturing	Unemployed
1939	0.37	55.75	10.28	9.48
1940	0.54	55.64	10.99	8.12
1941	1.62	55.91	13.19	5.56
1942	3.97	56.41	15.28	2.66
1943	9.02	55.54	17.60	1.07
1944	11.41	54.63	17.33	0.67
1945	11.44	53.86	15.52	1.04
1946	3.45	57.52	14.70	2.27
1947	1.59	60.17	15.55	2.36

TABLE 6

**Interest Rates, 1939-47**

Year	Discount rate (NY Fed)	Prime Rate
1939	1.00%	1.50%
1940	1.00	1.50
1941	1.00	1.50
1942	1.00	1.50
1943	1.00	1.50
1944	1.00	1.50
1945	1.00	1.50
1946	1.00	1.50
1947	1.00	1.50-1.75

tion of the war period, is that the armed forces simply absorbed the unemployed. But look at what happened to the manufacturing labor force. It grew by 7.3 million, or 70%, during the war years. Even after the war ended, by 1947, the manufacturing labor force was 15.6 million, a 50% increase over the 1939 levels. Blacks and women entered the labor force in large numbers during the war. While many women left, blacks stayed—an upgrading of their status and living conditions. Thus, the labor force had been permanently altered, and along with it the economy. The expansion in manufacturing is what equipped the United States to have stable economic growth in the 1950s.

Credit policy is indicated in **Table 6**. It can be seen that the Federal Reserve's interest rate on funds lent to commercial banks through the discount window was only 1.0% in 1939. By 1942, it had zoomed to . . . 1.0%. Then in 1945, it skyrocketed to . . . 1.0%. The prime rate held steady at 1.50% throughout the war.

This refutes the standard argument made by Federal Reserve Board economists, that when there is tremendous credit demand, interest rates must leap upward. During World War II, there was tremendous credit demand. But interest rates remained low, as a result of a dirigistic credit policy. Inflation,

even before wage-price controls were applied in 1943, was relatively low, and a good part of this inflation was created by scarcity of goods.

### The Obstacles FDR Had To Overcome

Let us take a step back to the outset of the war, and consider the three major obstacles that the President of the United States faced in building a war economy. They were as much political as economic: 1) an economy not fully functioning up to speed; 2) opposition to U.S. entry into the war against Hitler; and, 3) a non-existent U.S. military.

The first obstacle arose from the fact that Wall Street and Morgenthau had set back the economy in 1937, and it still needed technological improvement.

The second, outright opposition to any buildup, came from a coalition of variously intentioned individuals. There was a widespread fear of war, and a pro-Nazi faction grouped around the Harriman banking house, and such individuals as John Foster Dulles. Fear was manipulated by this faction through a widespread “isolationist” movement. For example, in March 1940, FDR asked Congress for funds to construct 50,000 planes. Congress would only approve funds for 57. Moreover, in November 1941—one month before Pearl Harbor—a majority of businessmen polled by *Fortune* magazine opposed the essential efforts to convert U.S. industry to war production, denouncing the effort as a propaganda trick by FDR to impose more radical phases of the New Deal.

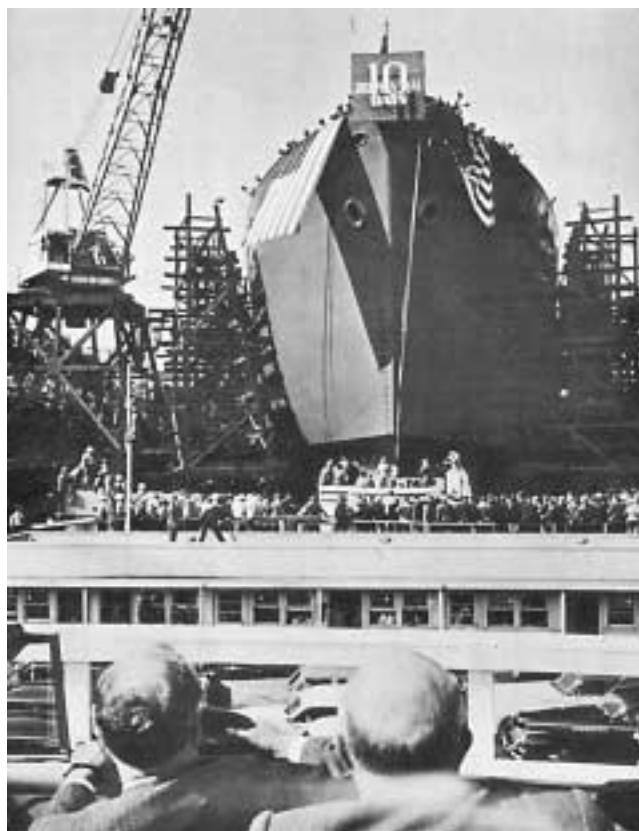
Third, the United States was unprepared to fight. Within the armed forces, there was a widespread belief—until the moment the Japanese bombed Pearl Harbor—that the United States would send planes and munitions to Europe and the Far East, but would never send its own fighting forces. Instead, it would sit back and defend the coastal regions of the United States, if and when Hitler attacked. Douglas MacArthur, George Marshall, and Dwight Eisenhower attacked this belief.

The Nazis had a military air force of approximately 40,000 planes, *eight times that of the United States*, and while the United States could only produce 2,000 planes a year, Goering had the capacity to manufacture 18,000. In 1940, the Nazis had 10,500 tanks, 20 motorized divisions, 135,000 trucks, and 60,000 motorcycles. The United States had 500 tanks. The Nazis had a battle-tested, efficient army of 7 million. The U.S. had 370,000 soldiers in arms, and another 170,000 in reserves.

In 1940, supplies in U.S. arsenals were so low that the newly created “Citizens Army” trained with wooden guns. The soldiers “fired” field pieces which had stovepipes for barrels. Almost anything on four wheels served as a tank in war games. Half of the Army’s 100 million pounds of gun powder was World War I surplus.

### How the Buildup Was Directed

From the beginning, bold action was taken to get the war effort going. Roosevelt activated a centralized credit policy.



*Roosevelt (foreground) in a 1942 visit to the Kaiser Shipyard in Vancouver, Washington, where a merchant ship was launched every 10 days. The time for construction of a battleship in the nation’s shipyards in World War II, was cut 90% from World War I, by technological and productivity advances.*

In this case, Roosevelt used the Reconstruction Finance Corporation (RFC), which he had reshaped as a Hamiltonian, dirigistic credit-issuing instrument (see above). Between 1940 and 1945, the RFC disbursed almost \$23 billion to the economy as a whole, most of it to the war mobilization. During the war, Roosevelt and various of his technical advisers decided where investment was needed, and the RFC was asked to write checks to the chosen area of investment as a loan bearing a 2-4% interest rate. It was that simple.

A Defense Supplies Corporation and Defense Plant Corporation were created within the RFC, their tasks being to funnel the loans. During the war, the Defense Plant Corporation (DFC) made loans which one source placed at \$9.2 billion and another placed at above \$10 billion. The DFC’s investment was allocated approximately as follows:

- \$4.5 billion to aviation, including the airframe industry, and even more importantly, those sections of the auto industry that converted to aircraft production.
- \$1.5 billion to aluminum and magnesium producers. Both industries (although there was a small amount of aluminum production before the war) are products of World War II.
- \$250 million to build 45 plants to produce high-octane



gasoline to fuel airplanes.

- \$1.223 billion to build and upgrade 183 steel and pig iron plants, adding 11 million tons of new capacity.

- \$715 million to build 51 synthetic rubber plants, which were wholly owned by the government. Before this, the United States had no synthetic rubber industry.

- \$2 billion for machine tools.

- Hundreds of millions for building new shipbuilding capacity.

- Many millions more were lent or spent for various infrastructure projects, including the Big Inch and Little Big Inch pipelines to carry petroleum from Texas to the New York-New Jersey metropolitan area; the construction of tugboats and barges for river transportation; new buses and streetcars and feeder railroads to carry war materials and workers to and from their places of employment.

To get U.S. companies to expand capacity, Roosevelt often had to conduct knock-down, drag-out fights. In the steel industry, the Morgan-led U.S. Steel and Bethlehem Steel resisted the government's efforts to expand badly needed steel capacity, because in their view, "once the war is over we will have overcapacity, which will cut earnings." Roosevelt had the RFC's Defense Plant Corporation begin to build the plants itself. The steel companies relented. But the government owned some of the steel plants and sold them back to private industry after the war, as it sold rubber, aluminum, magnesium, and other plants.

At the same time, Roosevelt leaned heavily on the Federal Reserve to keep the discount rate down to 1% in the interest of national security. The prime rate never exceeded 1.5% during this period.

FDR set up a series of administrative boards, each with increasing authority, to direct the war mobilization. In early 1942, he created the agency that was to have the greatest amount of authority until the end of the war: the War Production Board. To head the WPB, Roosevelt appointed Donald Nelson, director of marketing for Sears, Roebuck department store, and part of the faction known as the "all-outers." In his book, *Arsenal of Democracy*, Nelson stated, "There is but one conclusion to be drawn from the examination of any and every phase of our war production effort—whatever this country wants to do it can do. Nothing is impossible for America."

The WPB functioned nothing like the old Soviet Union: it neither owned nor regimented the economy. The economy remained capitalist. What was imposed was an industrial policy: Those activities not conducive to real physical product output were discouraged, or, where possible, stopped. Certain broad guidelines for production, and resource allocation guidelines, were issued. Then industry went out to fill the



*The "arsenal of democracy" mission qualitatively transformed the economy and the labor force, which acquired millions of newly skilled workers. Here, a woman welder works on the USS George Washington Carver in 1943.*

orders, make the investments, and arrange the work shifts as it thought fit. Industry made use of its normal purchasing channels, continuing on a profit basis.

In 1941, there was some sizeable increase in investment, but the real explosion occurred in 1942, when the United States entered the war. It was realized that the first priority to get an economy to grow, is that one must build up one of the smallest, but most valuable, sectors of the economy, the machine-tool-design sector, which incorporates and transmits the most advanced scientific discoveries. Machine tools build all the other capital goods machines, constructing into them, scientific breakthroughs. Hence, the heavy investment at the start of the war in machine tools.

The machine tool investment took place at the same time that a "war sector" was built virtually from scratch. These were the two priorities, along with investment in certain strategic raw materials in short supply. However, heavy investment in intermediate goods, including metals, was primarily a feature of the second stage.

Investment was slowed down in consumer goods sectors, except where necessary for military buildup (such as apparel for military uniforms). Entire sectors of the civilian economy were converted to war production, often shifting investment to heavier and more sophisticated production than the workers were originally engaged in. For example, the Steinway and Baldwin piano makers produced military gliders; one of the country's largest silverware producers shifted into magnesium production. Starting in 1942, production of cars, and washing machines and dryers, was stopped entirely, while

production of a whole array of other consumer products was sharply curtailed, from bobby pins and nylons, to rubber tires.

Though there was some privation because of the conversion of certain consumer sectors to war production, general health, food consumption, housing, and other living standards were considerably improved by comparison with the Depression years. Though some farmers left the farm to serve as soldiers or work in factories, capital investment in tractor production and the significant increase of farm electrification sent farm productivity shooting up—helped by the efficient use of the parity price system. Food consumption in the United States rose in most categories, especially the consumption of meat.

Finally, the United States took advantage of one of the most fundamental principles in all military history: the strength of a military economy rests on the strength of the civilian economy. A large, industrialized economy gives a nation far better ability to gear up quickly. The President, and other military, industry, and labor leaders of the war effort, knew that the United States had a larger capacity than Germany. In 1940, it produced two and a half times as much steel as Germany—67.0 million versus 28.2 million net tons. In 1939, it produced 2.867 million out of the world's 3.661 million autos. The United States generated 130 billion kilowatt-hours of electricity, the highest level in the world.<sup>5</sup>

## Non-Linear Effects

The World War II mobilization put every key sector of the American physical economy through non-linear transformations driven by technological changes, which were in turn prompted by scientific discovery and by cognitive changes among the labor force. This non-linear character of the wartime growth of the economy can be seen in two sectors in particular: the aircraft industry; and the Manhattan Project's crash effort to discover whether a bomb could be developed based on a controlled nuclear reaction. The former was an already established industry, the latter an entirely new one; both powered the war effort.

With these two sectors as the bellwethers, investment policy was geared to bring about the most dramatic change in the map of U.S. industry. A comparative examination of the matrix of the 100 leading industries, before and after the war, would show a sharp change—as great as any change effected

in the United States since the second half of the 19th Century. This shift in the matrix of technologies and industrial processes, as well as labor skills, fueled by a cheap credit policy, is the most important characteristic of the World War II economy.

To outline this matrix shift, we examine the aircraft industry; the raw materials and metals industry; the machine tool industry; the military sector; the science and medical sector; the investment and electricity sector; and the labor force.

**Aircraft:** During World War I, the airplane played almost no role, and traveled at a top speed of 100 miles per hour. During World War II, the airplane played a major role, traveled at top speeds of 250 to 300 miles per hour, and used such revolutionary World War II discoveries as radar. Thus, tremendous wartime advances were made in the theory and practice of aerodynamics.

The changes in the production methods of aircraft were equally startling. The already existing aircraft industry was considerably geared up; above all, the consumer automobile sector was *closed down and converted* to aircraft production. In October 1940, auto executives, accompanied by their top production men, held a meeting in a meat market hall in Detroit. The meeting was chaired by Bill Knudsen, former chairman of General Motors. Displayed throughout the hall were parts of planes: airframes, engine parts, etc. Those present were asked to examine, pick up and handle the various parts, and when they went back home, to draw up blueprints to see what parts could be produced at their plants.

On January 20, 1942, the War Production Board ordered the cessation of all auto production. The last passenger car came off the assembly line on Feb. 10. Because of the advance planning of the previous year, within three months war materiel was rolling off these lines.

The conversion of the auto industry was more than just changing the order of a few assembly lines, or replacing certain machine tools. The conversion meant, in many cases, ripping out all the assembly lines, replacing 70% or 80% of the machine tools, extending the size of the building, replacing the concrete floor, and so on.

In many respects, the aircraft industry functioned as the leading, or second most important, "science driver" for the economy (depending on how one considers the nuclear industry) during World War II. At its November 1943 peak, the army of aircraft plant employees grew to 2.1 million—12.4% of the total national manufacturing workforce. For a comparable effect, imagine that today, 12.4% of all manufacturing employees could be put into laser beam and other related industries, versus the 0.001% currently so employed.

More was involved than the sheer increase in employment. The production of aircraft had previously been a cottage-industry operation. Assembly lines weren't in widespread use; almost every thing was hand-crafted. For example, the Rolls Royce aircraft engine, which was installed in some of the Spitfire aircraft that the United States produced for Britain, required six months to produce by hand. American

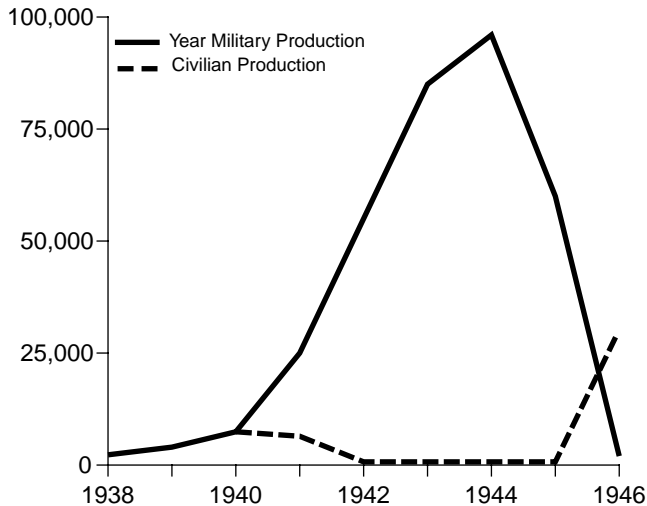
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5. Roosevelt planned to use the explosive expansion of the U.S. industrial economy to produce capital goods—such as machine tools, electrical grids, etc.—to industrialize the third world. A body of extremely valuable work is building up in this area, which is recommended to the reader: Lawrence Freeman, "Roosevelt's 'Grand Strategy' To Rid the World of British Colonialism: 1941-45," *New Federalist*, July 14, 1997; Hartmut Cramer, "FDR's New Deal—An Example of American System Economics," *EIR*, June 16, 2000; Jacques Cheminade, "FDR and Jean Monnet: The Battle vs. British Imperial Methods Can Be Won," *EIR*, June 16, 2001; Lonnie Wolfe, "Why the British Hated Franklin Roosevelt: FDR's Fight Against the British Empire and His Vision for the Postwar World," April 22, 1995 (unpublished manuscript).

FIGURE 2

**U.S. Airplane Output, Military and Civilian, 1938-47**

(units)



Source: National Archives of the United States.

engineers took it apart, analyzed every step, and figured out how to mass-produce it in less than half the time. Planes were put on overhead assembly tracks. Fuselages and other parts were standardized to a degree never seen before. New welding techniques were applied, as we shall show below. Methods were devised for stretching the aluminum “skin” over the wing of a plane, to end the tugging and assembling process.

The results were spectacular. In 1941, FDR called for 50,000 planes to be produced over three years. The announcement set off intense debates. Some said it couldn’t be done. Others, the “all-outers” said it could be done in 21 months, instead of 36 months. But nobody predicted what a supercharged U.S. economy would actually produce. In 1944, the U.S. produced 96,000 planes in one year. By comparison, in 1939, the United States produced 5,865 planes, of both military and civilian varieties. Thus in 1944, the expanded aircraft industry produced multiples of 1939 production, of Roosevelt’s original demand, and even of the “all-outers’ ” plan (Figure 2).

Each individual worker became more productive. One partial measure of this, the “Average Airframe Weight Accepted Per Employee” (the amount of metal, materials, etc. worked on per worker), shot up from 22 pounds in January 1940 to 96 pounds in March 1943, a 4.4-fold increase. Some of this increase simply represents the fact that heavier planes were being built, but a good part of it represents greater productivity. As a result, during the war period, the cost of a four-engine, long-range bomber dropped from \$15.18 per pound to \$4.82, a saving of more than \$500,000 on each plane.

**New Materials, Processes, and Discoveries**

**Aluminum:** Aluminum was known as early as 1825, when the Danish scientist Hans Christian Oersted first produced pure aluminum metal. But production of aluminum is very energy-intensive, and American production never exceeded 100 million tons until the war. Aluminum’s lightness and toughness made it preferable to steel in World War II aircraft engines and bodies. As a result of the U.S. government’s construction of new aluminum plants, aluminum production shot up to 2,782 tons in 1943, a stunning 28-fold increase over 1939 levels.

**Magnesium:** Humphrey Davy had isolated metallic magnesium in 1808; but although the first commercial production of magnesium started in 1918, magnesium, even more than aluminum, is a World War II discovery. Magnesium has two-thirds the weight of aluminum, is nearly as strong and abundant in nature, and is produced by a similar process. Magnesium production was less than 15 million pounds per year in 1939; by 1944, it was up to 366.5 million pounds, a 24-fold increase.

**Synthetic rubber:** Synthetic rubber production is entirely a creature of World War II. Without the war, the United States might have continued to rely on the British-Dutch-controlled International Rubber Regulation Committee, based in Malaysia and the then-Dutch East Indies, to supply its raw rubber needs. This cartel controlled 97% of the world’s rubber supply. But after the Japanese invasion and occupation of this area, the U.S. government built 51 synthetic rubber plants. It fought Standard Oil of New Jersey, joint holder with I.G. Farben of Germany of patents on synthetic rubber production, which Standard refused to release for the war effort.

In early 1942, the United States announced its synthetic rubber program. Within two years of that announcement, synthetic rubber production had gone from less than 2,000 tons per year to 700,000 tons per year, a 350-fold increase. By the end of the war, synthetic rubber provided 87% of U.S. rubber needs.

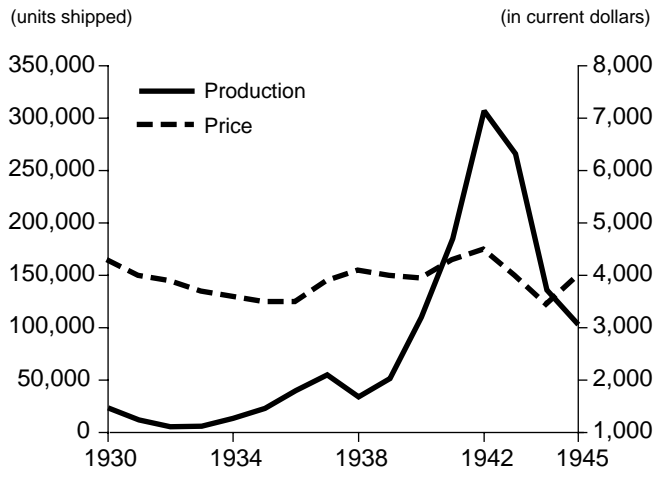
**Synthetic resins, plastics, and fibers:** The entire industry of such products, including plastics and synthetic fibers, which we take for granted today, was developed during World War II.

**Machine tools** incorporate and transmit into the economy, the most advanced scientific discoveries. Without them—boring, cutting, polishing, bending machines, etc.—no plant and equipment can be constructed. In 1938, the United States had produced only 34,000 machine tools of all kinds; but during World War II, money, and invention, were poured into machine tool plant capacity, and by 1942, the United States was producing 307,000 machine tools, nearly 10 times the 1938 level and 50 times the level of 1933.

These machine tools were also made far more productive. This was of crucial importance, especially in producing aircraft. For example, the engine for the Wright Cyclone 14 aircraft was composed of 3,500 different parts, totaling 8,500

FIGURE 3

### Machine Tools: Shipments and Unit Price, 1930-45



Source: National Archives of the United States

pieces, requiring an estimated 80,000 machining operations. Therefore, new machine tool techniques as well as machines were developed. In the October 1, 1942 issue of *Automotive and Aviation Industries* magazine, George H. Johnson, then president of the National Association of Machine Tool Builders, provided an example:

“One of the most difficult and important assignments given the machine tool industry was the design and building of hundreds of special-purpose machines needed to convert the aircraft engine industry from small-lot to mass production. At the right is [a picture of] a specially designed machine which drills, countersinks, and spotfaces 224 identical 3/8 inch holes in an aluminum airplane engine crank case. It works simultaneously on 32 holes from two different directions. These operations previously took two hours twelve minutes. This one machine now completes the job in 23 minutes.”

This increased productivity is reflected in another fact: As **Figure 3** shows, from 1930 through 1945, the average price of a machine tool, at \$4,000, remained the same.

**Industrial operations:** Large productivity gains were made, as well, in a variety of industrial operations, such as welding. From 1939-45, according to “Wartime Technological Developments,” a report of the U.S. Senate’s Military Affairs Committee Subcommittee on Mobilization in May 1945, industrial welding operations—which can take 10-15% of total work time in the construction of plants or in assembly—were made 15-2,000% more efficient and faster.

**Radar:** The advance in aircraft included not only better and faster production methods, but, as mentioned above, advances in the aerodynamics and performance of aircraft,

which called for better production methods and new technologies. Radar, which had been pioneered since the 1920s, was only fully developed and exploited, on any meaningful scale, during World War II to guide planes on bombing runs, through foul weather, etc.

**Vacuum tubes:** Vacuum tubes are another World War II discovery, used in radar, but which also revolutionized radio transmission and receiving, and opened the door for the development of the computer.

**Shipbuilding:** The shipbuilding process, from keel-laying to completion of the ship, was standardized. Pre-assembled parts, as well as new welding techniques, were used. The production time for ships was reduced by 90% from World War I days.

The productivity gains in shipbuilding were so prodigious, that the deadweight tonnage of the United States Navy and Merchant Marine went from 10.5 million tons in 1939, to 53.0 million tons in 1945. By VE day, the United States had turned out the equivalent of two-thirds of the entire ocean-going merchant marine of all the Allied nations.

**Penicillin:** Identified in the 1930s in Britain, its use was only extended beyond test stages in the treatment of troops beginning 1941. In 1945, penicillin began to reach civilian markets.

**Electron microscope:** The instrument that has opened man’s eyes to the inside of the cell and the atom, was developed during the World War II mobilization.

### Completing the Recovery

In 1939, the value of U.S. plant and equipment was placed by the Commerce Department at \$39.4 billion. During the five years of the war buildup it increased by \$29 billion, or more than 75%. That leap reflected not only high industrial development, but specifically the new application of electricity, in both the construction of new capacity, and the utilization of underutilized capacity. Between 1939 and 1945, the amount of installed electrical capacity increased by 20%. Using both this new capacity, and the electrical capacity which had been established during Roosevelt’s New Deal—the Tennessee Valley Authority and the Grand Coulee Dam represented, as of 1939, still largely untapped electricity resources—it was possible nearly to double the amount of electrical kilowatt-hours consumed by manufacturing, from 79.0 billion in 1939 to 144.3 billion in 1945.

This use of electricity represented “free energy” in a higher form, that could enable the economy to suddenly realize its potential.

In building what Franklin Roosevelt called “the Arsenal of Democracy,” Americans attempted a kind of economic expansion never before tried, nor thought possible. The characteristic of action of the economy completely changed. It had been demonstrated that a crash mobilization, behind a scientific mission, technologically upgraded everything from the industrial capacity to the productive powers of labor.

When combined with the preceding infrastructural and other achievements of the New Deal, the result was explosive, anti-entropic growth. The full recovery of the U.S. economy was achieved: Production doubled; unemployment was virtually eliminated; the whole economy was imbued with unprecedented scientific potentials. The United States is still living today, for the most part, off the industrial investment and inventions, and the economic infrastructure, of the New Deal and the economic mobilizations for World War II and the Korean War.

Today the world confronts a crisis that is far more severe than the Depression of 1929-33: an ongoing *systemic* financial-economic breakdown that is the worst in 500 years. If not halted, it threatens to plunge mankind into a dark age. Lyndon LaRouche's 2004 Democratic Presidential campaign is the rallying-point for those who choose to fight and

defeat this crisis.

Employing the same conceptual principles embedded in the American Intellectual Tradition which Roosevelt drew upon, LaRouche proposes to put the bankrupt world financial system through bankruptcy reorganization and to replace it with a New Bretton Woods monetary-financial system, pivoted around the Eurasian Land-Bridge of rail and associated high-technology infrastructure corridors. This will reconstruct the battered economies of the former industrial world, including the United States, and at long last end the underdevelopment of, and bring explosive growth and human dignity to the so-called developing world, where more than half the human race lives.

The success of Roosevelt's 1933-45 recovery serves as a working precedent: If we are wise enough to adopt this method, we can overcome today's crisis.

## The Labor Force's New Mettle: An Example

In 1941, a Training-Within-Industry Branch was set up within the Labor Division of the Office of Production Management (OPM); the training Branch was transferred to the War Production Board when the OPM was superseded in early 1942. The Branch made surveys and recommendations for training in the plants of more than 2,000 war contractors and subcontractors. Along with this, a job-instructor project was devised. By February 1942, the Training-Within-Industry program had provided training to more than 3.3 million workers.

The November 1941 issue of *Automobile Facts* described how this process helped to create skilled aircraft manufacturing workers:

"The training program begins with the introduction of a man to the metal which he must handle. He is first taught to drill it and form it accurately. If he manifests a marked aptitude for welding, his education is turned in that direction. But, since drilling, forming, and riveting constitute the major portion of the operations, the trainees are schooled in these arts through a step-by-step progression from one workbench to another. Each day they are given about ninety minutes of classroom instruction in shop mathematics, blueprint reading, etc.

"After they have mastered metal forming, drilling, and countersinking, they are taught riveting—alone and in teams. Advanced to another subsection, they learn 'blind' riveting in two-man teams. This art is mastered by placing the members of a team on opposite sides of a plywood wall, into an opening in which, is fitted the alloy sheet to

be riveted. After men have thus learned to set rivets by signals tapped on the wall, they are moved into a wooden 'dummy' fuselage fitted with similar small alloy sheets. . . . Next, they are introduced to the hundreds of jigs and fixtures being used, to facilitate assembly of planes by semi-skilled men drawn from automobile production jobs. Unlike the supervisory men whose education has been long and thorough, the workmen are taught specific operations only, although opportunities are provided for their voluntary participation in the whole educational course.

"In this complete course, the final lessons are learned by actual construction of a complete bomber section. But, before the trainees build a plane section, they disassemble one previously built by a preceding class.

"'It's the natural way to learn,' says one instructor.

"Though it was predicted last Spring that workers could not be trained in less than 300 hours, these methods have already proved that good functional workers can be prepared in 80 hours."

This process of learning skills involved not only men. "Rosie the Riveter" was a well-known World War II symbol. In fact, in aircraft production, 20% of all workers were women, and 39.2% of all workers on projects classified as "crucial" were women. Many drill presses and other large machines were specially equipped so that women could operate them more easily, thus benefitting all those who handled them.

The overall labor force participation rate of black workers rose dramatically, as did blacks' entry into industry. Not only did the manufacturing workforce increase by 70% during the war, but the skill levels were also vastly upgraded. This was one of the most important reasons for the higher productivity levels of the American economy during the 1950s and early 1960s.

## Laputa's President Bush

by Lyndon H. LaRouche, Jr.

April 18, 2002

When President Bush described Israel's Ariel Sharon as "a man of peace," even much of the Establishment press promptly replied, that the President had "lost it." After the Warsaw Ghetto-like massacres just perpetrated in the Jenin refugee camp, that reckless ejaculation by the President leaves about the same impression as Neville Chamberlain's "peace in our time" comment on the Munich meeting with Adolf Hitler. The aura of unreality radiating from the White House, is, increasingly, frightening, not only to western Europe, but most of the world. The worries are justified.

The question is: What are you, personally, going to do about this situation? For me, Bush's personal blundering is understandable, given his background and present circumstances. Had Gore been President, the result would have been worse, and that sooner. Instead of focussing on the obvious aspects of the President's folly in this matter, we must focus on the fact, that it is U.S. democracy itself—the typical U.S. citizen's repeated inability to prefer a qualified Presidential candidate, as in the outcome of the year 2000 U.S. primary campaign, which really frightens truly knowledgeable, and other people from around our planet.

The cause of the failure, is not President Bush. What has failed is the present state of the U.S. political system, especially its current trends in popular opinion. The fact, that the bizarre configuration of Senator John McCain, Senator Joe Lieberman, and beaten dog Al Gore, have dominated so much of the political scene since the time of Senator Jeffords' 2001 resignation from the Republican Party, points to the core of the rot within the system as a whole. My focus here is *that* problem.

Sometimes, during the time of a nation's or the world's existential crisis, only the prophet who tells the egregious

truth, represents a moral force of durable relevance. In the present crisis-situation, I must speak to you once again in that capacity, and will probably have to repeat the effort, since there are so few citizens who presently share my degree of developed commitment to verifiable truth, as opposed to the whore-like caprices of perceived public opinion. This will continue to be my obligation, which I accept, cheerfully, and which I must continue to assume, at least until my fellow-citizens finally learn this lesson, on which their own lives, and those of family and friends, now depend.

You should be neither offended nor stricken with a sense of guilt, on account of your need to repeat now the lesson which you should have learned before this time. In all serious matters of education, the relevant conception usually requires repeated discussion, before the relevant concept becomes clear to the majority among those engaged in that discussion. This is the present case, in which most hearers' anxieties and ingrained prejudices impel them to deny as long as possible the existence of the actually crucial problems associated with this deepening world depression. So, most among them sit, buttocks drilled stubbornly into their chairs, even at this late stage of that depression, while they attempt to believe, desperately, contrary to all relevant fact, that a non-existent economic recovery is in progress.

The typical reader's reaction goes something like this.

He, or she, is so terrified by the very idea that an economic depression could occur, that each clings hysterically to the delusion that it will never occur.<sup>1</sup>

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1. Doubtless, even some psychiatrists are probably victims of that delusion: "Of course, there will be no depression. If there were a depression, my clients could not pay me, and I could never accept that!" This should be compared with, and contrasted to the milder form of the same delusion, widely taught in university economics courses, which afflicted returning World War II veterans and their children prior to the mid-August 1971 crisis. What was

Thus, when you experience the effects of the present depression, most among you deny that it is actually happening. You do that, because you are not psychologically prepared to face the consequences inhering in that trend. You say, “I absolutely refuse to go there. It is not happening. No matter what happens to the economy, no matter how many bankruptcies, layoffs, foreclosures, and collapses of national economies, such as that of Argentina, from around the world, you will not fool me into believing that a depression is actually occurring.” You would prefer to say, “You will see; whenever the market hits bottom, as it is doing now, it goes up. Only a fool would not know that. Therefore, the economy is now recovering from the collapse which never actually occurred.” If you say that, it is perhaps because you have heard some poor looney on television’s market reports who said just that.

The most obvious error with that presently popular line of argument, of course, is that that bottom is still way down, but coming up, fast. Furthermore, there is no law in the universe which forces a depressed economy to recover. As with many empires of the past, economies sometimes simply disintegrate. In fact, nothing can save this present monetary-financial system in the form it has assumed over the course of the recent thirty-five years. All that is now going, and will be soon gone; exactly when, is unimportant. *The collapse is systemic in nature, and therefore could be delayed only by actions which make the ultimate result worse than if the delay had not occurred. Systemic crises are like that, as I shall explain that point to you at the right place in this present report. Only the adoption of a new monetary-financial system, which sweeps away all those foolish changes in habits of the past thirty-five years, could permit this nation itself to survive the presently onrushing collapse.*

Therefore, the greatest threat to you today, is not the economic depression. The greatest threat is the delusion that the depression is not occurring. That delusion is what might kill you, and this nation, too. Therefore, being freed of that delusion, is the most important of the challenges confronting your neighbors today.

### **These United States of Denial!**

To understand the policies whose authorship may be only superficially attributable to U.S. President George W. Bush today, thoughtful historians might wish to reference *Gulliver’s Travels*, Jonathan Swift’s famous satire on Britain in the age of Walpole and Hogarth. As I shall demonstrate to you

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taught, and widely believed among the proverbial suckers, was, either, that “A depression could occur only if we allowed ourselves to be talked into believing it could occur;” or the alternative version, taught as Economics 101, that “The built-in stabilizers will prevent a new depression from occurring in the U.S.A., ever again.” There are certain differences between the pathological forms of denial which were prevalent among university graduates, and others, during the 1947-1971 interval, and the relatively psychotic forms of consoling delusions widespread in today’s population. However, despite those differences, the axiomatic root of the mental disorder is the same.



*The cause of our catastrophic policy failures today is not President Bush. What has failed is the present state of the U.S. political system, especially its current trends in popular opinion.*

here, the story of Gulliver’s floating island of Laputa,<sup>2</sup> aptly suggests that Washington, D.C. today is a floating island of political lunatics (as, perhaps enacted in the style of a scene from playwright Peter Weiss’s fictive Charenton). This must be recognized as the true nature of what many foreign observers mistake for an actual, current policy-session of either the President’s White House circles or the U.S. Congress.

We live in a world wracked by a crescendo of strategic and related crises, most of these a reflection of decades-old, override ideological fruit, with terribly immediate implications, in addition to the merely smelly ones. This imperilled world is ostensibly dominated by a putative strategic superpower, the U.S.A., whose character since the beginning of 2002, has been that of a giant whose head and feet have each been virtually turned into the clay of which *Golems* are made, a once-mighty power transformed, thus, into a blinded and deafened “Cyclops.”

President Bush is all too easily blamed for this. The quickest route to an improved view of the mess in the White House, is, as I have said above, a glance at something far worse lurking in, or behind the Congress, the McCain-Lieberman-Gore cabal, which, were it in the White House now, would have already had the world doomed to a global epidemic of the Brzezinski-Huntington-Lewis “Clash of Civilizations” warfare. However, even the latter cabal, as rotten as it is, is a fruit of the sickness, not the root of the danger it expresses.

The real rot in the U.S. political system flows upward, spilling over from mass-media-orchestrated populist “popular opinion,” into the majority of the leadership of all political

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2. Obviously, Swift signified “la puta,” referencing the relevant British universities of those times.

parties, from the largest of these, down to the minuscule sects. As in ancient imperial Rome, as in the tragic Denmark of Shakespeare's *Hamlet*, the essential "something rotten" lies not in the rulers, but in the lunatic crowds rallied to mass spectator-sports, especially of the bodily-contact sort, such as war. The rot which is our nation's real-life tragedy today, lies in that system, which has evolved over the recent thirty-five years, the system over which today's incumbent President often enjoys the role of official reader of teleprompter scripts.<sup>3</sup> The problem in the current White House itself, is not what the President is, but what he is not. It is that system itself, not that President, which is the blinded, roaring Cyclops of this occasion.

Unfortunately, most of the present, foolish governments and leading opinions among nations of the world, especially among the more easily frightened types, still tend to regard that muddle-headed U.S.A., as a virtual demi-god, a mythical Cadmus with legions to match, whose very power seems, to them, to ensure the success of U.S. strategic policies during the short- to medium-term ahead.

Thus, to the actual and prospective victims, that government suggests, as I have noted earlier, Tacitus' account of the bloody tyranny by means of which the Roman Emperor Nero brought about his own end. So, for the edification of the news media, Secretary of State Colin Powell, whatever he actually does behind stage, plays the public role of a reluctantly dutiful "Seneca" to such a collective Nero. That "Nero" is an imperial cabal prominently featuring such miserable representatives of the lackey class as Wolfowitz and Perle, the accomplices of those Nazi-like butchers, Ariel Sharon and the latter's rival Netanyahu.

Typical of the collective insanity of Washington currently, is its policies of practice in the Middle East, in Afghanistan, throughout Asia, and in such instances as Argentina, Colombia, and the recent farcical role of the U.S. in the case



*Secretary of State Colin Powell plays the public role of a reluctantly dutiful "Seneca" to a collective Emperor Nero: the imperial cabal of such butchers as Paul Wolfowitz and Richard Perle.*

of Venezuela.<sup>4</sup> It pursues a military policy which is worse than insane, in defense of a disintegrating monetary-financial system which is long past saving. Meanwhile, chiefly out of fear and resulting intellectual cowardice, the sages of the world, like scholars from Laputa, or, perhaps more like fear-stricken inmate-spectators hanging from the ceilings of Peter Weiss' Charenton, are debating proposed indications of some mysterious work of evil genius, some coherent U.S. policy for itself and the world. There is no such genius, but only a maelstrom-like spin of increasingly wild-eyed homicide, confusion, and blundering.

Meanwhile, a certain impulse toward sanity appears from Europe and elsewhere. While the U.S. continues to exert a menacing overreach among its selected victims in the Americas, Africa, and Eurasia, each new act of bullying, pushes Europe and other parts of the world toward the limits of their capacity for tolerating the ever-more desperate, lunatic impulses from Washington. The submission to the perceived power of an imperial Rome along the Potomac, is then re-

3. Here lies the significance of the passage from Hamlet's famous Act III soliloquy: ". . . /But that the dread of something after death,—/ The undiscovered country, from whose bourne/ No traveller returns,—puzzles the will,/ And makes us rather bear those ills we have/ Than fly to others that we know not of?/ Thus conscience doth make cowards of us all;/ And thus the native hue of resolution/ Is sicklied o'er with the pale cast of thought;/ And enterprises of great pith and moment,/ With this regard, their currents turn awry,/ And lose the name of action. . . ." Such, at their least worst, are the relatively best leading figures of our government and political parties today. Such, at its least worst, is the generality of the people of the U.S. today, as Shakespeare's tragic Denmark, then.

4. The recent events in Venezuela echo the famous corruption of the "Iran-Contra" days under Vice-President George H.W. Bush, Oliver North, et al. Virtual private armies, operating out of efficient control of the U.S. government, bungle in their filibustering ways, in anticipation of what the filibustering privateers wish to believe their U.S. government should be doing, and are therefore out of control of the government's responsible institutions. Thinking that President George W. Bush were "our man," they do as they please, and leave the resulting mess on the doorstep of the actually responsible institutions. Such messes, most typical of the British East India Company tradition and contemporary U.S.A. and Israeli practice, are the outcome of the resort to privately financed "special warfare" operations, whose existence government would prefer to deny, and therefore could not efficiently control.



newed, but the satrapies are becoming, recurrently, more and more unruly as their tolerance is strained yet once again.

In those other nations and regions of the world, the sundry fearful types in such high places, profess themselves afraid of what might be the still deadly, sheer physical overreach by the U.S. government. Wishful cowards among them employ that fear as a kind of consoling illusion, an illusion which shields their eyes from the more powerful, actual threat, the risk posed by the combined moral, intellectual, and financial bankruptcy of a self-doomed, but still thermonuclear-armed U.S. power.

What these types, as in western Europe, fear the most, is not so much the residual physical power of the U.S.A., as the thought that real history has now overtaken their own, habituated, long-standing illusions. Thus, the leading onlookers from sundry nations cling fearfully to the delusion, that if they keep their heads bowed, they will come to other side of this present crisis, perhaps not in the best of condition, but, at least, to be able to say, "We have survived this, too." Like the German generals who permitted Hitler to be made Chancellor in 1933, and allowed the decisive 1934 "night of the long knives," they seek, hysterically, to concoct a fictional assessment of current U.S. policy, which may be absurd, but might help them to sleep the next night through: "Let us not anger this beast unduly, and we will probably outlive him, or, at the worst, survive to live another day." So, they drift into slumber.

However, Europe's ability to sleep through such delusions, is being repeatedly alarmed by the clamor of such increasingly insane, increasingly more desperate actions against them by that U.S. which claims to be their partner-or-else. It is the clinging to those delusions which is, therefore, the chief source of the greatest of all threats to European civilization at large today.

This brings me to the crucial point of this report: how do I help you free your neighbor from the now potentially fatal grip of his, or her habituated, recurring delusions, in these, and also related other matters?

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## 1. Why Your Neighbor's Insanity Is Harassing You

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To free people from such delusions, we must show them how the mechanisms of the delusion work. As the old soak in the bar said to Hickey, in Eugene O'Neill's *The Iceman Cometh*, reality takes "the life out of the booze." It needs a shock of reality, to bring those characters in that play, suddenly, to their senses. Offstage, that is what is needed by most Americans, collectively and individually, today.

The problem is not that your neighbors have adopted one or two bad ideas. The question you must also ask yourself, is: What controlled their minds, that in such a perverse way, that they became susceptible to adoption of such pathetic,

currently popular ideas? You can not remove the ideas which are steering them to destroy your nation and yourself, simply by attacking those particular ideas by themselves. You must discover and uproot the causes of their susceptibility to such deadly infections. What was the deep character-flaw built into their development, from childhood on, which rendered them susceptible to infection with such particular delusions?

They insist that they are not brainwashed? They had better think again!

Think back to an experience from days you were sitting next to one of them, in a secondary school mathematics class. As you look back to that scene, see exactly how you observed their brainwashing in progress then and there; as I, in my time, watched so many of my young classmates being victimized in that way. Once you have understood how the brainwashing worked to control the minds of most of them in that classroom, see the same mechanisms of control, operating to control most U.S. popular opinion, not only on the subject of mathematics, but on nearly all subject-matters commonly discussed today. If you can think through the way your neighbor was being brainwashed in such ways in the past, as in secondary or university mathematics class, you can see how they might be freed from the grip of analogous, other sorts of delusions today.

Therefore, now think of what used to be taught in typical secondary classrooms as a Euclidean geometry.<sup>5</sup> Come to understand how the definitions, axioms, and postulates of a traditional secondary school geometry, or the commonplace, deluded belief in the self-evident existence of the counting numbers, contributed to the mass-insanity in which so many victims participated during the 2000 Presidential campaigns. From studying the way those delusions were induced in the classroom, you should recognize the mechanisms underlying other kinds of exhibitions of insanity typical of most of your neighbors today. Today, sharing that neighbor's lunacy might be suicidal, for you and for the rest of your family, too.

For the currently most recent two generations of matured, and young adults who have entered private secondary schools and universities, *it is the general rule today, that the real value of the education received by the present university populations, is in inverse proportion to the annual fees their parents pay for that education.*

This does not mean that there is an utter lack of competence among the individual faculty members in those institutions. The problem is, that, throughout the past century, education in the U.S. has been controlled, top-down, by a kind of Babylonian priesthood which controls the policies of universities, for example, through the funding spigots provided by

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5. What is taught today, under such radical-positivists' rubrics as "the new math," is rabidly insane, as compared to the relatively milder delusions of the 1950s and earlier classrooms; but the worst features of the former classroom have been maintained, with a vengeance, in the present classroom and related custom.

government and the financier establishment, a priest-caste which shapes policies of education, top-down, to conform to the doctrines specified by that financier establishment.

The qualitative, worsening downshift in secondary and higher education, in particular, today, reflects a mid-1960s shift of the ruling financier establishment, from the conception of the U.S. economy as a producer society, to the past thirty-five years devolution of the U.S. into the pathological condition known as a “consumer society.” Under these trends, the goals of education have been shifted to a kind of one-size-fits-all secular religion, a meaningless game, resembling a childish computer game, or a psychopathological “Harry Potter”-style fantasy, but one played as a savage competition among would-be winners, according to more or less capriciously concocted and dictated rules. Sometimes such childishness, played in the adult world according to capriciously concocted rules, is praised as not merely the Alice-in-Wonderland sort of “fair play,” but even “the rule of law”!

To understand why private secondary and university education are in such a degenerated, ideology-soaked state today, one must look back to earlier decades, to recognize those flaws in earlier states of education which set the stage for the past three decades of moral and intellectual degeneration of education and so-called “informed,” “professionally informed” popular opinion to occur. One must understand that it was not the traditional politicians, of the pre-1966 varieties, who have failed us; it is the brainwashed public, including the majority of the recent two generations of “Brave New World’s” university graduates, which has preferred to select those kinds of political leaders which have misled our own and other nations into the global state of catastrophes of today.

Now that I have placed the subject within its relevant functional context for today, focus attention upon the most immediate aspect of the subject, the classroom itself.

In the case of physical science, the proof of my point concerning education, is truly elementary. Recognize those connections, and then see how the same kinds of mechanisms control the childish way most of our adults often react to the crucial issues of real life in general. Now, see how that works.

### Science versus Sense-Certainty

The basis for the credulity of the all too typical secondary student of the early 1950s and earlier, was a religious-like blind faith in sense-certainty. In science, the technical term for this mental disorder is *reductionism*. The typical symptom of that deluded state was the utterance, “Let’s be practical,” or, “Come down to Earth.” By sense-certainty, is meant the delusion, that what our senses suggest to be the world outside our skins, is a nearly perfect image of that outer world. As a reflection of that kind of popular delusion among the ordinary sort of ignorant church-goers and other people, two kinds of radically anti-scientific fetishism are rampant in ordinary mathematics education.

The first such source of that delusion is, that, contrary to

the advice of Plato and of the Apostle Paul writing in *I Corinthians* 13, people delude themselves into believing that they actually see a real world outside their skins. Contrary to that widespread, ignorant view, what our senses show us, is, at best, a relatively faithful sort of trained (e.g., learned) reaction of our biological sense-perceptual processes to the stimulus caused by the unseen world outside those senses. If, and when that reaction can be verified experimentally, we know that the reaction itself is a valid reaction; but, as the Apostle warns, even if the stimulus itself is a real one, we sense the “outside world” only as if “in a mirror darkly.”

The entirety of the corpus of Plato’s Socratic dialogues, is premised on a concept which he popularized as the allegory of “Plato’s Cave.” What our senses show us, is not the reality which impacts our senses, but, rather, the shadows which that impact casts on the mind, as if shadows cast on the irregular wall-surface of a fire-lit cave.

Second, the victim of blind faith in that *reductionist’s* illusion, lacks efficient comprehension of the fundamental difference between *knowledge* and mere *learning*, just as the notorious Immanuel Kant does, in his anti-Leibniz *Critiques*. The pseudo-scientific cult of so-called “information theory,” is typical of the systemic quality of ignorance which is the outcome of mental disorders such as that of Kant’s *Critiques*.

That being the case, as the experimental methods of successful scientific discovery prove this fact, how can we know the nature of the real “objects” expressed by the mere shadows called sense-perception?

For those and related reasons, ignorant people, a category which includes most university graduates today, tend to regard the superficial effects associated with such “shadows,” as self-evident reality. The so-called *definitions, axioms, and postulates* of a commonly taught form of what is done in the name of “Euclidean geometry,” were distilled from such blind religious faith in the same kind of ignorance intrinsic to Kant’s method.

However, there are proven methods for successfully overcoming those types of ignorance. These methods have been proven on the level of secondary education, as the detailed curriculum of the great Eighteenth-century Classical educator Abraham Kästner demonstrated, in a thorough way, in his 1758 *Anfangsgründe*.<sup>6</sup> All of the greatest scientists in the history of modern, globally extended European civilization, such as Gauss and Riemann, relied, to a greater or lesser degree, on those proven methods of what became known during the Nineteenth Century as the Classical Humanist education policies of Friedrich Schiller and Wilhelm von Humboldt and Germany’s great science-organizer of that century, Alexander von Humboldt.

The known ancient origin of successful such methods of

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6. See note below. Kästner’s 1758 book, with a few updates added to its extant text, would provide the best model for a general secondary-education program in science and mathematics education, to the present day.

education, is the work of Plato and his followers, through, most notably, Archimedes and Eratosthenes. To provide a method for escape from such commonplace delusions, Plato's Academy employed some elementary examples which prove that those assumptions of sense-certainty are, indeed, often delusions. Plato's Socratic dialogues, as a collection, address precisely that problem of scientific method. The *Meno*, *Theaetetus*, and *Timaeus*, are notable for the attention to specific such problems arising in an elementary way from within mathematical physics.

These issues can be efficiently posed in many ways within the body of experimental physical science as a whole. I have employed various combinations of these on many, sundry occasions. However, I have concluded, from decades of wrestling with the problems caused by popular mis-education in schools and universities, that the simplest, most direct, and most pedagogically appropriate example, which might be used, is presenting the case of Carl Gauss' discovery of the complex domain, if that discovery is presented in the context of the Classical Greek-based knowledge within which Gauss worked. I reference that choice of demonstration here.

The work on the doubling of the cube, as addressed from Plato's contemporary and associates such as the Pythagorean Archytas, through the *Platonicus* of Eratosthenes, is exemplary of the relevant work, and Pythagorean stem, of the continuation of Plato's scientific method by his Academy. The *Platonicus* has a central importance for our discussion here, as the implications of the doubling of the cube have crucial bearing on Carl Gauss' original 1799 work defining the role and meaning of the complex domain.<sup>7</sup>

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7. Carl Friedrich Gauss, *Werke*, III (Hildesheim, New York: Georg Olms Verlag, 1981), pp. 1-103. This is Gauss' original report of his discovery of the fundamental theorem of algebra, one of the most crucial discoveries of axiomatic principle in the development of geometry. There is a special importance in the original, 1779 (Latin) dissertation, since it features Gauss' explicit exposure of the relevant follies of Euler and Lagrange (among others) on this and related subject-matters (pp. 1-31). After Napoleon's rise to power, and the triumph of Metternich's right-wing faction at the Vienna Congress, Gauss grew politically cautious, distancing himself from the founder of the German Classical movement, Lessing's mentor, and Gauss' deceased former teacher, Abraham Gotthelf Kästner, who had the most explicit influence in directing Gauss toward what were, in fact, those contributions to an anti-Euclidean geometry represented by the 1799 dissertation, and, to the later, related work of Lejeune Dirichlet and Bernhard Riemann. The ancient matter of the development of the solution for the problem of the doubling of the cube, from Archytas through Eratosthenes, is the crucial point of reference for Gauss' proof of the axiomatic mathematical-physical nature of the complex domain. This is to be studied from the standpoint, on background to both Kästner's and Gauss' discoveries, of the collaboration between Gottfried Leibniz and Jean Bernouilli, in defining the underlying role of the catenary, as a principle of physical geometry, in defining that Leibniz calculus which proved beyond the comprehension of Euler, Lagrange, and Cauchy. On the relevant work of Kästner, see his *Anfangsgründe* (Göttingen: 1758) and *Geschichte der Mathematik* (1796). These works would serve today as an excellent replacement for presently standard secondary-school texts in mathematics, for those who wish to *know* science, rather than *merely learn* to pass the course. One can easily see why the Enlightenment mathematical

The same quality of delusions attacked by Gauss for the case of physical science in general, has been promoted as the foolishness concerning politics and economics, which is typical of the majority of the U.S. population today. Therefore, the way in which the ignorant mind adopts the delusions of a crude classroom Euclidean geometry, or the "bean counter's" counting-numbers arithmetic, are among the simplest examples of the kind of mental disorders controlling the behavior of the U.S. government and most public opinion, respecting physical science, history, politics, art, morals, and so forth, today. The most common feature of those induced mental disorders is the denial of the existence of a body of knowable truth, contrary to mere opinion.

The root of the present problem is the legacy of the ancient Rome, whose moral and intellectual mediocrity continued to curse European civilization until that Italy-centered, Fifteenth-Century Renaissance which began modern European civilization. It is the echoes of that Roman influence, and the related attempt, by the Sixteenth-Century pro-feudal reactionaries, to undo the work of the Renaissance, which are the principal "genetic" source of the intellectual and moral afflictions which are rampaging in modern European civilization again today. It is only from that historian's standpoint, tracing all of European civilization from its birth by the hands of an Egyptian mid-wife, that the roots of the mortal internal threat to the U.S.A. and other parts of global civilization, can be efficiently identified, and remedied.

Classical Greek civilization was the highest level of culture achieved in the region of the Mediterranean, out of what Plato reports as the original birth of Athens, until the adoption of that wonderful legacy by the Fifteenth-Century Renaissance of such leaders as the founder of modern experimental physical science, Cardinal Nicholas of Cusa.<sup>8</sup>

Unfortunately, from about the same time as the end of the Second Punic War, Rome's subjugation of southern Italy, the conquest of Greece, and subsequent developments to similar effect, the great achievements of Greek and Hellenistic culture were either destroyed or bowdlerized through the long sweep, circa 212 B.C. to A.D. 1400, of the region of the Mediterranean and its vicinity by the morally and intellectually corrupting impact of the decadent, eclectic system of Rome. This corruption generated that which came to be known as the Latin legacy, or, by the modern technical term *Romanticism*. Romanticism signifies, now, as then, the view of the nature of man which is contrary to the Classical legacy of the impact of the best of the ancient Egyptian influence on such as Pythagoras, Thales, Heraclitus, Solon, Plato, and the Classical tradition as expressed by the followers of Plato and his Academy through Archimedes and Eratosthenes. The Ro-

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empiricists of the late Eighteenth Century, such as Euler and Lagrange, feared, and therefore hated Kästner, so bitterly.

8. e.g., Cusa's work founding modern experimental physical science, *De Docta Ignorantia*.

matic tradition has been, for example, the chief threat to Christianity within globally extended European civilization, to the present day.

Thus, under the moral and other decline of the Roman Empire, except for important trickles of influences from the Middle East, such as the connection of the Baghdad Caliphate's Haroun al-Raschid to Charlemagne, the Iranians typified by Ibn Sina, the Arab influence on the Hohenstaufen Emperor Frederick II, and the Moorish and related Jewish cultural contributions to pre-Inquisition, pre-Hapsburg Spain until the eruption of what became known as the Italy-centered, Fifteenth-Century Renaissance, the great achievements of the Platonic tradition in science and in culture generally were lost to Europe.<sup>9</sup>

Typical of the long-enduring damage which the Romantic influence did to European science, is the case of the wretched hoaxster Claudius Ptolemy, whose Aristotelean fabrications in the matter of astronomy, typified the dark age of the intellect which descended upon Europe from about 212 A.D. until the Fifteenth-Century rebirth of Classical knowledge. All of the progress in European science and artistic culture since the end of the Fourteenth Century, have been not only the benefit of a revival of the pre-Roman Classical tradition, but the founding of the modern form of sovereign nation-state, which began during that century, with the successive monarchies of France's Louis XI and England's Henry VII.

Since that latter time, until the war-torn Twentieth Century, modern European civilization's chief misfortune has been the fruit of the terrible, Sixteenth-Century anti-Renaissance campaign which was launched with Spain's post-1511 role as a cat's-paw for what was then the imperial maritime power of Venice's rentier-financier oligarchy. The domination of the interval 1511-1648 by the Habsburg/Hapsburg role in religious warfare, produced what has been described by some historians as a "little new dark age," echoing the "New Dark Age" of the mid-Fourteenth Century. For our discussion now, the relevant feature of that Sixteenth-Century anti-Classical reaction against the Renaissance, was a rampant resurgence of religious and other obscurantism, from whose effects globally extended European civilization has not adequately recovered to the present day.<sup>10</sup>

The present, utopian schemes for eliminating the sovereign nation-state, in favor of a Romantic world-government,

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9. The Christian tradition was, as the work of the Apostles John and Paul underline this fact, essentially a Christian reading of Plato's method. That method is, for example, the basis of Christian theology to the present day. It was the driving impulse, the intention associated with the image of the passion of Christ, which pushed European culture to the Fifteenth-Century emergence of a modern European civilization based upon the notion of a sovereign nation-state self-governed by the principle of the general welfare or common good (*agapē*).

10. Typical are the official pagan cults of France's Louis XIV and the first modern fascist, the Emperor Napoleon Bonaparte, the model for Napoleon III, Benito Mussolini, and Adolf Hitler.

are typical of the fruits of the Sixteenth-Century obscurantist reaction organized by Venice with aid of Habsburg arms. The defects in the teaching of science, such as the follies of the method of Euler and Lagrange, are also a direct outgrowth of that same pro-obscurantist (e.g., gnostic) reaction which impacts both the mathematics classroom and the popular misconception of science, in the names of Aristotle, empiricism, Cartesianism, positivism, and existentialism today. The problem in mathematics on which we are focussed for this moment, is not only a consequence of, but expresses the way in which the obscurantist method of Venice and Hapsburg and pro-Carlist Spain, produces the brainwashing effects commonly expressed in classrooms still today.

## The Catenary

The catenary, or "hanging chain" curve, is the most important curvature in formal mathematics, because, when compared with the cycloid, it expresses immediately the essence of the notion of a *physical geometry*, as distinct from all of the "ivory tower" geometries of generally accepted classroom notions of Euclidean geometry and counting-numbers arithmetic alike. Study of the way in which Leibniz and his collaborator Jean Bernouilli addressed the combined formal-mathematical and physical implications of this curvature, brings the cross-over from "ivory tower" mathematics, to mathematical physics most simply and directly into view, that in a comprehensive way.

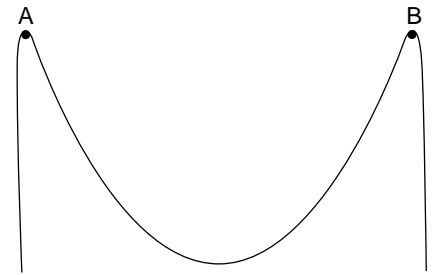
This catenary-cued approach to the physical, rather than "ivory tower" definition of geometry, is starkly contrasted to the fraudulent astronomy which Claudius Ptolemy derived dogmatically from the work of Plato's most famous adversary, Aristotle, the latter the putative father of all Romantic "ivory tower" system-builders, such as the empiricists, Cartesians, Physiocrats, utilitarians, Kantians, Hegelians, positivists, and existentialists. The demolition of Aristotle's claims to science, by the discoveries of Johannes Kepler, combined with the implications of Fermat's replacing the "ivory tower" doctrine of *shortest distance by quickest time*, led Leibniz to the original discovery of the calculus, and, thence, to the exploration of the crucial position of the family of catenaries in the formal generalization of the truly infinitesimal calculus.<sup>11</sup>

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11. The significance of the use of the term "infinitesimal calculus" here, is that Leonhard Euler, a radical empiricist member of a network of salons, founded by Paris-based Abbot Antonio Conti, forming the Eighteenth-Century cult of Isaac Newton, attacked Leibniz's "Monadology," in particular, and infinitesimal calculus, in general, by arguing against the existence of true infinitesimals. Euler delivered a popular version of his argument in a 1761 writing, *Letters to a German Princess*, in which he argued that all mathematics could be derived from the method of connecting the dots with straight lines. Euler was followed by his leading protégé Lagrange. The argument of Euler was later systematized by the influential plagiarist and hoaxster Augustin Cauchy. As we shall indicate later, here, Gauss, beginning 1799, refuted Euler and Lagrange as incompetent; Gauss' refutation was rounded out by the work of Dirichlet and Riemann.



FIGURE 1  
The Catenary



*Filippo Brunelleschi (left) applied the physical principle of the catenary to solve what had been estimated as the impossible task of putting the required cupola on the Florence cathedral of Santa Maria del Fiore. The surfaces between the ribs of the dome are families of catenaries.*

The “ivory tower” schools of Aristotle, the empiricists, Cartesians, positivists, and existentialists, have limited their focus to insisting that man must limit himself to describing the observed universe of sense-perception according to so-called “self-evident,” “ivory tower” assumptions, as typified by the usually attributed definitions, axioms, and postulates of a generally accepted classroom reading of Euclidean geometry. Notions of an efficient physical reality, such as notions of “force” and “action” as agencies operating upon the real universe behind the sense-perceived one, if their existence were acknowledged, were treated as observed objects within the terms of a purely fantastic notion of abstract time and space, occurring within that space, but arbitrarily subject, everywhere and forever, to the arbitrary set of definitions, axioms, and postulates of an “ivory tower” system whose model of reference was the Aristotelean notion of abstract Euclidean space-time.<sup>12</sup>

12. The literature on the subject of *Euclid's Elements* and its origins, is extensive. To sum up the points which are probably relevant for the present reader's reference, the gist of the point to be made is the following. The *Elements* is a composite, dating from the Roman period, which reflects the cumulative work of chiefly Classical Greek and Hellenistic scientific progress, with some liberties taken by the compiler. The prevalent modern reading of the compilation is Aristotelean, and thus systemically contrary to the method employed for the crucial among the original discoveries represented. On this account, the *Elements* as presented to the modern reader incurs some of the same kinds of flaws seen in Claudius Ptolemy's fraudulent construction of a radically Aristotelean astronomy. The resulting problem with the reading of the *Elements* as a whole, is reflected most poignantly in Books Ten through Thirteen. Nonetheless, any careful effort to reconstruct the discovery of any crucial features reported there, forces one to recognize the lack of any coherence of the actual discovery with the Aristotelean or related method. The discussion of the crucial significance of the doubling of the cube for Gauss' 1799 presentation of his fundamental theorem of algebra, presents typical evidence of the nature of the Euclid problem.

Kepler changed all this fundamentally, by the way in which he crafted his original discoveries in astrophysics. By choosing as his subject nothing less than that universe implied by the lawfulness of our Solar System, he laid the basis for the development of a universal mathematical physics whose central feature is experimentally demonstrated proof of the efficient action imposed by a provably existent, but sense-invisible universal principle, on the visible aspect of the universe. This combined work of Kepler and Fermat, led, through Fermat's emphasis on the efficient principle of quickest time, to Leibniz's calculus, and to locating the significance of a family of catenaries as underlying the physical geometry of that calculus. Through the successive work of seminal figures such as Leibniz, Kästner, Gauss, and Riemann, this led to the modern notion of a Riemannian universe, one of some yet-to-be-determined, functionally characteristic curvature, a universe which is finite as a whole, and yet without the bounds of notions of any space and time existing external to it.<sup>13</sup>

The family of catenaries, because it incorporates an experimentally demonstrable “force” of efficient action within the determination of the curve itself, exemplifies the notion of a *physical geometry*, rather than an ivory-tower “Euclidean” or so-called “non-Euclidean” one. This discovery is crucial for understanding the actual Leibniz calculus, and appreciating Kästner's emphasis on the need for an anti-Euclidean geometry, rather than a non-Euclidean reassessment of the parallel postulate. The notion of “force” implicit in the generation of the catenary, is the same notion which Kepler terms “inten-

13. If we accept that definition of “universe” supplied by the standards of a strictly experimental mathematical physics, nothing exists outside a universe, as implicitly defined by Kepler's discoveries, or before it or after it. The universe is, therefore, as Albert Einstein came to concede to Kepler and Riemann combined, “finite” and, yet, “unbounded.”

tion” in his *New Astronomy*. This use of “intention” is another way of stating “universal physical principle,” a physical principle experimentally validated as universally efficient.

Following Gauss’ precedents explicitly, Riemann, who had been a student of both Gauss and Alexander von Humboldt’s Lejeune Dirichlet, carried Gauss’ 1799 definition of the complex domain and Gauss’ related notions of the general notions of curvature, to the implied conclusion set forth in Riemann’s 1854 habilitation dissertation.<sup>14</sup> The outcome of this development by, chiefly, Gauss and Riemann, and aided by Riemann’s adoption of what he identified as “Dirichlet’s Principle,” was the replacement of the infinite extensions of ivory-tower mathematics, by the notion of an efficiently extended magnitude, the latter the class of magnitudes which erupts from Gauss’ 1799 statement of the case for the complex domain, which Gauss presented then and there against the ivory-tower delusions of the empiricist “bean counters” Euler, Lagrange, et al.

All of this and related work was rooted in the modern revival of the Classical Greek scientific legacy from times prior to the deaths of Archimedes and Eratosthenes. The most notable connections, bridging the span from ancient Greece, to Gauss’ 1799 paper on the fundamental theorem of algebra, are the exemplary cases of the doubling of the square and the cube.<sup>15</sup>

The reports focussed upon the case of Gauss’ discovery as such, are being supplied by Dr. Jonathan Tennenbaum, Mr. Bruce Director, et al. What I omit from my account here, is to be found in those reports and their included illustrations. I make reference to the subjects of those reports immediately below.

## Imaginary or Existing

Although it is necessary that I now include, immediately below, certain remarks on crucial features of what is reported by Tennenbaum, Director, et al., the focus of my report is the underlying, epistemological, and consequent political-historical implications of the case. In that implied division of labor, my task here is to define the connections between those issues of mathematics and political strategy. Therefore, bearing in mind the availability of the work of those collaborating specialists in that field, I make a few explanatory remarks showing the connection between the issues of Gauss’ referenced 1799 paper and the political issues which are the targeted topic here. I pivot this summary on the relationship between Gauss’ cited 1799 discovery, and the millennia-long history of the matter of doubling the cube by methods of construction, as this was developed by Plato and those who followed his

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14. *Über die Hypothesen, welche der Geometrie zu Grunde liegen*, in *Bernhard Riemanns gesammelte mathematische Werke*, H. Weber, ed. (New York: Dover Publications Reprint edition, 1953).

15. Compare Kästner, *Anfangsgründe* pp. 86-122.

anti-reductionist (e.g., anti-Aristotle) method.<sup>16</sup>

As the reader should discover from the contributions of Tennenbaum et al., the pivotal feature of Gauss’ announcement of his discovery of the fundamental theorem of algebra, is the evidence supplied by Gauss’ reexamination of the ancient Platonic solution for the doubling of the square and cube. The crucial conception, both as stated and illustrated by Plato in his writings, such as the *Theaetetus*, and as employed by Gauss in the case of the fundamental theorem of algebra, is the concept of *powers*. As that dialogue illustrates that specific point, Plato’s use of *powers* signifies a series of cases, as a class, which is typified by a very elementary kind of ontologically paradoxical challenge, that of defining the relationship among a line, an area, and a solid. This turns up as the crucial feature of Gauss’ definition of the complex domain.

The implication of this paradox, as stated by Plato and solved by Gauss and Riemann in succession, is that since the line, area, and solid are equally existences in the world of sense-perception, there must be some functionally efficient connection among these ostensibly immiscible categories of common experience. If this condition does not prevail in the domain of sense-perception, it must be sought within the anti-Kantian domain of cognition. The rejection of the Classical scientific method, that of Kepler, Leibniz, et al., leads to the folly of the pro-Newton fanatic, Euler, and to that of Euler’s follower Lagrange, et al., in relegating the complex domain to the category of “imaginary” numbers. The essence of Gauss’ proof of the incompetence of the reductionist method of Euler and Lagrange, is the demonstration of the *efficiency* of an indispensable, intermediate conceptual step, by means of which the cube may be doubled by construction. That intermediate step, thus touches an underlying real physical universe, in respect to which the simple, paradoxical appearances of learned sense-perception, are merely shadows like those of Plato’s allegorical “Cave.”

Pause here for a moment. The line, the area, and solid, are really distinct, learned experiences within the biological domain of the mental-sense-perceptual apparatus of the individual. These distinctions, as sense-perceptual experiences, are verifiable by aid of learning, and otherwise. Yet, what do we really know about those objects, beyond merely learning to recognize them as respectively distinct categories of learned experience? We are able to come to know actually two principal facts about them as a collection. First, that they are qualitatively distinct with respect to one another; second, that there are discoverable, cognitively knowable relations among them. Second, the latter relations are relations of principle, of a type not learned through sense-perception as such, but only through cognitive insight. The doubling of the

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16. Neither the Platonic approach to doubling the cube, nor any other essential feature of Plato’s own work, have anything notably in common with the seemingly infinite duplicity of our notorious contemporary Leo Strauss.

square, as addressed by Plato in the *Theaetetus* dialogue, leads us to recognize a distinct quality of *power* which sets the category of line apart from the category of area. The effort to double the cube, takes us beyond the mastery of the square, and lodges us wholly within what Gauss defines as the complex domain.

Unless the pupil were brain-damaged, in effect, that in the way most empiricists and the like are, it is immediately obvious from these explorations of the relationship among line, area, and solid, that the representation of the space of physical experience as composed of three independent primary but ontologically simple senses of boundless spatial direction, is an insane one. That simplistic notion implicitly denies any transformation in the notion of extension, in shifting attention from a line to an area, and, thence, to what the individual experiences as sense-perceptual space.

Thus, in Gauss' reviving Plato's conception of *power*, as the substrate of perceived spatial relations, he has shown that even seemingly self-evidently simple counting numbers, are by no means self-evident in reality.<sup>17</sup> Counting numbers, as used to count, are subjects of the organization of the reality underlying that which learned sense-perception counts. This reality is, as Gauss shows, organized in terms of the relationships among qualitatively distinct (Platonic) *powers*.

In modern history, the earliest influential attack upon the physical implications of the mathematical distinction between the area and the solid, was the *Ars Magna* of the early-Sixteenth-Century Girolamo Cardano. From that time, through the work of Gauss, those paradoxical features of attempted computation of the algebraic roots of a cubic function were treated by notable scientists, notably including Kästner's *Anfangsgründe*, as the Cardan problem. Even today, the juxtaposition of Cardano's efforts to the work of Plato, Kästner, and Gauss, is the most plausible pedagogical approach for use in secondary education.

To leap ahead to a deeper expression of the same consideration, consider the emphasis which Plato, Luca Pacioli, Leonardo da Vinci, and Kepler place on the distinction between two kinds of physical space-time: the one of experimentally defined abiotic space-time, the other experimentally defined as that of living processes, as Vladimir Vernadsky and I have emphasized in somewhat different, if converging ways.<sup>18</sup> The uniqueness of the characteristics underlying the constructive determination of the five Platonic solids, is a higher order of *power*, using *power* in the same sense Plato employs the term, and, as Gauss, in 1799, attacks the exemplary relations among the line, area, and

solid, in his fundamental theorem of algebra.

Like Plato, Gauss identifies the qualities which distinguish a line from an area, and both from a solid, as *powers*. This is the meaning of *powers* in Gauss' fundamental theorem of algebra. The step from Gauss' doctoral dissertation, *Disquisitiones Arithmeticae*, and the 1799 fundamental theorem, to the universal physical geometry of Riemann, is a crucial step, but also a rather short one. If we must attribute the notion of powers to the case of the line, area, and solid, what is the physical significance of still higher mathematical powers than those which the cubic roots reflect? This led Gauss himself to his general theory of curvature, which, in turn, prompted Riemann, aided by Dirichlet's "Principle," to set forth the theses of his revolutionary 1854 habilitation dissertation.<sup>19</sup>

About five decades ago, I studied briefly, with considerable profit, a short treatise on some topics of number theory by the notable Russian mathematician Khinchin. In introducing that work, he made a memorable statement, emphasizing that really important challenges in number-theoretical work are "elementary, but not necessarily simple." Good pupils, in a good secondary school, might require two or three years of concentrated work, to reach the conceptual level typified by Gauss' discovery of the fundamental theorem of algebra, but, then, they would have graduated with the sense of serenity unique to the individual who, rather than having merely passed a series of multiple-choice, computer-scored examinations, would, instead, really know something elementary in Khinchin's sense of that term.

Instead, in today's cultish "information society," opening the closet in which the typical young person's collection of information is stored, is like the experience from the old popular U.S. radio show, and later television series, "Fibber Magee and Molly," which featured, on each episode, the ritual opening of Fibber Magee's closet. What came out of that closet, on each occasion, was a great clank and clatter of accumulated, more or less useless, discarded objects. A society which deranges a young person's mind in a way suggesting the opening of Fibber Magee's closet, has virtually destroyed that person's soul.

For the purposes of the subject of this present report, the immediately relevant outcome of the direction of development, from Plato through Leibniz's notion of *Analysis Situs*, Gauss, and Riemann, has been my own unique contribution to science, my adoption of Riemann's standpoint as the con-

17. The broader basis for this conclusion by Gauss at that point, is supplied by his *Disquisitiones Arithmeticae*. Note, especially, his treatment of the Classical paradoxes of biquadratic residues in that and later locations.

18. Lyndon H. LaRouche, Jr., *The Economics of the Noösphere* (Washington, D.C.: EIR News Service, 2001).

19. Notable is Dirichlet's attack on follies inhering in Euler's attempt at defining the domain of prime numbers, and Riemann's carrying Dirichlet's attack a step further. To this day, many trained scientists who should know better, attack Riemann's solution as defective, on the presumption that it does reach those illusory goals which Euler sought, and which Dirichlet and Riemann showed to be axiomatically absurd. The implied issue of Abelian functions, above, as addressed by Riemann, must be merely noted for its relevance here, but otherwise left to more suitable other occasions.

ceptual framework within which to situate my development of the conceptions of a science of physical economy. The point to be emphasized, is the practical political significance of the concept of *powers*, as we have just traced this, in outline, from Plato through Gauss and Riemann.

Usually, and correctly so as far as that goes, the notion of powers, as traced from mathematics through applied physical science, is associated with the equivalence of the discovery of a new such power, defined mathematically in terms of the complex domain, to the existence of a usable, experimentally defined, universal physical principle. The focus of my discoveries has been, that through consciously applying such new principles to the universe, mankind's power in and over the universe is increased. It is by means of the discovery and adoption of such principles for practice, that the potential relative population-density of society is increased, per capita and also per square kilometer of the Earth's surface-area.

I have carried the development of my work in that direction, since my initial formulation of the relevant discovery, about fifty years ago, into the general analysis of the long-term, systemic features of economic processes in the large, and into the application of those notions of the systemic characteristics of economies into defining a healthy modern economy as essentially a science-driver economy, in which the forced-draft development of principled scientific breakthroughs, is the characteristic policy of healthy forms of modern economy.

The leading implications of that for our present discussion, are chiefly the following.

The ability of the individual to generate realizable contributions to economically progressive scientific progress, depends upon the state of mind of the individual member of society, both as a producer of scientific knowledge, and in terms of the ability of the individual members of society to cooperate in fostering and utilizing the benefits of fundamental and related scientific and technological progress. On this account, knowledge relevant to our discussion here, falls chiefly under two great categories, two phase-spaces. First, we have what we usually recognize as the manifold of experimental physical science. Second, we have the general category, typified by principles of Classical artistic composition, which pertain to the cognitively defined principles of social relations as such. It is the functioning and development of these two, interacting capacities, which is the pivotal consideration in this present report considered as a whole.

This requires, among other things, that the generality of society no longer be treated as virtually human cattle, as the Physiocratic *laissez-faire* dogma of the neo-Cathar François Quesnay demands, and as does Adam Smith's plagiarism of *laissez-faire* as "free trade." Contrary to the U.S. traditions of chattel slavery and policies of "tracking" in education tailored "not to educate the youth above their predestined station in life," human beings are not merely trainable monkeys to be

educated in those routines which are pre-prescribed as their assigned destiny in society. It is the rich development of the cognitive powers of the infant, child, and youth, which must be required, universally, of and by society. A famous French film from the experience of my youth, *À Nous La Liberté*, and Charlie Chaplin's parody of it, *Modern Times*, typify the bestializing practices to be abhorred in any civilized society.

There is a reciprocal relationship between the development of the average productive powers of labor in society, and the development of the mind and conditions of individual and family life in that society. A society whose orientation in the teaching and practice of science and art is that of the anti-Renaissance reaction, whether the Spanish Hapsburg feudal-ist tradition, or the Venetian rentier-financier dogma of empiricists Paolo Sarpi, his lackey Galileo Galilei, and their Sir Francis Bacon and Thomas Hobbes, tends to block fundamental scientific progress, by degrading the name of "science" to the equivalent of a cognitively sterile Aristotelean or neo-Aristotelean "explaining of nature" at the stultifying level of current knowledge, or worse. Science becomes either what the ruling rentier-financier interests wish to exploit, and, on the other hand, what they are determined to keep out of illicit use by the population in general. The distinct human quality, cognition, which sets the human species apart from the beasts, is a quality of the individual mind, which they treat as most urgently to be suppressed. Under the circumstances of a shift from a productive, to a consumer's society, they have succeeded marvellously, during the recent thirty-five-odd years, in this destruction of the mental potential of most of the population today.

Thus, oligarchical societies teach either what is called "tradition," or counterfeit forms of tradition, not only as a substitute for actual knowledge, but as method of inoculating the subject population against demanding access to real knowledge. They proffer, instead, the mere "information" prescribed by the relevant Babylonian priest-castes which regulate education, standards of professionalism, and popular opinion generally. In this way, as the evil Aldous Huxley, among others, proposed, the goals of slavery are realized in the cheapest way: the slaves put the shackles upon their own minds, more or less daily, and, thus, let them find addictive, psychedelic qualities of so-called "pleasure" in doing so.

A healthy society, is one committed primarily to the promotion of the general welfare, as our Federal Constitution prescribes. That society aims to educate each and all of its population to the highest level of scientific and cultural development possible, thus increasing the per-capita potential for both generating scientific-revolutionary and related progress per capita, and for assimilating that progress as realized increases in the average, science-driven physical-productive powers of labor. This reciprocal relationship defines a working *political* approach to a branch of science known as *epistemology*.



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## 2. The Meaning of Epistemology

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The contrast between the two types of geometry I have emphasized here so far, the Euclidean, or quasi-Euclidean, versus the physical geometry explicitly elaborated, successively, by Gauss and Riemann, is to be regarded as *the* Classical working-model for the discussion of a branch of science known as *epistemology*, which is often translated into “the theory of knowledge.” As I shall emphasize now, epistemology also includes the study of the way in which human minds are turned into virtual Korean *kimche*, and thus, must therefore also be considered as including the subordinate subject of a general psychopathology of non-knowledge. This contrast is the point of reference from which it becomes possible to render transparent the nature, and cure of the ideological disorder which is now sending the people of the U.S. on their adopted trajectory toward the yawning abyss awaiting them, just ahead.

So far, I have indicated a principal division between two kinds of thinking, the one reductionist (as in mere *learning*), and the other cognitive (as in *knowledge*). I have pointed to the evidence which shows, that, just as the set of definitions, axioms, and postulates of a typical classroom Euclidean geometry, typifies reductionist learning, so we have an alternative to such definitions, axioms, and postulates, an alternative typified by the implications of Gauss’ elementary definition of the complex domain. The chief similarity of the two, otherwise mutually opposed systems, is found in the relationship between ground-principles and acceptable theorems within each of the respective systems. On this account, each appears to be, superficially, a parody, as much as opponent of the other, as we may see in comparing the marsupial to the placental repertoires among mammals (or both with truly radical reductionists such as the monotremes).

In a reductionist culture, for example, the society operates on the basis of explicit or implied policy-decisions, decisions which are rooted in implied theorems of which most members of society are, at most, vaguely conscious, whereas the more deeply underlying axiomatic presumptions are not considered as anything but “self-evident.” Sometimes, an outburst of the type, “But, all my friends will agree with me,” serves as a synonym for “self-evident,” among such illiterate strata of the population.

“Single-issuism”—an irrationally ordered array of “do’s and don’t’s,” a concoction cooked up in defiance of *I Corinthians* 13—is typical of the pathological forms of mass-behavior among those relatively ignorant classes common to societies dominated by a reductionist system. The types of fanaticism associated with “single-issuism,” are usually the quickest and most self-destructive way to Hell among cultures of this type. The precipitous moral and other decline of Sixteenth- and Seventeenth-Century Spain under the self-

destructive, “integrist,” religious-warfare fanaticism of the Hapsburg rule, illustrates that point.

The practice of epistemology may find it convenient to use the model of Euclidean geometry as a standard of comparison, for tracing the relationship among the hierarchy of axiomatics, theorems, and conventional pragmatisms. These comparisons focus upon the contrasting ways in which the apparent collective will of a culture or a nation, steers that society, as if toward some often more or less calamitous, ostensibly fateful destination. The process of collapse of the U.S. economy, over the course of the recent thirty-five years, in contrast to the general improvement accomplished over the preceding 1933-1965 interval, is typical of patterns among successive, long-wave developments which become, in each case, built-in, virtually inevitable destinies of a society which has adopted a corresponding, more or less axiomatic course of direction in shaping the evolution of its policies of practice. That serves as a rule of thumb for indicating what I signify by *applied epistemology*.

The type of problem on which to focus, is that presented in a famous poem of Heinrich Heine, *Die Grenadiere*, one of the many important Heine poems set by Robert Schumann.<sup>20</sup> In this poem, Heine, a brilliantly insightful opponent of the waves of that Romantic movement engulfing Europe following the crowning of the first fascist dictator Napoleon Bonaparte as Emperor, captures the essence of Napoleonic fascism in particular, and Romanticism in general. Schumann, an ally of Heine in this matter, captures the folly of the Romanticism underlying Napoleon’s reign. Schumann employs the same principles for that, as he does in the richly ironical *Dicht-erliebe* and other Heine settings. In the case of *Die Grenadiere*, Heine aims directly against the same kind of present U.S. trend toward fascism, called military “utopianism,” which is modelled upon Hitler’s *Waffen-SS*, the universal fascist utopians expressed by *The Soldier and the State* of Nashville Agrarian William Yandell Elliott’s Harvard protégé Samuel P. Huntington. This is the same universal-fascism commitment expressed by Elliott’s Henry A. Kissinger, Zbigniew Brzezinski, and many others of that Harvard brood, as by the more dangerous British intelligence collaborator of those creatures, Middle East specialist Bernard Lewis.

That example is appropriately an historically specific one, since fascism is an expression of the Romantic reaction against the threat which the American Revolution and 1787-1789 drafts of the U.S. Federal Constitution represented to the Habsburg, Anglo-Dutch, and kindred species of relics of the old, pre-Renaissance, Romantic order in Europe. The revival of the Rome of the ancient Caesars, in the parody led by Napoleon Bonaparte, was the model of fascism copied by the France of Napoleon III, Benito Mussolini, Adolf Hitler,

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20. Set as *Die Beiden Grenadiere*.

and the Carlists. Heine, as in the first edition of his *Religion and Philosophy in Germany*, foresaw the threat of Napoleonic-like (e.g., fascist) insurgencies in a future Germany, a threat rooted in the influence of Romantic Immanuel Kant.

That said on background, look at the poem's closing stanza: Then, my Emperor will ride over my grave as many swords clash and spark; then, I will arise armed from my grave to defend my Emperor! My Emperor!<sup>21</sup> The fascist legions of Cadmus revived from their dragon's-teeth graves! The legions of imperial Rome! The multinational Grand Army of Bonaparte, marching into the trap of strategic defense which the Prussian reformers and Russia's Czar had set for it in the interior of Russia! So, among Romantics and their like, often, an irrational, even criminal idea, is upheld as the noblest cause, by the mere reiteration of a slogan, a catch-phrase, just as the Nazi anti-semitic propaganda worked to promote Hell, all for a cause for which no rational evidence existed. So, the introduction of such notions as that captured in *Die Grenadiere*, or President Bush's repeated reference to his utterance, the "axis of evil," may doom a society to act under a lunatic compulsion, like Heine's Grenadier waiting to rise even from the grave, an automaton, like one of Samuel Huntington's professional, Waffen-SS-style soldiers, to fight a perpetual meaningless war, yet once again, and yet again.

In a sane and moral society, by contrast, no one is allowed to hide behind the recitation of some mere slogan or "single-issue" litany. The standard of Socratic truthfulness must be enforced: Why do you say that? What is your evidence? What are you thinking which impels you to believe that that is honest evidence? Typical populist psycho-babble includes: "All my friends agree"; "I read and follow the press; I know what's going on"; "Believe me, I have my sources, but I can't tell you what they are."<sup>22</sup> These litanies are typical of the frauds employed by the morally depraved today. What is said, is a ruse employed to conceal the actual motives of the speaker, sometimes, even often, to conceal the speaker's ac-

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21. As Schumann sets the closing stanza: "*Dann reitet mein Kaiser wohl über mein Grab/Viel Schwerter klirren und blitzen/Dann steig' ich gewaffnet hervor aus dem Grab—Den Kaiser, den Kaiser zu schützen.*"

22. This latter argument is typical of the way in which the U.S. Department of Justice spreads its lies against this author, Lyndon LaRouche ('He's a Bad Guy, But We Can't Say Why,' *EIR*, March 10, 2000) and his associates. Notable are the remnants of the old "internal security" gang, which continue their fascistic dirty work, thinly camouflaged, under a combination of the type of interlocked governmental and private organizations set into motion under 1977-1981 National Security Advisor Zbigniew Brzezinski, operating in cooperation with private institutions such as the H. Smith Richardson Foundation, the Mont Pelerin Society/Heritage Foundation, the American Family Foundation, and the Anti-Defamation League (ADL) still today. The influence of these operations illustrates the manner and degree to which most Americans today are literally brainwashed into reciting the ritual psycho-babble of such corrupting institutions. That recitation often occurs as a conditioned-reflex knee-jerk reciting of a brainless "recorded message," like a recording turned on automatically at the mere mention of my name! I have, therefore, very few sane critics in the U.S. today.

tual motives from himself.

A Classical example, the case of the dubious Physiocrat Dr. François Quesnay, should help to clarify the argument. The following example largely explains itself.

### An Example: The Physiocratic Syndrome

Strange things happened in France with the accession of the adversary of Mazarin's Jean-Baptiste Colbert, "Sun King" Louis XIV. Typical among the despicable influences exerted from within Louis XIV's France, were the convergence of the work of the Cartesians and an implicitly *ultramontane*, Anglo-French, feudal military faction known as the *Fronde*. At the center of the Cartesian cabal was a Venice agent, Abbot Antonio Conti, who emerged from those decades as the central figure of an international network of salons which represented what is often identified, generically, as the Eighteenth-Century British-French "Enlightenment." Although Conti died in 1749, his network of salons, and his participation in the Venice-based effort to destroy the influence of Gottfried Leibniz,<sup>23</sup> continued through such products of that network as Euler and Lagrange, the latter as seeds of Conti's poison, planted in Berlin.<sup>24</sup> During the middle of that century, the leading opponents of the Conti network in Germany were the defenders of the legacy of Gottfried Leibniz and J.S. Bach. Leibniz and Bach were defended chiefly by Abraham Kästner, by Kästner's student and collaborator Lessing, and by Lessing's partner against Euler's Isaac Newton cult, the celebrated genius Moses Mendelssohn.<sup>25</sup>

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23. Around the matter of the Este family history.

24. As a matter of relevance for the continuing problems of science today, the role of Lagrange in Napoleon's France is of crucial importance for understanding the persistence of the problems of science addressed above. The aging Lagrange's corrupting influence in France, coincided with Napoleon Bonaparte's dispersal of the leaders of Gaspard Monge's Ecole Polytechnique, and using Lagrange to set forth the reductionist dogma through which France's leading role in science was destroyed to such a degree that, by about 1828, world leadership in science had passed from France to the circles of Alexander von Humboldt and Gauss in Germany. There have been some happy exceptions to this destruction of France's science. The achievements, and tribulations of Louis Pasteur and Curie typify the best cases of the survival of science in France, while the defeat of the Newtonians Coulomb, Poisson, et al., by the pro-Leibnizian faction of Arago, Fresnel, and the young Ampère, the case of Dirichlet, and the continued work, in exile, of Lazare Carnot, typify the residue which lived on despite the Newtonians Lagrange, Laplace, Cauchy, et al., and despite the monstrously corrupt Restoration monarchy.

25. Kästner was thus the originator of the late-Eighteenth-Century birth of the German Classic of Lessing, Mendelssohn, Goethe, Josef Haydn, Wolfgang Mozart, Friedrich Schiller, Beethoven, the Humboldt brothers, Franz Schubert, Felix Mendelssohn, Robert Schuman, Verdi, Johannes Brahms, et al., the Classic which was the continued adversary of the Napoleon-inspired Nineteenth-Century Romantic decadence of Hegel, the neo-Kantians, Liszt, Berlioz, Wagner, et al. This German Classic intersected the circles of the followers of the Winthrop, Mathers, Logans, and Benjamin Franklin in North America and throughout Europe. As my associates have documented the role of the Leipzig-based extended family of Moses Mendelssohn in the development of the work of Mozart, Beethoven, Schubert, et al., the Classical Jew of Germany and the Yiddish Renaissance were the leading target of



*The case of François Quesnay “has special clinical significance, of revealing most clearly the underlying common axiomatic assumptions of empiricism, positivism, and existentialism.”*

Among the pivotal figures associated with Conti’s network of salons, during a span of history from the accession of Louis XIV, to the coronation of Napoleon, was Dr. François Quesnay. Quesnay’s Physiocratic dogma, played a central role in bringing about the later destruction of France’s monarchy. That dogma is of continuing epistemological significance for understanding much of the sweep of the recent thousand years of globally extended European civilization. Without understanding that epistemological point, it were impossible to understand how the U.S.A. and Europe, in particular, have been destroying themselves, culturally and economically, over the course of the recent thirty-five-odd years.

The proximate origin of the Physiocratic hoax, is the settlement, in France, of a Byzantine-sponsored, neo-Manichean cult, known variously as the “bogomils,” “Cathars,” and, in English slang, “the buggers.” The most notable settlements among those, were centered on the Garonne and Rhône, the so-called Languedoc, but settlements of this characteristically gnostic cult extended into adjoining regions. Despite the notorious Norman crusade called the Albigensian, the influence of these gnostics has persisted, in various guises, including various and sundry avowedly Christian, or gnostic churches, to the present day. This queer doctrine, combined with the radical positivism of medieval William of Ockham (Occam), persists as the central epistemological characteristic of the English empiricism of Sir Francis Bacon, Thomas Hobbes, John Locke, and Isaac Newton, and the British and French

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hatred by the Nazis and their existentialist co-thinkers, down to present-day Europe and right-wing Zionism.

Eighteenth-Century Enlightenment. The case of Quesnay has special clinical significance, of revealing most clearly the underlying common axiomatic assumptions of empiricism, positivism, and existentialism. For example, all of today’s faithful followers of Adam Smith’s doctrine of “free trade,” are spiritually, in principle, “buggers.”

The nub of the epistemological matter, is the following.

The economic core of Quesnay’s argument, is his assertion that all of the net proceeds of the feudal estate’s fruits of nature, are brought into existence, as such “gross profit,” solely through the magical powers awarded to the landlord, awarded through the allegedly divine donation to him of the feudal title to that estate. The only significant point of difference between Quesnay and the British East India Company’s plagiaristic Adam Smith, is that Smith awards those same kinds magical powers to the persons and financial practices of the Venice-modelled Anglo-Dutch financier oligarchy. This is not original with Quesnay; it was the core of the Cathar doctrine of the elect. This is also the essential basis for the empiricist dogmas of Sir Francis Bacon, Thomas Hobbes, John Locke, Isaac Newton, the “free sin” doctrine of Friedrich von Hayek’s Bernard Mandeville, the theology of U.S. Justice Antonin Scalia, and the “free trade” dogmas of the Mont Pelerin Society, American Enterprise Institute, and so on.

There is no accident in any among these connections. The problem here is an elementary case in epistemology. It is an example which is extremely appropriate for understanding the mechanisms underlying the currently worsening crisis of the Bush Administration and of the present leadership of the U.S. Congress.

To the majority of readers, some of this may appear to be too exotic to be relevant to the case of the breakdown in progress in the Bush Administration. But, stay the course; you could not possibly understand the how and why of that Bush Administration, without taking the lurid forms of mysticism associated with Locke, Quesnay, and Adam Smith into account. It may seem weird, but weird is the way the collective mind of the Bush Administration, among others, works, or, if you prefer, does not really work. We fellow-Americans, have a really sick mess in Washington on our hands, and it is neither centered in, nor originated with the January 2001 inauguration of President George Bush.

Now, I shall describe the role of empiricism as such, and then show the axiomatic nature of the conflict between empiricist hoaxsters, such as Euler, on the one side, and scientists such as Leibniz, Gauss, and Riemann, on the other. Focus upon that specific quality of connections, will lead our attention back to the axiomatic roots of the present U.S. existential crisis.

From the standpoint of epistemology, all of the pathological systems congruent with Quesnay’s dogma, are premised on the doctrine known as empiricism, which was introduced by one-time lord of Venice Paolo Sarpi. Essentially, Sarpi advocated the simplification of Aristoteleanism through the

application of “Occam’s Razor,” the irrationalist doctrine of medieval figure William of Ockham. All of the irrationalities inherent in Aristotle, and worse, are continued with the spread of empiricism by Sarpi and his household lackey Galileo Galilei, the latter the hoaxster who taught bad mathematics to worse Thomas Hobbes. Although Quesnay’s argument largely reverts to the sordid medievalism of the neo-Manichean Cathars, the totality of Quesnay’s argument could not have developed, except in the context of the resurgence of empiricism associated with the central role of Antonio Conti. Compare the frauds of Aristoteleans such as Claudius Ptolemy with the distinctively weird type of gnostic mysticism characteristic of all of the empiricists, and among such of their followers as the Kantians, positivists, and those really dangerous goof-balls known as the existentialists. These existentialists have been the principal, if not the only current leading into the influence of fascism under Hitler and under the leadership of utopians such as Brzezinski, Ariel Sharon, et al., today.<sup>26</sup>

Empiricism has the form of a synthesis of three, ostensibly mutually exclusive, categorical elements, as follows:

1. First, the empiricist assumes that no experimentally verifiable knowledge exists outside the bounds of simple sense-certainty.
2. Secondly, therefore, every cause-effect relationship which can not be located explicitly in a sense-observed agency, is related to a domain of such forms of attributed bias in statistical behavior of observable events, or to some anonymous agency to which neither sense-certainty nor cognitive reason provides access.
3. Thirdly, the second element leaves available a niche for creating the illusion of the existence of purely magical spiritual powers, operating entirely outside the reach of access by sense-certainty, but able to make arbitrary interventions, even capriciously, into the domain of sense-certainty.

Quesnay’s argument for the magical spiritual power bestowed by the existence of the aristocrat’s land-title, is an entity of that third class. Such was the agency which the Cathars considered to be responsible for the capricious distribution of unearned benefits to the Cathar elect.<sup>27</sup> As I shall show,

26. The relevant existentialists are, predominantly, the neo-Kantians typified by Hegel, Schopenhauer, Savigny, Nietzsche, Heidegger, Jaspers, Theodor Adorno, Hannah Arendt, Heidegger’s Jean-Paul Sartre, Martin Buber, et al. But for their nominally Jewish credentials, Adorno and Arendt, like one-time professed Hitler admirer, the fascist Vladimir Jabotinsky, would have tended to follow Heidegger into the role of leading philosophers of Nazism, and showed that trait in such among their later U.S. productions as *The Authoritarian Personality*.

27. Here we meet the implicitly satanic character of the “Harry Potter” fad spread among children currently. Belief in magic, outside the real universe,

Quesnay’s case is relatively crucial once other grounds are taken into account.

Apart from Quesnay, the gnostic spirituality of the empiricists and their derivatives wavers from one of the two types to the other.

The ghastly “invisible hand” appears as virtually an ectoplasmic hermaphrodite, in the later writings of the Amos Cottle<sup>28</sup> of British political-economy, Adam Smith; this dubious “invisible hand” wavers, never quite settling the question whether it belongs, ontologically, to the second or third quality of supernatural existence. In his writings such as his 1776 anti-American propaganda-tract, *The Wealth of Nations*, Smith, as an agent of Barings’ Lord Shelburne, appears to the statistician to locate the relevant supernatural agency, the “invisible hand,” within the second category. In his earlier 1759 *The Theory of the Moral Sentiments*, he, as a follower of the irrationalist David Hume, had veered decidedly to the third, crafting what he describes there as his imaginary god, designed to fit his personal fancy.

In the case of a predecessor, the Bernard Mandeville favored by the Mont Pelerin Society’s Friedrich von Hayek, the supernatural principle is predominantly the force of evil, something akin to the Mephistopheles of Christopher Marlowe’s Dr. Faustus. John Locke, with his doctrine of “Life, Liberty, and Property,” or gnostic Justice Antonin Scalia, with his Lockean doctrine of “shareholder value,” is frankly satanic on points where even the evil Mandeville is not absolutely opposed to doing good (on condition that it were not done willfully). Hume’s long-standing German disciple and empiricist Kant, sought to make himself respectable (*salonfähig*) among church-going German Protestants, in the latter years of his life, by blending empiricism and Aristotle. G.W.F. Hegel, the first state philosopher of fascism, prudently referred to Satan by the seemingly innocuous name of World-Spirit. The existentialists, such as the Nazi philosopher Martin Heidegger, and Heidegger’s Jewish philosophical co-thinkers and former close associates, such as Theodor Adorno and Hannah Arendt, contented themselves to serve evil by demanding the extirpation of the idea of truth from social processes. Radical empiricists H.G. Wells and Bertrand Russell saw no reason to continue to waver between the two choices of the ontologically unreal as the empiricist’s god; in joining hands on the sword of Wells’ 1928 *The Open Conspiracy*, they proclaimed themselves, with their crony Aleister Crowley, the central figures of a collective Satan, and considered the issue of the identity of the supernatural as thus resolved.

Otherwise, the most significant characteristic of empiri-

is the essence of satanism. The Delphic Apollo cult, based upon the satanic substrate of Gaea and the snake-god Python, is typical of that satanic tradition of so-called “mystery religions.”

28. The pitiable British poet laureate of that time, of whom Byron wrote: “Amos Cottle. Phoebus! What a name, to bear the weight of future’s fame.”

cism is its typical motive, its *intention*. Where science seeks to discover those universal principles, by aid of which results beneficial to the general welfare can be lawfully achieved, the empiricist intends to cheat. If he does not wish to be exposed as a thief, he invokes the privileges of Locke's principle of "Property" ("shareholder value") as his legal right to steal, and to defend that theft against any protesting victims. So, Senator Hayakawa once said, semantically, of the Panama Canal, "We stole it fair and square." Typically, the empiricist aims, for example, to gain an unearned statistical advantage in gambling with dice, or by manipulating the emotional susceptibilities of his intended human prey. This matter of intention is better understood, by examining the empiricist's religious belief. To discover this, it were sufficient to observe Quesnay's view of the nature of man.



"Quesnay's argument for the feudal variant of 'shareholder value,' is the claim that the serfs on the aristocrat's estate are, in fact, 'human cattle.' " Here, Pieter Bruegel's "The Harvesters."

## Economy and Human Nature

To understand the literal insanity of that so-called "monetarist" doctrine, which has controlled, and ruined the former U.S. economy and its policies, increasingly, during the recent thirty-five years, it is necessary to trace the source of our nation's leading economic and related afflictions to those present-day monetarist and related dogmas taken at their point of inception. Those notions of political-economy are so situated within the bounds of the development of that Anglo-Dutch definition of "political economy," which was transmitted to present world-wide practice from its origins among the leading figures of the British East India Company's Haileybury school, Adam Smith, Jeremy Bentham, Thomas Malthus, David Ricardo, et al. For specific historical reasons, the origin of British political-economy is to be traced backwards, through Lord Shelburne's agent, Adam Smith, to the antecedent French sources from which Smith more or less plagiarized crucial features of his own *The Wealth of Nations*, the Physiocrats Quesnay and Turgot.

In effect, British political-economy, the principal root of today's monetarist dogmas, is the outcome of a French-speaking feudal sperm fertilizing the egg of a different, British liberal species. The resulting interspecific intellectual sterility should, therefore, not surprise us. Thus, understanding the case of Quesnay must be pursued as an essential way of uncovering the something "rotten in the state" of Transatlantic civilization today, which is key to our national tragedy unfolding now. As to the dismal result currently being experienced in our nation's capital, the relevant observation might therefore be, "breeding will tell."

Quesnay's argument for the feudal variant of "shareholder value," is the claim that the serfs on the aristocrat's estate are, in fact, "human cattle." That assumption, is expressed in the assertion that it is sufficient that the aristocrat provides for the needs of his "human cattle," permits them to graze, as any prudent farmer cares for his herd. He houses them, feeds them, and so forth, to the extent that the size of the herd is sufficiently numerous, but not too numerous, that the required number of cattle are fed, and given adequate amounts of other needed care.<sup>29</sup> Therefore, this amount of care, that minimum of the share of the total product, and no more, is represented by the Physiocrats as the entirety of the share of the product of the estate owing to the serfs. The remainder of the product, including that derived from the looting of nature, is claimed to be the contribution to society by the mere existence of the property-title embodied magically in the social status of the aristocrat.

This argument, or anything equivalent to it, such as the

29. This crucial aspect of Quesnay's argument for *laissez-faire*, touches upon one of the most significant pages in the history of modern European political-economy and related statecraft, the history of Malthusianism, beginning with Giovanni Botero's *Della Ragion di Stato*, which was incorporated, in a 1606 English publication of his 1588 *Delle Cause della Grandezza e Magnificenza della Citta*. The significance of Botero was emphasized by Joseph Schumpeter, *A History of Economic Analysis* (New York: Oxford University Press, 1955). Botero's argument was reflected in both the argument of Quesnay, and later, in Thomas Malthus' generous "adoption" of the chunk of the same argument from the 1790 London translation of (*Reflections on the Population of Nations in Respect to National Economy*) of Giammaria Ortes' *Reflessioni*.

adoption of John Locke's "Life, Liberty, and Property" by the fascist slaveholder interest of the Confederate States of America, and the pro-Carlist, fascist doctrines of the bonapartist dictator of Mexico, the Emperor Maximilian, poses, as the most fundamental issue of the matter, the issue of the definition of a human being. In all comparably nasty cases, the same underlying axiom is determining. There are several other highly relevant, exemplary, principled implications of the Physiocratic doctrine, but the issue of the practiced definition of human nature, is of absolutely fundamental importance. Therefore, I address this first, and then supplement that with a few other points of direct relevance to the presently catastrophic situation of the U.S. government.

For the competent economist today, everything he or she argues proceeds from the implied premise, that there is a specific fundamental (axiomatic) difference between the individual member of the human species and all other forms of life. That the human individual, and only the human individual, is capable of willfully increasing its species' potential relative population-density, as measured in per-capita and per-square-kilometer terms. To a large degree, that much was said by the founder of an actual science of ecology, Russia's Vladimir I. Vernadsky.<sup>30</sup> The primary source of this increase in the power of the human species to exist and develop, is the discovery and use of experimentally valid universal physical principles, and of the new technologies generated as by-products of those discovered principles.

Vernadsky divides the known physical universe among three interacting phase-spaces, defining each, and its functional distinction from the other two, from the standpoint of experimental physical science. The first, is the set of experimentally demonstrable universal principles which meet the standard for an *abiotic* universality. He terms the second phase-space, the *Biosphere*: processes whose physical effects can not be accounted for in terms of an abiotic phase-space; these he defines as either expressions of living processes, or as fossils of once-living processes. He terms the third phase-space, the *Noösphere*: signifying processes and effects whose characteristics can not be attributed to the Biosphere, but only to either ongoing specifically human mental powers of discovery of universal principles, or to "fossil" products of that activity.

Whereas, Vernadsky's argument focuses on the latter changes as a matter of the relationship of the individual person to the universe, I, while accepting his view, as far as his published work goes, point out the significance of another subclass of discoveries, typified by principles of Classical modes of artistic composition, which determine the ability of society to foster the discovery and effective employment of discover-

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30. I include here a brief summary of the indispensable aspects of my published work on that matter, which must be included for an adequate understanding of the relevance of Quesnay's kookish doctrine for understanding the pathological mind-set of U.S. popular opinion today. Op. cit.

ies of universal physical principle.<sup>31</sup>

Therefore, the productive powers of labor, as expressed by either individual productive activity, or group activity locally, can not be explained in simple accounting terms. The ability of society to progress, depends upon useful, categorical improvements in the general, regional, national, and worldwide conditions in which local human life and production occur. Therefore, the variability of relative productivity in the individual local enterprise, depends upon the quality of development of the largely government-managed basic economic infrastructure in the relevant region and nation at large.

The crucially determining factors of physical productivity, therefore include both "hard" and "soft" basic economic infrastructure, ultimately that of the nation as a whole. These include, as "hard infrastructure," a national system of transportation and communications; a national system of development of the management of water, its resources, and the general sanitation which that implies; the production and distribution of power; and the organization of basic urban infrastructure. It includes as "soft infrastructure," interlinked national, regional, and local health-care systems, and the quality of educational institutions, including scientific research programs, needed to bring about the human preconditions of scientific, technological, and demographic progress. It also requires efficient national-banking systems, through which public credit is generated and regulated, to provide, as an addition to private, regulated banking institutions, the crucial margin of net economic growth. There is no way in which those general requirements can be met, except by either government economic responsibility for the development, maintenance, and operation of this infrastructure, or, as a proven alternative, the supplementing of the government's role in this promotion of the general welfare, by aid of government-regulated, but privately owned and managed utilities, operating in relevant smaller regions of the nation as a whole.

The value of this requirement can not be decided by resort to reductionist forms of accounting methods. The source of growth is the creative cognitive powers of the individual human mind, as the case of Carl Gauss illustrates the point. To produce another Gauss, who was a poor boy in Germany, one must provide the opportunities and conditions under which that development were likely to occur. This means family and community conditions, and also attitudes toward the individual, which tend to foster such fortunate outcomes for society as a whole. Nor can we rely on producing only isolated geniuses, who are disengaged from the daily life of the generality of the population. Ideas, to become fruitful, must be shared. The power of the individual genius to contribute to society's benefit, requires a sharing of the conditions of creative scientific and Classical-artistic progress within the generality of the population. All of these considerations have

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31. Ibid.

physically defined costs.

Taken all together, the direct costs of production and distribution, must not be estimated in such a way as to shun the burden for the development and maintenance of the basic economic infrastructure on which the continuation and productivity of that local production depends. Regulation of tariffs, and taxation is an integral part of the actually incurred costs of local production. The man who thinks that things would go better without taxes, is not merely a fool, but implicitly a suicidal one.

Therefore, the cost of labor is the cost of producing entire families afforded the development and circumstances suited to those relatively high rates of scientific and cultural progress upon which we depend for not only the increase of mankind's potential relative population-density, but even to prevent the physical collapse of civilization through the attrition brought about through negligence in meeting these costs of continuing development.

It is precisely the savage cut-backs, since the period of the 1966-1968 Presidential election-campaign of Richard Nixon, in maintenance and development of basic economic infrastructure, Nixon's 1971 authorship of the wrecking of the international monetary and financial system, and the wild-eyed lunacies of deregulation and other recklessness taken in the name of "fiscal austerity," by a Zbigniew Brzezinski-steered Carter Administration, which have set into motion the approximately thirty-five-year process by which the real economy was transformed from a powerful producers' economy, to a modern parody of a Roman imperial style of decadent consumer society. It is to the rampage of the lunatic doctrine of so-called "fiscal austerity," that the greatest part of the afflictions of our nation, and of the majority of our people, are to be credited.

We must carry the argument a qualitative step further. We must ask the question: *What is the purpose of individual human life? In what aspects of our daily activity are we able to satisfy that purpose in simply living? How must national economies, and international cooperation among sovereign nation-states be organized, and directed, to fulfill that adopted mission?*

The elementary answer to those questions lies in the notion of human mortality, as distinct from animal mortality.

The answer is, essentially: *The characteristic distinction of the human species, is the generation and transmission of discovered, and experimentally demonstrable, universal principles, by the sovereign cognitive processes of individual minds, and the distribution of those and related discoveries widely, and from past to present, and present to future generations.* Therefore, in the degree we are speaking specifically of human relations, as distinct from a person's imitation of bestial relations: The sovereign individual mind's creative potential, and the relationship of that to past, and to future generations, and, laterally, to surrounding contemporary society, are the irreducible essence of the strict meaning of "human

relations." It is from that standpoint, and only that conceptual vantage-point, that a person sees himself, or the other persons to be truly human. That is the practical definition of human nature.

For the matured, sane individual mind, a mind sensible of the fact of mortality, these immortal, cognitive relations among otherwise mortal human individuals and societies, are the proper *intention* of individual existence. In the extended magnitude of cognition, one lives *efficiently* in the past and future, in that way, and lives also as an integral, social part of contemporary society's shaping of its future. Thus, the proper motive of society, and of the individual in it, is to bring one's own and one's society's actions and relationships into congruence with that intention. It is that intention, as expressed in the 1776 *U.S. Declaration of Independence*, and the 1787-1789 Preamble of the *Federal Constitution*, which must be a ruling, underlying principle of natural and constitutional law, under whose governance the lawful course of the nation's life must be ordered.

On the subject of "shareholder value," a wise man once said: "I don't care how many law degrees that big monkey has, or on what bench he sits; he is still a monkey!"

## The Axioms of Evil

The idea of a comprehensive mathematical physics is clarified by comparing the common, disastrous flaw of the astronomy of Ptolemy, Copernicus, and Brahe, with the crucial correction detailed by Kepler's 1609 *New Astronomy*. This comparison establishes a relevant bench-mark for comparative studies of the effects of opposing axiomatic models of opinion-making on the medium- to long-term destiny of nations and cultures.

Although the referenced, former three pre-Kepler schemes differ wildly in their results, they all share the common fallacy inherited from Aristotle. They presume, falsely, axiomatically, that regularity in the universe is defined by uniform circular action; they squeezed the data they employed into a scheme which fits that *a priori*, "ivory tower" presumption. Their results differ in form, but the fatal error, the unscientific method employed by each and all, has the self-same axiomatic root: Aristotelean, or kindred forms of reductionism.

Kepler's different approach follows, as he has written; the basis is to be derived from the principles of modern experimental physical science introduced by Nicolaus of Cusa's *De Docta Ignorantia*, and also the work of Cusa's followers Luca Pacioli and Leonardo da Vinci, in addition to that of the important English scientist Gilbert's *De Magnete*. By more precise measurements, Kepler shows that the observed orbit of Mars is elliptical, and that the planets of the Solar System follow elliptical orbits, with the Sun, around which they orbit, situated at a common "point," one of the two foci of the ellipse. Thus, by careful normalization of available observations, Kepler measured the pathway of the planetary orbit as of

constantly non-uniform motion, but, nonetheless, always in such a way that the sector of the ellipse defined by the orbit around the Sun is governed by a rule of equal-areas, equal-times. This latter discovery prompted Kepler to relegate the development of a calculus to “future mathematicians.” That challenge led to Leibniz’s original development of such a calculus.

The crucial point to be emphasized now, is that Kepler employs that work to define the first universal physical law discovered in modern mathematical physics, the principle of universal gravitation. There was no possible way, in which the actual planetary orbits could be determined according to the doctrine of Aristotle; one must derive the orbital trajectory from a universal physical principle, rather than an “ivory tower” scheme such as that of Aristotle. Since Kepler’s work was done largely in the *universal* domain of astrophysics, he became the founder of the process of elaborating a *universal* mathematical physics. Thus, he gave crucial impetus to the development of the practical notion of *universal* physical, and other principles, as the referenced work of Vernadsky, and my own work, typifies the larger result of that method

This comparison of the failed followers of Aristotle and the like with the revolutionary achievements by Kepler, presents us with two, mutually exclusive axiomatic systems: Aristotle’s “ivory tower” method and system, and that of the kind of real-life, experimental physical science typified by the pioneering work of Kepler. Which method would you prefer, in designing a vehicle and system of navigation for a long-range space-voyage? Or, for reason of kindred considerations, which axiomatic system were better suited to crafting a trajectory of long-term survival of the U.S. economy, over a period dating from about 1966, to, at a minimum, a point presently lying in our nation’s relatively near future?

To restate that pivotal point. How you will react to any set of perceived circumstances, will be determined by a set of axiomatic-like assumptions embedded in the development of your mind. To the degree that set of assumptions is fixed, your response will be like that of any poor beast, blindly following choices of pathways constrained by the poor creature’s genetic and related heritage. Only to the degree that you are not only human, but functionally a cognitive human being, are you likely to challenge the axioms, even under circumstances your life, and that of your family and friends, might depend upon such a change in your axioms.

That is precisely the way that that issue of method, has been determining in the way great empires and long-standing cultures have been rather abruptly destroyed, swept off the pages of history. They were self-doomed, because they could not change their axioms, the axioms which pre-regulated their responses to crisis. They could not do that, even at the point that the continued existence of that empire, that culture, depended upon adopting and implementing an axiomatic sort of change in its behavior. Even if some part of a culture so imperilled would tend to make the needed change, or at least

consider defining and adopting it, other parts of the same culture would fight against change even with bloodied weapons, to defend the tradition which dooms them. *Such is the challenge which menaces the continued existence of the U.S.A., and other nations, today.* That is the burden of this present report.

So, in the case of World War I, despite that liar U.S. Secretary Lansing, it was the British monarchy of Edward VII, both in his capacity as monarch, and “Lord of the Isles” earlier, who led in organizing that war. It was that monarchy which was, contrary to the lying Lansing, chiefly responsible for organizing the destruction which unfolded during 1914-1917, and through the subsequent imposition of the Adolf Hitler regime upon Germany.

Edward VII put his nephews, the Czar Nicholas and Kaiser Wilhelm, at each other’s throats on behalf of Britain’s adopted interest in destroying the development of the Eurasian continent. However, if that great fool, Kaiser Wilhelm, had not reacted like a silly gushing adolescent, to the whining of a much greater fool, the Hapsburg Kaiser, and if the Czar had not been the silly fool he was, the war plotted by the circles of Edward VII would not have happened. If the nations involved, such as Germany, had not been fool enough to allow its Kaiser to play the fool, that war simply would not have happened on that occasion. Similarly, the U.S. President’s teleprompter, when it succeeded in commanding the President to utter the psycho-babble phrase “Axis of Evil,” unleashed a piece of folly from the President’s mouth which threatens to unleash a political-strategic chain-reaction which could sink all of global civilization today.

Even today, most of the world’s influential strategists are still babbling the same nonsense-term, geography teacher Halford Mackinder’s “geopolitics,” which was used as the pretext for World War I: “Real-estate agents of the world, unite! You have already lost your brains!” Silly school-boys, calling themselves “strategists,” playing war-games in a sandbox, when not masturbating in other ways!

“Free trade” falls into the same category, of catch-phrases which are a blending of sheer nonsense with obsessive and malicious intent, which have assumed axiomatic authority over the mouthings and wills of that super-abundance of fools whose babble has shaped most of U.S. economic and related policy during the recent thirty-five years.

What is “free trade,” after all? It is used to mean, in effect, what Locke meant by the dictatorship of “shareholder value” (Property, per se). It means what Mandeville signified as a Mephistophelean policy of seducing the corruptible with the lure of “private vices,” while promising exoneration for such vicious offenses for the sake of consequent “public virtues.” It signifies the lunacy which that disgusting Shelburne flunky, Adam Smith, adopted as an English parody of the doctrine of Quesnay and the “buggers” before him. Yet, how many laws and pompous tirades, are either simply foolish or effectively evil ones?





*Observe the obscene passion with which the government, including the Congress, “and all too many of the people travelling below, in the steerage of the ship of state,” cling to the ruling axioms of our nation’s self-destruction. Here, Senate Minority Leader Trent Lott, with Sen. Joe Lieberman and other Senators, holding forth on the “threat” from North Korea.*

Thus, the existence of two axiomatically opposing mental systems, presents us, in effect, with three universes. Two of these universes are the conflicting systems defined by minds which are governed by axiomatic systems; the third universe, is the universe itself. The questions thus posed, are, chiefly: “Which of the two mental systems, if either, is congruent with the actual universe”; and, “What is the cumulative effect, relative to man’s practice upon the real universe, of the axiomatic divergences of the mental systems from axiomatic notions which are, or could be consistent with the real universe”?<sup>32</sup>

This puts the finger on the needed working definition of “axioms of evil.” Look at those doomed empires or cultures which went down over a relatively long-term cycle, solely as the result of clinging to customs and policies which, in effect, represented “axioms of evil.” Look at the lurking doom of today’s U.S.A., for example, from the standpoint of those “axioms of evil” which have been the predominant, increasing influence on the nation’s culture during the recent thirty-five years, and see thus, how we came to the situation in which this

32. The term “congruence” is used here in the sense implied by both Gauss’ fundamental theorem of algebra and Riemannian physical geometry.

nation is presently trapped. Focus upon the crucial change, the change from a society axiomatically dedicated to scientific and technological progress in productive power, into a degenerate form of society, which like ancient Rome, doomed itself to die under the sodden weight of an empire which had doomed itself, over the long term, through the persistent action of “the axioms of evil.”

Then, look at the government, including the Congress, today, and observe the obscene passion with which that government, and all too many of the people travelling below, in the steerage of the ship of state, cling, at this present moment, as if in desperation, to those supposed “values,” those vices, which continue to be the ruling “axioms” of our nation’s self-destruction.

Such is the import of the science of epistemology, as I have applied this with an unrivalled degree of success, to long-term economic forecasting today.

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### 3. Free Will: Why Astrology Is a Fraud

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“Why do you keep on talking about long-range forecasting?” angry people demand of me. “Are you predicting, or are you not!?” I reply: “Only an ignorant or desperate person would ever bet on a prediction.” I enjoy a detailed, and essentially unblemished published record as the world’s most consistently successful among published long-range economic forecasters of more than three decades. No competent professional predicts; I stand steadfastly by my personal, richly proven expertise, long-range forecasting. Unfortunately, that distinction is rarely understood, or even known among even relevant officials of our government, or university-trained professionals. I now explain that crucially important distinction.

I have repeatedly warned: modern popular astrology is a fraud.<sup>33</sup> The proof is elementary. True “free will,” otherwise sometimes known as what I shall explain as “the *voluntarist factor*” in history, *the freedom of man to effect, and to act upon a valid discovery of universal principle, thus to willfully change the trend of events, exists as a fully efficient principle in the universe.* What is popularly understood as “prediction,” is feasible only within the bounds of fancifully “ideal” fixed systems, so-called “ivory tower” systems, such as Aristotelean ones. Simple, or so-called statistical predictions of *human behavior*, are not feasible in the real universe of Kepler’s discoveries, a universe affected by valid forms of willful human interventions.<sup>34</sup> That being the case, where does a foolish,

33. If your uncle believes in astrology, either you have kept him locked away in the attic much too long, or, should not let him out unattended.

34. Predictions of the “. . . should . . .” form have a precise form of proper usage in their application to mechanical systems, or in the “should” form of defining an ontological paradox in respect to physical systems generally. It

but stubborn demand for prediction, instead of forecasting, lead, except, perhaps, into bestiality?

It would have been careless of me, knowing what I know, to tolerate the use of the term “prediction” as a description of any of my forecasts. When a person employs what is putatively a technical term of scientific practice, a qualified professional must not blindly make concessions to the sensitivities of audiences which he, or she knows will insist on misinterpreting that use of that term, such as “prediction.”

The popular misunderstanding of the implied intent of that term, which implies predicting within the terms of an “ideal” fixed system, often goes to the extremes of hysteria. When ignorant people use the term “prediction,” they mean such a fixed system, in which the horse-race is fixed in advance, and someone has advance knowledge of that fix. It is their determination to reject anything which suggests a different universe than their ignorant fancy wishes to believe exists, which prompts the hysteria often met in the usage of the term “prediction.” For example, the absolutely irrational prediction by Mandeville and Adam Smith, that “free trade” will absolutely predetermine “the right price,” is an example of this.

Therefore, I shall emphasize the existence of that problem of today’s prevalent, misguided popular and other opinion, again, at several relevant points below.

It is usually possible, to *forecast* the options which will confront a nation over the medium- to long-term, and one could often forecast, at least potentially, the likely kind of decision which will be preferred by this or that relevant interest of influence.

Sometimes, it is possible to *forecast* highly probable developments in the short term, as I, in June 1987, warned of the near-certainty of a devastating financial-market crash to hit by mid-October of that year. Some people saw that success of mine mistakenly, as a prediction. It was not a prediction, but, rather a forecast. I based that warning on my knowledge of increasing control being exerted over U.S. domestic and foreign policy by the circles of then-Vice-President George H.W. Bush; since those circles would not allow sensible remedies to be adopted, the October crash was virtually inevitable. In other words, the “crash” occurred as chiefly, the immediate result of the axiomatic, “free choice” policy-shaping assumptions of political and financier circles allied with then-incoming Presidential candidate Bush. I had estimated the mental state of those circles accurately, and had accurately *forecast* the probable choice they should have made. *All that I forecast was the extreme likelihood that the U.S. government would make a foolish decision, during the months leading into approximately October 10th.* That government proved itself the fool I feared it was; in fact, no U.S. government since, has improved on account of economic and related policies, from

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is also proper to say, “He predicted,” for example, as a matter of reporting “his” actual intent.

then, up to the present date. In fact, those policies have become consistently worse, up to the present date.

I have never played “Merlin the Magician.” I was not playing “Merlin” in the case of the October 1987 crash. I made the *forecast* as part of a warning that, precisely because of that October risk, the U.S. government must give up its foolish resistance to seeking a constructive understanding with certain important, senior circles in western continental Europe. In other words, the U.S. had a choice. I pointed out that choice, and also warned what the penalty would be if they did not change their current posture toward the Europeans accordingly. In that case, the Europeans were not right, but they were much less wrong than the Americans; in such a case, a dialogue is the right decision.<sup>35</sup>

There are chiefly two reasons why most ostensibly educated, even professional people, still today, are virtually babbling idiots when discussion turns to the matter of the difference between scientific forecasting and those notions of “prediction” which are the lure set out as a trap for the credulous, by today’s astrologer or gambling casino.<sup>36</sup>

*In the first case*, we are confronted by the victim’s susceptibility to the idea behind the popular, pathological use of the word “prediction.” Such is the kind of belief in magic typified by the widespread use of the idea of “free trade.” Such is the notion, as expressed by Mandeville, that private vices are justified by the public good to which they are predicted to lead. This as expressed in the promotion of legalized gambling, as a source of tax-revenue or other income to sustain public education, or to bring investment funds to a native-American reservation, is typical. Pensioners piling on a bus which carries them to a gambling casino, is an example of the same lure of wild-eyed witchcraft which turned actual human beings into the Cathar cult’s “buggers.” The spread of governmental sponsorship of “legalized gambling,” TV game shows, like the forest-fire of addiction to various expressions of gambling mania in the population, such as playing the financial markets, “believing in” the “new economy,” and similar expressions

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35. Even telling a fellow that walking across the bridge which does not exist, could prove fatal, comes close to the form of predicting, but, except for purposes of expressing irony, is not usefully described as “making a prediction.” Since I had taken adequate steps to warn him, if he walked in defiance of my repeatedly proven expertise in such matters, that is his fault, and not mine. If he did not heed my warning, he was behaving like a stubbornly foolish beast, not as a human being in the possession of his relevant faculties.

36. From ancient European history, the most notorious cases of the use of cults to control the destiny of peoples through the methods of the astrologer, are the Delphi cult of the Pythian Apollo and ancient Rome. The worst practices are of the type known as “the delphic method,” otherwise known in today’s Washington, D.C. as the work of the “the spin doctors.” Astrology, as practiced in the U.S. today, is among the most important devices of mass mind-control of both business executives and infinitely credulous homebodies, alike. The mechanism used for purposes of social control through such brainwashing practices, is the same belief in the magical powers of “the little green men under the floorboards” expressed by the “buggers,” the Physiocrats, and the dupes of Adam Smith.

FIGURE 2

### LaRouche's Typical Collapse Function

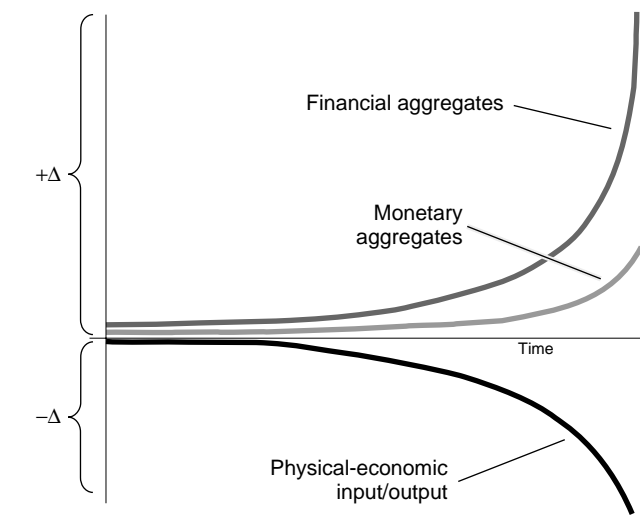
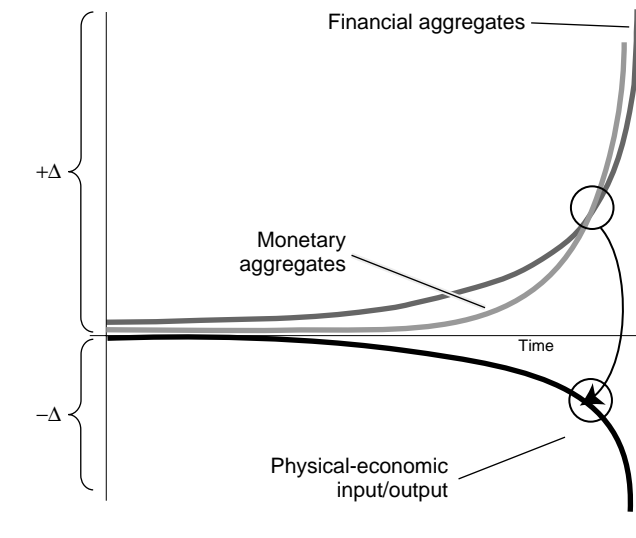


FIGURE 3

### The Collapse Reaches A Critical Point Of Instability



of the same general gambling-mania, is an obsession which has become increasingly characteristic of our nation's decadent slide toward the lower depths of an imperial "consumer society."

On this matter, it is fair to say, that not only have the economic, and related policies of our governments become progressively more insane, over the 1988-2002 interval to date, than they were in 1987. The generation which was in leading positions of public life in 1987, has been replaced by a younger generation of "Baby Boomers," of which most never had an adult experience of relatively sane habits in national economic policy-making, a "Baby Boomer" generation of university-trained influentials, which has been, for the greater part, deeply indoctrinated in the decadent "white collar" cultural syndrome of a consumer, rather than a productive, "blue collar"-oriented society. The increasingly perilous state of 401(k) accounts, is but one notable reflection of the pervasiveness of that shift, even among putatively "blue collar" strata.

*In the second case*, the problem is the galloping rate of spread of general scientific illiteracy of the recent two adult generations of our population. The general expression of this illiteracy, is utter incomprehension of the significance of the paradoxical juxtaposition of the notion of a lawful universe, on the one side, and "free will," on the other. All these problems have been, once again, greatly aggravated by the increasing lunacy, on the subject of economics, within a population characterized by a slide into the presently decadent depths of belief in a "consumer society."

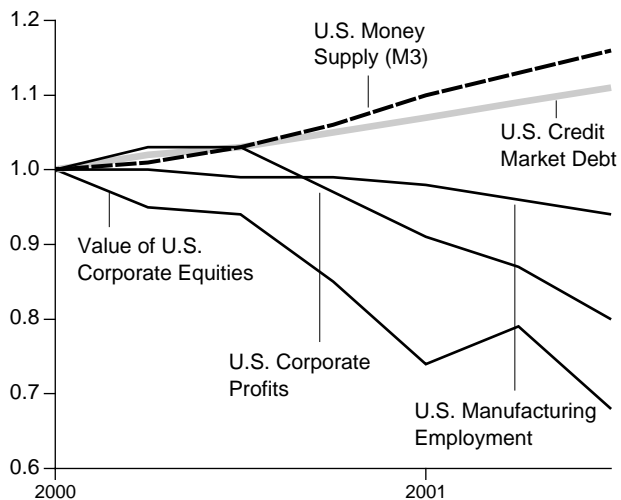
Look briefly at some crucial implications of the first case. The relevant code-word on the lips of the afflicted, for this category of moral perversions, is the term of the language of

magic, "the market." Look at three variants of my "Triple Curve," the pro-forma curve, describing the general trend since 1966, up to about 2000. The second pro-forma curve, reflecting a qualitative shift toward an emergent hyperinflationary spiral, when the rate of growth of monetary and related aggregate stuffed into sick financial markets, gallops ahead of the rate of imperilled, purely nominal amount of financial assets temporarily rolled over one more time by such "John Law" trickery. The third, is a cross-section of an interval of corresponding actual data from the second curve (Figures 2-4).

In each figure, look at the lower of the three curves, that corresponding to the actual performance of the real economy, rather than merely the monetary and financial flows. Think of major bankruptcies, mass layoffs, shrinking of the U.S.A. economy as the world's "importer of last resort." Those latter are the events which typify the currently accelerating, downward plunge of the lower of the three functionally interrelated curves. Look at the 1977-2000 collapse of the share of U.S. national income by the lower eighty percent of U.S. family-income brackets (Figure 5). Look at the relative destitution among the lowest twenty-percentile (Figure 6). Then look at the screaming maniacs among members of the U.S. Congress, and others, who are jumping with "frabjous joy" at each upward twitch in the reports of financial-market indices. What we are witnessing in the latter behavior is a form of mass-psychosis like that of the notorious Netherlands tulip bubble, and the financial bubbles of the early Eighteenth Century. One asks: Might it be the case, then, that the July-November 1983 hyperinflation of the German *Reichsmark* should have

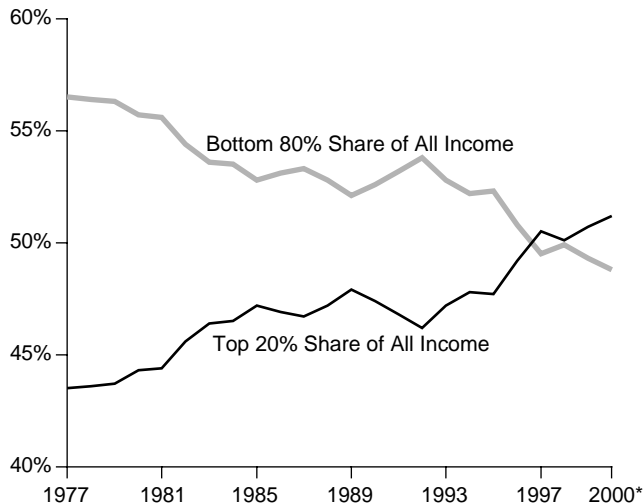
FIGURE 4  
**U.S. Economy's 'Triple Curve' Collapse Function, 2000-2001**

(Indexed To 2001/1Q = 1.00)



Sources: U.S. Department of Commerce, Federal Reserve.

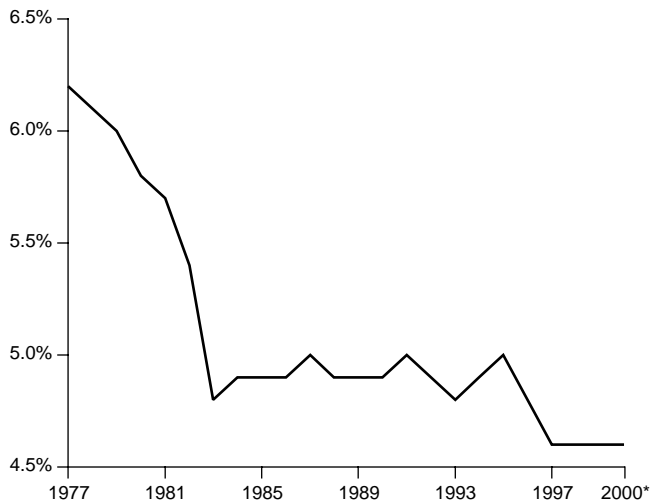
FIGURE 5  
**Top 20% of Population Have More Than Half of All After-Tax Income**



\* = projected

Sources: Congressional Budget Office; EIR

FIGURE 6  
**Bottom 20% of Population's Share of All After-Tax Income**

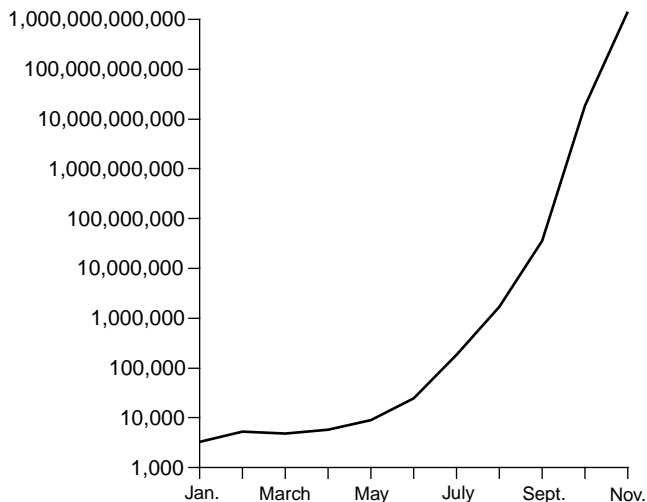


\* = projected

Sources: EIR; Congressional Budget Office.

FIGURE 7  
**Weimar Hyperinflation in 1923: Wholesale Prices (1913 = 1)**

(logarithmic scale)



been greeted by happy Germans with elated expressions of "frabjous joy"? (Figure 7.) Are we not, rather, witnessing the form of mass-insanity associated with a bubble about to pop? Are we not witnessing a mass gambling-hysteria of the type

possible only in a people whose economy and morals have been plunged into that quality of "consumer society," whose decadence has sparked the prevalent gambling hysteria which has risen to such present extremes, over the course of the recent quarter-century? Is that exhibition of gambling psycho-

sis anything but typical of the same satanic quality of belief in magic which the children of such parents express by cultish fantasies of the “Harry Potter” type, or the magic of dwelling in a pro-satanic fantasy-world of Tolkien’s *The Lord of the Rings*?

Now, proceed to the second case, economic processes viewed from the standpoint of a science of physical economy. Consider this matter on two successive levels of approximation. On the first level, look at the way medium- to long-term physical-economic cycles, determine the pathway of development a nation is blessed or doomed to follow during a coming period of approximately a generation, such as the approximate twenty years of recovery of France, the Benelux nations, and Germany from the ruin at the close of World War II. Or, the reverse, the most recent thirty-five-year process of self-destruction of the U.S. internal economy. Much that is true can be discovered by the application of what used to be fairly standard industrial-engineering and related management practices. After that topic, go, next, to the higher, second level, in which my methods become indispensable for assessing the likely course of the economy over the coming one to two generations.

Now, look at both cases from the vantage-point of the overlapping features of Vernadsky’s and my own notion of what he named the Noösphere. First, therefore, view the Noösphere from the standpoint of physical economy. Measure the relevant functional relations in terms of the characteristic potential relative population-density of different qualities of cultures.

I introduce those two topical areas with a definition of the most relevant features of the Noösphere for our economy since the 1933-1945 Franklin Roosevelt recovery from the years of the hysterical, “flapper age” follies of Calvin Coolidge and Andrew Mellon, a foolish time, when the U.S. economy danced “the Charleston.”

## The Physical-Economy of the Noösphere

As I have said earlier in this report, the Noösphere, as defined by Vernadsky, presents the methods of experimental physical science with a single universe, composed of three qualitatively distinct, but multiply-connected phase-spaces: 1.) the abiotic; 2.) living processes, other than cognitive processes, and their fossils; 3.) cognitive processes and their “fossils.” Conventionally, the first, the abiotic domain of what are ordinarily classed as non-living processes, is assumed, experimentally, to be intrinsically entropic, were it left to operate by itself. The second, typified by living processes, is characteristically anti-entropic. This is the Biosphere. The third is characterized by those kinds of changes in both abiotic and living processes which could not be generated by living processes other than mankind, changes which are attributable solely to those cognitive processes of the individual mind through which experimentally valid discoveries of universal physical principles are generated. This domain is characteris-

tically anti-entropic, the domain which Vernadsky named the Noösphere.<sup>37</sup>

In my outstanding writings<sup>38</sup> and addresses<sup>39</sup> on the work of Vernadsky, I have emphasized the crucial issue of scientific method in Vernadsky’s and my own, respectively somewhat distinct standards of crucial experimental proof for the existence of the Noösphere. I have referenced this proof earlier in this present report; it is important to restate that point in connection with the special topic immediately under consideration here.

All successful modern experimental physical science, as typified by the work of Kepler, Leibniz, Gauss, and Riemann, addresses the challenge posed by Plato’s dialogues, the challenge associated with the parable of the “Cave.” Every valid discovery of a universal physical principle, is brought into being as knowledge through recognition of an intrinsic fallacy of faith in sense-certainty. In every case, the discovered and proven universal principle, is like Kepler’s discovery of universal gravitation, an efficiently acting universal principle which can not be directly observed as existing by means of the mere senses. Therefore, the essential characteristic of modern experimental physical science is the definition of the necessary, efficient existence of universal principles by a unique proof based on the effects of that principle as such. Such principles are identified, after the work of Gauss, Riemann, et al., as “extended magnitudes.” This definition is consistent with Gauss’ 1799 report of his discovery of the complex domain. This is the experimental method by means of which Vernadsky defined the three-phase universe of interacting abiotic domain, Biosphere, and Noösphere. It is the same method which I adopted, from adolescent study of some crucial Leibniz writings, to compose a definitive refutation of the central thesis of Kant’s *Critique of Pure Reason*.

This method served later as the root of my original discoveries in the field of physical economy. This is the method required for identifying the underlying characteristics of eco-

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37. A technical note. I have adopted the term “anti-entropic” in order to avoid confusion with Norbert Wiener’s use of “negative entropy,” a definition which Wiener premises on his radical-positivist reading of the work of Ludwig Boltzmann. What Wiener defines as “negative entropy” (or, “negen-tropy”) is, mathematically, nothing other than a subsidiary state fully consistent with the occurrence of such phenomena within the bounds of entropic processes in general. Wiener’s lunacy on this point, his so-called “information theory,” must be understood in terms of the fact that he, like John von Neumann of “artificial intelligence” and “systems analysis” notoriety, was a virtual religious devotee of the Bertrand Russell who produced the *Principia Mathematica* hoax. For Wiener, as for Russell, the principles of Gauss’ fundamental theorem of algebra did not exist. My definition of “anti-entropy” belongs to a qualitatively self-developing universe, one to be represented in terms of a Riemannian manifold.

38. op. cit.

39. Lebedev Institute, Moscow, June 28, 2001 (“V.I. Vernadsky and the Transformation of the Biosphere,” *EIR*, July 27, 2001); Pobisk Kuznetsov Memorial Address, Moscow, Dec. 14, 2001 (“Russia’s Crucial Role in Solving the Global Crisis,” *EIR*, Dec. 28, 2001).

nomic-cyclical behavior.

Simply, by setting standards for experimental methods of inquiry into the effects of a presumably universal abiotic phase-space, we isolate those effects which are consistent with that experimental standard. However, as Vernadsky stressed, following Pasteur, Curie, et al., the appearance of consistent experimental results which defy an abiotic origin, define what he names the Biosphere. His approach to the phenomena of biogeochemistry, within the context of a generalized geology and methods including those of the Mendeleev tradition, qualified him to address the matter of non-abiotic phenomena and their residues according to the unique standards of a universal experiment. Thus, we know the Biosphere through the existence of living processes and their fossils, processes which do not occur within the strictly defined abiotic domain. The existence of the Noösphere is defined by a relevant application of the same method. The cognitive powers of the human mind, which Vernadsky identifies by the Greek *noësis*, produce distinctive activities and residues not possible within the limits of the Biosphere alone.

Contrary to Aristotle and his dupes, there is no known existence of a national economy as a form of society, prior to the Fifteenth-Century, Italy-pivotted Renaissance of Nicholas of Cusa's *Concordancia Catholica* and *De Docta Ignorantia*. Although we may employ the methods of modern economy for study of earlier forms of society, including human paleontology, we are then studying those matters through the eyes of modern society, not of cultures contemporary with those artefacts. In such cases, as in defining a site datable to hundreds of thousands of years ago as a human site, rather than that of a higher ape, we rely upon the conceptions specific to modern physical economy's treatment of the evidence of products of specifically, uniquely human cognition. Pre-Renaissance cultures reflect the existence of human beings and their cognitive activity, of course; but, societies which treat the bulk of the subject human populations as virtually "human cattle," as the doctrines of the Physiocrats and Adam Smith do, are not, *in and of themselves*, economies in any meaningful sense of the term.

Modern forms of society which reject the principle of the *promotion of the general welfare*, otherwise termed *agapē*, or *the common good*, as their supreme constitutional law, are parasites, as the British monarchy's development of its empire attests, or as Spain under Philip II attests. *In the latter cases, we examine any society from the historically specific standard of the existence of the modern sovereign nation-state established in the Fifteenth Century. In the case of societies existing later than that date, any competent approach treats exceptions to that specific standard in terms of their reaction to, and other interactions with the idea of a nation-state premised on the principle of the general welfare.*

As a consequence of these aforestated considerations, the term "general welfare," as expressed as fundamental law of the U.S. Federal republic, has the connotation of the term

*universal*, as that term is used in the experimental physical science defined by Cusa, Pacioli, Leonardo da Vinci, Kepler, Leibniz, Gauss, Riemann, et al. It happens to be the case, that this notion of universality coincides functionally with the practical implications of Vernadsky's use of the term Noösphere. It expresses the existence of a discoverable set of universal laws, a quality of law which is necessarily appropriate both for individual nation-state republics and their national economies, and respecting the appropriate form of relations among such nation-states and their economies. Therefore, the general principle of modern experimental physical science, of measuring the action of universal principles by the characteristic effects their application produces, is the foundation of any competent practice of economics as a science.

*The included, distinctive characteristic of national economy, is that it must be constituted in a manner consistent with the fact, that the creative power of cognition is a perfectly sovereign quality of the human individual qua individual. Thus, it is the protection and development of that individual, each such individual, which is the pivotal axiom of all lawful constitution of government and economy.*

One additional word of caution must be added to that interpolation.

It is conventional to use the term "physical science" as dealing with subjects other than human mind and social relations as such. It is implicit in the evidence to which I have just referred here, that that convention is a mistake. In a proper conception of science, as I have freshly indicated here, "physical" connotes "physical effects," and also the provable causes of those effects. In contemporary, globally extended European culture, the distinction of "mind" from "physical," is a product of the delusions of sense-certainty, as these are carried forward by such aberrations as Cartesianism, Kantianism, positivism, and existentialism, as by Romanticism generally. As my description of the case of Vernadsky's method, above, implies, a physical principle is rightly so defined by its physical effects.

National economies, and their cooperation, must be judged by these, so qualified standards of experimental physical science.

The three, interacting, are characteristically anti-entropic as a whole. As Vernadsky showed, from the standpoint of the field he defined as biogeochemistry, the combined effect, over billions of years of living processes' action on the ostensibly abiotic original Earth, has been a cumulative gain in control of the planet as a whole by the combined effect of living processes and the accumulation of such fossils of living processes as the Earth's atmosphere, oceans, and soils. There has been a similar increase of the cumulative effect of the impact of human cognitive processes upon the planet as a whole, most clearly upon the Biosphere. The willful power of mankind, to change the direction of the development of our planet, for better or worse, has become far, far greater over the course of

the recent seven hundred years of the rise of modern European civilization, than at any known time in the earlier existence of mankind.

Vernadsky did not take into account as part of the Noösphere, certain classes of specifically cognitive forms of principles of social relations as such, such as principles of Classical artistic composition. These are demonstrably as much a part of the physical laws of the universe as what would be usually recognized by competent, non-Aristotelean, non-empiricist scientists, such as Gauss, as universal physical principles.<sup>40</sup> The latter was the starting-point for my own work. On this, see my argument, below, and in other published locations, on the crucially important subject of the existence and function of cognitive “super-genes.”

Fortunately, and also unfortunately, whether that power of choice will carry the planet to better or worse states, depends upon our choice of policies which reject every axiomatic belief in practice corresponding to the ideology which launched the pro-feudalist religious warfare of the 1511-1648 interval, and the rise of the “buggery” of the empiricists, the Physiocrats, and the Twentieth-Century drive to replace the institution of the sovereign nation-state by a neo-ultramontane system of “world rule of law” echoing the worst characteristics borrowed from memory of the self-doomed Roman Empire.

The result of the interaction of the three, “Vernadskyan” phases of our known universe, is the manifestation of cycles. For example, the Earth is making contributions to the available mineral deposits within the volume of the Earth’s Biosphere, including sub-surface fossil strata of the Biosphere, at a certain rate. As man’s activity progresses, with both population increase and technological change, we must now consider the rate at which mankind is depleting certain of these contributions to the Biosphere, relative to the rate at which the depleted matter is being resupplied anew, as from below. Otherwise, for example, we are obliged to maintain those fossils known as atmosphere and oceans, and even act to expand, as well as refresh and otherwise manage, the Earth’s atmosphere and water-resources.

Mankind must not merely replenish the conditions being depleted, but must increase the rate at which we are able to do this, per capita and per square kilometer of the planet’s surface-area. This can be managed only through applications of scientific and technological progress, thus increasing man’s power over the management of the planet, per capita and per square kilometer. Not only must we replace or substitute for what we deplete, or, more likely, a combination of both measures, but we must also increase our power to do this, again, per capita and per square kilometer. This includes

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40. There are certain indications in the writings of Bernhard Riemann, which suggest he might have welcomed my definition of cognitive “super-genes.” See, Riemann, “*Fragmente philosophischen Inhalts*,” especially “*I. Zur Psychologie und Metaphysik*,” in *Werke*, pp. 507-538.

measures such as the required increase of the energy-flux-density of sources of energy developed and used.

Also, we must anticipate that our responsibilities on such accounts are in the process of being extended beyond the inhabited levels of our planet’s atmosphere, into active management of ever larger regions of nearby Solar space.

For human reasons, we measure the cycles in increments of generations of human life, in respect to which, the ratios of dependent young, to working-age adults, and adults of reduced work-capacity age-groups, are part of the required yardstick for measuring economically significant cycles within the Noösphere generally, and the subsumed Biosphere.

There are other more or less well-defined economic cycles. For example, we must compare the investment of the initial effort to create a dam and related water-management system, against the economic life of that system. This is generally the case for all basic hard infrastructure. “Soft” infrastructure, such as education and health-care, have similar sorts of internal functionally determined cycles, cycles which are gauged against the general demographic cycles for the population as a whole. And, so on, and so forth.

Among the most crucial cycles, is the cycle defined by the per-capita and per-square-kilometer rates of generation and application of fundamental scientific, and of related technological progress. That means scientific progress as the referenced case of Gauss’ 1797-1799, original discovery of the fundamental theorem of algebra, and Riemann’s carrying Gauss’ ensuing work on the general principles of physical-space-time curvature forward, to define, as I have already indicated here, an axiomatically anti-Euclidean, rather than non-Euclidean geometry.

Now, review the way in which these kinds of cyclical characteristics of human life in a Vernadskyan, three-phase universe are reflected in the kind of evidence which was considered by the industrial engineer or professionals working in relevant state and Federal planning agencies in former decades, when our national economy was managed by relatively saner people.

## Tragedy and Profit

During the more than four decades immediately preceding that ancient era of U.S. economic practice known to insiders as B.C. 1 (before President Jimmy Carter), the national-economic accounting practices of our Federal government were, at the worst, relatively sane, despite the influence of Arthur Burns on the Eisenhower Administration. Since then, under the successive U.S. dictatorships of Federal Reserve Chairman Paul Volcker and Alan Greenspan, fewer and fewer official statistics are not arbitrarily faked by the combined efforts of the Federal Reserve System and its principal subsidiary, the U.S. Federal government. As I declared in a nationwide half-hour televised feature in early 1984, by the close of 1983, the extent of sheer fraud in official U.S. Federal Reserve and government statistics, eliminated any significant hope of

competent short-term (e.g., quarterly, annual) forecasting for the U.S. economy as a whole.<sup>41</sup> Nonetheless, the National Income and Product studies from the earlier decades survived, as records; those records, examined through the eyes of the professional industrial engineer who is a veteran of experience from during at least a significant part of the 1945-1975 interval, are still today a valuable object of study for pinpointing certain crucially important corrections in the current practice of our nation.

With reference to those records at hand, examine a handful of selected aspects of the changes to what some called a “post-industrial,” or “technetronic” species of “consumer society.”

The reports from the 1945-1982 interval, reflect both the years when our nation was committed to the policies of practice of a productive economy, and the later changes, beginning approximately 1965-1967, when the disastrous shift into a “consumer society” emerged in the results expressed in our national accounts. This now potentially fatal, tragic shift, from a productive to a “consumer” society, is shown more clearly by comparing this with the disaster wrought in the United Kingdom under the first government of Prime Minister Harold Wilson.

As for U.S. Treasury Secretary Alexander Hamilton, writing his December 1791 Report to the U.S. Congress *On the Subject of Manufactures*, so from the standpoint of the qualified industrial engineer from a few decades past, or that of an economist whose professionalism includes such specific competencies, the most immediate economic cycles to be considered are those bearing upon basic economic infrastructure. The most significant feature of this challenge, is the ironical, often rather contradictory set of relationships among physical, technological, and financial attrition. Dams, power generating and distributing facilities, mass-transit systems, and basic urban infrastructure such as educational facilities, are typical. Against the physical depletion of these investments, we have the physical requirement of repair and maintenance. Under the rubric of technological attrition, we have physical costs of upgrading and replacement.

Continuing within the domain of basic economic infrastructure, we must take into account the usually highly inconsistent relationship between physical and technological attrition, on the one side, and attributed, nominal, financial attrition, on the other.

For example, the grammar school building, where I attended during the interval September 1928-June 1932, was constructed early during the last century, a structure which was still fully functioning in that role when I last visited it, in February 2000. The grammar school to which I transferred in September 1932, had been attended by my father.

On the other side, we must count the folly of the destruc-

tion of railway systems, including the precious right-of-ways, which, with modernization of the systems, including freight-classification methods and procedures, are intrinsically a more efficient, more economical system for certain classes of transport than the intrinsically more costly highway systems. The case of urban/suburban mass-transit systems, is of special noteworthiness. Here, the best Marxist economists, notably Rosa Luxemburg and Russia’s E. Preobrazhensky, had something important to say, on the subject of what they termed “primitive accumulation.” Especially interesting is Preobrazhensky’s treatise on “primitive socialist accumulation.” Look briefly at the outcome of changes in patterns of urban/suburban systems over the course of the 1946-2002 interval to date: sheer physical-economic lunacy reigns!

Even in my youth, one of the leading issues of my quarrels with my parents’ generation, and also my peers, was the frivolous treatment given to what was classed as “free time.” It was a prevalent ideology then, and is worse today. What, for example, is the cost to society of breeding a race of “latch-key children,” rather than one nurtured by 1920s-1930s norms of family and community life? What are the related social costs of the increase of commuting time spent during the week, as a result of post-war trends toward an increased “suburbanization” more driven by the direct and indirect impulses of real-estate speculation, than any other consideration?<sup>42</sup> What are the costs of downgrading the levels of productive skills of the employed labor-force, from skilled industrial and related production, to burgeoning categories of cheaply paid unskilled services, services which are, either in the nature, or superfluity, or both, of, essentially, “make work,” used more as a method of social control, Roman “bread-and-circuses”-style, than a physical contribution to the economy and general welfare. We used to describe that latter condition as an economy subsisting by “taking in one another’s laundry.” The result is not merely a lowering of the standard of living from “normal” employment, but the condition some of us recall as a retort to President Clinton’s announcement of an increased number of jobs, to which one wit retorted aptly, “And I just took three of them!”

The worst of such changes in the composition of employment and social life by, especially, the lower eighty percentile of family-income brackets, is the effect on the minds of the new generations. Taking all other leading considerations into account, the reason the prosperous, growing U.S. economy of 1945-1965 subsequently devolved into the (actually) bankrupt U.S. national economy of today, is a loss of the ability to

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42. The shift from a productive, to a consumer society, is almost invariably associated with an increasingly lunatic surge in ground-rent speculation. This was a rising trend during the post-war period, but became mass-insanity in the aftermath of the 1975 New York City municipal crisis. It is the deflation of the “John Law-style” real-estate mortgage bubble built up under Federal Reserve Chairman Volcker and Greenspan, which is, presently, the most likely way in which a general economic-financial depression would explode from inside the U.S.A. today.

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41. Televised Presidential campaign address on ABC-TV, Feb. 4, 1984.



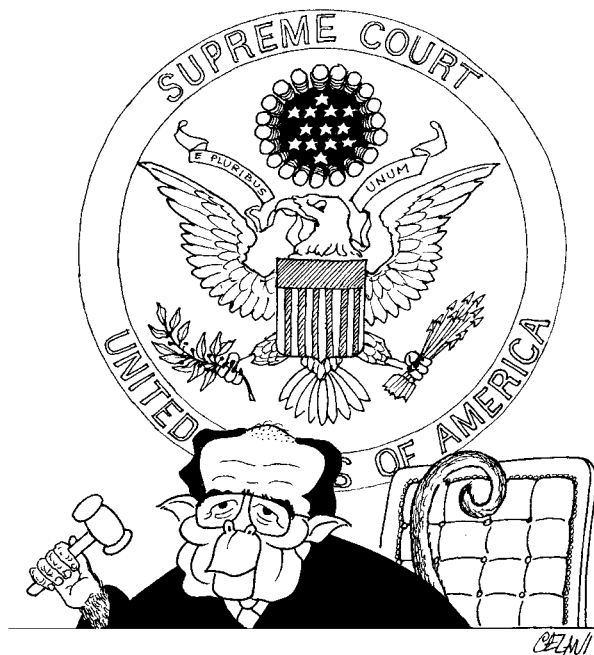
reproduce itself physically, by its own means, as it had been able before the general shift, away from a producer economy, to a consumer society parodying the decadence and ultimate doom of ancient imperial Rome. We have been living through about thirty-five years of what is called fairly, “post-capitalist primitive accumulation,” a practice which the George H.W. Bush Administration, and the International Republican Institute exported, with economically disastrous effects, to post-Soviet Russia.

There are crucially important lessons for the present and future to be learned from that and related experience. The most important of those lessons are to be adduced from President Franklin Roosevelt’s revival of a national economy wrecked by Coolidge and Mellon, to emerge as virtually the only real power in the world in 1945, and as the model which Jean Monnet and others used as a point of reference for the 1945-1965 reconstruction of western continental Europe. The pivotal issues are those of the use of protectionist methods, in conjunction with massive mobilization of public credit, the latter especially for basic economic infrastructure, and a strict emphasis on the role of cycles and their management in a capital-intensive, science-technology-intensive mode of growth. Among the most critical features of a successful economic-recovery program is the use of protectionist methods to bring financial-capital cycles into conformity with the reality of physical-economic cycles. By physical-economic cycles, we should mean both simple physical cycles, and those of technological attrition.

This brings us to the matter of *voluntarism: free will*.

By “free will,” I mean decisions based upon the characteristically cognitive process of adoption of those experimentally valid universal physical principles which change the axiomatically characteristic behavior of the individual or the society. I reject the attribution of “free will” to arbitrary choices. For discussion of economics, the matter of the role of the inventive entrepreneur in transforming new qualities of technology into a product or service, is to be regarded as related in character to the case of the scientific discoverer. I emphasize the important distinction between the true entrepreneur, as an owner-operator, for example, as distinct from the contrary characteristic of the management of a firm controlled by the opinions of typically capricious, absentee shareholders and the executives they employ, the latter typified by the characteristic opinion of modern “bugger” and U.S. Justice Antonin Scalia.

The class of entrepreneur to which I refer, expresses a strong interest in the survival and, to some degree, at least, the growth of his enterprise, but his primary personal motivation—his *intention*—is an achievement useful to society; his firm is, to a large degree, essentially a necessary means to the latter end. The shareholder interest today is, predominantly of a financial nature, rather than concern for improving the well-being of society, or even the firm in which the shareholder has made a transient investment.



On the subject of “shareholder value,” a wise man once said: “I don’t care how many law degrees that big monkey has, or on what bench he sits; he is still a monkey.”

This role of the preferable sort of entrepreneur, is an expression of a general principle of the economy considered as, functionally, an integral whole unit. It is that entrepreneur’s contribution to the increase of the net physical productive powers of labor of that society as a whole, which is the standard against which his performance is to be judged. That point is underscored, by considering the relationship between the function of that entrepreneur, including the family farmers wiped out, increasingly, since Zbigniew Brzezinski’s Carter became President, in light of the effects of the destruction of the savings-and-loan sector by the combination of Federal Reserve Chairman Paul Volcker and Garn-St Germain, and the systematic uprooting of the species of true industrial and related types of entrepreneurs. The transfer of the power of these agricultural and other true entrepreneurs, in favor of the financial-market-controlled shareholder interest, has been the characteristic reflection of the accelerating shift from a productive nation to the decadence, and now imminent bankruptcy of a consumer society.

The crucial point here, is that the sole source of true profit of an economy is the impact of the fruits of cognitive discovery of universal physical principles. It is not financial investment which causes net economic growth; it is investment in the realization of the potential generated solely by the development of the Noösphere through the application of these discoveries. This gain is properly measured, ultimately, in terms of increase of the potential relative population-density of the society, the culture, as a whole. It is the preferential

allocation of resources to that form of progress, which is the only policy which could produce net physical-economic growth, and, hence, the only form of true profit of a national economy.

Restated, the source of such profit is the distinctive, cognitive nature of the human species. In other words, the source of such profit is what is sometimes called “the voluntarist principle,” a concept which arose from Plato’s criticism of a moral shortcoming in the work of the greatest Classical Greek tragedians before him.

Often in the known existence of the human species, a once powerful culture is destroyed as the fruit of its own tragic error, like Cassandra’s Troy. Contrary to the Romantics, no great tragedian, whether the ancient Classical Greeks, Shakespeare, or Friedrich Schiller, ever imagined that the tragedy of a nation was caused by a celebrated leading figure; as in the case of President George Bush’s U.S. today, the fountain from which a nation’s internal catastrophe flows, is the tragic culture pervading its popular opinion and customs. The U.S. shift, during the recent thirty-odd years, from a productive, to a consumer’s society, typifies the causes of such tragedy.

Yet, a looming tragedy, such as that looming over our nation today, is sometimes averted. So, the election of President Franklin Roosevelt saved the U.S.A. from the threat of that tragic end inherited from the great folly of the 1920s. In Classical drama and poetry, this happy escape from tragedy is called “the sublime,” as in the connotations of the term “sublimation.” Such a remedy is produced in the same way an original discovery of a valid universal physical principle occurs, a discovery akin in every way to Kepler’s original discovery of universal gravitation. The tragedy which menaces the nation has the same general form as an ontological paradox in the work of science. The discovery, or rediscovery of the universal principle which overcomes that paradox, is of the same nature, whether in history of peoples, or of physical science.

The sublime solution must come from outside the habituated practices of existing institutions and popular opinion, just as an invention based upon a universal physical principle must come from outside the channels of previously customary practice. In the case of a tragic society, it is the tragedy inhering in continued adherence to customary standards of practice which must be thus outflanked, if the society is to survive.

*In fact, all societies are always threatened with tragedy,* as was ancient Rome, and as was Byzantium under the continuing influence of the implicitly Malthusian Code of Diocletian. Cultural and technological stagnation, such as a policy of “zero technological growth,” are inherently tragic cultural forces; in that sense, the most frequent source of tragedy is the force of imprisonment of a society within a hide-bound sort of tradition. A society organized around guilds, is doomed on that account; the attempt to introduce guilds in modern society, has always occurred as an effort to turn back the clock

to feudalism, an effort which must tend to end up within the ranks of a fascist movement or state.

Look at what I have reported above on the subject of cycles. If mankind were to attempt to live within a zero-technological-growth society, there would be an inevitable net depletion of the relevant resources of the Biosphere on which the continuation of that practice depended. Hence, technological change of the type which is derived from the discovery of universal physical principles, is the only course of action which can avert an otherwise inevitable tragic end for that culture. Through such technological progress, we are enabled not only to exploit a broader variety of resources, but to develop the technological power to replenish sources we would otherwise deplete. So, the force of tragedy, as expressed in various ways, always haunts a culture whose impulse is to cling to traditional ways. If postponement is prolonged, the tragic effect becomes imminent.

In that sense, tragedy always lurks. It is scientific-technological and cultural progress, and what that progress requires in political-cultural terms, which is the sole means for averting such tragedies, and even outrunning them by a great distance. On this account, a sane society requires the statesmen who will create better opportunities for the role of certain classes of distinctively creative portions of society, such as scientists, creative Classical artists, and what I have described as the essential form of the entrepreneur. The role of such persons, and their like, is known as the principle of “voluntarism,” the relatively exceptional individual, committed to changes for the benefit of mankind, who leads the pack, so to speak, in guiding the rest of society to higher plateaus of cultural development.

Such, for example, was France’s Jeanne d’Arc, a prototype of the principle of the sublime, whose stubborn courage, even to death, made possible the subsequent emergence of Louis XI’s France as the first modern nation-state. Such are the true heroes of mankind, whom we must hope will not, like the Reverend Martin Luther King, die much too soon. The same is true, specifically, for economic progress in general.

### ‘Super-Genes’

The technological progress and profitability of an economy, and the development of the powers and conditions of life of the typical individual member of that society, are expressed in terms of shifts in the composition of cycles, chiefly long-term cycles. When I say “long term,” I have in mind a generation, or two generations. For example, the span from President Franklin Roosevelt’s inauguration to the retirement of President Dwight Eisenhower, represents a span of between one and two generations. I would include the administration of President Kennedy in the span of policies which led the U.S. generally upward, were it not the case that Kennedy’s Presidency was, like France’s President Charles de Gaulle, in deadly peril from the Anglo-American, anti-MacArthur military utopians and their confederates from the moment of

President Eisenhower's retirement.<sup>43</sup> Nearly three years after President Kennedy's assassination passed, before a menaced President Lyndon Johnson had capitulated sufficiently to the utopians' perpetual war in Indo-China, to bring about the cultural-paradigm shift, from a producer's economy, to a consumer society. National Security Advisors Henry A. Kissinger, Zbigniew Brzezinski, and others of Professor William Yandell Elliott's Harvard-trained crew, destroyed the U.S. to such a degree, that by the time that President Reagan was inaugurated, only the possibility that Moscow might accept negotiation of Reagan's March 23, 1983 SDI proffer, stood in the way of the degree of internal destruction of the U.S. which has proceeded, almost without interruption, since 1983. The proffer was abruptly rejected by Soviet General Secretary Yuri Andropov; Reagan's effort, which could have changed the course of history for the better, was blunted; and the U.S. slid toward the utopian's Hell.

To understand the present national tragedy which grips the present Bush Administration, in particular, we should compare the cycles of change in the composition of leading categories of employment and investment during the course of the 1933-1965 interval, with the down-shift in those trends during the 1966-2002 interval. To simplify that study for purposes of approximation, focus upon the division of labor among certain categories of employment within the labor-force as a whole. These are typified by basic economic infrastructure, mining and related, industrial production and related, distribution, development of science and technology, and Classical culture. This study should be refined slightly to reflect the technological level of employment in each category, signifying the upgrading of employment in categories of relatively unskilled labor, to skilled labor. These trends in employment should be compared with trends in capital-intensity of investment in each category of activity, as measured both per capita and per area involved in each category of output. These measurements should be made in physical, rather than financial terms. The use of a standard market-basket of physical consumption by households and by activity, serves as a standard for estimating a conversion from financial to physical values.

The result of such estimates, is an indication of certain

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43. Eisenhower referred to that utopian faction as "the military-industrial complex." The latter included those behind the attempted assassinations of President de Gaulle, who sought, as did William Yandell Elliott's Samuel P. Huntington, to copy the model of the Nazi Waffen-SS as the model for a new form of global society. In the 1950s, at the time Huntington's *The Soldier and the State* was first printed, it was not politically prudent to advertise one's admiration for Nazi models, but no one who knew military history was fooled by that evasion. The idea of "perpetual war" being pushed by Brzezinski, Huntington, Lewis, et al. today, like the slaughter at Columbine, are products of the utopian military policy. President Kennedy, like President de Gaulle, represented a crucial threat of impediments to the furtherance of such objectives of the utopian doctrine as the U.S. war in Indo-China. All of my relatively powerful personal enemies are members of that same utopian-interest faction, and that not by misunderstanding.

cycles of change in composition of critical categories of employment and investment in the economy as a whole. This points toward a cycle of cycles of change in composition. Even a thoughtful back-of-the-envelope estimation would be sufficient to indicate certain general conclusions respecting the ups and downs of the U.S. economy over the course of the 1933-2002 interval.

The general conclusion which that approach illustrates, is the crucial role of science-driver programs in determining growth. Less obvious, is the crucial importance of the principles of Classical artistic composition in fostering the development of the population in directions needed for sustaining high-gain science-driver efforts. I conclude this report with a broad-brush clarification of those crucial points. To set the stage for this discussion, I pose the following question.

It is not difficult to think of portraying the kinds of cyclical shifts to which I have just referred in terms of "connect the dots" mapping of trends of change. Obviously, straight lines drawn on blackboards or computer screens, are not the efficient cause of those connections; what kind of action actually connects the dots? The apparent connections among the dots are like shadows from Plato's "Cave." What is the reality which causes the shadows? The answer is, the quality of cognitive action which generates experimentally valid discoveries of universal physical principle. This brings us to the subject of "super-genes."

The kinds of cycles which I have roughly described as to type, above, have the added significance of reflecting the essential difference between human society and the representatives of an animal species. The kinds of changes represented are, in their most crucial aspects, reflections of the same kinds of mental processes, cognitive processes, through which valid discoveries of physical principle are generated as experimentally valid hypotheses. However, it is not simply through discovery of such a principle by an isolable individual thinker, that that principle may be brought to application within the processes of design and production. The communication of the act of such discovery, as from an original discoverer to others, is the indispensable mode through which cooperation in use of the principle is brought into the economic process. On this point, the "super-genes" make their presence felt. Animals can learn, but can not communicate such ideas.

The specific topic to which we turn at this point, is, as you will discover, elementary in nature, but also, to echo Khinchin, not simple. Therefore, to assist the reader, I now provide a road-map of the terrain through which we shall proceed. This will summarize my previously published argument on this matter. After that, I conclude by returning to reformulate my opening topic of this report from the fresh standpoint of this argument.

I shall now begin this closing argument, by defining cognition as viewed from the standpoint of what is commonly identified as physical science. I present that from the standpoint of students in a good secondary educational program. I

begin with the notion of a single discovery, and then generalize the principle expressed by a science-educational secondary educational program, to define a conception of history from the standpoint of reenactment of discovery of experimentally valid universal physical principles.

I proceed, then, to the second crucial sub-topic, Classical artistic composition as science. I begin that review with the plastic arts, with the subjects of Classical sculpture and the related methods introduced to painting by Leonardo da Vinci and Raphael Sanzio. From there, I proceed to discuss of the relevant features of the use of irony, of the irony of metaphor, and the subjunctive as the language of Platonic hypothesis. I identify the significance of this for tragedy, poetry, and music. I include the case of J.S. Bach's development of the principles of Classical well-tempered polyphony, as contrasted with irrationalist Romantics such as Rameau and the *Gradus ad Parnassum* of Fux. From that outline of the science of Classical artistic composition, I indicate how this use of Classical modes of plastic and non-plastic artistic composition, when combined with the history of the discovery, transmission, and application of universal physical principles, defines history and the needed approach to political science, including economics.

On this basis, I summarize the evidence for the existence of "super-genes."

From that standpoint, I then summarize the meaning of the term *agapē*, with its connotations of *general welfare* and *common good*. I define the appropriate relationship of the true statesman, so defined, to both the U.S.A. and the world in the grip of today's deepening existential crisis.

## Classical Humanist Education

A 1963 OECD document on educational policy, issued by the same Dr. Alexander King who was among the key figures in the later founding of the Malthusian Club of Rome cult and the Laxenberg, Austria-based International Institute for Applied Systems Analysis (IIASA), demanded the prompt eradication of those educational policies and programs upon which the greatest progress in modern European civilization had largely depended. These programs, which date from such precedents as the teaching order known as the Brothers of the Common Life and the founding of modern experimental science by Nicholas of Cusa, were emulated in the pre-1688 Massachusetts Bay Colony of the Winthrops and Mathers, and in the German Classical revolution launched by Kästner, Lessing, and Moses Mendelssohn, during the middle of the Eighteenth Century. This Classical Humanist educational policy, as it became known, largely through the seminal influence of the historian and poet Friedrich Schiller and Wilhelm von Humboldt, epitomized the best methods of general education of future citizens which have existed in European civilization to date. King and such accomplices as Lord Solly Zuckermann and McGeorge Bundy collaborated in the effort to eradicate it.

This effort, combined with the matching promotion of

what became known as a "rock-drug-sex youth-counterculture" of the mid-1960s, resulted in changes which, among other effects, made growing portions among the school graduates of recent generations virtually a different species than their predecessors. This and related elements of a general cultural paradigm-shift had the stated intention of ending the role of the U.S. as the world's leading producer society, into becoming an increasingly parasitical consumer society, echoing the precedent of imperial Rome. The pivotal feature of the cultural-paradigm shift authored by the OECD's King, et al., is a zealous effort to uproot from the young every sensibility of the essential difference between themselves, as human, and the beasts. The slaughter at Columbine is typical of the result of this shift.

The only remedy for the doom which the U.S., in particular, is currently bringing upon itself, is a reversal of that cultural paradigm-shift. Do not blame President George W. Bush, when a more witting, Hollywood-linked Democratic Senator Joseph Lieberman, with his streak of diabolical cleverness, represents a far more capable instrument of evil than even such unfortunates as the bumbling, used-up boob, former Vice-President Al Gore. The fault lies "not in our stars, but in ourselves." It is what popular culture, popular opinion has become, which is the principal immediate instrument of our willful self-destruction.

The elementary issue is, whether we educate our young to discover themselves to be human beings, or merely talkative, if not "doped-up," grunting beasts. Columbine's slaughter was merely the warning buzzard which precedes the incoming flock. The shift of our educational policies in the directions proposed by King's OECD report, in the U.S.A. as in France and elsewhere, since approximately 1963, is a crucial and exemplary expression of the way in which successive generations of pupils and university graduates have been cheated of a sense of their human birthright, over approximately three-and-a-half decades to date.

This evil error is what needs, above all, to be put right. That undertaking is implicitly the subject of the concluding words of this report.

As I promised, I begin with the matter of physical-science topics.

A European Classical humanist education starts from the beginning of European civilization, the birth of Egypt's student, Classical Greece. Homer, Solon, the Classical tragedies, and Plato, are the principal figures which must be studied, from no later than about the age of twelve. Against this backdrop, the student must not learn, but re-experience the replicated act of crucial discoveries of physical principle, from ancient Egyptian astronomy from the time of the great Pyramids, and the work of Pythagoras and Ionians such as Thales, through Plato and those associates and followers of Plato to which I made reference earlier in this report. Then, as the mastery of the concept of physical-scientific discoveries falls into place for the students, the students must ask themselves, if there is not some ordering principle in history in general,

which makes history comprehensible in the same way a good mathematical physics makes our relationship to the physical universe understandable. At that point, a crucial problem is posed for educational policy, where is that connection to be found? Can it be learned, as through the senses, or must we not attack the matter from a higher standpoint, that of cognition?

Consequently, it is urgent that education in mathematics be governed by the cognitive principle, rather than learning formulas, or deductive proofs. Therefore, from the beginning the educational experience in mathematics and physical science must be premised on experiencing the replication of the original cognitive act of effecting a valid, original discovery of universal principle, as the case of Gauss' 1799 presentation of his fundamental theorem of algebra and the preceding secondary educational program of Kästner typifies this. The function of the classroom, preferably never more than a dozen to score pupils at a time, is to provide the setting for a dialogue among teacher and students on the subject of this task and the experience it invokes.

Repeated successes in mastering a series of principles arranged in order of their accessibility to the student, produces two effects which are of crucial importance. First, the fact that the cognitive processes of the individual human mind are perfectly sovereign; that mental activity as such can not be seen by the senses of an observer. Second, however, the experience of making the discovery, cognitively, can be replicated, and the experience of having replicated it shared. The accumulation of knowledge of a significance number of principles, in this way, evokes a sense of the cognitive meaning of the term "science" and "scientific practice," in the minds of the pupils. This sense of such repeated, and repeatedly shared experiences, represents what is rightly recognized as the meaning of "reason," as distinct from merely observing, mere deduction, or merely learning.

Through a succession of such classes over a few years, this sense of the meaning of physical science, becomes a growing sense of the appropriate meaning of "history." The student knows the names of many discoverers from the past, has replicated the cognitive act of discovery each made, has discovered when and where they lived, the circumstances of their lives, their opponents, and the impact of their discoveries on society over successive generations to date. Just as the student should have learned to normalize observations of the starlight sky, for a living sense of astronomy, the students learn how navigation of the Earth was done by ancient methods, how the discovery of the Sun's central position in our Solar System was discovered by Aristarchus and others, how Eratosthenes measured the size of the Earth from his place in Egypt, and how Nicholas of Cusa's circles, including Toscanelli, produced the maps and plans for the rediscovery of the continent across the Atlantic. The student develops, thus, a knowledgeable sense of his, or her time and place in which he, or she sits or stands in the universe around us.

Nothing is to be learned, as by "looking it up on the Internet," or other exercises in blind faith. It must be known, as



*"Nothing is to be learned, as by 'looking it up on the Internet,' or other exercises in blind faith. It must be known, as an act of generating knowledge within oneself." Here, Schiller Institute instructor Laurence Hecht teaches Ampère's work on electromagnetism.*

an act of generating knowledge within oneself.

Against that background, the student is now situated to undertake reconsidering the studies of Homer, et al., from this standpoint in practical, experimentally, cognitively oriented scientific knowledge. This study should begin with emphasis on the subject of principles of Classical artistic composition, as a preparation for meeting the challenge of discovering a certain lawfulness in the all-sidedness of the history of mankind.

### **Plastic and Non-Plastic Art**

With help, the student can be prompted to reconsider the Classical Greek sculpture before him. What is really the difference between that kind of sculpture and the tombstone-like Archaic sculptures attributed to earlier periods of work? The teacher guides the students, with aid of what they have mastered of geometry, into recognizing a certain "off-balance" aspect of the Classical sculpture, a quality which, isolated, appears to account for the sense of a living body captured by the eye in mid-motion. This lesson from the best of Classical Greek sculpture is compared with the achievements of such Renaissance composers as Brunelleschi, Leonardo da Vinci, and Raphael Sanzio. For the mathematically more advanced pupil, the role of Brunelleschi's use of the catenary ("hanging chain") to construct the cupola of the Cathedral of Florence, and other matters, are relevant. The revolution in perspective effected by Leonardo da Vinci, and the impact of this on Raphael, and later Rembrandt, are crucial. The student may

acquire thus, a cognitive sense of such achievements in plastic artistic composition, creativity free of “representationism” and of the expressions of frustrated rage of the arbitrary dauber.

Then, turn to non-plastic art: Classical tragedy, Classical poetry, Classical forms of prose composition based on principles of irony, on the form, not of symbolism, but of the irony called metaphor, and the language of hypothesis, the subjunctive. Then, Classical musical composition, and the scientific revolution, called well-tempered polyphony, by J.S. Bach, upon which all great musical composition since has been premised.

The principled challenge of the non-plastic Classical art forms, is the need to find ways to provoke the replication of cognitive conceptions through the use of a language whose literal usages are chiefly imprisoned within the brutish perception of sense-certainties. The case of Galileo’s student, the horrible Hobbes, who attempted to ban irony, metaphor in particular, and the true subjunctive from English-language usage, typifies both the problem, and the characteristic, cognition-free imbecility which is rooted axiomatically in empiricism and related dogmas.

Knowledge, as expressed for communication by speech, as in mathematical physics, is expressed by apparent or actual ontological paradoxes. Something has been accepted as true, but something contrary is also apparently true. It is the cognitive act of peering into the cracks between the two, which is the essence of what is called, more or less interchangeably, the *poetic*, or *noetic* principle of Classical poetic composition. The task of Classical artistic composition, is to provoke the cognitive mind’s recognition of a reality which is not yet susceptible of literal identification, but which exists, and whose existence is recognizable in the ironical features of the communication. Even more important than what is communicated, is the exercise of exercising one’s cognitive muscles through the experiencing of valid expressions of Classical methods of artistic composition.

The case of the discoveries of J.S. Bach, are the most stunning accomplishment in Classical artistic composition thus far. I summarize the most crucial points of relevance as briefly as possible.

Bach’s well-tempered polyphony is rooted in what the Florentine *bel canto* tradition identified as the only natural tuning and registral characteristics of the human singing/speaking voice. In Classical performance, all musical instruments are designed, adjusted, and performed as if they were actual human, *bel canto* singing voices. In true Classical musical composition and performance, there is no purely instrumental music. That this was Bach’s method, and Bach’s tuning, is, contrary to the hoaxes perpetrated by Helmholtz and Ellis, strictly adducible from a *bel canto* reading of his polyphonic scores. What might appear to be a simple instrumental reading of the printed score of a Bach fugue, has no correspondence to Bach’s intention. Only when the score is read for a

chorus of *bel canto* voices, does the richness of the unifying idea of the composition as a whole come as if visibly to the fore. All leading Classical composition, from Josef Haydn and Wolfgang Mozart, through the last work composed by Johannes Brahms, is a strictly Classical, intrinsically polyphonic work, rooted in the direct, or indirect influence of Bach. This music has a quality like no other, once the composer’s clear intention is actually heard in the mind of the performers.

The outcome of such composition and performance of Classical well-tempered polyphony is a neighboring tone of Classical poetry, as the greatest German Classical song repertoire and the work of Giuseppe Verdi attests. If this were understood, ostensibly educated people would speak more intelligibly than they do today, and would be capable of communicating ideas beyond the manifest capacity of most among those considered our best speakers and writers today. The lack of a sense of *bel canto* art in the vocal expression of ideas, typifies a degeneration in the use of the English language by the ostensibly best educated representatives of the “Baby Boomer” generation and its progeny today. Their attempted recitations of Classical poetry and dramatic compositions give me stomach-pains, as did the style of mouthings often affected by the late Sir Lawrence Olivier. He seemed to demand that the audiences look at his narcissistic self, rather than, as all true Classical actors do, perform his part not upon the visible stage itself, but rather on the stage of the cognitive imagination within the mind of the member of the audience. The notion of the ideas embedded in composition of great Classical works, not merely escapes them, they appear to abhor the very idea of their existence; they prefer to interpret the mouthings of the words and phrases, and wish to be personally admired for that.

Classical tragedy has a special place in all this. In its best examples, it captures something of all the powers of Classical artistic composition. All Classical tragedy addresses the fallacies of popular opinion, against either the historical specificity of the actual point of history portrayed, or a legend, as Shakespeare, of course, does both, from one case to another. The function of Classical tragedy is education of a people in the lessons of the experience of history. Its most consistent objective, is to truthfully convey to the mind of the audience, that no culture destroys itself, except by the dictate of a flawed, ruling popular opinion.

Thus, here, in Classical tragedy, the bridge between the principles of Classical artistic composition and the science of history, is proffered. The effective historian does not interpret history in the sense that the word “interpretation” is generally understood today. The historian must get at the truth of the matter, often with a certain underlying ruthless disregard for the popular opinion of the audiences he addresses. He is ruthless as truth requires this of him. Thus, whether as a Shakespeare or a Schiller, his dramas are the most truthful insight into the specific page of history addressed. He brings all that

he knows, or could discover, to that undertaking, approaching the task with the rigor which is in accord with the cognitive principle of reason.

Thus, by educating our populations, especially our young, in Classical science and art, and that by Classical humanist methods, we are not choosing a peculiar taste; we are exercising nothing other than simple sanity. The alternative to Classical humanist education, is Columbine.

### Again, 'Super-Genes'

The effect of the accumulated mastery of knowledge of valid universal principles of what is usually called science, and of what we call Classical art, is to cause the human species to alter its characteristic behavior to an effect comparable to the upward evolution of a biological species, within the ranks of the lower forms of life. Resaid, the effect is comparable to a genetic change in the character of the human individual so developed, as if it were a genetic improvement in the biological qualities of the nation which have benefitted from such a cultural development.

As the planet has been made smaller, in effect, by technological change, we have been helped to discover richer proofs of the equality of biological-cognitive potential of all branches of humanity. Crucial evidence shows that there are no naturally inferior races or varieties of people. The differences in quality of achievement, are always attributable to some combination of three environmental factors. Circumstances, discriminatory social relations, and inferior cultural development, are always the adducible sources of any general form of distinction in quality of performance of sections of a population.

Since, the evidences belonging to the domain of a science of physical economy, show, that all of mankind's increase in power to exist, in and over nature at large, is the effect of improvements made possible by the accumulation of discoveries of valid universal physical and Classical-cultural forms of principles, it is these ideas which are the implicitly "genetic" changes in human behavior which make human progress possible.

From the standpoint of the scientific method to which I have referred, the method I have pinpointed as that of Vernadsky, we must conclude that there are indeed some physiological changes, with behavioral effects akin to those of genetic modifications of species and varieties, within the bio-mental processes of the relevant individuals. These are therefore to be treated functionally as if they must be named "super-genes."

The conclusion follows from such considerations, that our principal long-range concern, as statesmen, for example, must be to promote that kind of "super-genetic" improvement, through science, Classical humanist modes of education, and changes of circumstances of life, through which the natural moral and intellectual potential of humanity is elevated to such a degree, that the "littleness" of mind and soul, through

which so many of our people degrade themselves, might be overcome, as by a rich influx of "super-genes" gained through aid of a universal emphasis upon Classical humanist methods of education.

Typical of "littleness" to which I have referred, is the quality of most of the U.S. Presidents since the time that President Lyndon Johnson pushed through the Voting Rights Act. Since that time, with the single notable exception of President Reagan's proffer of the Strategic Defense Initiative, no U.S. President has shown the quality of a man who acts, in office, according to a true sense of the national interest. They act, instead, according to perception of personal interest, or of partisan interest, not the interest of the nation. Since that has been the record of the Presidency, and, for the most part, the Congress, too, since 1964, why should anyone be surprised by the awesome shortcomings of the incumbent President? We may not be able to educate him as a truly qualified self-starter on the job, but, perhaps, if we could separate him from the clowns who gather all too abundantly around him, and simply provide him, before his eyes, advisors who afford him always a clear vision of what the true national interest is, and of the pride he should take in intending to leave office having performed that function, we just might make it through the coming three years.

It is, in the end, a matter of "super-genes."

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## LaRouche's Courageous Voice Rings Out Throughout Mideast

by Hussein Askary Al-Nadeem

April witnessed a breakthrough in the reach of Lyndon LaRouche's courageous voice of reason through the states of the Middle East. From the Arab world today, LaRouche stands out like a statue of liberty, compared to every other strain of American policy. This has been reflected in dozens of articles, commentaries, speeches, and interviews published and broadcast in different parts of the Middle East, all the way from Pakistan to Egypt.

While some Arab and Islamic commentators refer to LaRouche as "a lone voice in the desert," the majority, and the most active, now regard him and his political movement as a hope not only for the Middle East, but also for the United States itself. Recently, an Arab diplomat in Europe reported to *EIR* that he had asked an American diplomat, "What can you tell me about this man LaRouche?" The American replied, "Oh, we have marginalized him. He is completely crazy!" The Arab surprised the American, by replying, "But the whole Arab community agrees with what LaRouche says. LaRouche has become a film star in the Arab world! If he is crazy, then we are all crazy!"

Dr. Ahmed Al-Kedidi, a University of Qatar professor and authority on the dialogue between Islam and the West, wrote a commentary in the Dubai-based daily *Al-Bayan*, "Is All of America Against Us, or Only Part of It?" He answered: "We Arabs are confronted by a strange and very special historical phenomenon, because in America there are people who support our just causes, especially the Palestinian cause, and they oppose the current American policy of limitless support to a Nazi crime. Today, as I was writing this article, I received an e-mail message from my American friend Lyndon LaRouche, the internationally celebrated economist and Democratic pre-candidate for the U.S. Presidential elections. LaRouche, commented on Bush's April 4 recent speech, say-

ing that the speech is a blank check for Sharon to kill Arafat. . . . The U.S. administration, 60% of the Congress, and the American mass media are enemies of our causes. But, there are many groups that are not victims of the Zionist influence. The question is: What have *we* Arabs done to build a bridge to these live consciences and moral people who who are waiting for us to be heard and who want to support us?" Kedidi urged Arabs to intervene in the U.S. political scene and build bridges to those like LaRouche and the Arab-American community.

### Land-Bridge Widely Covered

LaRouche's analysis of the Sept. 11 events, and also the earlier economic-financial situation continues, as of early May, to reverberate around the Muslim world. In an lecture delivered recently at the Abu Dhabi-based Zayed Centre, Sheikh Mohammed Sa'id Ramadhan Al-Bouti, a prominent Islamic scholar from Syria, employed LaRouche's views on the current world situation to make his points. Although the discussion was dominated by his defense of the Palestinian resistance to the Israeli occupation, Al-Bouti made a number of very important observations on the "Clash of Civilizations" gang at the Council on Foreign Relations and Bernard Lewis.

The Zayed Centre published Al-Bouti's lecture on its website and at least two major London-based Arabic dailies, *Al-Arab International* and *Al-Quds Al-Arabi* covered it as news concerning Lyndon LaRouche.

"Terrorism," said Al-Bouti, "in the sense the Western mass media describes it, has always been and is still being cooked and fermented by certain Western circles; then it is exported to the Arab world and the Islamic world to be implemented there." He emphasized that after the fall of the Soviet Union "much attention has recently been given to how to plan,



prepare and then export this terrorism to us. These Western circles chose Islam as the next enemy.” Professor Al-Bouti singled out two interrelated indications of this, pointing to an article published in the Council on Foreign Relations’ *Foreign Affairs* in November 1992, which discussed ways that Islam could be destroyed as a power, and which concluded that spreading “schism” among Muslim nations was the way to do it. His second example was Bernard Lewis’s book, *The Middle East and the West*, where, Al-Bouti said, Lewis recommended the method of provoking ethnic and sectarian fanaticism across the Islamic world as the best way of annexing these nations, or at least controlling them all.

Al-Bouti indicated that the global financial meltdown, and the progress of Lyndon LaRouche’s Eurasian Land-Bridge, has set off reactions among the international financier oligarchic elite. “The new factor, which is only a little more than one year old, is the discreet hysteria which is spreading . . . in reaction to the project about which some news have come recently. This is the attempt by Asian and European countries to build what they call the Eurasian Land-Bridge between the two. It is well known that Russia is playing a key role in this project, which could lead to the establishment of complete networks of magnetically levitated trains, extending from Rotterdam to Shanghai. The objective of this project is to establish a Eurasian economic system, replacing the current collapsing financial system, which is threatening the world, and on top of it the United States.

Al-Bouti continued that LaRouche “stated in a webcast lecture on July 26, 2001, that the Israeli forces abroad [sic], typified by Zbigniew Brzezinski, will prepare for a war in the Middle East to prevent the European and Asian states from building this bridge between the two. This could eliminate the hegemony of international Zionism on the world economy and the monetary system. Therefore, they must launch a religious war into which Europe would be drawn, and thus this project would vanish amidst the flames of this raging war.”

On the U.S. administration’s role, the Syrian scholar concluded, “The U.S. Administration under Bush considers anything which is not in its own selfish interests as terrorism. Since the Eurasian project is contrary to its interests, the Zionist circles should be aided to wage a war in the Middle East to make sure that this project is destroyed. The best fuel to launch this war is to label Islam terrorism, because the people who inhabit this region are Muslims.”

### **Zbigniew Brzezinski and Sept. 11th**

Many articles and reports about LaRouche’s view of the world before and after Sept. 11, are circulating in the Internet-based Arabic media. This coverage includes the Saudi daily *Al-Riyadh* and U.A.E.’s *Al-Bayan* of LaRouche’s associate



*Syrian scholar Sheikh Mohammed Sa'id Ramadhan Al-Bouti (right) speaking at Abu Dhabi's Zayed Centre; his extensive comments on Lyndon LaRouche's Eurasian Land-Bridge economic policy, were published in some of the Mideast's leading newspapers and websites.*

Muriel Mirak-Wiessbach’s in-depth interviews in the *Tehran Times* on the Sept. 11 attacks being as an attempted, “ongoing” coup d’état. Mirak-Weissbach’s statements in Tehran and Cairo are also circulating in “Internet discussion” forums.

The Egyptian semi-official daily *Al-Ahram* had a report from Washington correspondent Said Ali, on the U.S. situation “from the inside.” He referred to LaRouche’s view of the Sept. 11 attacks and his earlier warnings of financial-economic collapse, international terrorism, and war for the Fall of 2001. Said Ali wrote that he asked many people in Washington about LaRouche, only to be told, “He is crazy.” However, Said says, he went to LaRouche’s supporters and “got a complete and reasonable view of the real crisis in the world.”

*Al-Ahram’s* Arabic weekly magazine, *Al-Ahram Al-Arabi*, ran a lengthy article by Ahmed Fikri on Arab-American relations and other developments since Sept. 11. In a major segment dedicated to the Mega Group and Israeli spying activities in the United States, Fikri quoted LaRouche on the Mega Group’s targetting of President Clinton. The same weekly carried a report by Marwi Meshali, on “individuals facing the American bull,” reporting the opposition to the Israeli and U.S. policies emerging from courageous individuals in the West. Meshali says: “The opinions of the observers of the American internal situation point to the fact that, the Presidential candidate for the next elections and Democratic member of Congress [sic], Lyndon LaRouche, is the organizer of this offensive opposition campaign against the administration’s policy. They also say that he succeeded in estimating the limitations of this administration and pointing to its weaknesses, both in terms of domestic and foreign policy. He also predicted the Sept. 11 events.”

In the official daily of the Sultanate of Oman, *Al-Watan*, columnist Mohammed Abdel-Khaliq wrote a powerful attack

## 'It's what I have to do'

Lyndon LaRouche, a lone voice in the desert of American thinking on the Middle East, chats to **Mohamed Hakki** in Washington



Living in Washington today drives one to feel that America is living on a different planet from the rest of us.

The political establishment and the media here are sensitive only to Israeli needs. Even worse, the US bias continues unabated, deaf to the many voices in Israel itself which are enraged at what is being

*Egypt's Al Ahram weekly's April 24 interview with LaRouche, one of dozens of interviews and major articles in the region in April. Some presented LaRouche as a "lone voice" in the United States; many others, as a pole of leadership to which Arabs and Arab-Americans should orient.*

against the Trilateral Commission's Samuel Huntington and the Clash of Civilizations gang under the title "A Greater Apology Is Demanded." Abdel-Khaliq wrote, "We fully understand how mistaken Huntington's theory is. Many others around the world realize that. They also realize the disgusting arrogance of the U.S. administration and the Israeli government. Lyndon LaRouche has captured part of this in his article 'Götterdämmerung in Palestine,' in which he strongly linked the Israeli brutality against the Palestinians and the Nazi barbarity against the Jews in the last century. We strongly believe that victory will be on the side of LaRouche and his like. We also believe that Huntington and his like will be forced to make a demanded apology, even if it comes late."

The Saudi daily *Al-Watan* published several reports and commentaries on the powerful statements LaRouche has been making on the state of economic and political affairs in the United States itself.

It is also noteworthy that the Palestinian Foreign Ministry, on its website [www.plofm.com](http://www.plofm.com), has published articles on LaRouche and his analysis of the political and strategic crisis in the world.

### A Household Word

In the third week of April, "LaRouche" became a household word in most Arab countries. He was interviewed by the Qatar-based Al-Jazeera Satellite Channel, Egyptian Satellite Channel 1 (broadcast simultaneously with the main national TV channel), and Egypt's English-language *Al-Ahram Weekly*.

On April 14, Arabs around the world had a chance to see and hear LaRouche live, on Al-Jazeera. The program, "Issues of the Hour," hosted "American Democratic Presidential candidate and political-economist Lyndon LaRouche," to comment on the current U.S. policies in the Middle East and Colin Powell's meetings with Palestinian Authority President Yas-

ser Arafat and Israeli Prime Minister Ariel Sharon. Host Malik Al-Teriki introduced his program on the U.S.-Israel alliance, stressing that "this week will be a decisive one for the Israeli-American relationship. It will determine who is steering this relationship." Al-Teriki added: "It seems that even the resident of the White House is unable to influence the policies of Ariel Sharon, in spite of the fact that the American administration's favors to Sharon have reached an unprecedented level and the fact that Sharon is the main beneficiary in the Sept. 11 attacks. It was indicated in last Thursday's 'Issues of the Hour' program [whose main guest was *EIR*'s Edward Spannaus] that the possibility of the Israelis having prior knowledge about those who conducted the Sept. 11 attacks was very strong, and that they nonetheless decided not to inform their American allies."

Al-Teriki then introduced LaRouche: "The apparent tension in Powell's face revealed during his meetings with Sharon is the ultimate thing an American politician could do. But, what would you say about an American politician who is calling for using the threat to break American relations with Israel? This politician, who is in the Democratic Party, is Mr. Lyndon LaRouche who is joining us today from Washington." LaRouche commented powerfully on several questions on the Israeli-American relations and how he is intending to use his campaign to straighten U.S. policy in the Middle East. LaRouche's appearance gave Arabs at every level, who have not yet had an encounter with LaRouche, a brief, but unique feeling of an American statesman who represents the intellectual and political opposite and antidote to everything terrible they have experienced with other American statesmen in the recent decades.

"Issues of the Hour" is a new program on Al-Jazeera, which had previously had separate interviews with *EIR* Counterintelligence Editor Jeff Steinberg to comment on Sharon's and the Anglo-Americans' plans for the Middle East, and with



*Al-Jazeera satellite TV's April 14 interview with Lyndon LaRouche, here shown on the station's website, was part of a series of programs dealing in depth with the views of LaRouche and other EIR contributors.*

Edward Spannaus who addressed the Israeli spy story. Al-Jazeera Channel is watched by millions of Arabs.

On April 17 LaRouche was hosted on "Good Morning Egypt" on the Egyptian Satellite Channel, coincidentally the same day that President Hosni Mubarak refused to meet with U.S. Secretary of State Colin Powell, to protest Washington's backing for Sharon's criminal policies. Excerpts of this interview were published in the previous issue of EIR. On April 18, *Al Ahram Weekly* published the English-language interview with LaRouche. The website introduction reads: " 'It's What I Have To Do': Lyndon LaRouche, a lone voice in the desert of American thinking on the Middle East, chats to Mohamed Hakki in Washington." A transcript of the long interview is available at: <http://www.ahram.org.eg/weekly/2002/582/9inv2.htm>.

The explosion of this coverage comes at a time when Arabs, and especially Palestinians, look in horror at the United States, and see no hope for anything good to come from the administration or the Congress. This in itself is not new. "America is an imperial power anyway," people used to say. However, through LaRouche, they are beginning to discover another America, a morally and culturally competent nation. Although this other America is not in power, it is nonetheless a potential that exists within the United States. LaRouche has shown people around the world that what is called "the American intellectual tradition," is far different from anything else they have experienced from the "Great Satan" in the recent decades. However, it would be an illusion to believe that this tradition is politically embodied anywhere else in the United States, than within Lyndon LaRouche himself and the movement he is leading.

## Is Sharon Planning To Expel the Palestinians?

by Dean Andromidas

In the April 28 London *Sunday Telegraph*, Israeli military historian Martin Van Creveld warns that Prime Minister Ariel Sharon is planning to launch a full-scale Mideast war. Entitled "Sharon's Plan Is To Drive the Palestinians Across the Jordan," Van Creveld says that Sharon's war would last no more than eight days, two days longer than the June 1967 War.

Van Creveld confirms *EIR's* warning, that the core of this war plan is Sharon's "Eretz Israel" ("Greater Israel") vision, in which Jordan is to become the Palestinian state, and the solution to eliminating the "terrorist infrastructure" is to drive the Palestinians across the Jordan River. Van Creveld notes that in September 1970, when King Hussein of Jordan attacked the Palestinians in his kingdom, Sharon argued that Israel's policy of helping the King was a mistake, contending that Israel should have tried to topple the Hashemite regime. Sharon has never publicly renounced this conviction.

During the 1948 War, Israel drove 650,000 Palestinians from their homes into neighboring countries, Van Creveld writes. If Israel were to try something similar, including against the Palestinian territories, today, the outcome could well be a regional war. "More and more people in Jerusalem believe that such is Mr. Sharon's objective. It might explain why Mr. Sharon, famous for his ability to plan ahead, appears not to have a plan. In fact, he has always harbored a very clear plan—nothing less than to rid Israel of the Palestinians."

Van Creveld describes how such a scenario could come about. Sharon would wait for a suitable opportunity—such as an American offensive against Iraq, an uprising in Jordan, or a spectacular act of terrorism inside Israel. "Israel would then mobilize with lightning speed; its three ultra-modern submarines would take up firing positions out at sea; its borders would be closed, a news blackout imposed, and all foreign journalists rounded up and confined to a hotel as guests of the Israeli government."

Israel's 12 divisions would be deployed: five against Egypt, three against Syria, one opposite Lebanon—leaving three to face east, and still enough forces to put a tank inside every Arab-Israeli village. Van Creveld says that the expulsion of the Palestinians would require only a few brigades. "They would not drag people out of their houses but use heavy artillery to drive them out; the damage caused to Jenin would look like a pinprick in comparison." Israeli military experts,

according to Van Creveld, estimate that the operation could be completed in eight days.

Van Creveld contends that none of Israel's Arab neighbors—Jordan, Egypt, Syria, and Lebanon—has sufficient forces to stop such an Israeli action. As for Iraq, Van Creveld warns that Israel would use its nuclear arsenal: "Should Saddam be mad enough to resort to weapons of mass destruction, then Israel's response would be so 'awesome and terrible' (as Yitzhak Shamir, the former Prime Minister, once said) as to defy imagination."

Van Creveld, discounting Europe, writes that the only country that could stop Sharon would be the United States. However, the United States "regards itself at war with parts of the Muslim world that have supported Osama bin Laden. America will not necessarily object to that world being taught a lesson—particularly if it could be as swift and brutal as the 1967 campaign; and also particularly if it does not disrupt the flow of oil for too long."

In an interview with *EIR*, Van Creveld elaborated on how Americans would back Sharon under certain conditions. "What if there is a massive new act of terrorism in America, another Twin Towers? Or what if we read some days from now, in the *New York Times*, that there was a vast Saudi plot, cooperating with bin Laden, for Sept. 11? Under such circumstances, the Americans . . . would certainly tolerate such a Sharon design."

*EIR* asked him about the possibility that Israel itself might engineer a giant act of terrorism in the United States. He responded: "Why should I be upset? . . . We got burned doing those kinds of things in the 1950s [referring to the "Lavon Affair," when Israeli agents were caught setting off bombs in Egypt against American installations, in order to get the Americans to move against the Nasser regime]. . . . If you go onto the Internet chat rooms here, you can read ordinary Israelis, regularly, suggesting that the Mossad deliberately commit a giant act of terrorism in the U.S., make sure the Arabs are blamed, and use the opportunity to make the Americans support whatever we do. These are crazy ideas, but you can read them on the Internet."

### **Armchair Speculation, or a Warning?**

The momentum of events in the Mideast and Washington confirms Van Creveld's ugly musings. Sharon's war plans parallel Washington's drive for a war on Iraq now being led by Deputy Secretary of Defense Paul Wolfowitz, Richard Perle, and the circles around Zbigniew Brzezinski. Their aim is not to build a 1990s-style anti-Iraq Arab and Western European coalition (which would be rewarded with a Madrid peace conference), but to launch a "Clash of Civilizations." As it stands now, no European country, let alone Arab nation, fully supports a war against Iraq, and none is expected to do so in the near future. Van Creveld told *EIR* that he sees a great deal of reticence to attack Iraq among elements of both the U.S. Establishment and the U.S. population. So,

why not let Sharon start a war now?

Sharon's war drive is getting its greatest support from among American Christian fundamentalists, who have threatened to wreck Republican prospects in November's mid-term elections if the Bush Administration pressures Sharon.

An Israeli historian expressed to *EIR* grave concern about the political strength of these layers. "I have been watching this matter of the Christian fundamentalists and Israel for some time. I was very struck today, by a report I heard on the radio, that 50 million conservative Christian Americans who back Israel, have been mobilizing to put pressure on George W. Bush to support Israel, and to resist the United Nations on the Jenin question. This, of course, is a very large number, but I treat it as credible." He added: "The work of Benjamin Netanyahu, who has been cultivating these Christian conservatives for a decade, is now paying off."

Bush is moving to consolidate his ties to the Christian right. He has named Jay Lefkowitz, director of the White House Domestic Policy Council, to be the administration's liaison to Congress and the evangelicals. Lefkowitz, a former law partner with former "Get Clinton" Independent Counsel Kenneth Starr, is a neo-conservative operative, known for his strong ties to the Christian right, and as being an ardent Zionist.

The Israeli historian expressed fear that the Bush Administration has been won over to Sharon's intent to kill Palestinian Authority President Arafat. "The basic premise of the Sharon government, is that the Palestinian Authority is a terrorist organization, and that Arafat is the arch-terrorist. The American Administration has been won over to that view, or at least Sharon is certainly convinced of that. So what I think will happen, is that Arafat will be released from his confinement in Ramallah, but then, there will be a major suicide bombing killing Israelis, and there will be a shoot-out, and in the shoot-out, Arafat will be killed."

Clearly a deal was struck between the White House and Israel, to let Arafat out of his Ramallah headquarters, in return for cancelling the UN investigative team which was to have probed whether Israel committed a massacre at Jenin. President Bush did not lift a finger to support the commission, in the face of Sharon's arrogant rejection of it. Rather, Bush rewarded him by inviting him to the White House, despite the fact he refused Bush's demand that Israel withdraw from Palestinian territories.

Meanwhile in Israel, a senior military source said, "Everyone is waiting for the next round of terrorist attacks" which will lead to another "Operation Defensive Shield."

### **The Israeli 'Wallenstein's Army'**

Van Creveld writes that after launching such a war, "Israel would stand triumphant as it did in 1948, 1956, 1967, and 1973." But on the ninth day, it would lose the war. Sharon is leading Israel to a suicide as certain as that of the pilots who flew the Boeing 757 airliners into the World Trade Center

and Pentagon on Sept. 11. Sharon might succeed in driving the Palestinians out of the West Bank, but a religious Thirty Years War would begin that would destroy Israel. Its arsenal of nuclear weapons would not save it.

Van Creveld's assessment of the Israeli Defense Forces' (IDF) military strength is, at best, based on memories of past victories. The brutal attack on the Jenin refugee camp has confirmed everything *EIR* reported about how Operation Defensive Shield was planned following the IDF studies of how the Nazis destroyed the Warsaw Ghetto. The latest operations have also exposed how the Israeli IDF has degenerated, from the world's fourth-largest and most powerful military establishment, into a "Wallenstein's Army" of mercenaries like those that ravaged Germany during the Thirty Years War.

Throughout the recent military operations, the IDF has engaged in widespread looting and vandalism. Unnamed IDF sources told the Israeli daily *Ha'aretz*, "There was indeed a wide-scale, ugly phenomenon of vandalism. . . . The infantry, both the conscripts and the reservists who accompanied the intelligence teams, understood that they were allowed—or indeed, expected—to destroy the property in the offices. The result was damage running into hundreds of thousands of dollars. Soldiers smashed computer monitors and destroyed keyboards. There were places in which bank branches were destroyed and automatic tellers were raided. In some cases, theft accompanied the vandalism. It was significant damage, widespread and totally illogical."

Commenting on Van Creveld's assertion that Israel would emerge victorious in eight days, one senior Israeli military source who took part in the 1973 war said, "Theoretically, eight days is possible, but from the performance of the IDF during Operation Defensive Shield such a war will be a disaster, not just for the Palestinians but for Israel as well." The source reported that although everyone is saying publicly that the operation was a great success, a closer look shows otherwise.

Israeli military commentator Reuven Pedatzur, in *Ha'aretz*, gave some insight into the IDF failures: "The military activity did not always excel at efficiency and professionalism. . . ? The IDF's explanation that not using the Air Force and artillery was the reason for what went wrong in Jenin, cannot hide the fact that the Army was forced to fight for more than ten days and pay a high price in human lives to take over a refugee camp where a few dozen fighters were hiding. The failure was inherent in faulty planning, improper



*Columbine High School, April 1999? No, this was done by the Israeli Defense Forces, to the Al-Nasr TV studios in Palestine. IDF sources told Ha'aretz, "There was indeed a widespread ugly phenomenon of vandalism. . . . The extent of the looting was much greater than could have been expected. This is an ugly and serious phenomenon."*

use of forces, and lack of foreseeing the results. If the decision was made to occupy a refugee camp, why do it after more than a week of fighting, thereby giving the Palestinians ample time to prepare for the battle. . . ? It makes no difference that the IDF managed to occupy the camp—in any case the battle will go down as the Stalingrad of the Palestinian nation. And that doesn't count the insensitivity and basic lack of understanding on the part of those who spent more than ten days preventing humanitarian aid from reaching the camp. So far, nobody has explained what made the IDF decide to prevent doctors from entering Jenin to treat the wounded and evacuate the corpses."

The IDF's incompetence went so far as failing to supply food for its own troops! "When the post-operation inquiries take place, another matter for investigation will be the scandalously unprepared reserve force. Why wasn't there food for the reservists? Why, more than a week after being drafted, did fighters have to make do, at the end of a day's combat, with candy from the Shekem canteen? If that's the level of logistical readiness in the Army, there's reason to worry." Soldiers reported that, in many cases, after a day of fighting, family members and friends came to the battlefield with food and refreshment, not the Army.

Pedatzur writes that far from destroying "terrorist infrastructure," the IDF "destroyed the civil infrastructures, like electricity, water, and computer systems, as well as the political leadership. Will that prevent terror in the future? The IDF answer came without hesitation; on the contrary, the motivation to harm Israelis and take revenge has only grown."

# Humanity Cannot Tolerate Killer Games

by Rainer Apel

The school massacre in Erfurt, Germany on April 26, has been a brutal wake-up call to Germans about the crisis of education and the loss of human values in today's liberalized society.

That Friday, when students of the Johannes Gutenberg School in Erfurt were studying for their final exams, a former student, 19-year-old Robert Steinhäuser, stormed into classrooms, firing into the heads of teachers, killing 13 of them. He also shot two students, a school secretary, and, after police arrived on the scene, a policeman. Confronted by a courageous teacher at the moment that he had to reload his pistol, Steinhäuser had a psychic collapse, allowing the teacher to push him into a nearby room, and lock him up. Steinhäuser then shot himself.

His weapons were a Glock 17 pistol, which can fire 17 shots from one magazine, and a pump-gun (which he did not use). He fired 40 shots from the pistol, and he had 500 more rounds of ammunition in reserve, which police found in a black bag Steinhäuser had left not far from where he shot himself. He had apparently prepared for a much larger massacre. But already, this one, with 17 victims, was the worst in Germany in the last five decades.

## A Killer-Game Obsession

As preliminary police investigations determined already the day after the massacre, it was not a wild, run-amok incident, but had been prepared systematically over nearly a year. Steinhäuser had engaged in intense target practice at an Erfurt gun club, but worse, his mind had been conditioned by his obsession with killer video/computer games, such as "Ninja," "Doom," and "Counterstrike" (produced by the notorious firm, Sierra Entertainment). When he carried out his massacre, he was dressed in black with a black mask, imitating the Ninja warriors found in such killer games. A police raid on Steinhäuser's room found many such killer video games, some downloaded from the Internet, on his personal computer. Steinhäuser also had plenty of hate comics, as well as hate-promoting heavy metal music. One of those heavy metal songs contains a phrase that says, "Kill your teacher with a pump-gun."

Where Steinhäuser had purchased his weapons, and whether the purchase was legal, based on a weapons permit issued by the Erfurt gun club, remained unanswered several days after the massacre.



*On April 26, German Chancellor Gerhard Schröder gave his first statement to the press following the Erfurt high school mass-murder. The debate in Germany over what to do, has been quite different than in the United States after the 1999 Columbine and other school killings.*

The release of these preliminary facts by the Erfurt police, instantly sparked a debate on the need for a total ban of such killer video/computer games. Unlike February 2000—when Helga Zepp-LaRouche, founder of the Schiller Institute and chairwoman of the BüSo (Civil Rights Solidarity Movement) party in Germany—first issued a call for such a ban—her re-issuing of that call in the wake of the Erfurt massacre has found the German public more open now to engage in such a debate. Conservative Chancellor candidate Edmund Stoiber has now called for Germany to ban these products.

Zepp-LaRouche put the call for a ban in the broader context of the education issue: She called for a return to an in-depth Classical education system that would educate the youth in a manner appropriate to human beings. Faced with mounting pressure from parents, teachers, youth experts, judges, and politicians from all parties, the government has begun to consider a ban on such killer games. The Chancellor and the governors of the 16 German states were scheduled to meet for a first "summit against violence," in Berlin, on May 2.

Three important points have been addressed in the debate so far, outside of the "task force against youth violence," which Zepp-LaRouche set up in February 2000:

1. In an interview with SFB radio on April 29, Uwe Wetter, vice president of the German Association of Psychologists, pointed out that the killer games are not at all "toys for the youth of today," but were designed to train policemen or military pilots in specific combat methods. This included training a person to overcome the psychological resistance to killing another human being. Whoever plays these games frequently, is exposed to the same effects as the policemen or

soldier who is trained by these games, Wetter said. This implies that a ban on such killer games must hit the designers and producers, to dry out that blood-curdling swamp.

2. In a radio interview with the Berlin Inforadio station on April 29, Elke Monssen-Engberding, director of the Federal Agency for the Protection of the Youth, said the crucial point is that the German Constitution (in its first two articles) recognizes the dignity of human beings and the integrity of the human body. Therefore, society simply cannot allow practices that openly violate those provisions. A ban on killer games is clearly mandated by the Constitution. Her agency banned “Doom” several years ago, and is expected to decide on a full ban of “Counterstrike” by mid-May.

3. Imposing an efficient ban, would have to include action against Internet providers that offer “users” (addicts, one should rather say) the downloading of such killer games, and the formation of virtual “teams” on special websites. German Minister of Family and Youth Affairs Christine Bergmann conceded, in an April 30 interview with the daily *Süddeutsche Zeitung*, that the kind of indexation and ban of killer games that the government is considering would, as far as the Internet is concerned, be “mandatory only for German providers.” Asked about American Internet providers, she said: “This is a problem. What we view as violence-glorifying here, the Americans view as freedom of speech, therefore they see no reason not to place that on the Internet.” If U.S. authorities

are not cooperative, German authorities would have to block U.S. providers from operating on German Internet territory—this is technically possible.

### ‘Modern Reforms’ of Education

One has to add a fourth point: Measures against youth violence must include longer-term initiatives that improve the moral standards among the population in general, including the parents. The gradual liberalization and degeneration of the German education system over the last 30 years of “modern reforms,” must be reversed. If access to the humanist works of Classical literature is blocked, if video/computer games and television programs continue to construct a virtual reality for the population, the battle for human values, for humanity, cannot be won. You cannot have a dialogue among people if their predominant interaction proceeds via computer-based, brutalized virtual realities.

The numerous teachers, parents, and education experts who have made this latter point in the wake of the Erfurt massacre, have so far not yet called for a return to the Humboldt system of Classical education which prevailed prior to the late 1960s. But the campaign that Zepp-LaRouche initiated for the revitalization of the Humboldt tradition, is certain to find supporters in Germany. This way, the nationwide shock about the Erfurt school massacre can yield something positive.

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# In the Wake of the Erfurt Tragedy: Return to Classical Education, Now!

by Helga Zepp-LaRouche

*Zepp-LaRouche is Chairman of the Bürgerrechtsbewegung Solidarität (Civil Rights Solidarity Movement), founder of the Schiller Institute, and a Direct Candidate for the German Federal Parliament (Bundestag) from the Berlin-Mitte District. She issued the following statement on April 28.*

All Germany has been shaken by the gruesome rampage of 19-year-old Robert Steinhäuser on April 26. His cold-blooded murder of 17 people has cast a spotlight on the fact that something in our society is completely out of kilter—indeed, something much more fundamental than this particular criminal act. The fact that Rainer Grube, the chief of police in Erfurt, announced that the police had found computer programs glorifying violence, along with videotapes featuring horror and violence, in the perpetrator’s home, shows what is really at stake here: on the one hand, the general moral state of our

country, and, on the other hand, the general acceptance of violence in our news and entertainment media.

On Feb. 20, 2000, at a conference of the Schiller Institute in Washington, I gave a presentation on the topic of “The New Violence,” in which I pointed out the indisputable connection between violence in the media—particularly in Nintendo video games—and the dramatic increase in violent criminal acts committed by young people. Long before the April 20, 1999 massacre at Columbine High School in Littleton [Colorado] was making headlines, the United States had been witnessing literally thousands of cases of violence, and even murder, in schools and in residential neighborhoods, all committed by children and teenagers. And in virtually every single instance, a direct connection was found between this juvenile violence and the repeated consumption of violence-glorifying films, such as “The Basketball Diaries” and “Natural Born

Killers,” or killer videos such as “Doom.” At that time, I called for an international campaign against these violent video games and films. I now renew that call.

It must be recognized that, originally, killer video games had been used by the U.S. military for the training of new recruits. The experience of World War II had shown that only approximately 15% of all soldiers had been prepared to shoot at the enemy with the intent to kill. By means of computer simulation, this natural inhibition threshold was to be lowered, so that soldiers could be molded into blind executors of orders, in keeping with Samuel Huntington’s idea of an imperial professional army.

## The Destruction of Education

These computer games have been used for many years in the United States, not only for the training of military and police personnel; they have also been used by commercial firms, for the “entertainment” of children, teenagers, and adults. In its training courses, the U.S. Marines used a version of “Doom”—precisely the same game which 14-year-old Michael Carneal had played in order to train himself to kill three girls in 1997 in Paducah, Kentucky, with accurate shots to the head, even though he had never handled a real weapon before that time. The murdered girls’ parents have sued the producers of those films and video games for \$130 million in damages.

After decades of being inundated with ever more perverse, violence-glorifying Hollywood films and interactive violent computer games, it should hardly come as a surprise that official German statistics now report that 175,000 teenagers are “violence-prone.” This is even less surprising, when one takes into account the public toleration of easy access to drugs in the schoolyard. Any society that permits all of this, shouldn’t be surprised when what it has created, strikes back.

The massacre at Erfurt was merely the detonation of something that has been building up for a long time. Its pre-history goes back to a 1963 report commissioned by the UN’s Organization for Economic Cooperation and Development, and authored by Dr. Alexander King, who was assigned to lay the groundwork for educational reform in the OECD nations, such as that carried out in Germany in 1970 under Chancellor Willy Brandt. In his report, Dr. King explained why the remaining hold-overs from the Humboldt educational system, which were still being taught in Germany, for example, had to be expunged from the curriculum. The “educational ballast” of 2,500 years of European history had to finally go, he argued, and instruction had to be re-oriented toward narrow pragmatic social requirements.

The outcome of this educational reform is well known, and the recent results of the 2000 Program for International Student Assessment (PISA) only highlight facts that have long been clear: One-quarter of all 15-year-olds are categorized as a “risk group,” whose knowledge of mathematics is insufficient to hold any job whatsoever. Forty-two percent have never read a book for pleasure. This result also means that many teenagers do not have even an inkling of Germany’s



*More than two years ago, Helga Zepp-LaRouche gave a February 2000 Schiller Institute conference in Washington a complete report and warning of the deadly mass-entertainment products designed and circulated to make children more frequent, and efficient, killers. She is in the midst of Germany’s national debate now over these wares of death, and the decline of the nation’s educational system.*

Classical tradition, and that they cannot even recognize the names Lessing, Mendelssohn, Schiller, Heine, or Mörike—and the list could go on and on.

The Humboldt educational system was concerned not so much with the concrete content of education, as with the formation of the student’s character, and with the achievement of beauty of character as the aim of all educational activity. And now that this goal has been so long neglected, with the schools no longer offering a Classical humanistic education: Where are our children and young people to find personal values in a society which is otherwise completely obsessed by mindless “pleasures,” and whose adult population’s predominant mind-set is rife with boundless egotism and Social Darwinism?

We shall not overcome Germany’s profound crisis, unless and until we immediately find our way back to Classical humanistic values. We need a curriculum that is oriented toward [Wilhelm] von Humboldt’s idea of the perfecting of the individual—a curriculum which will assist in developing all of the student’s innate capacities, and which will, at the same time, educate the student into a citizen who has a deep concern for fostering the General Welfare.

If we want to prevent a repetition of tragedies such as has just occurred in Erfurt, we need to return immediately to a humanistic educational policy. If you help to elect us, the BüSo, to the Bundestag, one of our very first agenda items will to put that demand into action. Help our campaign!



# In Alexander Lebed, Russia Has Lost a Potential National Leader

by Jonathan Tennenbaum

General Alexander Lebed, 52, Governor of Krasnoyarsk Territory in Siberia and famous as a former military leader, Presidential candidate, and national political figure, was killed in a helicopter crash on the morning of April 28. Thereby, Russia lost one of the few prominent personalities who, amidst widespread disillusionment and cynicism in politics, had maintained a reputation of integrity, courage, and independence, and might conceivably have played a role in the political future of the country.

Whatever his limitations, the portrayal of Lebed in the Western press as merely “tough-talking,” or even “extremist,” is not accurate. Lebed was consciously inspired by the life of France’s Charles de Gaulle—a military man who, under special circumstances, was called upon to provide political leadership to his nation in a time of crisis. Above all, Lebed hated the destruction of war—which he had witnessed in the Soviet military campaign in Afghanistan, and strongly opposed in Chechnya—and often spoke of his longing for real economic reconstruction and improvement in the Russian people’s lives.

## Opponent of Chechen War

After early military training, Lebed served from 1981-82 as battalion commander in Afghanistan. In 1982 he entered the elite Frunze Military Academy, graduating with honors in 1985 and going on to command the Kostroma, Pskov, and Tula Airborne Divisions in succession. He was elevated to the rank of major general in 1990, and in the same year was elected to the Central Committee of the newly constituted Communist Party of the Russian Federation. Lebed was credited with preventing bloodshed during the August 1991 coup attempt, when he was overall deputy commander of the Russian Airborne troops. After becoming commander of the Russian 14th Army, he was deeply involved in the events connected with the Transdniester Republic (in Moldova).

In December 1994, Lebed publicly denounced the sending of Russian military forces into Chechnya, calling this an act of “nonsense and stupidity” and declaring that “under no circumstances” would he agree to having the 14th Army fight in Chechnya. Later, he played an important role in organizing the end of the first Chechen war, culminating with his personal

signing of the Khasyavurt Peace Agreement in July 1996.

Meanwhile Lebed, who had early separated himself from the Communist Party, entered national politics directly. After resigning from the 14th Army in June 1995, Lebed joined the Congress of Russian Communities (KRO), headed by former chairman of the Russian National Security Council Yuri Skokov. He was elected to the State Duma (lower house of parliament) in December of that year (representing Tula), and then was chosen to become the KRO’s Presidential candidate for the January 1996 elections.

The KRO electoral troika of Lebed, Skokov, and the brilliant young economist Sergei Glazyev, promised to end the wholesale looting of Russia, which was being carried out by the notorious “family” around President Yeltsin, and to rebuild the country. Unfortunately, in the highly manipulated Presidential election, Lebed won only the third place, with 14.7% of the vote.

Starting June 1996, Lebed served for a short time as Secretary of the Russian National Security Council, during which time he negotiated the Chechnya peace—only to be fired by Yeltsin in October of that year, in favor of a team led by the notorious Boris Berezovsky.

Lebed and his entourage were heavily courted by people in International Republican Institute circles in the United States, as a prospective strongman who would impose liberal monetarism and harsh austerity on Russia. The general should forget de Gaulle and imitate Chile’s Gen. Augusto Pinochet, these propagandists crowed. Lebed, however, moved on to a job in the Russian interior. In May 1998, he was elected Governor of Krasnoyarsk, a huge territory in central Siberia, which is home to major hydroelectric facilities, most of Russia’s aluminum industry, and the metals complex at Norilsk above the Arctic Circle.

Lebed’s time as Governor of Krasnoyarsk, now ended by his sudden death, was not easy, and marked by constant fights with the criminal organizations that are deeply involved in the region’s economic structures. Although the helicopter accident occurred under poor weather and has preliminarily been declared an accident, some circumstances—and also some Russian intelligence experts—have pointed to the possible role of foul play. An official commission is investigating.



*Former head of Russia's National Security Council and Presidential candidate, Krasnoyarsk Gov. Alexander Lebed, was killed in a helicopter accident on April 28. Here Lebed meets with President Vladimir Putin on March 22.*

## Implications for Russia Today

Commenting on Lebed's death in an April 29 interview with the popular Russian radio station Ekho Moskvyy, Duma member Glazyev called Lebed's death "a great loss for Russia," praising the general as a person who had the courage to take responsibility for his actions. "I understand that not everybody likes the Khasyavurt agreements [on Chechnya], but if Lebed had not been removed from the post of Secretary of the Security Council, most likely it would have been possible to avoid the second Chechen war."

Glazyev worked closely with Lebed in 1995-96, on the KRO slate and then at the Security Council when Lebed headed it. He reflected on the lost opportunities of the 1990s, and on Russia's need for higher-quality leaders now. Glazyev's remarks contained a significant, implicit critique of the recent performance of Russian President Vladimir Putin, whose annual State of the Nation speech on April 12, with its empty appeals for "increasing market competition," disappointed many people in the country after the disastrous "free-market years" of the 1990s.

Referring to his work with Lebed at the Security Council in 1996, Glazyev stressed that they developed "criteria for national economic security," which are still applicable today. These measures centered on "the ability of the country to develop independently, in the interest of its citizens, regardless of foreign economic fluctuations or conjunctural trade considerations."

"We worked out a list of economic security criteria and officially adopted them," Glazyev recalled, "and the minute it became clear that not a single one of the policies being implemented corresponded to the national interest, far-reach-

ing conclusions began to arise. This aspect of our work really upset the Kremlin, and Lebed, in effect, pushed it through, circumventing the Kremlin staff and the government of that time, because—then, as now—the people shaping the country's economic policy reacted very nervously against any attempt to introduce objective criteria for assessing their work. . . . Beyond that, a whole program of stabilization measures was drafted, for a transition to an economic growth policy, and a new National Security Doctrine was adopted. All of this was done in the short period, when Lebed was the Secretary, literally in half a year."

## 'Oligarchs' Feared Lebed

Why was Lebed kicked out? Glazyev was asked. Because, "what he was doing personally threatened the people who were actually running national economic

and financial policy. [Prime Minister and "oligarch" Viktor] Chernomyrdin, first of all, and the group that was actually controlling the government—I mean Chubais, et al. These people feared Lebed, because he, using his authority in the eyes of the public, the support of millions of people—and Yeltsin had to take this into account—was not afraid to pose controversial questions and demand accountability."

As to whether Lebed would have been able to run for President again, Glazyev believes "that Lebed was, to the very last moment, what could be called a certain historical chance for the country. In the sense that we need today, and I think we shall need in the foreseeable future, a head of state who acts and assumes responsibility, who takes decisions, and is not afraid of getting into a conflict with those who hold power in this world, and to stand up for the people. . . . I believe that the sympathies of the population would have been on his side, especially during crises. . . . If nothing were to change, and we continued to lose \$30-40 billion per year in illegal capital flight, and the budget remained in crisis, . . . and we bore the other burdens of an unsatisfactory economic policy, which are imposed on the population's shoulders, then this would evoke expectations in the country for the appearance of a popular hero, who would be able to restore justice and provide a policy in the interests of society. I think that sympathies would have been on the side of Alexander Lebed."

In response to a caller's question about whether the crash were suspicious, Glazyev said that he would not like to preempt the official investigation, but he agreed that Lebed had many enemies, not only among Krasnoyarsk criminal circles, mentioned by the caller, but also "in the upper echelons of power."

# Venezuela's Chávez: London's Jacobin Project

Venezuela's turbulent days of April 11-12—when President Hugo Chávez was overthrown, then returned to power 48 hours later—have been presented in most international media as a case of a rebellious “David” standing up to the U.S. “Goliath.” Although there is strong evidence that elements of the U.S. government were involved in the coup, and were decisive in hijacking that coup in the direction of an Mont Pelerinite, Pinochet-style putsch, Chávez is *not* the innocent victim and Third World nationalist he pretends to be.

Hugo Chávez is, in fact, a London and Wall Street political project, whose agents have molded him and his Jacobin movement into a battering ram against the sovereign nation-states of Ibero-America. Chávez is a strategic ally of the Revolutionary Armed Forces of Colombia (FARC), the world's number-one cocaine cartel. His reorganization of Venezuela's institutions is modeled explicitly on the Nazi precedent of the 1930s. And he is implementing International Monetary Fund (IMF) and Wall Street economic policies in Venezuela, as fast as his mouth spews out rhetoric that claims the opposite.

The failed coup and counter-coup, with its heavy dose of utter incompetence and strategic lunacy coming from Washington, may have momentarily strengthened Chávez's international image. But inside Venezuela, his support is paper thin. His narco-terrorist alliances, dictatorial rule, deployment of shocktroops against the opposition, and the dramatic economic decline which has accelerated under his administration, have all severely eroded his control over the polarized country. More political violence may well be on the agenda.

We present here a summary of who and what Chávez really is, as *EIR* has reported this over several years.

## I. A London Project

From the moment Lt. Col. Hugo Chávez emerged from jail in 1994, after his failed coup of 1992, the British government went out of its way to groom him, both as a potential



President Hugo Chávez

President of Venezuela, and as the new Robespierre of an Ibero-American-wide Jacobin revolution.

- On March 12, 1994, the Venezuelan daily *El Nacional* reported that Chávez, just out of prison, had been seen dining at a deluxe Caracas restaurant with the political counselor of the British Embassy, Paul Webster Hare.

- In late March 1994, Chávez told a Buenos Aires press conference that British Ambassador John Flynn had been organizing a visit to London for him, which was “sabotaged” by then-Venezuelan President Rafael Caldera.

- In May 1998, Chávez finally got his visit to London, where “my friend John Wilkinson,” the British Ambassador to Venezuela, introduced him to all the “right people,” including officials of the Blair government, members of Parliament, a gathering at Oxford University, and, of course, the president of British Petroleum.

- On Sept. 28, 1998, a few months before his December election to the Presidency, Chávez gave an interview to Venezuela's *El Universal*, in which he proclaimed: “Over the last few years, I have been revising my positions, and I am very close to the thesis of British Prime Minister Tony Blair, when he speaks of the Third Way. . . . I adhere to it.”

- One month later, British Ambassador Wilkinson told a select meeting of British and Venezuelan businessmen in Caracas, that Chávez's “popularity and his legitimacy . . . [are] indispensable conditions for the hard measures which the next President must adopt.”

- In the months following his election, Chávez was repeatedly praised in the British media and by British government circles for the “excellent opportunities” his administration has provided to British companies.

- During the April 11-12, 2002 coup attempt against the Chávez administration, Denis MacShane, head of the British Foreign Office's Latin American department, was quick to demand “an immediate return to democratic rule.” MacShane threatened that “any delay to this process will be unacceptable to the international community.”

## II. Narco-Terrorist Alliances

Chávez's election to the Venezuelan Presidency represented a key advance in the consolidation of the narco-terrorist apparatus launched in 1990 by Cuba's Communist Party, under the umbrella of the São Paulo Forum. With its activist Chávez now a head of state, the Forum readied itself to seize leadership over millions of desperate Ibero-Americans at the moment of a global financial crash—much as British bankers deployed the Jacobins to control the French Revolution.

The pivot of the continental operation was the drug-running FARC. Immediately after his inauguration, Chávez offered to “mediate” Colombian government peace talks with the FARC, declaring that Venezuela “is neutral. We aren't in favor of either side.” Chávez's equating the FARC with the Colombian government caused a furor in Colombia, since it

de facto granted the FARC full “belligerency” status under international law.

In October 2001, Chávez went to France to intercede on behalf of the “human rights” of notorious international terrorist Carlos “The Jackal” Ramírez, who is Venezuelan by birth. Chávez told a press conference that it was not for him to determine whether Colombia’s FARC and ELN are “freedom fighters, or terrorists.” FARC spokesman “Simón Trinidad” gave an interview the same month, saying: “Anyone who fights U.S. imperialism as the first enemy of the peoples of the world, which is the premise of Bolivarian thought, has our support, our sympathy, and we wish to work with him. . . . We have no points of difference with Chávez.”

On this point, Chávez put his money where his mouth was, allowing unimpeded actions by the FARC/ELN on the Venezuelan side of the border with Colombia. Cattle-rustling, murders, arms- and drug-running, and kidnappings have led to denunciations by both Venezuelan and Colombian military officers, of Chávez’s complicity with the FARC. As recently as January, the Chávez government—and, in particular, Interior Minister Ramón Rodríguez Chacín—were accused of collaborating with the narco-terrorists. Venezuelan journalists released a video provided by dissident Venezuelan military officers, showing high-level Chavista military figures meeting with FARC commanders inside Colombian territory, without the knowledge of the Colombian government. Rodríguez Chacín, a shadowy figure in military intelligence until his nomination to the Interior Ministry post, had in fact served as Chávez’s covert liaison to the FARC for years.

Chávez’s alliance with the FARC is so open that the Colombian daily *El Tiempo* editorialized on April 8: “There is an unmistakable affinity of the Venezuelan head of state for the FARC.”

### III. Following the Nazi Model in Law

Immediately after his March 1999 inauguration, Chávez demanded that Congress hold a nationwide referendum to convoke a Constituent Assembly, or face rule by decree. On April 11, 1999, Chávez described all the branches of government as “damaged, worm-eaten,” and without “legitimate and moral authority,” and promised that his Constituent Assembly would have “originating,” or absolute power, including the power to dissolve branches of government. In July, after overriding all legal objections, Chávez’s Assembly was seated. Of 131 members, 127 were personally designated by Chávez.

From beginning to end, the Constituent Assembly was inspired by Carl Schmitt, known in the 1930s as “the Crown Jurist of the Third Reich.” Schmitt had used precisely the same argument of “the originating power” to justify Hitler’s coup, claiming that “charismatic leadership” was necessary for “the People” to defeat “the Bureaucracy.”

Chávez’s closest advisers have publicly cited Schmitt’s

legal theories as the foundation of their new “Bolivarian” revolution. One of Chávez’s earliest financiers, banker Ignacio Quintana, quoted Schmitt in defense of a Constituent Assembly that would uphold “the interests of the people” versus “a political and ideological superstructure” represented by political parties. Jurist Ricardo Combellas, a Chávez legal adviser in 1999, wrote that the Constituent Assembly must “rank above the established powers, which cannot obstruct its activity,” and quoted Schmitt that it is “the power which embraces all other powers.” Neither mentioned Schmitt’s relationship to Hitler’s Nazi regime.

Drawing on Schmitt’s legal theories as justification for usurping constitutional order, Chávez proceeded to:

- Destroy the nation’s political parties;
- Impose his own choices for Supreme Court magistrates, Prosecutor General, Comptroller General, People’s Defender, and electoral board;
- Eliminate “undesirable” governors in various states of the republic; and, most significantly,
- Forge a paramilitary force of enraged elements into “Bolivarian Circles,” to silence any and all opposition. Evoking the rule of *vox populi* in the Jacobin fashion, Chávez has proclaimed: “The voice of the people is the voice of God. . . . Chávez is the people and the people cannot be stopped.”

It is estimated that there are as many as 30,000 members of the Bolivarian Circles nationwide, many of them reportedly trained in weapons handling and insurgency tactics by the FARC.

### IV. Chávez Implements IMF Policy

During his first 100 days in office, Chávez made it clear that he has no intention of reversing the globalist economic policies of the Carlos Andrés Pérez government. He pledged: no exchange controls, no price controls, no protectionist measures of any sort. He kept his predecessor’s Finance Minister in her post, promised that foreign debts would be paid, and announced that he would keep the IMF oversight program, known as the “shadow program,” in place.

Thus, by 2000, more than 86% of the total population was officially considered below the poverty line, with only 14% of the population reporting an income of more than \$750 a month, the cost of the basic market basket of food and services. Drastic restriction of public investment—as part of Chávez’s famed “reduction of the state”—had a domino effect across the economy, driving up unemployment to an unofficial 21% or higher, and reducing consumption. For the fiscal year ended June 30, 2000, almost one-quarter of Venezuela’s small businesses had shut down.

Chávez has kept up an unrelenting assault on the Venezuelan Labor Federation (CTV), describing its leadership as corrupt pigs who will “meet their Saturday” (a reference to the custom of Saturday barbecues in Venezuela). He has proposed to eliminate the CTV and replace it with a “Bolivarian Labor Force” under his direct oversight.

# U.S. Arrogance Behind Ouster of UN's Bustani

by Silvia Palacios and Lorenzo Carrasco

The summary dismissal on April 22 of Brazilian Ambassador José Mauricio Bustani as Director General of the United Nations Organization for the Prohibition of Chemical Weapons (OPCW), displays the diplomatic stupidity of a Washington obsessed with launching a military attack against Iraq as soon as possible.

Since 1998, Bustani had been engaged in a diplomatic initiative to convince Iraq to join the OPCW. Since membership in the multilateral body requires acceptance of international inspectors, Iraqi membership would remove the pretext sought by the United States to justify a military attack. This, therefore, provoked the ire of the neo-conservative faction within the U.S. State Department. The seriousness and independence with which Bustani carried out his job had earned him unanimous re-election as head of the agency less than a year ago, with personal congratulations from Secretary of State Colin Powell. Through his personal effort, Bustani increased the number of countries accepting membership in OPCW from 87 to 145, including Iran and Sudan—the latter the victim of a U.S. military attack in 1998 against an alleged chemical weapons installation (which turned out to be a pharmaceuticals factory).

The U.S. official responsible for orchestrating Bustani's ouster on fabricated charges of "administrative mismanagement," was John Bolton, Undersecretary of State for Arms Control and International Security Matters. Bolton was Assistant Secretary of State for International Organizations in George H.W. Bush's administration—a key post in orchestrating U.S. interests at the United Nations during the 1991 Gulf War. Bolton is a member of the American Enterprise Institute, and his career has been zealously nurtured by Sen. Jesse Helms (R-N.C.).

In an April 7 interview with the Brazilian daily *Folha de São Paulo*, Bustani described Bolton's confrontation with him. On March 1, Bolton appeared in his office in The Hague, the Netherlands, after travelling all night from Washington: "We want you to resign tomorrow, before the meeting with the Executive Council of the organization." Bustani replied: "It is obvious that you don't know me. I see no reason to resign." Bolton: "So be it. We are going to prevail, regardless."

After Bolton's threats had been fulfilled, Bustani commented on the arrogant attitude of the Bush government, in an interview in the May 1 issue of *Veja* magazine: "Unfortu-

nately, this is one of the forms of thinking which prevails in Washington. The world cannot be made this way. . . . It is impossible to impose the will of one country upon the rest of the world. The great empires ended up being destroyed because of this."

## 'Supremacism' in Washington

Despite the State Department's attempts to smooth over relations with Brazil around the Bustani case, the wounds are still open. The case is not seen as isolated from Washington's diplomatic chaos, especially toward the Western Hemisphere. The operation against Bustani occurred parallel to the putsch which tried to overthrow the mentally unbalanced Venezuelan President Hugo Chávez in early April, and U.S. complicity with the fascist actions of Israeli Prime Minister Ariel Sharon's regime against the the Palestinian people. The influential, usually pro-American newspaper *O Estado de São Paulo* editorialized on April 21: "Even the reluctance to work to put an end to the Middle East conflict reflects an assumed attitude, which seeks to be compatible with the dominant view of what American interests are in the region, in this case, the automatic alignment with Israel. In reality, the American superpower acts in coherence with the arrogant worldview of the neo-conservatives in power in Washington, the policy of what could be called 'supremacism.'

"We are dealing with the affirmation of an imperial-style hegemony, however disagreeable that may be to some," the editorial continued. "For the Republican establishment, for example, the criticism of the role played by the United States in the Venezuelan crisis is of little importance. . . . The planned ouster of Brazilian diplomat José Bustani is also supremacism. The United States accused him of partiality. But it is because he was not a 'yes-man' that the Americans orchestrated his overthrow. . . . Then, the Americans ask why they are so little loved in the world."

Another message from the Brazilian establishment was delivered by journalist Miriam Leitão—known as an unofficial spokesman of the Presidential Palace—in her *O Globo* column of April 28. She criticized U.S. policy, saying that "so far, the region has been either relegated to oblivion, or handed over to the logic of the anti-Castro Cubans, who hold various key posts. As if this vast region, with its potentials, differences, and dilemmas, were merely the island which for 40 years has been the stone in the U.S. government's shoe. . . . In the case of Bustani, the Americans had to do their dirty work right to the end. They had to be explicit in their authoritarianism. . . . Brazil wants to look forward, but it is doubtful that it will be possible to have a more tranquil relationship with the United States of George W. Bush, which has surpassed itself in its ability to create problems."

By anti-Castro Cubans, Leitão was referring to Otto Reich and Lino Gutiérrez, the two leading officials in the State Department, both Iran-Contra veterans, who participated in the machinations for the Venezuelan coup.

## LaRouche Tells Webcast How Mideast Peace Can Be Won

by Marla Minnicino

“The Middle East crisis is not a crisis of the Middle East; nor was it created in the Middle East; nor [by] protagonists in the Middle East,” Democratic Presidential pre-candidate Lyndon LaRouche told an audience of 200 people gathered in Washington, D.C., 50 more in New York City, and thousands more listening over the Internet to his live webcast on May 1. “This is a world crisis, which, for various strategic reasons, has exploded in the Middle East, threatens to spread out throughout that region, and threatens, under present circumstances, to bring an end, for generations to come, to civilization, worldwide, as we have known it. No crisis, including the wars of the last century, was as severe and dangerous to civilization as what you’re seeing *reflected* in the Middle East crisis, today.”

But peace is possible, LaRouche concluded, during a 75-minute *tour de force* and two and a half hours of dialogue—the key is the economic solution for which he has spent 25 years organizing, a solution which is in the interest of the United States, Europe, Israel, the Arab nations, and the rest of the globe.

### Empire Idea Brings Clash of Civilizations

The candidate emphasized the problem that the United States doesn’t have a President who understands U.S. interests, but, he said, a political environment can be created based on the best aspects of the American System intellectual tradition which LaRouche represents today. The purpose of the American republic was not to dominate the world, but to create a community of principle among sovereign nation-states, as that idea was spelled out by John Quincy Adams. In the political environment LaRouche aims to create, even a President George W. Bush may take the necessary actions.

With broad historic sweep, LaRouche focussed on why

the Middle East has been a flashpoint for what are actually global instabilities. He began by outlining what has happened to the United States, beginning with the death of Franklin D. Roosevelt, to bring the utopian military faction around Henry Kissinger, Zbigniew Brzezinski, Samuel P. Huntington, et al. into power. This grouping has an objective of “perpetual war,” as part of their scheme for an Anglo-American world empire. It is the mortal enemy of the American Intellectual Tradition, which prioritizes concern for the general welfare of nations. No President has acted against this “imperial” policy cabal since 1964, with the brief exception of President Ronald Reagan’s adoption of the Strategic Defense Initiative.



*Lyndon LaRouche, at his May 1 Washington international webcast, uses economic collapse-function charts to portray the underlying cause of the global crisis which is acting on the protagonists in the Middle East conflagration.*

In the case of the Middle East, LaRouche insisted, “If the President of the United States would find the gumption and the wisdom to intervene in the Middle East, *this horror-show would stop immediately*. Not because the United States has the physical power to suppress what [Israeli Prime Minister Ariel] Sharon is doing, but because if the United States took that position, then the nations of Europe who want that result, would rally to, and cooperate with the United States; other parts of the world would rally to and cooperate with the United States; and the entire world, or most of it, would, as if with one crushing blow, *stop this murder in the Middle East now*, and bring about peace.”

As an example of how this has been done before, LaRouche referred to the positive example of President Eisenhower, who understood the American military tradition sufficiently to be willing to clamp down on Britain, Israel, and France during the Suez crisis.

### To Stop a ‘Horror-Show’

LaRouche named the underlying source of the moral and political problem, as the world economic breakdown, involving the shift of the U.S. economy to a parasitical “consumer” society. He linked this with the degeneration represented by the spreading of the video-game “killer entertainment” phenomenon, which is creating a generation of potential killers like the schoolyard killer in Erfurt, Germany.

The Washington audience reacted strongly to a quick visual comparison of the Nazi crimes against the Jews of the

Warsaw Ghetto in 1943, and the IDF crimes on the West Bank, using graphic slides. LaRouche stressed that the United States was tolerating this, *not* because of the so-called Zionist Lobby, but because the same Anglo-American group behind the Clash of Civilizations faction here, controls the Sharon grouping in Israel.

To stop this “horror-show,” LaRouche said, “why don’t we work on the problem of trying to create around [Bush] an environment where it is communicated to him, that the United States does have an interest—he may not fully understand it, but make it clear to him what that interest is—the way it was clear, in a sense, to Eisenhower, the way it was clear to Johnson, in terms of the civil rights legislation. That something has to be done, because it’s in the interests of the United States.”

In the dialogue after his presentation, LaRouche took questions from the live audience—comprised of diplomats from more than a dozen countries, political officials and activists, students, and journalists—and written and phoned-in questions from the United States and abroad. Questions came from Egypt, Mexico, Canada, Australia, Russia, and many parts of the United States, from activists, policymakers, and ordinary citizens. Dozens more questions were received for LaRouche to review and answer later. In each answer, he pressed the issue of recognizing the truth and acting on it. In response to one, he said “just give me ten good men” who can have an impact on policy, to stand with me on these ideas, and we can win.

## Peace Plan Requires Water, Reconstruction

*Here is an excerpt from LaRouche’s speech:*

Now, how is peace possible? Implicitly, it should be obvious. We have the power in the United States—and Europe is prepared to join the United States in such an effort, I can assure you; most of Europe, Italy, most of Germany, so forth, are willing to support the United States in such an effort—to say that we are going to bring an economic basis for durability of peace in the Middle East. That we’re going to do what was proposed earlier: two states, equally sovereign, side-by-side, living together in peace. Why? Because, first of all, you’ve got to provide the water, so that they can all have something to drink, to live; and there isn’t enough water. Some of the big impetus for war in the Middle East comes from a shortage of water in the aquifers. We’re capable of generating large-scale, efficient desalination programs which can produce water economically, for drinking and other human purposes. We can overcome

the water crisis of the Middle East.

The Middle East is, because of its position—as a point of traffic of Africa, through Eurasia, a crucial point of transport from the Mediterranean into the Indian Ocean—is an ideal place for the development of industries which are on the line of transportation. You can take the Sinai, you could take whole parts of the Middle East, and you could develop them as areas of industrial and related development. Very relevant, to the relationship not only to Africa, in general, but to the relationship of Europe as a producer of high-technology goods, into areas of Asia which desperately need infusions of high-technology goods. So there is no basis in either the interests of the people involved, or in the interests of Europe or the United States or Asia, to have this war go on. . . .

The purpose of war is not to kill; not justified war. The purpose is to bring about peace in the quickest possible way, for the most people. You want to bring about peace? We have the power to bring about peace in the Middle East, because we have not only the capability ourselves, but we have friends in Europe and elsewhere who would enthusiastically join with us in any program of reconstruction of the entire Middle East region.

## Negotiators Reach Agreement on Farm Bill

On April 26, leaders of a House and Senate conference committee announced that they had reached agreement on a compromise farm bill that expands crop subsidies by some \$50 billion over ten years, once again makes legal immigrants eligible for food stamps, increases price supports for some crops, and sets up a national dairy support program.

The bill replaces the 1996 Freedom to Farm bill, which was crafted by the neo-conservative Republicans to put farmers under the yoke of the “free market.” The result was that prices collapsed, and every year since, Congress has had to pass rescue packages of several billion dollars in order to prop up the collapsing rural economy.

Senate Agriculture Committee Chairman Tom Harkin (D-Iowa) said that one of the negotiators’ goals was that “we had to have a better safety net” for farmers, a reference to the 1996 bill, which dismantled the safety net. Harkin also cited other provisions, including a strengthening of conservation programs by about \$1.7 billion per year, “strong provisions for rural economic development,” promotion of ethanol production, and strengthening of nutrition programs.

One of the bones of contention was the placement of limits on crop subsidies and on assistance to farmers and livestock producers under the Environmental Quality Incentives Program. The negotiators agreed to a \$450,000 limit on the environmental program, and \$360,000 on subsidy payments, which is down from the current \$460,000. Harkin defended the limits. “We’ve agreed we’re going to make the system transparent so that we know, down the road, who gets what,” he said.

The reaction of the Bush Administration to the compromise was optimistic but noncommittal. On April 26, Agriculture Secretary Ann Veneman said that the administration was “encouraged,” and that “many objectionable provisions have been eliminated.” She indicated that the administration would be “examining more closely” the provisions of the bill to ensure that the agreement “adheres to the intent and spirit of the Congressional Budget Resolution.”

## INS May Be Split Into Two Agencies

On April 25, the House voted 405 to 9 to replace the Immigration and Naturalization Service (INS) with two new agencies, one dedicated to immigration law enforcement, and the other that would provide benefits and services to legal immigrants. The bill would establish an Associate Attorney General for Immigration Affairs, who would oversee the two agencies and coordinate a national immigration policy.

While INS reform efforts have been around for a number of years, the current effort was catalyzed by the Sept. 11 attacks and by the subsequent bad press received by the agency—especially the granting of a student visa to alleged Sept. 11 hijacker Mohammed Atta, long before those events took place. House Judiciary Committee Chairman James Sensenbrenner (R-Wisc.) said that the INS “has long been considered the undesirable and unwanted stepchild of the Justice Department.” He described the INS as a threat to national security, because of the 8 million illegal immigrants living in the United States and the 300,000 people who have been ordered de-

ported and of whom “the INS does not have the slightest idea where they are.” Sensenbrenner also pointed to the INS backlog of some 5 million applications and petitions at the end of fiscal year 2001, to illustrate his point that the agency is not able to provide the services to legal immigrants that the law requires.

The bill has critics. Mel Watt (D-N.C.) questioned splitting the INS into two parts. He warned that “what you are going to end up with is two inefficient agencies.” Zoe Lofgren (D-Calif.) said that the bill does not deal with management issues. “We need to clean house in the management ranks,” she said, but “we have not in this bill given the tools necessary” to do that.

## Soros Outlook Offered at Senate Hearing on Colombia

On April 24, the Senate Western Hemisphere subcommittee, chaired by Chris Dodd (D-Conn.), held a hearing on the future of U.S. policy in Colombia. In his opening remarks, Dodd expressed interest in the Bush Administration’s policy in Colombia, especially the changes in authorities it is asking for. He said that while he was open to policy changes, “I want to know with more specificity what those changes are and how they’re going to make things better.”

Undersecretary of State for Political Affairs Marc Grossman told Dodd that the Bush Administration is seeking more flexibility for Colombia to use U.S. aid to fight terrorism and drug trafficking. He specified that the administration is not seeking to remove human rights conditionalities imposed on Colombia’s use of that aid by Congress. “Human rights concerns remain or must be a central element in our Co-



Colombia policy,” he said. The acting commander of the U.S. Southern Command, Maj. Gen. Gary Speer, said that the Colombian Army has been performing very well, especially since the operation to retake the Revolutionary Armed Forces of Colombia (FARC) demilitarized zone began on Feb. 20, but they are woefully short of resources to defend the entire country.

Also testifying were Mark Schneider, a senior vice president of the International Crisis Group, and José Miguel Vivanco, executive director of Human Rights Watch Americas. Billionaire speculator George Soros, who advocates drug legalization, is a leading participant in and funder of both organizations. Both Schneider and Vivanco seemed to be more concerned about the right-wing paramilitaries and human rights abuses by the Colombian Army than about the destruction being wreaked on the country by the narco-terrorist FARC. Schneider said that he agreed that the use of U.S. aid should be expanded to include combating terrorism, but “only after the Colombian military makes significant progress in ensuring accountability for human rights violations.”

## Corporate Accountability Gets House Backing

On April 24, the House voted 334 to 90 for a bill to impose greater regulation on corporate officers and auditing and accounting firms. The bill, the Corporate and Auditing Accountability, Responsibility and Transparency Act, is based on ten proposals issued by President George Bush on March 7, on how to provide better information for investors, hold corporate officers accountable for company financial statements, and develop a stronger, more independent audit

system.

The bill was a response to Enron, its auditor Arthur Andersen, and Enron’s associated partners. Financial Services Committee Chairman Michael Oxley (R-Ohio), referring to the bankruptcies of Enron and the telecommunications firm Global Crossing, said, “We must act for our nation’s investors, retirees, and employees of publicly traded companies.”

Opponents of the bill said that it was too vague and did not give the Securities and Exchange Commission enough direction. Paul Kanjorski (D-Pa.) said that the bill responded to the problems exposed by the Enron collapse “in a largely illusory and superficial way,” and that its language “is simply too vague to ensure that essential standards for effective oversight will be met.” He said that “Congress should not shirk its responsibility by delegating these urgent problems to the Secretary or shunting them off to the oblivion of bureaucratic studies.”

The bill does not take up the system, created in large part by Congress, that allowed Enron’s practices to flourish. Nor does it tackle the fraud of the “new economy,” which placed a high premium on share values and looting of productive activities for the benefit of shareholders at the expense of the general welfare.

## Hollings Invokes Hamilton Against Free Trade

On April 26, the Senate began debate on the Andean Trade Preference Act, which includes trade promotion authority legislation, trade adjustment legislation, and an extension of the Generalized System of Preferences. The Senate invoked cloture on April 29 by a vote of 69 to 21. While most of

the debate has been focussed on either the pro-free trade propaganda typical of the GOP, or on the need to protect the benefits of workers who lose their jobs as a result of free trade, of the Democratic leadership, Ernest Hollings (D-S.C.) blasted free trade as being the opposite of what built the United States.

On April 29, Hollings said that the process in the Senate is rigged in favor of the pro-free traders. He said it was an “easy fix” in the Senate, because a measure can be withheld until there are 60 votes for cloture, under which debate is limited and amendments can be limited. “And since the Senators know the debate is limited and the vote is fixed, no one listens.”

Hollings described how “we are exporting jobs faster than we can create them,” with emphasis on his efforts to protect the textile industry of his home state. He said that free trade is a British dogma, and that the first U.S. Treasury Secretary Alexander Hamilton wrote a little book called *A Report on Manufactures*. He called Hamilton “one of the most disregarded former Treasury Secretaries with a magnificent history of having built this industrial giant, the United States.” He reported that Hamilton countered the British by, in effect, telling them, “We are not going to remain your colony shipping to you our coal, our timber. . . and import from England the manufactured products. We will become a nation-state by developing our own manufacturing capacity.”

Hollings said that Abraham Lincoln used the construction of the first transcontinental railroad to create the steel industry, that Franklin Roosevelt protected agriculture, and Dwight Eisenhower protected the oil industry with import quotas. “We built this industrial giant,” he said, “with protectionism.”

# *U.S. 'Recovery' a Dangerous Fraud*

Those policy-makers and others, internationally, who are swallowing even a bit of the "U.S. economic recovery" propaganda, are playing the fool and allowing the crucial moment to push through a New Bretton Woods monetary system to pass by. The celebrated American first-quarter GDP growth of 5.8% is a fraud which shocked even Americans who knew no more than that it had to be false. Combining it with the previous quarters' equally lying figures would lead one to believe that the U.S. economy, over the last year or so, has grown at 2% per year or better! This, while unemployment has grown by more than 2 million, industrial production has fallen continually, corporate profits and investment have both fallen steadily, collapsing tax revenues have blown out more than 40 states' budgets and are now building a new Federal deficit, and a score of the biggest U.S. firms have disappeared into bankruptcy or are in the process.

While even populist economic commentators like the *New York Post's* John Crudele called these figures faked, and estimated that real, inflation-adjusted GDP actually *fell* during the quarter, *EIR's* economic analyst Richard Freeman showed the actual dimension of the fraud. Freeman's finding is, first, that almost all of the 5.8% claimed GDP growth comes from inventory buildup (3.1%), large increases in spending on computers (1.3%), and increased purchases of homes (0.55%).

But were business inventories actually built up? No: *EIR* discovered they *fell* by \$36.2 billion. But since in the previous quarter they had fallen by \$119.3 billion, the "improved, smaller drop" in inventories was counted by the Commerce Department as a buildup! Did computer spending really rise by 24%? No: The rise was only 3.6%; the rest was "hedonic indexing" by Commerce, pretending the computers were growing constantly more powerful and therefore far more valuable.

Did housing sales rise in the quarter? No: They fell; but the runaway escalation in the average real estate price of homes, lifted the GDP by more than half a percent anyway! And didn't capital spending by busi-

ness rise, what with all that supposed spending on computers and information equipment. No: It fell again.

As with government reports, so with those of the corporations. A study by Millman U.S.A., a benefits consulting firm, found that in 2001 the reported end-of-year earnings results of 50 large companies included a total of \$54.4 billion of profits from returns on the investments of their pension funds. These firms included Verizon, General Electric, IBM, and the biggest blue-chip companies.

But did their pension funds make the profits they reported? No: In fact, the 50 companies' pension funds, combined, *lost* \$35.8 billion in 2001. The \$54 billion reported profits were simply statistical assumptions the firms were allowed to make, and did, knowing they were lies. Total U.S. corporate profits have been falling for a year and a half, including each of the last five months, because of the huge bubbles of bad debts sitting on corporate books. Americans who missed the last 18 months' layoffs, are in much better shape than their corporate employers. But their debt, too, is going bad. In March, 6.59% of all credit-card debt outstanding was written off as unpayable, up from 4.74% a year ago, and the highest level in 11 years.

And the U.S. Treasury had announced, at the beginning of this "high-growth quarter," that they would be paying off the national debt to the tune of \$89 billion in the second quarter. But will they do so? No: They now admit they will have to issue new debt instead, because tax collections have fallen 30% from last year, and the Federal budget, until recently thought still to be in surplus, has a deficit at \$100 billion and rising for this fiscal year.

The only thing still increasing is the international investment still foolishly pouring into the U.S. economy. Or is it? Actually, no, that flow has fallen since January, and now the dollar is starting to slide with it. Give up the fraud and delusion that "it has to recover—it always does." Act for LaRouche's interntional bankruptcy reorganization, his New Bretton Woods policy, now.

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*Zajak Presents*  
Mondays: 6-8 pm  
• DEARBORN HTS.  
Comcast Ch. 18  
*Zajak Presents*  
Mondays: 6-8 pm  
• KALAMAZOO  
Thu-11 pm (Ch. 20)  
Sat-10 pm (Ch. 22)

**MISSISSIPPI**  
• MARSHALL COUNTY  
Galaxy Ch. 2  
Mondays—7 pm

**MISSOURI**  
• ST. LOUIS  
AT&T Ch. 22  
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7 pm or 8 pm  
• LOS ALAMOS  
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Mondays—10 pm  
• SANTA FE  
Comcast—Ch. 6  
Saturdays—6:30 pm  
• TAOS—Ch. 2  
Thursdays—7 pm

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Time Warner Ch. 16  
Thursdays—4:30 pm  
• BUFFALO  
Adelphia Ch. 18  
Wed.—12:30 pm  
• CHEMUNG/STUBEN  
Time Warner—Ch. 1  
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• ERIE COUNTY  
Adelphia Intl. Ch. 20  
Thursdays—10:35 pm  
• ILION—Ch. 10  
Mon. & Wed.—11 am  
Saturdays—11:30 pm  
• IRONDEQUOIT Ch. 15  
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• JEFFERSON/LEWIS  
Time Warner—Ch. 2  
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Thu.—11 pm (Ch. 35)  
Sat.—8 am (Ch. 34)  
• TOMPKINS COUNTY  
Time Warner  
Sun.—9 pm (Ch. 78)  
Thu.—5 pm (Ch. 13)  
Sat.—9 pm (Ch. 78)  
• TRI-LAKES  
Adelphia Ch. 2  
Sun: 7 am, 1 pm, 8 pm  
• WEBSTER—Ch. 12  
Wednesdays—9 pm

**NORTH CAROLINA**  
• HICKORY—Ch. 3  
Tuesdays—10 pm  
• MECKLENBURG  
Time Warner Ch. 18  
(goes to Ch. 21 5/25)  
Sat—12 Noon & 1 pm

**OHIO**  
• FRANKLIN COUNTY  
Ch. 21: Sun.—6 pm  
• LORAIN COUNTY  
Adelphia Ch. 30  
Daily: 10 am; or  
12 Noon; or 2 pm;  
or 12 Midnight  
• OSHELIN—Ch. 9  
Tuesdays—7 pm  
• REYNOLDSBURG  
Ch. 6: Sun.—6 pm

**OREGON**  
• LINN/BENTON  
AT&T Ch. 99  
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• PORTLAND  
AT&T  
Tue—6 pm (Ch. 22)  
Thu—3 pm (Ch. 23)  
• SALEM—Ch. 23  
Tuesdays—12 Noon  
Thursdays 8 pm  
Saturdays 10 am  
• SILVERTON  
Charter Ch. 10  
Mon, Tue, Thu, Fri  
Betw. 5 pm - 9 am  
• WASHINGTON ATT  
Ch. 23: Regional Area  
Ch. 33: Unincorp. Towns  
Wednesdays—8 pm  
Sundays—9 pm

**RHODE ISLAND**  
• E. PROV.—Ch. 18  
Tuesdays—6:30 pm  
• STATEWIDE  
R.I. Interconnect\*  
Cox Ch. 13  
Full Ch. 49

**TEXAS**  
• DALLAS Ch. 13-B  
Tuesdays—10:30 pm  
• EL PASO COUNTY  
Adelphia Ch. 4  
Tuesdays—8 pm  
Thursdays—11 am  
• HOUSTON  
Houston Media Source  
Sat, 5/11: 10 am  
Wed, 5/15: 7 pm  
• RICHARDSON  
AT&T Ch. 10-A  
Thursdays—6 pm

**UTAH**  
• REDMOND  
Peak Cable Ch. 38  
Sun, Mon, Thu  
6 pm & 10 pm  
• SEVIER  
Mallard-Suntel  
Richfield Ch. 45  
Peak Cable  
Anabella Ch. 29  
Central Ch. 29  
Elsinor Ch. 29  
Greenwood Ch. 32  
Monroe Ch. 29  
Mon—1 pm & 8 pm  
Mon—1 am & 8 am

**VERMONT**  
• GREATER FALLS  
Adelphia Ch. 8  
Tuesdays—1 pm

**VIRGINIA**  
• ALEXANDRIA  
Comcast Ch. 10  
Tuesdays—5:30 pm  
• ARLINGTON  
ACT Ch. 33  
Mondays—4 pm  
Tuesdays—9 am  
• CHESTERFIELD  
Comcast Ch. 6  
Tuesdays—5 pm  
• FAIRFAX—Ch. 10  
Thursdays—12 Noon  
Tuesdays—7 pm  
• LOUDOUN  
Adelphia Ch. 23/24  
Thursdays—7 pm  
• ROANOKE—Ch. 9  
Thursdays—2 pm

**WASHINGTON**  
• KING COUNTY  
AT&T Ch. 29/77\*  
• KENNEWICK  
Charter Ch. 12  
Mondays—12 Noon  
Thursdays—8 pm  
• PASCO  
Charter Ch. 12  
Mondays—12 Noon  
Thursdays—8:30 pm  
• RICHLAND  
Charter Ch. 12  
Mondays—12 Noon  
Thursdays—8:30 pm  
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# No to the 'Clash of Civilizations'!

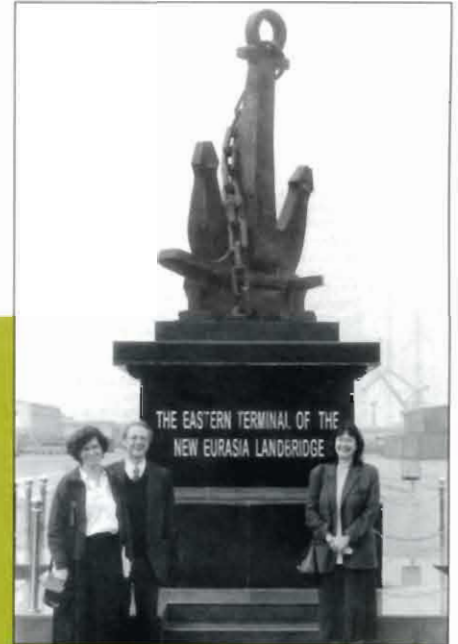
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## The Eurasian Land-Bridge

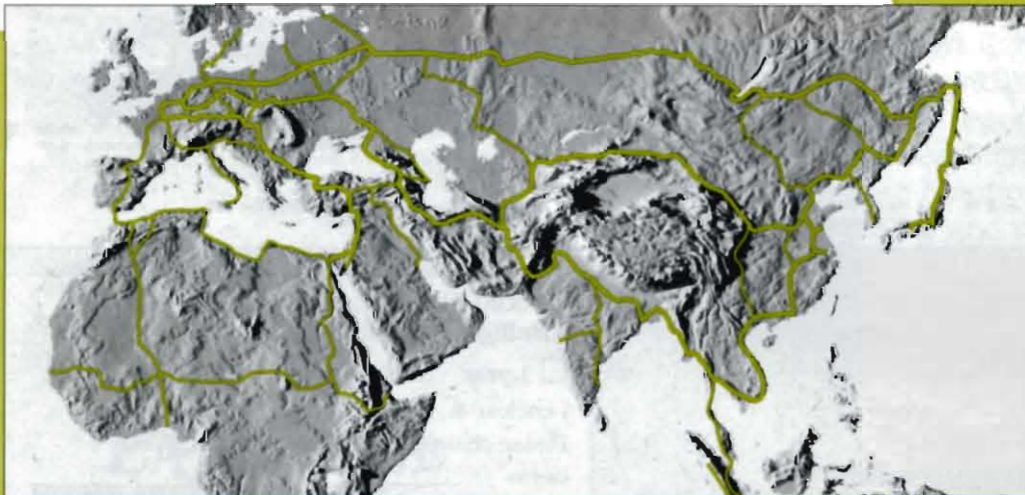
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Helga Zapp-LaRouche (right), known as "the Silk Road Lady," has played a major role in organizing worldwide support for the Eurasian Land-Bridge. She is shown here with Schiller Institute associates at Lianyungang Port in China, October 1998.



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