
AMERICAN SYSTEM

Revive the policies of Friedrich List, American System fighter

This week, *Executive Intelligence Review* inaugurates a new column devoted to the policies and programs known as the American System.

We have regularly reported in our economics columns and features the assault launched against U.S. banking, industry, and the economy as a whole by Great Britain.

We have also reported how certain U.S. officials—notably Energy Secretary Schlesinger, Federal Reserve Chairman Miller, and National Security Advisor Brzezinski—have essentially committed treason against the United States by implementing policies and programs long associated with the British System: deindustrialization, energy and economic austerity, and labor intensive technologies.

While the best of the American System economists lived during the 18th and 19th centuries, the issues of the fight they waged then against the British System—identified with Adam Smith—are today the issues around which the fight for the European Monetary System revolves.

That was made clear this week by the New York Council on Foreign Relations which has begun to release the results of their "Project 1980." In one volume in a projected total of 25-30, the New York CFR identifies three general economic outlooks which still divide the world: one is the Marxian outlook, the other is the neomercantilist which they identify with Alexander Hamilton and Friedrich List, and the third is the "liberal" outlook of Adam Smith. The New York CFR minces no words: most of the Third World and certain sectors of the advanced sector embrace either the neomercantilist or the

Marxian models which in any case are fundamentally similar models. How the world is to be reorganized along "liberal" lines is the subject of this volume.

Why does the New York CFR single out Friedrich List? List was the 19th century German economist most responsible for setting the foundations for a modern industrial Germany. He organized to advance the Grand Design for world humanist development by spreading the American System throughout the world. List created and led the German Zollverein (Customs Union) and conspired with the American Revolutionaries Mathew Carey, General Lafayette, and others to extirpate the British disease of Adam Smith and William Pitt.

Were he alive today, List would neither capitulate to the British enemy nor tolerate any "politically expedient" compromises with the fate of the European Monetary System's new world economic order. It was a new world economic order that List and his allies proposed be founded on the principles of the American System of industrial development.

In May 1843, List polemicized against those who cried: "We do not want factories" (excerpted below). He identified the environmentalist "greenies" of his day and the aristocratic Junkers, along with their counterparts, as the conscious perpetrators of genocide and "devastation by war and pestilence" of the entire globe:

"'But we do not want factories!' O.K.—then one would have to first of all reduce the expenses and strength of the army; large budgets

just cannot be afforded in countries without industry.

"—Then one should not talk about art and science, because without national wealth both are exotic plants.

"—Then one should not say anything about the inviolability of the nation or anything about a great future, because the future of the nation rests on its power, and its power rests on its wealth and its wealth rests on a harmonized development of its productive forces, and so, in our day, preeminently on manufacturing.

"That's how some experts judge it. Others turn the sentence around and say: factories are accompanied by evil conditions; and up to now no cure has been found for these evil conditions, so we do not allow any new factories, and let the old ones die out. This is the opinion of sentimental belletrists, country Junkers, who don't see beyond the furrows of the field, bureaucrats who only exist in their documents and do not know where their bread comes from, philanthropists, those who continuously keep their heads up in the clouds while falling into every puddle, scholars whose natural understanding is not great enough to digest all that they have learned.

"Men of intellect and scholars with practical understanding compare the misery that now prevails among the masses with the misery that prevailed among the masses in previous periods (famine, starvation, the devastation of war, pestilence), and when they find that the recent period compares very favorably they come to the conclusion that one must not throw away a superior new kind of fruit just because weeds grow with it too; instead, strive to fight the weeds."

—Kathy Stevens