

'Patriots for Germany' conference honors economist Friedrich List

Friedrich List, patriot and world citizen, was the theme of the conference held in Cologne, F.R.G. on June 10 by the Patriots for Germany party in honor of the great 19th-century fighter for the American System of Political Economy, whose life and works bear a striking resemblance to the activity of Lyndon LaRouche over the past 20-30 years. The Patriots for Germany party was launched three years ago by Helga Zepp-LaRouche, the West German wife of Lyndon LaRouche, and presented a broad slate of candidates for the June 18 European Parliament elections. A paper by Mr. LaRouche, entitled "A Comeback For Project Financing," which was read to the conference, appeared in *EIR*, June 16, 1989, page 4-6.

Who was Friedrich List

The introductory address was delivered by Elke Fimmen, the president of the Patriots for Germany in the state of Bavaria. She presented Friedrich List (1789-1846) as one of the main proponents of the broad republican movement against the oligarchical system of the 1815 Congress of Vienna. The architect of that system of repression, Prince Metternich, considered List "one of the most dangerous men of the revolution," and had him persecuted throughout his entire life. Keeping in mind that Metternich is the great idol of Henry Kissinger, the importance of looking into List's life and works for the LaRouche movement today, becomes clearer.

List very early in his life declared war on "that nonsense of 500 years of immorality" that ruled politics and economics in Europe. He was at the center of three networks that fought the oligarchy at that time: the Prussian Reformers movement in Germany, the Ecole Polytechnique movement in France, and the United States movement for independence. Opposing the physiocratic tendency of the landed oligarchy and the banks that dominated economics of his time, List believed the creative powers of man, human rights, and mass education, nourished by a just state and constitution, to be the real source of wealth and progress. He believed in industrial development, most of all.

Initiating the first Association of Trade and Commerce, together with 70 merchants at the Frankfurt Easter Fair in 1819, List rapidly established a network of correspondents all over Germany. The aim of the association, to promote

unity in a Germany which was split into numerous states and different zones of taxation and fell under the political dictates of the Congress of Vienna, posed a serious challenge to Metternich and the other oligarchs in Europe. The power of List's ideas was a threat to the Vienna system. Metternich, sensing what he called a "thought crime," launched a prosecution drive against List, whose initiative he denounced as the "revolutionary party in Germany run under the guise of a trade and commerce association."

List and his movement became victims of persecution. He lost his seat in the Baden state parliament, and escaped prison only by leaving Germany in 1820. "I am no Socrates," he said, "but my own case is like his."

Living in Paris during a period of his exile, List made the acquaintance of such great republican minds as Alexander von Humboldt and the Marquis de Lafayette, and in London contacted Richard Rush, later to become Secretary of Trade in the United States. Lafayette offered List to come to the United States, to work from there safe from Metternich's reach. List hesitated, and got arrested by Metternich's police agents.

After an interlude of 10 months of jail in Germany, List was able to emigrate to the United States in 1825, joining Lafayette in New York for a three-month tour which brought him in contact with all leading proponents of the American System of Political Economy—Henry Clay, John Quincy Adams, John Marshall, Mathew Carey, and Charles Ingersoll, among others.

From there, List developed detailed concepts on how to promote a *real wealth of nations* by means of industrial development. This included campaigning for the construction of railway nets, development of coal mining, and construction of steam engines for rapid transportation by sea or land. His essays, largely written for the *Readinger Adler* in Reading, Pennsylvania, near Philadelphia, were also published in Germany, by the same Cotta who before had published the works of the "poet of freedom," Friedrich Schiller.

List's return to Europe

In 1830, during a tide of broad popular rebellion in Europe against the system of Vienna, List returned to the old continent under the protection of being a Consul of the United

States. In Paris, as a Trade Envoy, he made contact with the republican poet Heinrich Heine in 1830, and became U.S. Consul in Leipzig, a key city for the emerging industrial movement in Germany, in 1832. From here, he was able to promote, to Metternich's deep chagrin, his ideas about the construction of an all-German railway net connecting all the major cities and centers of manufactures.

In spite of heavy counterorganizing, List succeeded in getting the railway idea into practice. Beginning in 1835, the first railway tracks were built, and industrial development along the American model (heavy industry, protective tariffs against dumping-price imports, mechanization of agriculture, naval transportation by steam-boats, etc.) began all over Germany. The foundation of a German Tariffs Association in 1834, and List's campaign for establishing a Central Bank modeled on Hamilton's First National Bank of the U.S., marked key projects of the republican-industrial movement of those years.

List was in close contact with Germans who would soon become big names in the industry, like Hoesch, Pons, Stumm, Buderus, and Duckwitz. His popularity was so high that he was even offered the post of chief editor of the *Rheinische Zeitung*, which he rejected for health reasons. Instead, Karl Marx took the post. Marx hated the American System and sided with the Jacobin section of the British Imperial System.

During the last years of his life, List became the target of concerted attack by Metternich and his oligarchical friends in Europe. The Congress of Vienna hoped to ruin the republican-industrial movement by ruining List personally. The oligarchy, including a Prince of Thurn and Taxis, took care of List: Wasting months in London, with the British, his old economic theory adversaries, upon a phony promise to gain a breakthrough there for his ideas, his health, already in a bad condition, was ruined. List died, under rather odd circumstances, on his way to Italy to recover, in 1846.

The Metternich cabal lost out, in spite of List's death, in the years following. In 1848, a new Europe-wide rebellion forced Metternich to seek refuge in London, and although the political rights movement experienced a new setback in the early 1850s, industrial development made a big leap forward in the second half of the 19th century over all of Europe. List's works were translated into numerous languages, reaching Russia, India, and Japan before the 1890s, and Sun Yat-sen's Republic of China in 1925.

Lessons for today

The federal president of the Patriots for Germany party, Helga Zepp-LaRouche, appealed to build a new, just world economic order in her address to the conference.

Many economic arguments brought into the debate today are nothing but hypocrisy and excuses, Mrs. LaRouche said. Basically, it's the fight between monetarism on the one side, and industrial capitalism on the other side. Monetarism doesn't care about the state of industrial production, of trade, and of

agriculture. Industrial capitalism does care, and List was a proponent of the latter camp, she said.

List argued that any violation of the principle of production would lead to inevitable collapse, and, as we experienced after the Great Depression, lead to fascism and war. For us to look at List's life and works today, without taking a look at the present strategic world crisis situation, and how it came about, would be meaningless, she asserted.

Had the world put into reality what the papal encyclical, *Populorum Progressio*, called for in 1967; had the world put into reality what Lyndon LaRouche formulated in his 1975 proposal for an International Development Bank, monetarism would long have been defeated, the world wouldn't be where it has arrived now, Mrs. LaRouche reminded the audience.

Instead the International Monetary Fund and the cabal that plotted out the tripolar world order (U.S., U.S.S.R., and Red China) and the New Yalta, prevailed. What they have produced is absolute chaos and destruction. Look at:

- Red China and the Soviet Union, where famines and social decomposition rule the day;
- The U.S.A., where 40 million citizens are forced to live below the poverty level;
- Ibero-America, where the dope mafia rules the whole continent, where revenues from dope sales are called *exports*;
- Iran, where the destruction process after the fall of the Shah is escalated now, after the death of Khomeini;
- Even Europe is split into a wealthy northern part and an impoverished southern belt;
- Africa is in the worst of all conditions, it is written off by the international monetarist institutions.

Helga Zepp-LaRouche said that the relative wealth still encountered in West Germany, does not tell anything about the real state of the world economy, which is in the eye of a storm—the next monetary crash is sure to hit, and it will be worse than the last one in 1987. The question is whether this crash is followed by a period of chaos, or by a period of industrial recovery.

End of the condominium

She said that the Pol Pot-style massacre in Beijing was the beginning of a new era of politics; it ends the illusion of a world condominium. The proponents of the condominium are trying to save it, as Kissinger and Bush do by delivering wheat to Red China (but having sanctions against Panama at the same time). There were also threats by the U.S. against Taiwan, to stay out, or else. Bush betrayed Taiwan and the Chinese, as Truman betrayed Taiwan in 1950, when the Kuomintang offered to open against the Red Chinese who invaded Korea, a second front on the mainland.

This massacre in Beijing split the world in two camps, divided by a stream of blood: On the one side, there are the bolshevik-fascist regimes like Red China and Soviet Russia, and the oligarchical regime that rules the United States now;

on the other side, it's the movement for freedom and human rights.

Let the empires of evil know, that any violation of natural law, of human rights, will only unleash the Furies. What we are witnessing these days in Uzbekistan, Georgia, Armenia, also in Yugoslavia, the Baltic states and in Poland, is the Furies let loose. The U.S.A. is deeply discredited by its adventure against Panama, and the police-state measures against the domestic opposition. The three world empires of today have entered a process of decay, Mrs. LaRouche remarked.

Lyndon LaRouche has been taking up the impulse of List in economic theory, the tradition of physical economy. The central idea here, is that economic policy must serve man, not the other way around, with monetarists demanding that millions of human beings are sacrificed to serve a certain economic system, she continued.

The central idea of LaRouche's work is the concept of *relative potential population density*, a reliable standard to measure economic growth and industrial progress. Human population and its condition is the central thing: Only one-third of the world population is well-fed, another third is badly nourished, and the remaining third is exposed to famine and starvation. No fewer than 512 million human beings died of starvation and epidemics, in the past nine years. There is the threat posed by AIDS, especially on the African continent. This tells you all about what the Pontiff called *structures of sin*, the speaker added, referring to the 1987-88 encyclical, *Sollicitudo Rei Socialis*.

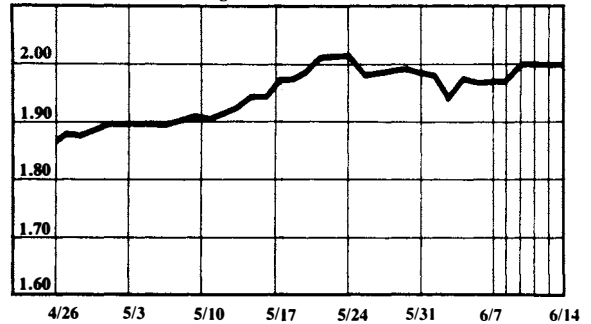
Friedrich List wrote that only by industrial labor, by manufactures, can human beings realize themselves, and free themselves from the state of relative primitiveness which is still there in the agricultural society. The Patriots for Germany president recalled that Lyndon LaRouche presented his proposal for an International Development Bank to replace the system of monetarism in 1975, and it was taken up in the Group of 77 meetings in Colombo the year after. Then came the setback, when Kissinger had Pakistani Prime Minister Zulfikar Ali Bhutto killed. LaRouche met President José López Portillo of Mexico and wrote *Operation Juárez* in 1982, and Mexico imposed capital exchange controls in September of that year. But the monetarists came down on Mexico, and Indira Gandhi, who also met LaRouche and supported his ideas, was assassinated. LaRouche himself was put in jail, in the meantime. But the fight goes on.

There are ample plans for projects which LaRouche designed over the past 15 years, for the Mideast, for India, for China, for Ibero-America, Africa, and the United States itself. These and other projects must be made reality, and that is how the world can be saved from doom. One finds he is in the same tradition of Colbert, List, Mattei, *Populorum Progressio*, and Sun Yat-sen. Their historic fight for economic development is ours today as well, Helga Zepp-LaRouche affirmed.

Currency Rates

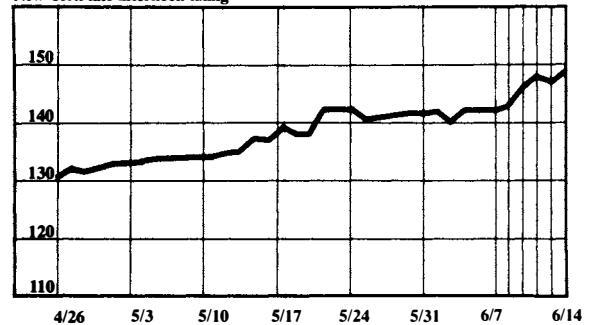
The dollar in deutschemarks

New York late afternoon fixing



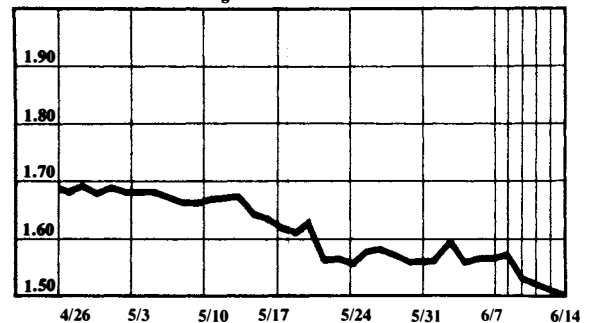
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

