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## Does Technology Steal Jobs?

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*The Luddites and Malthusians of times past have died, but their pernicious ideology lives on. An analysis by Lyndon H. LaRouche, Jr.*

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May 21, 2002

Technology does not “steal jobs.” Yet, still today, one sometimes hears the defense of that myth from surprising sources. Therefore, I supply a fresh, up-to-date overview of the essential history of that delusion. This may also clarify some other important issues posed by the onrushing collapse of the present world monetary-financial system.

The celebrated Cambridge University trio of students, Babbage, Herschel,<sup>1</sup> and Peacock, wrote a paper of extraordinary importance for the political history of modern science. This paper, which is sometimes known by the short title of “D-ism and Dot-age,” effectively ridiculed the backwardness of science in early Nineteenth-Century Benthamite England. This inferiority of England’s science to that of continental Europe and also the U.S.A. during those decades, continued to be a leading concern of the collaborators Herschel and Babbage. It was this shared concern, which among its other outcomes, led Babbage to develop the conceptual design of the principles of the operator-programmable, mid-Twentieth-Century electronic digital computer.

It was partly in reaction to the impact of the argument by Herschel and Babbage on Britain’s economic backwardness, that mid-Nineteenth-Century Britain put aside the anti-science cult called “Luddism.” This shift, in favor of at least a degree of technological progress, was expressed by the establishment of the delphic dogma of the British Association for

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1. The son of England’s leading scientist, the astronomer William Herschel, and, later, a leading astronomer in his own right.

the Advancement of Science (BAAS) and the echoed launching of the American Association for the Advancement of Science (AAAS).<sup>2</sup>

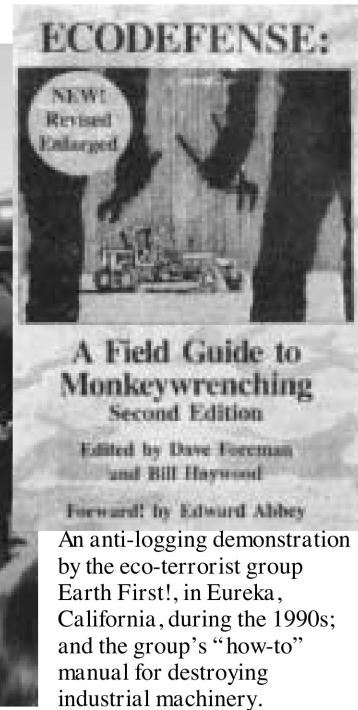
It was against that strategic background, including the U.S. defeat of the Anglo-French-sponsored Confederacy, that the British monarchy began mobilizing technologically for what became both new strategic operations against the U.S.A., and the future two World Wars on the continent of Europe. The strategic ironies of the present-day U.S. lunge toward global perpetual war, are, as I shall show, in significant part, a reflection of same issues posed by the “geopolitical” heritage of that part of the history of England which led into the establishment of the BAAS.

Nonetheless, the threatened resurgence of something like “Luddism” continued to suppurate in Britain.

It was during the 1790s, during the time under chief ideologue Jeremy Bentham, when Britain was a scientific backwater of European civilization, that the British monarchy produced the English translation of a book, on the subject of population control, by the Venetian-school Italian, Giammaria Ortes. The doctrine which the British East India Company’s Reverend Malthus copied from that book, became known, therefore, as the “Malthusian” dogma of Prime Minister William Pitt the Younger. This, and the cult of Darwinism

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2. It is to be noted, as the influence of Kelvin and written declarations of J. Clerk Maxwell, and London’s asset Hermann Helmholtz attest, that BAAS and related policy “borrowed” much of the fruits of Nineteenth-Century German science, but never accepted the core of the method which produced those benefits.



derived from it, became part of the dogma of the British East India Company's Haileybury School's economists, Adam Smith, Malthus, Ricardo, et al.

For a time, to aid in enforcing that Malthusian backwardness, the Benthamites deployed the terrorist Luddite "machine breakers." Ever since, the sophistry has spread among susceptible circles of trade-unionists and socialists, that "technology steals jobs." The Luddites of times past died, but the myth lived on. The impact of that continuing myth, later surfaced under different rubrics, including the neo-feudalist "guild socialism" of Oxford's John Ruskin, and of such avowed British fascists from among the George Bernard Shaw and H.G. Wells circles, as the utopian so-called "Distributists" G.K. Chesterton and Hilaire Belloc.

Unfortunately, many economists, and others who remain more or less illiterates respecting the rudiments of the science of physical economy, have been duped into adopting some of the residue of the Luddite myth, still today. As I summarize the relevant point here, the proof of the absurdity of that myth, is elementary, but there are also some other important points to be considered as indispensable, for studying that topic in a present-day context.

The myth resurfaced among the circles of H.G. Wells and Bertrand Russell during the decades preceding World War II. The form of the Malthusian myth associated with the utopians Wells and Russell, gained increasing hegemony in intellectually polluted science centers of the world during the post-1945 decades, leading to the virtual hegemony of Malthusian cults, not only among the generation entering universities from the mid-1960s, onward, but as leading strategic policies

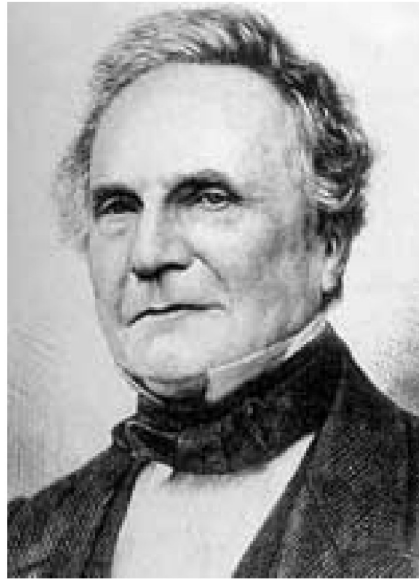
of the U.S. government, under the Kissinger-managed Nixon Administration, and the Wellsian-utopian Zbigniew Brzezinski's control over the Carter candidacy and Administration.<sup>3</sup>

## 1. What Is True About Economies?

Among reasonable people, the definition of truth is the modern Socratic notion, that truth is that which can be demonstrated to be universally true, at least in such a fair approximation as Kepler's original (1609) account of his discovery of a universal physical principle of gravitation. Therefore, all attempt to prove the generality of an alleged principle, such as the assertion that "technology steals jobs," is already shown to be false, merely by examining the fallacy of composition inhering axiomatically in the method employed to build an apparent statistical case for the pro-Malthusian and kindred "ecological" arguments still today.

This definition of all truthful notions of universal principle, is a crucial consideration emphasized in Bernhard Riemann's 1854 habilitation dissertation, in which he included two warnings relevant to the matter under discussion here. First, in his concluding point, he states that nothing can be

3. Henry Kissinger's "National Security Study Memorandum 200: Implications of Worldwide Population Growth for U.S. Security and Overseas Interests," Dec. 10, 1974 (later declassified), branded the growth of populations in selected Third World countries as a threat to U.S. national security. See excerpts in *EIR*, June 9, 1995. See also the State Department's *Global 2000 Report to the President*, 1980 (excerpts in *EIR*, March 10, 1981).



John Herschel (left) and Charles Babbage, who ridiculed the backwardness of science in early-Nineteenth-Century England.

proven true by mathematics at the blackboard; truth in mathematics is a question of physics, not mathematics.<sup>4</sup> In the course of that same dissertation, he emphasized, second, that physical proof of a universal principle, requires the evidence of a unique class of experiments.

Typical of the continued development of that Keplerian, Riemannian, etc. generality of the experimental class of universal physical principles, is Vladimir Vernadsky's experimental partition of the physical universe among three phase-spaces: the abiotic; the anti-entropic domain of living processes and their fossil effects (the Biosphere); and the anti-entropic domain of human cognitive processes and the physical effects (e.g., "fossils") uniquely products of such activity (the Noösphere). Real economies are to be subsumed under the definition of the Noösphere.<sup>5</sup>

Implicitly, as my own work has emphasized this point, Vernadsky's definition of the Noösphere goes to a point just short of what I have shown, that economic processes could never be understood, until it is recognized that the notion of universal physical principles must be extended to include valid universal conceptions of Classical artistic composition. This latter set of artistic principles includes the principles of bel canto-based, well-tempered counterpoint of J.S. Bach, and such as those notions of the respectively tragic and sublime, as efficiently universal physical principles of Classical drama and poetry.

Any adducible principle, including principles of Classical

4. This was also the essential argument of Kepler, in his 1609 report of the original discovery of a universal physical principle of gravitation.

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

artistic composition, which can be demonstrated to have a uniquely defined efficient effect on society's increased physical power over the Noösphere, is also a universal physical principle of the Noösphere, that by virtue of its physical effects. The cognitive principle of truthful, anti-symbolic ambiguity, called irony, the same principle of cognitive intention expressed in Kepler's discovery of a principle of universal gravitation, is what distinguishes Classical artistic composition from all other, and defines the pivotal physical feature of the quality of such art as expressing physical principles of the Noösphere.<sup>6</sup>

The minimal experimental base for general statements respecting economic processes, is the study of the integral entirety of a national economy from the standpoint of physical economy, rather than that of financial accounting meth-

ods. However, that is not sufficient. Even studies premised on the notions of physical economy, would be more or less fatally flawed, if the interacting physical economies of the world at large, were not taken adequately into account in composing the proposition applied to study of any particular national economy. Errors of both types fall under the classification of "fallacies of composition" of the evidence considered. That much said, the general outline of the required procedure, is as follows.

Any competent definition of the universal principles of a physical economy, arises out of an experimentally oriented reflection on the notion of measuring changes in the potential relative population-density of an economy which is considered as approximately a functionally unified whole.<sup>7</sup> This must be measured in terms of a functionally definable net increase in physical output per capita and per square kilometer of surface-area. This must be measured relative to a correlated improvement in the demographic characteristics internal to the population, the latter considered as a whole. In such measurements, it is required that there be no lowering of demographic characteristics in any significant portion of that population as a whole.

The emphasis of the measurement must be on the rate of change of that potential relative population-density, rather than a comparison of fixed rates. This must be defined within the framework of a long-range cycle, and must take into account the functionally defined shifts in relations between the society and the Biosphere. The requirement is, for a net in-

6. Ibid.

7. Lyndon H. LaRouche, Jr. *Now, Are You Ready to Learn Economics?* (Washington, D.C.: EIR News Service, 2000).

crease in the rate of increase of potential relative population-density, taking into account the interdependency of society and Biosphere.

This requirement, for measuring performance by a function of change, rather than relative values of what are apparently current ratios, is demonstrated by re-examining the momentary situation expressed in short-term estimates, from the standpoint of medium- to long-range cycles, in which the impact of the past upon the present is expressed, and also of the past and present, combined, upon the future. The ability of the present and future combined, to change the quality of outcome of what had been mistakenly thought to have been buried with the past, is the ironical fact which rips apart all pedantic studies of history, economy included, and exposes the notion of simple sense-certainty of the here and now, as a bad joke.

The issue of method posed by such longer-range studies, is a reflection of the same principled problem which Kepler faced in adducing a universal function underlying the determination of short-term orbital motion. The partial and local must be defined from the starting-point of reference to their place within the determining characteristics of the process as a whole.

This quality of potential expressed in long-range economic cycles, is specific to humanity; it is willful in its human-specific, functionally anti-entropic characteristics; and, it does not exist among any lower living species. Within the bounds of a Riemannian mathematical physics, this anti-entropic quality is typified by the quality of change of a given manifold, by the addition of an applied original discovery of an experimentally valid universal physical principle.<sup>8</sup>

That latter consideration poses the notion of the nature of the function expressed as the transmission of discoveries of such universal principles (and the technologies derived from them). This leads immediately to a still-higher consideration. What is the means by which to promote the development of the ability to generate, replicate, and transmit those non-deductive ideas typified by experimentally valid discoveries of universal physical principles? A Classical humanist mode in education, as opposed to the mind-destroying educational policies presently rampant in U.S. schools and universities, and in today's "Flagellant"-like epidemic of socially induced video-games schizophrenia, is an example of the problem to be addressed for remedial action.

This means, that industrial progress requires an increase in the number of persons so employed, and also an upgrading of the average skill levels and standard of living of the households of the persons so employed. Other points exposing the

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8. In other words, rather than linear "activity analysis," we must progress to methods of approximation which imply a truly non-linear, e.g., Riemannian function, expressed by the question, "Tensors, anyone?" Tensors applicable to domains of the power of  $n+1$  experimentally defined universal physical principles of action.

fraud of the Malthusian theses will be touched upon in this report. At the present moment, the following points should be read as relevant to that conclusion.

This means, that a higher standard of living should be defined functionally, in terms of those physical and related changes which foster the increase of that human cognitive potential in the individual, family household, and community affairs, of society.

To realize the potential which cognitive discoveries represent for increasing potential relative population-density, we must, in effect, constantly change the Biosphere. Look at this matter within a context which takes us one step beyond Vernadsky's definition of the Noösphere.

This means improving nature in ways which raise the level of the Biosphere, such as causing deserts to bloom, placing water distribution under human management, increasing useful development of forests, fish farming, and so on. In these and other ways, we are helping the Biosphere to reach levels of anti-entropic development it could not achieve without human intervention. This includes applied foresight into managing our relationship to such matters as depletion of fossils of the Biosphere, such as atmosphere and water, such that we are efficiently offsetting our tendency to deplete those needed fossil reserves.

This also means, adding an accumulation of "fossils" of human cognitive activity, such as artefacts of man-needed technologies not otherwise available within the bounds of functions of the pre-existing Biosphere as such. Basic economic infrastructure developed and maintained by government, is an example of this. Physical capital-intensity of investment in production, is another example of such man-generated fossils of the Noösphere.

The combination of such man-made improvements in the Biosphere and Noösphere, represents man's physical-economic relationship to his total environment. It is the ratio of man's level of scientific and technological development, to the results of such man-managed relationship to the man-altered Biosphere and Noösphere, which delimit, and otherwise determine the possible rate of improvement of the potential relative population-density of our species. The efforts required to maintain and improve that relationship, constitute the determinants of the potential productivity of the society, and, therefore, define the true costs of production for the society as a whole.

The individual place of employment is to be assessed solely in terms of its functional relationship to that relatively universal set of bounding conditions.

The determination of the outcome of the employment of the individual operative, is properly defined in those relatively universal terms of reference.

When this matter is examined competently, it is clear that technology, as such, does not "steal jobs"; technological progress as such requires a change in employment, from lower to higher quality of employment opportunities generally. Any

different ultimate effect is not the result of technology, but of bad policy, or of bad management, of national governments, banking institutions, or firms.

Specifically, any increase in productivity effected through technological progress, results in an increase of the per-capita margin of anti-entropy in the physical-economic process as a whole, and therefore a potential increase in both the rate and quality of average employment available. If that progress does not occur, we must find the causes for that failure, in either general defects in prevalent popular culture, or the need to correct the prevalent mismanagement of important groups of enterprises, or of the society as a whole.

To achieve that growth, it is necessary to expand the labor-force, so as to assimilate efficiently a more complex division of labor, which means increasing the size of the population, by either expanding the number of births, increasing functional qualities of life-expectancies, or a combination of both, while raising the functional standard of living as development of the cognitive powers of the population requires this.

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## 2. The Kautsky-Plekhanov Syndrome

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There were two generic forms of systemic failures commonplace among so-called Marxist movements of the Twentieth Century. First, was that mechanistic misconception of social processes, which was associated with the quasi-Hegelian doctrine of "historical objectivity," typified by Karl Kautsky, G. Plekhanov, et al. This was opposed to the so-called "voluntarist" conception of history, the latter counterposed, among socialists, to Plekhanov's views, by V.I. Lenin and some others. The second, was the specific role attributed to the working-class by the apostles of "historical objectivity," the working-class portrayed as the cattle-like species which was presumed to secrete the juices of the transition to socialism.

The "historically objective" school based itself on a variant of the neo-Cathar thesis of Physiocrat François Quesnay. It accepted, as all empiricist and kindred currents did, the fatalistic notion of history, otherwise featured by G.W.F. Hegel, that the evolution of society is determined by mysterious forces operating mystically, "either from under the floorboards of, or outside the real universe." Marxists have often embraced this mystical faith in "objective history," as the process by which the capitalist "phase of" development of a working-class would, in due course, make the latter the virtual inheritor of history. It were then assumed to be the duty of a patiently waiting working-class political movement, to prepare for the day of "proletarian rapture," which would be delivered as soon as something akin to Hegel's world-spirit might sound the relevant tocsin.

Lenin's break with Plekhanov et al., is fascinating, not only because his allegedly un-Marxist, "voluntarist" doctrine was borne out in the fact of the 1917 revolutionary process in Russia. It is also significant still today, because of the way in which Lenin, who was poorly developed from the standpoint of scientific method generally, nonetheless captured the essence of scientific practice, in his commitment to a "voluntarist" approach to the shaping of history.

By voluntarism, one should not intend to suggest that merely arbitrary changes can be made in history. The argument is, simply, the same argument made by any competent scientific discoverer, that any valid principle, once discovered, can succeed, under the conditions in which its application is made feasible. Lenin's coup d'état of 1917 succeeded, despite all of the established Russian reform parties, and virtually despite the Bolshevik party, too. It succeeded, because, as he had foreseen and understood, no competing, existing or foreseeable party of Russia, was then prepared to take the one course of action which would save Russia from virtual Hell: pull Russia unilaterally out of the hopeless war which had already been lost.<sup>9</sup> It was the systemic failure of all those parties which, in effect, left the possibility of a continued existence of Russia to the only leadership on the ground, Lenin's, which was able to provide any basis at all for the continued existence of Russia during the generation ahead.

Relatively speaking, Lenin was right. However, although Lenin emphasized Soviet Russia's need to adopt American methods, he, like the Marxists generally, otherwise missed the points essential for the continued viable existence of Russia in the longer term, the lesson of the American Revolution, to which I shall turn a bit later in this report. In short, that portion of the history of Russia, and the case of Lenin, are typical of real history, which almost invariably mocks all utopian systems of thought, "orthodox Marxism" included.

More recently, over more than forty years of recent history, there has been an almost global collapse of the "idea of socialism" in its more or less traditional "Marxist" form. This demoralization of socialists generally, emerged over the course of the interval of the Khrushchev leadership in the Soviet Union. However, if we examine matters more closely, we must recognize that the relevant errors of the socialist movement, were chiefly reflections of the same ideological decadence which had been spread, up to the present moment, from the so-called British and French "Enlightenment" of the Eighteenth Century.

It was Marx's and others' error, of situating their definition of socialism as a proposed alternative and successor to the British empiricist's definition of "capitalism;" and that, within the bounds of British economic mythology, which led more and more of the Soviet leadership, in particular, back to

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9. Notable is Lenin's overriding L. Trotsky et al. on the matter of the Brest-Litovsk peace.



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intellectual convergence upon radically empiricist currents of British liberal ideology. By defining “socialism,” from the start, as the historically fated outcome of developments from within British political-economy, the failures of socialist doctrine, so induced, produced the subsequent failures which led socialist ideologues back to reconciliation with their adopted Benthamite liberal roots.

It was, as I have emphasized above, Marx’s refusal to accept the lessons of the exceptional role of the American Revolution in world history, which, combined with his mistaken enthusiasms for the Enlightenment, typify the errors, and resulting practical failures, incurred by Marxian and related socialist doctrines.

It is notable, on this account, that the defects in the economic and related doctrines of Karl Marx, reflect the influence of the axiomatic Romanticism of that “Enlightenment,” as opposed to the Classical humanist influences expressed in Benjamin Franklin’s role, in shaping the American Revolution’s character and policies according to the anti-Locke conceptions of Gottfried Leibniz et al.

In economics, Marx’s errors, such as his failure to grasp the actual significance of Minister Jean-Baptiste Colbert, and

his misreading of the schema of Quesnay, together with his misguided enthusiasm for the alleged “scientific” qualities of the related influences of British East India Company ideologues such as Adam Smith, Jeremy Bentham, and David Ricardo, are of crucial significance. His exclusion of the actual development of the modern sovereign nation-state economy, accounts for his tendency toward those mystical aberrations to which I refer under the rubric of “historical objectivity.”

The characteristics of the recent decades’ degeneration of the modern economies of the United States and Europe, from relatively successful producer societies, to decadent, degenerating consumer societies, since the assassination of U.S. President Kennedy, also illuminates the relevant, axiomatic features of Marx’s credulity respecting the Eighteenth and Nineteenth centuries’ British political-economy.

### In the Bigger Picture

As I have indicated above, Lenin missed the larger point, but proceeded by a slightly different route than Marx before him. In the main, he was a practicing Marxist, but he also took a detour of somewhat crucial historical significance for today.

As measured in demographic results, the emergence of modern European civilization, during the Fifteenth-Century Renaissance, has been the greatest leap forward in the known history of mankind.

Since that Renaissance, the characteristic defects in inherited from earlier periods of that civilization, have always been, chiefly, reflections of the cultural heritage of ancient imperial Rome and Babylon earlier. That is the Roman cultural heritage which has sought to destroy modern civilization in its infancy, as during the Venice-directed Habsburg-led religious warfare of the 1511-1648 interval. It is that heritage, which is expressed, again, subsequent to 1648, by the effort led by the Anglo-Dutch liberalism of Venice’s Paolo Sarpi, to parasitize those impulses of modern civilization which it could not yet prevent. The recurring tendency has been, periodically, to turn the clock of progress backward, in a way which parodies the way in which the Rome emerging from the period of the Second Punic War. The result has become, during the recent thirty-odd years, a parody of the decadent, parasitical form of consumer society known as imperial Rome.

Contrary to the Marxists generally, and also Lenin in particular, the British economy under the control of the Anglo-Dutch India companies, was not a national agro-industrial economy which also happened, as an afterthought, to adopt a Romantic form of imperialism as a supplementary feature. To restate this crucial point, review the issues of that observation, very briefly, as follows.

In what passed for “orthodox Marxism,” the doctrine was the following. It was supposed that the so-called “capitalist” economy of the British isles, was a lawful “stage” of historical

political-economic development. It was argued, that this national economy acquired the added attribute of imperialism.

The truth was exactly the reverse.

From the time of George I and Walpole's liberalism, the British economy of Adam Smith et al., came into existence as, and was always primarily an imperial parasite in more or less conscious imitation of the Roman Empire. It was, predominantly, a consumer society with sundry, subordinated, domestic agro-industrial features. Until a shift which occurred during the Twentieth Century, the United Kingdom's domestic policy was carefully managed under what remained, in fact, a strongly protectionist screen against unwanted intrusions. Yet, then as now, the objective was always a lust for "invisible earnings" from abroad, chiefly those pilfered by "Artful Dodger" Adam Smith's "invisible hand."<sup>10</sup> On this latter point, Rosa Luxemburg's emphasis on the characteristic role of international loans, as that of Herbert Feis, was right, relative to Lenin and the Social Democrats.

In fact, the British Eighteenth-Century economy was an outgrowth of the preceding, centuries-long role of Venice as the leading imperial maritime power of the Mediterranean region, Europe included. In its effort to reverse the revolutionary successes of the Fifteenth-Century Renaissance, Venice's ruling rentier-financier class used its Habsburg assets, based in Austria and Spain, to drown Europe in religious warfare, as the characteristic feature of the 1511-1648 interval. In this process, over the course of the Seventeenth and early Eighteenth centuries, the Venetians developed the Netherlands and England as bases of a neo-Venetian imperial maritime power, the Dutch and British India companies of William of Orange and Lord Shelburne typify the neo-Venetian form of the Dutch and British monarchies, with the Dutch being subordinated to the British during the course of the early Eighteenth Century.

Thus, contrary to the Marxist and kindred myths, from the beginning, these monarchies and their political-economic systems were imperialist in character. The domestic aspects of those economies were developed as the always subordinated instruments of the imperial rentier-financier power. Their consciously adopted model, especially for the British monarchy, was the ancient Roman Empire as it developed out of the processes unleashed in the course and aftermath of the Second Punic War. The Eighteenth-Century control of the British monarchy by the East India Company, as best typified by the role of Shelburne, expresses the essential features of the British monarchy, from both its roots under the bloody tyranny of William of Orange and with the seating of the Hanoverian dynasty in 1714.

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10. The important component of the change, was the effect of the dominant role of the U.S. in the British Empire's economy over the course of two World Wars and their late Twentieth-Century aftermath. The disgusting case of the first government of Prime Minister Harold Wilson, typifies that continuing process of degeneration.

One can not understand anything essential about modern European history, without recognizing the distinction between that revolutionary impulse expressed by the Fifteenth-Century Renaissance, and the emergence of what became, in effect, Anglo-Dutch liberalism. This liberal regime's relationship to the impact of the Classical Renaissance, mimicked the parasitical relationship of imperial Rome to the Classical legacy best expressed by Platonic Greece.

Since the Congress of Vienna, the British Empire and that feudal tradition associated with the legacy of the Holy Alliance, have been both bloody rivals, and, also, as John Quincy Adams knew, and the U.S. Civil War illustrates, the mortal enemy of the system defined by the U.S. Declaration of Independence and Federal Constitution.

Thus, world history since the death of U.S. President Franklin Roosevelt, has been shaped chiefly by the effort of a neo-Romantic, essentially parasitical, dominant political-economic class, a class whose interests and methods are a continuation of the Venetian imperial maritime legacy. The maritime wars between the British and Netherlands, and Britain's insistence on its role as the world's only maritime superpower, up through the aftermath of World War I, expresses the Venetian character of the London oligarchy. Since the successful 1901 assassination of U.S. President William McKinley, the continuing strategic outlook of the English-speaking imperial financier oligarchy, has been the emphasis, initially, on maritime, and then also aerial supremacy, as leading strategic instruments of intended global imperial rule.

Since 1901, the continued commitment of the Anglo-American financier oligarchy, has been the effort to use, but also contain and destroy the continuing impulse of the American System of political-economy, while bringing the entire world, step by step, under the "eternal" rule of an English-speaking parody of ancient imperial Rome. The death of Franklin Roosevelt, was taken as the opportunity to bring such a world empire into being, step-wise.

## The Takeover

That characteristic impulse and trend of the 1945-2002 interval, has passed through two successive phases.

In the first phase, from the death of Franklin Roosevelt, until the aftermath of the assassination of President Kennedy, the post-Roosevelt U.S., together with Europe, remained a producer society, but controlled increasingly by a class which sat upon and exploited the productive forces it required for building up and maintaining its power, as had the British monarchy during certain phases of its existence.

In the second phase, from about the beginning of the neo-feudalist U.S. Indo-China war, a precipitous, now thirty-seven-year shift from a producer society, to a consumer society, was imposed upon both the Americas and Europe. These impulses were a reflection of the already characteristic feature of economy under the British monarchy, from the accession



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of George I to the present day.<sup>11</sup>

Here, in that second phase, we see the hand of the Luddite myth. The recurring, pro-Malthusian impulse of the system of the British monarchy, has always been to prevent that Classical impulse of the Fifteenth-Century Renaissance, on which the superior power of modern European civilization depended, from securing governing power in its own name and interest. The British monarchy’s targetted foe, was the interest expressed, typically, by the American System of political-economy.

The natural outgrowth of that struggle to subdue the Classical impulse, has always been expressed, since the struggle for independence of the United States by hatred directed against what today’s fascists and kindred types denounce as “American exceptionalism.” The liberal form of economy built up under the British monarchy already had that Romantic characteristic. Marx was the victim of his British indoctrination to that effect, a weakness in Marx which was repeatedly reinforced in him by Frederick Engels’ interventions against Marx’s recurring leaning toward the economics of Friedrich List, earlier, and Henry C. Carey, later.

The Malthusian and related Luddite eruptions within British ideology, must be so situated within that context. (I must

here refer, once again, to the wildly gnostic mysticism underlying “free trade” dogma, as has been unavoidable in numerous locations published earlier. Yet, since the disease of “free trade” persists, so must the relevant medication.)

Within that context, the quasi-Darwinian idea of a pulsation of “objective” evolutionary forces of history, as a specifically empiricist trait assimilated into Marx’s own writings, has its principal specific origin in the founding of modern empiricism by Venice’s Paolo Sarpi. Within Sarpi’s neo-Ockhamite dogma, there is embedded the type of neo-manichean mysticism spread throughout Europe, by such influences as the still-active Cathar legacy within significant circles of France today. It was this same hybrid of Cathar-empiricist legacies, which produced the laissez-faire mysticism of Quesnay, and which permeated the thinking of all of those British East India Company empiricists who influenced the thinking of Marx, and, more emphatically, Frederick “Opposable Thumb” Engels, on both the origins of political-economy and the nature of scientific method.

The common religious fanaticism shared among the empiricists and related Enlightenment figures such as neo-Cathar Quesnay, is the implicit, or stated assumption, that everything known to man, but one, is located within the bounds of sense-certainty. The exception is an agency external to the sense-perceived universe, which exerts an arbitrary influence on the throw of the dice, by means of which some men are magically made rich, and others rendered destitute, or, simply, dead.

11. Marx’s view of the economy under that British monarchy’s rule, often missed the recurring impulse of that monarchy, to suffocate the baby and enthrone the afterbirth.



The gnostic versions of this presume, that a magical relationship can be established between the believer and that supernatural, arbitrary influence, lurking, so to speak, under the floorboards of the universe.

Such are the pseudo-Christian, gnostic beliefs of those lunatic heathen, known as “Christian Zionists,” who insist, that by acting to bring about a Battle of Armageddon, they can force God, as if by magic spells, to bring on what those gnostics term “The Rapture.” The popularity of gambling in U.S. churches, and other circles, reflects the same heathen quality of gnostic superstition. The popularity of the dogmas of “free trade” and “new economy,” are systemically consistent with the gnostic characteristics of the “Christian Zionist” variety of contemporary heathen.

This was the gnostic religious dogma of the Cathars. It was the gnostic dogma of Thomas Hobbes, John Locke, Bernard Mandeville, and British East India Company ideologues such as Adam Smith, Jeremy Bentham, and David Ricardo. It was the essence of that doctrine of laissez-faire which the British copied from the Physiocrats under the name of “free trade.” This same gnostic superstition was widely imitated among so-called Marxists, as the underlying axiomatic assumption of the empiricist doctrine of historical determinism, as the “anti-voluntarist” superstition called “historical objectivity.”

Such was the specific influence of the Eighteenth-Century, British and French Enlightenment on Marx and the Marxists. Such was the origin of the dogma of “historical objectivity” adopted by Kautsky and Plekhanov, among others, and influential among non-Marxist trade-unionists ideologically infected from similar sources.

For related reasons, the socialists, in general, never understood capitalism. Their first error, on this account, was their acceptance of the delusion to which I have referred above, that the development of modern national economy developed first under the British monarchy. They assumed, therefore, that the successful form of modern society was rooted in that misanthropic perversion which Marx was induced to call by the name of “capitalism.”

It did not occur to Marx, or to the socialists generally, that the first modern nation-state economies appeared during the Fifteenth Century, first in Louis XI’s France, and, after that, Henry VII’s England. Similarly, Marx et al. refused to face the fact, that the first science of political-economy was developed by Gottfried Leibniz, over the interval 1671-1716, and that the first successful form of modern, post-1648 national economy was developed, largely, under the influence of Leibniz’s work spread into North America. The result of Leibniz’s and related influences on North America, was what U.S. Treasury Secretary Alexander Hamilton, among others, described as the American System of political-economy, and what List and Carey treated as national economy.

For reason of the influence of British ideology, on Marx and others, the predominantly mythical image of British “cap-

italism,” also spread among the socialists generally. Most socialists, especially those rooted in ideas of “historical objectivity,” were never able to understand several most crucial of the problematic, systemic features of real modern economies, including both the U.S. economy and the problems of the Soviet system.

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### 3. Modern National Economy

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A systemically viable form of the economy of a modern nation-state republic, has three economic pillars.

The first of these, is the economic function of the state, expressed in the state’s unique responsibility for developing and maintaining both “hard” and “soft” aspects of basic economic infrastructure. The second is the role of the technologically innovative private entrepreneur, who relies directly, or indirectly, on discoveries of experimentally valid universal principles, and also depends upon the state’s regulation, fostering, and protection of those functions. The third is the production and injection of those scientific and related discoveries on which the continued, long-range viability of the national economy depends.

These three principles, are bound together by a single, twofold principle of constitutional law: the interdependent conceptions of perfect national sovereignty and the ancient Platonic/Christian principle called *agapē* in the Classical Greek, and identified in modern English-language usage by the terms “general welfare” or “common good.” The system of national credit-creation, inhering in the principle of perfect sovereignty, performs a crucial function in the organizing of economic growth, and recoveries from the follies of economic depressions.

These elements, so combined, constitute a national economy, absolutely distinct from either socialist or British ideological definitions of “capitalist” economies. These combined elements typify the American System of national economy, as Alexander Hamilton, the Careys, and Friedrich List described it. To understand the exceptional economic and related potential of such a form of national economy, relative to all others, we must often focus upon the functional interconnection among those component aspects.

These features were already axiomatically characteristic of France under Louis XI and the England of Henry VII and Sir Thomas More. Those precedents have been obscured from general and even academic opinion, that more or less successfully, by the bloody spectacle of the Habsburg-centered, feudal reaction, in conducting the virtual “new dark age” of simmering or actual religious wars, which dominated the 1511-1648 interval of European history. Thus, the usual vision of the internal characteristics of modern European history, does not reach earlier than the 1648 Treaty of Westphalia. Many erroneous assumptions prevalent even among professionals

today, are based on short-sighted opinions of that, or even much more impoverished views of modern history.

The modern sovereign nation-state economy, is the first known form of society in which the mass of the population was not degraded juridically, in law and practice, to the status of human cattle. The doctrine of John Locke is typical of the notions of law invoked in defense of the institution of slavery and kindred forms of degradation of the mass of the population to human cattle-like conditions. The contemporary profascist doctrine of “shareholder value” by avowed “textualist” U.S. Justice Antonin Scalia, is a radically positivist reading of Locke, copied out of the Preamble to the Constitution of the Confederate States of America, and carried to a dictionary nominalist’s extreme.

The principle of the sovereign nation-state republic could not be restated too often these days. The presently imperilled United States will not outlive the present world monetary-financial crisis, unless we restore the principle, that the moral authority of the government to rule, is conditional upon that sovereign’s efficient promotion of the general welfare of all of the living population and its posterity.

This principle defines the modern sovereign nation-state as the first known form of society in which the first, controlling self-interest of the government, is to meet the requirements of maintaining and uplifting the demographic characteristics of the population as a whole. In all other forms of society, including a society ordered according to Scalia’s perverted conception, that of “shareholder value,” the majority of the population is degraded, juridically, and in practice, to the condition of human cattle, to be disposed of at the pleasure of those who hold title to the greater portion of “shareholder interest.”

Contrast the sovereign nation-state with the situation of the so-called citizens of the Roman Empire.

The Roman Empire was ruled by the popular opinion of the citizens, but the citizens were nothing better than human cattle. Earlier, we have the case of the judicial murder of Socrates, by the democratic party of Athens, which warns us against reliance on current fads in popular opinion. Democracy is, therefore, not the standard of a republic. Rather, the willful realization of the general welfare of the people must rule. In effect, the individual citizen of the sovereign nation-state republic, is bound by obligations to the entire population, and to the future population, not merely his own “democratic” preference.

The apparently paradoxical implications of that argument, is that the ruling principle of law and policy of a true republic is the principle of truthfulness. Without a principle of truthfulness, there can be no true law of a sovereign republic. Without a ruling, Socratic standard of truth, a would-be republic degenerates into something like the ultimately self-doomed, evil Empire of Rome, as the U.S. and its population have been degenerating, morally and economically, during

the recent thirty-odd years. It is exactly that specific sort of moral rot, which is the efficient agency of the immediate threat of self-destruction of our nation.

This standard of truth has two phases. One of these might be identified as “the bottom line.” What is the result which defines a truthful performance by the nation? The second is represented by the choice of policy, that intention, by means of which the required outcome is efficiently ordered. By the standard represented by long-range economic cycles, what policies will achieve a general increase of the potential relative population-density of the whole population and its posterity?

That, however, does not signify a hedonistic standard, such as the hedonistic standard (the so-called hedonistic principle) defined by the utterly depraved Jeremy Bentham, or the hedonistic standard expressed by the utterly depraved “Quality Adjustment Index” of today’s U.S. government and Federal Reserve System. It does involve tangible results, but, like all experimentally valid notions of universal physical principles, these are defined as means to an end, not as an end in and of themselves. The “bottom line” is both the cognitive quality of moral development of the character of the individual person, and the provision of physical conditions and means consistent with the promotion and expression of that moral development.

### ‘Agapē’ as an Economic Principle

The perpetuation and improvement of the general welfare, signifies the production and development of individual persons qualified, motivated, and situated, to increase the power of the human species in and over the universe we are implicitly entrusted to manage and develop.

This is a concept associated with the use of the term *agapē* by Plato, as that same meaning is underlined by the Christian Apostle Paul in *I Corinthians* 13, in Paul’s condemnation of the substitution of a set of “single issue” rules of behavior for goodness. That term, *agapē*, is what is echoed by the terms general welfare, or common good. The essential interest of every person is to do good, in that specific sense, as Cotton Mather and Benjamin Franklin emphasized that notion. That notion of *agapē*, so expressed, is the moral essence of the founding of the American System of political-economy, the American System of national economy. That is the quality which the enemies of the founding of our republic hate, and seek to extirpate even from the memory of future humanity.

The notion of *agapē* arose in the dialogues of Plato as a complement to the Socratic notion of the immortality of the human soul, as that notion was later placed famously at the center of the German Eighteenth-Century Classical renaissance, by Moses Mendelssohn.

The term *agapē*, sometimes translated as *caritas* or *charity*, signifies love of the soul of the other, and also one’s own. This notion is inseparable from what modern European

civilization came to recognize as the process of discovery of universal physical principles, and the related process of generating those experiences of beauty associated with Classical principles of artistic composition and performance. This cognitive development of the human individual, and of the powers of that individual, is what we love. It is the realization of that kind of potential, within ourselves and within others, which we should love. It is, therefore, the uplifting of the meanest and most deprived persons in terms of those potentials of their nature, which has a special power to move us to the tears of joy implied in *I Corinthians* 13.

These represent efficient physical principles. It is through the development of the cognitive powers associated with experimentally valid universal physical principles, that mankind's existence in the universe, is not only increased, but the continuation of humanity defended against the forces of attrition. It is through the development of the individual character through forms best typified by principles of Classical artistic composition, that persons are organized around the discovery, development, and use of those universal physical principles upon which the maintenance and improvement of potential relative population-density depend absolutely.

Such are the interchangeable proper meanings of *agapē*, love, the general welfare, and the common good.

To grasp the sense of sheer horror, of the presence of evil, which a Luddite or Malthusian sentiment should evoke in any moral human being, look at the horrid implications of the denial of access, by a child or adolescent in modern society, to a Classical humanist mode of education.

"Classical humanist education," should be freely translated as "the only policy of an education fit for human beings." This means, that education is focussed upon that principle which distinguishes a person from all other forms of life. This is the principle of cognition, as distinct from mere deductive learning of text; this is the principle of hypothesis, by means of which individual human minds have been able to accomplish what no other form of life can do: discover an experimentally valid universal physical principle.

Without the social realization of the fruits of that principle, the human species could never have achieved a total population of much more than several millions ape-like individuals, on the entirety of this planet, under the variable conditions existing on this planet during the recent two million years. The growth of the human population has been the combined effect of both the discovery and the transmission of such discoveries of principle, not only among contemporaries, but over successive generations. It is that combined process of individual discovery and transmission of experimentally valid universal principles, which is the crucial feature of all valid aspects of the development and persistence of human cultures.

Thus, the strategic economic necessity for education,

can be efficiently served only by a policy of education which is based on the replication of individual cognitive acts of valid hypothesizing, among the members of society, especially in the educational experience of the new members of society. That is the basis for defining a Classical humanist education, as distinct from the animal-like educational policies practiced increasingly in schools and universities under the influence of the change of the economies of Europe and the Americas, from producer societies, to decadent consumer societies.

The subsuming feature of a Classical humanist education, is not simply the transmission of particular knowledge of principles, but, rather, the development of the personal moral character of the pupil. By "moral character," we Classical humanists signify a controlling sense of the different notion of individual self-interest, which separates the bestial impulses of sense-certainty from the location of the sense of personal identity in a notion of being a cognitive, social individual.

I have often illustrated that point of distinction, by pointing to the image of a pupil reenacting a discovery of universal principle by Archimedes. The pupil is not only reenacting the cognitive form of the mental act of hypothesizing used by Archimedes; the pupil is bringing that act to life within the pupil's own living mental processes. Repeated experiences of this quality, afford the pupil a sense of a relatively immortal quality of historical identity of the human individual. Archimedes is not a dead man; he is a good neighbor, a wise living uncle, a living presence inside oneself.

Thus, do we identify important discoveries of principle by the personal names of known original, or putatively original discoverers. Thus, the notion of efficient truth, in physical science and other matters, becomes, for the student in a Classical humanist education, a comprehensible notion of moral value. It is upon the fostering of this in the young, that we best produce new generations of adult populations capable of being true, sane, morally responsible citizens of a true republic.

This sense of cognitive connections to past and future generations, and from one current of culture to another, presents the developing young individual with a notion of the meaning of being human, of being a cognitive being, rather than just another beast putting its snout into subjects of sense-certainty. It is the love of being human, defined in this way, which affords the educated young citizen an efficient, practical comprehension of the standard for defining a notion of the general welfare.

It is that notion of the general welfare, which defines the required economic and related policies of a nation.

## The Entrepreneur

The term "entrepreneur" should be read here and now in a way consistent with the German use of *Mittelstand*. This

distinguishes the entrepreneur from the impersonal joint-stock corporation. This entrepreneur is not primarily motivated by the desire to earn an income; he, or she seeks to carry out a chosen mission in a way which he or she believes will also provide the income and other resources needed both to conduct that mission, and hopefully to pass the same kind of opportunity to others who may succeed him. That is the fundamental moral difference between the true entrepreneur and today's image of the predatory stockholder of a "shareholder interest."

It is that quality of entrepreneur which represents an essential characteristic of a modern national economy of the type the U.S. was founded to become. Since such entrepreneurs are essential for durable forms of progress of the economy as a whole, and since they are individually vulnerable to attacks by predators and other aversive circumstances, it is the moral obligation, and self-interest of the nation to provide such individual entrepreneurs, such as our progressive farmers, a certain protection. We therefore oblige the stock-corporation to imitate the entrepreneur, and regulate the environment of such corporations to that intended effect.

To such included purposes, and for the general welfare otherwise, the state is obliged to provide the basic economic infrastructure, which represents the economic environment, including the maintenance of the Biosphere, on which the effective functioning of the entrepreneurs depends.

Since, however, all economic progress depends upon relatively high rates of scientific and technological progress, all successful national economies are also, more or less emphatically, science-driver economies. It is from the fostering of scientific progress, that the spill-over of the development of technologies into the work of the entrepreneur occurs. Here, again, the function of Classical humanist education comes to the fore. Without the equivalent of the effect of a Classical humanist mode in education, significant progress were not likely; without a general development of the population in that same way, the ability of the general population to sustain scientific and technological progress would tend to be marginal.

In the totality of the division of productive labor within a national economy, the greater portion must be assigned either to the economic activity of government, or to private investment in forms of public utilities which are regulated by the national, regional or community governments. This portion of the total economic output pertains chiefly, by its nature to economic measures necessary to maintenance of the productive potential of the land-area as a whole, or the population as a whole. These tasks are, by their nature, ill-suited for private ownership.

This basic economic infrastructure is the foundation on which private ownership of an individual enterprise sits, as the superstructure of a building sits upon its foundations.

There are admissible exceptions to that rule of division of

responsibility, but the exceptions should be made in cases and ways in which the purpose of the rule is served.

The essential character of the relationship between those public and private forms of enterprise is most simply illustrated, by reducing the functional relationship to the pedagogical form of an hypothetical case.

Given two virtually identical entrepreneurships, in two different national economies, or differently maintained regions of the same economy. Let the technologies, skills, and efficiencies, and qualities of products in the compared cases be virtually the same. Let the same management direct both, according to consistent policies and practices. There will often be even very significant differences between the productivities of the compared enterprises. The principal cause of those differences will be the combined effect of a different state of development of basic economic infrastructure, and differences in policies of practice of government in the respective areas. Transportation, power, education, popular artistic and related culture, and health-care, are typical of the major factors determining those differences.

For that and related reasons, there is a corresponding proper division of assigned economic responsibility of government and private enterprise, for maintaining and improving the average productive powers of labor of the national economy. The constitutional regulatory functions of good government, under the principle of the general welfare, obliges the stockholder-owned corporation to meet the same general standard of policy typical of the healthy entrepreneurship.

That stated, now ask yourself: Why is that division of responsibility desirable, even necessary for a healthy national economy? The answer for this lies where the typical Marxist, or anarcho-syndicalist, would frantically deny it to exist. This difference in opinion is, in fact, the chief social reason that socialist economies tend to relative failures of performance.

The quality of the technologically successful entrepreneur, is a reflection of the development of his or her cognitive powers in a way akin to the practice of a creatively productive scientist, or physician. When this principle, common to those various cases, is not recognized, the result will tend to be akin to the murderous folly produced by increasingly mechanized standards which the unfolding of the foolish HMO act has produced, in creating what is in fact a cruel malpractice of medicine by accountants and financial officers. In the case of medicine, it is the treatment of the patient, not an accountant's standardized definition of disease and allowed treatments, which is the standard for ethical practice. The principle which underlies these various types of cases, is the fact, that those kinds of developed cognitive powers, by means of which experimentally valid universal physical principles are discovered, is a sovereign act of the individual mind, an action whose expression is perfectly opaque to the

sense-perceptual powers of an observer, or instrument substituted for an observer. The qualifying distinction of the indicated type of entrepreneur, such as the machine-tool design specialist, is of that nature.

This argument does not imply that creative professionalism and the like does not occur within the government-directed infrastructure program. The point is, that the relative freedom of expression afforded the class of creative entrepreneurs, is precious for its unique contribution to the progress of the economy as a whole. Not accidentally, such entrepreneurships may have been impelled to take up that career out of frustration with the cumbersome, bureaucratized practices of the public-stock-owned, or “Wall Street”-controlled enterprise.

This function of the entrepreneur is not limited to the distinguishable entrepreneur himself. It is the quality which that entrepreneur will often foster among his or her employees, especially the most trusted ones. It is the proliferation of that quality of creative performance within the pores of the private sector of the economy, which was the famous source of the former “miracles” of production of the U.S. economy, and of, for example, German industry, or the strongest features of entrepreneurship in regions of Italy today.

The principle here is what I have identified, above, as the “voluntarist” principle, against which the “orthodox Marxists” railed, as do the foolish followers of Adam Smith, to the present day. The object is to foster the development of as high a percentile of “voluntarist” personalities as possible within the pores of the social process. This mission features the development of the small entrepreneurship, usually of not more than 100-200 employees, often of a few, as in the case of the high-technology family farm, as the cutting edge of progress in the economy.

This is not only a needed economic policy. It is also social-political policy. A healthy republic requires not only well-educated young minds. It requires a population with cognitively active minds. To achieve that effect, this social-political policy must be fostered in the daily, weekly workplace, a location in which much of the daily life and energy of the adult citizen is occupied.



“In the case of medicine, it is the treatment of the patient, not an accountant’s standardized definition of disease and allowed treatments, which is the standard for ethical practice.” Here, a medical team deliberates on the treatment of a cancer patient.

Now, to sum up the argument against the Luddites, before turning to the concluding arguments of this report.

The source of all increases in the productive powers of labor, is the combined effect of introducing experimentally valid universal physical principles, and the cultural development which fosters cooperation in the utilization of those principles and the technologies derived from them. The ability to expand the application of existing technologies, and to introduce new ones, requires medium- to long-term advances in investment, after which the benefit is harvested gradually. The source of the credit for such investment in that future harvest, must come ultimately from a crucial margin of new credit, outside any current deposits of monetary wealth. This can come only from the sovereign debt-capacity of the nation-state, which through its monopoly on the emission of currency and power to commit itself to such issues in advance, is able to strike the balance between present and future investments and harvests, which fosters what is called “full employment.”

This margin of state-created credit, since the state incurs a debt in this way, must have reasonable security, on the average, in the future harvest. Therefore, science-driver programs and expansion in the area of basic economic infrastructure, are the preferred choices for stimulating a growth of total employment.

This system works, if there is an increase in the average physically defined productive powers of labor, under which condition the debt-credit role of the nation-state is not counterinflationary. Thus, what are called “labor-saving” technologies, create more jobs than they supersede, if the nation approaches this matter intelligently.

However, the typical Luddite is usually a person of a serf mentality, who thinks, as a cow might think, I do what my father did before me. To the Luddite, a change in quality of occupation, is a threat to his estimation of his self-interest as a cow might define the security of her employment at the dairy. The bestialized person abhors change in his or her habituated, cattle-like behavior.

### Economy, Education, and Utopia

For both economic and social-political reasons, a healthy national economy requires a universal standard of public and higher education of the Classical humanist form. The student’s accumulation of experience of the act of original discovery of experimentally valid universal physical principles, is necessary for fostering those qualities of citizenship which are indispensable for the healthy functioning of a democratic republic. The study of the history of Classical principles of artistic composition in the same way, must be included, or the matriculated populations will tend to be morally, intellectually, and politically defective, on that account. This Classical-humanist reexperiencing of science and Classical art, provides the foundation for a rational comprehension of history from a cognitive standpoint. The matured young individual so educated, will meet the requirements of a qualified citizen of a republic.

These qualities, fostered in education, and in the generality of economic practice, are necessary for strategic reasons, as well as economic and political affairs of the nation. The task-orientation of a population so educated and employed, is indispensable for producing and maintaining the quality of citizen capable of resisting the kind of decadence which has rotted out transatlantic civilization since the retirement of President Eisenhower and assassination of President Kennedy.

Knowledge and practice can not, and must not be separated. We must have a science-driver form of national economy, not only to meet our material requirements, but to give an appropriate form of task-orientation to the mental life of our citizenry.

However, powerful transatlantic financial and related interests have been operating for decades on the basis of a directly contrary intention. The pro-Malthusian turn launched on behalf of “post-industrial society” during the second half of the 1960s, and the launching of the popular “ecology” movement at the beginning of the 1970s, are the root of the transformation of the U.S. and other economies from the growing post-war producer societies of the 1945-1965 inter-

val, into the bankrupt world monetary-financial system of today.

Look at the “new Luddism” of the past thirty-five years, in light of what I had written above, on the relationship between education and economy.

Looking back at the 1961-1965 convulsions, in the U.S.A., Europe, and elsewhere, preceding the U.S. deep plunge into the Indo-China war, we see a massive destruction of the minds of the university students of the 1968 generation, a destruction based on sundry expressions of rabidly existentialist follies and a general economic-cultural paradigm-shift toward what has become, for today’s adolescents, a “no-future” society. The characteristic feature of this cultural paradigm-shift, was an axiomatic change in the moral character of the U.S. and of European nations, from producer societies, to the decadence of consumer society.

The lack of a productive orientation for the two younger adult generations, the “Baby Boomers” and their progeny, has fostered a widespread and deepening moral and intellectual decadence, akin to that which plunged imperial Rome into a self-imposed Dark Age of European culture.

Not only is a science-driven producer society needed for the present economic requirements of humanity at large. Without a task-orientation of that type as the adopted form of national practice and goals, there will be a failure in the moral development of national populations, out of which such horrors as a plunge into a prolonged dark age of neo-Romantic universal fascism, were presently likely.

Precisely such a new dark age, has been the stated goal of utopians such as H.G. Wells, Bertrand Russell, and their numerous confederates, then, and among presently influential strategic utopians still today.<sup>12</sup> In order to bring about a world empire which eliminates the existence of sovereign nation-states, the population of powerful nation-states must be sufficiently ruined and “dumbed down,” to accept what is in fact the status of a bred and culled human herd, as Wells proposed in 1928.

The British had done that to their own population, during the age of Walpole, and in the Benthamites’ response to the threat from British sympathizers of the American Revolution. This had been the depraved state of British culture to which Babbage, Herschel, and Peacock had referred early during the Nineteenth Century. At the close of World War I, especially after the revival of the U.S. under President Franklin Roosevelt, this was already the relevant intention of certain very influential circles in Britain.

Near the beginning of the Twentieth Century, the Fabian circles, known as the Coefficients and Round Table, gathered around Lord Milner, Halford Mackinder, Wells, et al., represented circles associated with the Prince of Wales and later

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12. H.G. Wells, *The Open Conspiracy: Blueprints for a World Revolution* (London: Victor Gollancz, 1928).

Edward VII, which had reacted with fear and loathing to President Lincoln's victory over the Anglo-French asset, the Confederacy. That fear increased with the spread of the influence of the American System of political-economy into Germany, Russia, Japan, and elsewhere, during the closing years of the 1870s. Britain saw the building prospect of a trans-Eurasian system of economic development based on American principles, as a mortal form of systemic threat to the supremacy of the British Empire as a neo-Venetian form of imperial maritime power. The British intention was to organize a fratricidal war among the principal powers of Eurasia, as a "geopolitical" strategy for stopping the spread of the American System's growing global influence. As we know, the trick succeeded.

Several preliminary steps in building toward that war, are notable here. The war began with British monarchy's takeover of the Emperor of Japan, launching the successive Japan wars against China, Korea, and Russia, during the 1894-1905 interval. Meanwhile, the successful 1901 assassination of U.S. President William McKinley, shifted the power in the U.S. to the pro-Confederacy circles typified by the Presidencies of Theodore Roosevelt and Ku Klux Klan fanatic Woodrow Wilson, and brought the United States into alliance with Britain for the coming World War. To "finish the job" which Versailles left uncompleted, the British monarchy, acting with the support of those New York banking circles which had been associated with Theodore Roosevelt and Wilson, put Adolf Hitler into power in Germany.

The British, in helping Hitler's armaments program, had intended that Germany would invade the Soviet Union, and that British and French forces would attack and occupy Germany from its rear, once German forces were bogged down in the Soviet Union. However, when London learned that Hitler was thinking of striking westward first, before attacking the Soviet Union, London dumped King Edward VIII and made concessions to the U.S.A., bringing the United States into the commitment to prepare for the coming war with Hitler.

Once Franklin Roosevelt was dead, London and its U.S. assets set the utopian strategy of Wells and Russell into motion, with the militarily unnecessary nuclear bombing of Hiroshima and Nagasaki. However, until President Truman could concoct the pretext for discharging General Douglas MacArthur, and as long as Dwight Eisenhower remained President, the growing utopian faction within U.S. military and related circles could not unleash the changes they intended to bring about.

The essential intent, as set forth by Wells, in the prefatory portion of a 1913 book, was the development and use of radioactive weapons as a force so terrible, that nations would surrender to world government, rather than be forced to fight a new major war. It was Russell who played the leading role in orchestrating the nuclear weapons-development programs of

the 1940s, and it was Russell who defined the policy of "preventive nuclear warfare" which was put into motion with the 1945 bombings of Hiroshima and Nagasaki. It was the combination of air-power with sea-power, and the integrating of both with nuclear arsenals, which constituted the core of the military side of the Russell-led continuation of the Wells-Russell proposal for world government, as described by Wells in his 1928 *The Open Conspiracy*.

Following Eisenhower's retirement, the utopians gave us the "Bay of Pigs," the attempted 1962 assassination of France's President Charles de Gaulle, the Cuba missiles crisis of 1962, and the 1963 assassination of President Kennedy, which marked the typical footsteps toward putting U.S. policy under the apparently irreversible control of the utopian cause. The roles of John J. McCloy, Henry A. Kissinger, and Zbigniew Brzezinski, in dominating U.S. policy-directions during the interval from the Warren Commission Report until the retirement of President Jimmy Carter, merely typify the process which has led the U.S. to the present, self-inflicted global catastrophe of presently doomed world monetary-financial system.

Look at the minds of present two younger, post-World War II generations of adults. The connection among economy, education, and utopianism, is clearly demonstrated.

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## 4. In Conclusion: Where the Empire Is Headed

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With the 1989-1991 dissolution of Soviet power, the utopian-influenced circles of Prime Minister Margaret Thatcher and President François Mitterrand launched the demand that this development of 1989 be taken as the occasion for virtually destroying a Germany which, according to them, must not be reunified. The United States did not concur with all of the features of this Anglo-French savagery, but a compromise was reached, in which many of the intentions of Thatcher and Mitterrand were interwoven with policies intended to be ultimately disastrous for both Germany and the emerging nation-states of Eastern Europe, Russia most emphatically included.

At the same time, leading circles in the U.S. and under the British monarchy, saw in these developments the opportunity to proceed rapidly toward establishing a form of world government, run by the relevant English-speaking powers, which would be an eternal empire, modelled upon the Roman Empire, but world-wide. That is the current state of the world, especially since Sept. 11, 2001. However, there is something else to be considered. The first Roman Empire was formed during a time that Rome was at the height of its powers. The new Empire being attempted presently, finds the English-speaking powers—the U.S.A., Canada, the United Kingdom,

Australia, and New Zealand—at virtually the bottom of their descent into the worst global monetary-financial crisis since the 1648 Treaty of Westphalia. The irony of it all, is that the conditions under which the consolidation of the new empire is being attempted, are conditions created chiefly by more than three decades of lunatic utopians' efforts to destroy the institutions upon which the former power of the U.S.A., western Europe, and Japan had depended up to and slightly beyond the mid-1960s.

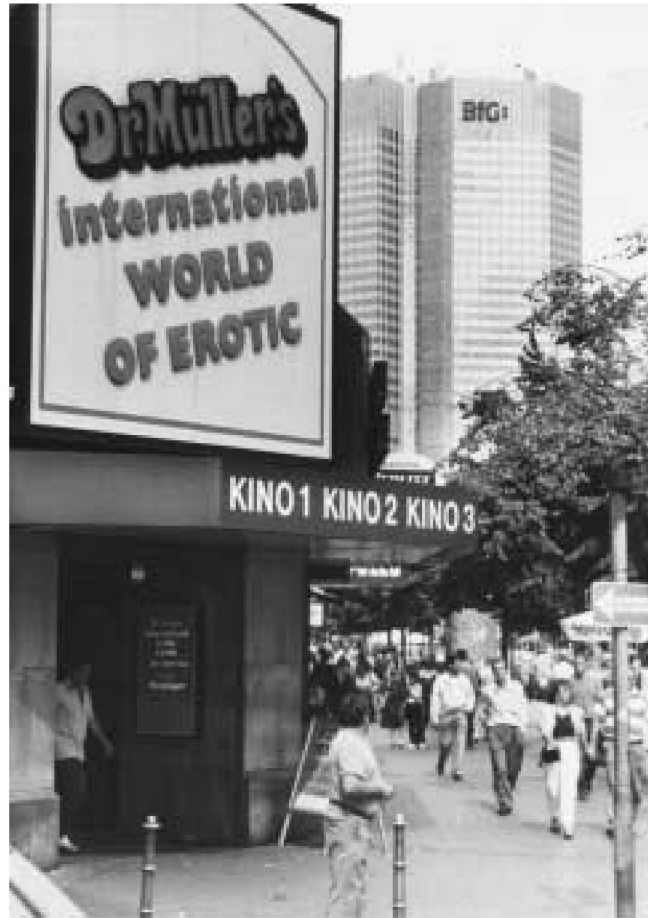
Since the Baby Boomers came of college age, back during the mid-1960s, we now have two-plus generations, which, with a crucial minority of exceptions, were better described as two-plus successive degenerations. They were destroyed, culturally and otherwise, each generation to a greater degree than the next, looted of their natural human potential to assimilate both a Classical humanist development of their creative powers, and matching productive potentialities. The current younger adults and adolescents, are fairly described as either the “punk generation,” or, simply, the “no-future generation.”

This has been compounded by the correlated effects of transforming the leading economies of the United States and Germany, among others, from producer societies, into increasingly decadent consumer societies. This is a process accompanied by both willful destruction of vital productive capacities, and the looting, through attrition, of essential basic economic infrastructure.

This is what the Benthamites did to the English population, to produce the rot to which Babbage, Herschel, and Peacock referred. This is producing presently, a rot matched by the proliferation of armies of lunatics, more like the Flagellants of the Fourteenth-Century New Dark Age, than the pitiful, butchered wretches of Wellington's “Peterloo” and the Luddite lunacies.

Typical is the case of the hordes of victims of a socially-induced form of mass schizophrenia, the violence-prone video-games addicts typified by the slaughters at Columbine and Erfurt. These pre-trained “point-and-shoot” cannon-fodder are on the production-line to become the ground meat processed as the neo-Roman legionnaires of a global, perpetual “Clash of Civilizations” war. Because of the characteristics of a socially-induced mass-schizophrenia generated by such methods, they are as likely to butcher one another as their designated targets, a phenomenon which can not long be concealed under the dubious euphemism of “friendly fire.”

The utopian policies underlying these patterns reflect, chiefly, two things to be emphasized as the conclusion of this report. First, they reflect the intention of utopians of the Wells-Russell genre, to create utopias in which populations are bred, trained, and culled, to serve as willing human cattle for their feudal-like masters. Drugs and video-game-induced mass-schizophrenia, complemented by what are termed euphemistically psychotropic drugs, will keep the human cattle



The red-light district in Frankfurt, Germany, located conveniently next to the banking center. The economies of the United States and Germany, among others, have been transformed from producer societies, into increasingly decadent consumer societies.

dumb and manageable. Second, they reflect that the would-be masters of such utopias are intellectually, culturally incapable of maintaining the empire over which they intend to reign.

When the Benthamites did what they did to the hapless population of the United Kingdom, powerful civilizations were rising from the rubble created by the Jacobin Terror, by Napoleon Bonaparte's fascist legions, and by the Congress of Vienna. England was forced to adapt to the reality of developments in the world at large. Today, by lurching toward consolidating a global imperial system, the utopian tyrants' nations doom themselves, by seeking to crush, one after another, each and all of those cultures from which the challenge might come to cause a regeneration within what are threatening to become the self-doomed cultures of the English-speaking world.

There is no possible way the utopians could win, but, unless they are stopped, the entire world will lose.

What happens, therefore, is up to you.