

EIR Special Report

U.S. ruling circles are in deep trouble

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Readers and associates of the *Executive Intelligence Review* have been intimately familiar with the unraveling of crises and debacles in virtually every policy domain of concern to the Western world since at least Jimmy Carter's ascension to the presidency. Over two years ago, this review identified the underlying assumptions and philosophy of the Council On Foreign Relations *Project 80s* as the cause of future crises and debacles, both those that have already befallen us and those yet to come.

As of last week, the small but influential circle of the *EIR* and its clients, subscribers and readers is no longer alone in its evaluation of the depth and causes of the current dramatic world crisis. We have been joined in our estimate by a group of people who on the whole could hardly ever be expected to find themselves on the same side of any issue as ourselves—namely, the very inner sanctum of power and policymaking of the Western world which has been firmly in control since the Treaty of Versailles!

Below we reprint the most characteristic howls of agony which have emanated from this Olympian crew during the past fortnight, prominent among them the essays by George Ball, McGeorge Bundy and others. Cautioning the reader, we point out that these gentlemen's coincidence of views with us is limited to the very narrow and barren area of mere acknowledgement that a very deep crisis indeed is now before us and the world. The crisis is indeed so profound that it is directly threatening the very rule of this now so profoundly disturbed crew of Olympians.

We are also publishing below an extremely important essay by Contributing Editor Lyndon H. LaRouche, Jr. currently running for the Democratic nomination for President of the United States. Mr. LaRouche's argument represents a *tour de force* in its application of a certain fundamental scientific principle in matters of basic policymaking. Mr. LaRouche argues against his "Olympian" interlocutors, that the single principal cause



George Ball presides over a meeting of the Council on Foreign Relations' "Project 1980s" study group.

of the failure of their policies is located in the fact that they, the policymakers, as a group have utterly failed to comprehend the dependence of policymaking on that principle of science which Plato calls the "hypothesis of the higher hypothesis." This failure of comprehension accounts for both the economic and monetary debacle now plaguing the institutions associated with the IMF, World Bank, etc., as well as the failure of the military-scientific posture of the Western world.

The Platonic "hypothesis of the higher hypothesis" led Mr. LaRouche to formulate a sophisticated thermohydrodynamic model of economics based on Neoplatonic Riemannian mathematics back in the late 1950s-early 1960s. This theory of economics also defines itself as the science which is capable of discovering and ordering those areas of fundamental research in natural science in which future theoretical breakthroughs must occur. Therefore, Mr. LaRouche and, later, his associates in the *Executive Intelligence Review* were in a position to foresee and dissect the oncoming world crisis from a competent, qualified *theoretical* standpoint. Our opponents and interlocutors from "Olympus," however, were not capable of such theoretical foresight and insight. The fact that they started howling about the crisis only last week is not to their credit. When empirical facts started hitting them over the head, then they started howling. These were empirical facts which our "Olympians" persistently over the past few years

claimed to us and to intermediary third parties, could never occur. They have, however, occurred.

The fact that "Olympus" is now howling is no consolation. Its howling is still proof of their crass, unrepentant *empiricism*. If that fundamental flaw in outlook is not corrected, if "Olympus" does not submit to the higher potency and the higher sovereignty of science, then their mere terrified acknowledgement of the present world crisis will not make that crisis go away.

Why did they howl?

But what were the facts that made Olympus howl last week?

Last week, the Soviet delegation walked onto the premises of the Permanent Committee on strategic arms negotiations in Geneva and unilaterally announced that a) the U.S.S.R. will not consider itself bound to the limits prescribed by SALT II because of United States failure to ratify that treaty; and b) the U.S.S.R. will unilaterally remove 50 percent of their anti-ballistic-missile defenses around the city of Moscow—without further explanation.

This Soviet move occurred amid intense and persistent reports in virtually every NATO intelligence outfit, that the Soviet Union is now preparing to deploy *within 12 to 16 months* sophisticated high-energy beam weapons capable of destroying incoming intercontinental strate-

gic missiles in the stratosphere, as well as low-flying cruise missiles. It is also the generally accepted estimation of every NATO intelligence agency that the Soviet Union is approximately *six to eight years* ahead of the West in military-scientific research and development.

This development occurred while the Joint Chiefs of the American armed services, testifying before Congress, were painting a dismal picture of the state of our military, reporting hideous problems in R&D and weapons systems development, in the status of the current equipment, horrifying personnel shortages, extremely low morale, skill levels and combat readiness in the All-Volunteer Army. According to best estimates in military intelligence circles, if one assumes that in January 1981 an administration is inaugurated that is fully committed to

West Germany's "incalculable" U.S. ally

Carter's policies are "incalculable" is the view of top West German officials all the way up to Chancellor Helmut Schmidt. The Chancellor was in the United States during the first week of March for what were termed cool discussions with President Carter. Later in an address before the Foreign Policy Association in New York, the Chancellor stressed the necessity for consistency, partnership, teamwork, and consultation in the Alliance.

This past week, the U.S. press, whose editorial boards nearly represent the membership of the New York Council on Foreign Relations, has taken to task the Franco-German partnership that has more and more assumed an independent stand vis-à-vis the "superpowers." The *New York Times* editorially denounced France's independent policies.

A swift response came on the pages of the conservative French daily *Le Figaro* by its foreign policy analyst Paul-Marie de la Gorce.

"The experience of the last months has in fact proven that efficiency is not necessarily on the side of the positions taken by the United States. ...France has better things to do than align itself on proposals defined by others. For the immense number of nations which do not want to integrate themselves into either bloc, France can be the interlocutor. ...Let there be no mistake; France seems to be the only country which can play this role. ...If this voice which still expresses itself were extinguished, there would not be any to replace it."

restoring American military strength, then, according to the most optimistic scenario, it would take no less than 10 years for the United States to restore the balance with the U.S.S.R. in terms of relative advantage. In short, according to these circles, assuming that such an administration came about, and also assuming that it would possess the basic knowledge of how to do these things, between now and the early 1990s, the U.S. will be getting deeper into the status of a second-rate power. And it may get worse.

Aside from the military situation, what impressed Olympus last week was the turn of events in the domain of the world economy. As Paul Adolph Volcker and the Carter administration are proceeding with the gameplan of "controlled disintegration" in the United States, continental Europe and the Arab world are fast decoupling from the arrangement and are moving into developing an international economic-monetary system around France's and the Federal Republic of Germany's European Monetary System. Announcements last week from the Bundesbank, the French government, numerous Arab governments and Austrian and Swiss banking authorities made it clear that most of this year's petrodollar surplus, namely, over \$60 billion, have already been committed exclusively through the continental European banking system to long-term industrial development deals involving Western Europe, Africa, the Arab world and the Soviet Union!

At the same time, all the above parties, including the critical Swiss banking sector, have progressed dramatically toward the objective of restoring gold to full monetary status—perhaps for some time after the West German Federal election this autumn.

If this continental European Grand Design comes to fruition, the hegemony of London-Washington (Olympus) over world affairs will be crushed, probably forever. Indications from the Soviet Union so far are that Moscow intends to facilitate this European Grand Design in every way possible. This combination of strategic-military and economic realities created the set of facts which made Olympus howl last week. Olympus is now looking straight into the abyss, the very same "erebos" to which ancient Greek pantheons were hurled after their defeat. What frightens them most about this abyss, the next 10 years of estimated Soviet military advantage, is the imagined, imputed or otherwise anticipated Soviet intentions and actions during a period in which the Soviets, unlike in any other period of their history, will be in a position to "call the shots."

If this Anglo-American elite fails to grasp the scientific principle in politics that LaRouche represents, they shall also fail to subject any other problem to scientific treatment, including what they temporarily perceive as their "Soviet problem."