

# EIR

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LaRouche: Scalia Ignores Intent of Law  
Kashmir Peace Could Allow Development  
China Continues Record Rail Construction

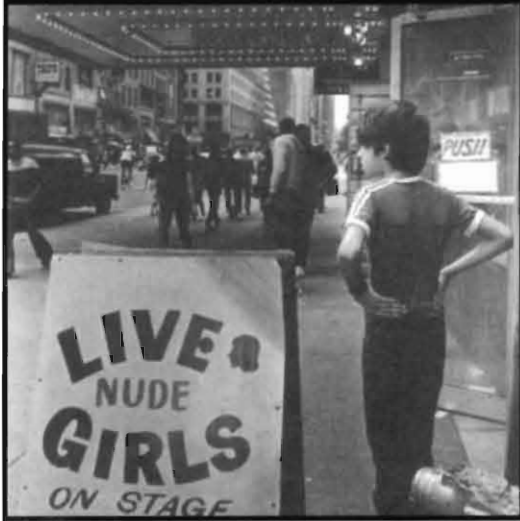
## Election Debacle 2000: Legacy Of 30-Year 'Southern Strategy'



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## From the Associate Editor

**T**he U.S. Supreme Court majority, applying the same doctrine of “finality” that allows it to send innocent people to the electric chair, has overridden the constitutional separation of powers, in order to install George W. Bush in the White House.

The full impact of this coup d'état against the Constitution, strikes the observer with stunning force, as we begin the new year, and a new American Presidency.

What does this ominous development portend? Lyndon H. LaRouche, Jr., in his article on “Scalia and the Intent of Law,” provides a profound analysis of the fascist ideology underlying Associate Justice Antonin Scalia’s treasonous actions. He shows how Scalia’s radical empiricism, rooted in the notions of slaveholder and shareholder values traced to the influence of England’s John Locke, makes for a variety of *fascism* that is even worse in its potential, than that of such continental European fascists as Adolf Hitler and Benito Mussolini. To Scalia’s corrupt doctrines, LaRouche counterposes an actual republican conception of natural law—the conception that Scalia explicitly repudiates.

Complementing LaRouche’s analysis, our *Feature* dissects the role in American politics of the evil “Southern Strategy.” Its origins lie in the shared goals of the Wall Street financier oligarchy and the Southern Confederacy, in the last century; these goals were revived during the 1960s by Richard Nixon, who completed the transformation of the Republican Party from the party of Abraham Lincoln, to a party of oligarchical racism and monied interests. A parallel process has gone on in the Democratic Party, whereby the party of Franklin D. Roosevelt, the party of the working man, has been turned back into a “private club” of Dixiecrats and radical ecologists.

In the new year, the task of the LaRouche movement is to rebuild the Democratic Party, in the spirit of the FDR coalition, and to provide leadership to a nation that is moving deeper, every day, toward economic and social catastrophe.

We’ve left a weighty package in your mailbox this week, both in ounces, and in the “heavy ideas” contained therein. Following our traditional schedule, *EIR* will not publish next week—so, you’ll have plenty of time to read! Our next issue will be dated Jan. 12, 2001.

*Susan Welsh*

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*It started with  
Nixon's 1968  
Campaign*



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By Lyndon H. LaRouche, Jr. "It were inevitable, that if the doctrine expressed by Scalia, were to continue to prevail at the highest levels of the U.S. government, under the conditions of crisis now confronting the U.S.A., and also the world at large, the result must either be a form of dictatorship in the U.S.A. as bad, and probably worse than that in Germany under the Hitler dictatorship; or, should such a dictatorship fail, as is likely, the worst dark age in the recent memory of our planet."

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## China Will Continue National Construction

by Mary Burdman

The “driving force behind China’s robust growth” has been government-sponsored infrastructure construction, and China will continue to base its economic development on this policy, Finance Minister Xiang Huaicheng said, in an interview in the Dec. 20 *Wall Street Journal* and the London *Financial Times*.

Beijing plans to carry out a 150 billion yuan (\$18 billion) stimulus plan in 2001, as it did in 2000, Xiang told the two Western financial newspapers—just as both published nervous headlines on the dangers of looming “economic weakness.”

China has suffered from the effects of the global economic crisis which hit Asian nations so brutally in 1997-99, but the pillars of its national economic security—a protected, non-convertible currency, its (as yet) non-membership in the free-trade World Trade Organization (WTO) regime, high levels of foreign exchange reserves, and, most important, a policy of government-led national construction of China’s vast internal economy of 1.26 billion people—remain in place.

As Xiang told the Western papers, Beijing has issued around 360 billion yuan (\$43.37 billion) of special infrastructure bonds over the past three years, to stimulate growth through infrastructure construction and technological upgrading of state enterprises. With additional funds from state banks, local governments, and state enterprises, the total invested into China’s economic construction has been 1.5 trillion yuan over the three years. This will continue. China will need another 500 billion yuan to complete investment in 1,000 projects still being planned, Xiang said. Some 50 billion yuan of bonds this year, will be used specifically to build up China’s poor, western hinterlands. The next two years of such national

investment “would just about do it,” Xiang assured the *Financial Times*. With Britain crumbling down around it (see article, p. 10), London should take notice.

The *Financial Times* cited “observers,” those anonymous editorial voices, to express concern about growing Chinese indebtedness, but Xiang said that the levels of national and foreign debt are “not a problem.” China’s “budget deficit,” of about \$33.7 billion this year, is “controllable,” he said. China’s foreign exchange reserves have risen to \$160 billion.

### The First Long-Distance Maglev?

But of greater importance than these financial issues, is what China is building. The “keystone” of imminent infrastructure construction, will be the Beijing-Shanghai high-speed railway. On Dec. 16, the Ministry of Railways made a dramatic announcement: Not only is China planning to spend some 100 billion yuan on the project, but, even more important, the possibility that maglev (magnetic levitation) technology could be used, is being studied.

Rail Ministry spokesman Ren Guixi did not definitely say whether the Beijing-Shanghai rail line would use the maglev or a slower, wheeled rail system, but said that the question is still being studied.

Were China to build a 1,300 kilometer maglev rail line, this would be the first such use of this technology in the world. The existing experimental German maglev tract is only 34 km long; the plan to build a full-scale maglev in Germany has been scrapped.

However, China and Germany have already agreed to build a 35 km maglev line in Shanghai, linking Pudong International Airport to the city center. Construction is to start in

January 2001, with Germany delivering the maglev-specific equipment and one-third of the capital. The Shanghai line will likely be extended 180 km south to the city of Hangzhou. Another line could then be built to the important center of Nanjing on the Yangtze River, which would be a first stretch of the Shanghai-Beijing rail line.

Whether to build a full-scale maglev rail line has been a matter of “heated debate” in China since the Beijing-Shanghai high-speed rail line was proposed in China’s Tenth Five-Year Plan (2001-05), the national *China Daily* reported on Dec. 16. While some experts are proposing that China use the most advanced technology, the maglev, as safe, comfortable, stable, and fast, opponents consider it “unwise” for China, still a developing country, to use what they consider the “immature and extravagant” maglev technology.

“We will choose one that fits China’s situation best,” Ren Guixi said.

Investment in this project will be the equivalent of two-fifths of the total money spent on rail construction in China during the past five years, the ministry reported. Overall financing for rail building will also be expanded over the next five years, with priority given to the landlocked western regions.

Most important for the interior, Ren announced plans to build a rail line from Golmud, in Qinghai Province, to Lhasa, the capital of Tibet, which will be the first-ever railroad to the “roof of the world.”

This will be a most astonishing project. It will connect the existing Xining-Golmud railroad, built in 1984, to Lhasa. “Approval will come very soon and trains will be running within 5.7 years,” Ren said. It will require investment of \$2.4 billion.

The challenges involved in building this “Qingcang” rail line are enormous—at least equal to those of building the U.S. Transcontinental Railroad in the 19th Century. The route will run 1,100 km, through valleys of mountains which tower well over 6,000 meters—much higher than either the Alps or Rocky Mountains—and will traverse the often-frozen Tibetan plateau. Planning and surveying already began in the 1950s, and since July 1997, a group of rail experts have been making a detailed study of the route. Some 30.6 km of bridges and tunnels will also be built.

Other routes, including from Yunnan province in the southwest, or central Sichuan, are also under consideration.

Overall, China’s rail construction grew rapidly during the past five years. Almost 6,000 km of new rail line was built, bringing China’s total rail network to over 68,000 km, the biggest in Asia. Capital construction during 1996-2000 reached \$31 billion, double the amount of the early 1990s. Some 4,300 km of existing lines were electrified, and over 4,000 km of the new lines are double-tracked.

The railways have also been turned from a loss-making to a profit-making operation. Railway revenue was up over 70% over the five years, to 461.5 billion yuan. Increased speed

was important to achieve this: Passenger trains on the short Guangzhou-Shenzhen line now can travel at 200 km/hour, and on the main, long-distance Beijing-Guangzhou, Beijing-Harbin, and Beijing-Shanghai routes, trains reach 160 km/hour.

China will continue to strengthen its national rail network, the Rail Ministry announced on Dec. 16, including the Euro-Asian continental rail bridge and the other “eight longitudinal” and “eight lateral” rail corridors. These include the corridor along the Yangtze River, and the southwest corridor leading to the ocean. Part of the latter, will be the new, electrified 625 km railroad to be built to link the city of Huaihua in Hunan Province in southern China, with Chongqing on the Yangtze, the biggest city in China’s interior. Construction of this rail line, one of the “ten leading projects for developing the west,” is expected to take more than five years. Currently, passengers or freight from Sichuan Province and Chongqing, which have a population of more than 100 million people, go 300-500 km out of the way north or south, to reach the southern Chinese coast.

China’s industry is growing along with the infrastructure. Its construction machinery market will be the biggest in the world within the next decade. The industry will grow by 10% annually in next Five-Year Plan, an official of the State Economic and Trade Commission said on Dec. 12.

Projects such as the Three Gorges Dam, the west-to-east gas pipeline, the west-to-east power transmission project, and the national urbanization program, will all require expansion of the construction machinery sector. “Building equipment will be needed for all these projects and tens of billions of yuan will have to be poured into the industry,” said the official. “Each year, 5-8% of building funds will go toward buying equipment.”

China now has 1,008 construction machinery manufacturers, which supply 60% of the domestic market, and has also imported machinery products worth more than \$1 billion each year for the past five years.

There are intentions to protect this vital industry, whenever China joins the WTO. To deal with WTO free-trade demands, China’s domestic machinery makers are going to have to create a group of strong conglomerates, Wu Xiaohua, director of the State Administration of Machine-Building Industry, said in an interview with the Dec. 10 *China Daily Business Weekly*. The machinery sector plans to launch 30 to 50 large enterprise groups in the next ten years, to carry out product research and development, manufacturing, trading, and financing. “They are expected to lead fast development of the machine-building sector,” Wu said.

China now has more than 40,000 machine-making enterprises of different sizes and capability. These cannot all be preserved; instead, China will concentrate on supporting 250-300 key enterprises. “By doing so, the state-owned capital and resources are expected to play a leading role in the sector,” Wu said.

The key areas of focus, he said, are equipment for agricul-

tural modernization, for national infrastructure construction, for power generation, metallurgical, and petrochemical projects, and numerically controlled machine tools vital for the entire manufacturing industry. During 2006-10, the machine-building sector is expected to become a pillar of the national economy. Wu said that machine-builders should focus on China's domestic needs. All Chinese urban track transportation projects, for example, must use at least 70% domestically made equipment.

### Transfer of Military Technology

A vital contribution to building China's industry, has been the transformation of military technologies for civilian use, a highly successful process in China in the past years. China has made real achievements in transferring the technologies of the five main military industries—the nuclear industry, space flight, aviation, shipping, and weaponry—to the civilian economy, and this process will be stepped up in the coming years, as discussed at the just-concluded Second Conference on the Peaceful Use of Military Technology in Beijing.

China now has two functioning nuclear power plants, and is building more; its military-developed Long March rockets are used for international satellite launching; and military-initiated shipbuilding now contributes 70% of China's ship exports. China's aviation manufacturing, launched by the military, is also a producer of civilian airplanes for both domestic consumption and export.

Liu Jibin, minister of the Commission of Science, Technology, and Industry for National Defense, said at the conference on Dec. 18, that civilian products make up 80% of the national defense sector's total output.

Through this process, and the joint Chinese-German development of the maglev, China can gain the advanced technologies its huge population so urgently needs for real economic progress.

### Collapse of U.S. Market

Beijing must face one brutal reality: Chinese policy does not—overtly, at least—take into account the ongoing crash of the insanely bloated U.S. markets, a catastrophe which will also engulf Europe, Ibero-America, and the rest of the world economy. This year, January-October, about 37% of Chinese exports (including re-exports from Hong Kong SAR) have been going to the United States, and this market will vanish as Wall Street goes under. Currently, China is striving to rebuild its regional trade, which, before it was devastated by the Asian collapse, had been its biggest market. However, other leading Asian economies, especially South Korea and Taiwan, are even more vulnerable to the U.S. crisis, as the markets for their high-tech exports evaporate. While focusing on developing its enormous internal market has real potential, China must develop *new* perspectives for international cooperation, as have been outlined by Lyndon LaRouche in his New Bretton Woods proposal.

## German Economist Indicts U.S. 'Boom'

by Lothar Komp

With a very few exceptions, most of the well-known economists and bank analysts have now lost all their credibility—if it ever existed—because for much too long they clung to the illusion of the “longest economic boom in U.S. history.” As the crash of high-tech stocks is continuing and thousands of “dot.coms” worldwide are facing bankruptcy, the statements by these people from Spring and Summer this year now look rather ridiculous. Among the very few exceptions is the former chief economist of Dresdner Bank, Kurt Richebächer, who considers himself a traditionalist economist, not corrupted by today's insane paradigms.

In his monthly *Richebächer Letter*, published in the United States, he, for quite a while, has been pointing to the emergence of the worst-ever credit pyramid and financial bubble, centered on Wall Street. When Richebächer, in a letter to the editor published by London's *Financial Times* in October 2000, attacked the “creative bookkeeping” methods of U.S. government statistics, the German central bank, the Bundesbank, was provoked to feature the same issue in its October monthly report.

In the November edition of his newsletter, Richebächer presents an extended, devastating analysis of current economic trends in the United States, which can only be described by the motto, “After us the deluge.” As “gyrations of the stock market are getting wilder and wilder,” he notes, people will soon “be shocked at how quickly the U.S. economy's strength will simply disappear once the bull market ends.” However, in a real sense, the economic boom of the U.S. “New Economy” actually never existed. In this respect, Richebächer in great detail attacks key myths of the “New Economy,” such as the alleged extraordinary growth in profits and productivity. In spite of all the Wall Street efforts to spread such kinds of illusions, already a simple look at the official National Income and Product Accounts (NIPA) statistics proves, that corporate profit growth in the U.S. economy in the years 1996-2000 was very poor, and in the manufacturing sector, even fell to an unusually low average of 3.4% per year.

Further, these figures include massive “creative accounting,” as well as the impact of employee stock options and the big capital gains realized in the stock market that have slashed corporate contributions to pension funds to virtually



zero. One glaring example is the expenditures by U.S. firms on buybacks of their own stocks, reported at more than \$130 billion for 2000, when only a few years ago, the figure was less than \$10 billion. The same holds for productivity, where it has to be stated, that "if there is a productivity miracle, it has clearly bypassed the average American."

### A Real Shocker

Richebächer then comes out with the following "shocking statement": "The U.S. economy's weak profit performance during the 1990s is by no means just ephemeral and fortuitous; it is endemic and structural. And this miserable failure in profit creation has two chief causes that are easy to recognize. Ironically, it originates precisely in the two features of the U.S. new paradigm economy that are generally hailed as the key sources of its superior growth and productivity performance. The one is the shareholder value model, and the other one is the new information technology. The old economists would have said, both are anti-capitalistic."

The "shareholder value model" is fixated on corporate restructuring, which in turn is just "a vague euphemism for all kinds of measures that tend to enhance shareholder value in the short run, virtually to the exclusion of any other goal," including acquisitions, mergers, stock buybacks, and "an unprecedented thrust towards cost-cutting and downsizing," which at the same time means a bias against any form of long-term investment.

Then there is the "New Economy" paradigm, which not only claims to create wealth without capital formation, but today actually "involves massive capital destruction." Richebächer emphasizes that contrary to these misconceptions, every creation of prosperity absolutely requires long-term investments, or capital formation, including the building of factories and thereby, the creation of new industrial jobs.

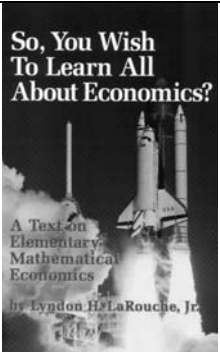
Richebächer raises the question: "What kind of capitalism is there really in the United States. Our answer: Far from being a new and more efficient capitalism, it is 'late, degenerate' capitalism. The essence of classic capitalism was long-term-oriented capital accumulation out of savings, and there was a strong sense of responsibility of heritage for future generations. What is the essence of this neo-American model of capitalism of the 1990s? A frantic chase of corporate management after quick and easy profits in the stock market, through deal making and stock buybacks, a non-saving public, and unfettered credit creation by the financial system for consumption and speculation. The responsibility of the corporate manager under this 'new' capitalism begins and ends with the near-term stock price.

### 'Degenerate Capitalism'

"It's late, degenerate capitalism in the sense that saving and capital accumulation, the key features of a capitalistic economy, have fallen into complete oblivion. Worse still, it

is a capitalism which any educated nation should be ashamed of, because the corporate strategies that result from the single-minded microeconomic logic of maximizing present shareholder value, inherently impart increasingly negative long-term macroeconomic consequences to economic growth, income, and profit creation. What really happens is rampant over-consumption at the expense of future generations who are to inherit depleted domestic capital formation, a mountain of foreign indebtedness and lots of worthless paper assets (stocks and bonds). It might be called 'beggar-thy-children capitalism.' The motto of this capitalism is 'After us the deluge.' "

The consequence of such insane policies is the buildup of "economic imbalances and financial excesses of unprecedented size," which have made the U.S. economy and its financial system "more vulnerable than ever before." There are "serious problems everywhere: in the credit markets, in the banking system, in stock valuations, in the profit performance, in the debt burdens of corporations and consumers, in negative personal savings, and in the huge trade gap and the grossly overvalued dollar. Confidence in the dollar has been the one linchpin that has held this disintegrating system together." Therefore, "hopes for a soft landing of the U.S. economy are completely misplaced. We have witnessed the worst financial bubble in history."



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# Europe Trips Itself At ASEAN-EU Summit

by Michael O. Billington

The Association of Southeast Asian Nations-European Union (ASEAN-EU) Summit, on Dec. 9 and 10 in Vientiane, Laos, could have been the opportunity for the EU to become part of the historic transformation taking place in Asia. The opportunity was lost, by the European nations.

Two weeks earlier, at the Nov. 24-25 meeting of the ten ASEAN nations plus China, Japan, and South Korea (ASEAN-Plus-3) in Singapore, the East and Southeast Asian nations took the first steps toward the creation of a new, independent, development-oriented monetary system for Asia. Their intention is to create a structure capable of serving as a new world monetary system when the current International Monetary Fund (IMF)-based system collapses. Instead of recognizing the potential for escaping from the economic disaster now sweeping the Western economies, by joining forces to undertake the great projects envisioned by the Asian nations—such as the Mekong River Project, the Chinese Three Gorges Dam and water projects, and the Eurasian Land-Bridge connecting Asia and Europe—the EU chose instead to make fools of themselves. They attempted to provoke division among the Asian nations, and insulted them by sending low-level delegations and dictating the agenda.

The meeting was the first ASEAN-EU Summit in three years, in what was intended originally to be an annual event. The EU objected when Myanmar was invited to become a member of ASEAN in 1997, and has stuck to the politically correct posture of boycotting any talks, in protest of alleged human rights abuses against the “democratic” opposition in Myanmar led by Aung San Suu Kyi. The ASEAN nations refused to allow Europe to dictate their handling of internal affairs, and simply refused to concede to meeting without Myanmar in attendance, as a full-fledged member of ASEAN. Apparently recognizing that their boycott was achieving nothing, while hampering their relations with Asia, the EU finally relented, and agreed to attend a foreign ministers’ conference in Laos—with Myanmar in attendance.

## Euro Snub

However, the EU members immediately began backtracking, with all but four of their members planning to send lower-level delegations, rather than their foreign ministers. This almost led several of the ASEAN nations to downgrade their own delegations in response, but in the end, all the ASEAN foreign ministers attended.

Then, unexpectedly, the EU conference, being held in Nice during the days preceding the summit in Laos, was held over due to acrimonious disagreements among the EU members. As a result, *no* European foreign ministers showed up in Laos, clearly indicating Europe’s priorities. Singapore Foreign Minister S. Jayakumar said, “There is considerable unhappiness and disappointment on the part of my Asian colleagues, because all the ASEAN ministers are there in full force, but on the European side there are only two or three full ministers,” and no foreign ministers at all. In addition, the “concession” of the EU to meet with the Myanmar delegation in attendance created little good will, because the EU delegates all carried on at length about the supposed horrors of Myanmar’s human rights record. ASEAN Secretary General Rodolfo Severino said, “They wasted a lot of time that could have been spent on other issues, basically addressing their own domestic audiences. The lecturing tone annoyed a number of delegations.”

In fact, the Myanmar delegation had already answered the criticism through a surprise announcement that it had lifted restrictions on several of the opposition leaders, and will soon lift restrictions on Suu Kyi and the president and vice-president of her National League for Democracy, Aung Shwe and Tin Oo, respectively. To confirm their intentions, they also will allow complete access to an EU “troika” delegation to Myanmar in January 2001.

Myanmar was not the only point of attack by the Europeans, who seemed incapable of understanding that their pompous attitude is incongruous with their increasing economic and political instability. The Dutch, for instance, the former colonial masters of Indonesia, insisted on including references to the Indonesian internal conflicts in Irian Jaya and Aceh in the final documents. Without referencing the fact that these ethnic, religious, and racial disturbances are being supported by certain Western intelligence services, Dutch Minister of State Van Mierlo hailed this blatant affront to ASEAN’s policy of non-intervention in one another’s internal affairs: “In the long run this is the most important part. It’s a departure from the non-interference principle.”

In fact, several ASEAN nations are experiencing severe destabilizations, at a time that the ASEAN-Plus-3 developments promise the greatest period of peace and development in the history of Asia. In every case, the primary cause of the instability derives from the 1997-98 economic destruction of the Asian economies by global speculators and the IMF. Not only have the economies never recovered from this assault, but the current world breakdown is thrusting Asia into a second round of financial and economic crisis. The moves toward the creation of a new monetary system, by the ASEAN-Plus-3, is not only a necessary defense for Asia against the collapse of globalization, but it presents the Western nations with the best hope for their own survival—if they have the sense to recognize it. If the ASEAN-EU Summit is any indication of that sensibility, the Europeans are digging their own grave.

# Sign of Economics Shift in Russia

A detailed study of the economic policy paper, "Strategy for the Development of the State in the Period until 2010", prepared at the request of Russian President Putin and presented to the first meeting of the new State Council by Khabarovsk Governor Viktor Ishayev in late November, confirms earlier indications of a potential major shift in Russian economic policy.

In particular, the Ishayev document, whose authors in-

clude economist Sergei Glazyev, provides for a use of state credit generation in a Russian equivalent of "Hamiltonian" national banking, to finance a large-scale mobilization of the economy, with emphasis on high-technology machine-building and infrastructure development.

The document calls for an economic mobilization, whose initial phase would be based on tapping Russia's enormous reserves of unused production capacity, underemployed manpower and natural resources. These reserves are sufficient for a 30% growth in the next three years. The document explicitly calls for the dirigistic channeling of credit into the real economy, through tight cooperation between the Central Bank and "the system of largest state-controlled commercial banks," especially Sberbank, which holds most of the savings of the Russian population.

*EIR* will cover this signal report of a coming Russian economic policy shift, in detail, in a near future issue.

## Hyperinflation Hits!

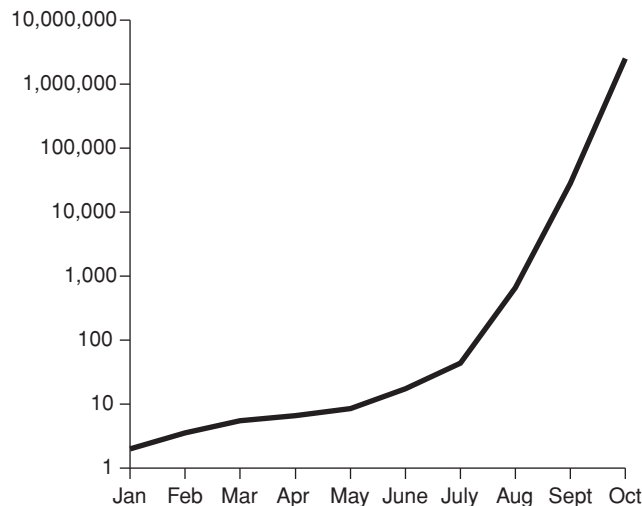
Lyndon LaRouche has warned since 1995, "hyperinflation as in Weimar Germany in 1923, or financial crash, or both, are coming." On Jan. 17, 1998, speaking to a conference in Alexandria, Virginia, LaRouche said: "The policy which the United States government, including the Clinton administration presently, by default, is conducting, is a hyperinflationary policy, which will blow up the value of money into nothingness, quicker than John Glenn can get into space: through a hyperinflationary bubble, through an attempt to maintain

financial aggregate by pumping in money fast enough to keep the aggregate going, under so-called bailout techniques, IMF bailout."

This graphic of natural gas prices was shown to the Senate Energy Committee at a Dec. 12 hearing, by Mark J. Mazur, Acting Administrator for the Energy Information Administration, Department of Energy. The pattern shows clearly that since May this year, the "Henry Hub" spot price (gas futures traded on the New York Mercantile Exchange) has headed upward, and is now going literally off the charts. In 1999, the price never went above \$2.75 per MMBtu. In December, there were spot prices of over \$9.00.

### Hyperinflation in Weimar Germany, 1923

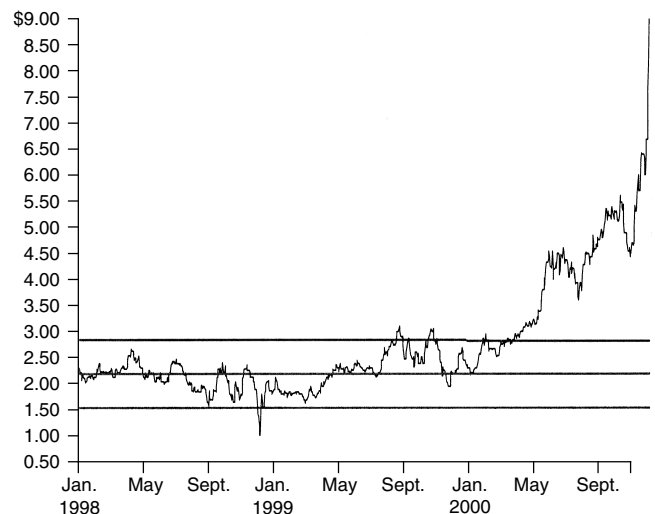
(trillions Reichsmarks outstanding)



Source: *Zahlen zur Geldentwertung in Deutschland 1914 bis 1923.*

### Henry Hub Daily Spot Prices for Natural Gas Compared to Typical Range for 1998-1999

Dollars per Million BTU



Source: *Gas Daily*

# A Not So Merry Christmas: Great Britain at Year's End

by Alan Clayton

A not so merry Christmas, or even, in quite a considerable number of cases a thoroughly wretched Christmas, would perhaps best describe the situation experienced by the population of what Charles de Gaulle once characterized as "the Protestant island," and which currently could take on the more appropriate appellation of the protesting island, as the appalling crisis on Britain's railways escalates remorselessly, with commensurate personal, social, and economic consequences.

All the myriad railway companies currently operating in the United Kingdom, announced as late as December 12th that bookings made up until that date were not guaranteed, without a telephone call to check whether the train to which the booking applied, were still actually running. The telephone numbers announced for these checks were, in many cases, medium or even long distance, putting extra strain on the personal budgets of old people and families already meeting the considerable expenses of Christmas reunification.

Even this very telephoning process itself was another example of a Britain in continuing decline. Inevitably, the caller was met with a digital voice with the information, "Sorry, all our advisers are busy at this time, please try again later." Later, and later again, and very much later still, when the indefatigable and the utterly determined did establish contact, there was another digital voice advising the caller, "You are 16th in the queue, we apologize for this delay, our adviser will be with you as soon as possible."

At last, five or ten dollars to the phone company later, a human voice is reached. In about five out of six enquiries, the response has an inevitability. "Sorry, that train has been cancelled due to speed restrictions and reduced timetables, and unfortunately there is not another train available at that time." Nonetheless, islanders have learned to be thankful for small mercies, and there is even a small measure of gratitude from a weary populace, when the final Christmas greeting is transmitted to them with the reassuring words of, "You will be refunded in due course."

The 357 speed restrictions applied by Railtrack, which are causing much of the current chaos throughout the island, should, however, not be seen as a consequence of its city-slicker executives suddenly developing a concern for public

safety. In fact, the Crown Prosecution Service in England and the Procurator Fiscal Service in Scotland, both roughly equivalent to the Criminal Division of the U.S. Justice Department, indicated after the October 9th Hatfield wreck, that any more passenger deaths on the railways could result in criminal charges of corporate manslaughter, charges which, if successfully prosecuted, could bring substantial prison sentences. Railtrack and train company executives are looking, therefore, very firmly to their own safety, rather than that of the travelling public.

## 'Systematic Failings'

Railtrack faced a further blow on December 15th, when an all-party committee of parliamentarians accused it of "systematic often-repeated failings," which led it to stagger "from one crisis to another in recent years." The report said that appointment of the Board's only engineer, commercial director Richard Madden, was not enough, and the Railtrack board needed more people with "knowledge and experience of running railways." On the face of it, bad news for the stockholder-value brigade, but the oligarchical structures around the House of Windsor which control Britain, are more than capable in dealing with this sort of thing. The British government is currently pouring in around \$15 billion worth of subsidy annually, subsidies without which Railtrack would, of course, collapse. It is worth speculating for a moment just how many instances of this and similar things there are throughout the world, and to what extent the public purse is staving off, for another little while, the reality of financial collapse.

The human cost of the crisis is enormous, with postal services disrupted and the Post Office frantically attempting to hire aircraft to keep the system going over Christmas. Neither is the sight of children and little old ladies stranded on unmanned stations, where waiting rooms have long since been boarded up for "reasons of economy," waiting for connections which will never arrive, a particularly edifying Christmas sight. The stress on drivers has been enormous also, with diversions along unfamiliar track now commonplace. The driver of a freight train operated by the freight train company English, Welsh, and Scottish Railways was removed from his cab on 14th December, 15 miles out of

Glasgow, by British Transport Police after a signalman reported that he appeared to be drunk. He was in fact drunk.

As a consequence of the near-total collapse of the railway system over the Christmas and New Year period, increasing numbers of people are taking to their cars, putting massive pressure on the already inadequate motorway system on the island. The M6 motorway, for example, which begins at the Scottish border and runs south to the industrialized areas of the English midlands, invariably reaches gridlock most weekdays at peak hours, at a massive interchange at Birmingham known colloquially as "Spaghetti Junction." The chaos there over the holiday period will be horrific. Similarly, the M25 London orbital motorway, which carries traffic from the north 'round London to the Channel Tunnel and the channel ports, is now universally known as "the largest car park in the world."

## Scotland's Railroads

There are other aspects to the crisis. U.S. economist Lyndon LaRouche has, for many years, put forward highly creative ideas and initiatives to move the world back from the virtual economy to the real economy. One such initiative was the European Productive Triangle, a concept which received a particularly sympathetic reception in Scotland, whose economy, on the edge of Europe, is one of the most vulnerable in Europe.

A critical key to Scottish participation in such a triangle, would be first class rail links to the Channel Tunnel, and a lot of hope was placed on the "Eurostar Project," a fast direct train link between the Scottish cities and the tunnel. On 13th December, the project was cancelled, and passengers traveling between Scotland and continental Europe will have to cross London by bus, taxi, underground, or indeed on foot to Waterloo Station and the European train. Brian Donohoe, the only Scottish Member of Parliament on the Westminster Parliament's transport select committee, issued a press statement, saying that Scotland had "been cheated and short-changed."


In Scotland, the vitally important Glasgow-to-Edinburgh line, as well as experiencing track problems, is reaching crisis levels in another area, in that its new high-speed trains are failing to meet the specifications demanded of them. The Glasgow-to-Edinburgh line is one of the busiest in Europe, and an obvious candidate for electrification, which successive London governments have refused to contemplate.

Scotrail, one of the most reliable, or perhaps more accurately, one of the least unreliable, of the privatized rail companies, operates all the non-cross-border passenger operations in Scotland. It ordered around 200 combined diesel units from Alstom train manufacturing company in Derbyshire, which were said to have the same acceleration and braking specifications as an electric train. Around a quarter of the fleet of this brand new rolling stock is currently broken down and out of service at any one time. Recently, at an intermediate station between Glasgow and Edinburgh, a train arrived with two

cars instead of six, and the police had to be called, as passenger rage threatened to escalate into a full-scale riot. The service is intended to provide four trains per hour on a 47-minute journey between the two cities. Two trains per hour currently have a journey time of one hour and five minutes, a revolutionary and truly staggering improvement of 12 minutes, on the second-generation steam locomotives which opened the service in 1862!

In a bid to overcome this problem, Scotrail is considering purchasing trains from the Japanese company Mitsubishi, and Hitachi has also been making overtures to the U.K. market, with a more reliable product than can be manufactured on the island. Japan's currently operating high-speed trains are already faster than the next generation of trains currently only at the development stage in the United Kingdom. On some of the main routes in England, only 3 out of 690 trains under order have actually been delivered.

Christmas and New Year's have been a huge commentary on the state of Britain. However, it should be clearly understood that empires in their death throes are often at their most dangerous. As the United States enters a period of four years with a politically crippled President lacking international authority, there can be little doubt that Britain, despite its accelerating internal collapse, will have another try at presenting itself as the principal world power.

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## Southern Strategy: Assault on the American Republic

by Jeffrey Steinberg

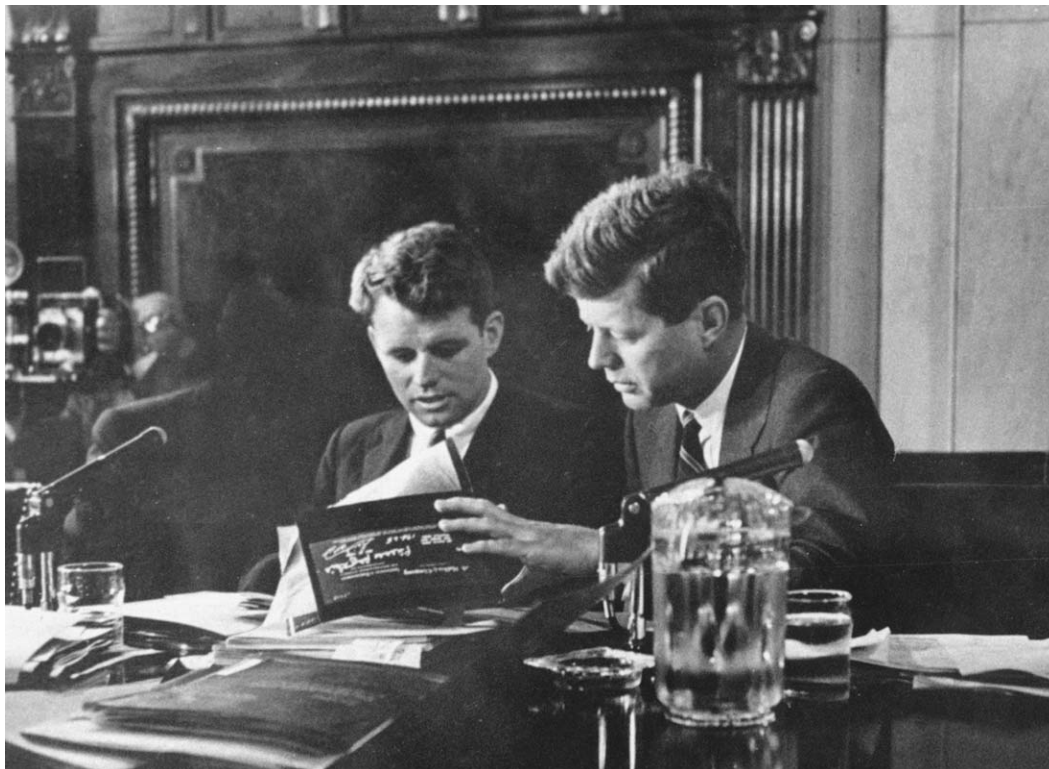
It was widely recognized, by both the American electorate and by friends and foes of America around the world, that Al Gore and “Dubya” Bush—widely satirized as “dumb and dumber”—were cast from the same policy mold, and would pursue almost the identical disastrous policies once in office. This convergence of policy direction was brought home in living color during the first Presidential debate, when both Gore and Bush promised that, in the event of a financial crash, they’d turn to Wall Street and to Federal Reserve Board Chairman Alan Greenspan to dictate policy.

But something far more evil bound Al Gore and George W. Bush. That “something” was revived, as an alien seed, in the American political process in the 1960s—in the immediate aftermath of the assassination of President John F. Kennedy, and in reaction against the historic passage of the Civil Rights Act of 1964 and the Voting Rights Act of 1965. That “something” was “the Southern Strategy.”

The Southern Strategy represented a revival—under top down London and Wall Street sponsorship—of the original British-fostered Confederate insurrection against the American Republic. That insurrection, steered from London, involved the alliance among three treasonous strains in American financial and political life: the Boston Brahmins who made their fortunes in the clipper ship opium trade; the heirs of Aaron Burr on Wall Street; and the Confederate plantation owners and slave traders.

The 1960s Southern Strategy was adopted by Richard Nixon, in preparation for the 1968 Presidential election. The goal: to swing the white Southern racist vote over to the Republican Party, and to build the South into a bastion of GOP political power, by recruiting the Dixiecrats over to what would no longer be the Party of Abraham Lincoln, but a party of Wall Street finance and its austerity demands.

Nixon’s Southern Strategy would have never gotten off the ground, had there



*“Nixon’s Southern Strategy would have never gotten off the ground, had there not been the political assassinations of John Kennedy, Robert Kennedy, and Martin Luther King, Jr. . . .” Robert Kennedy (left) was the 1968 Democratic Presidential candidate whom Nixon, with his anti-civil rights strategy, did not have to face.*

not been the political assassinations of John Kennedy, Robert Kennedy, and Martin Luther King, Jr., and the urban riots that effectively “red-lined” every major industrial city north of the Mason-Dixon Line, and helped set off the post-industrial stampede to the South. One of the crown jewels of “Southern Strategy, Inc.”—the Houston-based Schlumberger Corp.—was implicated deeply in the Permindex British covert assassination bureau that was behind the killing of JFK and the failed attempts to murder French President Charles de Gaulle. Embedded in the “New South” corporate structures is what Lyndon Johnson fearfully labeled, “a God-damned Murder, Inc.”

### **The Democrats Rejoin the Klan**

After two successive Nixon “landslide” victories in 1968 and 1972, a corrupted, desperate Democratic Party leadership concluded, “If you can’t beat ’em, join ’em,” and adopted their own variant on the Southern Strategy, via Trilateral Commission stooge Jimmy Carter, who came into the Governorship of Georgia by teaming up with one of the South’s most flamboyant die-hard segregationists, Lester Maddox. Carter was adopted by David Rockefeller and Zbigniew Brzezinski as the perfect front-man to peddle Wall Street’s plans to launch a decade of “controlled disintegration of the world economy.”

Jimmy Carter’s own brand of Elmer Gantry Southern fundamentalism was but one more manifestation of the same pandering to degenerate “Lost Cause” ideology that had done

so well for the GOP in the two preceding elections. By 1980, it could fairly be said that both of the major political parties in the United States had “gone Confederate.”

For the Democrats, this constituted a return to the pre-Franklin Roosevelt legacy, associated with the likes of President Woodrow Wilson, and Civil War-era Democratic Party chairman August Belmont, the official representative on Wall Street of London’s Rothschild banking interests. President Wilson, one of the most rabid “world government” fanatics to ever reside in the White House, sponsored the early Twentieth-Century revival of the Ku Klux Klan, from the Oval Office, by giving his enthusiastic endorsement to D.W. Griffith’s Hollywood “classic,” *Birth of a Nation*, which glorified the KKK.

### **The American Jacobin Revolution**

Historians of the Southern Strategy have heralded the 1994 Newt Gingrich-led “Jacobin Revolution,” which saw the Republican Party sweep control of both the U.S. House of Representatives and the U.S. Senate, as the crowning accomplishment of that effort. Five of six U.S. Senate seats from the South that were up for grabs in the 1994 mid-term elections, went to the Republicans, giving them the first Congressional majority since Eisenhower.

Only Lyndon LaRouche’s political action committee stopped that final Southern Strategy onslaught in 1994. Col. Oliver North’s jingoist campaign for the Senate in Virginia, funded with a then-unprecedented \$20 million, was defeated

by the critical element of a LaRouche mobilization of forces. LaRouche activist and well-known Virginia political candidate, Nancy Spannaus, led a drive to “Stop That Son-of-a-Bush” North, and succeeded in changing the minds of critical sections of the electorate, enabling Sen. Charles Robb to win re-election. Tragically, since 1994, the Virginia Democratic Party has attempted to ostracize the LaRouche Democrats, and has destroyed itself, turning the state over completely to a Southern Strategy Republican Party whose leading policy is incarceration.

By the time the 2000 Presidential election season rolled around, both the Democratic and Republican parties were firmly committed to their own variations on the Southern Strategy, in the race to take the White House.

George W. Bush was, and is, a frontman for “Southern Strategy, Inc.”—the Houston/Atlanta/Charlotte nexus of energy companies, Southern-based banks and insurance companies, and the “health maintenance organization” (HMO) industry—that was at the heart of the economic power shift in America, a power shift that was synonymous with the drive for deregulation and globalization.

If you want to know why there is no electricity this Winter, and why home heating and gasoline bills have skyrocketed, look no further than the Houston headquarters of such Bush, Inc. outfits as Enron, the world’s leading “virtual energy” company. If you want to know why there are no hospital beds or emergency room facilities, look no further than the Dallas headquarters of Richard Rainwater’s HMO and real estate empire (Rainwater runs President-elect Bush’s personal “blind trust”).

### ‘Warmed-Over Republicans’

Al Gore, the darling of the Democratic Leadership Council grouping of Wall Street *grande dames* Pamela Harriman and Katharine Graham, had helped transform the Democratic Party into what Sen. Edward Kennedy (D-Mass.) had denounced, on Jan. 11, 1995, as “warmed-over Republicans,” by aligning with Dick Morris to reorient the party towards a new core constituency—the upper 30% income-bracket voters—while abandoning the entire FDR/JFK constituency of labor, minorities, farmers and small entrepreneurs. Gore’s pivotal role in the 1996 disastrous Clinton Administration decision to back the Gingrich “welfare-to-work” law, which ripped the heart out of the entire postwar social safety net system, was also part of the Vice President’s own Southern Strategy.

Gore’s road to the Democratic nomination was paved by Donald Fowler, who served as chairman of the Democratic National Committee in the run-up to campaign 2000. Fowler was among the first Southern Democrats to demand that the party preempt the Republican move into the South, by repudiating the Voting Rights Act and continuing to align with the “Southern white backlash,” which, he insisted, would remain better organized and more politically powerful

than the civil rights movement.

Fowler later aligned the Democratic Party with the Federal Bureau of Investigations, in “Operation Fruehmensch-en,” which targetted thousands of African-American elected officials for frame-ups. In the 1990 gubernatorial elections in his home state of South Carolina, he showed his true feathers: When the Democratic voters nominated African-American State Senator Theo Mitchell, Fowler overtly backed the Republican candidate.

In 1996, as Democratic National Committee chairman, Fowler launched an open drive to overturn the Voting Rights Act, by asserting that the Democratic Party was a “private club,” and could exclude Lyndon LaRouche’s Democratic Party nominating convention delegates, from Louisiana and Virginia.

### Racial Genocide

Two policies foisted by the Nixon Administration and later wholeheartedly embraced by the Carter-Gore Democrats, shed light on the global financier-oligarchy’s agenda behind the Southern Strategy: “population control” genocide and unfettered speculation.

In his capacity as Nixon’s National Security Adviser, Henry A. Kissinger promulgated the idea that population growth, particularly among the darker skinned peoples of the Third World, posed a grave national security threat to the United States—and should be dealt with mercilessly. This policy, made official by Kissinger in his National Security Study Memorandum 200 of 1974, set population-reduction targets and deadlines for much of Africa, Ibero-America, and South and Southeast Asia. The same policy was then continued by Jimmy Carter’s National Security Adviser, Zbigniew Brzezinski. Brzezinski’s infamous dictum was that there were to be “no new Japans” in the Arab world or below the U.S. southern border.

Richard Nixon’s other crowning act of treachery was the ending of FDR’s Bretton Woods System of gold-backed fixed exchange rates. Nixon, through his Aug. 15, 1971 action, opened the floodgates for speculators to move in and float the entire world monetary system offshore.

The London and Wall Street wisecracks who revived the neo-Confederate assault on the American System, are now finding themselves faced with a Frankenstein’s monster in KKK robes, of their own creation, which is no longer controllable. Every time a Tom DeLay or a Trent Lott lets out a rebel yell, demanding more austerity, deeper tax cuts, more deregulation, freer derivatives markets and capital flight offshore, the world moves closer to the kind of financial and economic explosion that will defy gravity, and send the financial oligarchy—along with the rest of humanity—into a Dark Age of unfathomable severity and duration.

These are the stakes in the battle to defeat the Southern Strategy.



# Death of a Nation: How the Southern Strategy Enslaved America

by Michele Steinberg

After the Nov. 7 election, Albert Gore reminded one of the story of the young man who went before a judge to plead for clemency as an orphan, after he had killed both his parents. Gore and his allies in the racist cabal of the Democratic National Committee (DNC), and its former chairman, Donald Fowler of South Carolina, killed the Voting Rights Act of 1965, and then Gore protested against fraud and irregularities in the Florida election, demanding that “every vote be counted,” and invoking the name of the Voting Rights Act.

That was the same Al Gore who nullified 53,000 votes in Arkansas that went to his opponent, Lyndon H. LaRouche, Jr., in the May 23, 2000 Democratic primary. In a case of “The Furies” principle of Greek Classical tragedy, Gore lost Arkansas in the general election on Nov. 7 by 50,000 votes — less than the number of LaRouche votes that Gore himself had *discarded* in that state! Had Gore won Arkansas, he would

have won the election without Florida.

In the 2000 campaign, Gore accomplished the racist policy that Republican “neo-Cons” (an abbreviation for “neo-Confederates”) had been unsuccessfully trying to effect for 35 years: the nullification of the Voting Rights Act of 1965, that crucial piece of civil rights legislation.

In 1968, slyly signalling that he would get rid of both the Voting Rights Act and the desegregation provisions of the 1964 Civil Rights Act, Richard Nixon had made racism and the “Southern Strategy,” the crucial element in his successful Presidential campaign. And in 1976, Jimmy Carter, the Georgia peanut farmer who commented in the mid-1960s that “the last time the Republicans were in Atlanta was 100 years ago. They burned it down,” brought the Confederacy back into the Democratic Party. But it wasn’t until Al Gore and his year 2000 Presidential campaign, that the anti-Voting Rights Act



*March 2000: International observers led by Prof. Ernst Florian Winter of Vienna (at podium), report to a Washington, D.C. press conference on the voter-intimidation and stealing of Lyndon LaRouche’s votes in the Presidential campaign of 2000.*

effort was successful.

Gore, as did Carter, restored the shamefully treasonous policies represented by President Woodrow Wilson, and the all-white Democratic Party bloc of the Jim Crow laws, segregation, and the revival of the Ku Klux Klan through Hollywood's infamous film, D.W. Griffith's *Birth of a Nation*. This KKK propaganda movie *Birth of a Nation* was based on the lying book about South Carolina's 1870s Klan coup d'état, *The Clansman*, written by Woodrow Wilson's college chum Thomas Dixon and published by Walter Hines Page (whom Wilson made Ambassador to England). D.W. Griffith's movie version drew heavily on Wilson's lying *History of the American People* for its dialogue.

The first movie ever shown in the White House, *Birth of a Nation* was screened privately for President Wilson and his Cabinet on Feb. 18, 1915. Wilson commented that the film was "like writing history with lightning."

Likewise, the candidacy of George W. Bush, lover of the Confederate flag "heritage," is another shameful bastion of that pro-racist Southern Strategy.

As LaRouche explains it, the primary root of U.S. strategic folly today is that of the pro-racist, so-called "Southern Strategy," which has control over both major parties, and of our leading policymaking institutions. This control has been in place since that policy was launched around the 1966-72 Presidential ambitions of Henry Kissinger's charge Richard M. Nixon, and Zbigniew Brzezinski's charge Jimmy Carter (1976-81). As LaRouche wrote in "The U.S. Strategic Interest in Russia" (*EIR*, Dec. 15, 2000), "the actual strategic interest of the U.S.A., has never had anything in common with the homicidal fantasies of such acolytes of Harvard University's Professor William Yandell Elliott as Brzezinski and that perennial advisor, Henry A. 'Iago' Kissinger." Yandell Elliot, Chairman of Harvard's Government Department out of Nashville's "Agrarians," was an oligarchical Anglophile to the core, and enemy of the Constitution of the United States (see accompanying article). Yet, his charges, Kissinger and Brzezinski, have used access to the Presidency and shaped U.S. strategic doctrine into an ideology which is opposed to everything that the American Founding Fathers, and Abraham Lincoln, represented.

The mission of the following report is to set straight the record on the Confederate racist policies in both the Democratic and Republican parties, and to once again — as was done by Lincoln in the election of 1860, and in 1932, by President Franklin Delano Roosevelt — restore the American System, and free the United States from the gutters of the Carter Presidency, and from the historical low-point represented by the rigged election choice of Bush and Gore.

### **The 'Fowler Doctrine': Black Disenfranchisement**

In August 1999, before the U.S. Supreme Court, the attorney for the DNC, John Keeney, Jr., argued a position for the



*Democratic National Committee Chairman Don Fowler of South Carolina, during the later 1990s, pushed the nullification of the 1965 Voting Rights Act as it applied to the Democratic Party. In the 1970s, Fowler had supported Republicans in his state, rather than support an African-American Democratic candidate.*

Democratic Party that was as racist as Reconstruction-era episodes, when hooded white riders of the Ku Klux Klan Democrats terrorized Southern blacks and any white collaborators. In the Federal District Court for the District of Columbia, recorded in C.A. No. 96-1816, Keeney argued that the Democratic Party is a private association whose leaders can choose whose votes to count or which candidates may run, on the grounds of the "right of association." It was this very logic, by which Southern states barred African-Americans from the polls, that the Voting Rights Act of 1965 was designed to overcome.

The U.S. Supreme Court upheld the argument of Keeney and the DNC for Al Gore.

The "private association" argument, which could today be called the "Fowler Doctrine" of the Democratic Party, was the re-institution of the "whites only" Democratic primaries that were challenged over and over in the courts from 1923 to 1944. Keeney and Fowler's trick was well known; it had

been *consciously* adopted by Nixon's campaign strategists in his 1968 campaign, whereby the Republican Party decided to overthrow the tradition of its founder, Lincoln, and replace the Democrats as the "whites only" party in the South. So apparently successful was Nixon's approach, that South Carolina Senator Strom Thurmond (who had run as the segregationist "Dixiecrat" Presidential candidate in 1948), in 1968, crossed over to become a Republican to support Nixon. In that election, the anti-desegregation campaigns of Nixon and Alabama Gov. George Wallace, the candidate of the American Independent Party, took 10 of the 11 Confederate states. Texas, the home state of then outgoing President Lyndon Johnson, voted for Democrat Hubert Humphrey.

Nixon's 1968 strategist, Kevin Phillips, explained the Democrats' power in the South in his 1968 book, *The Emerging Republican Majority*:

"As soon as Black Belt Whites were free to do so, they used physical and economic pressure to keep Negroes from voting. . . . Later on . . . further disabilities, such as literacy tests and poll taxes, were heaped on Negroes and poor whites alike. . . . During the Twentieth Century another Southern political institution came to the fore—the 'white primary.' Because the Democratic Party was a 'private' institution, Negroes had no legal right to participate in its processes (until the Supreme Court decided otherwise in 1944)."

It was exactly this "private association" argument that was at the *center* of the battle inside the Democratic Party throughout the Twentieth Century—and every Democratic Party official, especially Southern boys such as Fowler and Gore, knows it, because it took more than 20 years, beginning in 1923, and a landmark U.S. Supreme Court decision on the all-white primary, to expose the truth.

In 1923, the Texas legislature passed a law which bluntly stated: "In no event shall a negro [sic] be eligible to participate in a Democratic primary election in the State of Texas, and should a negro vote in a Democratic primary election, such a ballot shall be void and election officials shall not count the same."

When a Supreme Court ruling struck down this rule under the Fourteenth Amendment to the Constitution, however, the court did not address the "private club" assertion of the whites-only Democratic Party. The Texas legislature passed another law requiring that "all white Democrats" were to decide on a candidate in the primaries. Again a lawsuit took Texas to the Supreme Court, which again struck down the specific law, but dodged the issue of whether primary elections came under the Federal Constitution. Getting more tricky by 1932, the Democrats in Texas then passed a rule, not in the legislature, but at the state Democratic Party convention, that limited the voting in primaries to "whites only." In 1935, the Supreme Court *upheld* the right of the Democratic Party as a "private club" to exclude blacks! The rule was not overturned until 1944, but still left the door open on the "private club" issue.

It was *that* racist tradition that Al Gore's wing of the Democratic Party used against LaRouche's voters in the 1996 and 2000 elections.

### **In the Footsteps of Lincoln**

With *that* record, how did the Democratic Party then become the instrument of civil rights?

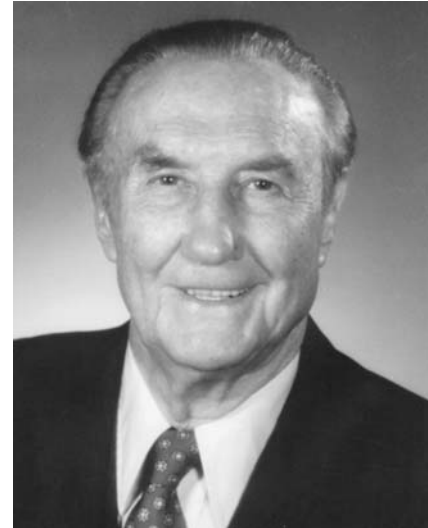
It was because of the 1932 election, and 12-year Presidency of Franklin Delano Roosevelt, that the Democratic Party in America finally began to overcome the heinous history of racism and support for slavery that had been the hallmark of the party since Reconstruction following the Civil War. Under Roosevelt's New Deal leadership and the economic mobilization for World War II, the policies of the United States were not only dedicated to a full-scale postwar assault against the international colonialism of the British and European oligarchical families—a colonialism which was not only racist, but anti-human—but also, they were also targeted against the oligarchic policy inside the United States, i.e., for the fulfillment of emancipation of black Americans through education, civil rights, and economic development. Those policies were the ones that had been stopped by the British-architected assassination of Lincoln.

Roosevelt's policies were a dramatic change from the racism that had reared its head in the White House of Woodrow Wilson, who sponsored *Birth of a Nation*. In the South, it was the common refrain of Democrats—repeated early in his Georgia State legislative career by Jimmy Carter—that the last Republicans to come to Atlanta (and presumably the rest of the South) were Gen. William Tecumseh Sherman's troops, to burn down the city. The Democrats were the party of segregation, of commitment to the "Lost Cause" of the Confederacy, and of "states' rights," that code-word for racial apartheid.

By 1948, the segregationist Democrats were so furious at FDR's policies, that had opened the door to civil rights, that that in 1948, Strom Thurmond, then a Democrat, launched his infamous "Dixiecrat" independent Presidential campaign. Ostensibly to oppose Roosevelt's former Vice President, Henry Wallace, who was roundly slandered as a communist (as were most civil rights advocates in the 1940s, '50s, and '60s), Thurmond left the Democratic Party in 1968, and became one of the first to create the "trend" which became the basis of the "Southern Strategy" today.

So strong was the Confederate oligarchic streak in the Democratic Party, that after Roosevelt's death in 1945, it took another two decades—until the Civil Rights Act of 1964 and the Voting Rights Act of 1965—through the Presidencies of John F. Kennedy and Lyndon Baines Johnson, to even *begin* to reverse the brutal apartheid conditions and disenfranchisement of black Americans that had been set up in the South after Reconstruction.

There's no doubt that civil rights could have been won more quickly and permanently but for the assassination of



*Nixon's racist Southern Strategy for the 1968 campaign used George Wallace's Independent Party recruitment of Democrats to vote segregationist, and brought original "Dixiecrat" Strom Thurmond (above) into the Republican Party. "The Southern Strategy, of an appeal to a racist and economic apartheid, is what elected Nixon in 1968."*

John F. Kennedy in November 1963, which is recognized around the world as a turning point in American history. LaRouche has identified that the murder of Kennedy was the beginning of a cultural paradigm-shift that represents a downward spiral of economic and moral corruption not only in the United States, but worldwide.

However, for Presidential and electoral politics, the death of JFK was a watershed—specifically, the beginning of what has become known as the Southern Strategy, the full-scale revival of the Confederacy, and all of its racist, oligarchic ideology.

It is well-known that the Southern Strategy, of an appeal to a racist and economic apartheid, is what elected Nixon in 1968, but it is rarely admitted that the subsequent embrace of this strategy by the Democratic Party is what gave us the 1976 election of Georgia's racist "good ole boy," Carter. Nixon won election to the White House in 1968 on a promise to destroy the Voting Right Act and the Civil Rights Act of 1964. But for all his efforts, Nixon did *not* overturn the Voting Rights Act. It took Democrat Al Gore to accomplish that in the 2000 election.

### **'Operation Dixie'**

After the 1960 election of John F. Kennedy, the GOP was reeling from defeat, not only in the national race, but also in subsequent state and Congressional elections. A new "top down" strategy was in the making, which the Republican

National Committee called "Operation Dixie." Conservative columnist Robert Novak, who has long been a Republican Party insider, wrote about a meeting of the Republican leadership in June 1963, according to Joseph Aistrup's book, *The Southern Strategy Revisited* (Lexington: The University Press of Kentucky, 1966). Novak reported:

"Item: During one closed-door session of Republican state chairmen at the Denver Hilton Hotel, two Southern state chairmen carried on a boisterous conversation about 'niggers' and 'nigger-lovers' while negro waiters were serving lunch. 'The amazing part of it was,' an Eastern state chairman recalled later, 'that nobody criticized them for doing it and only a few of us were uncomfortable.'"

"Item: Some of the biggest headlines produced by the Denver meeting came from a press conference held by Wirt Yerger, the fire-eating young segregationist who was Mississippi's Republican state chairman and head of the Republican Party's Association of Southern State Chairmen. Yerger blandly accused Kennedy of fomenting that Spring's racial violence in the South in order to win the election."

"Item: the 'omnibus resolution' adopted by the National Committee as a matter of routine came close to implicit support for Yerger's outrageous claim. The . . . only provision dealing with civil rights condemned the Kennedy Administration for 'its failure to deal effectively with the problems of civil rights and to foster an atmosphere of understanding and good will in which racial conflict can be resolved. . . . The

RNC [Republican National Committee] official had no word of support—not even a lukewarm word of support—for the Negro movement. . . .

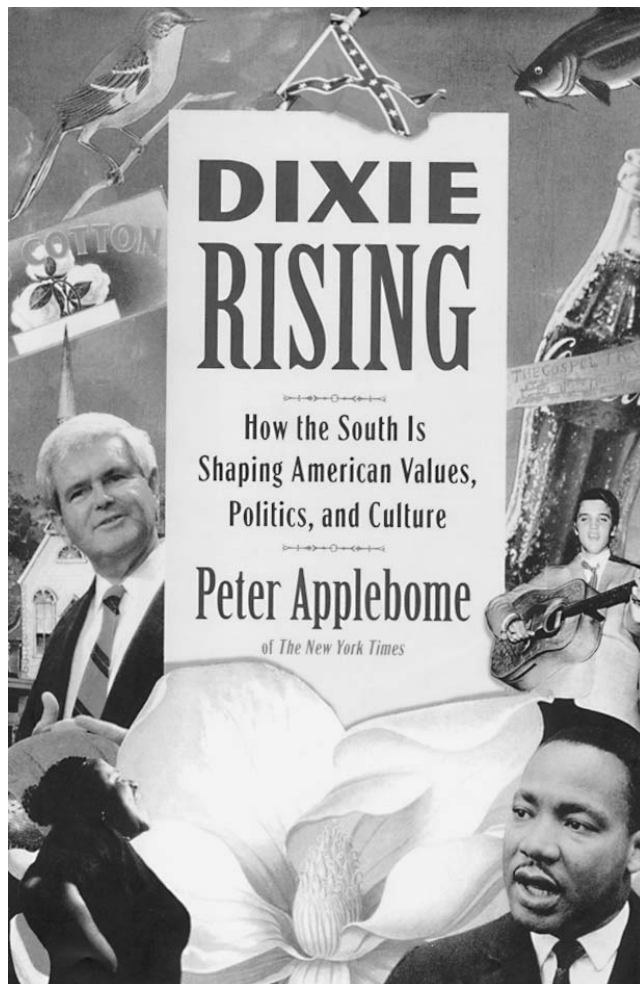
“All of this pointed to an unmistakable conclusion: A good many, perhaps a majority of the party’s leaders, envisioned substantial political gold to be mined in the racial crisis by becoming in fact, though not in name, the White Man’s Party. ‘Remember,’ one astute party worker said, . . . ‘this isn’t South Africa. The white man outnumbers the Negro 9 to 1 in this country.’”

The 1963 Republican leadership meeting was an integral part of the developing “Southern Strategy,” which brought Nixon to the White House in 1968. Nixon’s victory came only amid great turmoil, after the assassination of civil rights leader Dr. Martin Luther King in April 1968, and the assassination of Democratic Presidential candidate Robert F. Kennedy, in California, that June.

But the seeds of the strategy had already been planted after Nixon’s loss in the 1960 election. According to GOP strategists, most notably Kevin Phillips, who was one of the top campaign advisers to campaign manager John Mitchell in the 1968 Nixon campaign, the enemy of the Republicans was the New Deal coalition of Roosevelt that reigned unbroken from 1932 to 1968 (Phillips even wrote off the eight-year Eisenhower GOP Presidency as a continuation of the FDR legacy). In order to win, went the argument, the Republicans had to abandon all principles, and all ties to the tradition of Lincoln, and turn quickly, totally, and brutally to the racism of the South. The 1964 GOP Presidential candidate Barry Goldwater called the quest for the white Southern voting, “go[ing] hunting where the ducks are,” since the conventional wisdom was that the black vote would never go to the Republicans—an amazing conclusion considering the history of the Civil War.

“Operation Dixie” evolved into the strategy to steal the thunder from the segregationist Democrats, who were already in shambles with the upcoming 1968 American Independent Party candidacy of George Wallace. The Wallace campaign was a key ally for Nixon and the Southern Strategy. With the Nixon and Wallace vote, together, the Democratic campaign of Vice President Hubert H. Humphrey garnered a pitiful 43% of the vote compared to the sweeping 61% victory that Lyndon Johnson had achieved in the 1964 election against Barry Goldwater.

Wallace had vowed to keep the South Democratic and segregationist. In his 1963 inaugural speech as Governor in Montgomery, Alabama, Wallace said, “Today I have stood where Jefferson Davis stood and taken an oath to my people. it is very appropriate then that from this cradle of the Confederacy, this very heart of the great Anglo-Saxon Southland, that today we sound the drum for freedom. . . . Let us rise to the call of freedom-loving blood that is in us and send our answer to the tyranny that clanks its chains upon the South. In the name of the greatest people that ever trod this earth, I



*One of the many political manifestos of the Southern Strategy which have appeared in book form, usually long after the strategies which they report circulated as campaign memos of Republican and Democratic campaigns.*

draw the line in the dust and toss the gauntlet before the feet of tyranny, and I say: Segregation now, segregation tomorrow, segregation forever.”

Wallace’s speech was delivered about 11 months before the assassination of President Kennedy; years before the Civil Rights Act of 1964 the Voting Rights Act of 1965; and eight months before the historic March on Washington, in which Dr. Martin Luther King delivered his “I Have a Dream” speech on the steps of the memorial to President Lincoln, the first President from the *Republican Party*.

Wallace’s speech was also just two months after the integration of “Ole Miss,” when James Meredith entered the University of Mississippi under orders of the Fifth Circuit of the U.S. Court of Appeals and under the personal umbrella of President Kennedy. The civil rights movement was gaining victories, and there was no turning back.

In slightly more than two years, after much bloodshed,

including the assassination of President Kennedy and violence against civil rights leaders, President Johnson signed the Voting Rights Act of 1965, ending the exclusion of black voters in the South. Johnson's historic signing of the Voting Rights Act was revolutionary: He had not always been an opponent of segregation and apartheid; he was being heavily pressured by Democrats not to sign because it would "cost votes" for the Democrats in the South. The brave act of Johnson changed history, and forced the segregationists to change strategies. From 1963 to 1968, as a direct counter to the pro-civil rights actions of Kennedy and Johnson, the Republican Party escalated its Southern Strategy plan to take the White House.

### Nixon and the 'Lost Cause'

On March 14, 1970, President Nixon was the first President to appear onstage in a skit at the elitist Gridiron Club, the famous "Washington insider" annual event that had been started in the 1880s, where the press and politicians roast each other—no cameras or recordings allowed. Nixon and Vice President Spiro Agnew were the final act that night, each of them seated at a black upright piano. Author Kenneth O'Reilly, described the scene from an account by Roger Wilkins, nephew of National Association for the Advancement of Colored People (NAACP) leader Roy Wilkins, in his book, *Nixon's Piano: Presidents and Racial Politics from Washington to Clinton*:

"Nixon opened by asking: 'What about this 'Southern Strategy' we hear so often?' 'Yes suh, Mr. President,' Agnew replied, 'Ah agree with you completely on yoah southern strategy. . . .'

"After more banter with the 'darkie' Agnew, Nixon opened the piano duet with Franklin Roosevelt's favorite song . . . then Truman's . . . then Lyndon's. . . Agnew drowned him out a few bars into each with a manic 'Dixie' on the piano. . . . 'The crowd ate it up, Wilkins observed, 'they roared.' "

Nixon's onstage racism gave only a mere inkling of the Southern Strategy. As early as 1966, Nixon and his closest operatives were meeting with segregationists, including Ku Klux Klan members in Mississippi, promising to deliver an end to desegregation and school busing, and a "rise" of the South to economic and political power.

In Spring 1968, Nixon was holed up in an Atlanta hotel with erstwhile Democratic Senator Strom Thurmond, making a deal. Authors Reg Murphy and Hall Gulliver describe the scene in their book, *The Southern Strategy*:

"The essential Nixon bargain was simply this: *If I'm President of the United States, I'll find a way to ease up on the Federal pressures forcing school desegregation—or any other kind of desegregation.* Whatever the exact words or phrasing, this was how the Nixon commitment was understood by Thurmond and other Southern GOP strategists."

It was critical for Nixon's handlers to get Thurmond's support, especially with the racist third party campaign of

Wallace in the offing. Thurmond convinced the white elite in the South to go with Nixon, and made his switch to the Republican Party.

By the time of the Republican Party convention in Miami in 1968, Nixon was making big promises to the delegates from the South. One meeting at the convention was secretly tape recorded by the *Miami Herald*, in which Nixon was heard promising opposition to court-ordered school busing and to Federal open-housing legislation. Nixon's Southern Strategy also capitalized on the inner-city race riots of Watts, Detroit, and Newark, New Jersey. "The first civil right," Nixon told delegates, is "to be free from domestic violence." He promised a strong "law and order" campaign. Everywhere he went, Nixon was determined to prove that not only was he able to deliver as much segregation as Wallace. More importantly, he could win, and Wallace could not. In the end, the Wallace victory in the traditionally Democratic "Deep South" states of Arkansas, Louisiana, Mississippi, Alabama, and Georgia, gave Nixon the overwhelming advantage.

Two of the main Southern strategists—Harry Dent, a veteran of Thurmond's campaigns, who later got a White House post, and Kevin Phillips, the ethnic voting expert for Nixon's 1968 campaign manager, John Mitchell—described the racist card in gleeful terms. Phillips, who later published many of his long-range Southern Strategy campaign studies in *The Emerging Republican Majority* (although it was published only after the 1968 election, Phillips says the book was completed and circulating by 1967), advocated getting out the message that the Democrats were "a black party," and once that occurred, he predicted, "white Democrats will desert their party in droves." "The GOP can build a winning coalition without Negro votes," Phillips insisted. "Indeed, Negro-Democratic mutual identification was a major source of Democratic loss." Phillips also convinced Republicans that while the 1968 victory might be narrow, he took a confident long-range view that the GOP would gain from the Wallace phenomenon: "People will ease their way into the Republican Party by way of the American Independents. . . . We'll get two-thirds to three-fourths of the Wallace vote in 1972."

As the Nixon record later showed, no Southern racist politician was too extremist for the Republicans' neo-Confederate strategy. In 1970, hoping to stage a repeat of the Thurmond "coup," Nixon tried to recruit the infamous pick-axe-handle-wielding Georgia Gov. Lester Maddox to the GOP. Maddox, an ardent segregationist, had become infamous for giving out axe handles to customers at his restaurant to use in beating up "uppity" black protesters, and other civil rights "troublemakers." Though he had refused to join the GOP in the 1968 elections, GOP financial angels were dispatched to sweeten the bargain with offers of a \$500,000 payment to use Maddox's name on a new chain of chicken restaurants. Maddox embarrassed the GOP by announcing his loyalty to the Democrats after the offers were well-publicized, and promised to



*President Nixon in 1969 with one-term Texas Congressman George Bush.*

help bring victory to the Democratic Party again in the 1970 gubernatorial race (he was prohibited by the one-term law from running as Governor again). The Democrats were victorious in 1970 as Maddox promised—Jimmy Carter was elected Democratic Governor of Georgia with about 60% of the vote, sweeping up, by design, a great deal of the 1968 Wallace support in the state. Carter’s Democratic Lieutenant Governor—elected separately with 73% of the vote—was “axe handle” Maddox.

The effort to win over the Wallace segregationists, was carried out nationwide. In California, where the American Independent Party had gotten up to 20% of the vote in 1968, Nixon strategists, in one case, paid \$10,000 to Joseph Tommassi, head of the Nazi Party in California, to put his party members on the payroll, recruiting former Wallace supporters to the GOP.

One of the young Mississippi Republicans active in the pre-1968 Nixon Southern Strategy was Trent Lott, now Senate Majority Leader. Lott was a cheerleader for “Ole Miss” and an opponent of the integration of the University in 1962. Today, Lott meets with racist constituents in the “CCC,” the Conservative Citizens Councils, known in the South, on occasion, as the “Konservative Kitizens Kouncils.” He is a bald-faced neo-Confederate, who praises President Jefferson Davis of the Confederate States of America—not President Lincoln—as the model for the Republican Party.

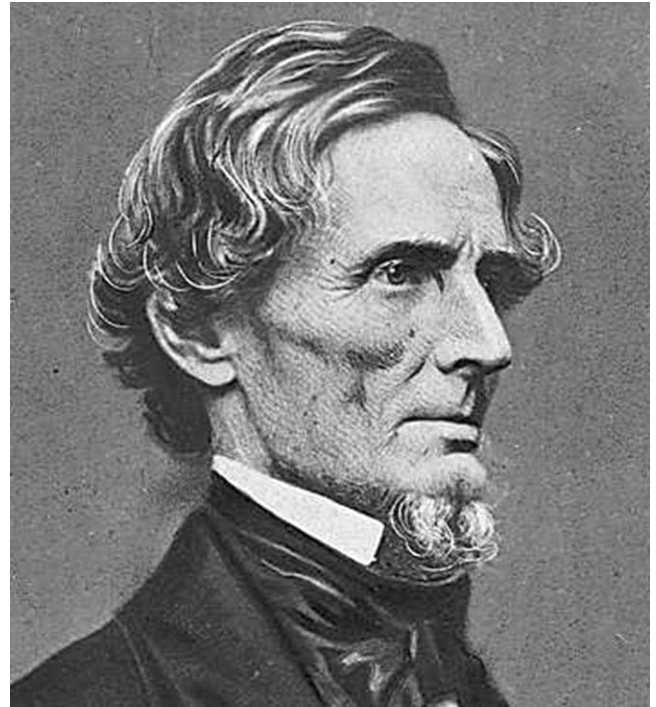
In an 1984 interview with *Southern Partisan*, the magazine of the “Lost Cause,” Lott said, “A lot of the fundamental

principles that Jefferson Davis believed in are very important today to people all across the country, and they apply to the Republican Party. It is the more conservative party. It is the party more concerned about not having government dominance. It is the party that believes the least government is the best government. . . . The platform we had in Dallas, the 1984 Republican platform, all the ideas we supported there—from tax policy to foreign policy, from individual rights to neighborhood security—are things that Jefferson Davis and his people believed in.”

### **Post-Industrial Racism**

Kevin Phillips saw the Southern Strategy not as a simple race question; it was more than segregation. It was the “end of the New Deal Democratic hegemony.” Phillips’s strategy welcomed the end of the “1932-1968 span of the New Deal era” which depended on the industrialized North and the “Negro vote bloc” in the South. By the 1968 election, the formerly industrial North was undergoing population decline, where the cities were being abandoned, and companies were moving South to the “Sun Belt,” in search of cheap labor. The Nixon Administration finished the job, by dismantling any programs that went in the direction of rebuilding cities after the race riots of the 1960s.

The economics of the Southern Strategy was based on the doctrine of the “post-industrial society,” where the blue collar production employment was replaced with an increasing emphasis on service sector and government jobs. Great projects,



Current Senate Majority leader Trent Lott of Mississippi was active in the 1968 Nixon Southern Strategy campaign. In 1984, Lott told the *Southern Partisan* that he was a believer in the principles set forth by Jefferson Davis, the President of the Confederate States of America.

such as FDR's anti-depression measures of building roads, hospitals, schools, dams, water management, and other infrastructure, were ended. By 1969, the visionary space programs of the Kennedy Apollo project were shut down. The death and decay of the Northern cities and the transportation grid, saw a major population shift into the South, with the Southern states plus Kentucky and Oklahoma gaining 17 Congressional seats over their 1960 numbers, while Northern states such as New York and Massachusetts lost Congressional representation. The Southern bloc of votes has grown so substantially since 1960 that a Presidential candidate today, winning the same states that Nixon took in 1960, would become President.

With that trend in the offing, it is not surprising that the neo-Confederates would stop at nothing to nullify the Voting Rights Act, and the potential for black voting power that it represents.

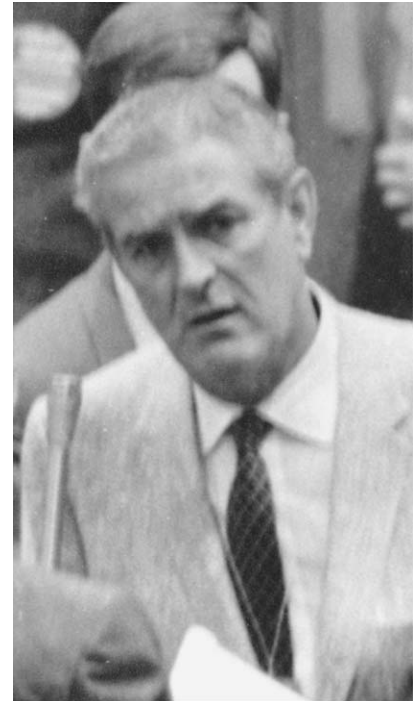
Once in office, Nixon made good on his word to stop desegregation, and the code-name for this white power campaign was "busing." In September 1968, in an interview for a broadcast to North and South Carolina, Nixon said that the decisions by the Federal courts and the Federal government to "withhold funds or give funds" in order to carry out *Brown v. Board of Education*, was "going too far. . . . That kind of activity should be very scrupulously examined and in many cases, I think should be rescinded."

By 1969, Nixon was using the term, so-called "freedom

of choice" for Southern localities, in the same way that Wallace, the Dixiecrats, and others used the term "states' rights" as a cover for racism. In August 1969, before the school year, just after Federal courts had directed the school boards of Mississippi to draw up plans for desegregation, Nixon's Secretary of Health, Education, and Welfare, Robert Finch, wrote to the Federal judges asking for a delay in the submission of the desegregation plans. Under provisions of the Civil Rights Act of 1964, it was HEW that monitored the progress of school desegregation and reported violations. The HEW reports were often the basis for Justice Department action against Southern apartheid.

On Aug. 25, 1969, Nixon had the Federal government go into court urging this delay to avoid "chaos, confusion and an educational set-back." In a full-page ad in the *New York Times*, the NAACP protested the action, saying: "Our government, for the first time, instead of pressing for school integration, has gone to court and asked that school segregation be allowed to continue. Although school segregation is in direct violation of the Supreme Court Decision of 1954. . . . If the government no longer defends the rights of Negro schoolchildren, who will?" The NAACP sued, and won an order which overrode the Nixon efforts in Mississippi. Nixon's promise to the Mississippi Confederates had backfired, but many efforts continued from the Southern Strategy bastion of Nixon's White House to slow down the civil rights agenda in every way possible.





*President Nixon with, as usual, Henry Kissinger at his ear. Kissinger was the trainee, at Harvard, of the career pro-Confederate and admirer of the British Empire, William Yandell Elliott. The other disastrous adviser to Nixon who arose from his Southern Strategy, was Texas Democrat-turned-Republican John Connally (right); as Treasury Secretary, Connally advised Nixon to take the dollar off the gold reserve and start the destruction of the Bretton Woods post-War monetary arrangements.*

On the international and financial fronts, Nixon, under the influence of Nashville Agrarian protégé Henry A. Kissinger, his National Security Adviser and later Secretary of State, was simultaneously taking other actions against the FDR New Deal. On Aug. 15, 1971, Nixon took the U.S. dollar off the gold standard, and ripped up the Bretton Woods monetary system that Roosevelt had set up and had envisioned as the means for developing the nations, especially in Africa and Southeast Asia, emerging from the former colonies which had been brutalized by the European colonial powers.

Under the Kissinger-Nixon regime, racism, especially toward Africa, was a matter of fact. In one conversation between Kissinger and Nixon, where Henry was jealously complaining about then-Secretary of State William Rogers's successful diplomatic trip to Africa, Nixon told him, "Henry, let's leave the niggers to Bill, and we'll take care of the rest of the world."

Rogers was eventually replaced as Secretary of State by Kissinger, who also used his positions to write the most racist of all known U.S. policy documents, National Security Study Memorandum 200 (NSSM 200), which profiled nations where population was increasing—especially in Africa and other Third World countries—and declared that their population growth is a threat to U.S. national security.

By 1974, Nixon resigned under threat of impeachment,

but Kissinger, the student of the neo-Confederate oligarchic outlook, remained. To define the Southern Strategy as an aberration of Nixon's personal racial views, would be making a big mistake. The Nixon Administration had come to an end, but its policies were just beginning. It was now time for the Southern Strategy to be "born again," this time in the Democratic Party, in the person of Jimmy Carter.

### **Carter and Human Rites**

Sen. George McGovern, the Democratic Party candidate for President against Nixon in 1972, and the target of Kissinger's Watergate dirty tricks campaign, described the Southern Strategy as follows: "What is the Southern Strategy? It is this, it says to the South: Let the poor stay poor, let your economy trail the nation, forget about decent homes and medical care for all your people, choose officials who will oppose every effort to benefit the many at the expense of the few—and southerners to high office." Like Sen. Edward Kennedy (D-Mass.), who warned in 1995, that the nation "doesn't need two Republican Parties," McGovern recognized that the Southern Strategy was a slap in the face to FDR's New Deal and the development projects, such as the Tennessee Valley Authority, that were the result of FDR's hard-fought victories against the Depression and the Confederacy's backwardness.

But the Confederate disease was already deep in the pores of the Democratic Party. The drive was already on to win back the South even if it meant abandoning civil rights and the black population. In a 1966 monograph entitled “Presidential Voting in South Carolina, 1948-64” (written *before* Strom Thurmond jumped ship to the Nixon campaign), Donald Fowler, who later became chairman of the DNC and resurrected the “whites only” private club rules of the Democratic Party in order to exclude Lyndon LaRouche’s support from African-Americans in the primaries, referred to “Negroes” in South Carolina as a “*divisive social, economic, and political element.*”

Fowler’s piece, in 1966, was the Democrats’ version of Harry Dent’s and Kevin Phillips’ Southern Strategy for the Republicans. Fowler warned Democrats that taking up the “Negroes’ interest” would lead to “defeat.” Fowler wrote:

“The socio-educational circumstances in which most Negroes find themselves are as great deterrents to active, effective political participation as were the legal obstacles and informal intimidations to which they have been subjected for decades.

“... There is little or no evidence that Negroes vote as a bloc except when their interests as Negroes are clearly at stake. When the interests of Negroes per se are at stake, many whites feel that their interests are also at stake in opposition. Most cases which pit the two conflicting interests against each other result in defeat for the candidate with the Negroes’ interest at heart.”

By the 1976 election, with the Nixon Presidency discredited through Watergate, but still under the control of Kissinger, who ran roughshod over President Gerald Ford, the time was right for Fowler’s 1966 advice, and the next phase of the Southern Strategy — President Jimmah Cartah. Carter was a hand-picked candidate of the globalist Trilateral Commission, which had been formed in 1973.

Carter’s entry into national politics represented a shift of the Democratic Party into the “New Democrats” and the “New South,” and the new segregation, this time couched in terms of “human rights and democracy,” *not* civil rights in the United States.

In 1966, the Georgia State Legislature elected racist Lester Maddox (D) as Governor. The election had gone to the legislature because no candidate had received a majority of more than 50% of the vote. Carter had run in the Democratic primary, but was little known, and often referred to as “Jimmy Who?” By 1970, when Carter ran for Governor again, and won the election, many of his county managers were veterans of Wallace’s 1968 Presidential race, that is, the Wallace of “segregation now, segregation tomorrow, segregation forever.” In the 1970 gubernatorial race, Carter rode to victory on Maddox’s coattails, who was running for Lieutenant Governor, and received 73% of the vote.

One could never say that Carter was an overt segregationist like Maddox — Carter was more clever. By the 1970s, the

rhetoric of the New South, was aimed to accomplish the same goals as segregation — the annihilation of the General Welfare clause of the U.S. Constitution — but it was couched in the terms of the “new economy.” Lower taxes, local control, and free trade zones became the code-words for ending spending for desegregation, equal education, and health care. Such talk was Carter’s specialty. But, Carter also made a blatant appeal to the neo-Confederates of the radical religious right, the born-again Christians, of which Carter and his sister, June Carter Stapleton, were proud members. While McGovern was the first Democratic candidate in U.S. history to fail to win a single Southern state, four years later, Carter won *every* Southern state except Virginia in 1976.

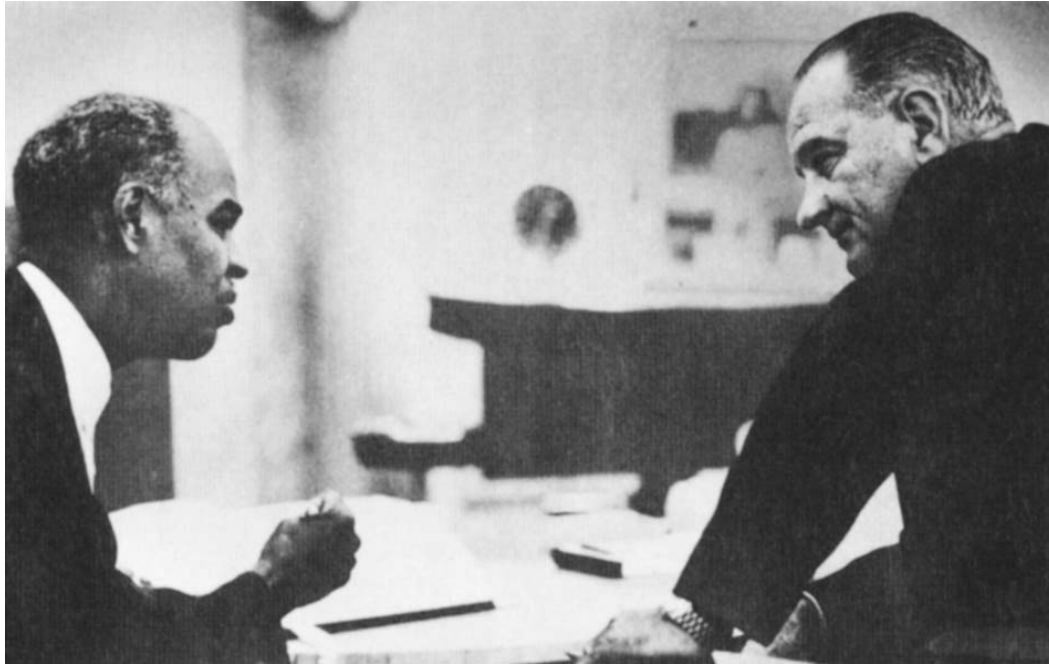
For a candidate who boasted about his liberal civil rights record, historians of the Carter period point out that *not once* did he make a Presidential address commending civil rights leaders, or concentrating on black civil rights in America. In fact, Carter shocked the Democratic Party in 1976, by praising “ethnic purity” and warning against the practice of “destroying” communities by introducing foreign and strange elements.

Once in office, Carter made few appointments of African-Americans in his Administration. The highest ranking post given to a black political leader, was to make Andrew Young Ambassador to the United Nations. Instead of pushing civil rights, Carter appointed Georgia attorney Griffin Bell as U.S. Attorney General, and head of the Justice Department, thereby ending any positive role that the department had ever played in the civil rights battle. Bell had tried to block school desegregation in Georgia as a private attorney, and was a member of the all-white private country clubs, even at the time of his nomination to the Carter Cabinet.

But Carter’s “new racism” came closest to the surface in the international arena. In 1979, UN Ambassador Young was dumped for trying to extend human and civil rights to the Palestinians. Young had arranged a meeting with the UN representative of the Palestine Liberation Organization, Zehdi Terzi. When spies of the Israeli government and the anti-Palestinian Zionist lobby in the United States learned of this, they demanded Young’s head — and they got it. The highest ranking black member of the Administration was dumped.

Griffin Bell’s report of the firing of Young appears in *Nixon’s Piano*: “It was terrible to have him talk to Andy the way he did about the meeting with PLO. President Carter was big on using the word ‘disgrace,’ and he accused Young of bringing disgrace on him.”

Talking to the Palestinians violated one of the foreign policy precepts developed for Carter by Trilateral Commission founder, his National Security Adviser and controller, Zbigniew Brzezinski. Brzezinski was another creation of the Harvard Agrarians, and a close collaborator — though jealous competitor — of Kissinger. Brzezinski was also an aficionado of the “clash of civilizations” doctrine that declared “Islam”



*President Lyndon Johnson talking to Roy Wilkins, then-National Director of the NAACP. Wilkins, in his book Nixon's Piano, describes some of the seamier episodes which were hallmarks of the racism of the Southern Strategy; and also the courage required by Johnson to pursue the nation's civil rights legislation as far as he did under this assault.*

to be the “enemy” of Western (i.e., white Anglo-Saxon) civilization. The firing of Young lost Carter the support of the African-American community, and the Rev. Jesse Jackson would tell his constituents that “the Klan didn’t move on Andy,” Jimmy Carter did!

Carter’s neo-Confederate Southern Strategy was a massive failure. The economic policy, including the 20% interest rate policy of his Federal Reserve chairman, Paul Volcker, completed the destruction of the economic health of the United States. But the Carter regime did create the context for the Gore/Fowler policy of “triangulation,” in which they adopted the most reactionary, racist, economic policies being espoused by the Republican Conservative Revolutionaries. What Vice President Gore represented in the Clinton Administration—the destruction of the welfare safety net, and the slave labor policy of the free trade North American Free Trade Agreement, was a continuation of the Carter Southern Strategy.

By the late 1980s, the outlook expressed in Fowler’s 1966 memo against the “Negro vote,” was beginning to permeate the Democratic Party. The thinking is reflected in a report by a private research group for the DNC on the attitudes of Southern whites. The report said that these whites believed that “the Democratic Party has not stood with them as they moved from the working to the middle class. They have a whole set of middle-class economic problems today, and their party is not helping them. Instead it is helping the blacks, the Hispanics, and the poor. They feel betrayed.”

Instead of addressing the economic hardship that the mythical “new economy” miracle has created in the lower 80% of the family-income brackets in the United States, Gore

and the KKK Democrats have gone even further in an attempt to steal the thunder of the Republicans’ Southern Strategy. Gore’s 2000 campaign was a rendition of the rotten advice of former White House consultant “Dirty Dick” Morris, the toe-sucking sex pervert who sold Gore on the theory of “triangulation”—copying the Republicans’ Confederate outlook. In the campaign, Gore stood for the same rotten positions as Bush—supporting and expanding the death penalty, attacking welfare, cutting crucial services like health and education under the slogan of the balanced budget, supporting the Brzezinski/Kissinger policy of war and superpower domination. Gore’s Southern Strategy was a victory for the Confederates, but not for the Democratic Party; his monkey-see/monkey-do relationship to George W. Bush on these issues cost the Democratic Party its chance to regain the majority in the House and the Senate. And Gore failed to win even his own state of Tennessee.

With the entire leadership of the Senate and Congress in the hands of the neo-Confederates, with the Gore/Fowler wing of the KKK Democrats ripping up the Voting Rights Act, and with the Rehnquist Supreme Court making every effort to install George W. “I love the Confederate flag and its heritage” Bush as President, the country confronts the specter of “Southern Fried Fascism.”

Only by dropping the insane argument of choosing “the lesser of two evils” between Gore and Bush, and mobilizing the American people once again, as in the footsteps of Lincoln and Franklin Roosevelt, in defense of the “General Welfare,” can we secure, in the words of Lincoln at Gettysburg, that the “government of the people, by the people, and for the people shall not perish from the earth.”

# Southern Strategy, Inc.: Where Wall Street Met Tobacco Road

by John Hoefle

The political success of Richard Nixon and Jimmy Carter's "Southern Strategy," transforming the White House and Congress into bastions of white Southern power, would have been impossible, without the economic transformation of the United States from the greatest industrial and scientific nation-state in history, to a post-industrial nation of white collar accountants, real estate brokers and computer programmers, retail clerks, and hamburger-flippers. This transformation of America, over the past 30-plus years, has been characterized by the collapse of the urban industrial and cultural centers of the North—New York, Detroit, Chicago, Boston, Cleveland, etc.—and the gradual emergence of the "New South" as the heartland of America's post-industrial economy.

Today, Southern cities like Houston, Dallas, Atlanta, and even Charlotte, North Carolina dominate the "new economy" and house the multinational corporate and banking headquarters that preside over the deregulated looting of every last remaining income stream.

This Houston-Atlanta-Charlotte nexus can be dubbed "Southern Strategy, Inc." Of course, it was Wall Street—most prominently the financial interests associated with Harriman, Morgan, and Rockefeller—which set this shift in motion. But the deregulated monster represented by such corporate creatures as Enron Corp. in the energy field, the Rainwater interests buying up hospitals, or Corrections Corporation of America in private prison operations, signals a process of financial speculation and physical-economic chaos, which Wall Street no longer can control. With President-Elect George W. Bush and Vice President-Elect Richard Cheney moving from Texas to Washington, the power of this Southern-based corporate looting apparatus is almost certain to grow at an even more accelerated rate.

We take up one significant slice of that corporate octopus, the Texas-centered network of oil industry giants that have been tied to the political fortunes of the Bush clan for much of the present century.

## Behind the Bushes

The role of the Bushes in pushing deregulation, like their role in grabbing control of physical assets, is in the service of something much older and nastier.

Sitting at the center of this web, and typifying the level of

corruption, are two Texas-based energy industry giants, each with ties into the nastiest of the Wall Street and European financial oligarchies: Schlumberger and Enron.

By far the oldest and filthiest of the two is Schlumberger, the intelligence apparatus masquerading as an oil services company. Schlumberger is one of the two biggest oilfield services companies in the world, Halliburton<sup>1</sup> being the other. While Schlumberger, the company, was formed in Paris in the early 1900s, the intelligence network which operates through it is much older, a part of the banking empire of the interlocked de Neufville, Schlumberger, and Mallet-Prevost families, which have been running operations against the United States since the American Revolution.<sup>2</sup>

In Houston, the Schlumberger/Lazard nexus is closely allied with a nest of British assets centered around the Harriman interests and operating through a group of powerful law firms. E.H. Harriman was a Nineteenth-Century railroad robber baron whose companies were fronts for the British Royal Family and their fellow aristocrats. Harriman's agents in

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1. Halliburton, which acquired the Harrimans' Dresser Industries, has surpassed Schlumberger as the largest oilfield services company. Among Halliburton's subsidiaries is Brown & Root, the Houston construction firm which does sensitive work worldwide for the Pentagon and the State Department. Halliburton was also the first U.S. oil company to work the Chinese mainland and, beginning in 1986, was selected by the People's Republic of China to perform offshore field work. In the 1980s, the Halliburton board included James Glanville of Lazard, Lord Polwarth of the Royal Bank of Scotland, William Simon of Wesray and Kissinger Associates, and the King Ranch's Anne Armstrong. The "Torbitt" report identified Halliburton and Brown & Root as being among the principal financiers of Permindex, the financial front suspected of involvement in the assassination of John F. Kennedy. Halliburton head Richard Cheney, a former Secretary of Defense, left the firm to become George W. Bush's Vice President.

2. The Schlumberger family was part of a Swiss-based intelligence network operating in partnership with the British Secret Intelligence Service, to defeat the American Revolution. Among the agents run by this network were Aaron Burr, the man who killed Alexander Hamilton and who was tried for treason, Jefferson's Treasury Secretary Albert Gallatin, and the most notorious of all American traitors, Benedict Arnold. A key role was played by members of the Prevost family, British military commanders from a Swiss oligarchic family which was intermarried with the Mallet family of the de Neufville, Schlumberger Mallet Bank, known today as the Schlumberger interests. For further details, see Anton Chaitkin, *Treason in America* (Washington, D.C.: Executive Intelligence Review, 1998).



*President Sir George Bush with Queen Elizabeth II. "Sure, I'm an Anglophile," he boasts.*

Houston included Baker & Botts,<sup>3</sup> the law firm of former Bush Secretary of State James A. Baker, III, which has also represented Schlumberger since the 1950s. The Bush family is also a creature of the Harriman networks and their British controllers, through both the Bush and Walker sides of the family. Both George H.W. Bush's father, Prescott Bush, and his uncle Herbert Walker were top officials of the Harriman investment bank, and the Harrimans, Lazard, and Scottish banker James Gammell funded the business and political career of Sir George (Prescott, Herbert, and Sir George were also members of Skull & Bones, the powerful Yale-based secret society). Also coming together in Houston were the British intelligence networks of Col. Edward Mandell House, the global oil cartel, and the "legendary" King Ranch.

Enron, which has an energy trading room in its Houston

3. The firm today known as Baker & Botts was formed in 1866 by Judge Peter Gray and Walter Browne Botts, and became Baker & Botts when Capt. James A. Baker joined in the 1870s. It had a distinct Confederate and Masonic heritage. Judge Gray had been the Assistant Treasurer of the Confederate States of America, where, under the command of Confederate Secretary of State Robert Toombs, he had financed the operations of Gen. Albert Pike among the Indian tribes in the Southwest. After the war, Pike and Toombs reestablished the Southern Jurisdiction of the Scottish Rite, and Pike deputy Philip C. Tucker set up a Scottish Rite lodge in Houston in 1867, with Walter Browne Botts and Benjamin Botts as leaders. Captain Baker would later play a key role in pushing eugenics—the precursor of Nazi race science—for the Harrimans, through Rice University, which he helped found and chaired for 40 years. In 1912, Baker brought in the head of the British Eugenics Society, Julian Huxley, to help the school set up its biology department.

headquarters which rivals the trading rooms of the big Wall Street investment banks, is perhaps the single company most responsible for the chaos in today's domestic energy markets. Its "success" in energy speculation has raised virtually every electricity bill, natural gas bill, and heating oil bill in the country, some of them by orders of magnitude,

Enron is a relative newcomer, but serves an important role in allowing the financial sharks, under the guise of deregulation, to get their hands on the income streams generated from the production and consumption of electricity, natural gas, and related energy products. Enron's fortunes are directly tied to the Bush League: Enron is the single-largest contributor to the political campaigns of President-Elect George W. Bush, and the firm hired as "consultants" a number of top officials of his father's administration—including James Baker, III, and Commerce Secretary Robert Mosbacher—after they left Washington. In return, these officials used their political pull to get Enron a series of lucrative contracts around the world. Enron Chairman Kenneth Lay has been touted as a potential member of the Bush cabinet, and Southern Strategy zealot Rep. Tom DeLay (R-Tex.) is widely known as "the Congressman from Enron."

Enron is "Dubya" Bush's biggest career patron, having given him more than \$500,000, according to the Center for Public Integrity.

### **A Bit of Texas History**

When Texas became a Republic in 1836, the political battle revolved around the forces of patriot Sam Houston on



Anne Armstrong, of the King Ranch, was U.S. ambassador to Britain in the 1970s, and chairman of the President's Foreign Intelligence Advisory Board under Reagan and Bush.

the one side, and Mirabeau Buonaparte Lamar on the other. Lamar was a member of the aristocratic, plantation-owning Lamar family of Georgia and New York. Houston was inaugurated as the first President of Texas in October 1836, with his bitter enemy Lamar as his Vice President. Under the Texas Constitution, Houston could not succeed himself in office, and not one, but two of his hand-picked successors died while campaigning for the Presidency, a fortuitous set of circumstances which helped Lamar become the second President of the Republic of Texas, in 1838.

This Texas-Georgia-New York connection is one of the recurring themes in this report, exemplified by the Carter-Menil Foundation of former President Jimmy Carter and Dominique Schlumberger de Menil, and the Houston connections of Atlanta-based Coca-Cola. Coke Chairman J.P. Austin was the Trilateral Commission member who helped Zbigniew Brzezinski recruit and train Jimmy Carter, to be the President of the Democratic Party's version of the Southern Strategy. The Lamar tradition also remains strong in Texas: It was in the Lamar Hotel that the Houston elite gathered to play cards and run much of the state, and when Texas Commerce Bancshares celebrated the 150th anniversary of

the Republic of Texas with an ad paying homage to the heroes of the Texas Revolution, leading the list was oligarch Mirabeau Buonaparte Lamar, with no mention of the patriot Sam Houston.

In the late 1800s-early 1900s, the government of the State of Texas was dominated by an alliance between the King Ranch and Col. Edward House. House, who later gained fame as Woodrow Wilson's controller, was the son of a wealthy British plantation owner in Houston. Back in Houston, the House family groomed young Jesse Jones to take over as Houston's leading light. In the 1920s, Jones became a real estate developer in New York, and among his partners was Robert Lovett, who succeeded E.H. Harriman as the head of the Union Pacific Railroad. Jones's personal attorney was Capt. James Addison Baker of Baker & Botts, a firm which represented Harriman interests in Texas. Jones, in turn, passed the torch to what became known as the "8F Crowd," so named because they gathered to play poker and run the state in Room 8F of Jones's Lamar Hotel. The 8F crowd ran Houston and exerted considerable control over state affairs during the 1940s to the 1960s, and created institutions that continue to exert significant power today, notably three of the most powerful law firms in the country, Baker & Botts, Vinson & Elkins, and Fulbright & Jaworski. Until the late 1980s demise of the Texas banking system, these law firms were all closely associated with a major bank: Baker & Botts with Texas Commerce; Vinson & Elkins with First City; and Fulbright & Jaworski with Bank of the Southwest.

### Meanwhile Back at the Ranch . . .

In 1983, Debrett's Peerage Ltd., publisher of *Debrett's Peerage and Baronetage*, issued a book entitled *Debrett's Texas Peerage*, on "the aristocrats of Texas." Featured quite prominently in the book was "The Royal Family of Ranching," the Klebergs of the King Ranch.

"Robert Justus Kleberg, Jr., was a god among Texas ranchers," the chapter on the King Ranch began. "They still talk about him today in reverent tones, not only on ranches around the world, but at '21,' The Pierre, Saratoga, The Jockey Club and other exclusive enclaves which he used to frequent during racing season in the East."

The *New York Times* has repeatedly referred to the spread as "the legendary King Ranch," and *Debrett's* said that before the ranch opened itself to oil production, it was known as "the Walled Kingdom." The Klebergs, *Debrett's* gushed, had "lifelong friendships with the Whitneys, Vanderbilts and other horsey families of the East." The ranch has also been host to some of the most powerful oligarchs in the world, including Prince Johannes von Thurn und Taxis, hereditary head of the Venetian intelligence service, and Prince Charles of Britain. Anne Armstrong of the King Ranch was U.S. ambassador to Britain in the 1970s, as well as being chairman of

the President's Foreign Intelligence Advisory Board (PFIAB) from 1982 to 1990, under Reagan and Bush.<sup>4</sup>

The King Ranch was formed in 1857 by Capt. Richard King, who had made his living as a steamboat captain running cargo and passengers along the Rio Grande River; he had arrived on the Rio Grande just after Gen. Zachary Taylor arrived with his army to defend the State of Texas against Mexico. King and his partner Mifflin Kenedy ran supplies for Taylor, in an operation which was actually an intelligence network operating under the cover of commerce. Just prior to the Civil War, King and Kenedy bought huge tracts of land just south of Corpus Christi; another member of the network was Charles Stillman, a border merchant who later moved to New York to found the National City Bank (a.k.a. Citibank). King's principal lawyer in the early days was Stephen Powers of Brownsville, who had previously been a U.S. consul to Switzerland.

During the Civil War, the King Ranch was an important transshipment point for Confederate supplies, particularly when the Mexican port of Matamoros took on crucial importance after the Union blockade closed the ports in the South. The ranch also functioned as an intelligence center for the Confederacy.

The Klebergs entered the picture when Robert Justus Kleberg ("Kleberg the First," according to *Debrett's*) married Captain King's daughter, Alice. When Captain King died in 1885, Kleberg took command of the ranch. Kleberg the First and Alice had two sons and three daughters. The elder son, Richard Mifflin Kleberg, went to Washington as a Congressman, and hired a young man named Lyndon Johnson to be an aide. The younger son, Robert, Jr., eventually took over the ranch from his father.

The business operations of the ranch circa the mid-1980s were run by Jim Clement, the Princeton-trained son of Martin Clement, a former honcho of the Pennsylvania Railroad. One of Clement's friends and regular guests was the late Prince Johannes von Thurn und Taxis, the aforementioned Venetian spook and top-level oligarch.

The King Ranch got a financial boost when oil was discovered on the property, and oil royalties from Humble Oil & Refining (later bought by Exxon) started rolling in. With their

social and political connections, and the oil money, the King-Kleberg heirs moved into the corporate world.<sup>5</sup>

In 1977, Prince Charles visited the Armstrong Ranch to play polo with Anne's husband, Tobin Armstrong of the Armstrong Ranch; his brother John Armstrong of the neighboring King Ranch; John's son Charles Armstrong, and oil heir Will Farish of Houston, among others.

## Enter the Schlumbergers

On Jan. 10, 1901, Capt. Anthony Lucas and Patillo Higgins discovered oil at Spindletop, Texas. The Spindletop salt dome contained enough oil to double the production of the Pennsylvania fields where John D. Rockefeller's Standard Oil ruled, and allowed the United States to surpass Russia as the leading oil producer of the day. Oil had been drilled in Texas since 1866, but Texas had never come close to matching the output of Pennsylvania until Spindletop. With the Spindletop gusher, a black-gold rush began, and fortune-seekers from all over the world poured into Texas. Among them were oligarchs and their agents, seeking to gain control over this new source of wealth. Over time, Houston became a center of the oil industry, and a captive of the British-dominated global oil cartel.

With Schlumberger came two important figures, Jean de Menil and his wife, Dominique Schlumberger de Menil. Jean, whose background had been deliberately muddied, was a Tsarist White Russian of some stature, who had fled Russia to avoid Communist reprisals, while Dominique was the daughter of company co-founder Conrad Schlumberger. As a top official of Schlumberger, Jean de Menil's responsibilities included the company's Ibero-American operations, while Dominique was a cultural and political warfare operative who founded the Rothko Chapel as a coordinating point for all sorts of unsavory operations, including terrorist networks involved in the assassination of Egyptian President Anwar Sadat.

While the full story of Schlumberger's intelligence remains the subject for further investigation, some aspects are already known. Jean de Menil, as documented in *EIR's* book *Dope, Inc.*, was a member of the Solidarists, a group comprised of Eastern European and White Russian fascists and feudalists. Many of the Solidarists had been officials of "Quis-

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4. Anne Legendre Armstrong, the daughter of aristocratic New Orleans coffee merchant Armand Legendre, became friends with Helenita Kleberg at the exclusive Foxcroft and Vassar schools. She married Tobin Armstrong, whose brother John was married to Helenita's sister Henrietta Kleberg, and was second in command at the King Ranch. The Armstrongs trace their heritage to Texas Ranger John Armstrong, an enforcer for the King Ranch in its early days. Their much smaller Armstrong Ranch is, politically, an adjunct to the King Ranch. At PFIAB, Armstrong was involved in operations against Lyndon LaRouche and his associates, and helped bring Henry Kissinger into the Reagan Administration in 1983. She chaired the advisory committee of the influential Georgetown Center for Strategic and International Studies, and was co-chair of the Republican National Committee in 1971-73.

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5. Belton Kleberg "B.K." Johnson started his own ranch, and joined the boards of AT&T, Campbell Soup, Tenneco, U.S. Trust and First City Bancorp., among others. His half-brother Robert Richard "Bobby" Shelton bought a ranch in Kerrville, Texas; Bobby Shelton also served a stint as head of the Texas Department of Public Safety, the state police agency which included the famous Texas Rangers, which at times seemed to have functioned as the private police of the King Ranch and its cohorts. These children, along with Anne Armstrong, were heavily interlocked with the 8F Crowd institutions in Houston. BK and Anne both sat on the board of First City Bancorp. of Houston, and Anne was also a director of American Express, General Motors, Boise Cascade, Braniff, Union Carbide, and Halliburton.

ling” pro-Hitler governments during World War II. A leading component of the Solidarist movement was a highly professional espionage, sabotage, and assassination network called the Narodnyi Trudovoy Soyuz (NTS). The NTS had been founded by Menshevik circles in Russia in the 1920s, and functioned as one of British Intelligence’s premier spy rings inside Russia. The principal Western financing conduit for the NTS and the Solidarist movement was the Tolstoy Foundation of New York, of which Jean de Menil was a director.

De Menil and Schlumberger were involved in helping to put Castro in power in Cuba, and later in attempts to overthrow him, in operations involving both the CIA and George Bush’s Zapata Offshore. More importantly, Jean de Menil was a key figure in Permindex, the corporate front for the assassins of John F. Kennedy and the attempts upon Charles de Gaulle. Permindex was closely linked with British Intelligence’s Special Operations Executive of Sir William Stephenson and Col. Mortimer Louis Bloomfield, and with the FBI’s secret Division Five, headed by Bloomfield. Schlumberger’s links with the intelligence community are also indicated by its close relationship to former CIA director Sir George Bush, and the presence on its board today of former CIA director John Deutch. This is not to suggest that Schlumberger is a CIA “front,” however, but rather that Schlumberger is part of a much older oligarchic intelligence network, with tentacles into national intelligence agencies such as the CIA.

The Schlumberger/de Menil apparatus had strong ties to the Houston corporate world and ruling elite. Jean de Menil was, for a time, on the board of Bank of the Southwest, the bank closely interlinked with Fulbright & Jaworski, the firm which produced Nuremberg and Watergate prosecutor Leon Jaworski. Baker & Botts partner Dillon Anderson, an official in the Eisenhower Administration, was on the board of the Schlumberger Foundation circa the 1950s, and senior partner George Jewell was on the board of Schlumberger in the 1980s. Schlumberger is also closely linked with Lazard, which played a big role in financing Texas companies like George Bush’s Zapata and Pennzoil. Later, Dominique de Menil would co-found the Carter-Menil Center in Atlanta, with former President Jimmy Carter. A key liaison between Carter and de Menil was Charles W. Duncan of Houston, who is both a former president of Coca-Cola and Carter’s Secretary of Energy. Both Charles and his brother John House Duncan sat on numerous corporate boards of relevance to this network, including John Duncan’s seat on the King Ranch board.

Schlumberger family and board member Didier Primat has rather secretive operations in the Carolinas and Virginia, overlapping the intelligence and eugenics operations of the Smith-Richard Foundation and the family of Bush legal counsel C. Boyden Gray. Primat also held the title to Mary Sue Terry, who as Virginia Attorney General led a witch-hunt against the LaRouche movement, throwing a number of innocent individuals into state prison on trumped-up charges.

These Texas-Virginia-Carolina connections also played a role in the rise of Charlotte, N.C. as a national banking center. Charlotte’s North Carolina National Bank (NCNB) has, through an ever larger series of acquisitions, transformed itself into Bank of America, one of the largest banks in the world, while crosstown rival First Union has grown into a top-ten bank in the United States. NCNB significantly extended its reach in 1989, when it bought the bankrupt First Republic-Bank of Dallas for virtually nothing, in a move that helped conceal the maneuvering that was used to keep First Republic-Bank’s doors open until after Presidential candidate (and former director) George Bush won the Texas primary. NCNB transformed itself into NationsBank in 1991, with the acquisition of C&S/Sovran, itself the union of Georgia and Virginia banks. After a number of smaller acquisitions, NationsBank bought the San Francisco-based Bank of America in 1998; with the takeover, NationsBank renamed itself Bank of America, with the headquarters, and the control, remaining in Charlotte. Bank of America is number 12 on the list of top contributors to the political campaigns of Gov. George W. Bush, and in its NCNB days, the bank was caught running dirty tricks against the LaRouche movement.

## The Bush League

After graduating from Yale, young Skull & Bones member George Herbert Walker Bush got his start in the business world at Cleveland-based Dresser Industries, where his Bonesman father, Prescott Bush, was a director from 1930 until he entered the U.S. Senate in 1952. Dresser was controlled by the W.A. Harriman & Co. bank,<sup>6</sup> where Prescott Bush worked and where George H.W. Bush’s uncle and namesake, George Herbert “Bert” Walker, was president. After stints in Cleveland and California, young Bush moved to the Permian basin oilpatch town of Odessa, Texas, circa 1949, to work for Dresser’s IDECO subsidiary. While Bush would cultivate an image as a Texan, the money which would finance his career came from Wall Street and the City of

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6. W.A. Harriman & Co., organized in 1919, was the private bank of the Harriman family. The chairman was W. Averell Harriman, who with his brother Roland “Bunny” Harriman controlled the bank, while founding members included George Herbert Walker, Sr. and Percy Rockefeller. Prescott Bush joined the firm in 1926. All but one were members of Skull & Bones; Walker was not, but his son, G.H. Walker, Jr., would be.

In 1931, W.A. Harriman & Co. merged with the Brown Brothers investment bank to form Brown Brothers Harriman. The Harriman brothers and Prescott Bush were senior partners at BBH, while Walker retired to his own G.H. Walker & Co. Brown Brothers was a spin-off of the British bank Brown, Shipley, whose best-known partner was Bank of England head Montagu Norman.

In October 1942, the U.S. government seized the Union Banking Corp. under the Trading With the Enemy Act for acting as an agent of Nazi Germany. UBC had been co-founded by Bert Walker, Sr., and its board included Roland Harriman and Prescott Bush. Several other Harriman-Bush-related companies were also seized, for the same reason.



*James Baker III was one of George Bush's key Texas allies, in building a political machine that would install him in the White House.*



London; under the cowboy hat was a preppe Connecticut Yankee.

Not long after arriving in Texas, Bush decided to strike out on his own, forming the Bush-Overbey Company with landman John Overbey, funded with \$300,000 raised through Uncle Bert Walker. A significant portion of that money came from the City of London and from Scottish investor James (later Sir James) G.S. Gammell of Edinburgh's Ivory & Sime. Other investors included the Lazard-linked publisher of *The Washington Post*, Eugene Meyer, and daddy Prescott Bush. Gammell, by the way, would later partner with Schlumberger's Didier Primat in Adams Bank.

In 1953, Bush decided to link up with Midland oilmen the Leidtke brothers, the sons of a Tulsa judge who became a top lawyer for the Mellons' Gulf Oil. They formed a new company, Zapata Petroleum, financed through Uncle Herbert; Herbert kept a chunk of the company for himself, and sold some to James Gammell, who got a seat on the board. Basically, Herbert Walker raised \$500,000, and the Leidtkes' Tulsa crowd raised a like amount. In 1954, the company formed Zapata Offshore, a for-hire drilling subsidiary. Officially, the offshore company was formed to take advantage of the new leases being offered in the Gulf of Mexico, but there were other reasons as well. Zapata's first rig, the Scorpion, was leased by Gulf Oil in 1958 (three years before the Bay of Pigs fiasco) and started drilling just 54 miles north of Isabela, Cuba, a perfect base for covert intelligence operations against Castro.

In 1959, Bush and the Leidtkes decided to split their company into two parts, with Bush taking the CIA-connected Zapata Offshore, and the Leidtkes taking the rest. Bush be-

came CEO of Zapata Offshore and moved it to Houston, while the Leidtkes expanded Zapata Petroleum through mergers, eventually transforming it into the Houston-based Pennzoil. But it wasn't long before Bush cast his eye on politics.

In those days, the Democratic Party, dominant in Texas, was divided into two camps: a liberal/FDR-influenced wing led by Ralph Yarborough, Sam Rayburn, and Wright Patman, and a Dixiecrat wing, grouped around Shivers and John Connally, who ultimately ran for President as a Republican. These Dixiecrats would become the basis for a Republican takeover of the South, determined to undo the industrial and racial progress which had occurred in the South under FDR and the war mobilization.

When Bush moved to Houston in 1959, he began socializing with the likes of James A. Baker, III, and the Houston oiligarchs, and became active with the Harris County Republican Party, of which he became chairman in 1963, helped both by Harriman money and the sudden dropping out of the race by his opponent. In September 1963, he announced another Senatorial bid. Bush won the Republican nomination, but lost the election to Yarborough. But Bush had an ace up his sleeve, with a lawsuit to force a redrawing of Congressional districts in Texas. The result was the creation of an entirely new district in western Houston, an area which Bush had carried in the 1964 election. Faced with this gift of a friendly district with no incumbent, Bush left Zapata Offshore in 1966 to run for Congress. Not surprisingly, he won, and in January 1967, George Bush became a member of the House of Representatives. In Congress, Bush heavily pushed birth control and Malthusian policies, while defending the oil depletion allowance. Unsatisfied with a seat in the House, however, Representative Bush decided to run for the Senate in 1970. In that race, he expected to face Yarborough, but Yarborough lost the Democratic nomination to Lloyd Bentsen, who beat Bush 53% to 47%.

After the defeat, Bush took a series of non-elective offices. In December 1970, Nixon appointed Bush to the post of U.S. ambassador to the United Nations. Bush moved to New York City, and the Waldorf-Astoria. He was nominally working for Secretary of State William Rogers, but his real boss was National Security Adviser Henry Kissinger. In 1973, Nixon appointed Bush to head the Republican National Committee. When Nixon resigned in 1974, Bush angled for President Gerald Ford to appoint him Vice President, but the job went to Nelson Rockefeller, and Bush got the job as U.S. Liaison to the People's Republic of China; since the United States did not have formal diplomatic relations with China at the time, Bush was not officially an ambassador, and thus did not require what would likely have been a difficult confirmation by the Senate. In late 1975, Ford shifted personnel around, in preparation for his own Presidential bid, and George Bush was appointed director of the CIA. After a contentious confirmation battle, Bush was confirmed by the Senate and sworn

in as CIA director on Jan. 30, 1976. It was a short-lived post, as Ford lost to Carter, and Bush returned to Texas when Carter took over in 1977.

Back in Houston, Bush was appointed to the board of First International Bank of Houston, its parent First International Bankshares (a.k.a., InterFirst) of Dallas, and of InterFirst's London-based First International Bankshares merchant bank.<sup>7</sup> Bush also joined a few corporate and educational boards, and became an adjunct professor at Rice University.

Bush's main preoccupation was building a political machine that would carry him to the White House, and one of his key allies was James A. Baker, III. Baker was the chairman of the Reagan-Bush campaign in 1980, while fellow Texan Robert Strauss headed the Carter-Mondale effort. Baker had headed the Ford campaign in 1976, and had been Ford's Deputy Secretary of Commerce. Oilman Robert Mosbacher

7. In 1987, the ailing InterFirst merged with its Dallas crosstown rival RepublicBank to form First RepublicBank, which became the biggest bank in Texas and ultimately its biggest banking disaster. Within months, First RepublicBank was insolvent, but Federal regulators kept the bank open until after the Texas primary in Spring 1988, to avoid embarrassing Bush in his Presidential bid. A few weeks after Bush won the primary, the remnants of the bank were sold to Charlotte's NCNB in a sweetheart deal. A Federal study later revealed that the government had pumped \$3 billion into the bank to keep it afloat.

headed up Bush's national finance operation.

Bush formally announced his Presidential candidacy on May 1, 1979, and one of his campaign themes was the Union of English-Speaking Peoples. "The British are the best friend America has in the world today. . . . Sure, I'm an Anglophile," Bush said at the time. "We should all be. Britain has never done anything bad to the United States."

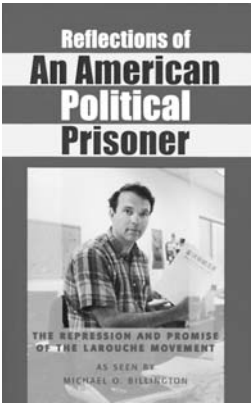
### 'Post-Industrial' Southern Strategy

The heart of the Southern Strategy was the oligarchy's plan to shift the United States from the world's most powerful industrial economy, into a post-industrial rentier-financier empire. The industrialized cities of the North would be allowed to decay, while the relatively small cities of the South would be built up as cheap-labor service centers. As the Industrial Belt turned into the Rust Belt, the New South ascended. Houston, spurred by the oil boom, became the fourth-largest city in the country, old Atlanta became the "New Atlanta," and sleepy Charlotte became a major international financial center. Existing cities were transformed — Dallas, San Antonio, Jacksonville, Orlando, Tampa-St. Petersburg, Miami, to name a few — while Northern cities such as Baltimore, Cleveland, and Philadelphia went into decline.

### Speculation and Deregulation

Coincident with this Southern shift, was the ascension of finance over industry. U.S. industry had largely been in the hands of the financiers since the days of J.P. Morgan's creation of the industrial trusts, and that control was rapidly consolidated during the 1980s. Orchestrated by Bush's masters, the speculators took over. The corporate raiders, financed by the dirty-money junk bond networks, bought up significant chunks of corporate America, and terrified the rest. The raiders' targets, and those who feared they might become targets, turned to Wall Street's investment banks and law firms for "protection." As such, the leveraged buy-out/junk bond operation functioned as a giant protection racket, destroying some as a way of collecting tribute from the rest. At the same time, dirty money poured into the real estate market, notably through the giant Canadian developers Olympia & York and Cadillac Fairview. These firms built the skyscrapers which were then filled up with service workers — bankers, lawyers, accountants, clerks, and other white-collar types. Having the tallest office building became something of a fetish for the business leaders, spurring ever-larger towers, which in turn were filled with ever larger numbers of white-collar workers.

The pouring of hot money into the real estate markets caused real estate prices to rise. The "wealth" created by these rising values provided more money to pump into the bubble. The rising stock market served a similar function. The cities were transformed into service centers ringed by suburbia, leaving the inner cities full of the poor and minorities, ripe for Strategic Bombing Survey decimation through drug distri-



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bution and “Negro removal.”

In the office buildings and the suburbs, the ordinary citizen was also being hooked on speculation. One of the effects of Fed Chairman Paul Volcker’s deadly interest-rate hikes in 1979-80, was that ordinary savings accounts suddenly started paying high rates of interest, giving the ordinary citizen a taste of the action. As more and more of the “little people” discovered the joys of usury, the modern “my money” era was born. That process escalated with the rise in residential real estate prices—homes were transformed from residences to “investments,” with rising equity values adding significantly to the pools of “my money.” The ordinary citizen also began making money off the rising stock market. Over time, a significant portion of the population became addicted to usury and speculation, considering it their right to make money off the manipulation of money. The speculator went from being the enemy to being the role model; the suckers now identified with the casino. The old-style productive industry became the realm of “losers,” replaced by the hot new “industries” of finance and information. Make derivatives, not steel!

While this transformation was made possible by the policy changes in Washington and in the states, the mechanism for the change was specific networks within the corporate world.

The junk bond market of the 1980s, for example, was a joint operation of the Morgan/Rothschild Drexel Burnham Lambert investment bank, and the money laundries of Dope, Inc. Today, the junk bond market is bigger than ever, with more junk bonds issued in 1998 alone, than in all of the 1980s combined. The leveraged buy-out (LBO) wave was led by Kohlberg Kravis & Roberts, which was closely linked to the Harriman/Bush machine, and continues with such new Bush-connected players as Hicks Muse Tate & Furst, the Carlyle Group, the Bass Brothers, Richard Rainwater, and Sam Wyllie’s Maverick Capital hedge fund. The LBO market declined significantly during the 1990s, as highly inflated stock prices became the currency of choice for takeovers, but is now making a comeback as a vehicle for taking key assets private in preparation for a crash.

The Texas networks have spawned wave after wave of deregulation. The deregulation of the airline industry began in Texas with Frank Lorenzo and Texas Air, which became Texas International and ultimately took over Continental and Eastern, while the Bush League’s Albert Checchi took over Northwest Airlines. Texas is also the center of energy deregulation, home to Enron and a host of smaller competitors, such as James A. Baker, III’s Reliant Energy (the parent of Houston Lighting & Power) and Dynegy; while many other players have Houston links, notably North Carolina’s Duke Energy and the Schlumberger-linked CMS and American Electric Power. Enron has also moved into the private water market in England and the United States, hoping to get a piece of the income streams from water and sewage.

The effect of all this deregulation and speculation has been the decimation of the physical economy of the United States. Over the last three decades, the productive capacity of the U.S. economy has been cut in half, measured in terms of market baskets of goods on a per-capita, per-household, and per-square kilometer basis. At the same time, the monetary claims on that declining production have risen hyperbolically. The process defined by rapidly rising claims on a steadily declining production is clearly unsustainable—at some point, it must break down; the question is not if, but when that will occur.

## Post-Crash Positioning

It is widely understood among the governments, political elites, and financial oligarchy that the present financial system is doomed. While there is a desperate attempt to postpone the inevitable as long as possible, the serious thought is being put into preparing a new system to be implemented when this one goes. From the oligarchic perspective, the key to retaining control in a post-crash environment is twofold: 1) smash the power of sovereign nations through balkanization and globalization, so that they cannot protect their citizens from looting; and 2) grab control of as much of the world’s supplies of essential raw materials, strategic minerals, food supplies, energy supplies, and similar assets as possible. If they can do those two things, the oligarchs believe, they can run the post-crash world.

This process is far advanced, both within the United States and internationally. Take electricity, for example. U.S. firms such as Enron have been buying up power plants all over the world. One little-known firm, AES Corp.,<sup>8</sup> is poised to become the largest generator of electricity in Ibero-America, once its various acquisitions are completed. If you and a cartel of “competitors” can control the electricity supply of a continent, you have tremendous power to decide who survives and who dies, while grabbing as much of the electricity income-stream as the market will bear.

Apply the same process to agriculture, where consolidation among the major food companies is proceeding at a breathtaking pace. Apply it to the telecommunications companies, which provide essential communications services; apply it to the production of strategic minerals and metals that are essential to modern industrial production. What you are left with, in effect, is a return to the days of the empires, when imperial trading companies controlled entire continents, and those who were not involved in making the companies rich, were considered expendable.

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8. AES may not be widely known, but it has very high-level sponsors. Co-founder Roger Sant is a director of Prince Philip’s World Wildlife Fund/World Wide Fund for Nature, and AES director Russell Train is the former chairman and president of the WWF. AES specializes in expanding into areas controlled by narco-terrorists.

# Southern Strategy, Inc. And Cheap Labor

by Marianna Wertz

The Nixon “Southern Strategy” was also carried out by American business interests, allied to the GOP, who wanted to break the strength of the unions. Unions had grown strong by the 1960s and early ’70s, particularly in the auto and steel industries, with the mass influx of 5 million black workers, who migrated from the South to the North between 1940 and 1970 and into those high-paying, relatively skilled industrial jobs.

General Motors spearheaded its “Southern Strategy,” as GM called it in the 1960s and 1970s, by opening up virtually duplicate auto plants in Southern, non-union states, while closing down the original plants in the North. When that strategy was defeated by the unions’ organizing drives into the South, GM and other business giants launched their *maquiladora* cheap-labor operation in Mexico and South America, under the auspices of the North American Free Trade Agreement (NAFTA).

Carlton Horner, Sr. was National Coordinator of the Organizing Department of the United Auto Workers (UAW) from 1981 to 1994; and earlier, from 1964 to 1970, UAW political director in the Southwest, responsible for Arkansas, Oklahoma, Louisiana, Texas, and New Mexico, and thus in charge of the UAW organizing drive for the 14 new plants that GM built in the South. “We got all those plants brought under the UAW/GM national agreement,” Horner told *EIR*. “Some of the elections we won, and after we won several of them, then GM decided to start giving us automatic recognition in the others, after we had beat them in Louisiana, in Georgia, and Oklahoma City, at the big assembly plants.”

Horner said that he had become convinced during those drives, that GM did not actually need all the plants that they had built throughout the South. “Every plant was a duplication of an existing plant. For an example, we won the election in Monroe, Louisiana on Dec. 22, 1976. That was our first win at GM in the South. That plant was a guide lamp division. Well, that work came out of the guide lamp plant in Anderson, Indiana. It was where they built all the headlights for General Motors. That work came out of the existing plant in Anderson.”

After the UAW had organized a Southern plant, Horner said, GM would sell it six to eight years later. “They wouldn’t have had the nerve to do it immediately, because the UAW would have racked them up. They had to wait a reasonable amount of time. But this was part of an ongoing pattern.”

As they sold their Southern plants, Horner said, GM built

*maquiladoras* in Mexico, then later in Argentina and Brazil, where their cars could be manufactured at even cheaper wages than they paid their non-union workers in the North American South.

At the political launch of the Southern Strategy in 1972, there were 196,000 inmates in America’s state and Federal prisons, and 130,000 in local jails. Today, there are more than 2 million men and women in America’s prisons and jails, a more than sixfold increase in less than 30 years. The rate of incarceration has jumped from approximately 97 per 100,000 population in 1972, to 645 per 100,000 population in 2000, or about one of every 155 Americans incarcerated today.

This mass incarceration policy is a product of the “Southern Strategy,” launched during the Nixon Administration and escalated by every succeeding President, Democrat and Republican. Richard Nixon’s 1968 campaign heralded the theme of “law and order” for the first time in a national political context, playing off rising urban unrest and antiwar protest. The result was the phony “war on drugs,” which resulted in filling the nation’s prisons with able-bodied members of the working population; and such policies as “indeterminate sentencing” and the abandonment of parole and of the concept of rehabilitation for prisoners. Lengthy sentences and a warehousing approach to prisons opened the door to the establishment of virtual slave labor camps inside American prisons, which today produce billions of dollars in goods and services, everything from missile parts to all the furniture and clothing used by the Federal government, and from airline ticket sales to hotel registrations.

An integral part of this Southern Strategy for prisons was the launching, in the 1980s, of the now-burgeoning—and already notorious—private prison movement, where private business not only operates plants in prisons, but operates the prisons themselves for profit. The 11 old Confederate states are home to almost 70% of all prisoners in private facilities, and over 95% of all private prison facilities and detention centers in the United States are owned or operated by Southern prison corporations—led by Tennessee-based Corrections Corporation of America, and Texas-based Wackenhut Corp. George W. Bush’s Texas, of course, leads the nation in this enterprise as well.

The Southern states, particularly Texas and Virginia, are also the leading “importing” states for prisons and prisoners, because the capital costs of building new prisons are lower, and the cost of keeping prisoners per diem is lower in these non-union states.

A truly hideous example is Wackenhut’s current plan to build a private, 1,320-bed prison on the site of the old Vann plantation in North Carolina—one of the largest Confederate slave plantations in the state. Only this time, Wackenhut will house 1,200 inmates from the District of Columbia, almost all black, who will be imprisoned on the same plantation where African Americans, possibly including some of their own ancestors, were held as slaves 150 years ago.

# William Rehnquist's Southern Strategy

by Edward Spannaus

The Democratic and Republican Parties have not been the only ones pursuing a “Southern strategy” in past decades. The U.S. Supreme Court, under the reins of Chief Justice William Rehnquist, has been following the same course for many years.

Rehnquist is an unabashed advocate of the principles of the Confederate Constitution, and an avowed admirer of the most evil Chief Justice of the U.S. Supreme Court ever to occupy that position: Roger Taney, the author of the notorious *Dred Scott* decision of 1857, which held that persons of African descent were inferior beings and could not be citizens or have any rights under the Constitution.

To justify his ruling in the *Dred Scott* case, Taney resorted to a falsified version of the “original intent” of the Constitution, which is no doubt envied by Rehnquist and his fellow-traveller Antonin Scalia. Taney declared that at the time of the adoption of the Declaration of Independence and the U.S. Constitution, the universal opinion of all the world, was that blacks “were beings of an inferior order, and altogether unfit to associate with the white race, either in social or political relations; and so far inferior, that they had no rights which the white man was bound to respect.”

At the time of the Declaration of Independence and the Constitution, Taney lied, “No one seems to have doubted the correctness of the prevailing opinion of the time.”<sup>1</sup>

This is the degenerate Roger Taney, whom Rehnquist praises as “a first-rate legal mind.” He writes of Taney: “His willingness to find in the Constitution of the United States the necessary authority for states to solve their own problems was a welcome addition to the nationalist jurisprudence of the Marshall court”—a reference to the great Chief Justice John Marshall (served 1801-35) who, over fierce opposition, shaped the Supreme Court in line with the “American System” outlook of Alexander Hamilton and the early Federalists.

By allowing “the states to solve their own problems,”

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1. What Taney says wasn't even true for England, much less the United States. There was massive opposition to slavery at the time of the Constitution, and in fact black freed men were treated as citizens in at least five states—as a dissenting opinion in the *Dred Scott* case pointed out. In fact, the term “slave” or “slavery” was never used in the Constitution. At the insistence of South Carolina and Georgia, the slave trade was permitted to exist for 20 years, until 1808. The assumption of almost everyone was that slavery and the slave trade would die out by that time.

Rehnquist means allowing the states to do what they want without hindrance by the Federal courts or the Federal Constitution. What Rehnquist refuses to admit, is that the Federal judiciary, and especially the Supreme Court, were established by the Constitution as instruments for enforcing the Federal Constitution over the states. Marshall put this “Federal supremacy” into practice, but Taney systematically dismantled and destroyed it for generations.

Rehnquist's peculiar view of “federalism” is nothing more than a revived Confederate doctrine. His outlook is fundamentally antagonistic to those who wrote and fought for the U.S. Constitution, who were dedicated to creating a government with the power to promote the general welfare of all of its citizens; Rehnquist instead takes the side of the anti-Federalist arguments of 1787-89, mixed with Taneyite and Confederate states-rights ideology. It is as if the Civil War never happened.

## Power vs. the People

It would be a monstrous error to assume that Rehnquist's states-rights outlook makes him a Jeffersonian democrat, or an advocate of smaller government. In truth, as we will show, Rehnquist, like his crony Scalia, is an advocate of more government power, and *brutal* government power—so long as it is used against the citizenry, especially minorities and dissenters.

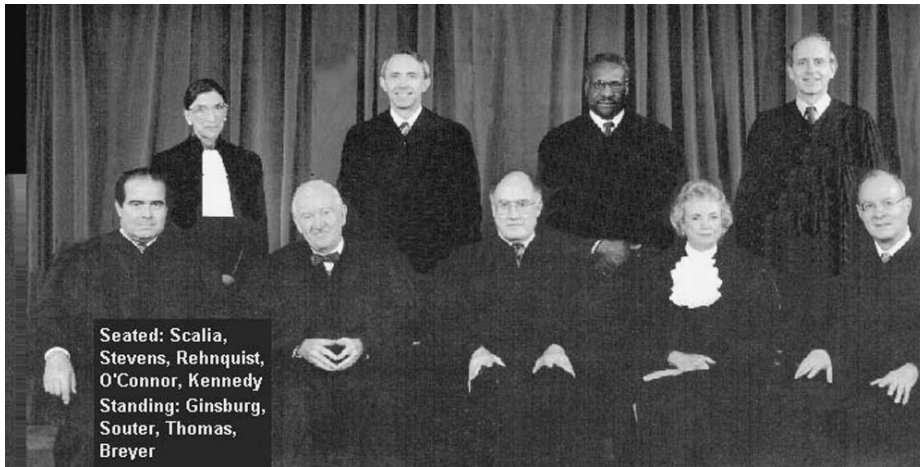
Rehnquist has often argued that the Supreme Court is the least democratic of the three branches of government. That, of course, is true, and with good reason. Under the plan of government framed in Philadelphia in 1787, the Justices of the Supreme Court are supposed to be the guardians of the Constitution, against the whims and caprices of temporary, or even permanent, majorities.

But Rehnquist often cites the “undemocratic” nature of the judiciary as his justification for his doctrine of “Federal abstentionism”—that is, that the Federal courts should abstain from intervening in disputes between a citizen and a state, for example, to protect the rights of the citizen when those rights are being abridged by a state.

This is the argument he uses—along with his colleague Antonin Scalia—in many death penalty cases. Since polls showed, at least up until recently, that the majority of the American people want the death penalty, then why should some Federal judge frustrate the will of the majority by halting an execution just because a few constitutional rights have been violated? Who is a Federal judge to stand in the way of the lynch mob?

## Rehnquist the Segregationist

What does Rehnquist really mean when he talks about “democracy” and “majorities”? In 1952, when he was a clerk to Justice Robert Jackson at the U.S. Supreme Court, a case involving the “Jaybird primaries” in Texas, which were used to exclude black voters from participation in the Democratic



The Rehnquist Supreme Court, which has provoked a Constitutional crisis with its intervention into the 2000 Presidential election. "Rehnquist is an unabashed advocate of the principles of the Confederate constitution, and an avowed admirer of . . . Roger Taney, the author of the notorious Dred Scott decision of 1857, which held that persons of African descent . . . could not be citizens or have any rights under the Constitution." Upper right, Dred Scott; lower right, Roger Taney.

Party, came before the court; Rehnquist wrote the following in a memorandum:

"The Constitution does not prevent the majority from banding together, nor does it attain success in the effort. It is about time the court faced the fact that the white people in the South don't like the colored people."

Likewise, when the school desegregation cases, including *Brown v. Board of Education*, came to the Supreme Court in the early 1950s, Rehnquist argued that the court should uphold segregation.

The future Chief Justice wrote another memorandum for Jackson, stating that *Plessy v. Ferguson* (the 1896 case which established the Jim Crow "separate but equal" principle) was correct, and should be reaffirmed.

Thurgood Marshall, then head of the National Association for the Advancement of Colored People legal defense fund, was arguing that a majority cannot deprive a minority of its constitutional right. To this, Rehnquist said: "The answer must be made that while this is sound in theory, in the long run it is the majority who will determine what the constitutional rights of the minority are."

When confronted with this memorandum in later years, Rehnquist tried to explain it away by asserting that he was expressing Jackson's views, not his own. However, the views expressed in the Rehnquist memoranda were absolutely inconsistent with Jackson's views, and a longtime secretary to Justice Jackson said that Rehnquist's explanation "smeared the reputation of a great Justice." Other former clerks at the court confirmed that Rehnquist had often promoted segregationist views, in discussions with clerks around the lunch-room table.

### Voter Harassment

Rehnquist had the opportunity to put his views into practice, when he went back to Arizona after completing his tour as a clerk at the Supreme Court. There, he carried out an aggressive campaign during 1964 against a proposed public accommodations ordinance in Phoenix which would prohibit discrimination on the basis of race, color, or creed.

In 1967, Rehnquist wrote a letter to the *Phoenix Republic*, saying that "we are no more dedicated to an 'integrated' society than we are to a 'segregated' society." Rehnquist has never dissociated himself from this statement.

During his confirmation hearings in 1971 (when he was first appointed to the U.S. Supreme Court by President Richard Nixon), and again in 1986 (when named Chief Justice by President Ronald Reagan), charges were raised that Rehnquist had been part of a Republican Party effort to keep blacks and Hispanics away from the voting booths in Arizona during the 1960s.

One eyewitness, Dr. Sidney Smith, testified that he had seen Rehnquist pull up in a car, get out, and confront two black men. After holding up a card for the two men to read, Rehnquist told them: "You have no business being in this line trying to vote. I would ask you to leave."

Rehnquist denied the allegations—while nonetheless conceding that he *had* been part of a Republican "ballot security" effort in the 1960, 1962, and 1964 elections.

Sen. Edward Kennedy (D-Mass.), who opposed Rehnquist's confirmation as Chief Justice in 1986, said, "He [Rehnquist] denied that he harassed and intimidated voters in Arizona in the early 1960s, but the evidence is substantial that he did."

When Rehnquist was presiding over the Senate impeachment trial of President Clinton—who was accused of perjury—it was reported in the *Phoenix Republic* that some local citizens who had witnessed Rehnquist’s conduct in the 1962 and 1964 incidents, believed that Rehnquist himself had lied concerning these incidents, while under oath, at both of his confirmation hearings.

How did he get away with it? It was the Senate Judiciary Committee, a stronghold of unreconstructed Dixiecrats, which was in charge of the confirmation hearings.

In 1971, when Rehnquist was first confirmed, the chairman of the Senate Judiciary Committee was the arch-segregationist James O. Eastland, a Democrat from Mississippi. Eastland headed that committee for 22 years (1956-78).

In 1986, when Rehnquist was nominated for Chief Justice, his confirmation was steered through the Senate by Judiciary Committee Chairman Strom Thurmond (S.C.), another old Dixiecrat who by this time had turned Republican.

### **Rehnquist the Police-Statist**

Rehnquist does not hesitate to wield the powers of the judiciary and the Federal government like a truncheon when it suits his purpose. He is a professed follower of Thomas Hobbes, whose views were anathema to Eighteenth-Century Americans. Hobbes’s ideas were thoroughly rejected by the Founding Fathers, so much so that he was only cited when they wished to attack him. To Alexander Hamilton, Hobbes’s ideas constituted an “absurd and impious doctrine.” To John Adams, Hobbes was “detestable for his principles.”

But to William Rehnquist, Hobbes is a “realist” in his view of the nature of man and law.

In a 1980 speech entitled “Government by Cliché,” Rehnquist set out to debunk the “cliché” that the Constitution is a charter “which guarantees rights to individuals against the government.” People have learned, said Rehnquist, “that it is better to endure the coercive force wielded by a government in which they have some say, rather than risk the anarchy in which neither life, liberty, nor property are safe from the ‘savage few.’”

After setting up a dichotomy between Hobbes and Locke (the latter hardly a model for the U.S. Constitution, with his endorsement of slavery), Rehnquist declared his partiality toward Hobbes. “To Thomas Hobbes,” he said, “who was much more of a realist, life in the so-called state of nature was ‘nasty, brutish, and short.’ It was to escape this world of violence, insecurity, and the like that men formed governments, and they were better off for having formed them even though the governments themselves proved to be tyrannical.”

As a Hobbesian, Rehnquist of course attacks the very idea of natural law—as does his closest co-thinker on the Supreme Court, Antonin Scalia. In the 1980 speech, Rehnquist argued that our constitutional system is “a system based on majority rule, and not on some more elitist or philosophical notion of ‘natural law.’” Over the years, Rehn-

quist has attempted to justify his police-state practices both by appealing to the presumed sentiments of the majority of the population, and by denying any connection between law and morality.

Particularly revealing is a 1976 speech, in which Rehnquist ridiculed the notion that the Supreme Court should be the “voice and conscience of contemporary society.” He identified his view of the Constitution with that of Oliver Wendell Holmes, who insisted that morality has nothing to do with law. Moral judgments only have validity to the extent they have been adopted into positive law, both Holmes and Rehnquist contend. If a society adopts a constitution and safeguards for individual liberty, this does not mean that these protections have a general moral rightness. “They assume a general social acceptance neither because of any intrinsic worth nor because of any unique origins in someone’s idea of natural justice, but simply because they have been incorporated into a constitution by the people,” said Rehnquist.

Rehnquist’s demand that the Supreme Court should follow the “will” of the majority is pervasive throughout his writings and opinions—for example, those pertaining to capital punishment.

But even a cursory reading of the *Federalist Papers*, for instance, will demonstrate that the Founding Fathers deliberately took great pains in creating our scheme of government in such a manner as to insulate the institutions of power, particularly the judiciary, from the whims and passions of popular majorities.

In the *Federalist* No. 78, Hamilton argued that the independence of the judges (that they would be appointed, not elected), was necessary “to guard the Constitution and the rights of individuals from the effects of those ill humors” which can arise from designing men, or which “sometimes disseminate among the people themselves.” Judges must not act on their presumptions or even their knowledge of the sentiments of the population, if they are to carry out their duties as “faithful guardians of the Constitution,” Hamilton wrote. The integrity and moderation of the judiciary must be prized, “as no man can be sure that he may not be tomorrow the victim of a spirit of injustice, by which he may be a gainer today.”

Rehnquist, on the other hand, has repeatedly cited the unrepresentative character of the court as a reason for abdicating the court’s constitutional role as the guardian of individual rights and liberties.

### **Law as Authority**

Before Rehnquist was nominated for the Supreme Court, he was already an outspoken advocate of police-state measures. He toured the country as a spokesman for the Nixon Justice Department in the late 1960s, advocating military surveillance of civilians, warrantless wiretaps, and what he termed “qualified martial law.” Then, after being put on the court, Rehnquist cast the deciding vote upholding the constitutionality of military surveillance of civilians in the case

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*During the Nixon administration, William Rehnquist was a public spokesman for the Justice Department, and advocated the use of “qualified martial law” against anti-war demonstrators. From 1971 to 1975, Congress held extensive hearings on secret military surveillance of U.S. citizens.*

*Laird v. Tatum.* This, despite the fact that he should have disqualified himself from participating in the case, because he had played a significant role in drawing up plans for domestic military surveillance, while he was head of the Justice Department’s Office of Legal Counsel from 1969 through 1971.

Incidentally, Scalia is also a veteran of the Nixon Administration, serving in the White House in 1971-72, and then later heading the same Justice Department Office of Legal Counsel, during 1974-77.

Since being placed on the Supreme Court by Nixon, Rehnquist has systematically worked to dismantle the rights and protections which the Constitution and the Supreme Court have provided over the past two centuries.

Whenever it comes to a question of the rights of the indi-

vidual versus the government, Rehnquist invariably sides with the government. But, on the other hand, when it is a matter where the power of the Federal government is properly invoked for a constructive purpose, i.e., the promotion of the general welfare, Rehnquist consistently denies the rightful constitutional powers of the Federal government over the other branches or the states.

In this respect, his outlook is much closer to the Confederate Constitution of 1861 — which, despite its superficial similarity to the Federal Constitution, eliminated the “general welfare” clause and all powers of the national government to promote economic growth and industrial progress.

In a 1978 article, Rehnquist conceded that “there is an element of authoritarianism in the views I have advanced.” The very idea of law, he argued, is based on the authority of the state to enforce that law. Authority, he said, “is the ultimate guardian against a state of anarchy in which only the strong would be free.”

Rehnquist definitely applies his Hobbesian outlook from the bench. Numerous studies of his rulings have been published in the law journals, demonstrating the consistency of those rulings. After he had been on the Supreme Court for only five years, his record was well established. A study published in the *Harvard Law Review* in 1976 showed that Rehnquist’s rulings were guided by three basic propositions:

1. Conflicts between the individual and the government are to be resolved in favor of the government;
2. Conflicts between the states and the Federal government are to be resolved in favor of the states; and
3. Disputes involving the exercise of Federal jurisdiction are to be resolved against the exercise of such jurisdiction.

Another study, of his rulings from 1971 to 1986 (prepared for his confirmation hearings as Chief Justice), reveals two striking examples of Rehnquist’s hostility to the rights of the individual. During this period, the Supreme Court heard 30 cases concerning allegations of cruel and unusual punishment. The court as a whole found constitutional violations in 15 of these cases. Rehnquist found none. In the same period, the court heard 124 cases involving claims of unconstitutional action against an individual. Rehnquist cast the deciding vote against the constitutional claim in 120 of the 124 cases.

Thus, the Southern-dominated Judiciary Committee enthusiastically confirmed Rehnquist not just once, but twice. At every opportunity, he lines up with the enemies of the Constitution, whether it be Thomas Hobbes — whose views were irreconcilably opposed by the Founding Fathers and nearly all Eighteenth-Century Americans — or those anti-Federalists who opposed the Constitution in 1787, or Roger Taney who tried to destroy it, or the Confederate traitors who broke up the Union and wrote their own slave-owners’ charter to replace the U.S. Constitution. Rehnquist’s outlook is completely compatible with that of the Confederate slavemasters. He was just born 130 years too late.



# Kissinger and ‘Zbig’: Two Students of One Southern-Fried Fascist

by Scott Thompson

Tweedledum Sir Henry Kissinger and Tweedledee Zbigniew Brzezinski—the two squabbling twins of the Anglo-American oligarchy’s foreign policy—were both protégés of Harvard government professor William Yandell Elliott. Elliott (1896-1979) had come up to Harvard to train U.S. foreign policymakers, from Tennessee, where he was a leading light of the “Nashville Agrarians,” literary and philosophical nostalgics for the Southern Confederacy.

Under the tutelage of Elliott, who had become head of the Department of Government at Harvard, Sir Henry and “Zbig” became two of the most genocidal lunatics of the Twentieth Century, advocating warfare specifically for population reduction, against darker-skinned people, while pursuing bloody regional wars, epitomized by Vietnam and Lebanon, wars that held the danger of escalating to World War III.

This strange trio—Kissinger the would-be modern Metternich, Brzezinski the Polish aristocrat, and Elliott the Southern-fried fascist—recall the coalition of President Lincoln’s enemies 150 years ago: the British monarchy and its Wall Street allies; the European Hapsburg powers; and the slave Confederacy. This trio represents the “heart of the beast,” in terms of the modern Southern Strategy.

The sibling rivalry of Sir Henry and “Zbig” for William Yandell Elliott’s attention, was reported by Walter Isaacson in *Kissinger: A Biography* (New York: Simon & Schuster, 1992). In the end, it appears that Kissinger won out in the contest. Elliott, as head of the Harvard University Summer School (1950-61), appointed Kissinger to head a major project, the Harvard International Seminar, which brought future leaders to the United States from all parts of the world to be indoctrinated as U.S. agents of influence. Kissinger made this Seminar his own from 1952-68. He also edited the Harvard journal, *Confluence*, which was an existentialist European-American foreign policy journal backed by Elliott and the Harvard Summer School. “Whatever I have achieved,” Kissinger wrote in 1963, “I owe importantly to Elliott’s inspiration.”

Brzezinski set off for Columbia University, where he became a major figure on his own.

As for Elliott, he spent easily more than half his time as a U.S. government employee and/or adviser. This began when, in 1937, he was appointed to the Business Advisory Council, which was then headed by Wall Street scion W. Averell Harriman. Harriman, only four years earlier, had helped the head of the Bank of England, Montagu Norman, finance Adolf Hitler’s 1933 rise to power. Moreover, as the 1985 book *Treason in America: From Aaron Burr to Averell Harriman* (reprinted by *EIR* in 1999) makes clear, the Harriman family had helped finance the same Eugenics Records Office, whose conference invitees included several future leading Nazi “race scientists.”

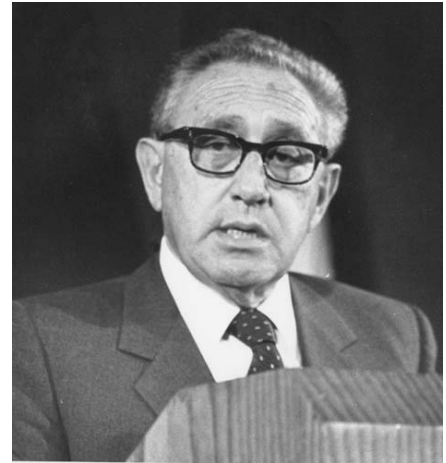
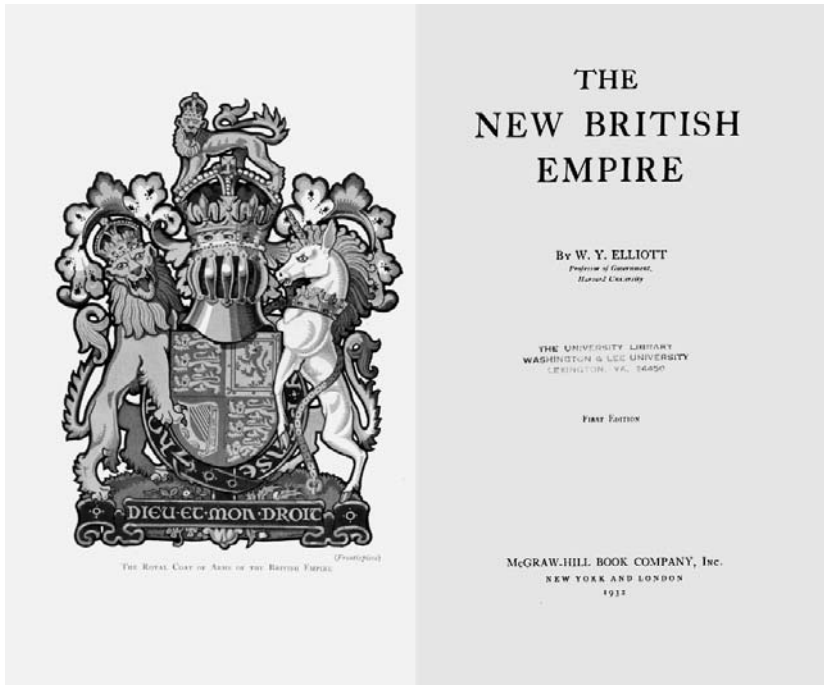
## Kissinger’s Malthusian Genocide

With such a background, it should come as no surprise that Sir Henry Kissinger had been welcomed as President Richard M. Nixon’s Presidential Adviser for National Security, after Nixon won his 1968 campaign, which had been based in part upon the racist Southern Strategy of recruiting the followers of George Wallace in the South to vote for a Republican.

Unbeknownst to many of Sir Henry’s liberal admirers, it was he who convinced a willing President Nixon to undertake an National Security Council (NSC)-directed, inter-agency study of global “overpopulation,” especially among darker-skinned people. Produced with the assistance of his Deputy, Gen. Sir Brent Scowcroft, who would later serve as National Security Adviser to President Gerald Ford and also President Sir George Bush, National Security Study Memorandum 200 (NSSM 200) was entitled, “Implications of Worldwide Population Growth for U.S. Security and National Interests.” Not only did the document call for “Zero Population Growth” in the United States, where it recommended a limit of one child per family. It endorsed the genocidal levels for population reduction embedded in The World Population Plan for Action and the other resolutions adopted at the August 1974 UN Population Conference, which focussed upon 137 less developed countries (LDCs).

Sir Henry and his murderous sidekick Gen. Sir Brent Scowcroft, developed a “hit list” of 13 developing countries, for which the NSC posited a “special U.S. political and strategic interest” in their population reduction. They were: India, Bangladesh, Pakistan, Nigeria, Mexico, Indonesia, Brazil, the Philippines, Thailand, Egypt, Turkey, Ethiopia, and Colombia. In each instance, population growth was to be halted, if not reversed, for the brutal reason that somehow population growth not only thwarted U.S. national security, but would also deny U.S. access to scarce strategic raw materials.

As Kissinger summed up in NSSM 200: “Development of a worldwide political and popular commitment to population stabilization is fundamental to any effective strategy.”



1932 book by the man who trained Henry Kissinger (above) as a diplomat. William Yandell Elliott was at that time a founder of the “Nashville Agrarians” grouping advocating return to the principle of the old Southern Confederacy. By the 1950s, when he trained Kissinger, he was head of the Harvard University Government Department.

The report continues by suggesting the use of “food as a weapon” for population reduction.

After Nixon’s resignation, his successor, President Gerald Ford, endorsed NSSM 200. While Kissinger cooperated as Secretary of State, National Security Adviser Scowcroft brought for President Ford’s signing on Nov. 26, 1975, National Security Decision Memorandum 314 (NSDM 314). This brought every major U.S. government agency into line with the Executive Summary of NSSM 200, as outlined above.

To this day, genocidal levels of population reduction remain official U.S. government policy. As Lyndon H. LaRouche, Jr. said to a Washington, D.C. audience on Dec. 12:

“So, actually, the policy of genocide was actually introduced as an official policy in 1966. . . . [In] 1974, Kissinger made it an official policy of the Republican Party and the Government. Scowcroft made it the official policy. With Global 2000, Carter made it the official policy. *Genocide is the policy of the United States today!* It says that there are too many people in Africa, in South America, and elsewhere, who are sitting on top of natural resources — and Kissinger argued this explicitly in 1974. ‘They’re sitting on natural resources. We, pure whatever — democrats — will want those natural resources in future generations. We can’t allow these people to continue to multiply, and eat up these resources. We can’t allow them to have technological development, because they’ll use more natural resources. We’ve got to keep that

population down! And, population control, since Kissinger, has been the policy of the United States. . . . Call things by their right name — that is genocide.”

### Brzezinski’s Geo-Fantasies

According to the official, published history of the Trilateral Commission (an organization that combines the Anglo-oligarchic elites from the United States, Europe, and Japan), it was Zbigniew Brzezinski who convinced David Rockefeller to support this program. As the first international Executive Director of the Trilateral Commission, it was “Zbig” who helped recruit Georgia Governor and peanut farmer, James Earl Carter, to be the Trilaterals’ malleable Presidential candidate.

“Zbig” took “Jimmah” under his wing prior to the 1975 Trilateral Commission meeting in Kyoto, Japan, which set the policy for the forthcoming Presidential election. With the Republicans discredited by Watergate, and with the aid of the Averell Harriman wing of the Democratic Party, the Trilaterals swept in Carter, their ventriloquist dummy, in January 1977. Atlanta was used as the headquarters of a so-called “New South” movement that was the Democratic response to Nixon’s Southern Strategy. Then, as Presidential Adviser for National Security, Zbig saw that 13 Trilateral members received major posts in the new “Cartah” Administration.

Still, Zbig kept up his sibling rivalry with Kissinger, according to Isaacson, writing a September 1976 speech for

President Carter that denounced the “Nixon-Kissinger-Ford” foreign policy as “covert, manipulative and deceptive in style.” These attacks, coming in a southern drawl from Gov. Jimmy Carter, apparently drove Kissinger to distraction. Dutifully, Carter continued to be Zbig’s ventriloquist dummy, stating that “under the Nixon-Ford Administration,” “there was a ‘Lone Ranger’ foreign policy, a one-man policy of international adventure.” Carter went on that Kissinger’s policy was based on “secrecy . . . closely guarded and amoral” (which was certainly true; but so was Zbig’s policy).

As National Security Adviser, Zbig (Washington *cognoscenti* called him “Woody the Woodpecker”), promoted a package of the worst of British geopolitics. The best-known was his advocacy of an “Arc of Crisis”—plagiarized from British ethnologist and geopolitician Bernard Lewis—which advocated deploying fanatics under Islamic cover to break down all the Near East and Central Asia into warring tribes, which would thereby undermine the “soft underbelly” of the Soviet Union. Apart from the outcome of the Afghanistan War, which has today produced some of the world’s most dangerous terrorists, another infamous outcome of Zbig’s policies was the November 1979 takeover of the U.S. Embassy in Tehran.

Today, Brzezinski shares the same title with Sir Henry, as a Senior Counsellor at the Washington, D.C.-based Center for Strategic and International Studies (CSIS). Both were hired when Anne Armstrong was chairman of CSIS, as well as being the Reagan/Bush Administration chairman of the President’s Foreign Intelligence Advisory Board (PFIAB). (See accompanying article on Armstrong and the King Ranch of Texas.) At CSIS, Zbig has been free to draft many weighty tomes on his “looney-tunes” version of geopolitics.

In his latest, *The Grand Chessboard: American Primacy and its Geostrategic Imperatives* (New York: Basic Books, 1997) Zbig praises the earlier geopolitical writings of Thule Society members, Austria’s Karl Haushofer and Britain’s Halford Mackinder. Zbig not only tries to provide cover for Mackinder’s role as the provider of the geopolitical figleaf for King Edward VII’s provocation of World War I, but also claims that Karl Haushofer, who had studied Mackinder, was not the source of Adolf Hitler’s geopolitics. As any decent college textbook would report, Haushofer, after the aborted Munich *putsch* attempted by the Nazis, visited Adolf Hitler in prison to help polish up *Mein Kampf*. During those prison visits, Mackinder’s dogma that whoever rules the “Eurasian Heartland” rules the world, became transformed in the pages of *Mein Kampf* into the necessity for a *Drang nach Osten* (“Drive to the East”) for *Lebensraum* (“living space”). It is a sign of his dementia, that Zbig could try to resurrect these two bloodied geopoliticians today.

## British Agents All

On May 10, 1982, in commemoration of the Bicentennial of the Office of British Foreign Secretary, Kissinger gave a speech at the Royal Institute for International Affairs (RIIA or “Chatham House”) entitled, “Reflections on a Partnership: British and American Attitudes to Postwar Foreign Policy.” In that speech, Kissinger, whom the Queen later dubbed as a Knight of the Order of St. Michael and St. George (usually reserved for the highest members of the British Foreign and Commonwealth Office), admitted that during the Nixon and Ford Administrations, he had been an agent of British influence.

Amongst those who would have been proudest, had he lived to hear it, was William Yandell Elliott, who was a rabid Anglophile to the core, representing the historic link between the British and the Confederacy. As a Rhodes Scholar, Elliott had studied at Balliol College, Oxford, under A.D. Lindsay, a top British cultural warfare agent, earning his D. Phil. in 1923.

As one of the first of many books, Elliott had written *The New British Empire* (New York: McGraw Hill, 1932), in which he focussed upon the successful transformation that was under way of the British Empire into a “Commonwealth” under the British monarchy. Next, Elliott wrote *The Need for Constitutional Reform: A Program for National Security* (New York: McGraw Hill, 1935), which proposed that the states of the United States ought to be transformed into administrative units called “regional commonwealths.” And, during World War II, Elliott wrote *The British Commonwealth at War* (New York: Alfred A. Knopf, 1943), that concludes with a section on the “Round Table of the Republic.”

Contrary to the postwar vision of FDR at the Atlantic Charter meeting, where he enunciated that after the war the British and all other colonial powers must end their “Nineteenth-Century methods” of empire, Elliott proposed that there should emerge from the ashes of World War II an “English-Speaking Commonwealth.” This idea of a “Round Table” is taken directly from the Last Will and Testament of the racist and South African raw materials grabber Cecil Rhodes.

Both Sir Henry and Zbig more than paid back to the British the thirty pieces of silver that the British had given to their mentor, William Yandell Elliott. In fact, when Sir Henry published his Harvard doctoral thesis under the title *A World Restored: Metternich, Castlereagh and the Problems of Peace 1812-1822* (Boston: Houghton Mifflin, 1957), he stated in the acknowledgements: “I have dedicated the book to Professor William Y. Elliott, to whom I owe more, both intellectually and humanly, than I can ever repay.”

Sir Henry’s book, fittingly, is a paean to the British and Hapsburg Austro-Hungarian empires. Both empires supported the developments that led toward the Civil War, by backing Elliott’s beloved Confederate slavocracy.

# Elliott and the Nashville Agrarians: The Warlocks of the Southern Strategy

by Stanley Ezrol

To put it very crudely, Industrialism- Capitalism is heading for the cataract. The only alternative yet is Bolshevism, which won't do, either.

Now, the Law of Thelema offers a Third Way. These last years I have been training various people to act as a Brain for the human race.

— Aleister Crowley, letter to Frank Harris, 1924<sup>1</sup>

This is the story of the Nashville Agrarians of William Yandell Elliott, the godfather of the institution officially called “Project Democracy,” whose globalization policies unite the Wall Street factions of the Democratic and Republican parties. It is a movement of declared enemies of the United States—Confederate revivalists and Ku Klux Klan cheerleaders—who have connived for three-quarters of a century to organize the Southern Strategy, described in this issue.

A group of poets, named the “Fugitives” after the magazine they had published as students at Albert W. Gore’s *alma mater*, Vanderbilt University, launched the Agrarians between 1928 and 1930. The flagship in their assault was their manifesto, *I’ll Take My Stand*, which included a joint statement of purpose, and individual essays, by each of 12 southern authors. It is today claimed as a founding document by both the Buckleyite, Gingrichite “right,” and the radical environmentalist “left” movements.

In it, the Agrarians said, “All tend to support a Southern way of life against what may be called the American or prevailing way. . . . Agrarian *versus* Industrial.”

On the role of freed slaves, William Yandell Elliott’s cousin, Frank Lawrence Owlsey, wrote in that manifesto, “For ten years the South, already ruined by the loss of nearly \$2,000,000,000 invested in slaves . . . was turned over to the 3 millions of former slaves, some of whom could still remember the taste of human flesh and the bulk of them hardly three generations from cannibalism.”<sup>2</sup>

And Elliott’s other cousin, Agrarian Andrew Nelson Lytle, wrote in his elegy to the Klan’s first Imperial Wizard: “[The Ku Klux Klan] was the last brilliant example in Western Culture of what Feudalism could do.”<sup>3</sup>

The group’s leader, John Crowe Ransom, demanded that Platonic Christianity, and all religions defending the creative potential of man, be subverted from within, because they had made scientific and industrial progress possible in that “American or prevailing way” which the Nashville Fugitives were denouncing.

After expressing his “abhorrence” at the idea of joining an Orthodox or Roman church, or “the Synagogue,” despite his claim that they are further than his own Protestant Christianity from the Platonic Christianity he hated, Ransom concluded his book, *God Without Thunder*, with the following call to arms:

“With whatever religious institution a modern man may be connected, let him try to turn it back towards orthodoxy. . . .

“Let him restore to God the thunder.

“Let him resist the usurpation of the Godhead by the soft modern version of the Christ.”<sup>4</sup>

Between 1928 and 1935, the Agrarians published a series of books and dozens of magazine articles, and were promoted through a series of internationally publicized debates, featuring attendance by governors, university presidents, and leading literary figures.

## Tennessee Templars

How did these kids from Tennessee make such a big splash? They were already known in London as the second- and third-generation descendants of the circles, largely “Tennessee Templars,” who founded the Ku Klux Klan, to continue Britain’s “Civil War” against the United States through irregular means, after the military defeat of the Confederacy. Ransom was the great-nephew of James R. Crowe, a leader

1. John Symonds, *The Great Beast: The Life and Magick of Aleister Crowley* (London: Macdonald, 1971).

2. John Crowe Ransom, et al., *I’ll Take My Stand* (Baton Rouge and London: Louisiana State University Press, 1983). For more on the Agrarians, see Stanley Ezrol, “Vanderbilt University and the Night Writers of the Ku Klux Klan,” *New Federalist*, Oct. 7, 1996, p. 7.

3. Andrew Nelson Lytle, *Bedford Forrest and His Critter Company* (New York: Minton, Balch & Co., 1931).

4. John Crowe Ransom, *God Without Thunder: An Unorthodox Defense of Orthodoxy* (Hamden, Conn.: Archon Books, 1965—unaltered and unabridged reprint of Harcourt, Brace & World, Inc., 1930 edition), pp. 155-187, 327-328.



William Elliott  
Alfred Starr  
Allen Tate

Merrill Moore  
Alec Stevenson  
John Crowe Ransom

Jesse Wills

Sidney Hirsch  
Robert Penn Warren  
Donald Davidson

This photograph of the assembled Fugitives was made during the noontime recess between the morning and afternoon sessions of Friday, May 4, which were held at the home of Mr. and Mrs. Wills, on Belle Meade Boulevard.



## FUGITIVES' REUNION

*Conversations at Vanderbilt*

May 3-5, 1956

Edited by ROB ROY PURDY

Introduction by LOUIS D. RUBIN, JR.



VANDERBILT UNIVERSITY PRESS

Nashville

*One of the books celebrating the "Nashville Agrarians," or "Fugitives," as they were known at their home base of Vanderbilt University in Tennessee; The Agrarians' pro-Confederacy manifestos became vastly influential for both "Conservative" and "left-wing" opponents of America's tradition of scientific and technological progress.*

of Scottish Rite Freemasonry in Tennessee, and one of the inner circle of Masons, along with Sovereign Grand Commander Albert Pike and Nathan Bedford Forrest, who founded the Ku Klux Klan in 1867. Ransom's mother, Ella, had fond memories of evenings spent by the fireside with the other Crowe women, sewing sheets together for Klan rallies. Stark Young's father and Cleanth Brooks's grandfather fought in Forrest's "Critter Company." William Yandell Elliott's grandfather belonged to the Masonic Lodge in Murfreesboro, Tennessee, which, in 1898, caused Federal land in the nation's capital to be set aside, for a monument to Klan founder Pike. Walter L. Fleming, the dean of Vanderbilt University from 1917 to 1930, to whom *I'll Take My Stand* was dedicated, was the author of the 1905 classic, *The Ku Klux Klan: Its Origin, Growth, and Disbandment*. This, along with Thomas Dixon's *The Klansman*, Thomas Woodrow Wilson's various histories, and the Hollywood movie *Birth of a Nation* based on them, promoted the re-founding and growth of the Klan in the Twentieth Century.

They had gone from being a discussion group led by Rosicrucian mystic Sidney Mtrron Hirsch, in 1915, to leaders of the "modernist" literary movement in the 1920s. John Crowe Ransom, William Yandell Elliott, Bill Frierson, Robert Penn Warren, and Cleanth Brooks were Rhodes Scholars; Andrew Nelson Lytle studied at Oxford; Stark Young was a lifelong intimate of top British cultural warrior Julian Huxley (whose primary foray into United States politics was as a founding faculty member of Rice University

in Houston, Texas, under the patronage of James Baker, grandfather of George W. Bush's lead attorney, James Baker the "Third").

Stark was also a leader of British spymaster H.G. Wells's *New Republic* group; Allen Tate became an intimate of Ernest Hemingway, F. Scott Fitzgerald, and the other expatriate literary forerunners of the "beat" and "hippie" generations. Tate coordinated the production of *I'll Take My Stand* from Paris, where, every Thursday afternoon, he and his friends enjoyed the hashish-laced hospitality of Gertrude Stein and her "wife," Alice B. Toklas. Elliott became personally close to the Rosicrucian mystic poet William Butler Yeats—the one-time lodge brother of self-proclaimed apostle of Satan, Aleister Crowley, and patron of hippie hero, and fascist propagandist, Ezra Pound.

Crowley, "The Great Beast," was a central figure in these artsy circles, and it was friends of his who planned the event which prompted the Fugitives to go Agrarian. This was the famous "Scopes Monkey Trial," of 1925, which was planned in the Virginia home of James Branch Cabell, by two followers of the precursor of Nazi philosophy, Friedrich Nietzsche. These were the "liberal" attorney Clarence Darrow, who tried the case, and the "conservative" journalist H. L. Mencken, who publicized it. Mencken, who had published Crowley's work, introduced him to Cabell, a writer of "Dungeons and Dragons"-type medieval sex fantasies. The Fugitives claimed that they were offended by Mencken's treatment of the South during and after the Trial, and launched the Agrarian move-

ment to establish Confederate cultural supremacy in the United States.

## Rejoining the Empire

William Yandell Elliott was far from being, as he might appear, the Fugitive who escaped to Harvard and went respectable. Rather, Elliott, Henry Kissinger's mentor, was perhaps the nuttiest fruit in the cake. While most of his fellows, in later years, poked respectful fun at their early mentor, Sidney Hirsch, he, at the Rockefeller Foundation-funded 1956 "Fugitives' Reunion," then serving on Dwight Eisenhower's National Security Council, said of Hirsch, "The insights that he had about the struggle of myths and systems, and the nature of the struggle of the people who became the epic exemplars, was superior in its political insight to any figure I've known." In unpublished tape-recorded remarks to that gathering, Elliott reports having escorted Hirsch from his home to the Vanderbilt campus. Eyewitnesses report that in that period, Hirsch's home, which Elliott visited, featured occult artifacts, a life-size nude portrait of Hirsch, and human pelvis bones hanging from the ceiling, which Hirsch would caress as he engaged in conversation.

Elliott's life-long mission was to reorganize the United States as a section of a new, global British Empire run by business and other leaders, regardless of whom the people might elect, as demanded in his 1935 book, *The Need for Constitutional Reform: A Program for National Security*.

Five years, later, in 1940, he was a leader of a group called the Committee of Fifteen, or the Committee on Europe, including a number of recently defected Fascists, which demanded that the United States enter World War II, for the sole purpose of establishing a global dictatorship, a forerunner to today's Project Democracy. His collaborators included Agrarian Herbert Agar; Alvin Johnson, a founder of both the *New Republic* and the associated New School for Social Research; one-worldist theologian Reinhold Niebuhr; Mark Twain's biographer Van Wyck Brooks; environmentalist god-father Lewis Mumford; Frankfurt School novelist Thomas Mann; and Mann's son-in-law, G.A. Borgese.

Mann's daughter, and Borgese's wife, Elisabeth, went on to become a leader of the elite, environmentalist nut group, the Club of Rome, and a prominent official of the United Nations, which is responsible for the "systems analysis"-based predictions so heavily relied on by the likes of Jimmy Carter and Al Gore. They named Ransom's tyrant "God of Thunder" as "Democracy," and demanded that the planet submit to its will through only one religion, one government, one law enforcement agency, and one educational system:

"England, where modern man first rose to his dignity, still holds out in tragic valor. . . .

"But it remains for all men of good will to make the interval of preparation as short as possible, until the day comes when the heresy of nationalism is conquered. . . . Then . . .

there will be a Universal Parliament . . . , an elected president, the President of Mankind — , and a federal force ready to strike at anarchy and felony. . . .

" . . . Wilson's 'program of the world's peace' cannot be enforced . . . with judges but no sheriffs. . . . Therefore, . . . universal law [must be] enforced on the rebels, finally to become the common peace and freedom of all the peoples of the earth."<sup>5</sup>

After the war, Elliott, along with his favorite, Henry Kissinger, edited Harvard's textbook, *Western Political Heritage*. There he argued for a world government which would prevent industrialization, as the only way to prevent nuclear war. His post-war government career centered on various calls to reinvent government as a satrap of the global empire.

## The Nashville Agrarians Today

Thus, the Agrarians propagated Albert Gore's radical environmentalist hatred of technology, and the Bush camp's fundamentalism, as well as the global British Empire policies supported by both. The Fugitives/Agrarians came to dominate the American Literary scene, as typified by President Ronald Reagan's appointment of Robert Penn Warren to be the first "Poet Laureate of the United States," in 1986.

The intellectual leaders of today's Conservative movement—including Russell Kirk of the Heritage Foundation, the Rockford Institute, and other think-tanks, and Melvin E. Bradford, of the University of Dallas, both of whom studied directly under Agrarian Donald Davidson, and Kirk's protégé and successor, Thomas Fleming (now editor of Rockford's journal, the *Chronicles*, and a founder of the Southern League)—claim the Agrarians as their mentors. In 1979, they, along with F. Reid Buckley and others, launched an openly pro-Confederate, pro-Ku Klux Klan magazine, *The Southern Partisan*, with the support of well-known political figures including Sen. Jesse Helms (R-N.C.) and Senate Majority Leader Trent Lott (R-Miss.), who have provided it with cordial interviews. Oddly, *Southern Partisan* was also supported by Agrarian Cleanth Brooks, a life-long Democrat who supported William Clinton's 1992 Presidential campaign, and Eugene Genovese, the prominent Marxist theorist who provided ammunition for the Agrarians' argument that industrial capitalism is more oppressive than slavery. Agrarians have since founded the Southern League, and its magazine, *The Southern Patriot*.

In Al Gore's Tennessee, the Agrarians, and what one official of Tennessee's Historical Society called "their damned cult of Nathan Bedford Forrest," are considered as a state treasure. A native of Nashville told this writer that the Tennessee school system focussed its Civil War history curriculum

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5. *The City of Man: A Declaration of World Democracy* (New York: Viking Press, and The MacMillan Co., Canada, 1941). See also, Stanley Ezrol, "William Yandell Elliott: Confederate High Priest," *EIR*, Dec. 5, 1997.

in the 1970s on Forrest, just as the Historical Society featured him in its museum displays. In 1979, when a bust of Forrest was unveiled in the state capital, four Klansmen in full regalia were in attendance. In 1981, Democratic Governor John Y. Brown provided his airplane, to fly Agrarian Robert Penn Warren to Nashville for the 50th anniversary celebration of *I'll Take My Stand*. Warren, known as a liberal supporter of the Civil Rights movement, had, the previous year, published an appreciation of Confederate President Jefferson Davis, on the occasion of the posthumous restitution of the arch-traitor's citizenship by environmentalist Democratic President Jimmy Carter. There is no record of any protest of these events by the Democratic Congressman and later Senator from the jurisdiction, Albert W. Gore, Jr. In fact, Gore has made a point of emphasizing not only the environmentalist, anti-technology fanaticism which he shares with the Agrarians, but his roots in the ante-bellum South.

So, we have two Confederate factions competing to wreck the American Republic, and Wall Street proposes that the conflict be resolved by uniting the two in the new Bush Administration. Therefore, our future depends on LaRouche and those who join him in defense of the General Welfare.

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## Democratic Leadership Council

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# Triangulation Versus The 'General Welfare'

by Scott Thompson

Immediately following the landslide defeat of Jimmy Carter in 1980, the *grande dame* of the Anglo-American salon circuit, Pamela Churchill Harriman, began the Southern Strategy's next step for reduction of the Democratic Party into what Sen. Edward Kennedy would denounce 15 years later, as "a second Republican Party." She began to gather under her very influential skirts a collection of up-and-coming Southern Democratic politicians, with the idea of bankrolling them to take over and transform the party. The first incarnation of Harriman's work was "Democrats for the '80s," which often gathered at Harriman's Northern Virginia "Hunt Country" estate.

The group was headed by a former Jimmy Carter staffer, Al From. In 1985, Harriman's money and From's efforts changed the "Democrats for the '80s" into the Democratic Leadership Council. In various policy declarations, the DLC

announced that its mission was to get rid of the traditional FDR-era Democratic Party orientation toward minorities, trade unionists, farmers, and small entrepreneurs, and to turn the Democratic Party "upscale."

The DLC and its think-tank, the Progressive Policy Institute (PPI), explicitly adopted the mantra of "Third Way," entering into competition with the GOP for the hearts and minds of upper-middle-class strata. They claimed the Democrats could forget the 70-80% of the population who had looked to the Democratic Party since the time of Franklin Roosevelt, for representation and protection, as the GOP increasingly assailed their welfare. These people, said the DLC leaders, if they continued voting at all, would automatically vote Democrat, no matter what the party did.

The DLC/PPI symbolized the Democratic Party's own enthusiastic adoption of the very same "Southern Strategy" that turned the party of Abraham Lincoln into the party of states' rights, segregation, and racism in all of its other manifestations.

### The 'Third Way'

On its website, the "New Democrats" of the DLC describe their "Third Way" in the following psycho-babble terms: "The Third Way is a global movement dedicated to modernizing progressive politics for the Information Age. Equally rejecting the stale doctrines of the left and right, Third Way politics seeks a new balance of economic dynamism . . . a new social compact based on individual rights and responsibilities and a new model for governing that equips citizens and communities to solve their own problems."

What this means in practice, is that the DLC has followed the "triangulation" policies of former Clinton adviser "Dirty Dick" Morris and Al Gore, Jr. (the latter a DLC member), to rip up the Constitution's General Welfare clause, through such means as "welfare to work" and "fiscal responsibility" and the "balanced budget." On July 1, 1993, From and PPI head Will Marshall wrote: "Dick Morris, the President's latest political adviser, calls this strategy 'triangulation,' that means running to a third point—against both Republican and Democratic orthodoxy. Since Democrats, almost by definition, run against Republican orthodoxy, what makes triangulation different is that it resists Democratic orthodoxy as well."

Former Clinton Administration Secretary of Labor Robert Reich gave an apt description of the DLC's policy, when he denounced Al Gore's economic policies as worse than those of Herbert Hoover and Calvin Coolidge—the two Republican Presidents who helped trigger the Great Depression with their "balanced budget" and shareholder values policies.

DLC President Al From got started in politics as President Jimmy Carter's deputy adviser on inflation, during the

second half of the Carter Administration. At that time, ostensibly to combat inflation, the Carter Administration promoted the usurious 20%-plus prime interest rate of then-Federal Reserve Chairman Paul Volcker, which shut down basic industry in the United States, or caused it to move abroad in search of cheap labor.

The current chairman of the DLC is Sen. Joseph Lieberman (D-Conn.), who on Sept. 3, 1998, was the first leading Democrat to turn against President Bill Clinton, when impeachment charges were brought against him. Clearly, by “running against the base of the Democratic Party,” Gore and Lieberman could not put together a sufficient electoral coalition, as any actual Democratic Party leadership would have done, to defeat the manifestly incompetent Republican, President-elect George Bush.

The New Democrats have lent themselves to gutting the physical economy of the United States, which has an infrastructure deficit of nearly \$10 trillion, so that instead of highly skilled, productive jobs, millions of Americans have come to consider themselves lucky if they can sell McDonald’s burgers or sweep the floors of the “e-commerce” dot.bombs.

While abandoning minorities, New Democrats also denounce the trade unions. In the July 2000 issue of the DLC’s *Blueprint* magazine, From declared: “Unions are often thought of as anachronisms. They had a role to play in the old economy, but not in the new. . . .” He continued that unions must be “drawing on the rich legacy of craft unions . . . like the guilds from which unions first arose.”

For the New Democrats, FDR’s “Forgotten Man” is simply that: forgotten.

## Confederate Constitution Says: Live Like a Beast

In 1992, from the leading daily newspaper in the old capital of the Confederacy, the *Richmond Times-Dispatch*, readers were treated to an op-ed column titled “The Southern Solution.” Written by the president of the Ludwig von Mises Institute, the column made the following proposal: “Bring the U.S. Constitution up to Confederate standards.” Particular features of the Confederate Constitution which the author praised were:

- the elimination of the “general welfare” clause, which he called an open door for government intervention;
- the prohibition of protective tariffs;
- the prohibition of government-financed internal improvements;
- the line-item veto and other provisions dealing with revenue and appropriations.

“In this modern era, we can’t be straitjacketed by an outmoded constitution,” concluded the author. “Let’s bring it up to date with the improvements Southerners made 131 years ago.”

As explained elsewhere in this *Feature*, the Supreme Court under William Rehnquist has been doing just that—following the Confederacy’s Constitution—for a number of years, to the detriment of justice, and the strength of the U.S. republic.

### The Two Constitutions

At first glance, the Constitution of the Confederate States of America (C.S.A.) appears very similar to the Constitution of the United States of America. For reasons of expediency, the framers of the C.S.A. Constitution took the text of the U.S. Constitution as the template from which they cut out their own. Thus, the differences are illuminating—not only as to the nature of the Confederacy, but also as to the nature of the republic they were fighting against. The C.S.A. framers took the U.S. Constitution and gutted it of its best and noblest features.

One need go no further than the Preamble to know exactly what the issues were between the U.S.A. and the C.S.A. Simply compare the two:

**U.S.A.—**“We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquillity, provide for the common defense, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.”

**C.S.A.—**“We the people of the Confederate States, each state acting in its sovereign and independent character, in order to form a permanent federal government, establish justice, insure domestic tranquillity, and secure the blessings of liberty to ourselves and our posterity—invoking the favor and guidance of Almighty God—do ordain and establish this Constitution for the Confederate States of America.”

Here is the essence of the battles that wracked American politics and law in the early Nineteenth Century. Was the Union a compact among sovereign states, or was it formed by the people, acting in their sovereign capacity? Was the purpose to form “a more perfect Union,” which strived for perfection, and which was intended to supersede the problems which had plagued the Union under the Articles of Confederation before 1787—or was the purpose simply to enter a social contract to form a Federal government?

In 1994, Newt Gingrich and the so-called Conservative Revolution, took the majority in the U.S. Congress and Senate, fully using the “Southern Strategy” of being anti-black, anti-poor, and opposed to the General Welfare of the population. Some recent authors have called Gingrich’s right-wing cult treatise, the “Contract with America,” the C.S.A. Constitution of its time. Both documents demean human life; both are treasonous.



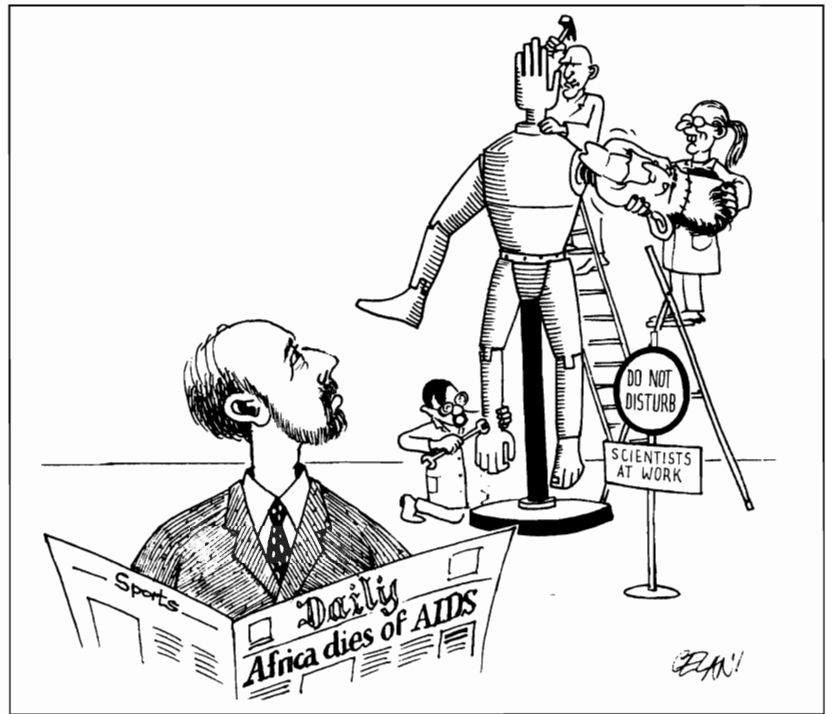
# EIR SPECIAL REPORT

## THE 'NEW ECONOMY' IS DOOMED

### The Fraud of the Information Society

The Group of Eight heads of state, meeting in Okinawa in July 2000, proclaimed as its major accomplishment, the establishment of a task force aimed at giving the Third World access to the "Information Revolution." In a parody of Marie Antoinette, they said of the world's poor: "Let them eat laptops!"

*EIR's* Special Report rips apart the fraud of the Information Society, and tells what must be done to restore economic health to nations where billions of people face hunger and death by infectious disease, while transport, power, and water infrastructure is collapsing.



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## Is Peace in Kashmir Possible, To Allow Economic Progress?

by Ramtanu Maitra

On Nov. 28, the day the Holy Muslim month of fasting, the Ramadan, began, Indian Prime Minister Atal Behari Vajpayee announced a unilateral cease-fire in Kashmir. He asked the Indian Army to refrain from all violent actions during the month-long Ramadan period, and in return, urged both the Kashmiri militants and Pakistan to leash the hostile forces, to create an environment for the resolution of the complex Kashmir dispute. At the end of December, the cease-fire was extended for another month.

Although a section of the Islamic *jihadis* active in the area, such as the Lashkar-e-Toiba and the Jaesh-e-Muhamad, have rejected the cease-fire and are continuing their violent campaigns inside Kashmir, the other two major groups, Hizbul Mujahideen and the All-Party Hurriyat Conference (APHC), found the offer difficult to reject without giving it due consideration. Hizbul Mujahideen, whose head is in Pakistan and the more visible torso in the Indian part of Kashmir, toyed with the idea of rejecting the offer forthwith. But it did not do so. On the other hand, the APHC, a conglomeration of militant-political groups in the Indian part of Kashmir with definite links to Pakistan, played a stellar role to keep the cease-fire going. Within the APHC, however, the debate on whether to accept the cease-fire was intense. Finally, on Dec. 17, the APHC executive board formally announced its intent to begin talks with New Delhi for preserving peace in Kashmir. New Delhi has warmly welcomed the APHC declaration.

As a gesture of sincerity, Islamabad has silenced its guns across the borders and has called for tripartite talks involving Islamabad, New Delhi, and the Kashmiris. Though all three parties are jockeying for maximum leverage at this point, cautious optimism has prevailed and fresh contacts were made to work out the modalities for a serious round of talks among the three.

### A New Dimension

Last August, Hizbul Mujahideen had called for a voluntary cease-fire, but withdrew it post-haste under pressure from Islamabad and from other militant groups. That exercise, though aborted, was the beginning of a process which has developed a momentum of its own. The August cease-fire was called off by the Hizbul because, it said, "India was not willing to allow Pakistan to participate in talks to resolve the Kashmir dispute." There was no question that Delhi was not willing then, and is not willing now, to hold tripartite talks. But that may change, because it was New Delhi that called for a month-long cease-fire and is following it rigorously. Why did Delhi change course?

One obvious reason is, that after denying the reality on the ground for years, India and Pakistan have come to realize that the Kashmiris want peace. Kashmiris have made it clear to both nations that, long caught in their violent unresolved conflict, they have suffered enough, and violence cannot continue any longer. If it continues, the movement for making Kashmir an independent nation will grow by leaps and bounds. That would be a major strategic setback for both India and Pakistan.

Since the failure of the August cease-fire, which was announced unilaterally by the Hizbul Mujahideen without thrashing out the details with other militants and Pakistan, back channels have been re-opened between New Delhi and Islamabad. The APHC, among others, played a very important role in explaining to both New Delhi and Islamabad its objective, and also the danger that both these nations face if violence is allowed to continue indefinitely. The November-December stay in Pakistan of APHC leader Khwaja Abdul Ghani Lone, did help both Islamabad and New Delhi to get a fresh reading of where the Kashmiris actually stand.

It is evident that all three parties have to get involved in

working out the basic framework within which future talks will be held, and also what the objectives of these talks must be. This is a slippery path, and all three parties are aware of that. The danger lies in formulating this framework based on past bitterness.

On the other hand, if the Kashmiri leaders commit themselves to restoring peace in Kashmir, they can help both New Delhi and Islamabad by preparing the ground for political discussions on the Kashmir dispute within each country. On that score, it seems Delhi is ahead of Islamabad at this point in time.

### Visible Dangers

The Line of Control (LOC) that separates Kashmir is acceptable to India's majority as the international boundary. The Hindu chauvinist elements within the Bharatiya Janata Party (BJP), the leading party in the 14-party coalition that is now in power in Delhi, are expected to oppose resolution of the Kashmir dispute along those lines. But, neither the BJP leadership, nor the other parties in the coalition, have any genuine reason to feel threatened by that. For the BJP and Prime Minister Vajpayee, the biggest political triumph lies in the resolution of the Kashmir dispute, bringing peace to Kashmir and developing friendly relations with Pakistan. This is understood well by a section of the Indian elite. However, to achieve that goal, they also will demand full cooperation from Pakistan and the Kashmiris.

With the advent of the Musharraf government in Pakistan, a new situation has emerged. Over decades, Pakistan had become financially weaker, and is now teetering on the brink of bankruptcy. Increasing defense expenditure at this juncture will further jeopardize the economy, and the military's rule. In addition, Pakistan is under pressure from Washington, once its staunchest backer during the Cold War days, to settle the Kashmir affair and tackle the rising Islamic fundamentalism within its borders.

### The Factor of China

China remains a very good friend of Pakistan, but it has also indicated that it would like to see the South Asian situation normalize. Both Washington and Beijing have expressed concerns that India and Pakistan are developing weapons of mass destruction. Common sense says that in case of an all-out war, which could erupt around the Kashmir conflict, there could be nuclear exchanges between the two countries. Although both India and Pakistan have rejected such a doomsday scenario, both have experienced pressure—economic, political, and social—from all Western countries on that account.

In recent days, the Pakistani Chief Executive, Gen. Pervez Musharraf, has expressed deep concerns about Pakistan's economy. It is apparent that he has come to realize that Pakistan cannot live on hand-outs, because hand-outs are not forthcoming any longer. Pakistan has deferred its foreign debt

FIGURE 1  
**The Afghanistan and Jammu and Kashmir Areas of Conflict**



payments the last two years, and if it does not pay this year, all bilateral and institutional loans will dry up.

It is for this reason that Islamabad agreed to open its account books to the International Monetary Fund (IMF) inspectors this year, and it assured the Fund of faithfully carrying out all structural adjustment measures that the IMF bureaucrats would recommend. Paris Club creditor-nations made it known to Islamabad that they would give Pakistan as much as \$4 billion in soft loans, if Pakistan could obtain a certificate of faith from the IMF.

Humiliated by the IMF, what General Musharraf might have succeeded in getting across to the Pakistani elite, is that the country's economic weakness is a greater security threat than Kashmir (the poor, on the other hand, have always been demanding this). This, however, should not be interpreted as Islamabad's intent to strip itself of its conventional military power or its nuclear capabilities. What it could mean, on the other hand, is to build a consensus within Pakistan for the resolution of Kashmir, and to develop beneficial economic relations with India.

In the case of Pakistan, the threat to the resolution of the Kashmir tangle lies with the militants and fundamentalists. These militants were blooded in the Afghan war against the erstwhile Soviet Union in the 1980s. With the end of the Soviet invasion, and the Soviet Union as an entity, these *ji-hadis* have become mercenaries carrying out terrorism for

cash, while wearing Islamic garb. These fundamentalists now form the backbone of the *ihadis* involved in violent actions in Kashmir, and are defying the cease-fire.

In addition, a section of the Pakistani Army, which has in its rank-and-file a large number of personnel who are blatantly anti-India, considers any agreement with India that does not allow Pakistan full control of the entirety of Kashmir, as a betrayal of their lifelong cause. The most difficult elements are those Army men who support what the *ihadis* preach, and consider India as their sworn enemy. Over the years, whenever any Pakistani government made any friendly gesture toward India, it invariably ran into this brick wall and got smashed.

## Hopeful Signs

It is only to be expected that a conflict as complex as that in Kashmir, which is 53 years old and was the genesis of three border wars between India and Pakistan, cannot be resolved by waving a magic wand. In order even to sit down and talk, it would require new incentives and help from within and without.

To begin with, the most important incentive, whether the Indian or Pakistani leaders admit it publicly or not, is the realization that the Kashmir dispute cannot be resolved militarily. If the Kashmir issue is allowed to fester any longer, it will not only be a minefield of death, but also a massive drain on the exchequers of both India and Pakistan. This line of argument can be heard often in India, but not in Pakistan yet. Nonetheless, the realization is there, and major powers, of late, are reminding both New Delhi and Islamabad of this danger.

The second important incentive is the realization that while Southeast Asia and China have made remarkable economic gains in recent decades, India and Pakistan, and South Asia as a whole, have continued to harbor hundreds of millions of poor. In fact, Pakistan's economy is much worse at the beginning of this millennium than it was in the 1960s. It is evident that Pakistan can no longer afford to continue treading in the economic rut it is now. In other words, both India and Pakistan have begun to realize that the time for change is now.

Recently, the Vajpayee government has made certain decisions which indicate that Delhi has taken a serious note of integrating the country with the region. In November, Delhi made two such important moves. First, India spearheaded a six-nation Mekong-Ganga cooperation proposal, formulated in the Vientiane Declaration of Nov. 10. The objective of this cooperation is to develop closer cultural and economic relations with Mekong River basin countries and to build the necessary infrastructure to facilitate such integration.

The second important move by Delhi came also in November, when it hosted Myanmar's Gen. Maung Aye in Delhi and set about to mend its broken relations with its eastern neighbor. India inaugurated the Tamu-Kalemyo road, which

would allow a road connection between India's northeast and Myanmar. Since 1988, India had taken an antagonistic position against Myanmar's military rulers. Some in New Delhi complained that the military rulers were out to demolish the democratic forces in Myanmar, and they put in place a policy which was detrimental to India. It is only recently that the policy has been reversed and put back on the right track, exhibiting a clearer national perspective. Indian Foreign Minister Jaswant Singh will be in Yangon, Myanmar in January to make a new beginning.

The third important integration of the subcontinent will be to the west, with Iran. This is hanging fire primarily due to the non-resolution of the Kashmir issue. Iran and India have negotiated a natural gas pipeline project which will pipe in vast amounts of Iran's gas to India through Pakistan. Pakistan, by allowing this pipeline to run through its land, will accrue annually a royalty close to \$800 million—an amount that would keep the IMF inspectors from nosing around every account book in Islamabad. But, the pipeline cannot be built until Delhi is convinced that Islamabad can secure the pipeline in difficult times. Building of the pipeline will benefit all three nations—Iran, Pakistan, and India. The incentive is there for both India and Pakistan to resolve the Kashmir dispute and usher in a long-term economic opportunity in poverty-stricken South Asia.

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# German-Russian Talks Stir Up Monetarists

by Rainer Apel

Being the biggest single supplier of machinery to Russia, the German economy ranks high on the priority list of Russian diplomats — also because of the fact that, for decades, German banks have been the biggest suppliers of loans to Russia. Some 40% of the foreign debt that Russia owes to the Club of Paris group of lenders, is to Germany alone (\$21 billion).

Several high-level diplomatic events during December have underlined the genuine Russian interest in enhanced German investments. On Dec. 1, Russian Prime Minister Mikhail Kasyanov came to Berlin for talks with government officials, industrial leaders, and bankers. The most interesting aspect of this visit was that Kasyanov floated a “debt-for-investment” swap proposal. He said that in order to get some relief on the foreign debt front, Russia was thinking of offering German industrial firms shares in select Russian ones, with the value of the shares balancing up to 3 billion deutsche-marks of debt owed to Germany, for a start.

During and after Kasyanov’s visit, several proposals were floated in the German and Russian media, for such debt-for-investment swaps. The idea that Russian natural resources companies such as GazProm would offer shares to the Germans, met with instant opposition in Russia, because at the moment, these kinds of companies are flourishing, relatively speaking, because of the increased prices for natural gas and crude oil. These are assets which Russia will not easily give away. But, the exploration and pipeline transfer infrastructure of GazProm and other companies is in urgent need of modernization and overhaul, especially if one keeps in mind the scope of expansion that the European Union-Russian 20-year energy partnership implies. By the year 2010, Russia wants to double its gas and oil deliveries to the EU, which means more pipelines, and more production of gas and oil — and \$20 billion of new investments are required, to make that gas and oil available for export to Western Europe.

Because neither Western nor Russian industrial managers are philanthropists, to make investments in Russia attractive requires a political decision, as short-term returns cannot be expected from such longer-term investment projects. Genuine national interests that override considerations from the standpoint of a single company’s economic interests, must come into these talks, and this is what Kasyanov introduced in his Berlin talks: He made the German government recognize that it was neither in the German nor the Russian interest to see Russia default on its foreign debt. Any attempt to

reinforce debt payments from Russia to the West, based on Russia’s increased revenues from gas and oil exports, would be counterproductive at a time when 20% of the Russian state budget is absorbed with such payments while vital investments in Russian industry and infrastructure are being delayed, Kasyanov warned. Therefore, he said, Germany and Russia should work on an arrangement to transform a share of the debt into an initial Russian investment in select sectors of industry, which would be matched by German investments.

## Turning Debt into Investment

In the days after Kasyanov’s visit, this idea was elaborated further, in the context of Germany’s role as a big machine-building nation. On Dec. 11, when Russian and German industrial managers met in Frankfurt/Main for a “Day of the Russian Economy” conference, Kasyanov told journalists in Moscow that Russia thought of investing money it would otherwise have paid to service the debt to Germany, in the construction of new, and modernization of existing machinery firms, in which German firms could then acquire shares — a certain percentage of those for free. The Russian government would guarantee the reassignment of funds originally earmarked for debt payments, to investment projects of this type, Kasyanov said. Accompanied by substantial German investments in those machine-building firms, a promising perspective for joint Russo-German cooperation in a vital industrial sector would open up, he said. Russian Economics Minister German Gref discussed that with the German government in Berlin on Dec. 12, and when the new, high-level group of German and Russian government officials met in Moscow on Dec. 18 to further discuss details, the Kasyanov proposal was on the agenda, again, and the machine-building aspect was discussed prominently.

The scope of this new industrial cooperation — DM 3 billion — is a minor portion of the investments that Russia really needs. But, it introduces a form of non-monetarist relations which can be expanded massively. This kind of physical economic cooperation has been bitterly fought by Western banking interests, notably those in the City of London, especially since the fall of the Iron Curtain 11 years ago. Misusing the foreign debt exposure of Moscow to loot the Russian economy, has been the guiding principle of the monetarists, and their great time was the five years under Prime Minister Viktor Chernomyrdin, prior to March 1998. A remark by Russia’s President Vladimir Putin during his visit to Canada on Dec. 18, that “international financial circles” are to blame for the Russian financial crisis that broke out in August 1998, indicates that the monetarists have come under high-level attack.

Therefore, the ongoing discussion between the Germans and the Russians has been met with rather aggressive commentaries in the British press, led by the London *Times*. On Dec. 18, it warned that a “new strategic reality” is about to be created on the European continent.

# Taras Muranivsky Is Remembered in Moscow

by Jonathan Tennenbaum

On Dec. 13, a conference dedicated to the memory of Prof. Taras Muranivsky was held in Moscow at the Lebedev Institute of Physics of the Russian Academy of Sciences (FIAN). The event was co-sponsored by the Schiller Institute, of which Muranivsky was the president in Moscow until his death on July 17, and the standing methodological seminar at FIAN. Some 250 representatives of Russian academic and political life, military and church-related organizations, and press attended the event.

Among the speakers who addressed the announced topic of the memorial event, “Russia’s Historical Mission in Light of the World Economic Crisis,” were Academician Dmitri Lvov, academic secretary of the Russian Academy of Sciences for economics; Corresponding Academician Sergei Glazyev, who also chairs the State Duma’s (lower house of parliament) Committee on Economic Policy and Business; economist Dr. Tatyana Koryagina, who is an adviser to the Ministry of Economics adviser on organized crime; Mikhail Khazin, formerly an economics adviser to the Presidential Administration; and Schiller Institute representatives Dr. Jonathan Tennenbaum and Karl-Michael Vitt.

## A Living Legacy

The latest issue of the economics weekly *Ekonomicheskaya Gazeta*, which regularly published Professor Muranivsky’s incisive analyses of international and Russian economic policies and events, was available at the conference. It contains lengthy excerpts of a Russian translation of Lyndon LaRouche’s policy memorandum, “Trade Without Currency.”

At present, Glazyev and Lvov are involved in framing the dirigist economic policy package, a version of which was presented by Khabarovsk Governor Viktor Ishayev at the Nov. 22 inaugural session of the Russian State Council (see *EIR*, Dec. 8, 2000). In their speeches to the conference, both of these prominent economists acknowledged their debt to the work of Professor Muranivsky personally, and to the Schiller Institute.

Glazyev noted Muranivsky’s role in calling attention to the realities of the world financial crisis. First, he said, “the destabilization of nations by speculative capital,” specifically “gaining super-profits by destroying national currencies,” including during the August 1998 Russian financial crisis. Second, the “concentration of power and capital” in the hands of the “global financial oligarchy” which, through dollarization

and other devices, has been “monopolizing the power to emit currency” and fuelling the speculative financial bubble. Third, the division of the world into a wealthy “core” group of nations, and a “periphery,” including Russia and developing countries, which has been submitted to “controlled chaos” and “unfair terms of trade.”

Citing his frustrating personal experience in trying to warn the Russian government in advance of the 1998 crisis, Glazyev stated that “speculators will not stop,” until the present global speculative bubble explodes. Despite the numerous warnings by LaRouche in his forecasts, Glazyev said, the financial speculators will not change their ways; therefore, there is “the need to prepare ourselves with ideas for a new alternative,” when the collapse comes. He urged that Russia see this as a chance to reverse the past ten years’ process of economic decline and political marginalization. Being still “a world leader in science and culture,” and possessing “unique historical experience in developing backward regions,” Russia can take a lead role in proposing and creating “a different type of globalization,” based on “an ordered market” with regulation of financial flows, and a “long-term development orientation,” he said.

A high point of the proceedings was Academician Lvov’s stark and impassioned speech. “If present trends continue, there will be no more people in the place, where Russia once existed,” declared this senior Russian economist. More serious even than the epidemics of diseases, drugs, and alcoholism, is an “epidemic of destruction of the fundamental psychological health of the nation,” he said. Lvov bitterly denounced the neo-liberal economists, who put forward models of economic development “which are irrelevant, because they don’t even know what a human being is.” Human labor is being annihilated, and the great natural wealth of Russia, “created by God, is being stolen by the devil.” Russian science and technology are no longer being supported, an example of “incredible stupidity.”

Academician Lvov stressed the “very serious world situation,” which Muranivsky had warned about. In the process of globalization, the so-called “free market capitalism” model first appeared to be more effective than any alternative model of economic development, but “now we see, that it suffers from the same systemic disease which characterized the Soviet Union,” said Lvov.

In their presentations to the memorial event, psychologists and demographers Irina Medvedeva, Tatyana Shishova, and Professor Gondarev emphasized the crucial “subjective and cultural” aspects of the Russian crisis, polemicizing against the “materialist” ideology that is still strong in Communist Party milieu. The reasons for the sharp population decline—by 6 to 8 million people over the past ten years—are not merely the objective decline in living standards, but the Russia population’s feeling of depression and loss of purpose in living. Conversely, a restoration of positive cultural values will be key to the economic reconstruction of the country.

# LaRouche Defines U.S.-Mexico Relations in Time of Global Crisis

*Lyndon LaRouche was interviewed on Dec. 18, 2000 by Genaro Amador of Radio Triple A, one of the leading radio stations in Guadalajara, Mexico's second-largest city. The following is the full text of the exchange.*

**Q:** We are very interested to know your opinion about what's happening in the United States, with the election process that you had there.

**LaRouche:** Well, first of all, I've done two webcasts on this subject. One on the 14th of November, and one this past week, on the 12th of December. This is a real mess. It's a crisis, not only an election crisis, but it's a constitutional crisis, and it's also a world economic crisis. If things were going to go on the way they are at present, without change, I think we're heading for catastrophe. It could even lead to a planet-wide Dark Age. The question is, whether the shock of what is going to happen, will bring some people to their senses.

We have some intelligent responses from other parts of the world, such as in the 13 nations of East and South Asia. The negotiations of Russia with Central Asia, East Asia, and Western Europe, are very useful.

At present, the United States is on an insane course.

My particular job at this time, is to try to use what influence I have inside the United States, in particular, to catalyze certain changes in U.S. policy. As the financial collapse goes on, my credibility and influence increase greatly. But people will be reluctant to accept that leadership, unless they are forced to, by circumstances. And so, I think I know how to deal with this world financial crisis. There are many people around the world who agree with me, and possibly, I might succeed in influencing people in my own country to begin thinking in the direction of what I propose.

So, therefore, I do not underestimate the seriousness of the situation, but I'm also optimistic about the possibilities of how we might improve the direction of policymaking. But at present, there is no one in power in the United States who has a clear idea of what will work at this time. We simply have to, as we say in the United States, "sweat out" the situation, waiting for a willingness on the part of some people to begin changing the policy direction.

I think I can sum up the answer by saying, this is one of

those moments in history which sometimes breaks people's nerves. It's a crisis period in all global history.

**Q:** You are talking about a crisis, but we have seen a historic growth in the economy of the United States. Apart from that, in Latin America, for example, we see that the crisis indeed exists, because there are very, very poor people in Mexico. There are 14 million poor people, and the rich are very rich, and the poor are very poor. Is that part of the crisis you are talking about?

**LaRouche:** Well, yes, this is part of it. The United States is going through a crisis which is not as severe, by any means, as what is being suffered in Mexico, for example. But there's a very severe crisis in the United States. The crisis the United States faces right now, is far worse, as an economic crisis, than what was faced in 1929-31. This could be the greatest catastrophe the United States has had to suffer in more than 150 years.

**Q:** I would like to know what kind of crisis you are talking about? In the United States, we see a lot of growth in consumption, there are jobs, and we see the economy growing. Where is the crisis you are talking about?

**LaRouche:** First of all, the figures that show the U.S. economy as growing, are fraudulent. They are not true! For example, the United States has, at present, at best estimates, a \$600 billion a year current account deficit. The U.S. is effectively bankrupt, and has been living on its credit from other countries for some time. The condition of the lower 80% of family-income brackets in the United States is horrible. We have, for example, a more than 10% annual rate of inflation right now, and we're getting into 20-30% inflation in some large categories, such as real estate and energy prices. What has happened, especially during the period of the recent election campaign, the last ten months, is that the United States has been pumping out the greatest amount of lies about the U.S. economy ever seen in its history.

Now, the thing that you have to think about, is you look at the situation in Mexico, for example, and the effect of the United States on Mexico. The United States is considered in the world as the importer of last resort. What happens if there's a 20-40% collapse in the value of the dollar? It's



*Lyndon LaRouche (with cap) during a visit to Mexico. In 1982, Lyndon LaRouche met with López Portillo to discuss forming a new monetary system. López Portillo nationalized the banking system and broke politically with the IMF shortly thereafter, but opposition from Henry Kissinger and his ilk in the United States, sabotaged the policy.*

what we're looking at, in this period immediately ahead. What happens, for example, to Mexico's exports to the United States, under conditions of, say, a 10% increase in unemployment inside the United States?

So, actually, what we face, is economic disaster inside the United States, which, when it occurs, will spread with great force into countries which have been essentially markets for the United States up until this time.

For example, look at the *maquiladoras* as a part of the U.S. economy. But look more significantly at the rest of the Mexican economy, which depends upon—apart from the *maquiladoras*—exports to the United States.

These are the kinds of things I'm worried about, in terms of, how do we manage relations with Mexico, under these kinds of conditions of crisis? Obviously, you're going to have in Mexico a similar problem to what we're having in California and Texas, in terms of these energy shutdowns.

So, we're going to have to think about depression-style emergency measures, both inside the United States, and in cooperation with neighboring countries such as Mexico. Mexico is going to require some assistance, to get through the difficult conditions which will be produced by a collapse of the U.S. market. I'm thinking in terms of areas of infrastructure development as a possible area of cooperation, in which U.S. relations with Mexico might be defined, under such conditions.

**Q:** What is the chronological order of the crisis? What kind of symptoms are we going to see in the future, and in the present, of such a crisis?

**LaRouche:** We're going to see a crisis such as European civilization, globally extended, has not seen in 300 years. This is not a cyclical crisis, this is not a business-cycle crisis. This is a breakdown crisis, which modern economists have talked about at various times, but we've never had a global breakdown crisis before. On the basis of the lessons we have from the Franklin Roosevelt period, we in the United States know how to deal with such a breakdown crisis, both for the United States itself, and in cooperation with our neighbors and friends. If we do not take those measures, we are going to have a global disaster, which could lead to a vast collapse in the level of the world population, very rapidly, within a generation or two. If we do take those measures, which I know we can do, then we can get through this crisis quite safely.

So, the question then becomes a question of political will, which means that the people and government of the United States are going to have to face the fact that, for about 35 years, they've been doing the wrong thing. We're going to have to go back to the kinds of measures which I proposed in 1982, in this book-length paper I wrote on "Operation Juárez." And we're discussing similar types of measures with people in Italy, with people in Eastern Europe,



with people in Asia. So, there is a political movement for that. But we have to, first of all, break the resistance to adopting those kinds of policies, and then we can get through safely.

If we do not adopt those policies, then you're going to see Hell on Earth for two or three generations to come. And the big problem is the poor quality of politicians we generally have, compared to what we had, say, 30 years ago. But, as I say, I'm optimistic, despite all these bad things I have to say about the situation.

**Q:** What are the measures to take, and what is the resistance to those measures, Mr. LaRouche?

**LaRouche:** Well, remember, we got into the Great Depression in the beginning of the 1930s. We were fortunate at the time, to have a new President, who came into office in March of 1933, Franklin Roosevelt. Despite everything else, Roosevelt saved the United States and preserved the Constitutional order of the United States. And even after Roosevelt's death, in cooperation between the United States and Western Europe, and to some degree Mexico as well, we prospered. We used the method of the Bretton Woods system at the time, which was fixed exchange rates, capital controls, exchange controls, regulation. These methods worked. The same methods would work again, which merely means that the number of nations which represent a part of the present IMF system, would have to take over the IMF system and reorganize it, in accord with those kinds of principles. And it would mean, of course, a return to strengthening of the role of the sovereign nation-state, and a turn away from globalization.

The only way we can rebuild countries which need this kind of restructuring — . Take Mexico, for example. You have to think in terms of 25-year lines of credit, which are generally the lines of credit you require for large-scale infrastructure projects. Then the investments in such infrastructure building, become the stimulant for agriculture, manufacturing, and so forth.

So, essentially, what we need is an international credit rate for long-term credits for such projects, of not more than 1% simple interest per year. This means a lot of credit going out, in terms of 10-year projects, 15-year projects, 25-year projects. And these are the things that usually take a generation anyway, from the time of the birth of a child, until they come to maturity. That's generally the span of a rebuilding process of this type. But in European civilization, we've done that before, and we can do it again.

So, that's what we face. We have a perfectly feasible way of dealing with the problem. It takes strong nerves and a clear mind, but it can work. But it's like the man on the sinking ship: If he doesn't get off the ship, he's going to drown. The reason we're in a crisis, is because the present world policies, for about 30 years, have been increasingly insane. Now we're paying the price for such insanity all these years. If we come

to our senses, we'll come out of the mess. I just hope that we find enough people who will take on the role of bringing us back to our senses.

**Q:** Mr. LaRouche, is the world ready to take on that change? Do you think there are the persons and the ideology to do it?

**LaRouche:** Oh, I think so. I think the world is ready. Otherwise, there's not going to be much of a world.

You know, there's a question that comes up from time to time, in human existence, called the moral fitness of cultures to survive. If we don't take the kind of measures I've indicated, within about 5-10 years, a lot of nations of the world will disappear. There will be literally a Dark Age around most of the world. So, as Jonah, going to Nineveh, the Ninevehs of the world have a choice. They can listen to the advice, and survive. Or, like Nineveh, they can reject the advice, and die. That's something that has happened in human existence many times before. Now, it's happened to us.

I'm optimistic: Where there's such a crisis, people will tend to come back to their senses. They'll come back to their senses, because they'll recognize that what they've believed in for the past 10 to 20 years, doesn't work. And they will look at the faces of their children, and they will say, these children must survive. And then they will make the right decisions. At least, I hope so.

**Q:** What happens with Russia, Eastern Europe, Africa, the nuclear weapons, biological weapons, terrorists, the Middle East? What happens with all of that?

**LaRouche:** Well, we've got genocide in Africa, as a result of the same policies. It's essentially Anglo-American genocide. You should know the details of the situation, as I do. The Middle East: Well, the problem is not so much the Israelis and Palestinians; it's a bunch of U.S. madmen, these crazy fundamentalist Protestants, who are the problem there.

The problem is, there's a lack of will to come up with the kind of policy which will tend to bring people to their senses.

Let's take the case of the Middle East: In the coming year, there will not be enough drinking water in the Middle East to provide the necessary amount of water for all the people living in Israel and Palestine right now. Without the development of a large-scale desalination project, there's no possibility for peace in the Middle East. However, if we were to take that approach, of large-scale desalination programs, then we would have the objective basis for bringing about a peaceful resolution in the Middle East. In that sense, while you can not solve every problem with economic policies, you will generally find the difficulty in preventing us from solving problems that we could solve, is because of a bad economic policy.

**Q:** What kind of relations should be established between the United States of America, and the countries of Latin

America? Do you have an idea, any proposals?

**LaRouche:** We have to establish the principle based on what John Quincy Adams presented as the “community of principle” idea in 1823. That policy was revived by President Franklin Roosevelt as the “Good Neighbor Policy,” and it was also the intention of President Kennedy, had he not been assassinated.

We of the sovereign states of the Americas, have a special relationship to one another in history. There are enormous areas of Ibero-America which are undeveloped, with the potential of developing tremendous riches, and supporting a much larger population, and prosperity. Therefore, we should have special regional agreements between the United States and the other countries of the Americas, with cooperation to realize those potentialities. Of course, Mexico is the second largest of these countries south of our border, in terms of people. And despite the hard times in Mexico now, it’s a very important country—because of its history, its population, and so forth—in making such agreements.

I’ve dealt with this over so many years, I know this very well. There’s no reason—that is, human reason—why we couldn’t have the kind of cooperation we require. It’s just a matter of finding the will to do it.

**Q:** We have the problem of the rich North, the poor South, the immigration. What’s going to happen to the Latinos in the United States in the future, and in the present?

**LaRouche:** This should not be a great problem. You know, Spanish is a second language in the United States these days. The Mexican-American population is a very significant part of that, and, to a significant degree, very well integrated. So, the question is, what’s going to happen to the economy? If you can look 25 years ahead, and say that the baby born today, is going to have a good education, good development, health care, and the prospect of a meaningful future as an adult, then I think there’s no problem in dealing with these kinds of challenges. But if we don’t do that, and if we go into a period of extended deep poverty, then you will find that poverty itself will tend to produce the worst kind of social relations, with the obvious implications.

One of the things that I recommend strongly, which I’ve been working on for Eurasia as well as other places, is that we should do something about the long-intended plan to develop land-route high-speed development corridors—transportation corridors—north to south through the continent. That kind of project would actually result in making clear to the people of the hemisphere, what kind of cooperation we want among the nation-states, to the mutual benefit of all involved. Like the development of the transcontinental railroad system in the middle of the 19th Century, across the United States, integrating the United States as a nation. If we do the same thing north to south, in the Americas, that would be the catalyst, I think, which would actually

bring the relations among the states of the hemisphere together, in the proper way.

Sometimes, in politics, it is necessary to capture the imagination of the population, at the same time that you’re giving them a benefit, and I think projects which are beneficial and which capture the imagination, are what this hemisphere needs right now.

For example, the development of an adequate railway system for Mexico, north-south, which is an integral part of a north-south link hemispherically. That in itself would be a good catalyst for the development of the internal Mexican economy. You have the power, you have the transportation, you have the water management, you have the public health, the educational systems. Everything becomes possible.

**Q:** Do you think the Latin American countries are ready to see the United States as a development partner, and not an invader?

**LaRouche:** If I were President, I would ensure that it would be possible. The problem is that the countries of Central and South America don’t trust the United States, and for very good reasons. The resistance, the strain, is greater now than it has ever been in my lifetime. It is a change in the direction of the United States policy, that will produce a change in the reaction among leading circles in the countries of Central and South America. If the U.S. comes as a friend, rather than as a boss, to Central and South America, things will go just fine.

**Q:** What will happen with people who think they are superior to other people, like the Ku Klux Klan and the Nazis, and those kinds of movements? Are they important in the world today?

**LaRouche:** Yes. This is important: The United States’ problem is the “Southern Strategy,” which is really the tradition of the Confederacy, and has taken over the top levels of both the Democratic and Republican Parties. That’s a minority force, but it’s a very powerful minority, presently, in the United States.

The problem is that the 80% of the American population in the lower-income brackets, thinks of itself almost like human cattle. They don’t believe they have any authority to change these policies. Franklin Roosevelt dealt with a similar problem, by trying to get the American people to see themselves as citizens, rather than as human cattle. And to a very significant degree, that worked. Unfortunately, after Roosevelt died, things went back to the old ways. I think that most people in the Americas would probably find, on these kinds of questions, that the character of the head of state of the United States, and that head of state’s immediate circles, will essentially determine what the role of the United States is, with respect to the hemisphere as a whole

You think of American Presidents, such as John Quincy Adams, or Abraham Lincoln, or Franklin Roosevelt, or Kennedy, and you find that these kinds of U.S. Presidents correspond to the best developments in relations among states of

the Americas. The same thing applies today. The importance of national leaders, particularly of institutionalized national leaders, is that a people tends to see its identity reflected in the quality of that leadership. We are still in that primitive condition of mankind, in which nations depend upon a good quality of leadership, to find the best quality in themselves as a whole. And thus, in my dealing with the Americas or other parts of the world, I always look at my own role as a leading figure in the United States, as being a crucial part of defining the relationship of the people of the United States to the people of other countries.

**Q:** What's going to happen in the near future with George W. Bush as President of the United States?

**LaRouche:** We don't know, because young Bush is not a particularly intelligent person. He's a man known by his limitations. He has around him a very large retinue of people, some good, some bad. He can not govern effectively without cooperation from a large part of my party, the Democratic Party, in which at this time I'm a very significant leader, since the defeat of Gore.

So, what Bush is going to face, is the fact that the policies he has now, that is, the policies he advertised during the election campaign, can not work. They will be a disaster. He can not run a strictly Republican administration. That won't work either. So, he's going to come to the point, where he's going to have to change some of his administration's policies, from what he has said they would be up to now. Given some of the idiots in his own party, some of the worst racists and others, he's going to depend on cooperation with the right circles in the Democratic Party, to be able to get anything done that makes any sense.

Now, naturally, despite the fact that I've been a political adversary of his, the fact is, that he's going to have to depend upon me, in a certain sense, and on what I represent in the Democratic Party—not necessarily as an adviser, of course, but as part of the reality which he and his group in the Presidency will have to deal with, in order to get what in the United States is called, "getting the job done."

There comes a time, as you'll probably see in Mexico right now, with President Fox coming into office, in which a man who is elected as President of a republic such as the United States or Mexico, goes through an initial period in which he has to assume control of his own government, and where the power of the team fades somewhat into the background, and the personality of the President himself becomes important. Now, a successful government under a presidential system, tends to take on more and more of the quality reflected in the personality of the President, as opposed to his being a mere figure in the administration. I would take, for example, the case of Mexico. I would expect that President Fox would exert more and more of his image, in terms of the Presidency. Similarly, in the United States, if Bush is going to be successful, he will have to depend upon putting a personal stamp on

his administration, and defining that with respect to cooperation with the Congress.

Therefore, the initial period for Bush is going to be a difficult one, but if he's going to be successful, it will be in that direction. You can't say exactly what's going to happen. I can say, and I think others might be able to estimate as well, what should happen, and we have to work and see if we can make that happen, as it should.

**Q:** Finally, Mr. LaRouche, will you summarize all the things we have talked about.

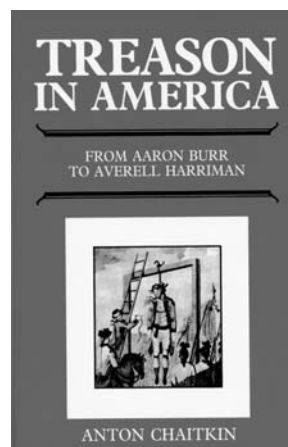
**LaRouche:** Well, I'm very happy to have this opportunity to speak to people in Mexico, which reflects a long-standing relationship with Mexico, with which some people in that country are quite familiar. I think the practical thing, is that we have to keep our heads together, and our imaginations functioning, in order to find ways to deal with the kinds of problems we've talked about in this conversation. And it should be a two-way discussion, in which possibilities are considered, and possible agreements are decided upon.

**Q:** Thank you very much, Mr. LaRouche. This has been a very interesting interview, and I think we're going to have a lot of air time with it. Thank you again.

**LaRouche:** Thank you very much.

## Treason in America

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By Anton Chaitkin

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## Book Reviews

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# Untying the Palestinian 'Right of Return' Knot

by Harley Schlanger

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### **Sacred Landscape: The Buried History of the Holy Land Since 1948**

by Meron Benvenisti

Berkeley: University of California Press, 1999

340 pages, hardcover

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It was the design of those who crafted the Oslo Accord for peace between Israel and the Palestinians to leave the most intractable matters to the end. Central to the agreement was that the first steps would be to reach compromises on trading "land for peace," and implementing a series of economic development projects which would provide material benefit to both the Israelis and the Palestinians. Achieving success in these two areas presumably would establish the trust required to resolve the more complex and emotional issues left for "Final Status" talks.

The two most problematic issues assigned to the "Final Status" talks were those of reaching an agreement on the status of Jerusalem, and resolving the refugee problem. The outbreak of the presently ongoing *Intifada II*, which was triggered by the ill-advised effort of President Clinton at the July Camp David summit to impose an agreement on Jerusalem on Barak and Arafat, demonstrates how explosive these remaining issues are, as more than 300, mostly Palestinians, have been killed in the fighting thus far. The second issue, the so-called "Right of Return," which addresses the plight of those Arabs who lost their land during the wars in 1947-48 and 1967, is the subject of the latest book by Meron Benvenisti, an Israeli author and historian, who once served as the Vice-Mayor of Jerusalem.

This issue, one discovers from reading this fascinating book, is as divisive and emotional for Israelis and Palestinians, as that of sovereignty over Jerusalem.

### **A Personal Journey**

It has been the policy of every Israeli government, since its founding in 1948, to reject any discussion of the return, to their towns and villages, of Arabs who had lived in those

towns and villages within the territory of British-controlled Palestine, before the mass exodus which occurred during the War of 1948. In 1972, Prime Minister Golda Meir tried to justify this policy, saying it was necessary to "avoid setting a precedent."

The result of this policy is that the more than 380,000 refugees who lost their homes from December 1947 to May 1948, were turned into non-citizens, with many living in abject poverty in refugee camps, while their land was incorporated into the Jewish homeland. By Israel's acting to "avoid a precedent," the defeated Arab population was humiliated, with the sense of loss, especially among those crowded into the camps, engendering the bitterness one sees etched on the faces of the youth engaged today in deadly battles with Israeli security forces. Many of the youth who have died during the *Intifada* are third- and fourth-generation residents of these camps, which still exist. The numbers of Palestinian refugees have, over more than a half-century, grown to the millions.

How difficult it must be for an Israeli who is committed to the peace process, to acknowledge that his father's life work, which appeared on the surface to consist of "innocent scientific excursions" to make new maps, was in reality key to consolidating Zionist claims to the land, by eliminating the evidence that Arabs had once lived there!

David Benvenisti, the author's father, was a leader of the team deployed by the government of Israel, shortly after the 1948 war, "to draw a Hebrew map of the land," to serve as "a renewed title deed" for Jews to take possession of Palestine. The stated goal of this effort, according to his son (the author), was to inculcate "his children and countless other young Israelis with the Zionist ethos of '*moledet*' (homeland): knowledge of its glorious Jewish past, intimate communion with its nature, and personal commitment to pioneering in collective agricultural settlements."

The technical part of this task involved giving Hebrew names to the towns and villages which had been inhabited by Arabs prior to their decisive defeat in 1948, by drawing new maps. In reality, the effect has been to successfully erase the old landscape, which had been dotted by more than 200 Arab villages. Map-making, Benvenisti points out, was used by the British as a special weapon for imposing colonial domination, and this tactic was borrowed by the Israelis. Reading present-day Israeli textbooks, he writes, creates an awareness of just "how close we are to the point when the vanished Arab landscape will be considered just a piece of Arab propaganda, a fabrication aimed at the destruction of Israel through incitement of 'The Return.'"

### **Sharing Sacred Landscape**

This subject is clearly one which troubles the author. His book is simultaneously an appeal for justice for the Palestinians, and an attempt to come to terms with the role his father—and Israel's Founding Fathers—played in creat-

ing obstacles to a just peace between Israel and the Palestinians.

It is also clear that this issue is one which unleashes intense emotions on both sides. The author is seeking a balance, one which assumes the "Right of Return" for the Jews to their homeland, while denying to those Zionist pioneers, the right to drive out the native populations they encountered there. The rejection by the Arabs of the flawed United Nations Partition Plan of 1947 made war inevitable, he argues, between the newly established Jewish state and the Arab world. And this war, which he describes as a violent inter-communal struggle, created the refugee crisis, which remains unresolved to this day.

Can this problem ever be resolved, when there is so much emotion and passion on each side? Benvenisti believes that Israelis must recognize that their actions in the war, which precipitated the refugee crisis, were not all justified, and he tackles some of the most difficult questions underlying this issue. For example, he devotes a chapter to the question of whether the Arabs left their homes willingly, or were driven out by Israeli aggression. Were the Israelis guilty of "ethnic cleansing"?

Though his answer will likely be unacceptable to most Israelis and Palestinians, he argues that there was no deliberate policy of ethnic cleansing in the early stages of the 1948 war, and that Arab refugees who were forced out were victims of military operations conducted in the midst of war. However, he minces no words in identifying specific instances that he believes bordered on ethnic cleansing.

For example, there was the massacre at Deir Yassin, on April 19, 1948, in which 254 Arab civilians were killed by fanatics of the Irgun and the Stern Gang (neither of which were recognized by the Israeli government or military). He writes, "Menachem Begin [a leader of Irgun] boasted that the panic that descended on the Arabs caused them to flee from the cities of Tiberias and Haifa as well. And indeed, the consequences of this barbaric act of ethnic cleansing were far-reaching. The Deir Yassin massacre, which was reported on over and over again in all the Arab media, inspired tremendous fear, which led many Arabs to abandon their homes as the Jewish forces drew near. There is no doubt that Deir Yassin was a turning point in the annals of the destruction of the Arab landscape."

Was it conscious policy of the Israeli leadership, of David Ben Gurion, to drive Arabs from the land? On this point, he admits, the evidence is not conclusive. The statements of Ben Gurion that he cites, indicate "contradictory positions." Ben Gurion "rejected a proposal for the systematic destruction of large numbers of villages, brought to him by Zionist activists." However, Ben Gurion also approved a policy, Plan D, which was an order to "take control of Arab villages and expel their inhabitants," though Benvenisti adds that there is no doubt that its objectives were military.

"One way or the other," he writes, "the Jewish state was

emptied of the overwhelming majority of its Arab inhabitants, who, according to the terms of the Partition Plan, were supposed to be full citizens of this state, with equal rights."

## A Just Solution

This is not an abstract, impersonal history, though at times the sheer density of "objective" material can be overwhelming. Instead, by writing it in this manner, Benvenisti offers the American reader an inside look at the wrenching emotional issues which confront people in Israel today, as they attempt to reconcile the contradictory nature of Zionism. It was a movement to offer Jews an opportunity to escape the anti-Semitism in Europe, and to live, free, in a "homeland," that would allow Jews to establish a nation in which they could fulfill the Biblical injunction to "be a blessing unto mankind." At the same time, that "homeland" was already a home to people who did not greet Jewish refugees with open arms.

In the Introduction, Benvenisti bares his anguish, which stems from this contradiction, to his readers: "Do we have a special responsibility, if only because we turned out to be the victors? What have we done to the vanquished enemy? Have we transformed a struggle for survival into an ethnic cleansing operation, sending another people to exile because we wanted to plunder their land?" Though the war we fought was cruel to both sides, "have we not actually prolonged the state of war so that we might suspend human values indefinitely?"

Finally, he asks, "How much compassion and guilt can I allow myself to express in order to pacify my troubled conscience, thereby exposing myself to accusations of betrayal on one side and hypocrisy on the other?"

After taking the reader through the history touched upon above, he offers his proposals for a just solution. First, he writes, it is necessary that there be a "symmetry of responsibility" accepted by both sides. For the Israelis, he cites a statement issued by Gen. Shlomo Gazit (ret.), who suggested that Israel make a declaration which contains "a moral and psychological acknowledgment recognizing the suffering of the Palestinians in the last fifty years."

But, recognition of the Palestinians as victims is not the basis for peace. What is necessary, he writes, is to provide economic justice to the Palestinians, in the form of providing water and electricity, schools, health care, and housing. In addition, he advocates that the government set aside funds from the lucrative sale of agricultural land to developers, to establish a fund to compensate the original Arab owners. Not only would this be "a righteous act," but "it might also signify that Israel was no longer evading its partial responsibility for the refugee problem."

This is a bold, important book, written by an Israeli who is serious about achieving a lasting peace with the Palestinians. It is only through an approach such as this, that the "Right of Return/refugee problem" of the Final Status talks in the Oslo Accord can be resolved.

## Scalia and the Intent of Law

by Lyndon H. LaRouche, Jr.

December 15, 2000

A crucial, systemic, and deadly element of constitutional fraud, permeates and subsumes the most notable rulings bearing upon criminal justice, political, and economic issues, among those uttered by the U.S. Supreme Court's Associate Justice Antonin Scalia. For reasons I shall identify here, Scalia's avowed doctrine of "textualism,"<sup>1</sup> if continued in practice under presently onrushing conditions of deep financial crisis, leads, quickly, either to a self-doomed fascist dictatorship, or a rapid descent of society directly into chaos.

If Scalia's dogma were to continue to define the majority view of the U.S. Supreme Court, an early slide into chaos could occur simply as a result of a specific political inability of the incoming government: its inability to muster the kind of political support needed for any of those kinds of legislative and other measures, by means of which our nation could be saved from the now rapidly accelerating threat of financial and economic chaos. No effective measures to deal with this present crisis, could be taken, without overriding promptly virtually every principle which Scalia has presently come to represent in that Court.

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1. Speech at Catholic University of America, October 1996, entitled "A Theory of Constitutional Interpretation." See *EIR*, Dec. 22, 2000, p. 48. Nominal Catholic Antonin Scalia thus situates himself as following English radical empiricists such as Hobbes, Locke, Hume, Bertrand Russell, et al., to the same general effect as we see among those currents of nominally Catholic thought influenced by fascist ideologues such as Friedrich Nietzsche and Nazi philosopher Martin Heidegger, and the influence of F.K. Savigny's Romantic School of law in Spanish-speaking circles. Thus, the fascist streak in Scalia is to be precisely identified as belonging to the British school of Romanticism, whereas Carl Schmitt typifies the continental school of Romanticism.

During the recent thirty-four years, since the 1966 launching of the pro-racist, Nixon Southern Strategy, there has been an accelerating trend toward rabid irrationality in U.S. political life. Under that influence, the drift of political practice, the tendency has been to refuse to perceive any reality which might tend to forewarn one against doing whatever one has chosen, more or less arbitrarily, to do. The slogan which most often expresses that lunatic view today, is the middle to late 1960s campus draft-resister's catch-phrase, "I don't go there!"

More and more fanatically, the leading factions in U.S. political life, have relied upon concocted fairy-tale images, false to reality, but which serve to reassure both errant policy-makers and a duped public opinion. The victims of such fantasies then ignore reality, and proceed with inspired confidence in fanciful, wishful images of the outcome of their improvidence. This is notably the case with the Baby-Boomer generation now in leading executive positions in public and private life: "I don't go there," he says, ignoring the warning that that bridge, which he is defiantly accelerating to drive across, has been washed out.

The recent trend could be summed up: "No matter what you say, we are going to do it. It will happen, because that is the only outcome which is consistent with our fantasy." Such were the "new economy" and "soft landing" delusions spread during the crucial ten months of the recent Presidential election-campaigns. Such, at least at the present moment, are the hell-bent inclinations of what we are reasonably assured will be the new Bush Administration. So, in wiser times past, it was often said, that buckwheat is likely to break, because it will not bend to the forces of reality. It stands upright, proud and stubborn, saying, "I don't go there!" until the moment the next gust comes, when it then falls, silent forever. So, the

sullen wind blows gently across that wasted field, where candidate Gore once stood.

The same deluded state of mind, characterizes the trend in the current majority of the U.S. Supreme Court. "The Earth will stand still because we order it to do so," fairly describes the aroma from those Olympian quarters. Such has always been, to the present day, the fatally tragic character of Aeschylus' Zeus.

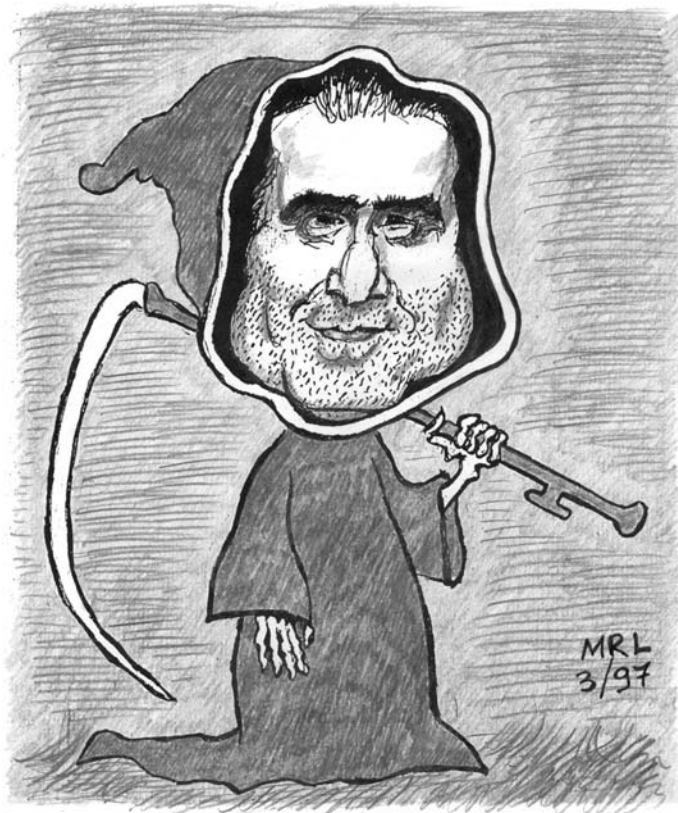
The practical political question of law, as of other measures of statecraft, then becomes: By what methods are such pitiable consequences of Scalia's dogmas to be prevented?

I broadly concur, as far as they go, with the choices of those leading points of argument against Scalia's method, which were presented by the dissenters to the recent majority position of the Court.<sup>2</sup> However, the defenders of our republic could not deal effectively with the danger to our republic which Scalia's argument represents at this time, without going much more deeply into the issue than those dissenting members did on the admittedly hasty occasion of the Court's summary ruling in the matter of the Florida election.<sup>3</sup> The indispensable role to be played by

2. See Edward Spannaus, "Fact Sheet: LaRouche on U.S. Supreme Court Election Ruling," *EIR*, Dec. 22, 2000, which outlines LaRouche's points of agreement, and disagreement, with the dissenting opinions in *Bush v. Gore*. Most notable with respect to Scalia's method, were two points made in the dissents. Associate Justice Stephen Breyer explicitly criticized Scalia's method of resorting to "plain text" in his interpretation of the meaning of the U.S. Constitution. Associate Justice John Paul Stevens cited the majority's decision to terminate the Florida recounts "in the interests of finality."

3. The timetable for the Supreme Court's ruling was extraordinarily rushed. On Friday, Dec. 9, the Florida Supreme Court issued its ruling ordering an immediate manual recount of tens of thousands of ballots. Bush's campaign immediately appealed to the U.S. Supreme Court, seeking an emergency injunction to halt the recounts. On Saturday, Dec. 10, the U.S. Supreme Court issued a stay, terminating the recounts; Scalia issued a highly unusual concurring opinion, declaring that the very fact that votes were being recounted in Florida threatened "irreparable harm" to Bush, "by casting a cloud upon what he claims to be the legitimacy of his election." The court ordered

# Antonin Scalia...



# ...Executes the Law

adding my specific arguments on those issues, will be made clear in the course of these pages.

The nub of the matter is, summarily, this.

Given the implications of the grave financial crises faced by the U.S.A. today, the crucial fact of greatest importance concerning Scalia's doctrines on law, is that his political and legal outlook is identical, on all crucially relevant points of comparison, to the legal dogmas used to bring Adolf Hitler to power during a roughly comparable period of grave financial crisis in Germany. Specifically, Scalia expresses the same explicitly Romantic dogmas of the pro-fascist "conservative revolution" of G.W.F. Hegel, Friedrich Nietzsche et al.,<sup>4</sup> which Scalia has imitated, in keeping with the model precedent of the so-called "Kronjurist" of Nazi Germany, Carl Schmitt. That is the Schmitt who was the legal

architect of the doctrine creating those dictatorial powers given, with "finality," to the Nazi regime of Adolf Hitler.<sup>5</sup>

briefs to be filed by Sunday afternoon, and scheduled oral argument for Monday morning, Dec. 11.

After what was obviously highly contentious debate among the Justices, the Supreme Court's ruling was issued at about 10:00 p.m. on Tuesday, Dec. 12. Accompanying the unsigned, majority ruling, was a concurring opinion by Chief Justice Rehnquist, joined by Scalia and Clarence Thomas, and separate dissenting opinions written by each of the four dissenting Justices; for the most part, the dissenting Justices joined each's others dissents.

4. Dr. Armin Mohler, *Die Konservative Revolution in Deutschland: 1918-1932* (Darmstadt, 1972).

5. On February 28, 1933, Hitler issued his *Notverordnungen*, or Emergency Decrees, suspending the constitutional rights to freedom of opinion, assembly, association, and press, and allowing for unrestricted searches, seizures, and wiretaps, "beyond all legal limits," against his political opponents. The decrees were issued, "to protect the people and the state." Hitler based his authority to do this on Carl Schmitt's legal doctrine of "decisionism." Schmitt, in his best-known work, *Political Theology*, said that sovereignty is deciding in exceptional circumstances and in defining enemies of the state. Schmitt earned the title "Crown Jurist of the Third Reich" because he provided the legal rationales for each step in the devolution of the Weimar Republic into the Nazi state.

At this juncture, that importance of *that* issue of Scalia's personality, must not be avoided, and my warning should not be considered as in any way an exaggerated one. Even allowing for the secondary differences in method between that British radical-empiricist school, which is followed by Scalia, and continental European forms of philosophical Romanticism of Schmitt and his predecessors, Scalia's radically nominalist form of legal philosophy, is implicitly fully as evil in its inhering effects, and shares all of the crucial features, which were the worst implications of the way in which the doctrines of Schmitt were used to confer dictatorial (*Notverordnung*) powers upon Adolf Hitler. Indeed, from the standpoint of philosophy of law in general, Scalia's doctrine is intrinsically even more hideous than that of Schmitt.

Even from the standpoint of Scalia's specifically British, radical-empiricist dogma of "textualism," it is already clear, that under the relatively gravest conditions of international banking crisis, such as those of 1932-1933 and the worse crisis of today, the application of the legal doctrines of either a Schmitt or a Scalia must tend to result, equally, in either the early imposition of the most hideous modern form of dictatorship, as ferocious as that of Hitler, within the U.S.A. itself; or, as I have already said, in the more likely alternative, the attempt to enforce Scalia's or kindred doctrine, would lead to the simple disintegration of the U.S. as a nation, a disintegration like that of Shelley's *Ozymandias*.

I recapitulate that just-stated point for clarity, as follows. *It were inevitable, that if the doctrine expressed by Scalia, were to continue to prevail at the highest levels of the U.S.*

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Schmitt, a law professor in Bonn and, then, Berlin, was a philosophical Romantic and follower of Mussolini. He published numerous popular polemical tracts, and advised Weimar officials, advocating rule by decree under Article 48 of the Weimar Constitution, in the face of the economic collapse in Germany under the Versailles reparations regime.

According to Schmitt, all politics consists of the relationship between friend and foe, and the state achieves legitimacy through its ability to identify and exterminate foes. True democracy consists of the complete identity between the ruler and the ruled, requires an ethnically homogeneous population, and can be better served by a dictator, ruling by decree and subject to periodic popular plebiscites, than by parliamentary democracy. Under Schmitt's theory, the sovereign decides what the law is, through a "primal act" of "decision" about revolutionary or exceptional moments. Schmitt identified "equality" and protection of "property" as primary values, simultaneously advocating total political control of the population and free enterprise. His dogma of law can be glimpsed from the titles of his books: *Political Romanticism*, 1919; *Political Theology*, 1922; *Constitutional Law*, 1928; *Legality and Legitimacy*, 1932.

Like Friedrich Nietzsche, Schmitt has been the subject of a recent popular academic revival, particularly among "conservative revolution" figures in U.S. politics. Andreas Buch, "Über die Willkür im Recht," *Ibykus* 14, 1995 (e.g., Buch: "Was macht die Faszination des Mannes aus, den manche den 'Kronjuristen' Hitlers nannten, der in den zwanziger und dreissiger Jahren mit seinen Schriften der Weimarer Republik des ideologische Grab schaufelte, als er das parlamentarische Cäsarismus predigte?"); F.A. Freiherr von der Heydt, "The Thornburgh Doctrine: The End of International Law," *EIR*, June 1990; and, a book review, "Carl Schmitt und das Elend der deutschen Jurisprudenz," *Ibykus* 45, 1993.

*government, that under the conditions of crisis now confronting the U.S.A., and also the world at large, the result must either be a form of a dictatorship in the U.S.A. as bad as, and probably worse than that in Germany under the Hitler dictatorship, or, should such a dictatorship fail, as is likely, the worst dark age in the recent memory of our planet. I am not predicting an Armageddon; I am Jonah delivering a warning to the U.S. Nineveh, warning of the available choice before us all.*<sup>6</sup> Unless Scalia's influence is effectively resisted, such dismal prospects were virtually inevitable for the near future.

That taken into account, the threat to our Constitution, the threat which Scalia's philosophy constitutes today, must not be treated with the typical populist agitator's mere barroom or street-demonstrator's epithets. We can defeat the menace represented by Scalia's dogma, only if we understand its more deeply embedded mechanisms.

We must recognize not merely the obvious, mephistophelean quality of perversity in Scalia's public expression of his intention, but also the impact of his radically populist doctrine on the suggestible minds and wills of a very large part of our population.<sup>7</sup> Therefore, against his virtually satanic philosophy, such expressions of rage as mere populist slogans and fists will tend merely to aggravate the situation. As the history of similar developments in past history should have forewarned us, an influence such as his, must be destroyed by the weapons of reason armed with its appropriate resolution, not those forces of blind rage which would simply play into his game.

If considered from the standpoint of formal logic, Scalia's sophistry is to be recognized, as to its form, as a fraud of the same specifically British type underlying the empiricist dogmas of Venetian Paolo Sarpi and his lackey Galileo Galilei, the same dogmas continued by the consummately evil Bertrand Russell, et al., upon which the teaching of the pathetic, but, unfortunately, popular, modern ivory-tower varieties of mathematical physics are premised, still today. To understand Scalia, perhaps much better than he himself does, you must unearth that underlying, axiomatic assumption which he does not identify explicitly, but on which all of the relevant pathological features of his expressed thought depend absolutely.

At a later point in this report, I shall examine the formal, epistemological, features of Scalia's method. However, be-

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6. Cf. Lyndon H. LaRouche, Jr., "Politics as Art," *EIR*, Nov. 17, 2000, note 1, p. 20: "Apostolic Letter of Pope John Paul II, Proclaiming St. Thomas More as Patron of Statesmen and Politicians," Vatican, Nov. 4-5, 2000.

7. As in his 1996 address at Washington's Catholic University. Scalia's choice of tricks of sophistry in his use of "textualism" to promote death penalties while opposing abortions, typifies his attempted imitations of the Mephistopheles of both Marlowe's and Goethe's treatments of the Faust theme. That such a man would attempt to pass himself off as a Christian, and appear to be tolerated in such perversity, must be taken into account as a sign of our sorrowful times.



fore examining such formalities, we must first look more deeply into the modern historical antecedents for the specific type of political pathology he represents.

I therefore turn, first, to pointing out, summarily, the historical roots of Scalia's radically nominalist doctrine of law, and, after that, to the deeper, epistemological foundations of his pathological world-outlook. Look at him, always, as a modern parody of the character Thrasymachus, as of the type presented in the pages of Plato's *Republic*.

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## 1. Nazism and the Romantic School

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First, we must focus upon the historical origins of Scalia's method. We must recognize in him, the qualities of that modern Romantic school of law, which was brought into being by the successive developments of the 1789-1794 Jacobin Terror in France, and the lawful heir of that Terror, the reign of that modern Caesar, the first modern fascist dictator, Napoleon Bonaparte. For the case of Scalia himself, our attention is directed to the contemporary British version of that Romantic school. There are certain differences between these respective British and continental schools, but the likely general effect, fascism, is predominantly the same.

It was from the impact of those political developments of 1789-1794, that the Romanticism of Immanuel Kant and G.W.F. Hegel's theory of the state, became the adopted basis in philosophy of law for fascist ideologues such as Hegel's leading accomplice of the post-Vienna Congress years, the neo-Kantian Romantic, Friedrich Karl Savigny. This combined influence of Kant and Hegel, is what is expressed as the Romantic doctrine of law transmitted from Savigny to Carl Schmitt. It was from this Romantic school, so situated historically, that the Nineteenth and Twentieth centuries' modern fascist movements and regimes, have been brought into being.

For example, one of the most likely ways to identify an actively or incipiently fascist movement or regime lurking under the bed of the states of the Americas, or western Europe, still today, is to search among the channels of influence in matters of law associated with the names of Savigny and Schmitt. Today, the name of Antonin Scalia is to be added to that list of usual suspects.

It is within the specifically English school of Romanticism, that of Venice's Paolo Sarpi, Thomas Hobbes, and John Locke, that the potential lies for a specifically English-language form of something like either the past Confederacy, or the present threat of American fascism. Scalia, with his rabid emphasis on the notion of "shareholder value," typifies the English-speaking version of the kind of legal philosophy, in the tradition of Locke, which tends to foster a fascist coup d'état, like the Hitler legal coup d'état, under the kinds of

conditions of crisis welling up within the U.S.A. today.

We in the U.S.A. today would probably lose the battle for freedom, as the Germans did under Hitler, unless we are forewarned now by the invaluable lesson of the role of Carl Schmitt in bringing the Hitler dictatorship to power in Germany. Rather than relying upon only the obvious points of similarities in the textual formulations of Scalia and Schmitt, we must look into the functional characteristics expressed in the historical origins of the specific variety of evil which Scalia typifies for today. We must understand the Scalia phenomenon historically, rather than by limiting our attention to the merely idiosyncratic features of that kind of sheer perversity which controls the behavior we have seen from him, on the bench, so far.

Historically, it is scientifically precise, not the slightest exaggeration, and also imperative, to classify Scalia as ideologically a fascist. Such language can not be avoided, given the practical implications of the case for today's conditions of world crisis. It would be fraudulent, to attempt to deny that specificity of his philosophical world-outlook. I do not use "fascism" recklessly; I mean fascism as strictly defined for purposes of law, as the most extreme variety of those modern, post-feudalism forms of imitation of the axiomatic features of the Romantic legacy of ancient pagan Rome.

Typical of that modern legacy, as I have already noted above, is the functionally uninterrupted metamorphosis of the Jacobin Terror of 1789-1794, fascism's worm-state, into the later dictatorship of Napoleon Bonaparte, its crawling-predator-state. This is also the fascism of Prince Metternich's Holy Alliance and the Metternich-sponsored Carlsbad Decrees. This is the fascist theory of the conservative revolution as argued by G.W.F. Hegel, in his defense of his own notion of the theory of the post-Vienna Congress Prussian state. The Emperor Napoleon Bonaparte, so situated historically, is the model from which Twentieth-Century fascists such as Benito Mussolini and Adolf Hitler were derived as witting imitations.

Justice Antonin "Verdict First, Trial Perhaps Later" Scalia, is such a fascist ideologue.<sup>8</sup>

This is not limited to what most would consider as "right-wing" varieties of fascism. Hegel's argument, as copied by his crony F.K. von Savigny, and by Carl Schmitt after Savigny, is

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8. The recent rash of exonerations of death-row inmates, through DNA testing, merely points up the fact that the entire system of U.S. criminal justice has undergone a hideous moral degeneration in practice and doctrine during the period since the 1966 launching of the Nixon Southern Strategy. Nothing makes this clearer than the study of the recent pattern of executions, especially in Texas and Virginia. It was not the lack of DNA testing which is shown up by the relevant cases; the DNA tests simply illuminate the barbarity of the quality of criminal justice in general. The application of the fascist dogma of "finality" by the Scalia-led Supreme Court, to death-penalty cases, illuminates the existence of a Jacobin-terrorist sort of principle of "Verdict First, Trial Perhaps Later" in the practice of judicial murder, ritual human sacrifice, under a Scalia-inspired Supreme Court majority.

the model for that doctrine of the Conservative Revolution from which both Freiburg University Nazi Philosopher Martin Heidegger and his left-wing Frankfurt School cronies, such as Theodor Adorno, Walter Benjamin, and Hannah Arendt, derived their own respective versions of fascism, as also reflected in the left-wing dogmas and dramas of a Bertolt Brecht.

In other words, fascism, a term which points explicitly to the ancient symbol of the Roman Legion, signifies a modern form of political dictatorship derived, like Napoleon Bonaparte's imperial dictatorship, from the model of the customs and law of ancient pagan Rome. This model is to be recognized, as like Tiberius, Nero, Diocletian, and so on (as I shall show in the following section of this report), as in deadly opposition to the Christian conception of both the nature of man and to that Christian model of society which is expressed by both the Declaration of Independence and the Constitution of the U.S.A. It is in deadly opposition to a U.S. which takes the legacy of Solon's and Plato's Classical Greece, as its starting-point of historical reference.

This opposition between these two models, defines the only literate use of the terms "Romantic" and "Classical" in all historically truthful and meaningful applications today.<sup>9</sup> Here, precisely, lies the historically defined, practical meaning of the term, the Romantic School of Law, as that term applies, commonly, to Hegel, Savigny, Schmitt, and Scalia.

The birth of fascism, is also to be recognized as the form of Romantic dictatorship which has appeared in Europe, in response to a perceived specific threat which insurgent republicanism has represented to the old pro-feudalist order. Excepting such notable cases as the great Austrian reformer, Emperor Joseph II, this was the European oligarchy's enraged view of the U.S. Declaration of Independence. This was the view, as emphasized by Henry Kissinger, of the Habsburg dynasty of Austria and the Iberian peninsula. It is that enraged, pro-oligarchical hatred of the type of republicanism implicit in our Declaration of Independence and Constitution, which has always defined the very historical existence of the U.S.A. to be a hateful object, a hateful view expressed since the very beginnings of our republic.

In the eyes of the British monarchy and Austrian Chancellors such as von Kaunitz and Metternich, and also Henry A.

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9. Typical are the differences between "Classical" and "Romantic," as these terms are applicable to axiomatic differences in methods of composition of music during the Eighteenth and Nineteenth centuries. Bach, Haydn, Mozart, Beethoven, Schubert, Mendelssohn, Schumann, and Brahms typify Classical composers, whereas the legacy of Rameau, Berlioz, Liszt, and Wagner, typifies the contemporary adversaries of Classical methods of composition and performance from Bach through the death of Brahms. The argument of the Romantics Kant and Savigny, that reason performs no function in art (i.e., Savigny's separation of *Naturwissenschaft* from *Geisteswissenschaft*) typifies the axiomatic irrationalism of the Romantic school in art, and also in politics and government.

Kissinger,<sup>10</sup> the perceived threat against which their oligarchical faction is reacting, still today, is the threat which had been set into motion by the victorious outcome of the 1776-1783 struggle of the United States against the evil system represented by the British monarchy of Lord Shelburne's time; with the appearance of President Abraham Lincoln, the old oligarchy's hatred of the "American intellectual tradition" comes to the proverbial "white heat" expressed by the Ku Klux Klan legacy.

The first appearance of the specific form of fascism leading into the regimes of Mussolini and Hitler, occurred as the London-directed effort of Britain's sometime Prime Minister Lord Shelburne, and his leading lackey, the British Foreign Office's Jeremy Bentham, to prevent the implementation of those pro-U.S.A. constitutional reforms of the French monarchy, which were attempted by the Marquis de Lafayette during the period of "The Tennis Court Oath," in June 1789.<sup>11</sup>

The French Revolution's Jacobin Terror, was organized and directed by London's Foreign Office, against the influence of the Marquis de Lafayette et al. This was done by such agents of the British Lord Shelburne and Jeremy Bentham as Jacques Necker, the Duke of Orléans, Danton, Marat, et al. This dates the birth of fascism, retrospectively, from the storming of the Bastille on July 14, 1789, that by joint action of the British agents Orléans and Necker, that against the constitutional reforms adopted by the circles of Lafayette. The Jacobin Terror of 1789-1794, first launched at the Bastille on that day, was the first, so-called "left" (worm) expression of the political form known since (in its crawling predatory form) by such terms as bonapartism and fascism.<sup>12</sup>

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10. Henry A. Kissinger, *A World Restored: Metternich, Castlereagh and the Problems of Peace 1812-1822* (Boston: Houghton-Mifflin, 1957). Also, Kissinger's May 10, 1982 keynote address to a London conference of Chatham House: "Reflections on a Partnership: Address in Commemoration of the Bi-Centenary of the Office of Foreign Secretary." Kissinger's patriotic role in U.S. public life, as aptly typified by both referenced sources, compares him, unfavorably, to Benedict Arnold, and as a die-hard advocate of the oligarchical principle against everything for which the U.S. 1776 Declaration of Independence and Constitution stand.

11. See Pierre Beaudry, *Jean Sylvain Bailly, A True French Revolutionary*, unpublished ms. (Leesburg: Oct. 30, 2000). This is one of the best-researched reviews of the crucial developments of the June-July 1789 turning-point and their immediate aftermath. What must be taken into account, as historic context, were the tumultuous 1782-1790 conflicts between the forces represented by Frederick II of Prussia and Joseph II of Austria on the one side, and the "conservative" imperial princes of the Holy Roman Empire, as represented by Chancellors von Kaunitz and Metternich, as well as Maria Theresa and Leopold II, on the other. The death of Frederick the Great of Prussia, in 1786, dealt a mortal blow to Joseph II's efforts at pro-American kinds of humanistic reforms in the Empire. These circumstances, combined with the scandal of the Queen's necklace and the influence of the Physiocrats, turned the French monarchy sour, to the effect of the King's folly in the events of June-July 1789.

12. Jacques Necker, sometime Finance Minister and Prime Minister of France, had been picked up by the same Lord Shelburne whose lackeys included Adam Smith, Jeremy Bentham, Edward Gibbon, and many others. It was Shelburne, political representative of the British East India Company

Former Speaker of the U.S. House of Representatives Newt(ong) Gingrich clearly set forth his witting quality of agreement with that specifically fascist view of the Jacobin Terror of 1789-1794. Gingrich did so most energetically, and with an eye-opening degree of attempt at historical precision, during a celebrated meeting in Washington on January 20, 1995.<sup>13</sup> We shall return to that topic in due course, shortly.

## Hegel, Schmitt, and Hitler

Crawling predator Napoleon Bonaparte, originally a hatchling protégé of the brothers Robespierre (typical of the worms in that French nest), emerged as a consistent outgrowth of the Jacobin Terror. Such is the metamorphosis through which the pro-Jacobin leftist becomes worm-turned-conservative. Worm-turned-conservative G.W.F. Hegel, saw matters precisely so; so did the notorious Twentieth-Century follower of Hegel's school of history, Carl Schmitt.

Now, to summarize, and develop further the historical points we have considered here thus far.

The modern doctrine of fascism, as expressed by the role of Carl Schmitt in bringing the Hitler dictatorship to power under the *Notverordnung* of February 28, 1933, is a consistent expression of a doctrine, based upon the Napoleon Bonaparte model, set forth by the official Prussian state philosopher, and sometime Bonaparte enthusiast G.W.F. Hegel, as Hegel's Metternichean theory of the Prussian state.<sup>14</sup>

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and of Baring's Bank, and sometime Prime Minister (1782-1783), who prepared and directed the events leading into the French Revolution. It was Shelburne's creature, Jeremy Bentham, who controlled the "secret committee" within the British Foreign Office, which trained and deployed agents such as Danton and Marat, and which orchestrated most of the developments during the 1789-1794 interval of the reign of the Jacobin Terror. (See report of Pierre Beaudry on events of June-July 1789, op cit.) It was the storming of the Bastille, organized by the Duke of Orleans as the leading feature of Orleans' campaign to have Necker appointed Prime Minister of France, which actually began the Reign of Terror.

13. On January 20, 1995, Speaker of the House Newt Gingrich delivered a call to arms before the Republican National Committee in Washington, D.C. in which he explicitly equated himself with Robespierre and Danton: "We need to understand that the scale of revolution that we need is so great and it is so dramatically different. . . . This is a real revolution. In real revolutions, the defeated faction doesn't tend to convert. It tends to go down fighting. . . . I mean, if you look at the Bourbons, in France, they didn't rush in and say, 'Oh, please, can I join the revolution?' They remained Bourbons. In fact most of them learned nothing and forgot nothing, and 50 years later were still locked into a world that was dead. . . . I am a genuine revolutionary; they [the Democrats] are the genuine reactionaries; we are going to change their world and they will do anything to stop us, they will use any tool, there is no grotesquerie, no distortion, no dishonesty, too great for them to come after us. . . . The future of the human race for at least a century rests on our shoulders. If we fail . . . then Bosnia and Rwanda, Haiti and Somalia are the harbingers of a dark and bloody planet."

14. Georg Wilhelm Friedrich Hegel, *The Philosophy of History* (New York: Dover, 1956); *Philosophy of Right* (Amherst, N.Y.: Prometheus Books, 1996); and in many other locations in Hegel's work. The triumph of Napoleon, especially after the 1806 twin battle at Jena-Auerstadt, unleashed a rage of pro-Napoleonic Romantic enthusiasm in Germany. The takeover of the Prussian court by the pro-British Romantic faction, and the fascist-like perse-

That model of transition, from wormy Jacobin lynch-mob-tactics, to the crawling-predator form of the totalitarian conservative state, as typified by Napoleon's Caesarian rule, is the common characteristic of the doctrine of the so-called "conservative revolution," both in Hitler's time, and today. Hegel and Savigny are among the earliest to define that "conservative revolution," and Schmitt and Scalia are, like Newt Gingrich, expressions of that same Romantic reactionary's hatred against the principles of the U.S. Declaration of Independence and Preamble of our Constitution.

Specifically, Carl Schmitt's Romantic doctrine of law, is a direct copy of the theory of the state set forth in Hegel's argument for what became known as the mother of all Twentieth-Century fascist movements, the so-called "conservative revolution" which later produced the popular instruments of the Hitler dictatorship.<sup>15</sup> Both Savigny and Schmitt, and most among the continental European apostles of the conservative revolution, still today, derive the philosophical authority for their views of history either from both English Seventeenth and Eighteenth centuries' empiricism, or, on the continent of Europe, from the attack by (former British empiricist and Romanticist) Immanuel Kant on the work of Gottfried Leibniz, and against such followers of Leibniz and J.S. Bach, as the Classicists Abraham Kästner, Gotthold Lessing, and Moses Mendelssohn.

I refer, as Heinrich Heine did,<sup>16</sup> and as Friedrich Schiller warned before Heine, to Kant's famous series of *Critiques*, those virulently pro-irrationalist writings of Kant<sup>17</sup> to which

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cution, under the Carlsbad Decrees, of the works of German patriots such as Friedrich Schiller, by Metternich's tools, such as Hegel, fostered waves of Romanticism and related forms of cultural pessimism (e.g., Schopenhauer) from which German culture has not been healed to the present day. Hegel was typical of those former enthusiasts for Jacobinism who served as early prototypes of fascist agents in post-Vienna Congress Berlin. Savigny, the direct forerunner of Carl Schmitt's work, was Hegel's chief collaborator in the pro-Metternich political repression conducted against faculty and students at the Berlin university.

15. Schmitt's position was not that of being a Nazi himself, but of being the gate-keeper who ushered Nazism into a position of dictatorial power. The highest rank of evil, is not the Nazis, but rather those, like Schmitt and Bertrand Russell, who use movements such as the Nazis as their stock-in-trade, and may as quickly destroy such movements, when the occasion seems timely, as usher them into power. Schmitt's argument to this effect, should be clear from his own efforts to make it clear.

16. *Works of Prose, by Heinrich Heine*, Hermann Kester, ed., Ernst Basch, trans. (New York: L.B. Fischer, 1943); *Religion and Philosophy in Germany: A Fragment*, John Snodgrass, trans. (Albany, N.Y.: State University Press of New York, 1986); *The Romantic School and Other Essays*, Jost Hermand and Robert C. Holub, eds. (New York: Continuum, 1985).

17. Mendelssohn played a leading role, in collaboration with Kästner pupil and collaborator Lessing, in defending Leibniz and Johann Sebastian Bach against the vile influence within the Berlin Academy, of the networks which had been organized by the then-recently-deceased Paris-based Venetian, Abbot Antonio Conti. At that time, in Berlin, the principal agents of the network which had been established by Conti, were the notorious Maupertuis and his confederate Leonhard Euler. Kant was among those associated with Maupertuis and Euler in this matter. So effective was Mendelssohn, that Kant did



Carl Schmitt (inset) was the legal architect of the doctrine creating those dictatorial powers given, with “finality,” to the Nazi regime of Adolf Hitler.

all among the principal Nineteenth-Century forms of continental European Romanticism, including that of Savigny, have been largely indebted.<sup>18</sup>

The core of the argument for this Romantic doctrine, is that an arbitrary, irrational force, “The Revolution,” such as Hegel’s *Weltgeist*, a powerful, irresistible force, beyond the powers of human rational comprehension, causes a new form of state to be created according to its arbitrary desire. This is accomplished by rallying a mob, in the image of the *vox populi* of pagan Rome, to install a new Caesar appropriate to its tastes.

That is the core of the Hegelian theory of the conservative revolution, of the state, and of the derivation of law from the authority and interest of the conservative-revolutionary state, argued explicitly by Schmitt, and as echoed in the mouths of Scalia and Gingrich. The Romantic’s view of the metamorphosis of evil, from its worm-state in the Jacobin Terror, to its conservative, adult, predatory form, as the Emperor Napoleon Bonaparte, is the essence of that so-called “conservative revo-

lution” from which fascism sprang originally, as a reaction against the establishment of our U.S.A. as a republic. The historical uniqueness of the U.S.A. Declaration of Independence, is the object of hatred to which the modern fascists since, like Metternich’s Habsburgs, have taken “exception,” as in their tirades against what they sometimes refer to, with foam-flecked lips, as “the American exception.”

That is the stated nature and goal of what Gingrich proposed as his “revolution,” in the Atlanta events of January 1995. That is what Gingrich et al. did, in attempting to bring down the government with their mob tactics. That is what the radical right faction in the Republican Party is attempting to do at the present moment.

Such was the pre-Summer 1934, *Sturmabteilung* phase of the Hitler movement. The creation of the new state by those street-bully forms of mob actions, then assumes its intended, Caesarian form, under a Caesar assuming more or less the absolute, arbitrary authority of a Roman *Pontifex Maximus*, as the Emperor Napoleon Bonaparte did, that in parody of the depraved “Sun King,” Louis XIV, before him.<sup>19</sup> Then, the conservative state appears with full, irrational force, as the conservative dictatorship admired by such as Hegel, Savigny, Schmidt, and imitated by Scalia’s argument in support of a doctrine of “finality.” The fascist view, as that of Schmitt, argues that the revolution makes the state, and the state creates the law according to the state’s own adopted self-image.

not dare publish his series of *Critiques*, until the powerful mind of Mendelssohn had been quieted by terminal illness and death.

18. Although the German Jews, as typified by Moses Mendelssohn and Heine, were, together with the Yiddish Renaissance Jewry of eastern Europe, the foremost targets of Hitler’s campaigns, Hitler’s venom, like that of his predecessor Friedrich Nietzsche, was hatred against the alleged crime of the Jews, to have produced Christianity; to have thus, through Christianity, ruined that pagan Rome which was so beloved of Napoleon Bonaparte, Benito Mussolini, Hitler, et al. Had Hitler not lost the war, he would have celebrated his victory by proceeding to exterminate the Christians.

19. Such was the transition under Hitler, from SA to SS.

To restate that important point: This current in legal-historical philosophy, is known as “The Romantic School of Law,” of which Kant, Hegel, Savigny, and Schmitt are among the most notable German figures. Justice Antonin Scalia’s cult of “textualism,” is a special, English-speaking kind of derivative of the same fascist dogma otherwise arrived at by the continental varieties of Romantics such as Hegel, Savigny, Schmitt, et al.

Thus, summing up what has been stated on this point thus far: Among this century’s leading ideological defenders of fascism, the form of fascist dogma leading into regimes such as Hitler’s, usually self-identifies fascist movements based on the Romanticism of Kant, Hegel, Savigny, Schmitt, et al., by the code-term “conservative revolution.” The terms “Romantic School of Law” and “conservative revolution,” are essentially interchangeable terms. The first signifies the doctrine of law congruent with the pro-fascist “conservative revolution,” while the latter defines the political-philosophical movements consistent with the Romantic School of Law.

### **Scalia and the British School of Law**

There is, as I have repeatedly stressed here so far, a specific quality of difference between the continental Romantics, such as Kant, Hegel, Savigny, Schmitt, and Nazi judge Roland Freisler, on the one side, and Scalia, on the other. Scalia, in keeping with the Thornburgh Doctrine denounced by leading international law figure Professor Freidrich A. Freiherr von der Heydte, represents that English-speaking current of fascism, which is derived from a more virulent root than continental Romanticism. That root is the English empiricism of the chief ideologue from whose work both the Confederacy and Nixon’s Southern Strategy were derived: the notions of slaveholder and shareholder values traced to the influence of England’s John Locke among what are often outrightly treasonous currents within U.S. public life.<sup>20</sup>

In other words, Scalia differs philosophically from continental European fascists, only in one respect, that he typifies a British, radical-empiricist variety of ideology, which, as von der Heydte argued in early 1989, makes the variety of fascism implicit in Locke even far worse in its potential than the continental European fascist movements have been. The modern followers of Locke are more radical than the continental fascists, in the respect that they had shed all care for even a semblance of custom. This quality verging upon a quality of ultimate evil, is to be recognized in Scalia’s radically empiricist extreme, his emphasis on text.

The significance of Scalia’s intervention into the Presidential elections, of the recent days, is best recognized by reviewing the proceedings of the already referenced, January, 1995 conference, on the subject of conducting a conservative revolution, held by then-incoming Speaker of the U.S. House

of Representatives Newton Gingrich. Gingrich was acting in a manner consistent with his earlier role, as a late-1970s close confederate, in the “Third Wave” movement of both later Vice President Al Gore and the dubious Alvin Toffler. Gingrich’s performance on that 1995 occasion, was a rhetorical medley from the tunes of British Foreign Office terrorists Danton and Marat. He compared his effort to destroy the existing constitutional form of U.S. government, as taking the French Revolution as its precedent.

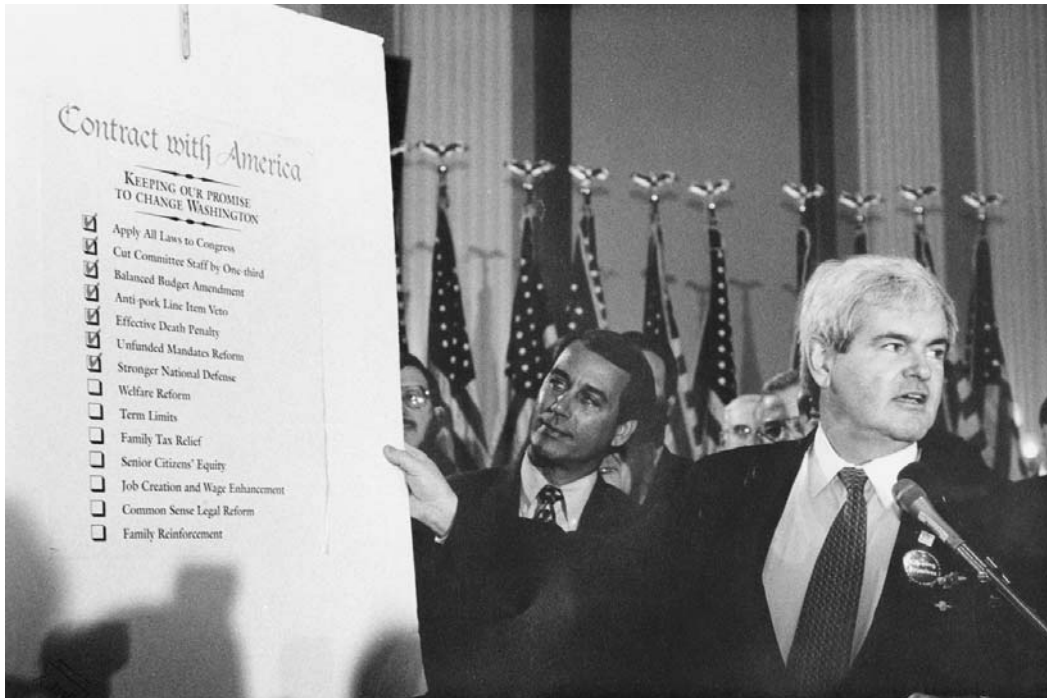
Gingrich’s notion of a populist revolution as the hammer-blow to create the conditions for establishing the intended “conservative” state, is pure fascism in motion. He adopted, thus, as his own, the doctrine which is the center-piece of the Romantic School of Law and the concept of “the conservative revolution.” He thus exposed himself on that occasion and what followed, not only as a follower of the example of the French Jacobin Terror, but as using that tactic as a terrorist’s method for bringing about the kind of “conservative revolution” whose meaning, in plain text, is fascism.

As to whether Gingrich is a racist by disposition, or not, I have presently no conclusive indications. However, the movement which he represents, the Southern Strategy of Richard Nixon et al., is explicitly racist (minus or plus an Uncle Tom or two); more to the point, its reason for being is racist. However, the question whether, or not, Gingrich carries the burden of racist feelings against those called African-Americans, is not the decisive issue here. It is Gingrich’s conception of the nature of man in general, which is the issue. He has made clear, beyond all doubt, that his conception of man is the fascist conception; once a man has descended to such depths as that, there is nothing left worth debating on whether he is racist as such.

Thus, such Southern Strategy fanatics as U.S. Representative DeLay (R-Tex.) and U.S. Senator Trent Lott (R-Miss.), typify, according to the Gingrich doctrine of 1995, the Robespierres, Phillippes Égalités, Neckers, Dantons, Marats, and Saint Justs of the 1966-2000 U.S. political scene. Presently, ironically but not accidentally, they, in their capacity as “maximalists” of the Gingrich Revolution, are now more or less as much of a political threat to prospective President George W. Bush’s efforts to form a stable U.S. government, as they had been to President Clinton. They are the Jacobin mob, perhaps one awaiting the consummation of their usefulness in the Moloch’s fires of a new bonapartism, as the expendable political cannon-fodder to be used up in creating the kind of fascist state which Scalia’s implicit doctrine of Caesarism requires.

Hegel’s theory of the Prussian state accords entirely with this view of the notions of law underlying the dogmas of Savigny and Schmitt, and also the so-called “conservative revolution” and fascist movements generally. Scalia is in accord with those Romantic notions of law. Once we situate the movement on which the relevant, present majority of the U.S. Supreme Court is premised, the movement launched as the “Southern Strategy” of the Richard Nixon campaign for his

20. See von der Heydte on the Thornburgh Doctrine, op cit.



*Newt Gingrich on Capitol Hill, Feb. 22, 1995. His notion of a populist revolution is pure fascism in motion.*

1968 election, the clear and present danger of that form of fascism implied by Scalia's argument, should begin to become clear.

At this point, we must interrupt that line of historical argument, to focus, as promised earlier, upon the principles which underlie any rational notion of law. After that, we shall return to the historical side of the account, at which point we shall reexamine the central of those issues addressed above, from the standpoint of a systemic notion of the principles of law governing proper conduct of statecraft.

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## 2. What Should 'Law' Mean?

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In the case of the ivory-tower versions of modern mathematical physics, certain assumed definitions, axioms, and postulates concerning space, time, matter, and so on, are picked out of the air, so to speak. No actual proof is given, or claimed, for any of this axiomatic dogma; traditionally, the classroom dupe is taught, instead, that the truth of such beliefs is "self-evident." In fact, speaking scientifically, none of these allegedly "self-evident" definitions, axioms, and postulates, are true.<sup>21</sup> Yet, fool after fool, will go to the blackboard, actually or figuratively, insisting that he, or she, can show, that a mathematical physics based upon those fraudulent, so-called "Euclidean" assumptions, can prove almost anything, even if

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21. Bernhard Riemann, *Über die Hypothesen, welche die Geometrie zur Grunde liegen*, in *Bernhard Riemanns Gesammelte Mathematische Werke*, H. Weber, ed. (New York: Dover Publications, reprint edition, 1953).

what is claimed as proven is, in fact, demonstrably false.

What is at issue in the case of such quasi-Euclidean, ivory-tower aberrations, is the attempted substitution of ivory-tower axioms for universal principle of law. In that case, the emphasis is upon those laws otherwise known as experimentally validated discoveries of universal physical principles. Nonetheless, contrary to Hegel's crony Savigny, and to Carl Schmitt, the principles of all law, including the Constitutional law of the U.S.A., have the same origin and nature as universal physical law.<sup>22</sup> The common name for the use of the term "law," in the case of either science, or art and statecraft, is *natural law*. It is from the standpoint of that notion of natural law, that the problem of fascism, as posed once more by the case of Scalia, is to be efficiently understood.

Keeping attention, for a moment, on the situation at the classroom blackboard, a similar popularity of the "ivory tower" faith in sense-certainty among his populist dupes, led to the legendary success of the famous hoaxster P.T. Barnum, of modern circus fame. This is the popular method of the carnival side-show, the tea-leaf reader, of John Locke, David Hume, Dr. François Quesnay, Bernard Mandeville, Adam

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22. This principle, whose German form was introduced as the central feature of Kant's *Critiques*, was adopted by Karl Marx's law professor, F.K. von Savigny, as a doctrine of absolute irrationality, Savigny's dogma of a hermetic separation of *Naturwissenschaft* from *Geisteswissenschaft*. That irrationalist dogma is often encountered as the glazed-eye stare accompanying the ritual scrap of litany of "art for art's sake." The effects of the same doctrine on the English-speaking world, were the occasion for the relevant writings of British author C.P. Snow, *Two Cultures and the Scientific Revolution* (London and New York: Cambridge University Press, 1993 reprint).

Smith, Bertrand Russell, Norbert Wiener, John von Neumann, and kindred devotées of exotic auspices. It is also the radically nominalist method of the avowed “text-maniac” and Associate Supreme Court Justice, Antonin Scalia. Look up the proverbial sleeve of Justice Scalia, when he claims he has nothing but text in either hand. As I shall show, in the exposition which shall conclude this report, for the case of Scalia, we must substitute for the term “sleeve,” “invisible hand.”

This leads the reader, once again, into territory which he or she may have already explored with me, in a substantial number of earlier items of my published work.<sup>23</sup> Despite the risk and burden of such repetition, certain truths must be restated, repeatedly, especially these days, until they have become established as the common knowledge our nation’s most vital interest requires them to be. On that account, I now proceed as follows.

From this point on, although references to earlier history may be required, our subject must be defined as science and law from the vantage-point of the history of globally extended modern European civilization. This rule must be maintained, since the revolutionary changes in institutions introduced by the Fifteenth-Century Renaissance, have changed everything to such a degree that there is no subject-matter of modern history which can be competently defined within the context of earlier history. This statement by me here, will be recognized by some professionals as the principle of *historical specificity*, a notion to which I have given what is fairly described as a “Riemannian” form, as in the sense of Riemannian manifolds.<sup>24</sup>

*Historical specificity* takes us far beyond the recognition that some important changes were introduced by that Renais-

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23. This is not to overlook the indispensable contributions from many collaborators, from various parts of this planet, such as Dr. Jonathan Tennenbaum and Bruce Director, who played a crucial role in educating readers in the revolutionary discoveries in Keplerian astrophysics by Carl Gauss. The fact that I assume personal responsibility for what I claim to be true, should never be taken to imply anything more than just that. I have sufficient successes in original discoveries of principle to my personal credit to gratify me for a lifetime, that, although my appetite for new discoveries continues to be omnivorous, I have neither need nor desire to ignore the contributions by others. However, for whatever I adopt as it were my own, I must assume personal intellectual accountability, whether I or someone else were my original source of that knowledge.

24. This means, for example, that the entire span of European civilization, since approximately the time of Solon of Athens, is to be treated as having specific functional peculiarities, but that, within that span, the emergence of the modern sovereign nation-state governed by a principle of self-government known as the general welfare or common good, is a specific manifold within the context of European civilization as a whole. This principle was recognized by all great Classical tragedians, such as Shakespeare or Schiller, who would never allow one of their tragedies to be shifted from a locale of one historical specificity to another. Modern directors, such as the late Orson Welles of Mercury Theater notability, who violate that principle of historical specificity, are exhibiting either stupidity, or, as they do, malice against both the author and the audience.

sance; everything was changed by that Renaissance. The axiomatic changes introduced then and there, have had such an impact on every part of the world touched by them, that the very notion of society itself, society as a species, underwent a revolutionary change, akin to a shift from a lower to a higher species. Preferable, would be to say, *a shift to a manifold of a qualitatively higher order.*

Although we must take into account the earlier developments of a process leading into that revolutionary change, it would be incompetence to treat the new features of modern European culture as simply additions to the old; they must be apprehended as transformations of everything that had been true earlier. The very existence of the notion of the modern, sovereign form of nation-state republic, and the associated role of scientific progress, changed everything. The change is comparable to the superseding of marsupial by placental mammals.

So, for example, the idea of laws of nations, as attributable to society prior to that century, and the principled features of law under the impact of the existence of the modern sovereign form of nation-state, are systemically different. Nothing demonstrates that qualitative difference, more simply and more generally, than the fact that, despite merely academic sorts of encounters with exaggerated references to Aristotle, the very notion of modern political-economy did not exist, in theory or practice, until the impact of the establishment of the idea of the modern sovereign nation-state during that and the immediately following centuries.

The knowledgeable definition of law upon which all of the successful development in that now globally extended, modern European civilization, has depended, especially since Europe’s revolutionary, Fifteenth-Century Renaissance, is typified by the Christian reading, as typified by the Gospel of John and Epistles of Paul, of four crucial writings of Plato, his *The Republic*, *Timaeus*, *Critias*, and *The Laws*.<sup>25</sup> When these are read in the light of certain points of clarification supplied by the Apostle Paul, for example, a notion of law cohering with that brought to realization during the Fifteenth-Century Renaissance, as in the setting of the great ecumenical Council of Florence, is supplied its provable axiomatic basis. It is on this basis, that the first existence of the form of the modern sovereign nation-state was brought into being, that in the forms of approximation expressed by France under Louis

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25. The first four of these are to be read aloud, as Classical drama, not simply read as text. When read as spoken drama, the relevant principle of Classical dialogue, *geometry of position*, is brought into play. It is only from that vantage-point, that the full impact and meaning of the term *idea* is brought home to the student of those works. The significance of geometry of position for law in general, and for exposing the fraudulent character of Scalia’s argument, in particular, is addressed below. Much of what is said at this point is repetition of arguments made repeatedly at length in locations published earlier; but, as I have said, until certain essential notions become common currency of knowledge, they must be imparted repeatedly, whenever they are integral to an essential principle of the case to be argued.

XI and by revolutionary England under Henry VII.<sup>26</sup>

The most crucial literary works from that Fifteenth Century, associated with the creation of the modern sovereign form of nation-state, are two leading writings by that Cardinal Nicholas of Cusa whose 600th birthday we are about to celebrate. Most crucial are Cusa's early *Concordantia Catholica*, on the necessary nature of the sovereign nation-state, and his later *De Docta Ignorantia*, the latter the founding work of all modern European experimental physical science. Both of those works of Cusa, like his many others bearing on the same themes, are underlain axiomatically, by the Platonic conception of the nature of man and God, as this conception may be apprehended from the Christian standpoint of Paul and John.

The principles underlying the authorship of the 1776 U.S. Declaration of Independence and the Preamble of the 1789 U.S. Federal Constitution, are rooted, without exception, in the legacy of those two Fifteenth-Century works of Cusa.

The special significance of the founding of the U.S. republic, sometimes called the "American Exception," is that it was done here, because it was impossible, at any time during the tumultuous period 1510-1783, to undertake within Europe itself, the consolidation of that form of society, under such principles of law, which had been begun earlier under France's Louis XI and England's Henry VII. Contrary to U.S. Romantics such as Frederick Jackson Turner and Teddy Roosevelt, the set of ideas on which the U.S. was premised, was not something specific to the physical conditions of the U.S. frontier life; the ideas came, almost entirely, from the greatest traditions and minds of "old" Europe's Greece-rooted Classical tradition.

During the course of the Eighteenth Century, the principal intellectual influence responsible for the launching and success of that American Revolution, was the influence of the European followers of Gottfried Leibniz and Johann Sebastian Bach, such as the leaders of that new Classical renaissance which occurred during the middle- through late-Eighteenth Century, as typified by the seminal such influence of Abraham Kästner, Gotthold Lessing, and Moses Mendelssohn. In Europe of the 1770s and 1780s, the supporters of the cause of U.S. independence were the greatest intellectual figures of Europe, merely typified by the composers Wolfgang Mozart and Ludwig van Beethoven. It was Leibniz, not Locke, whose philosophy is expressed so clearly by that 1776 Declaration of Independence written under the direction of, chiefly, Kästner's 1760s Göttingen University guest Ben-

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26. The fact that this Fifteenth-Century creation of the sovereign nation-state was unprecedented in all known history, was first argued satisfactorily, to my knowledge of the matter, by the late Professor Friedrich A. Freiherr von der Heydte, in his *Die Geburtsstunde des Souveränen Staates* (Regensburg: Druck und Verlag Josef Habel, 1952). I came to the same conclusion from a different, economic standpoint, but the two views, mine and Professor von der Heydte's, coincide in all crucial respects.

jamin Franklin.

That much said to situate the points now to be examined, we proceed as follows.

### As in a Mirror, Darkly

For reasons referenced, if somewhat superficially, in C.P. Snow's once-celebrated essay under the title of "Two Cultures," today's practice of statecraft, including the application of law, suffers greatly from a popularized, cultish form of widespread academic and other mystification of the subjects of mathematics and physical science.<sup>27</sup>

The usual errors in statecraft resulting from that widespread classroom and other ignorance of the nature of physical science, is the tendency to prefer journeys through the thickets of highly reticulated mathematical constructs, such as those of so-called "mathematical modelling," thus evading the intellectually and emotionally more challenging task of focusing upon the elementary, and exciting features of the successes of combined ancient and modern developments of physical science.

Impacted by such wrong-headedness among the non-scientific observers of what passes for scientific work today, the relative amateur is usually, either in flight from such topics, or so fascinated by, and also perplexed by the complexity of science's skyscraper-like edifices of detail, that he, or she disregards what is often the impending collapse of the skyscraper being viewed, a collapse inhering in some great, axiomatic, or kindred fault in the foundations upon which it has been erected. Thus, the so-befuddled Nobel Prize committee awarded a great prize for that particular edifice of mathematical folly known as the Black-Scholes formula, the formula whose intrinsic incompetence was at the root of the great financial collapse among hedge funds during August-September 1998.<sup>28</sup>

For reasons related to this aspect of the "Two Cultures" syndrome, a great confusion has been fostered among legal authorities and other relevant policy-shapers, respecting the concept of law as such. Today's popular reluctance to acknowledge the notion of law, as that notion is to be properly applied to the subjects of physical science, has a double relevance for all practice of law and related expressions of statecraft.

More narrowly, the problem is the frequent incompetence among lawmakers and others, in assessing the legal and related significance of what is presented, rightly or wrongly, as scientific evidence bearing on some matter under consideration. More profound and general, are the difficulties this "Two Cultures" pathology introduces to the use of the very term "law" itself, even in the most general way, including ways far beyond what are usually acknowledged to be the

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27. Snow, op cit., footnote 22.

28. John Hoefle, "One Derivatives Disaster after Another; Will They Never Learn?," *EIR*, Oct. 9, 1998.



relevancies of physical science as such.

This source of error among lawmakers and related persons and agencies, tends, today, to express itself in the most immediate and important way, in matters of economic and closely related policy-matters. The issues of policy which are tending more and more, either to come into the Federal courts, or should come into that province, typify this connection of issues of economy to the notions of lawfulness associated with physical science. The issue of that deadly, current pathology, the lunatic notion of so-called “shareholder value,” is most notable on this account.

On this account, Justice Scalia, and those who have shared his relevant delusions on such matters, have done great harm to this nation, and to the world at large, through their role in enthroning what is perhaps the most deadly threat to the existence of our national economy, and even the nation itself, today. The impact is most notable in effects upon those areas of policy-shaping which are most imperilled by the ricocheting impact of the increasingly aggressive application of an absolutely anti-scientific and immediately destructive fallacy, the doctrine of “shareholder value.”

What stands out, as a result of that existential, systemic calamity in our present Federal judicial system, is the implicit lack of a competent notion of the boundaries of reason within which Federal judicial and related decisions must be confined, if our nation itself is to survive the crisis now unfolding. Thus, on this account alone, if no other, the connection of the notion of law in general, to law as a subject of physical science, must, at last, be made clear to our relevant institutions, once again.

On that account, we proceed here as follows.

The central distinction of the three great monotheistic religions, Judaism, Christianity, and Islam, is the notion expressed in the first book of Moses, of man and woman as made equally in the image of the Creator of the universe, and made in such a special way as to be assigned authority for power over all other things in that universe. Together with Moses, Christianity and Islam abhor the hateful, Babylonian and kindred traditions of idolatry, and abhor as intrinsically immoral, the bestial view of mankind as just another form of animal life, or, even in some nooks of molecular biology, a poor substitute for future inorganic robots.

When the Christian, or corresponding ecumenical view of human nature, such as that of the great Moses Mendelssohn, is situated against the background of the Classical Greek legacy of Solon and Plato, the mere phrase, “man made in the image of God,” ascends, up and out from the gutter of the ranting preacher’s babble, and thereby ceases to be merely some apparently arbitrary sort of received doctrine. It becomes knowledge of a quality otherwise associated with the certainties of the best usage of the term “scientific knowledge.”

On this point, Scalia, as in addressing his 1996 audience at Washington, D.C.’s Catholic University, broke flatly with Christianity. Perhaps, it is because no claw reached up from Hell, on that occasion, to pull him down, as in Mozart’s *Don*

*Giovanni*, that he has continued to walk the surface of the Earth, like some wandering piece of unclaimed merchandise. Perhaps he deludes himself, like some corrupt and credulous Faust, that the filth he taught at that university, then, may be repeated, with impunity, at all relevant occasions of births, weddings, funerals, and public executions.

Sufficient proof of this argument against Scalia, is to be found in Paul’s *I Corinthians* 13, where the Apostle’s summary of the principle of *agapē* is most famously uttered. According to the Apostle, radical nominalist Scalia’s letter of the law, is the way of folly. The same point is the word of Jesus Christ, as in *Matthew* 6:2 and 7:22. For all Christians, in particular, the essence and body of the law, for Christianity, and also, as I shall state that case here, for all mankind, lies in *the intent of the law, not the text*.

Contrary to Scalia’s remarks on that occasion, the right to human life can never be degraded to a property-title of the merely positive law’s legal text, a “single issue.” Human life is a pervasive, universal principle, which must be thus applied as the *intent* of law, as a universal principle, or, otherwise, it is degraded to a folly of hypocrisy, whose outcomes are to be abhorred on that account. So, the Apostle writes of such matters in the referenced location. The right to life must be understood as the Leibnizian 1776 Declaration of Independence and the Preamble of the Federal Constitution prescribes it, as the fundamental principle of U.S. Constitutional law, as the intent of the meaning of *general welfare*; otherwise, all is hypocrisy, as the Apostle condemns such pettifogging reliance on the mere text of particular law. As I shall demonstrate, the superiority of *the universal intent of law* to any mere text, could not be other than that.

It is on that point, that Scalia breaks clearly and flagrantly from all of Christianity. Since his reputation as being, on the other hand, a confessing Catholic (with clearly a very great deal to confess), is part of the counterfeit currency on which toleration of his implied claims to sanctified authority, as at Catholic University, depend to some significant degree, he must be exposed for the fraud he is on that account, as on others, too. In dealings with mountebanks such as Scalia, matters such as “other hands,” especially invisible ones, must be carefully considered.

On the same point of natural law, there is another crucial element of *I Corinthians* 13, the famous verse 12, where the Apostle invokes Plato’s allegory of the shadows cast on the wall of a firelit cave, as if images in a mirror set within a darkened room. There, in that ontological paradox, lies the essentially rational meaning of the word *law*. It is upon that passage, so situated in its given context, that we shall examine the question of the proper definition of law here.

It is *the intent of law*, law so defined, to which we rightly bind our will, and to nothing different. Here, as in the opening three paragraphs of the 1776 U.S. Declaration of Independence and the “general welfare clause” of our Federal Constitution, we meet the principle of *intent of law*, as the founders



Scalia's depraved doctrine signifies, "Wait until after they are born, before killing them." Here, Francisco Goya's etching, "There Is Plenty To Suck."

of our republic adopted that Christian notion of *intent*, as the most essential, governing principle of a sovereign republic. On this point of principle of law, Scalia's 1996 address to Catholic University implies, that he would take our nation back to the depravity of pagan Rome, or perhaps even to Moloch: *wait until after they are born, before killing them.*<sup>29</sup>

The basis for the notion of a principle of law, is set forth by Plato's attack on the falseness of reliance upon sense-certainty. In what is known popularly as his *The Republic*, Plato confronts the audience for that dramatic dialogue, with the paradox of the firelit cave. He compares what we attribute to the evidence of our senses to the shadows on the wall of that cave. The ironical character of the images seen in a darkened mirror, as the Apostle wrote, makes the same gen-

29. In no sense is this an exaggeration. Witness his sophistry on the subjects of abortion and the death penalty, in his referenced address at Catholic University. Here, he reduces even nominalism itself to its ultimate self-degradation, as virtually "dictionary nominalism." Under his law, so presented by him, one must wait until the infant is born, before it is lawful to kill it.

eral point. The proposition is: What is it that we are seeing? What is the reality behind what the poor savage may mistake as the self-evident reality experienced by his sense-organs?

Is what our senses portray to us an illusion? If an illusion created by the senses, is it, then, perhaps, merely an illusion? Or, is the shadow cast by something real, but something sensed only as a shadow, rather than its substance as such? Such are the questions posed by Plato's and the Apostle's allegory.

The solution to such paradoxes lies in the proof of the individual mind's cognitive powers, powers expressed by the experimental validation of discoveries of what are rightly esteemed as universal principles. Typical are universal physical principles. The proof that this is a solution for such a paradox, is shown most efficiently from the standpoint of my professional specialty, the Leibnizian science of physical economy. *It is through the validatable discoveries of universal physical principle, and by no different means, that the individual member of the human species is able to contribute a willful increase of the potential relative population-density of the entire human species, as no other form of life can do that for its species.* Such, specifically, is human nature, from knowledge of which, the natural law is derived.

The point to be demonstrated by exposition here, is, that, although the efficacy of the discovered principle can be demonstrated experimentally, even by aid of the senses, *the principle itself, the principle as a mental object*, is not an object of sense-perception. That discovery is an object of the cognitive processes of the individual mind, not of the senses. Moreover, it can be communicated, by replicating both the cognitive act of discovery of that principle, as by Classical-humanist policies and methods in public education, and also by demonstrating its efficacy in the terms of an experimental physics.

### Kepler and the Mars Orbit

Thus, although the events corresponding to dots on the horizon of the astronomer's sense-perception actually occur, either in the real world, or as illusions, the connections among those dots are neither straight lines, nor, as the Mars orbit showed Kepler, lines of constant curvature. The dots are but as shadows, corresponding, at their best, to the occurrence of actual events occurring within a different universe than that which appears to us to be the universe defined by sense-perception as such. It may appear to the naive mathematical modeller, such as Ptolemy, Copernicus, or Tycho Brahe, that the connections exist in the shadow-world; however, the actual causes of the movement of the shadows exist in a real world, which is not that of sense-perception as such, but, as Kepler adduced and proved, rather, the universe corresponding to those cognitive processes in which discovered universal physical principles lie.

Hence, in that sense, we have the implied projective relations between the two worlds, the world of shadows, called sense-perception, and the real world, that of cognition. The

difference between the quality of the two worlds is, that it is only in the world of cognition, that the efficient causes connecting the events corresponding to dots actually occur, that the causes of the reflected transformations actually occur.

Thus, we are obliged to consider two distinct kinds of mental objects: those objects which reflect sense-perception, and those objects of higher authority for truthfulness, which exist as replicatable, and fully efficient objects of the individual's cognitive processes. *Ideas*, in Plato's sense, are objects of that second, higher class.

This efficacy of the class of *ideas* associated with validated universal physical principles, the ideas of the universe of cognition, can not only be known, but can be measured. The measurement can be made in terms of man's power over nature, per capita and also per square kilometer. The measurement can be made in terms of improvements of the ranges of life-expectancies and other demographic characteristics of populations. The method by which this effect is produced, is well defined, especially since the unprecedented successes of the revolution in statecraft effected by the Fifteenth-Century, Italy-centered Renaissance. The proof of that fact is already richly demonstrated, through the method of the Socratic dialogue, by Plato.

Thus, Cusa located knowledge of physical reality, not in sense-perception, but in such modes of measurement: hence, experimental physical science, rather than ivory-tower mathematics. In those locations, such as his *De Docta Ignorantia*, Cusa corrected the error of Archimedes, by introducing, for the first time, the notion of the transcendental nature of  $\pi$ .<sup>30</sup> Cusa's method, in this case, was the method associated with what Leibniz later named *geometry of position*.

The point of this argument just described, is that such ideas are not only knowable and communicable, but also of measurable efficacy, as demonstrated, most conveniently, for the case of physical science, by two exemplary discoveries, Kepler's discovery of the founding principle of astrophysics, in his *The New Astronomy*, and Fermat's discovery of the principle of *least time*.

As in the method of inversions developed by J.S. Bach, as typified, for convenience by his *A Musical Offering* and his *The Art of the Fugue*, the rigorous method for provoking *ideas*, as Plato defines *ideas*, is through a tactic termed by Leibniz *Analysis Situs*, or, in other words, *geometry of position*. This ruse, which is the essence of the principle of Classical thorough-composition in music, also sets the methods of physical science above and apart from merely formalist, ivory-tower varieties of so-called mathematical physics at the blackboard.<sup>31</sup>

30. On the measurements of the circle and the parabola.

31. The failure of music critics to understand the qualitative difference between well-tempering and equal-tempering, arises from their typical ignorance of the fact that Bach's contrapuntal system, as summarized by the role of inversions as presented in his *The Art of the Fugue*, is a determination

In Classical art-forms, for example, geometry of position occurs as what is termed *irony*, whose ultimate expression is what is termed *metaphor*. In the method of Classical thorough-composition of Bach, Mozart, Haydn, Beethoven, Schubert, Mendelssohn, Schumann, and Brahms, the rigorous application of inversion, has the typical effect of implicitly generating *lawfully* a transcendent quality of key, that latter located typically in a series of Lydian intervals.<sup>32</sup>

In physical science, the same method of generating *ideas* through geometry of position, is aptly illustrated by the referenced cases from Kepler and Fermat. In both art and physical science, the method is demonstrably exactly that of Plato's Socratic dialogues.

That principle of composition of ideas, is the essence of anti-Romantic Classical European culture since ancient Greece, and most emphatically so since the work of such giants as Cusa, Leonardo da Vinci, Raphael Sanzio, Shakespeare, Kepler, Rembrandt, Leibniz, J.S. Bach, Wolfgang Mozart, Friedrich Schiller, Beethoven, Carl Gauss, and Riemann. In earlier published locations, I have shown, repeatedly, how this same notion, of geometry of position, applies to the generation and assessment of the Classical form of *ideas* specific to the arts of statecraft, such as those of economics and law in general.

The working point here, is that the notions of other principles of natural law, and their derivatives, are also subject to classification as validatable universal principles, that on the same basis as universal physical principles. The idea of the special nature of man, and of the existence of God the Creator, are prime examples of such *ideas* of law.<sup>33</sup>

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based upon the principle of geometry of position, rather than mechanistic, intrinsically linear constructions. However, these involve a discussion of the implications of Florentine bel canto voice-training for vocal and other polyphony, a matter to be referenced to suitable other locations.

32. This is illustrated by Mozart's discovery of the way in which Bach had employed this principle in *A Musical Offering*. As a typical result, we have Mozart's K. 475 keyboard *Fantasy*, and a relatively vast array of compositions such as his compact *Ave Verum Corpus*. This Mozart discovery from study of Bach, became the most quoted germ-material in the entirety of the repertoire of Classical thorough-composition. Beethoven's Opus 132 string quartet, is among the most notable expositions of this principle. This is typical of musical *ideas*, in the Platonic sense of *idea*. On this account, Classical composers of the Eighteenth and Nineteenth centuries, such as Bach, Haydn, Mozart, Beethoven, Schubert, et al., through Brahms, are set apart from, and in opposition to their contemporaries, the Romantics, such as the composer of musical Currywurst, Rameau, and Liszt, Berlioz, and Wagner, in which the symbol-mindedness of sense-certainty, not ideas, is the stock in trade.

33. Thus, as to law, Scalia's reductionist doctrine of text defines him implicitly as of the same general category as the notorious *mortalist* Pietro Pomponazzi. Since the *idea* of law, an *idea* subsumed by an *intent*, does not exist for Scalia, those objects which are of the class of *ideas* also do not exist, and hence neither the human soul, nor God himself. It might be concluded, thus, that such a fellow has about the same reason for being in church as a spider, perhaps less so, since the spider is probably acting according to the intent assigned to a member of its species. On the subject of the nature of Classical artistic principles as complementary to universal physical ones, see, for example, my "Statecraft as Art," *EIR*, November 27, 2000.

As I shall proceed to show this, yet once again, as in earlier writings on such matters, this method of investigation called geometry of position, when used as the proper substitute for the ivory-tower methods of at-the-blackboard mathematical physics, has enabled modern physical science to solve, repeatedly, the riddle of Plato's Cave. By these means, we are then enabled to know, with certainty, the meaning of principles of law expressed by verse 12 of the Apostle's *I Corinthians* 13. There lies the key to the principle of statecraft known as the proper *intention of law*.

That said, reference the case of the crucially revolutionary discovery central to Kepler's *The New Astronomy*, his discovery of the principle of universal gravitation.

### What Is Dotty About Statistics

The central feature of Kepler's discovery of a principle of universal gravitation, was the implication, for him, of a proposition stated in the form typified by what Leibniz later described as a problem in geometry of position. On this account, Kepler warned the reader, and proved, experimentally, that the methods common to the writings of Claudius Ptolemy, Copernicus, and Tycho Brahe, represented an unscientific approach expressed in their attempt to plot astrophysical orbits descriptively, as what are commonly called "mathematical models" among today's science-illiterates. In summary, the crucial features of Kepler's argument relevant for our mission here, are as follows.

The pivot was Kepler's recognition of the evidence, that the orbit of Mars is elliptical, rather than circular. This recognition defined an experimental paradox, occurring in the form of an ironical problem in geometry of position. Kepler's stroke of genius, was to recognize this paradox as reflecting a principle which was already a central, implicit feature of Cusa's *De Docta Ignorantia*, a principle also explored by such avowed followers of Cusa's work in physical science as Luca Pacioli and Leonardo da Vinci.<sup>34</sup> Since, as Kepler,

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34. In modern times, the issue posed in Kepler's *The New Astronomy*, is known as the principle of *non-linearity*, the principle of those notions of magnitude which can not be derived from the standpoint of the methods of a radical reductionist such as Leonhard Euler, Bertrand Russell, Norbert Wiener, or John von Neumann. In the work of Fermat, Pascal, Christiaan Huyghens, Leibniz, Bernouilli, the anti-Euclidean geometry of Kästner, Kästner's student Carl Gauss, and the 1854 habilitation dissertation of Bernhard Riemann, this involves the notion of processes subsuming the generation of a formally unbounded succession of successively higher, non-constant curvatures. In Leibniz, as in his uniquely original definition of a differential and integral calculus, the purpose is to define the solution to the task which Kepler had bequeathed to future mathematicians, in which the differential has an absolutely non-linear quality, but whose integral corresponds to the determination of a Keplerian quality of trajectory from that differential.

That principle is otherwise known as the principle of non-linearity, but only as the term non-linearity was implicitly defined by Cusa, and as it was explicitly defined by the successive work of Leibniz, Gauss, and Riemann. The notion of non-linearity is never competently reported as an arithmetic principle, but only as a purely geometric one. This notion is found in that branch of geometry called synthetic geometry, as distinct from popular class-

explicitly a follower of the work of Cusa, Pacioli, and Leonardo, recognized, this Mars orbit signified that that planet followed a pathway of *non-constant curvature*, that posed the question, how could the planet "know" where next to go from its direction of motion in any immediately preceding interval? After Kepler's discovery on this matter, his successors, including Huyghens and Leibniz, explored the panoply of higher-order forms of non-constant curvature, such as catenary functions. The Leibniz calculus was based on notions of non-linear, as distinct from Leonhard Euler's linear, differentials expressing the functional existence of such higher orders of curvature; the Leibniz integral calculus addressed the task of defining the trajectories to be associated with such non-linear differentials.

This paradox already demonstrated, that the pathway connecting successive dots did not lie along the lines drawn as "action at a distance" between successive points, as dots are connected in a so-called mathematical model. There must be a functionally definable connection which lies outside the domain of sense-certainties. There, in that consideration, lies the origin of paradox in geometry of position for that case. There lies the root of what became the successive work of Gauss, Dirichlet, and Riemann, in defining the urgency of a physical hypergeometry, to supersede the ivory-tower practices of the relatively simple-minded reductionists.

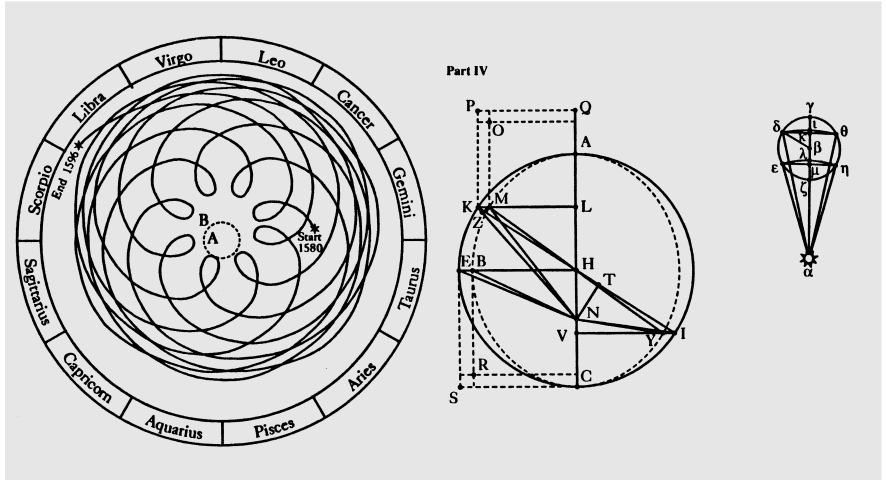
On account of this paradox, Kepler introduced terms such as the *Mind* of the planet, the *Mind* of the Sun, the *Mind* of the Solar System as an entire organization. In other words, where does the manifestly existent, *lawful intention* governing the motion of the planet lie? How does the Creator embed the appropriate *intention* within the objects of His creation? Since this intention can not be adduced from a description of the merely apparent connection between the dots of individual observations, no attempt at adducing a general rule from mere statistical studies, from so-called mathematical modelling, could be a competent answer to the paradox so posed. Kepler's original discovery, then and there, of the principle of universal gravitation, was developed exactly, thus.

That is what is to be understood, as exemplary connotation of the notion of *intent of law*, both in physical science, and in statecraft generally.<sup>35</sup>

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room use of "Euclidean," and was first adequately defined by Bernhard Riemann, beginning his 1854 habilitation dissertation on the subject of physical hypergeometries. See my "On the Subject of Metaphor," *Fidelio*, Fall 1992, for Cusa's treatment of the quadrature of the circle.

35. Bernhard Riemann continued the work of Gauss's teacher Kästner, and Gauss himself, on this account. By the methods of geometry of position, such as those which Kepler applied to the case of the Mars orbit, we effect a strict definition of certain paradoxical discrepancies between any previously established system of reference in mathematical physics, and the experimental phase-space actually corresponding to the matter at hand. This paradox indicates a required discovery of an efficient universal principle. That principle, if its discovery is validated experimentally, constitutes a newly discovered universal physical principle, whose existence overturns the previously extant mathematical physics of relevance.



Johannes Kepler, with illustrations from his *The New Astronomy*. On the left, Kepler's depiction of the "pretzel-like" motions of Mars from 1580 until 1596, as they would have to be drawn, from the unscientific geocentric conception of Ptolemy and Tycho Brahe. On the right, two of Kepler's working diagrams, through which he demonstrated the actual ellipticity of the Martian orbit.

The relevant argument, as expressed in terms of the science of physical economy, which subsumes Kepler's solution to this paradox, runs as follows.

1. Man is the only species whose individual member is capable of an action, cognitive discovery of a universal principle, increasing the characteristic potential relative population-density of its species as a whole. This occurs solely through the application of validatable discoveries of universal physical principle.

2. Thus, mankind is uniquely qualified as a species, to exert thus the increasing power of its species within and over the universe.

3. This power, expressed in terms of the discovery of such universal physical principles, has the effect of committing the universe, as if by pre-design, to submission to commands given by mankind in the form of discovered, validatable universal physical principles.

4. Thus, man is shown to be made in the functional image of the Creator of the Universe, and a reflection of the intent so embedded in mankind's existence by the Creator.

5. This power of the member of the human species resides solely within the cognitive domain of *ideas*, not sense-perceptions as such.

6. This is a quality of the individual personality which is superimposed, in what is termed formally a multiply-con-

nected way, upon the individual person as a merely biological existence. Hence, the essential human individuality resides not within the bounds of its biological existence as such, but, rather, within the domain of its superior, cognitive existence. This quality of the personality is also defined by the efficiency of its relevant actions upon the domain its biological existence occupies.

7. Thus, in addition to those ideas which belong to the domain of universal physical principles, we have, also, the class of ideas specific to the relations among the cognitive processes of persons. The latter types of ideas are of the quality of validatable universal principles of Classical artistic composition. Statecraft, including proper law as such, is properly subsumed by, and subject to, the same class of ideas as Classical artistic composition.

8. Hence, the notion of intention, of the Creator, and of the organization of the universe. Hence, the notion of the intent of natural law and the forms of positive law subsumed by it.

Thus, Kepler, in *The New Astronomy*, attacked the methods of Ptolemy, Copernicus, and Tycho Brahe, as intrinsically incompetent scientifically. No orbital system of non-constant curvature, could be defined on the basis of extrapolation from the observed curvature of that preceding interval of action represented by a merely statistical connection of the dots selected as specific, normalized observations of position. Whence, might they have derived a determination of the *intention* of the planet to change the curvature of its own pathway, that in a way consistent with what must be adduced as the relevant intention of the Creator? Therein lay the common incompetence of Claudius Ptolemy, Copernicus, and Tycho Brahe.

Thus, the paradoxical character of the situation presented

Kepler's discovery of a universal physical principle, gravitation, from recognizing this kind of paradox, typifies the method of all successful methods of fundamental scientific investigation after him.

Such a discovery, if made according to the methods of Gauss and Riemann, implies a change in the characteristic mathematical-physical curvature of the universe. This change can not be predetermined by aprioristic mathematical methods, but must be adduced experimentally, as Riemann emphasizes this point in the concluding portion of his habilitation dissertation.

by the elliptical character of the Mars orbit, represents a truly Classical case of the way in which the cognitive discovery of a *lawful idea* is provoked by the ironical methods of geometry of position.

The idea, in this instance, proved to be Kepler's discovery of a principle of universal gravitation, an idea borrowed clumsily by plagiarist Isaac Newton, through the latter's circles' reading of the publication of Kepler's *The New Astronomy*.

Notably, most revealing, the paradoxical character of the "three-body problem" generated by Newton's attempted plagiarism, showed that he could not have comprehended the idea he had attempted to plagiarize and pervert. The attempt, as by Newton, to substitute empiricist Galileo's notion of action at a distance, for a principle of gravitation, as Kepler had discovered this principle of gravitation, reveals Newton's hand as the hand of the thief who is perplexed by his inability to comprehend the workings of the wonderful invention he has stolen.

The fuller impact of Kepler's discovery of this notion of efficient intent of law, waited upon a subsequent, kindred quality of revolutionary scientific discovery, Fermat's celebrated discovery of a principle of "shortest time," as superior to the notion of "shortest distance."

For Fermat, the fact, that refraction, under conditions of changes in a medium through which light is transmitted, conforms always to a principle of "least time," rather than "shortest linear distance," was the discovery which, added to the impact of Kepler's work, set Christiaan Huyghens and Leibniz onto the track of development of what became modern relativistic physics, through such later work as that of Gauss and Riemann. This track has produced the only valid form of modern physical science. The extension of this principle of "least time," or "quickest path," produced Leibniz's original discovery of the calculus (contrary to the nonsense claims of the so-called "Newtonians"), and led into Riemann's Gaussian definition of physical hypergeometries.

Fermat's discovery exhibits the same principle of geometry of position as Kepler's discovery of universal gravitation. So, does Leibniz's original discovery of the calculus. And so on. The method, in all cases, is the method of Plato's Socratic dialogue.

These methods of physical science, as distinct from, and opposed to ivory-tower mathematical physics at the blackboard, are traced in European civilization from ancient Greece, and from a Platonic method of study of those discoveries which the Greeks adopted from earlier work in astronomy and other subject-matters, from, chiefly, ancient Egypt. However, physical science as we know it at its best today, is a creation of the Fifteenth-Century, Italy-centered Renaissance. The central figure of that development is the Nicholas of Cusa whose *De Docta Ignorantia* was the founding work of modern experimental physical science.

From that Renaissance on, the development of physical

science occurred in the form of ongoing interactions between two antagonistic factions within the practice of scientific progress and teaching. On the one side, there was the Classical method of Plato, Cusa, Leonardo da Vinci, Kepler, Leibniz, and so on. On the opposing side, were the philosophical reductionists, such as the mortalist Pietro Pomponazzi, and the modern empiricists, Cartesians, positivists, and existentialists.

The latter belong, generally, to the Romantic school in philosophy and method. The so-called Leibniz-Newton controversy is typical of the immiscible qualities of the opposing Classical and Romantic factions, just as the Classicists of the Ecole Polytechnique, Fresnel with the help of Arago, discredited the Romantics Newton and Poisson, experimentally, on the matter of the propagation of light. Similarly, Classicists Gauss, Weber, and Riemann, validated the work of Fresnel's collaborator's, Ampère's principle of electromagnetic angular force, against the rabid reductionism of Romantics, such as Grassmann and stubbornly reductionist J. Clerk Maxwell.

The persisting axiomatic issue in that continuing controversy, is the reductionists' fanatical defense of the same statistical method of "connect the dots" which is the source of the fatal incompetence common to the work of Ptolemy, Copernicus, Tycho Brahe, Galileo, Newton, Euler, et al., as of Bertrand Russell and such Russell acolytes as the hoaxsters Norbert Wiener and John von Neumann.

However, this is not, at root, a controversy within physical science narrowly defined. It is a difference on matters of science which takes its root in a deeper difference, respecting the nature of man. Here lies the source of the evil in Scalia's interventions.

## Science and Human Nature

Those among us who have been engaged in dialogue with sundry varieties of dedicated reductionists over as much as half a century or more, probably recognize from such experience, that the cause of the passion which that Classical-versus-reductionist scientific controversy evokes, has nothing to do with any actual scientific sincerity on the part of the reductionists of the Romantic school of Galileo, Newton, Euler, et al. The root of the issue, is purely political in nature. The issue is the political definition of the nature of man.

The reductionist, in his more essential sense of his personal identity, as a Romantic, is obsessed with the compulsion to deny, axiomatically, as Bertrand Russell and his circles have been, any evidence of physical science which he fears may lead to a Classical conception of the cognitive nature of the human individual mind. It is the political implication of that issue, so defined, which excites the hateful passions of the Romantic against the Classical tradition. Scalia merely carries that typical pathology of the Romantic's hatred to a radically nominalist ideological extreme.

Thus, that issue, as typified by the hysteria with which

the popularized follies of mathematical modelling have been imposed in the attempt to eliminate science today, is the obsessive zeal of the oligarchical mind, the Romantic mind, to concoct almost any axiomatic explanation for the existence of the universe, other than acknowledging those principles of individual cognition upon which validatable discoveries of universal physical principles depend absolutely. Thus, that zeal often assumes the guise of arbitrarily imposed law.

This is reflected in the Romantics' hysterical determination, as expressed by Galileo Galilei's student Thomas Hobbes, to attempt to outlaw metaphor, for example. It is expressed as an hysterical effort to deny the existence of those paradoxes of geometry of position which impel us to follow the pathway of Plato's Socratic dialogues. It means, an hysterical commitment to that empiricist dogma which insists that everything must be explained in terms of "connect the dots."

It is often expressed, even by otherwise gifted, but frightened experimental physicists, in words to the effect: "You must prove it at the blackboard in terms of today's generally accepted classroom mathematics." Those expressed fears are not without grounds, as knowledge of certain of the influential reductionist fanatics the celebrated Kurt Gödel faced, in the person of John von Neumann, or at the Princeton Institute, attests. In the worst extreme, submission to fear of the factional methods deployed by such thuggish academic fanatics, means the degradation of the notions of man and law, alike, to such banalities as radical nominalist Scalia's professed, implicitly schizophrenic obsession with mere text.

The issue between the scientists and the reductionists on this count, is that, once we admit the proof that man is, by nature, set apart from and above all other living species, by virtue of those cognitive powers of discovery of universal principle, then it were no longer possible to justify the perpetuation of forms of society in which a relatively few, may willfully degrade the many to the status of virtual human cattle. In other words, if we accept the physical scientific evidence, that each person is made in the cognitive image of the Creator, all of those U.S. and related policies which are derived from the presently rampant notion of "shareholder value," become unlawful abominations under the morally informed administration of justice.

More directly to the point at issue, ask the following question. What is the consequence, if we premise the constitution of public affairs of our republic, upon the notion of the necessary development of each and all persons as cognitive beings, whose realized individual cognitive potential brings about the increase of mankind's power in and over the universe? If we order our affairs accordingly, the relatively fullest development of the cognitive potential of the newborn individual, over the course of the approximately twenty-five initial years of maturation, and correspondingly suitable opportunities for employment, signify certain required conditions of life for the family household and community at large.

These required conditions, then, become matters of rightful claims on that which society is presently capable of providing in a sustainable way, a right defined in terms of the intended effect of the corresponding law respecting the common good, the general welfare. The location of that right, as a right, lies not within the mere individual will of the person, has no similarity to a mere property-right, but is a right with which the person is endowed in the interest of society, of humanity as a whole. Thus, this individual right, so afforded under law, should be enforced as a matter of the vital interest of the society which shall outlive the mortal members of today's population. The individual right, so defined, becomes a universal principle, rather than merely a property title of the individual, and is thus binding upon the notion of intent of law.

In other words, the court would not protect this individual right, merely on the premise of some implied contractual arrangement with the individual. It would be obliged to honor the individual right, because the imperative lies not in the right possessed by the individual claimant, but rather in the self-interest of the republic and its truly lawful court itself. In the words of such architects of our national accomplishment as Cotton Mather and Benjamin Franklin, the essential right of the individual person, and of the society as a whole, is both the obligation, and the right to do good, as the notion of common good implies in the case of the martyred Saint Thomas More. Cotton Mather and Benjamin Franklin would agree: *Society must not deny the individual either the obligation or the right, to do good.* So, the natural law teaches.

This notion of right, and of intent of law, is located, as to the derivation of such a conception, within the domain of geometry of position. That is to emphasize, that that notion is one which is prompted by the kind of paradox which the allegory of Plato's Cave implies, a paradox which is solved only by means of the validated discovery of a universal principle of the same qualitative distinction as a valid universal physical principle. It exists in the quality of an *idea*, in the same sense that all validated discoveries of universal physical principle, each exist, as objects of thought, solely in the form of such Platonic *ideas*.

Look back, once more, to Plato's Cave, and reflect on what we should have come to agree upon thus far. Now, choose to view the statistical pictures given by Claudius Ptolemy, Copernicus, and Tycho Brahe, as the efforts to substitute shadows on the wall of the cave, for the reality which casts those shadows upon sense-perception. Now, introduce Kepler's notion of universal gravitation as a statement of the Mind of the Solar System as a whole, as, in other words, the adducible, and demonstrable intent of the Solar system, the intent which instructs the planet to submit its apparent will to that persistence of successive changes in curvature of its orbital pathway. *Could you point out the image of that efficient*

*principle of gravitation, as Kepler correctly defined it, and Newton did not, on that wall by means of your senses!?* You can not succeed in such an attempt; yet, the efficient existence of Kepler's principle can not be avoided, since it is an existence superior in efficacy, to all knowledge attributed directly to the senses.

The following interpolation should be inserted at this juncture in the argument.

### **What Is Life, For Example?**

Since we are dealing with a human being, we must always take into account two special qualities, the one relatively distinct from the other, which combine to define the existence of that person. These qualities are, respectively, those of living beings, but also the quality unique to the living being of mankind, the cognitive processes of the individual human mind. It is this person, so defined, which is the subject of all proper law and legal proceedings.

Thus far, we have considered the cognitive side of the matter. What about the distinction between living and non-living processes? How should cognition view the principle of life itself? What is life? How does it differ, on principle, from non-living processes? Are these connections, between cognition and life, not an integral consideration for law-making? Therefore, challenge ourselves: What have we, as a society, done lately, to better understand life as expressing a universal physical principle, which is distinct from non-life? What, then, is the lawful meaning of the life of the fetus, of the new-born infant, of the individual person gripped by acute, crippling physical disorders of the living body, and so on? Where are the principles on which lawful answers to such questions depend?

Look at this matter from the standpoint of geometry of position, as Louis Pasteur did. On what authority dare we propose that living processes have been self-developed out of non-living ones? What evidence do we have, excepting the foamings from the rabid advocacies uttered by the most extreme reductionists among today's molecular biologists and others? *Wendy, where's the beef?*

Through the work of Louis Pasteur and Vladimir Vernadsky, we were confronted with measurably "aperiodic" distinctions of certain living from non-living processes, and with comparable evidence respecting the relationship of development of the biosphere to the planet. From the work of those who followed them, we have a continuing accumulation of evidence, showing us what must be examined as potentially crucial evidence to the effect that life represents a distinct physical principle, distinct from the physics of non-living processes. Biophotonic effects, and magnetic-wave effects, in inducing changes of state in living processes, have been added to the repertoire in such connections. Some of this work, such as that of Russia's S.E. Schnoll and his colleagues, carries the study of the distinctive principles of living pro-



*"What, have we, as a society, done lately, to better understand life as expressing a universal physical principle, which is distinct from non-life?"*

cesses, into encounters with deep-going challenges to certain among the most fundamental current notions of non-living physical processes.<sup>36</sup>

In the midst of such continuing concerns, we are presently confronted by the most ominous threats to life from combinations of new and old pandemic and epidemic qualities of infectious diseases. Although much of this global strategic menace to civilization, is directly the result of the introduction of promalthusian population-control policies to governments and supranational institutions, and to related developments as the U.S.A.'s HMO and "free trade" policies, the fact is, that the increasingly strategic quality of threat from infectious diseases is among the major menaces to humanity, and to cattle and wildlife, too, today.

It might appear, for example, that the benefits of that anti-biotics revolution associated with the introduction of so-called "sulfa drugs" and penicillin, about sixty years ago, are falling into a zone of diminishing returns. Whether that trend could be reversed, or not, the fact of the problem exists, and is worsening. In any case, the very fact that such a threat exists, ought to impel us to build up our medical and research facilities, in addition to other dimensions of public-health defenses, in recognition of the fact, that what are touted today as our governments' so-called "emergency fall-back" programs, are a farce, under the conditions in which our nations' former capabilities for coping with pub-

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36. In other words, treat such evidence as Kepler treated the anomaly of the Mars orbit and as Fermat et al. treated the anomalous evidence of a principle of least time, as overriding shortest distance. The combining of such classes of anomalous evidence, from pasteurizing of beer, on up, must be examined as potentially the kind of geometry of position anomaly which implies life to be a distinct universal physical principle, distinct from merely non-living processes.



lic-health threats are being destroyed, that in an increasingly savage emphasis on protecting the interest of so-called shareholder value.

It ought to be our present intention, under law, to recognize an overriding national and global interest in reversing those measures, especially the pro-malthusian and monetary policies, which have directly increased this terrible threat to the existence of large parts of populations, even the virtual existence of entire nations as functioning nations. This concern should also spur us to put high priorities on seeking “crash-program sorts of science-driver” breakthroughs on the frontier represented by the notion of life as being, in and of itself, a universal physical principle distinct from non-living processes as such.

Beyond those practical matters as such, there is also a deeper principle involved.

Relative to the evidence tending to show that life represents a universal physical principle external to non-living processes as such, we have the more certain proof of principle, that human individual cognition, is a principle superior to all living processes otherwise defined. Thus, in making law, that from the standpoint of natural law, how shall we, then, define human nature?

The human cognitive individuality, is, in a certain sense, physically immortal by nature. That individual combines the cognitive processes, which are unique to the human individual, unique to the individual member of mankind, with a living organism, whereas the latter organism is, individually, a highly mortal form of individual being. That is to emphasize, that the replication of an individual’s sovereignly individual original act of valid discovery of universal principle, enables the individual responsible for inducing that replication in others, to extend his or her efficient intervention, as a sovereign individuality, into the existence of not only future humanity, but to change thus the outcome of the past. In theological language we speak, thus, of the simultaneity of eternity of the identity of individual human existence, as distinct from the mortal frailty of that medium, the biological vehicle, which cognition inhabits.

It is in that respect, the individual as a cognitive being, that the quality of human rights is to be considered as integral to individual human cognitive nature. However, since the cognitive being is supported by the living organism it inhabits, the rights specific to the cognitive individual spread their protective umbrella over the living one. Thus, and only thus, are we set apart from, and above the living material we consume as food.

Thus, attempt to pass as many anti-abortion acts and related, so-called “pro-life” decisions as you choose. You will thereby accomplish nothing good, but only your conceited pleasure in what the Apostle denounced as your practice of hypocrisy, as long as you do not touch the core of the matter. What is the prevailing conception of the nature of an individ-

ual human being *as a cognitive personality*? Given, the presently prevailing conception of man in society, and neither legislation, nor acts of desperation, will determine what society practices upon itself. *Shibboleths* will never make angels of devils.

If one wished to object to my argument on that point of law and policy, he or she should be asked, how many people died because of current HMO policy last year? How many people in the world died of preventable deaths from disease last year? How many innocent persons have been judicially murdered, in Federal states such as Virginia and Texas, because someone in the Federal court system thought “finality” was more important than truth?

Put to one side the so-called traditional cultures of Asia. The source of the spread of the culture of death within globally extended modern European civilization, during the recent thirty-five years, has been chiefly the result of the propagation of the cult of neo-malthusian population-control, as had been specified by the monsters H.G. Wells and Bertrand Russell in their public commitment to the policies of Wells’ *The Open Conspiracy* back in 1928.

This so-called cultural paradigm-shift, launched on a mass scale about 1963, with Dr. Alexander King’s OECD education report, and with such related developments as the appearance of the British Beatles on a CBS television broadcast a bit later, unleashed a sweeping change in the legal and moral conception of the human individual in society. As attrition slaughtered the ranks of the older generations, and brought the more corrupted, more defectively educated, younger ones into greater influence, the anti-human, so-called “environmentalist” cultural paradigm-shift, took over. The deaths and suffering caused by this change in cultural paradigms, cause a vastly greater loss of life than all abortions. Indeed, the increase of abortions during this time has been merely a reflection of the same mass killing which, as in the name of “free trade,” “environmentalism,” and “shareholder value,” has unleashed, like conservative revolutionary Adolf Hitler’s “useless eaters” policies, upon this planet, that which now threatens to become the greatest slaughter in modern times, perhaps, in absolute terms, in all times before this.

For a concluding example on the matter of this specific subject, consider the following. There exists among leading European nations today, a three-element formula for a policy-doctrine of practice, which reads as follows.

At the highest level of institutions in a fully privatized economy, this policy asserts, there is “shareholder value.” It puts into second place that victim known as the paying customer. In last place, it puts the continued existence of the institution, such as the medical profession, which provides that which is sold. Usually, there is little left over for the third element of this triad; the institutions afflicted so, are themselves expiring at increasing rates. The mass-murderous, in fact “useless eaters” doctrines, respecting morbidity of the

HMO system, commits daily mass murder on no different basis than that triadic dogma.

Under a general-welfare policy, exactly the reverse applies. Those institutions which provide a good to the society in general, may be rewarded and encouraged to grow; whereas, those institutions and practices which do not perform according to the principle of the general welfare, were better, and justly taxed and priced out of existence.

Let there be no sophist's protest against this point. The change which the world has undergone in the aftermath of such calamities as the ouster of Konrad Adenauer, the attempted assassination of Charles de Gaulle, and the assassination of President John F. Kennedy, has been a shift from a productive to a neo-malthusian policy. The consistent trend of these policy-changes, including the 1966-1968 launching of the Nixon campaign's Southern Strategy, has been to degrade the labor-force of the world, more and more deeply into the status of virtual human cattle, and, at the same time, to impose a malthusian management on those portions of the population, the "human cattle," permitted either to increase, or even merely to continue to exist.

The imperative behind this radical reversal of every aspect of the policies consistent with our Constitution's original intent, has been to undo the American Revolution and what it represented then for the world as a whole. By no stretch of the imagination, could any honest court uphold such reversals as "constitutional." The effective intent in the "conservative-revolutionary" direction of policy-changes during the recent thirty-five years, has been to turn back the clock of history to Europe's Fourteenth Century, back to a system under which the brutish rule of a mass of human cattle, by an oligarchy and its armed lackeys, reigned over humanity forever.

Let the popularized lies, such as the lies called "generally accepted public opinion," cease, and the truth be told again.

If the law condones policies, including what are called "environmentalist" or "economic" policies, such as "shareholder values," which strip people of those rights which inhere in the notion of the general welfare, then the lawmakers make themselves an abomination. Scalia's conduct has been, essentially, disgusting.

## The Implications of Riemann

Above, I have illustrated the fact of the axiomatic fallacy intrinsic to all efforts to reduce science to a matter of mathematical modelling. To gain effective insight into that problem, spend a moment in developing a fresh approach to such matters. Follow my following summary of a certain crucial accomplishment, one to which I have already referred, by Bernhard Riemann, the father of modern relativistic physics.

Consider what Riemann has to say on such matters. Look at Riemann's 1854 habilitation dissertation from the vantage-point of both Fermat's discovery of a universal principle of least time, and the application and development of that dis-

covery in the broader way undertaken by Huyghens, Leibniz, et al. Even at first glance, Fermat's discovery makes pitiable hash of all assumptions, such as those of Galileo, Descartes, and Newton, in their efforts to degrade the universe, by reputation, to the level implied by the usual classroom definition of an aprioristic form of Euclidean geometry.

Clearly, if Fermat is right, then such misuses of Euclidean geometry are, at their best, or least worst, pretty much rubbish. Already, with the work of Kästner in developing the foundations of a modern anti-Euclidean geometry, the work in physical science by Kepler, Fermat, Huyghens, Leibniz, et al., had laid much of the groundwork for the opening paragraphs of Riemann's 1854 dissertation. It was implicit, no later than Kepler's discovery of universal gravitation, and certainly after the added contributions of Fermat, that all linear notions of *a priori* space, time, and matter, must be abandoned to the graveyard of superstitions, and only a geometry premised upon validated universal physical principles, could be tolerated as a basis for mathematics in science.

The physical universe, as its image has been bequeathed to us by Riemann and others, presents us with a process in which further explorations in any direction of inquiry, must lead us into new paradoxes expressible in the form of geometry of position, and into corresponding new discoveries of universal physical principle. Thus, there is no completeness, no "finality," in our physical-scientific knowledge of the universe, but, rather, we have only the means for being certain that some known universal physical principles are true.

What remains unknown, under such constraints, is a factor we must anticipate. Thus, while we recognize as folly any pretense to know the universe with what some erring members of the Court have named "finality," we proceed in confidence on the basis of an informed distinction between what we know, and have yet to discover. This may seem unsatisfactory to the amateur in such matters, but for those of us who are older and happier in such respects, we are content that we know the direction of *intent* we must adopt, if we are to bridge the way into the future.

Thus, it is the intent of law, as that Riemannian view of physical lawfulness which obliges us to act with confidence in respect to matters on which we are competently knowledgeable, which is always a higher authority for us than an explicit language of given law. Such is the knowable intent of law, whether in science, or in statecraft. This never represents a necessary failing of the principles which we have proven, but warns us not to reach recklessly into the unknown, and never to imagine that there are no practical reasons for the sake of which we might safely ignore the unknown.

The matter of serving the general welfare, may be sufficient illustration of the working point at issue here. Consider what is certainly recognizable as a general case, the matter of meeting the obligations implicit in the notion of the general welfare. What do we presently know, and yet do not know,

respecting the measures which our society must take, if it is to meet its responsibilities for the education of the young?

We know, or should know, a great deal. We should know, that an avoidance of a policy of following Classical humanist methods of education, where such methods are available options, is a violation of the intent of law implied by the general-welfare principle. Yet, even given the best we know on that account, there is much of relatively immediate importance, for which we plainly do not have answers yet.

It is the same in other areas. Standard of living, for example. Real wage-rates. All sorts of things. On some aspects we can know, to a certain degree, what is right, and what, to a certain degree, is morally wrong; but, much, we do not yet know. On all these accounts, the sundry branches of statecraft, and of private practice, can be held accountable for reasonable behavior, but there is no last word, no so-called "finality," available. In all such matters, we proceed wisely by acting according to the adducible intent of law, in the degree that intent may be made knowable for us.

The model for making and applying the law, should be the wisdom implied by considering the history of scientific and technological progress in fostering not only the increase of mankind's power per capita in and over the universe, but a correlated responsibility for improvement of the demographic conditions of family household-life and of society in general. Our notions of statecraft should be premised, similarly, on knowledge of Classical scientific and artistic principles. In keeping with the notion of an underlying imperative for progress, we must recognize in practice that no good law can function without the impetus supplied by a people's and government's shared sense of mission-orientation for progress into the future.

To restate that latter point, the law must never be degraded to the kind of oligarchical abomination which feudal and modern Europe inherited from the Code of Diocletian, or from the pagan Roman conception of law in general. Good law could not be derived from contractual relations, nor should it aim at such foolish goals as perfecting itself as a completed scheme of literal law. The essence of law is the notion of the intention of law; in practice, this signifies that societies organized in accord with the intent of such law, are recognized by their adoption of a choice of mission-orientation, an expressed, concretized intent of law.

A declaration of war, or simply the conduct of war, expresses such an intention. To what end is the war to be fought? How else, could the mobilization of resources occur, by means of which to conduct a war? There must be a mission, an intention. A justified war must have a lawful intention; by the nature of man, as the case of the 1648 Treaty of Westphalia should remind us, justified war's intention must be a durably peaceful and just outcome, and be necessary to that outcome.

War for the sake of war, could never be tolerated, although some errant and relevant persons within the U.S. establish-

ment today, would not accept such a restriction. They would, as we see, rather seek to invent an enemy against which to arm, to attack, as Zbigniew Brzezinski does, than give up their desire to have a new war, somewhere, somehow, just to demonstrate to the world at large, how much we are to be feared.

Similarly, consider the specifically American genius in the matter of the creation of public credit. The ability to utter such credit with confidence in its worthiness, depends upon a mission-orientation, an intention to employ that created credit for those missions of development of the society which will supply it timely worth, in real terms, not merely monetary ones, at some appropriate, future time.

The purpose of law is not that of perfecting a fixed order of relations within society. The purpose of law is the development of man as man, and of the development of society, from generation to generation, in a manner which expresses that mission-orientation. The purpose, or, in other words, the proper *intent of law*, is the promotion and protection of unending progress in the human condition, including that increase of productivity which only new breakthroughs on the frontiers of fundamental scientific progress can assure. The question to be posed to any important issue of law, is, therefore: "What mission on behalf of mankind brings you before this court?"

The points I have just made are not merely generalizations. There is a crucial issue at stake here, the same issue posed by the horrible errors of Justice Scalia and others like him. The need to define a principle of intention respecting all important issues of law, requires that we concentrate now on the issues implicit in the qualitative difference between the law of European civilization prior to the Fifteenth Century, and the new quality of law established, as a revolutionary change in the definition of law and the state, by the Fifteenth-Century, Italy-centered, Renaissance.

By that means, we may seek to prevent future recurrence of the kinds of illiterate barbarities on the subject of the history of law by U.S. Representative Henry Hyde speaking before the Senate proceedings in the attempt to impeach President Bill Clinton. We must define law in terms of centuries which Henry Hyde apparently has yet to assimilate, six centuries of modern civilization's progress above and beyond the world of rule of law, feudal law, such as that Norman barons' tyranny, the pro-oligarchical Magna Carta, which Henry has avowed himself devoted to perpetuate forever.

Contrary to Mr. Hyde, the best in modern European civilization, bases its law on adoption of appropriate missions intended to bring about a betterment of the general welfare of both our nation and of all mankind. Without a sense of mission, that in the sense that Riemann's discoveries imply a sense of mission, the law itself becomes a dead thing, suited better, like the poor relics of archaic, pre-Classical plastic art, to the tombstones of dead cultures, than the inspiration of living generations.

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### 3. Economy and Law

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In this concluding section of my present report, focus upon those matters of law which bear, as statecraft, upon economy, by which I signify, most emphatically, physical economy, rather than money economy.

Although the type of argument I have been making up to now, was always implicit in the very existence of mankind, I must emphasize, once again, that these principles were not established as an adopted principle of practice of statecraft, until the great Fifteenth-Century Renaissance. Until the establishment of the requirement, that states have no moral right to govern except as they are efficiently committed to promoting the general welfare, all known earlier forms of civilization were of the morally illicit form of organization according to the oligarchical principle.

Under the oligarchical principle of ancient Babylon, of the Delphi cult of the Pythian Apollo, and of pagan Rome, a relatively small class of people cultivated the far more numerous classes of people as virtual human cattle, as did the slaveholder system, as the feudal system of all pre-Renaissance Europe did, and as the shareholder-value system does so implicitly today.

As von der Heydte has shown in his already referenced 1952 dissertation, under the types of oligarchical society associated with ancient Mesopotamia, the Delphi cult of the Pythian Apollo, and pagan Rome, the power to make law was restricted to the person of an imperial authority, such as the Roman *Pontifex Maximus*. Kings might have had awesome powers over administration of their assigned domains, but, under the oligarchical principle which prevailed in evil Babylon and the Achaemenids, the power to establish law, was confined to the more or less capricious privileges of the imperial authority or its equivalent.

Under those depraved arrangements, the society existed primarily for the pleasure and convenience of the ruling oligarchy. However, the manner of management of those numerous persons relegated to the status of virtual human cattle, was a prime practical concern of the imperial authority. The use of cults, such as the Apollo cult, and of “Big Brother”-like mechanisms such as the Roman *vox populi*, or the wicked Walter Lippmann’s prescriptions for popular opinion, illustrate the point. The use of custom as a method of mass-manipulation, illustrates the point in a general way.

The intention of the oligarchical state, of whatever form this took, was to perpetuate the oligarchical institution. Thus, the Fifteenth-Century launching of the first sovereign nation-states, as committed to what is called the common good, or general welfare, has been a revolutionary transformation in the essential nature of organized society, and of the notion of law itself.

If we know the connections which link that Fifteenth-

Century political revolution, to what is reflected in our Declaration of Independence and Constitution, we know the intended meaning of our law accordingly. All that happened prior to the Fifteenth-Century revolution in statecraft, is to be judged by the standard of the sovereign form of modern nation-state republic, and never the reverse.

We may find good works, and good intentions within earlier forms of society, but the existence of the society based truly on the principle of doing good, is unique to the best from modern times. Maudlin infantile or adolescent dreams of imagined past utopias, are to be ridiculed as just that. As every intelligent and honest U.S. practicing attorney can attest, the progress of mankind has been achieved largely by such means as the sacrifice of the blood of political and other martyrs. So, the past is to be judged; so matters continue to go, in the U.S.A. and abroad, still today.

Although the intent of the Renaissance is clear, the issue so posed is not yet a settled one. Within the scope of today’s globally extended modern European civilization, humanity is dominated by a great conflict between good and evil, between the forces represented, on the one side, by the good, the respectively Classical, republican, and, on the other side, the evil, Romantic, pro-oligarchical, currents, the latter as typified by the viewpoint of Justice Scalia. By republican, I mean the constitution of society and its self-government according to the principle of what is known variously as the general welfare, or common good.

This difference between republican and oligarchical forces, is a fundamental difference between two opposing conceptions of man and nature. This difference is expressed by the republican view of man’s nature as specifically cognitive, the republican or Classical-humanist view, as opposed to man as the Romantics oppose the notion of man as essentially cognitive in nature.

This conflict within today’s globally extended, modern European civilization is not the limit of controversies, of course. There remain the residues of extensive cultures, older than European civilization, which have not yet accepted those principles upon which was founded of the sovereign form of nation-state, during Europe’s Fifteenth-Century Renaissance.

Nonetheless, our responsibility is to act toward such other cultural currents as our proper conception of our law prescribes, and to approach the matter of the differences in policy so encountered according to that ecumenical principle which has been, happily, embedded in that Renaissance. Toward those other cultural currents, we must proffer the benefits of the principle of the general welfare, for them, as for ourselves.

#### The Creation of Credit

Respecting economy, given the poorly understood principles of law bearing upon economy, still today, we must rely on the fact that the only proper basis for the growth of national

and world economy, is the role of what may be called, for emphasis, Hamiltonian forms of state-created credit, and related national banking. Unfortunately under the influence of world-wide ignorance of the history of the U.S.A., the nation where this principle of credit-creation was developed, and because of the ignorance spread world-wide by the influence of liberalism, the economic principles which have accounted for every notable success of the U.S. rise to world economic leadership, are virtually unknown, even inside the U.S.A. today.

Since I am presently the leading figure among a relative handful of professionals competent to account for that principle today, it is important that I explain to judges and other relevant parties, their obligations in fact, as to law, and as to the practice of statecraft more generally, to promote this principle.

The essence of modern economy, is the fact that the existence of the future is largely dependent, and indispensably so, upon the expenditure of presently available efforts and resources for future benefits. The pivotal feature of that connection, is chiefly twofold, governmental action and promotion of private enterprise.

First, there is the economic obligation which lies chiefly within the responsibility of government itself. This obligation emphasizes the indispensable role of governmental economic activities, for creating and sustaining what is called basic economic infrastructure. This features what might be called "hard" infrastructure, the development and maintenance of the land-area as a whole, and "soft infrastructure," such as educational and health-care systems, the maintenance of the population as a whole.

Second, it is the responsibility of government, as under the tradition underlying the U.S. Federal and subsidiary state constitutions, to regulate trade and other matters to related purposes of nation-wide and state-wide interest. It is urgent, on this account, to undo today, what President Jimmy Carter did to destroy the U.S. economy, with his policy which was formally labelled, by Federal Reserve Chairman Paul Volcker, and other associates of Carter National Security Advisor Zbigniew Brzezinski, as "controlled disintegration of the economy."

Thirdly, there is division of labor between government, and private entrepreneurship, in medium- to long-term investment in deployment of productive forces, to satisfy the remainder of the requirements of the society as a whole.

It is purely myth, to suppose that the capital requirements required for even relatively short-term investments in such essentials can be assembled in adequate degree from pre-existing private financial and related resources. While the mechanisms for the rise of modern European civilization above the relative moral depravity of all earlier forms of society, are as I have indicated in earlier portions of this present report, the mustering of otherwise idled resources for the great

accomplishments of modern nations has depended crucially upon the willingness of the government to incur the debt corresponding to those crucial margins of credit on which an adequate rate of development depended. The relative volume of such state-generated credit, relative to private sources, is relatively large; indeed, the margin of state-generated credit has always been crucial for periods of economic success.

So, in the reconstruction of western Europe, at the close of World War II, it was not the amount of money supplied to Europe which was crucial, but rather the organization of the flow, and regeneration of government-backed credit, as the case of Germany's *Kreditanstalt für Wiederaufbau*, and the role of Jean Monnet and the Schuman Plan illustrate the point. This is presented, as a matter of principle, by the first U.S. Treasury Secretary, Alexander Hamilton, as in his celebrated series of reports to the U.S. Congress.

This conception comes freshly to the fore, and in the most dramatic way, in the now onrushing collapse of the world's present financial and monetary system.

At the present moment, very few persons, even in so-called high places, world-wide, have yet grasped the magnitude, and other leading implications, of the financial collapse now plummeting down upon the world's economies as a whole. The lack of such knowledge in such circles, is more the result of refusing to see what should be plainly visible, than any innocent lack of relevant evidence. Safe to say, not only is the so-called "new economy" doomed, but virtually every central banking system of the world today, is not only bankrupt, but hopelessly so. Moreover, the ability of the combined resources of the leading news media, governments, central bankers, and others, to continue their fraudulent concealment of that awful fact, is running out rapidly.

Although, when the recent U.S. role as the world's "importer of last resort," tumbles soon into the past, the chain-reaction economic side-effects of the world's present financial crisis, will be clear even despite the most stubborn efforts at denial. This is the greatest financial collapse, in both absolute and relative terms in modern times, perhaps the greatest since the mid-Fourteenth-Century collapse of the Lombard banking-system into a vast, deeply genocidal New Dark Age.

Nonetheless, we do have knowledge of the methods by which this financial crash and its economic effects can be mastered. *The difficulty is, that the present majority of the U.S. Supreme Court, if it continues its recent course, would never permit an economic recovery of the U.S. economy to occur. There lies the crux of the problem faced by the incoming President, and also the U.S. Supreme Court, today.*

The form of the solution we have available to us, provided the Supreme Court decides to behave itself, is threefold. First, we have the lessons of the relatively successful actions taken under President Franklin Roosevelt, to get us through the Wilson-Coolidge-created economic depression with our

Constitutional form of government intact. We have, under the same title of recovery measures, the mobilization for World War II launched by President Roosevelt beginning approximately 1936, one of the most highly successful economic mobilizations in history. Second, we have those elements of the design of the post-war monetary system, launched under Roosevelt; in the admittedly reduced form of the Bretton Woods agreements, they were carried forward by Roosevelt's immediate successors. Third, we have the drastic reorganizations of the currencies and related systems of war-torn western Europe, which were essential, under the protective umbrella of the old Bretton Woods System, for the joint benefit of the U.S.A. and its western European partners, during the 1945-1965 interval. These experiences provide an implied model of reference for the successful kinds of emergency action which must be taken promptly in face of the presently onrushing crisis.

There are, however, certain special points of difficulty to be considered. I address but a few of those, the most crucial ones, here.

The two leading measures to be taken by the government of the U.S.A., in concert with partners abroad, are the following.

First, we must, as the leading responsible partners in ownership of the existing International Monetary Fund, put that monetary fund itself into bankruptcy reorganization, under the authority of a majority of the relevant owners of the system, the governments. The latter majority of those governmental partners, must return the system immediately to the successful rules of operation functioning prior to 1965, and closely matching the strict arrangements of the initial decade of post-war reconstruction. This means a system of fixed exchange rates, capital controls, exchange controls, and related regulation.

Second, we must put the central banking systems of leading nations, themselves, into bankruptcy reorganization under the relevant sovereign national governments. In the U.S. case, that means, chiefly, under the U.S. Treasury. In the U.S., for example, that means that the takeover of the bankrupt Federal Reserve System by the supervisory authority of the U.S. Treasury, has the functional effect of converting the Federal Reserve System into a national banking facility of the type established under Treasury Secretary Alexander Hamilton and ruined by Wall Street's puppet-President Andrew Jackson.

The only way in which the bankruptcy of the financial system can be prevented from unleashing a chain-reaction of economic, social, and political chaos within even the U.S.A. itself, is to do the obvious thing. Put everything relevant into bankruptcy reorganization, and manage what passes for assets, in a way consistent with the fundamental principle of our Constitution, the so-called "general welfare clause." Certain categories of financial obligations, such as "financial derivatives," should be cancelled immediately. More respectable claims should be treated compassionately, if not

promptly honored in every case. Yet, it will be the general case, that the debt will be more honorably served, than it was, in many cases, usuriously incurred.

In assessing those kinds of measures and their effects, the citizen in general, as well as the sundry public and private officialdoms, must keep the following fact of the situation clearly and continually in view. The wonderful phrase which will serve best to maintain the sanity of a frightened population is, "Remember, it's only paper." The object of policy is to keep essential physical forms of economic activity functioning, including levels of useful administrative and productive employment, payments of pensions, and so on, and the delivery of power, essential services, and groceries. As long as each and all survive, and continue to perform useful functions, we can proceed with confidence to build our way out of the mess. Don't worry so much about the paper losses, worry only that some of the physical realities of life might be negligently overlooked in the scramble.

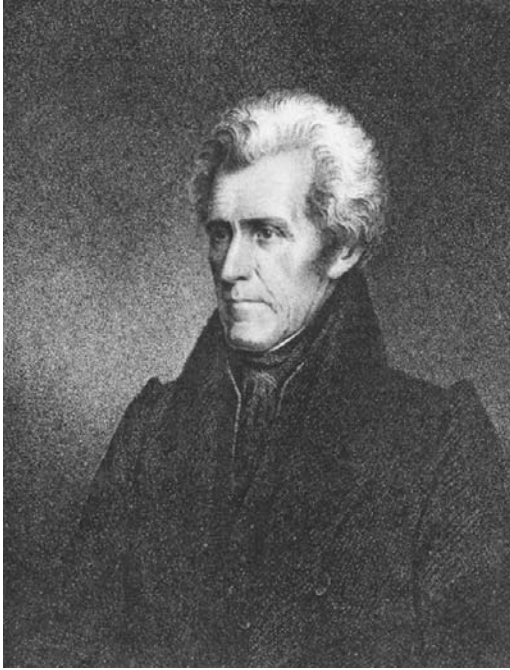
Take the case of the mythical but typical East Podunk bank, for example. How should government react to the fact, that that bank is being pulled down into bankruptcy by the collapse of paper values which it had been counting as security? The answer, usually, will be, keep that bank open and functioning, almost as if nothing had happened. How? The chief instrument of administration deployed for that remedial action will be the role of the U.S. Treasury in administering the bankrupt Federal Reserve System. We need the continued function of the local bank as a service institution; we need the relevant banker on the job during business hours, as usual. Therefore, we shall take legislative and related action to ensure that that arrangement is secured.

What does that mean? It means, that by freezing the greatest part of the non-debrired portion of financial claims against the system, we have created an arrangement which protects the U.S. government's credit against a chain-reaction of financial foreclosures, and thus enabled the government to act, in concert with the Congress, as the Constitution prescribes, to generate new issues of financial credit through the system, either in the form of actual issues of U.S. Treasury currency-notes, or credit against the commitment, created, by act of Congress, but held in reserve, for that purpose.

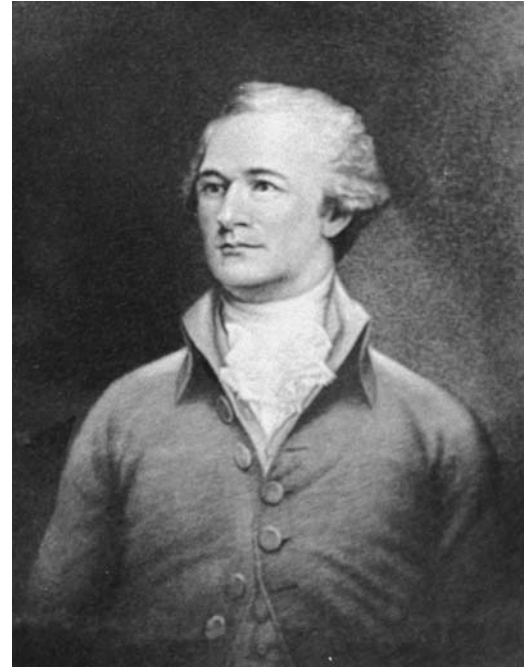
The principal functions of that new issue of credit against U.S. currency notes, are two. First, to ensure the continuation of essential and otherwise useful functions of the public and private sectors. Second, to provide the mass of credit designated for large-scale programs of economic expansion, programs whose most immediate, narrowly defined purpose is to bring the level of physical output of the U.S. economy as a whole above the physical-economic breakeven level.

Implicitly, it is all in Hamilton.

Think Tennessee Valley Authority! The principal stimulus for growth, will be relatively large-scale investments in development and maintenance of basic economic infrastructure, both of the hard and soft varieties. The production of



*Andrew Jackson (left) and Alexander Hamilton. The takeover of the bankrupt Federal Reserve System would have the effect of converting it into a national banking facility, of the type established by Hamilton—and ruined by Wall Street's puppet-President Jackson.*



energy, for example, thus addressing a shortage which has become critical for the nation as a whole. Such undertakings, launched under the impetus of public credit, stimulate related expansion of private contractor's activities. The allocation of the scheduled phases of such programs to areas of regional and local economic crisis, became the mechanism of administration through which pockets of economic crisis are managed.

Apart from urgent work in health-care and education, the leading role of government in such programs will be physical improvements in basic economic hard infrastructure.

However, with that part of the initial economic-recovery effort set into motion, we must add other expansion programs. These will be, in large degree, relevant to the future streams of U.S. high-technology exports. However, in turn, that program of orientation toward high-technology exports will require that the U.S. launch an expanded version of something akin to the Kennedy space program: a science-driver crash-program effort, whose intended economic effect is to ensure a growing stream of ever more advanced technologies into the economy as a whole.

The importance of such science-driver crash programs, is a fact which has been increasingly neglected, to say the least, during the recent thirty-odd years of national policy-shaping. The issue is, that the continuing source of real profit in an economy is nothing but the effect of introducing validated new discoveries of universal physical principles into production and distribution, through the medium of investments in the new technologies generated, through proof-of-principle designs of experiments associated with the validation of the discovery of new physical principles.

Primarily, the potential rate of growth of the productive powers of labor, per capita, in a national economy, is determined by the rate at which investments in such technological progress occur. This benefit requires the credit needed for the medium- to long-term investments such changes in technology require, and also requires the improvements in education and circumstances of family household life on which the population depends for its ability to assimilate technological progress at relatively high rates.

Hence, the medium- to long-term rates of profitability and growth of the U.S. economy, per capita, depend upon stimulants of the type of science-driver crash programs. Such crash programs, on such a scale, can be undertaken only with a large degree of participation by the government, including such forms as government credit and other support for the related educational and research and development functions of universities.

This export-related aspect of the recovery effort, requires the creation of a very large-scale system of long-term export and related trade credit. This credit, which the U.S. will mobilize in partnership with cooperating nations, must be based on a return to the kind of fixed-exchange-rate, highly regulated system used for the early decades of the post-war Bretton Woods system. This means long-term credit rates of not higher than 1% per annum simple interest charges. This would be impossible to sustain, except under a system of fixed exchange-rates.

It should be unnecessary, at this point, to do more than mention the fact, that the greatest potential threat to such recovery measures from an already inevitable global financial collapse, comes, as the experience of Franklin Roosevelt with

the 1930s U.S. Supreme Court might remind us, from an excess of conservatism of the Scalia type within the current Supreme Court.

### Scalia's Invisible Hand

Perhaps, you are among those who once sensed that a strange hand might be touching your wallet's pocket while you were riding in a crowded New York subway? That recollection might make one think about Adam Smith's "invisible hand," or perhaps that of Justice Antonin Scalia. More important, on this account, is the ruin that invisible talon might bring, not so much to your purse, as to the continued life of our nation, and its civilization as a whole.

On the subject of the invisible hand concealed within Justice Scalia's intellectual sleeve, I have addressed this matter repeatedly, in various previously published locations. However, because of the relevance of that subject to the issues which reality is submitting to the President, Congress, and Supreme Court now, at least a fair summation of the point should be supplied in concluding the present report.

The proximate origin of Scalia's chief axiom, is the rantings of a gnostic religious figure of medieval vintage, known as William of Ockham, or, Latinized, as Occam. This queer fellow, Ockham, was lifted from his richly earned, slumbering obscurity, by the nastiest figure of the late Sixteenth and early Seventeenth centuries, Venice's virtual dictator of that period, Paolo Sarpi, whom Galileo Galilei served as a household lackey and ideological assistant, that in such enterprises as the concoction of one of the most vicious hoaxes of modern times, English (and, later British) empiricism.

This same empiricism, in a slightly dressed-up form, became the stock in trade of another Venetian ideologue, Abbot Antonio Conti, who created a vast, Europe-wide network of salons, all centered on Conti's principal base of operations, in Paris. Conti's salons are otherwise known under their official title as the British and French Eighteenth-Century, or so-called "materialist" Enlightenment.

It was the continuity of the effort of empiricists Sarpi and Conti, which gave modern Europe the curious and exotic metaphysical dogma called by Adam Smith and his followers "the invisible hand." I prefer to refer to it as the doctrine which argues, in effect, that the universe is run by "little green men operating from under the floor-boards." The best evidence at hand indicates that the worship of those little green gnomes is the actual religious belief of Justice Scalia, at least when he is speaking, as if *ex cathedra*, from his seat on the Federal bench.

That particular piece of lunacy permeates modern liberalism, in every academic department, including the mathematics concoctions associated with such Bertrand Russell acolytes as the late Professor Norbert Wiener and John von Neumann. In the economics departments, it is most frequently associated with the names of Bernard Mandeville, François

Quesnay, Adam Smith, and the British utilitarians from Jeremy Bentham on.

I quote a passage from Adam Smith's 1759 *The Theory of the Moral Sentiments*, which was the writing which gained Smith the position of lackey to the notorious Lord Shelburne.<sup>37</sup>

"The administration of the great system of the universe . . . the care of the universal happiness of all rational and sensible beings, is the business of God and not of man. To man is allotted a much humbler department, but one much more suitable to the weakness of his powers, and to the narrowness of his comprehension; the care of his own happiness, of that of his family, his friends, his country. . . . But though we are . . . endowed with a very strong desire of those ends, it has been intrusted to the slow and uncertain determinations of our reason to find out the proper means of bringing them about."

Then, beginning the immediately following sentence, Smith identifies those "proper means":

"Nature has directed us to the greater part of these by original and immediate instincts. Hunger, thirst, the passion which unites the two sexes, love of pleasure, and dread of pain, prompt us to apply those means for their own sakes, and without any consideration of their tendency to those beneficent ends which the great Director of nature intended to produce by them."

Two conclusions are to be adduced from that foretaste of what was to reappear as the central theme of the anti-American propaganda-tract, which Smith published, at Shelburne's direction, in 1776, the piece of plagiarism of the French Physiocrats published under the short title of *The Wealth of Nations*. First, Smith's doctrine is clearly plain irrationalism, and shameless hedonism. Secondly, buried within that prose, a certain axiomatic assumption is lurking under the floorboards, so to speak. An alert and intelligent reader would inquire, after reading such stuff: What is the agency cloaked in the phrase "great Director of nature"? Little green men under the floorboards, perhaps?

There are two earlier, well-known sources, which Smith either did consult, or were likely to have consulted in concocting his mythical "great Director of nature." One, which he certainly did employ for that purpose in his *Wealth of Nations*, was the French Physiocrat, the Conti salon asset Dr. François Quesnay. Much of Smith's *Wealth of Nations* was pure plagiarism of the French Physiocrats, under whom Smith had studied in France for much of the interval 1763-1776. The other, probable source, was a celebrated British piece,

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37. I am quoting from the excerpt which I published with some assistance from co-author David P. Goldman, under the title *The Ugly Truth About Milton Friedman* (New York: New Benjamin Franklin House, 1980). The work on the history of monetarism used for that book was chiefly the work of Mrs. Kathy Wolfe, then and now, of the weekly *Executive Intelligence Review*.



*The Fable of the Bees*, of that Bernard Mandeville who serves otherwise as a model figure for the England of Walpole and of Hogarth's pictures.<sup>38</sup>

Quesnay's apology for his doctrine of *laissez-faire*, which Smith copied as "free trade," was the insistence that the gain in wealth of the titled landlord's estate was an epiphenomenon of the aristocrat's title to the estate; this argument depended upon Quesnay's assumption, that the role of the serfs in producing the relevant product did not differ from the role of non-human cattle. This is pure and simple oligarchism unbut-toning itself in public.

In the case of Quesnay, the antecedents are clear. The prolonged influence associated with the Norman feudal system, and its expression as the French *Fronde*, indicate the leading source of the tradition of moral decadence expressed by France's Louis XIV, and during the minority of Louis XV, accounts for Quesnay's depravity.

The case of Mandeville has several special relevancies bearing upon the continued influence of British Eighteenth-Century liberalism on the intellectual life of the U.S. today. Notably, Friedrich von Hayek, formally the principal co-founder of the Mont Pelerin Society, and a leading influence on the ideological circles of Scalia, explicitly derived his dogma from Mandeville. Von Hayek's definition of "freedom," is a singularly perverse one, and of some bearing upon the kindred perversity to which I have already referred here earlier in the case of Scalia. Mandeville, as endorsed by von Hayek, insisted that perversity must be given license to do pretty much as it desires.

The argument was, and is, that through magic of what must be considered nothing other than the equivalent of little green men under the floorboards, wickedness is transformed into a cause of what is ultimately good! The same argument was made, in a vile 1998 attack on Malaysia Prime Minister Mahathir bin Mohamad, by now-outgoing Vice-President Al Gore.

In all of these and related empiricist forms of philosophical liberalism in political-economy, the same pagan mysticism pervades.

Who, what is the god for whom Scalia speaks from the Federal bench? What is the rationale for an oligarchical tyranny exerted by "shareholder value"? Could it be anything better than the attribution of supreme magical power to some pagan entity which hates the God of the monotheists? Is it not a dogma which prefers a pagan deity better approximated by the image of little green men, working from under the floorboards of reality, pushing and pulling between the cracks of the infinitesimal?

For much of this, Sarpi's resurrection of Ockham is much to blame. From the argument on this point, which I shall supply here, now, the reader should recognize the historical

origins and sociological implications of the specific kind of fraud upon which Scalia's defense of so-called shareholder value depends. The significance of the resurrection of Ockham by the empiricists, is then made clearer.

Ockham's most essential fraud, for sake of which the term "Occam's Razor" has been circulated, is that he, like those hoaxsters known to today as "mathematical modellers," denies thus the existence of that upon which the essential premise of his entire argument depends absolutely. Thus, he denies you the right to take notice even of the existence of the central premise upon which the entire structure of his argument depends. Like a true Venetian stiletto, the point is delivered, as by custom, by an invisible hand.

Ockham's argument is to the following effect. There exists a higher principle, which you may not know, which you, therefore, may not criticize, or even mention, but which, nonetheless determines the way in which things happen. This unmentionable is Smith's "great Director of nature." Hence, the "invisible hand," in any of the sundry guises the resort to this swindle is made as premise for an argument.

Think back, for a moment, to an emperor of the Babylonian style, whose word is law, simply because it is his word. You are not permitted to question his word, but only to observe it, and to submit, as you may suspect that will please him, or at least, persuade him to do something which you think would please you. Perhaps you simply desire that the Battle of Armageddon is concluded to your personal satisfaction before next month's rent comes due, and, hopefully, that you will not expire in the meantime. By the same kind of logic, the unmentionable mind of that emperor, then, becomes the analog of an invisible hand. The god of that emperor and his faithful subjects, alike, is the god of Iago's soliloquy in Verdi's operatic setting of Shakespeare's *Othello*.

Now, contrast to that, the image of science and law which I have employed in the foregoing portions of this report.

From the standpoint of science, there are no invisible principles in the universe, but only knowable ones available to be discovered. There is also, a moral principle of one's relationship to the Creator of the universe, inhering in those principles and the manner in which they are discovered, and the ends to which they are to be employed.

Choose between the two views. Whose god is the god of "shareholder value"?

Are mine the terms with which to describe a person occupying a position of the solemnity of Justice of the U.S. Supreme Court? Since the profession of shareholder value, or of "finality," like the argument of Smith or Mandeville, is premised upon a denial of the existence of knowable truth, and the superseding of truthfulness by the blind passion of amoral, or even immoral hedonism, what must any onlooker say of anyone who shares the specific sort of immorality expressed by Justice Scalia's outstanding pattern of behavior on that bench?

38. Bernard Mandeville, *The Fable of the Bees, or Private Vices, Public Benefits* (London: 1934, reprint of 1714 edition).

# Gore Was Not Fighting For Black Voters in Florida

*Cedric Muhammad, the publisher of BlackElectorate.com, has written extensively in recent weeks about the disenfranchisement of Black voters in Florida, and how Al Gore's legal team deliberately left issues pertaining to Black voters out of his legal arguments. Muhammad was interviewed by EIR's Edward Spannaus on Dec. 19. Spannaus began by asking Muhammed how he and his publication had gotten involved in the Florida situation.*

**Muhammad:** Our initial interest in Florida grew out of the enormous Black turnout that was produced from Black opinion leaders, radio personalities, talk show hosts, and civil rights organizations primarily, with the NAACP being on the point. We were impressed; we saw Black turnout jump from 527,000 votes in 1996, all the way to 952,000, which I believe is a 65% increase, which is just phenomenal. . . .

Then, as the whole controversy over the votes being counted, or not being counted, escalated, we were interested in trying to determine what exactly happened, and was it a problem of illiteracy — which we do know is a problem in the Black community — or was it a problem of voter fraud? We had heard incidents of Blacks being prevented from arriving at polling facilities, being held in line. We got word of cars being searched, and stopped on the roads by Florida state troopers. . . .

So, we looked at it from all those angles. But what we decided, and what we were able to interpret, was that there were several arguments taking place simultaneously. There was a civil rights argument taking place, where people were not even allowed to vote; people were prevented from voting. Then there were people who voted, who were intimidated, had their civil rights and voting rights violated, right on the spot.

Then there was the issue of the felons. . . . As far as we know, we were the very first media outlet that spoke of the numerical reality, that Al Gore would have won, if the Clinton-Gore administration had not been as aggressive as it was, in locking up primarily Black, non-violent drug offenders. There's a tremendous disenfranchisement of Blacks due to felony laws, which have produced the result of one out of every three Black men not being able to vote in Florida.

So, we looked at it from those angles. Then, we took it to the legal realm, which is where Gore and Bush themselves — what arguments they were making, in their legal cases before Florida courts, and eventually the U.S. Supreme Court. And that's where we honed in eventually, where we followed the Gore argument, and found it to be rather inconsistent with his publicly stated position that he "wanted every vote counted," and that he would "fight for you."

Well, we immediately were able to pick up, that Al Gore was not fighting for Black voters in particular, that he wasn't buttressing or supporting the efforts of Black civil rights leaders to have their argument on the civil rights front to be addressed by the Reno Justice Department. So, Black civil rights leaders — from what we understand from members of the Black Caucus — they went to Al Gore, the campaign, and they went to Janet Reno, and got no response to their complaints. And furthermore, they didn't even get Al Gore's support in their efforts to get Janet Reno's attention to the civil rights violations. We heard this specifically from several members of the Congressional Black Caucus. That's one issue.

Then, we began to realize that Al Gore's selection of counties for recounts, was rather selective. He ended up only having, I believe, three counties that he was pursuing a recount in. . . .

We were struck by the fact that other counties weren't involved in it; particularly Duval County was left out. Duval County caught our attention because there were 27,000 votes that were actually made; these were not 27,000 people that were prevented from coming to the polling booth. These are 27,000 people who voted; their votes were subsequently disqualified, and they were disqualified in a manner that pointed to some kind of deception going on with the local Republican election official, who misrepresented, or concealed, the actual number of disqualified votes.

**EIR:** How so? Can you explain that?

**Muhammad:** The Northeast Florida Gore person, the representative of the Gore campaign in that part of Florida, was told by the Duval County election supervisor, who was a Republican, that only 300-400 votes had been disqualified.

This was, I believe, a day or two after the election. It wasn't until Nov. 10 at 11 p.m., when Rep. Corrine Brown of Florida, a member of the Congressional Black Caucus, learned from the other Democrats, that the number was 27,000. So, that's significant, because there was a 72-hour period in which to file complaints if one was looking for a recount. And so, that, right there, put the Democrats out of the box.

But we do know, that that local Democratic representative—I believe the chairperson of the Gore campaign in that part of Florida—that they immediately informed the Democratic Party and the DNC. Gore lawyers were informed; Democratic Party lawyers were informed. So we know, for a fact, that as of Nov. 10, the Gore campaign and the Democratic Party, were aware of what happened in Duval County. Now, the 27,000 disqualified votes break down into 22,000 overvotes, and a little over 5,000 undervotes. Which is very interesting, because if the Gore campaign was going to rest its hat on the undervotes, you would figure: Why wouldn't they take into account 5,000 undervotes in Duval County? Which is more, I believe, than what they found in Palm Beach. So, that's significant.

**EIR:** You believe that they deliberately ignored this?

**Muhammad:** We were told, by members of the Congressional Black Caucus, that the Gore campaign deliberately picked which battles they wanted to fight. And that this is not a battle they wanted to fight.

Now, we don't have any specific on-the-record comment or explanation from the Gore campaign, as to why they did not include Duval County and several other Black counties in their recount effort. But we do know that members of the Congressional Black Caucus who spoke to the campaign, were told that the only help they would receive from the Gore campaign would be helping them to file their own private lawsuits. So, we know for a fact, that Rep. Corrine Brown's lawsuit with Rev. Jesse Jackson, which is against Duval County for the issue we've just described—we know that Democratic Party lawyers, and the Gore campaign lawyers, helped to prepare that case. They assisted in that. They are very knowledgeable about what happened in Duval County, and deliberately chose *not* to include it.

Now, we were told also, by a Black Caucus member, that the concern of the Gore campaign was not just a legal appeal, was also a public appeal. And they did not want to take a racially sensitive argument before the court of public opinion, and that was one of the reasons why they did not include Duval County. . . .

So, there was concern, particularly among southern Democrats, that that was not the best strategy to embark upon, if middle-of-the-road, moderate voters were to be won over, and if this would eventually come down to a showdown, who could get the other one to concede first.

The Gore campaign realized that keeping a favorable rating in the public opinion polls would be important. So, they—as they always do, coming from the “New Democratic” philosophy—they interpret that as not standing alongside Jesse Jackson, not championing civil rights or Black-related issues.

**EIR:** This is consistent with the whole push from Dick Morris, the so-called “triangulation,” to orient toward suburbanites, and to leave the old core constituencies of the Democratic Party aside.

**Muhammad:** Yes, since 1984, or actually, since Bob Strauss was the chairman of the Democratic Party in the '70s—he's really the father of that philosophy. But we do know, that in 1984, with the birth of the Democratic Leadership Council, that spirit and point-of-view became institutionalized within the Democratic Party, and two of the founding members of the Democratic Leadership Council were the Democratic Party Presidential and Vice-Presidential candidates, Al Gore and Joe Lieberman. And of course, President Clinton was one of the first members as well; he actually was the president of the organization, prior to becoming President of the United States. . . .

As you know, that Lyndon Johnson feared that he may have given the South to the Republican Party when he signed Voting Rights Act. There's always been this fear inside the Democratic Party that they would lose their southern base, by leaning too far in the direction of civil rights and Black-related issues. . . .

That typifies, or really is the genesis, of what ends up being an Al Gore legal strategy which leaves Black concerns out.

**EIR:** You've indicated that this came from members of the Congressional Black Caucus. . . .

**Muhammad:** Yes, and civil rights organizations. . . . We talked to two or three national civil rights organizations, and they told us the same thing.

**EIR:** And so they're very much aware of Gore's racist approach. . . ?

**Muhammad:** They are fully aware of what happened. They, privately, have whined and complained; but publicly, they have decided to run interference for Gore, because who do they point the finger at? They point the finger at Janet Reno. By pointing the finger at Janet Reno, you take the argument out of what happened in the Florida courts, and the U.S. Supreme Court, and you make it one that is more of a long-term fight—which is important—but, if your complaint is that Gore lost the election in the Supreme Court, then you should devote an equal amount of energy, to why Al Gore didn't include this issue that you championed the most, in his legal argument. So, by bringing up Janet Reno, that takes it out of the realms of the court.

And we see that that is deliberate. There is no way in the world that we believe that Reverend Jackson, or any of the prominent Black leaders, were ignorant of what they were doing, when they decide to ostracize, or legitimately criticize, Janet Reno, but when they withheld criticism from Al Gore on issues like Duval County. That's very important.

**EIR:** And Jackson, of course, has made no criticism of Gore on this.

**Muhammad:** What he has done, is to say: "This isn't about Al Gore." I've seen several quotes from Reverend Jackson where he says: "This isn't about Al Gore," but he has not pointedly asked Al Gore to address these issues. I think Jesse, Jr. was a little more pointed in his criticism, but his father didn't go in that direction.

**EIR:** You've also argued and written, that Gore's failure to take this issue up—particularly this issue of the overvote—hurt him, maybe fatally, in the Supreme Court and in his court cases.

**Muhammad:** Yes, we wrote about that *before* oral argument took place in the Supreme Court, because we just saw the sheer numbers. We just did basic mathematics, and we saw that if Duval County alone was included in Gore's argument, he would have potentially at least 5,000 undervotes. Let me put it to you this way: The majority of that 27,000 occurred in Black precincts. Now, it is important to know that Duval County is a Republican county, and that George Bush carried that county by, I believe, 40,000 votes.

But we do know, that the 27,000 disqualified votes were in predominately Black districts. So, there was no fear there, of having those 27,000 disqualified votes showing up as Republican votes. I don't think that that's a legitimate concern.

Basic mathematics would lead you to conclude, that if Gore was looking to accumulate votes, he could have found a lot in Duval County, that would have been in the Democratic column.

In the Florida Supreme Court, one of the dissenting judges [Wells] mentioned the overvote; and then, when the Florida Supreme Court just arbitrarily decides to extend its undervote recount to the whole state, that's when eyebrows were raised. If you can arbitrarily, or unilaterally, just say who you want recounted, and who you don't want recounted, why didn't overvotes figure into the Florida Supreme Court's decision?

And the conservative [U.S.] Supreme Court picked right up on that, in oral argument. And we followed that. . . . Justice Rehnquist brought it up, and I believe he was followed by Justice Kennedy, and then Justice Breyer. They all questioned Boies on the point of why wouldn't overvotes be considered, and furthermore, if the standard in Florida is just the simple intent of the voter, if the legal vote is the intent of the voter, as well as the actual vote that's easy to visibly see from the ballot, then on what basis is there to say, that the intent of any overvote can't be interpreted. And they really jammed Boies

on that point.

And Boies' attitude toward the whole affair was just indifferent. He really demonstrated the attitude the Sunday before, on "Meet the Press" with Tim Russert. Tim Russert asked him, three different times, about overvotes, and Boies said: Because the machine registers the overvote, it's not the same category as the undervote.

And that's what you see in the Gore argument. You see them making the machine the litmus test of what a legitimate or illegitimate vote is. And that's something that shouldn't be lost on Black voters, particularly those 27,000 that had their votes disqualified.

**EIR:** Do you see any distinction between an overvote and an undervote?

**Muhammad:** None. I really don't. We've talked about this at *BlackElectorate.com*, over and over again. We've discussed this with numerous lawyers, and we're not satisfied that there's any significant difference between an overvote and an undervote—if you're going to say that you're looking to judge the intent of the voter. I don't see any superiority in an undervote, over an overvote, when it comes to trying to ascertain, or divine, voter intent.

**EIR:** As you know, we've issued a call for a Congressional investigation, a special Congressional Commission to be formed to look into, particularly, the fraud that disenfranchised voters in Florida. There are also, I understand, some lawsuits still continuing in Florida. Where do you see this going from here?

**Muhammad:** It could go either way. The American political establishment is very good at absorbing revolutions. I'm already seeing that all the tell-tale signs that the political establishment in both parties is prepared to absorb and water down the legitimate aspirations and concerns of the American voters, Blacks included, over what happened in this election. And what we'll end up with, is a variety of pieces of legislation introduced in this upcoming Congress, that will advertise and style themselves as remedies for what happened in Florida. And I imagine that there'll be so much legislation thrown out there, that it will be like spaghetti on the wall, and whatever sticks, sticks, but, in the final analysis, voters will be thoroughly confused as to what they should do, in responding and addressing what happened in Florida.

I also think that there will be schisms and divisions in both parties, on what the top priorities are. Already, you're seeing, among Black leadership, a difference of opinion on whether to pursue civil rights violations, voting rights violations, or some people still want recounts.

Unfortunately, I see a lot of confusion. But I do think, that taking this issue, and putting it before Congress, is the best of all the possible solutions, because I do think that the legislative branch is the appropriate forum with which to produce electoral reform.

# State Leaders Support LaRouche's Call for New Bretton Woods System

by Marianna Wertz

On Dec. 10, at their annual meeting in Bloomington, Minnesota, the National Organization of Raw Materials (NORM), one of the nation's leading organizations of farmers, unanimously endorsed a resolution in support of creating a New Bretton Woods financial system, a policy enunciated by Lyndon LaRouche, as the key to solving the onrushing global financial crisis. On Dec. 14, a similar resolution was formally introduced into the proceedings of the Agriculture and International Trade Committee of the National Conference of State Legislatures (NCSL), at the annual joint meeting of the Assembly on Federal Issues and the Assembly on State Issues, in Washington, D.C.

LaRouche's New Bretton Woods proposal is modelled after the policy initiated by President Franklin Roosevelt at the 1944 postwar conference of world leaders, held at Bretton Woods, New Hampshire, where measures were initiated to re-start world production and create stable currency and credit arrangements, which lasted until the mid-1960s.

The NCSL resolution, introduced by Alabama State Rep. Joseph Mitchell (D-103rd District/Mobile), a member of the Agriculture and International Trade Committee, is the same as that introduced by Alabama Rep. Thomas Jackson (D-68th District/Thomasville) in the Alabama House of Representatives earlier in the year, and passed by the full Alabama House on May 4. When he introduced the resolution, Representative Mitchell told the committee that it would have passed the Alabama Senate as well this year, had the 2000 legislative session not run out of time, and that he expects it to be introduced and passed in the Senate this year.

In the following pages, the reader will find the texts of the NORM and NCSL resolutions, together with interviews with Fred Huenefeld, the NORM board member who introduced that resolution, and Representative Mitchell, both of whom discuss the fight for passage of these crucial ideas in their respective organizations. We encourage readers to use these texts to motivate passage of similar resolutions in their own organizations.

## Cutting Through Fear of 'New' Ideas

Though LaRouche's New Bretton Woods proposal is based on the historic precedent set by President Roosevelt in

1944, at both the NORM and NCSL meetings, the discussion of the proposal required cutting through misconceptions and fear of "new" ideas. At the NORM meeting, with about 100 members present, most of whom are farmers, Fred Huenefeld discussed the Constitutional basis of the American System of economics, in order to convince the NORM members that the New Bretton Woods proposal is not a "communist" idea. Huenefeld, who is also a board member of LaRouche's Schiller Institute and a Louisiana State Democratic Central Committee member, said that he and NORM President Randy Cook motivated passage by first asking the NORM members to consider whether they want a society with debt or with earned income, a concept these farmers readily understand.

The meeting of the NCSL, the organization representing the nation's state legislators, was attended by about 400 representatives and senators, with an approximately 70/30 Republican/Democratic split. Those in attendance are at the level of committee chairs and leaders of their respective legislatures. LaRouche's representatives at the meeting reported that the NCSL attendees were more open than ever to LaRouche's ideas, primarily because of the gravity of the economic, energy, and financial crises hitting virtually every state in the nation.

At panel discussions at the NCSL conference, legislators admitted to being frantic in their efforts to solve such problems as the looming blowout of the electric grid in California, and New England's natural gas price crisis. LaRouche's proposals, which address these problems from a global strategic standpoint, were therefore most welcome, and provoked lengthy discussion in the meeting itself and in the hallways.

Representative Mitchell introduced the New Bretton Woods resolution to the committee by saying, "I am presenting a bill for consideration of this committee that has recently passed the Alabama House, calling for the convening of a Bretton Woods conference. This bill aims to correct things that have been severely hurt by NAFTA and Free Trade, all over the place. . . . I would like the committee to study this, and will deliver background material in the mail during the next several weeks." The resolution will become part of the agenda of the Spring meeting of the NCSL and will be presented then for discussion.

## Why I Introduced the New Bretton Woods Resolution

*Alabama State Rep. Joseph Mitchell (D-103rd District/Mobile) formally introduced a resolution calling for a New Bretton Woods financial system, into the proceedings of the Agriculture and International Trade Committee of the National Conference of State Legislatures (NCSL) on Dec. 14, at the NCSL's annual joint meeting of the Assembly on Federal Issues and the Assembly on State Issues. Representative Mitchell is the founder of Alabama American Research and Education Associates, Inc. He was elected to the Mobile County School Board in 1990 and to the Alabama House of Representatives in 1994, and is a published researcher in industrial engineering and educational psychology. He spoke with Marianna Wertz on Dec. 16.*



**EIR:** Why did you introduce the New Bretton Woods resolution at the National Conference of State Legislatures meeting, and what do you think will happen to it now?

**Mitchell:** LaRouche has been extremely accurate in his assessment of how systems will interact around here. While your press and other sources have done an excellent job of diminishing the accuracy [of media accounts of the economy] as perceived by the public, the fact still remains that we have some serious problems that are not being addressed and are snowballing, even as we speak. So, I felt comfortable in introducing the resolution, for the purpose specifically of having it discussed and having it become a matter of record.

I wish I could be optimistic about the approach and attitudes of individuals, who would rather keep their heads buried in the sand, pertaining to how they perceive it. Our strongest point, is to use whatever is the necessary approach in terms of content, to get it out of the committee and before the total body.

**EIR:** Where does it stand now?

**Mitchell:** It will come up at the Spring 2001 meeting [of the Agriculture and International Trade Committee] in a draft

format. The draft format is designed to describe and explain to the committee what it is we are trying to do and the impact of it.

**EIR:** Is the draft the same as the resolution which passed the Alabama State House of Representatives in May 2000?

**Mitchell:** That is my intention, to use that as information. My primary concern is to get it out of committee. The committee will know that it passed the Alabama House and is being submitted to other state houses. I think that goes a long way in convincing people, who are typically kind of dubious, regarding their belief in some things. They will not know what Bretton Woods is. I'm learning a great deal more about it. They may or may not know about it, but if the information is irrefutable, then their inclination to support it is good.

**EIR:** When will that committee meet?

**Mitchell:** I think it's May, but it may be earlier than that.

**EIR:** We may well have a careening of the global monetary system before then.

**Mitchell:** Yes, it might be just a moot issue! But, I think that is the next time the body will come together to meet.

**EIR:** So, meanwhile they'll be able to study it.

**Mitchell:** Right. This is what our plan will be. We will forward the information to the committee members, describing exactly what it is that needs to be done. And, because these are legislators (my colleagues, and I love them), they don't read a whole lot. They really want to know: "What's the bottom line?" "Is it trustworthy?" and then, "Okay, where do I sign?" By giving individuals at the meeting on Dec. 14 a rough cut on the resolution, and a copy of the House resolution that passed in Alabama—and that would have passed in the Senate if we'd had the time—they have an awareness of what we're about to send.

What I've found out about many of the members of several of the committees—I went to a couple of the others of which I'm not a member—is, they are not so much conservative as they are cautious. They are cautious because they don't know, and then there's fear associated with what they don't know.

**EIR:** The question is like the one facing New England residents today, with skyrocketing natural gas prices: Are people going to live or are they going to die? And what's more important, the money or the people?

**Mitchell:** Exactly. That's the same issue that we have now with economics in this country. But people would rather say, "We'll make this decision," as opposed to understanding the nuances of your options. If you get into the question of understanding the nuances, and you become more informed, you'll

## The Resolution

*The following “Resolution Calling for a ‘New Bretton Woods’ Conference for International Monetary Stability,” was introduced by Alabama State Rep. Joseph Mitchell (D-103rd District/Mobile) at the Dec. 14 meeting of the Agriculture and International Trade Committee of the National Conference of State Legislatures (NCSL), at the NCSL’s annual Assembly on Federal Issues and the Assembly on State Issues Joint Meeting in Washington, D.C. An identical resolution passed the Alabama House of Representatives on May 4, 2000.*

WHEREAS, the 1944 agreement of Bretton Woods mechanisms contributed to the realization of monetary stability and to post-war economic reconstruction; and

WHEREAS, there is a divergence between the real economy and the financial economy since the decoupling of the dollar from the gold reserve system; and

WHEREAS, financial crises have exploded in different parts of the world since 1997; and

WHEREAS, the international monetary and financial institutions, in carrying out their tasks, are malfunctioning; and

WHEREAS, it has been ascertained that the “speculative bubble” has had devastating effects for the economics of the developing countries, completely transforming the structures of the world economy, and reaching the level of at least \$300 trillion, compared to a world GDP of about \$40 trillion; now therefore,

BE IT RESOLVED BY THE NATIONAL CONFERENCE OF STATE LEGISLATORS, that we call for the convocation of a new conference, similar to the one at Bretton Woods, with the following goals:

1. Creating a new international monetary system to gradually eliminate the mechanisms which have led to the “speculative bubble.”

2. Evaluating the possibility of anchoring currency values to an element of real reference, and to better and more completely control the movements of currency rates.

3. Proposing the creating of new credit lines oriented to developing investments in the sectors of the real economy.

4. Defining infrastructure projects of continental dimensions.

make a better decision. They would rather say, “Well, that’s bad and this is good, so choose this.”

**EIR:** You’re right. But LaRouche is actually appealing to a very strong history in this country, in calling for a new Bretton Woods system.

**Mitchell:** Right, but many folks don’t understand that. I’m learning it, as I try to decipher stuff; in terms of economics, that’s way over my head. I can learn it, in terms of having the background for it, but I have three dictionaries: an economic dictionary, a governance dictionary, and then *Webster’s* sitting on the side. Sometimes *Webster’s* doesn’t work either, to understand what I’m reading. So I have to either wait for the next issue, or go back to the previous issue.

**EIR:** Of *EIR*?

**Mitchell:** Yes. But that’s okay, too. We were never told in school on any level, and I mean post-graduate all the way back to grade school, about how certain decisions were made that construct governance. We were told, almost categorically, even to this day: There wasn’t one, and then suddenly there was one. And that is ignorance.

**EIR:** I think Americans have learned a lot in the recent weeks and months in this election.

**Mitchell:** Oh, yes. And if the spin—I call it spin, because that’s part of what we use in terms of propagandizing or convincing people of our positions. If the spin is such that we leverage what we have not understood, even though we have seen it written, and now we understand what it means, that people can understand that they’ve had the wool pulled over their eyes for a long time, or they put on their blinders every morning. This also suggests that they can learn a great deal more, now that the blinders have been peeled off a little bit, and it’s easier for them to understand there are a whole host of things that happen every day, that they don’t understand either as they occur today, or their origins.

So, when we talk about a New Bretton Woods, we are talking about the origins of some things, and folk need to understand the origins so they can see what we call the equifinality—what is going to be the end result, the culmination. It doesn’t mean it culminates it, it means culmination to the extent that you have some evolution going on, or devolution if you wish, and those changes have a certain amount of inevitability about them. It’s a continuing process, always a continuing process. The more informed we are in participating in the process, the better prepared we will be for the eventualities and the circumstances that we need to inform our constituents of, in preparation for the changes that are taking place.

## NORM Backs LaRouche's New Bretton Woods

*Fred Huenefeld, Jr., a board member of the National Organization of Raw Materials, a board member of the Schiller Institute, and Louisiana State Democratic Central Committee member, introduced the resolution in support of a New Bretton Woods policy, which was passed by the NORM organization at its Dec. 8-10 meeting in Bloomington, Minnesota. He spoke with EIR's Marianna Wertz on Dec. 18.*

**EIR:** The National Organization of Raw Materials just passed a call for a New Bretton Woods system. Can you tell our readers something about what happened at the meeting?

**Huenefeld:** We had an in-depth discussion on whether or not this New Bretton Woods policy is returning to a communist-type approach to regulating the economy. After a complete dialogue on the General Welfare clause and explanation of Article I, and the relevant subsections of the United States Constitution, the questions that they posed were satisfied, that this *is* the American System of economics that we're talking about.

We have to have fixed exchange rates between nations. We have to regulate the value of money. We have to have low-interest loans to the productive sector, and we have to have parity in the physical economy.

We pointed out, to draw this comparison, a single point: Do you want a society that has earned income, or do you want a society that has debt? All in favor of earned income, raise your hands. All in favor of debt, raise your hands. Of course, nobody raised their hands for debt.

As a result, now, we agree *on principle*. Let's see how we solve that problem. And the New Bretton Woods is one of the ways to do it.

**EIR:** So it was you and NORM President Randy Cook who fought for this?

**Huenefeld:** That's correct. Randy Cook was very instrumental in helping me with this. In fact, he's the one who thought up the point: Do you want a society with earned income or with debt.

**EIR:** This is a big step for NORM, isn't it?

**Huenefeld:** Oh, yes. NORM has always been explicit on the economic policy of parity, but they never really spoke out on the broader basis that we're speaking of here, with the New Bretton Woods and positions between nations. I

think it was a really good conference.

**EIR:** What is the view of Lyndon LaRouche's policies, in general, in the NORM membership?

**Huenefeld:** I would say 90% of the members that I talked to or know of, are getting Lyn's papers. In fact, in the general discussion, with over 100 people there, one of the gentlemen asked me a specific question, that was obviously Lyn's position, on the "Plunge Protection" that's taking place on Wall Street—where they're pumping the money into the system. I was able to use Lyn's name in a number of my presentations, without any controversy or any questions at all. So, I was really pleased.

**EIR:** Most NORM members are farmers, is that right?

**Huenefeld:** Most of them are farmers. I think 95% are farmers, and there were some bankers there.

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## Documentation

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*The following is the text of the National Organization of Raw Materials Resolution for a New Bretton Woods.*

It is the view of National Organization of Raw Materials:

That, for months the international markets have been affected by total instability and volatility;

That, the financial crises of the 90's which have hit Asia, Latin America and Russia, have revealed the weakness of the international monetary and financial system; they, in fact, do not represent isolated or fortuitous cases, but are manifestations of a systemic crisis;

That, the financial globalization has led to a complete deregulation of the markets, above all of the most aggressive and speculative sectors, like the "derivatives" financial products;

That, in the past 10 years in particular, there has been a split between the real and the financial economy, which gave birth to a gigantic speculative bubble which reached at least the amount of \$300,000 billion, against a GDP worldwide of about \$41,000 billion;

That, this process has provoked devastating effects not only for the economies, but also for the levels of life and the quality of life particularly of the populations of the countries of the developing sector and extremely negative effects on the levels of production and employment, with social consequences which are very worrisome also in the industrialized countries;

That, there is no reason to believe that, without regulation, the process of expansion of the speculative bubble can come autonomously to a stop, simply confiding in the market and in its rules;





*Fred Huenefeld in February 1991, demonstrates his technique for “roping in” Congressmen to understand the problems facing the country.*

That, in front of this situation, the international community has tried to reinforce “the architecture of the international financial system,” to make the world economy less vulnerable to the devastating financial crises and at the same time to make possible that all the countries could enjoy the benefits of the globalization, contributing to the amelioration of these countries’ growth perspectives and to the diminution of the poverty of the people in the developing countries;

That, in a communiqué of April 18, 2000, the International Monetary and Financial Committee, has underlined the importance of a “major transparency of the economic policy, as a guarantee of a better functioning of the economy of the states and of the international financial system.” The monetary committee has also called for “the realization of other measures to promote a major transparency of the policies of the IMF and of those of its member states”;

Considered:

That, the realization of rules, internationally recognized, of easy application in the most speculative and crucial sectors, would allow to better economic results;

That, we could deal with this situation only by convoking a new conference at the level of heads of State and Government like the one which took place in Bretton Woods in 1944, with the aim to create a new international monetary system and to take all the necessary measures to eliminate the “speculative bubble,” such as rules for the control of the currencies’ exchange rates, by introducing fixed parities, which could be modified only through the decisions of the sovereign governments, and analysis of the exchange-rate conditions of the economies of the emerging countries; analysis of the emerging market crises; forms of control of the capital movements;

the introduction of measures like the Tobin Tax, aiming to limit the speculative operations like the derivative transactions; the creation of new credit lines explicitly oriented towards investments in the sectors of the real economy; the definition of great infrastructure projects of continental dimension; the participation of the private sector in the prevention and solution of the crises;

That, various countries are compelled to adapt themselves to a system characterized by floating exchange rates and that the strong instability and the seriously dangerous disequilibria of the exchange rates of the strong currencies constitute a reason of preoccupation, particularly for the small economies based on the export of raw materials;

Considered:

That, it is indispensable to take into consideration the repercussions of the macroeconomic and structural policies followed by the

countries with strong currencies;

That, strong fluctuations of the exchange rates of the small- and middle-size open economies risk to have a high economic cost, mainly for the weak currencies and the poorest countries;

That, in the context of the present situation, it is useful to evaluate not only the advantages coming from the liberalization of the movements of capital, but also the risks that such a globalization represents;

That, the experience of the recent crises confirms that the coherence of the macroeconomic policy and of the policy of the currencies exchanges, the good administration of the debts and an efficient control of the financial systems are indispensable elements to reduce the frequency and the gravity of the same crises;

Binds the Government:

To adopt concrete measures to contribute to the stability of the international financial system, and to assure a rational sharing of the benefits which the world open economy could provide, above all for the developing countries, besides assuring the adjustments of the monetary policies;

To undertake in particular the initiative to propose the convocation of a new international conference at the level of heads of States and Governments, similar to the one organized at Bretton Woods in 1944, with the aim to create a new international monetary system and to take all the measures necessary to eliminate the mechanisms which led to the formation of the speculative bubble and to promote programs to restart the real economy; to bring this proposal to the U.S. Congress, responsible for U.S. economic policies, and through bilateral agreements.

# *The Fall of Ozymandias*

The political and monetary authorities of the United States, and in particular, Fed Chairman Alan Greenspan, now stand in the shoes of the last party chief of Communist East Germany, Erich Honecker. At the regime's 40th anniversary in 1989, Honecker pronounced that it would last another thousand years; a few months later, that regime was a thing of the past. So it is now with that period of "phony prosperity," which has been linked to Greenspan's reign over the vast U.S. bubble of debt, trade deficits, and "consumer spending."

Mr. Greenspan himself, having brought himself to say publicly that the U.S. economy is heading for disaster, could not bring himself to actually lower interest rates—for fear that that might make the disaster even worse. President-elect Bush says he is in search of Cabinet appointees "who can calm the markets." Meanwhile, Energy Secretary Richardson repeats more and more shrill warnings that electricity blackouts may be about to hit many areas of the country, in the midst of a cold Winter—but cannot bring himself to say "re-regulation." In the Pacific Northwest and New England in particular, panic among firms and citizens is beginning to spread—not to speak of the mood on Wall Street.

Lyndon LaRouche, and he alone among economists or political leaders, is vindicated by what has now happened. What has happened is far more than problems in the financial markets, which are more like the canaries in the coal mine, than the mine-collapse itself. It is the layoffs, closures, cutbacks, profit warnings, bond failures and defaults, the sudden explosions of energy commodity prices . . . all these manifestations of the cracking of the debt bubble. The vast and highly-leveraged pyramid of margin debt, derivatives debt, collateralized debt, is "de-leveraging"—disintegrating by pieces. This is what LaRouche, since his internationally-known "Ninth Forecast" of 1994, has been forecasting to every government and political or social leadership in the world. Turn this around—put this debt pyramid into orderly forms of

bankruptcy and start a new credit system, a New Bretton Woods among industrial and Third World nations; re-regulate; put credit into Great Projects of economic infrastructure;—or you will end in disaster. The political and monetary authorities of the U.S., and European nations, have insisted that the "IMF rules" must be followed forever, and that the U.S. could go on indefinitely as the consumer of last resort for all of the cheap produce with which the entire world could subsidize it. They have warned the Asian nations, in particular, against taking steps out of the IMF, in the directions recommended to them by Lyndon LaRouche.

LaRouche's authority is uniquely established by the appearance of reality, as only he said it was going to appear, soon, and with disastrous force. Those leaders and citizens who acknowledge that, will not panic, but act on the urgent recommendations LaRouche has made.

He is also the political leader and economist who, as candidate, has fought for the cognitive powers of the citizen, the student, and those in elected office: their powers to think, change their ideas, act on the truth. It is this quality, he says, which is the source of their rights as citizens. That power of knowledge, of changing their ideas, gives them the power to *organize* change. This is the power with which the nations of the human race overcome such a collapse of economy and authority as is occurring now.

The collapse should not be a cause for panic, even by those hardest hit by it. Those authorities who admit, now, that they don't know what to do, have not known what to do for years. The good news is that LaRouche does know what to do. This crisis should be the cause for optimistic, resolute action to reverse the policies—deregulation, deindustrialization, "new economy," "shareholder value rules"—which have caused the collapse.

Obviously, the leader who knew this was coming—as the Bush team, clearly, did not—should have become President. Act as if he were.



