

it less politicized, is the physical economy of the American economist, corresponding member of the International Ecological Academy (IEA) Lyndon LaRouche, about whom *Nezavisimaya Gazeta* has already written (May 5, 1993, Oct. 1, 1993 and elsewhere). True, LaRouche himself considers the well-known German thinker Gottfried Leibniz to be the founder of physical economy. In Russia, D. Mendeleyev, S. Witte, V. Vernadsky and others developed ideas close to this conception.

“For physical economy, economic processes are not the ‘free market’ and not money. It opposes the monetarist idea in economics, the idea based on the principle that economic science is ‘the science of how to get rich.’ In physical economy, the main goal of economic development is the continual growth of production on the basis of scientific and technological progress. The market and money are viewed as necessary instruments for economic relations.

“Contemporary reformers acting on the basis of monetarism are essentially attempting to ‘cure’ not the economy itself but money, which is a system serving the economy. But proclaiming money as the aim and essence of people’s lives leads to corruption at the top, the gangsterism of mafia structures, criminal elements running wild in society, and other problems. . . .

“The monetarist-mercantilist approach is the reason reformers cannot clearly define the goal of their intended reforms or the paths to overcome the growing crisis. Thus in Russia, first the goal was proclaimed to be acceleration, then perestroika, and finally the ‘market economy.’ But all these are methods, not goals. As a result of the development solely of trade manipulations, production is continuing to decline already for the second year. The country is losing its scientific and technological potential, the so-called conversion of the military industrial complex has assumed distorted forms, and there is a growing threat of massive unemployment.

“Breakdowns in the economy cannot be ignored even by the most zealous supporters of ‘a free market.’ They present this, however, as so-called objective regularities, cycles, inevitable crises, etc. LaRouche has told of American experts who tried to explain their inability to understand the reasons for undesirable processes in the economy by invoking Kondratyev’s ‘long waves’ or other ‘objective’ regularities.

“Physical economy explains economic depressions accompanied by severe social conflicts as the result not of ‘objective laws,’ but of the lack of common sense (or even the presence of bad intentions) on the part of the political leaders who are formulating and implementing economic policies.

“To criticize erroneous views on economic processes does not at all mean to reject the need for a philosophical analysis of them. The goal of any science is to find the truth. Economic science is called upon to study the sources and means on which the normal life, prolonged existence and progressive development of human society depend.”

Lyndon LaRouche Comments

We can’t afford not to go into space

The following is excerpted from Lyndon LaRouche’s “EIR Talks” radio interview of Feb. 2:

EIR: Recently, the Schiller Institute, of which you are a founding member, had a conference in Moscow, and a veteran of the Russian space science program, Dr. P.G. Kuznetsov, announced a new, special program, called “President.” This was an appeal on his part to the world leaders to apply the knowledge of sustaining life in space to the survival of human life on Earth. What advice can you give for helping to put this kind of program into policy, in various parts around the world?

LaRouche: Dr. Kuznetsov is one of the world’s leading experts on the matter of sustaining human life in space orbit—the Russian program for these long-term space expeditions that they did, the tests. So, he knows, really, whereof he speaks, from that standpoint; he’s probably one of the world’s leading authorities on that sort of thing, if not *the* world’s leading authority.

I’ve always taken the view, as did the founders of the space program in the United States—the Kennedy program during the 1960s—that, when we’re going into space, and developing space technologies, we are testing the limits of man’s capability, and we’re developing discoveries and technologies which operate to sustain man at the limit of known human capability. The obvious thing is, for example, as I emphasized in connection with my Mars design, back in the winter of 1986 and into the spring of 1986, that if we can build a city on Mars, sustain a group of engineers and scientists for the purpose of work in space nearby on spectroscopy, on phased-array kind of antennae, then we can certainly make the desert habitable on Earth.

Similarly, when we take man to what is, relatively, the limit of man’s endurance—life in the zero or fractional gravity in space—if we can keep people alive under those conditions in space, we can keep them more easily alive on the planet Earth. So, in general, in all scientific work, ever since at least the time of Plato, with the work of Eudoxus in geometry, whose principle was always, as was Plato’s: Drive every proposition to its uttermost limit, and look back at the whole problem from the standpoint of this uttermost limit; and you’re most likely to find discoveries.

So, he’s saying something which is startling, perhaps, to people who don’t recognize the principle, but probably not

to him, nor to me. Go to the limit. From working at the limit, then bring it back home to benefit people on Earth. That's the way to make progress.

EIR: Many people look at the collapse of American cities, the collapse of industry and agriculture, the decline of societal values, and they throw up their hands. They say, "We can't even solve these problems. Why should we be thinking about space travel and space development?"

LaRouche: If you look at the history of the 1960s Kennedy crash program for the manned lunar landing, we got, back on Earth—effectively in the pockets of the average American—14¢ for every penny we spent on space. The logic is: Spend on space, it automatically comes back to Earth, if you've got a viable economy.

Our problem today on this planet is not that we have a shortage of money, though some people will tell you so; particularly, those people who are trying to rent money out to you at exorbitant, usurious prices; the people who call you up and ask you to take a credit card, when you don't have a job; that kind of theory.

If we look at the composition of the employment of the labor force as a whole, we find that the percentile of people who are producing physical goods, or maintaining them, has *collapsed* over the past 30 years. And that, of the number of people who are employed, not counting the growing 17-20 million people who are *unemployed* of the labor force—just taking the people who are employed, we find that the composition of the employment includes a lot of make-work, like hamburger-flippers; that's not employment, that's make-work. It doesn't contribute any wealth to the economy, but we all have to pay for it. We pay for it taxes; we pay for it in food stamps, for people who are underpaid and so forth, and so on. We pay for it in the loss of tax revenue base, to maintain school systems, to maintain other essential public functions. For example, we have sewer systems and water systems, all over the country, which are collapsing of old age under pressure of this cold snap recently.

Everything is rotting away, because we have the wrong economic policy on Earth. So, it's not a matter of saying, "We can't afford to go into space": We can't afford *not* to go into space.

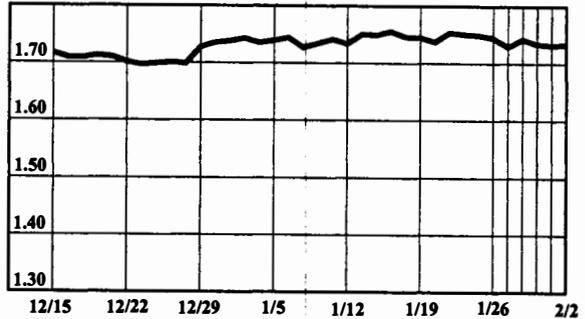
Of course, we have a shortage of money. Why do we have a shortage of money? Because too many people are still listening to people like Phil Gramm, and let Phil Gramm dictate their ideas on national economy, national budgets, and the way the economy is run.

Get rid, in the United States, of the free trade, and deregulation, and privatization policy, which we see has destroyed the economies in eastern Europe over the past four years; and is now destroying Russia, and turning Russia into a hate-filled adversary, a global thermonuclear power, brimming with hate against us for the cruel things we've done to it. Why should we do those things to ourselves?

Currency Rates

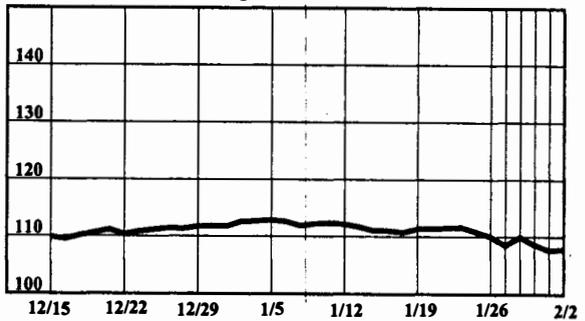
The dollar in deutschemarks

New York late afternoon fixing



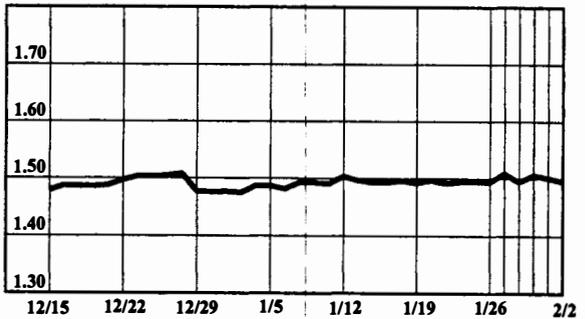
The dollar in yen

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

