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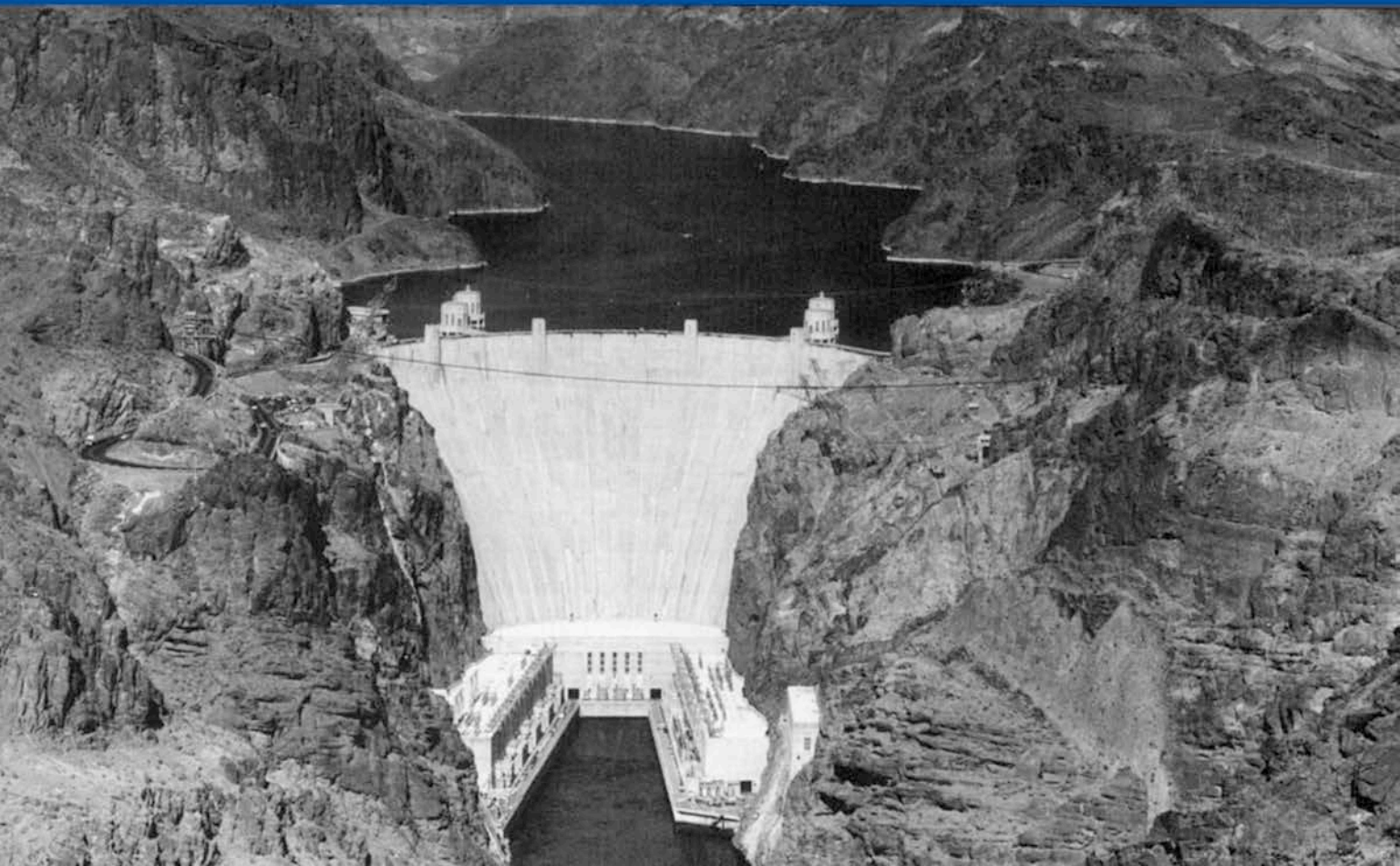
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Torquemada, the Inquisition, and the Expulsion
Conyers at LPAC Meeting Opens New Dialogue
Maronite Patriarch Sfeir Speaks With *EIR*

**LaRouche: Economic Recovery
Means Dumping Cauchy's Fraud**



FIDELIO

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Winter 2004

The Follies of the Economic Hitmen: Re-Animating the World's Economy

Lyndon H. LaRouche, Jr.

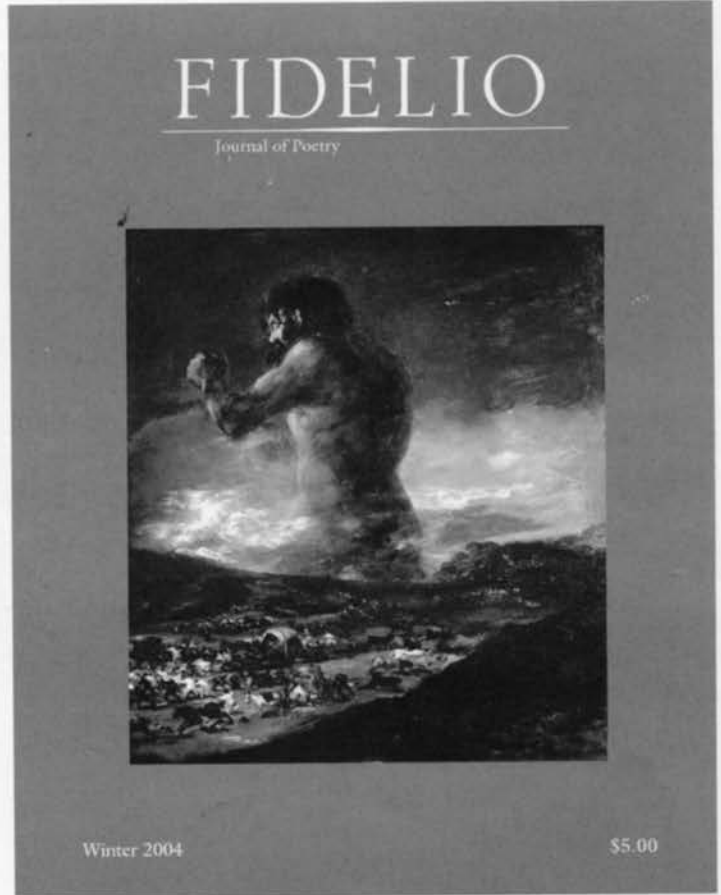
We must think of the abiotic, Biosphere, and Noösphere as physical capital, which we must build up, in the order of those relative priorities, to create the expanded preconditions for not only growing populations, but a higher standard of living, of higher productivity per capita and per square kilometer, of general development, and longevity of those populations. We must qualify ourselves, increasingly, to manage this Riemannian universe, as we were God's gardener.

Francisco Goya, the American Revolution, and the Fight Against The Synarchist Beast-Man

Karel Vereycken

Introduction to Pythagorean Sphaerics

LaRouche Youth Movement Sphaerics Group



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e-mail: eirms@larouchepub.com*

European Headquarters: Executive Intelligence Review
Nachrichtenagentur GmbH, Postfach 2308,
D-65013 Wiesbaden, Bahnstrasse 9-A, D-65205,
Wiesbaden, Federal Republic of Germany
Tel: 49-611-73650.

Homepage: <http://www.eirma.com>
E-mail: eirma@eirma.com

Executive Directors: Anno Hellenbroich, Michael Liebig

In Montreal, Canada: 514-855-1699

In Denmark: EIR, Post Box 2613, 2100 Copenhagen ØE,
Tel. 35-43 60 40

In Mexico: EIR, Serapio Rendón No. 70 Int. 28, Col. San
Rafael, Del. Cuauhtémoc. México, DF 06470. Tels: 55-66-
0963, 55-46-2597, 55-46-0931, 55-46-0933 y 55-46-2400.

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From the Editor

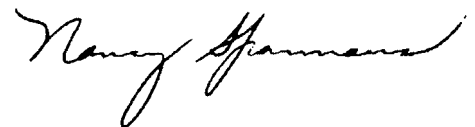
EIR has broken its usual format this week, in order to give you a special issue, primarily devoted to two features: first, LaRouche's follow-on to *Earth's Next Fifty Years* article, "Powers are Always Universals: Cauchy's Infamous Fraud;" and second, an in-depth historical study on the roots of the Spanish Inquisition, by *EIR* researcher Timothy Rush. Both articles are worth your careful study, in light of the fact that we face the twin threats of a global Dark Age, and the Synarchist bankers' drive to destroy the opposition to such a catastrophe, through the use of "Beast-man" tactics that were largely modelled on the Spanish Inquisition.

Yet, even as we prepared these extraordinary in-depth articles, we could not omit certain major breaking stories, which are uniquely available through our news service. Make sure you don't miss them.

Most surprising will be our story on Michigan Congressman John Conyers's appearance at a town hall meeting on Social Security, sponsored by the LaRouche Political Action Committee. Conyers's speech is provided here in full, so that readers have access to precisely what he had to say about his purposes in attending this meeting, and what he hopes to come out of it. Had we more space, we could have included some of the discussion, and the interventions of the LaRouche Youth Movement members; they will be available through the LaRouche PAC website.

We also put special emphasis on two other stories. First is the resistance of leading Lebanese figures to the neo-con drive to provoke war in that country, which is reflected in our exclusive interview with Maronite Patriarch Nasrallah Sfeir. Second, is the bankruptcy crisis of General Motors, once the premier industrial firm of the nation, which is now under imminent threat of taking down a crucial array of capacities for our nation.

Read closely. The future of the United States, and the world, may depend upon your assimilating, and passing on, the material in this magazine.



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The Hoover Dam, shown here, is a grand example of man realizing his universal powers over nature.



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POWERS ARE ALWAYS UNIVERSALS:

Cauchy's Infamous Fraud

by Lyndon H. LaRouche, Jr.

March 8, 2005

Back during 1981, then as part of my effort to clean up the mess associated with an attempted 1978-1980 credit-scam swindle against my associates, a swindle some recall as the Gus & Andy Show, I prescribed an emergency mathematical-physics educational program. This program, supplied to educate my associates in relevant principles of economic forecasting, included assigned classes which were intended to show our associates the nature and cure of that hoax, by Augustin Cauchy, on which the teaching of the usual first course in the differential calculus is pivotted. Unfortunately, in accord with the ironies of our times, the designated instructor, a “Baby Boomer” holding a respected doctoral degree in plasma physics, based his assigned course, not on Leibniz, but on the fraudulent axiomatic doctrine of hoaxster Cauchy.

Now, more than two decades later, the intention of my 1981 physical-science initiative in physical economy is being realized, through the prompting of my design for the self-education program of the LaRouche Youth Movement (LYM). On this occasion, I apply the physical-science implications of that ongoing LYM program, to remedy the prevalent incompetence of the practice of, and thinking about economics, an incompetence among putative professionals, IMF officials, the current President of the U.S.A., relevant members of Congress, and laymen alike. This is a specific kind of incompetence which is the most important, immediate threat to the present security and future well-being of the U.S.A., and other nations, threatened by a general monetary-financial crisis which threatens to set off a chain-reaction physical-economic collapse in the very near future.

Cauchy's standard university classroom hoax, expresses a factional mission whose origins were a key formal feature of a general attempt at defamation of Gottfried Leibniz and his work. That attempt had been launched by the Paris-based, Venetian agent and avowed devotee of the empiricist Descartes, Abbé Antonio



Under the current conditions of economic-monetary breakdown crisis, LaRouche's mathematical-physics education program, now being carried out through his youth movement, is more important than ever.

Conti. Among its other tactics for this purpose, that attempt launched by Conti had used the political controller of black magic specialist Isaac Newton, England's Dr. Samuel Clarke. That operation was then continued as a Europe-wide operation, by a network of salons organized by Conti. This was a network which is also associated with the same notorious Voltaire, the "den-mother of Jacobins," who also participated in sponsoring the British organization of the Martinist freemasonic cult of Cagliostro, Count Joseph de Maistre, et al., from which Twentieth Century fascist cults, and their presently active following, were all derived.

The key figures in this Conti-prompted, anti-Leibniz hoax, included such notable accomplices of the so-called "Newtonian" fraud against the Leibniz calculus as D'Alembert, and the then Berlin-based Maupertuis and Leonhard Euler. This latter, Eighteenth-Century aspect of the empiricist hoax against Leibniz, was later attacked at the core by Gauss's 1799 doctoral dissertation. That 1799 attack by Gauss on the fraud of D'Alembert, Euler, Lambert, Euler's protégé Lagrange, and others, led into the continuing revolution in mathematical physics expressed by Riemann's 1854 habilitation dissertation and his subsequent work on Abelian functions.

The fact that the argument by Euler et al. was not a mistake, but a fraud, is proven conclusively by examining the work of that Berlin salon of avowedly Newtonian reductionists in light of their knowledge of the preceding discovery, by Leibniz, of both natural logarithms and the catenary principle

of universal physical least action.

The issue of the Newton fraud of D'Alembert, Euler, Lagrange, and their followers, such as Cauchy et al., was what became known during the early Nineteenth Century as the set of ontological issues already posed in reality then, as to the studies of the LYM today, as the physical, rather than merely abstract mathematical character of the concept of the complex domain. The Newtonians, as consistent cult-followers of Paolo Sarpi's empiricist dogma, had reacted against the discovery of the calculus with a fraudulent effort to discredit Leibniz's first, 1676, Paris presentation of his discovery of the calculus; but, after Leibniz's death, had dared to react publicly even much more radically, more desperately, this time targeting Leibniz's fuller elaboration of an infinitesimal calculus, as the universal physical principle of least action (the so-called catenary principle). D'Alembert and Euler were among the presently more notable pioneers in the Voltaire-inspired anti-Leibniz hoaxes of the Eighteenth Century.¹

1. The original discovery of the calculus whose development had been specified by Johannes Kepler, had been by Leibniz during the period of Leibniz's Paris collaboration with Christiaan Huyghens. In the first approximation, as in the Leibniz document sent to the Paris printer in 1676, Leibniz had adopted Huyghens' cycloid as an estimate of the principle of *physical least time*. Later, in his collaboration with Jean Bernouilli on the pathway of least-time action (the *brachistochrone*), Leibniz had abandoned the cycloid, in favor of the catenary principle, thus introducing the complex domain, implicitly, as the elementary basis for a modern mathematical physics. Leibniz's treatment

The Nineteenth-Century phase of the combat between the scientists and the Newton-cultists, was fought out, first, not in George III's Britain (where science was hovering near death at that time), but in France, an attack which was then continued in Germany, an attack which was to emerge in early Twentieth-Century Germany in the guise of a ferocious, war-time attack on Max Planck, an attack by the lunatic horde of the radical-empiricist (e.g., logical positivist) German-speaking followers of a certain cult-figure known as Ernst Mach.

Prior to 1789, the fight over science in France was between the Leibnizians, such as the circles of Monge and Carnot, and the followers of the radically empiricist Physiocratic cult of the Quesnay and Turgot upon whom the plagiarist Adam Smith had largely relied for concocting his own 1776 propaganda attack against the American constitutional Declaration of Independence. With London's orchestration of the July 1789 outbreak of the French Revolution by Lord Shelburne's London, the preconditions were established for Martinist-sponsored dictator Napoleon Bonaparte's adoption of the anti-Gauss, empiricist dogma of Euler protégé Lagrange as key mathematical theoretician of Napoleon's science policy.

This influence of the work of Lagrange was continued in France after the fall of Bonaparte, this time under the sponsorship of the London-appointed puppet-King of France, who brought the circles of the empiricist Laplace and his instrument Augustin Cauchy to power over the *École Polytechnique* there. Laplace and his creature Augustin Cauchy demolished the powerful educational program on which the leading scientific institution of Europe, France's *École Polytechnique* had been based, and imposed the Newtonian hoax, top-down on France's science, that to the degree Laplace's crew was able to contain the then still vibrant, Leibnizian tradition of the *École* in France.

Thus, from about 1827, the center of gravity of European fundamental scientific progress shifted, from the heritage of Colbert's France, to the circles of Wilhelm von Humboldt's celebrated brother, the Lazare Carnot-associated Alexander von Humboldt. Thus, with the late 1820s, aided by the founding of a relevant international science periodical, *Crelle's Journal*, the chief impulse for progress in physical science, was shifted to the von Humboldt-associated, Gauss-Wilhelm Weber-Dirichlet-Riemann circles in Germany.

Although much practical progress in mathematical physics, such as the notable examples from Einstein's work, has

of the catenary, which served actually as the elementary basis for Leibniz's development of a principle of physical least action, led Leibniz to the original discovery of natural logarithms and their physical significance, and to the principle of an absolutely infinitesimal calculus. Notably, where Huyghens had not proceeded from Kepler's principle of universal gravitation as a universal physical principle underlying least time, Leibniz's calculus did. Notably, the opposition to Leibniz's discovery of the calculus, by the followers of Conti et al., was essentially a continuation of the empiricist's earlier campaign of suppression of the work of Kepler, and of the earlier Venetian campaign to eradicate the influence of Cardinal Nicholas of Cusa.

occurred since Riemann's death in 1866, the debate over the most crucial issues of scientific method is stuck, still today, where Riemann's principal contributions left them. (The significance of Einstein's work is, thus, best illuminated by attention to his endorsement of the discoveries of Kepler and Riemann as the foundations for a competent cosmic physics.) For the most part, those contributions of Classical physical science up to the time of Riemann's death, at least the most essential ones, are rejected by the presently hegemonic, radical positivist environment created by the last century's reign of our present, Laputa-style academic referees.

Against that background, one of the most significant contributions to the furtherance of the Classical scientific method during a period slightly longer than the recent half-century, has been the set of my own original developments in the field of a science of physical economy.² Therefore, in 1981, and still today, the connection to Riemannian physics of my contributions in physical economy, occupies a crucially important underlying position in the work of my associates.

People who have failed to grasp at least the flavor of my method, include notable cases in which some individuals who have, admittedly, supplied some useful contributions to understanding of particular aspects of economic processes, are, nonetheless, still not yet competent in dealing with the most crucial of the historically determining issues of economy now menacing the world. Under the impact of today's onrushing general monetary-financial breakdown-crisis, the issue of my 1981 proposal for a corrected, bug-free course on the elements of the calculus, is, therefore, today, more important, more urgent than ever before.

In these pages, I explain that connection to my work and to its implications for the urgently needed revolutionary change in U.S. economic-policy thinking. This preface is devoted to outlining the historical setting of the matters of scientific principle on which my work has been focussed to date, after which the body of the text is focussed on the technicalities of the issues of method.

2. The original establishment of an actual science of physical economy was entirely the work of Gottfried Leibniz, who lifted political-economy up to a scientific basis, up from what had been that modern craft called mercantilism of Jean-Baptiste Colbert and Colbert's Fifteenth and Sixteenth centuries French and English predecessors. The difference was Leibniz's emphasis on a modern scientific view of the same notion of a universal physical principle of *power* (i.e., *Kraft*) met earlier among the Pythagoreans and Plato. The Anglo-Dutch Liberal reaction against both Colbertist mercantilism and Leibniz's founding of an actual science of physical economy, was an explicitly anti-science sophistry from the beginning. Thus, although the American System of political-economy developed in a world climate already ruled by the implicitly ultramontane tyranny of Anglo-Dutch Liberalism in world trade, the policies of the American System, such as those of Hamilton and the Careys, and Lincoln and Franklin Roosevelt later, were derived from the Americans' adoption of Leibniz's anti-Locke conception of a science of physical economy, as expressed by the U.S. Declaration of Independence's core principle, "the pursuit of happiness."



Gottfried Wilhelm Leibniz, 1646-1716, was the father of modern economics, the school of physical economy.

Where My Work Is Crucial Today

To make the relevant point of introduction to the matter of my own original contributions as briefly as possible here, my own independent discoveries in the field of physical economy, can be understood only as a systemic outgrowth of my stubborn, and sometimes fierce, childhood and adolescent resistance to accepting any form of arbitrary external authority of an axiomatic nature over the formation of my own convictions, whether parents, school, textbook, or the like. It was on exactly this point, that my schoolmates, most elders, and the like of that time, usually parted ways with me.

Thus, from the start, I refused to claim, then, to know the answers, but simply refused to swallow anything tantamount to the infamous “self-evident” axioms of a taught Euclidean or Cartesian geometry. It was those few, tentative, independent discoveries in physical economy which I made, in early 1948, in rejecting the crucial “ivory tower” presumptions of a pre-publication proof-edition of Norbert Wiener’s *Cybernetics*, which led me over the 1948-1953 interval to recognizing Riemann’s 1854 habilitation dissertation as the key for a systematic representation of the way in which the human mind generates those discoveries of universal physical principle on which scientific and technological progress in economy depend.³

At the start, in my impulse to refute Wiener’s silly doctrine of “information theory,” I focussed on the way in which in-

3. My habit, as described in this paragraph, is the paradigmatic trait cultivated by all creative thinkers. A contrary habit is characteristic of a personality which is relatively “blocked,” as, for example, pedants are. I have dealt with this elsewhere, repeatedly, in my discussion of the implications of Professor Lawrence Kubie’s treatment of the cases of scientifically trained persons fitting the category of individuals suffering a neurotic distortion of the creative process.

vention occurs, so to speak, at the work bench, as the act of insight which finds a “better way” *through going outside the implied axiomatic bounds of previously generally accepted habits of thought, either in that particular field, or in general.* That discovery, when it has taken the form of a previously unknown, but experimentally provable principle, can be applied to the process at work, to produce, thus, the effect of a qualitative net increase of the productive powers of labor of that society taken as an integrated whole. The realizable gain in productivity, per capita, and per square kilometer, is implicitly measurable as a gain generated by the discovered applications of newly employed universal physical principles.

The leading, principled implication of my discovery, so summarily described, is that essential progress in man’s physical-economic power over nature, per capita and per square kilometer, begins within those aspects of the human mind which set the human individual absolutely apart from, and above any other living species. In other words, this is a thought which converges, implicitly, upon V.I. Vernadsky’s conception of the Noösphere. This means, that we must understand human intelligence as essentially (*elementarily*) individual behavior, rather than primarily the “average” product of a social process; but, at the same time, we must understand the principled features of the social processes by means of which the ideas of discovered universal principle, which can be generated originally only within the sovereignly autonomous recesses of an individual mind, can be efficiently replicated, as ideas, in the minds of some other members of society, and even generations of thus-transmitted culture to come.

Physical economic progress occurs as a categorical change caused by the effect of the action of a discovery made by an individual’s mind, upon the way affected people interact. It is an effect prompted and generated originally by the perfectly sovereign creative powers of the relevant individual human mind. Whereas: charlatans Norbert Wiener’s and John von Neumann’s conceptions of “information theory” and related matters, are simply imitations of the same, intrinsically irrationalist and arbitrary, empiricist principle of Locke, Mandeville, Adam Smith, and Jeremy Bentham, upon which Quesnay and Turgot premised their Physiocratic dogma.

Each and all of these latter, pathological cases, such as the Physiocrats, take a certain phenomenon, and then degrade the discussion of that named subject, that product of their fallacy of composition, to the domain of sophistry. They point to the presumed existence of some determining reductionist’s principle, as Wiener does with his reference to “Maxwell’s demon,” an arbitrary principle which they seek to impose upon their dupes as the definite name of the unknowable action, such as “the invisible hand,” which is presumed to be blamed for the effect toward which they point.

With the Mont Pelerin Society’s Mandeville, for example, the reductionist principle of those sophists, is their praise for an evil working through “private vices” of individuals. Such are the superstitions expressed as gambling manias, or the



German mathematician Bernhard Riemann's demonstration of the need to replace formal, axiomatic geometry with a notion of physical geometry was key to LaRouche's breakthrough in economics.

drug-trafficking vehemently promoted by predatory Mont Pelerin charlatan Milton Friedman, vices which, according to their allegations, produce, magically, a public benefit, such as a public tax revenue on that account. Locke's argument for his notion of "property," or, in other words, what U.S. Justice Scalia defines as "shareholder value," is essentially the same kind of moral corruption being used as a Sophist's substitute for a universal physical or moral principle.

For example, Quesnay, the principal source of Adam Smith's silly myth of the "invisible hand," bases his own dogma on the presumption that the serfs of the landlord's estate do not differ in principle from cattle, but that the "invisible hand" of the landlord's aristocratic title to the estate is, in and of itself, the magical source of the profit taken. The "information theory," etc. dogmas of Wiener and von Neumann are thus based on a variation on the same "invisible hand" dogma of Locke, Mandeville, Quesnay, Adam Smith, and Bentham.

In other words, physical-economic progress is a cognitively knowable quality of social process, but that process is rooted in, and controlled by the relevant autonomous powers of the sovereign individual human mind. In other words, the valid social process is subsumed entirely by those sovereign *subjective* characteristics which exist as potential in the individual human mind, the characteristics which separate the normal human being from lower forms of living creatures.

At the beginning of the 1950s, when this aspect of Riemann's 1854 habilitation dissertation became clear to me from this stated standpoint in my own reflections on the hoaxes of Wiener's and von Neumann's dogmas, I first really understood the way in which the Gauss-Riemann conception of the complex-domain functions, as not merely a mathematical, but an *efficiently physical conception*.⁴ Thus, as Riemann

4. The idea of a pure mathematics, distinct from physical science, is pathological. I note, that, as I have published this fact on numerous earlier occasions, during part of this 1948-1953 interval, during 1952, I concentrated for a while on the work of Georg Cantor, before leaving that behind for focus on

boldly said and also demonstrated, we must scrap formal, axiomatic geometry, to replace such follies by the notion of a physical geometry, a conception, in fact, which the Pythagoreans and Plato trace back to the spherical physical geometry of Egyptian *Sphaerics*.

My relevant contribution to clarifying these relationships, lies in the way I have defined the principle of Platonic hypothesis itself as an experimentally demonstrable universal physical principle. The LYM has used what Plato referenced as the Delian problem, his Pythagorean friend Archytas' Classical solution for the task of a purely physical-geometric construction of the doubling of the cube as one of the central topics in a science of physical geometry through which Plato bridges his dialectical method in general to mathematical-physical challenges of the quality of what are actually Riemannian issues of universal principle.⁵

Implicitly, then, the notion of a Riemannian physical geometry becomes, visibly and clearly, a matter of the principles of a multiply-connected manifold. The implication of Leibniz's catenary-based definition of a universal physical principle of least action, then becomes fully transparent, when Leibniz's work, Leibniz's universal physical principle of least action (the catenary principle) is reexamined from the vantage-point of Riemann's treatment of Abelian functions.

Admittedly, as I shall emphasize later in this present report: no fully rational comprehension of a modern economic process is feasible from any different standpoint than the linkage among the crucial features of the work of Kepler, Leibniz, Gauss, and Riemann, et al. The widespread failure, and even refusal of most putative economists and laymen to recognize this fact, is the key to the cruelly self-inflicted misjudgments of both most economists and thoughtful laymen alike, still today. The following summary of that problem and its solution, is therefore an indispensable first step of preparation for understanding, from a scientific standpoint, what an economy really is.

The world, and the U.S.A. in particular, is currently gripped by the tumultuous end-phase of a self-doomed world system, the system established during 1971-1975 as a replacement for what had been the successful original Bretton Woods

Riemann's work. Attention to the significant difference between the approach of Riemann and that of Weierstrass and Cantor is not necessary for this present occasion.

5. This is the most direct and simple way for demonstrating that the interpretation of Plato's work by such as Leo Strauss and his neo-con followers, is nothing but a case of pure lying. Since Plato's dialogues include unique solutions, by his dialectical methods, for specific physical-mathematical arguments, the interpretation of Plato's use of his method in generating constructible solutions for problems of universal physical principle, draws a clear line between the admissible reading of Plato's intent, in any of his works, and the Sophists' lies of Strauss et al. Also note, that Archytas' proof for the doubling of the cube, is the standpoint for assessing the way in which D'Alembert, Euler, et al., stumbled into the fallacies which Gauss exposed by his 1799 step toward defining a physical complex domain.

system installed under the direction of U.S. President Franklin Roosevelt.

It is now more than thirty years after the 1971-1972 change to the presently self-doomed, floating-exchange-rate IMF system. It is now already past midnight, when Cinderella, her coach and attire vanished, is struggling desperately, bare-foot, through the rain, toward the hoped-for warmth of a homely hearth. Unless there is a sudden change in her drama, the worst is soon to come. There is no hope for her, but to change the script and scene, that in a way which overturns, suddenly and decisively, the most cherished truisms of world economic life, truisms accumulated as the habituated academic and popular misbelief which has been adopted by the chief parts of learned and popular opinion over the 1971-2005 period to date.

Idiocy in today's academic discussion of the principles of an actual economy begins, typically, as John von Neumann and Oskar Morgenstern began their awful, and essentially less than worthless *Theory of Games and Economic Behavior*. In brief, imagine that you follow in their footsteps, as by saying, "Take Robinson Crusoe, then bring in Friday." If you continue your definition of economics in such terms, like von Neumann, under your influence, today's President George W. Bush, Jr. Friday economy would not last until Monday.

Von Neumann's concoction be damned; but, passing blame for the pathological mental state of our national and world affairs is useful only to the degree that that is a necessary step toward motivating an otherwise reluctant people to rush to the only available security, a new system, a new system based on adopted principles of economy radically different than any generally accepted among governments and other relevant opinion during the approximately two preceding generations since the middle 1960s. Yet, it is not really a new system that I propose; it is the proven American System of political-economy, as merely updated to meet the added requirements which recent history has dumped upon our doorstep for the coming two or more generations immediately ahead.

The fault which must be addressed immediately, is that set of current academic, governmental, and popular errors of assumption, especially assumptions respecting the principles of economy, which have induced the nations of the present world-system to follow for so long, a pathway aimed toward their collectively self-inflicted doom. The obstacle to be overcome, is the present unwillingness of leading institutions and others to consent to change their presently habituated way of thinking, even up to the brink of a plunge into the new dark age which would be the relatively immediate consequence of a broad refusal to abandon those assumptions which have ruled and ruined our nation, and the world during nearly a half-century to date.

For example, the collapse of the U.S. economy under the 1970s and later policies of George Shultz, Henry A. Kissinger, National Security Advisor Zbigniew Brzezinski, and

Federal Reserve Chairmen Volcker and Greenspan, have wrecked the U.S. physical economy, and progressively ruined the physical conditions of life of the lower eighty percentile of the family-income households in a manner and degree far worse, far deeper-cutting, much less repairable than under the ruinous reigns of Presidents Coolidge and Hoover.

Notable for today, is a comparison of Hoover's reaction to the 1929 stock-market crash with the policies, and their outcomes, introduced by Federal Reserve Chairman Alan Greenspan in reaction to the October 1987 stock-market crash.

The worst effect on the 1929-1933 U.S. economy was the result of the unnecessary foolishness with which President Hoover responded to the 1929 Crash. Instead of recognizing the folly which had led into the "Crash," he defended those culpable so-called "principles," with hideous results. Thus, the Hoover Administration's "fiscal austerity" program, which collapsed the physical level of the U.S. economy by approximately one-half between the 1929 Crash and President Roosevelt's inauguration.

This U.S. experience at home is to be compared with the pattern in Germany (and beyond) during 1928-1933. Then, the fiscal austerity measures associated with the formation and early operations of the Bank for International Settlements, created the savage austerity conditions, as under Brüning and von Papen in Germany, which paved the way for the Bank of England's role in bringing Nazi dictator Adolf Hitler into power in 1933.

Today, the reaction by the current Bush Administration over the 2001-2004 interval to date, is comparable to, but far worse than those by Hoover following the 1929 Crash. When the comparison to Hoover's folly is made, the Bush Administration's conduct is fairly described as beyond mere good and evil, as wildly insane.

The Challenge of Recovery

As President Franklin Roosevelt's recovery illustrates the point, the alternative to both President Hoover and George Shultz's Dubya is: the way to bring about a financial recovery of a crisis-wracked economy, is to set its rapid *physical* growth into motion, as through broad-based building and maintenance of basic economic infrastructure and launching of high-gain programs of physical growth in applied technology in private sectors of entrepreneurial agriculture and industry. It is not the growth of financial investors' money which produces economic recovery, but the use of expanded financial resources for increasing both net physical output and the rates and standard of living of employment of the labor-force in infrastructure and closely-held entrepreneurial, small- to medium-sized goods and technology generating enterprise.

As some good leading Democrats and others have stated, if we take the list of long overdue needs for repair and improvement of U.S. basic economic infrastructure on the levels

of Federal, state, and local government, the investment by government in meeting those presently urgent needs would already shift the U.S. economy from the level of present losses due to underemployment, well above the break-even mark. To the degree such employment, by its nature, increases the average productivity of the nation per capita and per square kilometer, such new current investments would have a recovery effect on the economy as a whole which would, in broad terms of estimation, match the comparable recovery-effects under President Franklin Roosevelt.

To state the case briefly, the crucial investments in a good quality of basic economic infrastructure's development are in items which have a physical life of approximately a quarter-century or more. By financing the capital investment in such projects over a term which is significantly less than the expected useful physical life of that improvement, all such investments, if they are prudent in nature, have an impact on the current annual national, state, or local economy which is correspondingly much greater than the cost of maintaining and amortizing the public investment.

With us, such investments of a certain type are financed by converting an installation-cost into state-law-created debt of created private utilities, as in water, power, and so on. The Roosevelt-era rural electrification program is an example of the brilliant success of such kinds of public investments, either by state or local agencies, or with active Federal roles. Long-term investments of such types fit neatly within areas in which Federal, state, and local regulation was required, prior to the ruinous massive deregulation-panic launched under Brzezinski's reign in the post better named then as National Insecurity Advisor, or the kindred, earlier repeal of the Hill-Burton reform, in favor of the increasingly cruel HMO system, under the Nixon Administration.

In these cases, when such public investments are made as vehicles for promoting technological progress, as in upgrading "energy production" from wood, to low-energy-flux-density water-power, to the high-density utilization of coal, to petroleum, to nuclear, the technological advance embedded in the program is itself a source of physical-economic profit margins on the investment.

The same principle applies to private capital investments, if in a slightly different way. Scientific and technological progress are inherently potential generators of increase of the productive powers of labor per capita and per square kilometer. However, whether this benefit is obtained depends upon the way and purpose to which such investment is applied.

The principled character of these considerations affecting investment in public and private forms of physical-capital formation, is shown in the body of this report.

The kinds of reforms I have indicated, means to shift the control over the economy, away from a money-system based on Venetian principles, such as the IMF and Federal Reserve System today, to goals of sustained, long-term physical growth in incomes and output per capita and per square kilo-

meter. With this change to the American System of political-economy, the so-called "profit" motive is maintained, but within the terms of the principles of physical economy. This is the effect toward which President Franklin Roosevelt's successful recovery measures were aimed, that with an astonishingly good result in most instances.

The key to the remedy, then as now, is the creation, chiefly by the inherent regulatory powers of the sovereign state, of a mass of new financial obligations, which, by expanding the current operations of the economy above physical break-even levels, with emphasis on the long-term span of several decades, expands the current debt by methods which increase the long-term ability to repay capitalized debt at far greater levels of obligation than today. The principle is, to grow out of the debt-crisis, by increasing future fungible assets at a greater rate, over the long term, as the example of the TVA illustrates the point. There are few imaginable follies more cruelly insane, than the attempt to fund medium- to long-term real growth within the short-term accounting confines of such lunatic enterprises as Europe's currently infamous "Maas-tricht" agreements.

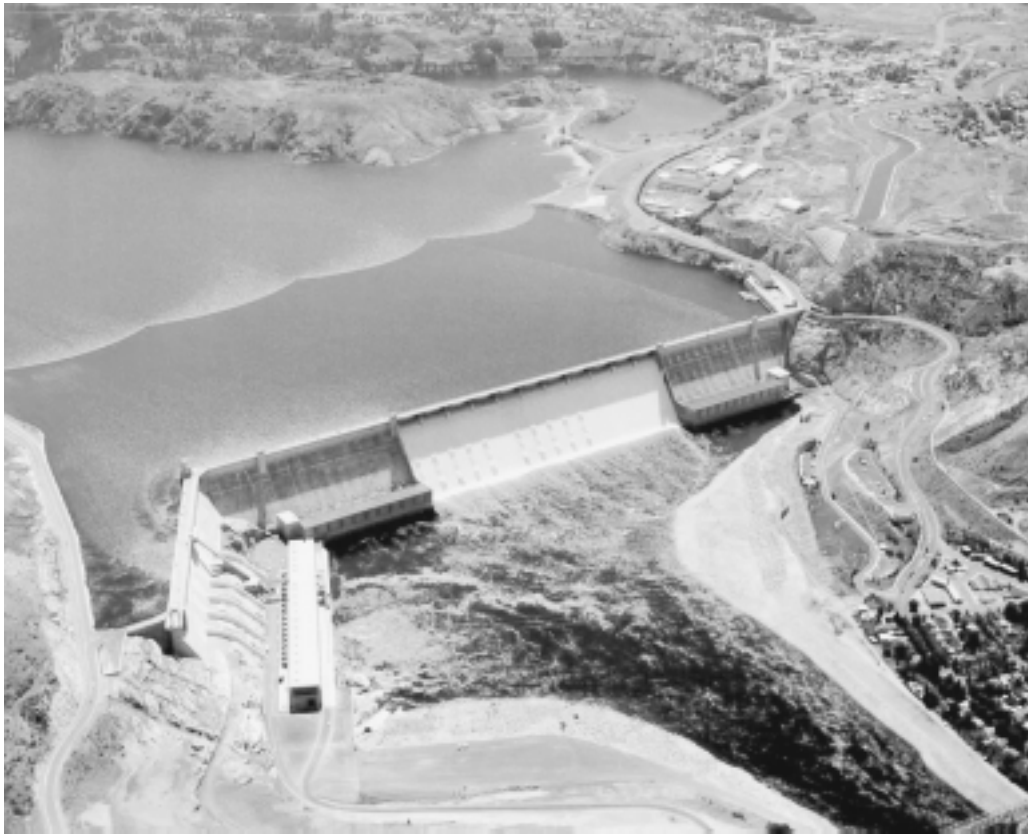
Shift the situation, away from reliance on increase of short-term financial debt-obligations, to long-term capital investments which, by intent of regulation and reliance on technology-driven growth, are to be paid, over the long term, at nominal borrowing costs. Since the present world monetary-financial system is already hopelessly bankrupt, on its own terms, governments must act in concert to affirm reality, by putting indigestible financial claims into the hands of kindly governmental agencies which will make those necessary adjustments to long-neglected economic reality which may be painful to the predatory class, but necessary for the general welfare of the human species.

In contrast to Roosevelt's successes, look at the way the present virtual bankruptcy of the U.S.A. was organized under President Nixon and what followed.

Yet, with all the faults of the post-Franklin Roosevelt U.S. governments, and they were many and sometimes awful, there is a fundamental difference between the direction of the U.S. economy prior to the launching of the U.S. War in Indo-China and since. From the launching of the United Kingdom's first Harold Wilson government, through the 1975 Rambouillet monetary-policy conference, there was a fundamental change in direction of the U.S. economy: from upward, until approximately the time of President John F. Kennedy's assassination, to descending, at a presently accelerating rate of collapse of not only the presently, virtually bankrupt U.S. Bush economy, but of the global dollar-based monetary-financial system.

We have thus reached the end of the line on the continuation of the current Bush Administration under its current policies. Doom, like the fabled monkey's paw, is now rapping insistently at the door of the Oval Office.

There have been two characteristic functional features of



Investments in basic economic infrastructure, such as the Grand Coulee Dam, shown here, contribute to the increase in productivity for the entire economy, not just the local area.

the way the turn downward was organized. One, monetary, financial, and economic, in the narrower sense of those terms. The other best described as “counter-cultural,” the spill-over of the existentialist brainwashing by the forces associated with the post-World War II Congress for Cultural Freedom, into shaping the political and related choices through which the dollar-system was wrecked, and then wrecked at an accelerating rate once the Soviet system had begun to crumble, as I, in 1983, had rather prophetically forecast a likely collapse about five years ahead.⁶

The wrecking of the U.S. economy over the 1964-2005

6. I had made this forecast during early 1983, even prior to President Reagan’s March 23rd television proffer to Soviet General Secretary Andropov. My warning to the Soviet government in February 1983, had been that, should the Soviet government persist in rejecting the Strategic Defense Initiative (SDI) offer which U.S. President Reagan proffered on international television conduits on March 23, 1983, the Soviet system would be expected to collapse in about five years. The Andropov and Gorbachov governments rejected the offer of such discussions, and the Soviet system went under, not five, but six years after I had first delivered that forecast to the Andropov government in February 1983. The SDI, as I had proposed it, and Reagan adopted it in the March 23, 1983 broadcast, had nothing in common either with the childish characterization of the President’s March 23rd proffer as “Star Wars,” or the opposing, kookish “kinetic weapons”-only, “High Frontier” proposal of General Daniel P. Graham’s far-right-wing Heritage Foundation. After Andropov had wildly rejected even a discussion with Reagan, I repeated my forecast publicly in the Spring of 1983.

interval could not have been launched as it was, without the consent of what passed for a majority of popular opinion. It was the cultural paradigm-shift of the 1950s, which permitted, and also fomented those changes in sentiment which were crucial in transforming the U.S. from the world’s greatest producer society, to the intrinsically bankrupt post-industrial ruin it has become about forty years later, today.

The character of the economic policy of the Harold Wilson government, if the term “character” can be tolerated for use under those circumstances, expressed a dedication to bring down the post-war Bretton Woods system, that by aid of a policy of post-industrial wrecking of the physical economy of the United Kingdom itself. Wilson’s wrecking of the U.K. economy, and the correlated orchestration of the Sterling Crisis of Autumn 1967, were used to accomplish the first step toward the breaking the back of the Bretton Woods dollar. During the term of the second Wilson government, the same approach was used, with complicity of U.S. Nixon Administration circles around Shultz, Kissinger, Volcker, et al., to bring about the 1971-1972 break-up of the fixed-exchange-rate Bretton Woods system.

Later, under the regime of U.S. National Security Advisor Zbigniew Brzezinski, the internal economy of the U.S. was put through a structural wrecking-process, capped by Volcker’s initial role as Federal Reserve Chairman. Volcker led the U.S. into the great stock-market crash of October 1987, and

Volcker's successor, "political hack" Alan Greenspan's financial-derivative and related swindles, have pretty much done the rest.

The cultural correlative of these changes in the direction of monetary-financial-economic policy-shaping, was the way in which the role of the nominally anti-Soviet Congress for Cultural Freedom, over and beyond the 1950s, created the foundations of broad cultural degeneracy, in the U.S.A. and western Europe, for what became known as the rock-drug-sex youth-counterculture of the mid-1960s and beyond.

The combined effect of these changes in direction has been essentially as follows.

From Truman and Churchill to Nixon

The death of President Franklin Roosevelt gave Churchill's crowd their victory in the war-time battle against FDR over post-war world global strategy. Where Roosevelt had explicitly intended to end the war by a turn to freeing all colonial nations to become nations developing with assistance of the conversion of the vast war-time potential of the U.S. economy to making the colonized regions full economic, as well as political partners in a world order under a United Nations modelled upon the principle of the 1648 Treaty of Westphalia, the Truman Administration immediately joined the British, Dutch, French, and others, against the now-deceased U.S. President, with military and related enforcement of a joint recolonization policy campaign of the U.S.A. and these European allies. This recolonization policy, which was a correlative of the Truman Administration's unjustified nuclear bombing of Hiroshima and Nagasaki, was extended into the provocation of unnecessary quarrels with Stalin, quarrels which were used by Churchill's partners to launch the 1946 Bertrand Russell campaign for world government through nuclear "preventive war."⁷

The situation changed when the U.S. recognized the detonation of an experimental Soviet thermonuclear weapon, prior to the U.S. development of such a capability. This and coinciding developments around Korea War policy, brought the Bertrand Russell-crafted Anglo-American policy of "preventive nuclear war for world government" to an end, for that time, until Defense Secretary Dick Cheney's attempted revival of that policy at the beginning of the 1990s; but, this Russell policy of the 1940s was replaced, by the close of the 1950s, by the Bertrand Russell-orchestrated Pugwash doctrine of "mutual and assured (thermonuclear) destruction" through readied deployment of thermonuclear-armed intercontinental missiles.

In the meantime, as a result of the pro-colonialist Truman Administration's anti-FDR turn of 1945, the rational option for post-war conversion of the U.S. economy was crippled.

7. Cf. Henry A. Kissinger on the Roosevelt-Churchill conflict, Chatham House Address, May 10, 1982.

What should have occurred was the long-term capitalization of utilization of a large part of the war-production potential for the development of the sovereign nation-state economies of the parts of the world released from the status of colonized and semi-colonized regions, as FDR had presented this to Churchill at their meeting in Morocco. The result of Truman's backing of recolonization, was, therefore, an unnecessarily severe and prolonged U.S. recession during the U.S.A.'s Truman years.

It must be stated and emphasized here, in that connection, that contrary to the popular mythologies of most of the world during the 1945-2005 interval to date, including much of a U.S. population itself caught up in this myth-making, the U.S.A. has none of the functional characteristics of an imperialist nationality, and, in fact, never had such a characteristic trait. The imperialist impulses from within the U.S. have always been an alien reflection of the role of a section of the U.S. financier interest which was an integral part of the Anglo-Dutch Liberal monetary-financial system.

The U.S. pro-imperialists of that set were, principally, the British East India Company's American Tory assets, such as the Perkins Syndicate, and the pro-slavery turn of the American Tories of the 1820s, a turn which brought Aaron Burr successor Martin van Buren's and Belmont's London-steered financier interests into control of the Presidency with the election of former Aaron Burr asset, van Buren's Andrew Jackson, and the wrecking of the U.S. national bank in favor of van Buren's rapacious land-bank swindle.

The *raison d'être* of those and related alien currents of influence, living as influentials within our own republic, or among expatriates, is quickly and correctly understood when we recognize that the world's hegemonic monetary-financial system during most of these centuries, has been that brought into existence by that Paris Treaty of February 1763 which established Anglo-Dutch Liberal financier interest as a growing imperial force. That Liberal faction remains, to the present day, the modern continuation of the same ultramontanist system of the medieval period of the Venetian financier-oligarchy's imperialist partnership with Norman chivalry.

For example, the planting of chattel slavery in the American colonies, and the energetic expansion of that slavery under the Democratic Party of Jackson and van Buren, was a reflection of the way in which the Anglo-Dutch Liberals ran the Nineteenth-Century phase of the African slave-trade through, chiefly, their flunkies, their Spanish monarchy clients of the Nineteenth Century. From the 1790s on, the British and our treasonously inclined Liberals, then as now, preferred a more profitable traffic, as did the Mont Pelerin Society's Milton Friedman, the legalization of the drug trade, then, the India-Turkey-China opium trade.

It is to the extent that the imported Anglo-Dutch Liberal financier influences of the American Tory tradition have subverted the intent of our U.S. Federal Constitution, that



The shift from President Franklin D. Roosevelt to Harry S. Truman moved the United States dramatically away from the American System tradition in economics and foreign policy. From left to right, FDR, Truman, and Henry Wallace.

we have suffered the still-persisting, alien influence of what is frankly a pro-imperialist financier faction in our national life.

If we understand the history expressed in the crafting of the 1776 Declaration of Independence and our Federal Constitution, with its exceptionally remarkable Preamble, over the subsequent centuries, our embedded patriotic impulse has had two leading characteristics. First, as the diplomacy of John Quincy Adams was specific and emphatic on this point: to establish and maintain a defensible, therefore continental constitutional republic, with well-defined, permanent northern and southern borders, with Canada and the republic of Mexico, respectively, and the area within those borders, from the Atlantic to the Pacific. If we had quarrels with Canada, these were forced upon us by the periods in which Canada's status as a British imperial instrument was aimed against us. As for the wars with Mexico, these were fruit of the combined effort of Britain's French, Habsburg, and Nineteenth-Century Spanish accomplices, together with Anglo-Dutch Liberal flunkies, such as President Theodore Roosevelt's uncle and British-run Confederate spy, James Bulloch, from within the U.S.A.

Second, although we were nationalist in the sense prescribed by Secretary of State John Quincy Adams, we were not isolationists. Typical is the role of John Quincy Adams, then a distinguished member of Congress, in the famous "Spot Resolution" effort of then-U.S. Representative from Illinois, Abraham Lincoln, in opposing President Polk's concocted war with Mexico. Wisely, President George Washington had warned against entangling alliances with our enemies, our British and the Habsburg mortal adversaries, such as the cir-

cles of Bentham, the French Terror and Napoleon, Castlereagh, Palmerston, and Metternich, who were the dedicated adversaries of our continued existence up through the point a victorious U.S. kicked the French into abandoning the monster Maximilian, for whom the combined forces of the British, French, and Spanish had deployed their forces, in concert with London's Confederacy asset, to crush Mexico and make it an instrument against the U.S.A.

We wiser patriots have therefore always understood, since the time of the Massachusetts Bay Colony's view of Europe's Thirty Years War and the happy 1648 Treaty of Westphalia, that our national security needed a world in which truly sovereign nations

were related to one another in the manner expressed by Westphalia. It may have seemed, often, as under Dubya today, that we had largely lost our patriotic devotion to that perspective, even for a generation or more. Yet, repeatedly, from among our people, as in the U.S. opposition to Bush's imperialism today, there have been not only leaders, but masses of ordinary citizens, who have rallied in affirmation of our republic's Westphalian roots. Franklin Roosevelt's intention for a Westphalian model for a post-war planet, like the role of President Lincoln before him, or leaders like the martyred Rev. Martin Luther King, express what is truly the typical American, anti-imperialist, patriotic impulse.

The transition from Roosevelt to Truman spawned an insolent upsurge of the same Roosevelt-hating circles, especially financier-oligarchical circles and their hangers-on, who had once conspired to bring the U.S.A. and Britain into the fascist order emerging in Italy, Germany, France, and Spain, but had joined Roosevelt only because a section of the British oligarchy, merely typified by Winston Churchill, were determined, unlike others of their class, not to turn the British Empire over to an Austrian immigrant into Germany, Hitler. Once Hitler was virtually out of the way, and Roosevelt already dead, the right-wing, Anglo-American financier-oligarchy returned to the passions of the days it still admired Mussolini and Hitler. This became, under President Truman, the right-wing insurgency which captured predominant control over U.S. political life during the Truman years.

This crowd of right-wingers had a problem. They hated everything for which Franklin Roosevelt stood, and were determined to uproot all of his social reforms as soon as the opportunity were ripe. But, for the moment, uprooting the

Roosevelt system, and its Bretton Woods extension, was not economically practicable. The right-wing terror of the Truman era, later called, euphemistically, “McCarthyism,” was unleashed. The herds of Nazis coopted into the service of Allen Dulles, Spain’s Franco, Augusto Pinochet, et al., and our own pro-fascist Buckley tribe, typify the situation. However, the election of a traditionalist opponent of that Truman-led right-wing, an opponent like General of the Armies Douglas MacArthur, President Dwight Eisenhower, gave the world, and the U.S.A. itself, a temporary respite.

At the point of his retirement, Eisenhower named the fascist current in America “the military-industrial complex;” he might have called it, with tolerable exaggeration, the “Allen Dulles” complex. Immediately, Dulles et al. began unleashing what their faction had been concocting. The assassination of President John F. Kennedy, among others implicitly on the list of targets, was the stroke of terror which unleashed the right wing, aided by the follies of a U.K. under Harold Wilson. The way was being prepared for the Administration of Nixon, Shultz, Kissinger, Volcker, et al.: the road toward fascism was being cleared.

Under National Security Advisors Kissinger and Brzezinski, the U.S.A. as we knew it was being destroyed. Neither Kissinger nor Brzezinski actually did it; they were merely the Leperellos of the rape of our Constitution. It was the right-wing, the same Anglo-Dutch Liberal crew of Venetian-style international financier-oligarchy, which had unleashed fascism upon 1922-1945 continental Europe (and beyond), aiming to corrupt and destroy the U.S.A. as a way toward establishing that form of ultramontane, universal-fascist world reign called “post-industrial” utopia and “globalization.”

The Economics of International Fascism

Technically, the kind of economic system which has been unfolding in the U.S.A., Europe, and beyond, since the first Harold Wilson government’s flanking assault against Roosevelt’s Bretton Woods system, is fascism, as the names of Mussolini, Hitler, and Franco would suggest. To put a fine point on that, the present form of this abomination is called by some “international fascism,” as distinct from the nation-state characteristics of the past Mussolini, Hitler, and Franco regimes; another name is “Nazi Allgemeine SS,” as Defense Secretary Donald Rumsfeld might brightly understand that connection.

Yet, the term is also somewhat misleading, because it does not include one-time asset of Montagu Norman’s Bank of England, Hjalmar Schacht among the fascists. To similarly misleading effect, the dubious efforts to set Schacht apart from responsibility for Nazism, corresponds to a much broader, general post-war cover-up of those financier agencies which had created European fascist movements and governments, and who were, ultimately, the principal post-war

owners of the holdings, such as the gigantic Hermann Göring Werke, once listed as “Nazi assets,” but whose role was covered over by relevant elements of the U.S. Truman Administration.

The history of the rise of nominally fascist tyrannies in Europe, over the span of time from the Versailles Treaty conference through the capitulation of Nazi Germany in 1945, was not a product of the takeover of European state institutions by fascist movements. The fascist movements spawned by decisions made at the Versailles conference were the creation of a network of private financier interests, a network which called itself “The Synarchist International,” a network whose essential elements are often very much alive and in power, sometimes under their old name, in Europe, the U.S.A., and elsewhere today. The documentation of these connections is solid.

To understand the motive behind those bankers’ creation of the fascist movements of that time, we have to drop the charade of pretending that the fascist movements were anything more than instruments of the policies of that network of financiers behind a Synarchist International which is very much alive still today. Once you face the fact, that it was bankers who created fascism for their purposes, you are obliged to uncover the secrets of fascism in banking, rather than being one of the silly conspiracy buffs who attempt to explain matters by pointing to *Mein Kampf*; it is the other way around. It was bankers who created fascism as their instrument, but not just bankers in general; it was bankers steeped in the continuity of the ultramontane Venetian financier-oligarchical system, who crafted and used fascist movements and governments in ways intended to serve the special kinds of interests of bankers of that kind.

Remember, it is typical, that it was Montagu Norman, the head of the Bank of England, who used his asset Hjalmar Schacht to orchestrate the bringing of Hitler to power in Germany, just as we should remember that it had been long-standing British asset and Venetian banker Volpi di Misurata who had brought long-standing Winston Churchill asset Mussolini to power in Italy.⁸ The role of oligarch George Pratt Shultz in the U.S. government since his crucial role in the Nixon Administration, is typical of the kinds of pedigrees of the men of the family financial corporations who are invariably behind the Pinochets, the Cheneys, and “Governator” Schwarzeneggers today.

8. Venetian banker Volpi’s fame and influence began as part of the British operation behind the Young Turk insurgency, and the operations of the famous British intelligence asset Parvus (Alexander Helphand), a gun-runner, grain-trader, and super-spy, like the Jabotinsky of *Jeune Turque*, who also operated for a time in the environment of the Young Turk operation. In exploring the coincidence of the careers of Volpi and Parvus, the Parvus connections to the international operations of the Okhrana’s celebrated Colonel Zubatov and the Russian Revolution of 1905, are more than merely interesting.

Similarly, the ultramontane ambitions of the Synarchist financiers of the post-1945 world, had been the guiding hand behind the right-wing turn in the Truman Administration, and have shaped the direction in which the drive for fascist forms of globalization has become the leading thrust of recent decades of development of national parties, politics, and international agreements and acquired habits of policy-shaping over the period since the launching of the official U.S. war in Indo-China and the first Harold Wilson government of the U.K.

To establish that kind of ultramontane utopia, it was deemed necessary to destroy the organized economic structure of a sovereign form of modern industrialized nation-state, before attempting to install the relevant altered kind of political movements and institutions of government which we see flourishing again in the U.S.A. and Europe today. Such is the history of the U.S.A. over the period from the death of Franklin Roosevelt to the present time. The following, summary account of that transformation should suffice to make that point about fascism clear.

To understand the modern nation-state, you must first understand the interconnections between two, interrelated aspects of its economy: its physical economy and its political economy.

By “physical economy” I mean to emphasize an analysis of the total land-area and population in physical terms. In the case of the U.S.A., we focus upon unit-areas such as counties, while we consider the density of the population and development of physical characteristics of the area in each area as the type of unit which must be considered in any effort to describe the progress or deterioration of the nation in that locality. People, basic economic infrastructure, physical investment in productivity, and physical productivity per capita and unit of land-area, are considered as a first-approximation measure of the level and changes in level of the productivity of each area. Similarly, we see how well the nation is keeping up, and, hopefully, improving these raw physical characteristics. Considerations such as the amount and development of farmland and the area’s infrastructure as this bears on the productivity of each locality of the nation, is an example. Then, we study the rates of changes in relevant categories, to judge, from a purely physical (non-financial) standpoint, whether the nation is progressing or in decadence. Since the late 1960s, especially since 1971-1972, the U.S.A. as a whole has been in a decadent phase overall, decadence now converging on the threat of early doom.

These physical relations define the relationship of the people of the nation to their nation as a whole, politically and otherwise, whether the nation is increasing its physical production of useful wealth per capita *in its own territory*, or is becoming decadent, perhaps fatally, by ceasing to produce at home, because it prefers to import cheap goods from cheap labor abroad.



After the mid-1960s, the U.S. was increasingly taken over by consumerism, with malls like these above replacing factories.

For example, the transformation of the formerly rich U.S. family farmlands and manufacturing might, into today’s ghost-town-like ruin, since during the late 1960s, as in Germany’s Ruhr, and the descent of the largely debt-ridden lower eighty percentile of our family households into actual or near desperation, illustrate the hollowed-out truth about alleged increases of U.S. prosperity during the recent thirty-odd years. The southward internal migration of the population, away from the great grain-belt and industrial prosperity, is a spectacle of physical-economic degeneration of nationwide land-use, as in northern Virginia, near the nation’s capital, of the U.S. destroying itself over the course of these decades.

The U.S. population emerging from World War II, had experienced great progress by those kinds of physical standards of measurement. The intellectual productive powers of the population as well as the quantity and quality of their output had increased. Their achievements under FDR had made them, for the large part, optimistic. The kind of prog-

ress they had experienced under FDR, was a value which they expected in the performance of the national physical economy, and in the performance of governments responsive to these optimistic perspectives. Until the middle of the 1960s, you could not begin to think of taking these values away from the majority of the adult population. To clear the way for fascism, you must, therefore, destroy the policy-making habits of government which are associated with these values; that can not be done under democratic systems unless the population has become demoralized by the combined experience of seemingly endless deterioration of the physical condition of the territory of the nation as a whole and some terrifying experience which sends much of the population to what might be described as “cowering in their holes.”

You could corrupt the parents of the Baby Boomer generation, but you could not take their economic and related morality out of their cultural heritage. It was the children, the Baby Boomers, who absorbed the greater part of the existentialist corruption strewn across the landscape from the death of FDR to the riotous ferment of 1968.

Meanwhile, the fear of nuclear and then thermonuclear warfare provided the conditions under which a rat-like ferality invaded social relations in the U.S.A. “McCarthyism” was a reflection of that. Then, the influence of the existentialist Congress for Cultural Freedom (CCF) on education in the schools, especially in new suburbia, produced a malleability of the moral character of the bright young children who were seen as destined to become the new, “white collar” ruling class of the nation. The terrifying events of the early 1960s, especially the Bay of Pigs, the missile-crisis, the assassination of Kennedy and others, and the threatened drafting of college students into the Indo-China war, created the preconditions for the opposition to “blue collar” kinds of physically productive activity on which the principal achievements of the U.S. had depended up to that time, especially the experience to that effect under FDR and following.

So, by the time U.S. astronauts landed on the Moon, the shifts in policy which had occurred since the middle 1960s had already begun to destroy crucial elements of those technological capabilities on which the possibility of Moon landing had depended. By the mid-1970s, the emerging layers of the labor-force were producing more and more anti-technology fanatics steeped with the kind of existentialist cultural pessimism which the Congress for Cultural Freedom had done so much to promote during the 1950s and 1960s.

Under Brzezinski, the destruction of the systems of “fair trade” regulation and infrastructure-building cut deeply, and, so far, permanently, into the foundations on which the recovery from the Hoover depression, and the U.S. victory over fascism had depended.

Since 1982, there has been a resulting general shift in values, away from physical productivity, toward the mere

possession of money. Not only earned money, but unearned spending of fictitious money borrowed on credit. The worst of the moral and material damage to this effect was done under Federal Reserve Chairman (and political hack) Alan Greenspan’s reign of an economy based more and more on gamblers’ side-bets, rather than actually earning anything: financial derivatives.

Money is not the cause of growth; money is properly seen, used, and regulated as an instrument of national policy in ensuring high rates of gain in physical output and technological levels in employment and standard levels of income of the typical family household of the population. It is technological progress, as a force for increase of physical productivity per capita and of the population as a whole, which generates the durable basis for what can be recognized as long-term, non-inflationary financial growth.

Thus, the contemporary synarchist international, has so wrecked the economy of the Americas and Europe, including the former Soviet Union, especially since 1989, that the physical-economic values on which modern European nation-states premised their perception of rightness, are either gone or faced with the immediate prospect of vanishing. In the U.S.A. and the U.K., for example, there was an overall downturn, ending the rise in physical-economic values up to approximately the middle of the 1960s. On continental Europe, the downturn came a bit later, but Europe has been catching up at high speed of late.

Thus, we have become a nation so decadent that most of the upper-twenty percentile of the population seems to have no sense of how desperately decadent this nation, and, most of all themselves, has become. The upper income-brackets of Baby Boomers, Tweeners, and Karl Rove’s campus Republican goonery, lurch like legendary lemmings to their self-destruction, and are loathe to tolerate anyone who gets in their way. The stink of corruption radiates among those who go to church to worship money, and call this abomination the fruit of a faith-based initiative. We are at the point where so much of the population has lost all sense of sane physical-economic values, that it has become doubtful that this population would awaken in time to prevent itself from being plunged into a global new dark age.

Using those guidelines, we may say with certainty, that there are happy alternatives available for the presently accelerating collapse of the U.S.A. under President Dubya. There are remedies; but to escape the doom our culture has brought upon itself now, Americans must be willing to change ourselves from the wretched moral hulks so many of them have been induced to become. History warns us that the mere fact of the horror into which we, like fabled lemmings, are now plunging, will not be sufficient evidence to cause us to change our ways in time. There must also be a clear vision of the available alternative. That optimistic prospect is the principal task on which I focus your attention here.

What Is the Complex Domain Physically?

We now begin with an introductory summary of a series of key principles which must be identified before undertaking a discussion of the practical matters which the presently on-rushing global monetary-financial crisis presents as the key issues of the present world situation. For this reason, we focus attention now on the way in which the function of each among these validated hypotheses acts as a *power (dynamis)*, with that term used in the sense of the usages of the Pythagoreans and Plato.

The idea of actual economics must be developed from the starting-point of a fundamental distinction, the notion of a universal physical principle, a principle which separates humanity categorically from all lower forms of life, the great apes included among the latter. That crucial distinction is the human capacity for formation of Platonic hypotheses which are susceptible of experimental verification as universal physical and related principles. We shall show that whatever might appear to be explained to the credulous about human behavior, by the kind of mathematics allowed by avowed radical empiricist Bertrand Russell and his celebrated stooges, Wiener and von Neumann, must be regarded from the start as not only false, but viciously so.

This principled distinction of man from the beasts, is the efficient physical basis for defining the increase of the potential relative population-density of the human species, as this phenomenon is not possible, in any meaningful sense, in the case of any other species or variety. *The ability of the human mind to generate, and socialize the discovery of a universal physical principle, has the kind of effect, in the development of society, which we would be obliged to attribute to a species-jump in any species other than man.*

The fact of this distinction of man from beast, was treated by the Russian scientist V.I. Vernadsky as a demonstration of the way in which the potential relative population-density of the human species has been, in fact, already increased, cumulatively, by at least three decimal orders of magnitude, over that of any species of higher ape. *The presence of this distinctive quality of the human genotype was recognized by him, as what he named the Noösphere, the latter as a superior form of existence relative to the Biosphere and abiotic domain, respectively.*

For example. Although the existence of the human species on our planet Earth has depended upon the development of

The idea of actual economics starts from the universal physical principles which separate humanity categorically from all lower forms of life, the great apes included.



the *Biosphere* to levels at which self-sustainable human populations could become possible, the characteristic distinction of man from the lower forms of life, is not a product of the *Biosphere*, but, rather, human life, as distinct from other species. Human life is a distinct category of existence in a physical universe composed of three distinct, but multiply-interconnected principles: the abiotic, living processes (the *Biosphere*), and cognitive processes (the *Noösphere*). The interdependency of these three distinct processes, determines the reciprocal relations among these types. *It is man's willful action upon this set of reciprocal relations, which determines man's role on the planet, and, thus, the process represented by the planet as whole.*

In the record of the existence of societies on this planet, since, most notably, the emergence of what became known to modern European history as the Egyptian contributions to the Classical Greek civilization of Thales, Solon, Pythagoras, and Plato, two principal "factors" have been predominant in regulating the willful progress of the potential relative population-density of relevant societies. *One, the type of development of the individual human mind, which is the power directly responsible for changes in practice through which increases in potential relative population-density are made possible. Second, the characteristics of various human cultures which*

account for tendencies to foster, or suppress the intellectual development associated with the discovery and use, within societies, of experimentally validatable discoveries of universal physical and Classical-artistic principles.

The connection between those two phases of the problems of demography, determines the potential of both the planet and its human population.

That said, now, for purposes of maintaining coherence, I now restate, compactly, a crucial point concerning the physical meaning of the complex domain, a point which I have developed repeatedly in other locations. The objective of the exploratory discussion of the matter with which I begin this introduction of those features of the science of physical economy in this report, is to neutralize the erroneous tendency to think of Riemannian physics merely from the standpoint of ordinary classroom mathematics. We aim at that objective by viewing those mathematical conceptions as reflections of that original Classical Greek conception of knowledge best typified by the known work of the Pythagoreans and Plato.⁹

The common, naive misconception of human sense-experience, is the notion of knowledge as primarily equivalent to the experience of sense-certainty. That notion is the mistaken belief, that sense-perceptions are *always* in functionally direct correspondence to those real-world developments which impinge upon our sensory apparatus.

Against that mistaken, but currently still popular opinion, two leading points of correction are to be made.

First, on the relatively simpler level, we must have evi-

9. The trace is historically backwards in time. Start with the Gauss-Riemann conception of the complex domain as entirely a physical, rather than a formal mathematical domain. See the frauds of D'Alembert, Euler, Lagrange, Cauchy, et al. in terms of back-tracing the way in which Euler, for example, introduces his fraudulent notion of "the imaginary" in the context of the paradoxes implicitly posed by Cardan's treatment of cubic functions. Trace that issue of cubic functions back to Archytas' solution for the purely physical-geometrical, rather than algebraic, of the construction of the doubling of the cube. Then, look at elliptical and higher order functions in the Riemannian physical geometry of Abelian functions, against the background of Leibniz's location of the physical-geometric generation of the catenary as expressed as a mapping of the thought leading into discovery of a universal physical principle of least action. Avoid the trap of attempting to see Gauss's *Disquisitiones Arithmeticae* as rooting mathematics in algebra, by recognizing that that work, notably the subject of bi-quadratic residues, leads the student away from naive algebraic world-outlooks, into the direction of Gauss's discovery of the orbit of Ceres, on the general principles of curvature, and what Riemann makes of this in his principal works. See the implications of Leibniz's catenary principle in historical retrospect, from the standpoint of a generalization of Riemann's treatment of Abelian functions. The general principle of rigor is to look afresh at the knowledge of the past, this time from the new standpoint of the presently added discoveries of universal principle. True science is reconsidering what science thought it had known, now from the standpoint of a higher epistemological level of subsequent discoveries of the general characteristics of the new, higher standpoint, from which to see the way in which the universe is, ostensibly, actually organized as a whole. See this as a reflection of Cusa's principle of *Docta Ignorantia*, as Riemann's habilitation dissertation expresses Cusa's principle in more modern terms.

dence that what we think we have sensed, is actually a reliable product of an external action upon our sense-apparatus. To settle such questions as that, we rely upon the experimental method, as our way of testing the validity of what we think we have experienced.

Second, we have a deeper, more fundamental challenge, as we confront the case of what might have been a valid experimental test of our perceived sense-experience; as in the case of Kepler's original discovery of a principle of universal gravitation, what we encounter is an anomalous effect which can not be traced to any discrete object existing in the domain of immediate sense-perception, as being a cause of that anomaly. Kepler's discovered principle of universal gravitation, is the Classical modern example of this notion of a universal physical principle.¹⁰

On the one side, in the first case, sense-experience is limited to experimental proof of that experience itself. However, the universal physical principles, such as Kepler's discovered principle of gravitation, exist, and that with full efficiency. These principles exist in a domain beyond simply direct sense-perceptibility of gravitation as an object of sense-perception.

The discrimination between the two kinds of experimental results, defines the second class of experimental knowledge as associated with what has come to be known as the physical, rather than merely formal-mathematical conception of the mathematically complex domain.

Without the comprehension of the complex domain as a physical domain, mathematics may merely sit and count the footprints in the sky. Mathematics by itself seeks to show what has moved; the physical concept of the complex domain shows what is moving the scheme we observe. Such is the concept of power associated with the work of the Pythagoreans, Plato, and Leibniz, the power expressed by a physical notion of the complex domain. This power of discovered universal physical principles, is what moves an economy along an upward course.

As a consequence of this, experimental science in the spirit of Nicholas of Cusa's *De Docta Ignorantia*, is always confronted with a certain kind of dualism. *On the one side, there is the domain of sense-experience; on the other side, there are the effects which are sensed, but whose pattern of behavior can be tracked down to some well-defined experimental demonstration of the efficient existence of an unsensed*

10. Kepler reflects the modern version of the ancient Classical Greek notion of universal physical powers, as the concept of powers is associated with the Pythagoreans and Plato. It is important to repeat: that the modern version was introduced by Cardinal Nicholas of Cusa, as in his *De Docta Ignorantia*. Luca Pacioli and Leonardo da Vinci, are direct reflections of Cusa on this account, as Kepler attributes his work to the legacy of Cusa, Pacioli, Leonardo, et al. Riemann's 1854 habilitation dissertation and 1857 Theory of Abelian Functions express Riemann's full-fledged adherence to Cusa's principle of *Docta Ignorantia*.

universal physical principle. The effect of the existence of the principle is sensed, but not the existing, suprasensory principle which generates that perceived, sensible effect. The defense of Leibniz's universal principle of physical least action, as expressed by Gauss's referenced 1799 dissertation, implicitly defined this dualism of the mathematical representation of experimental knowledge as a complex domain, the physical complex domain.

In the latter domain, we have measured sense-experience against a conception of our existence's containment within a universe organized, from the preliminary experimental standpoint (the first level of experimental work) as the spherical physical geometry of primary astronomical observations. This was the ancient Egyptian astronomy's conception of *Sphaerics*, as adopted by the Pythagoreans. However, within the domain of *Sphaerics*, we must also deal with those experimental anomalies, as in astronomy, from the second, higher level of experimental method; that is, from the standpoint of observed motions which reflect an "interfering" action of another, superior geometry. This other, superior geometry, is expressed as anomalies projected from the domain of the unseen, upon the sensed projective screen of what might be imagined to have been seen as a spherical universe.

In that context, the task of physical geometry is to show the interaction between the two domains, the spherical domain (the imagined screen on which the events of sensory-experience are displayed to sense-perception) and non-spherical domains whence other geometries are acting, in the guise of what we must recognize as universal physical principles, to produce the apparently combined, anomalous effect recognized as the paradoxes which higher reality presents to sense-perception. This is the latter, second standpoint of Riemannian Abelian functions which corresponds to, at first, approximately elliptical, and, then, higher order geometries.

In serious studies in physical economy, we do not think of such matters as from "inside" the standpoint of a formal mathematics. Rather than relying upon mere formal mathematical description, we think of the formal mathematics from the higher vantage-point of a conception which subsumes, and thus rises above those formalities. We look at the subject from a standpoint outside the limits of the axiomatic assumptions of a relevant, particular mathematics. For example: *without such an approach to physical economy from the latter, higher vantage-point, it is impossible to understand those higher physical-economic processes which come most directly into play, as today, as society enters a period of breakdown of its previously habituated economic systems.*¹¹

11. For example, in discussions of ways of reacting to today's mounting international monetary-financial crisis, the knee-jerk reaction among most is to discuss the character and role of money in a post-crash system from the standpoint of habituated, more or less fetishistic dogmas of money prevalent

The level of the efficient, but unseen physical principles which order the appearance of regular anomalies in the directly observed domain, is the superior level of *universals*. For example, we mean this in the sense that the principle of gravitation acts everywhere, as an unseen, efficient object; but, it is not an object of the type we may associate with the class of objects of mere sense-perception, objects defined by their apparent physical space-time boundaries within the visible domain. *Every valid universal physical principle, so defined by unique appropriate (e.g., Riemannian) form of experiment, exists as a universal, not a discrete object in the sense of a sense-perceived object, nor as in the sense of a formal classroom style in mathematical procedures.* This view of universals is of crucial importance for understanding the difference between a situation in which the employment of a physical principle prompts an increase in the productivity of an entire economy, whereas certain different uses of the same principle fail to produce that desired effect (i.e., *Analysis Situs*).

There is a practical difficulty involved in this. Although all normally born human beings are born with a creative ability of this potential characteristic of their species, an ability which sets each apart from, and absolutely above the beasts, many people act as if they were beasts, either in frankly brutish ways, or simply by being conditioned to suppress the use and development of the innate cognitive potentials which they are given as members of our species. *In the history of what has become, now, globally-extended European culture, we witness the suppression, and even destruction of the cognitive potentials of the human individual which are frequently greatly impaired, or even destroyed, by influences which include what fits the model of a Dionysian perversion, such as the case of our existentialists today, or simply a suppression of the expression and development of their creative powers by modes, such as sophistry, Aristoteleanism, empiricism, or related "philosophical reductionist" conditioning.*

*So, in modern European culture, the spread of the inherently stultifying dogmas of Aristoteleanism and empiricism, are the predominant forms of relatively civilized ways in which the creative powers of the individual are crippled in ways corresponding to psychiatrist Kubie's discussion of the problem of "neurotic distortion of the creative process" even among notable case of scientifically trained persons.*¹² One of the effects, and causes of this neurotic crippling among trained intellectual workers, is the acceptance of reductionist

in the system which is now destroying itself. In this state of affairs, a new conception of money is required, as I have repeatedly warned: yet, others, even those who are relatively expert in the dying system, cling, as if hysterically, to confidence in a continuation of the way in which money operates under the old system.

12. Lawrence S. Kubie, *The Neurotic Distortion of the Creative Process* (Lawrence, Kansas, 1958), and "The Fostering of Scientific Creative Productivity," *Daedalus* (Spring, 1962).

mathematics, and related forms of so-called “logical” discipline as a substitute for actual creativity. The person so crippled by acceptance of that conditioning, says, “Put it in my terms of reference,” a proposal, which if accepted, condemns the discussion thereafter to muddle in fruitless mediocrity in respect to any subject-matter which demands an actually creative solution.¹³

That kind of widespread moral-intellectual mediocrity, of the type referenced by Kubie, expresses itself in what I have often described as a “fishbowl” mentality. Like a pet fish in a bowl, the individual’s mental life is confined to sets of axiomatic, or axiomatic-life assumptions. *Thus, any real-world development which does not fit within the fishbowl of such assumptions, has the effect, like the Jacobin Terror, of tending to shatter the bowl, dumping its doomed fish onto the living-room carpet, perhaps to be found dead, there, in the morning. That is precisely the nature of the danger to the U.S.A. and its inhabitants today. That “fishbowl syndrome,” is the nature of the threat of self-inflicted doom inhering in the popular and academic cultures of the Americas and Europe today.*

Mathematics is necessary, but do not weave it into the building of your personal fishbowl, especially at a time, as now, when the customary fishbowls are beginning to crack all around the world.

The effect of a discovery of a universal physical principle may be described in mathematical terms after the fact; but, this description becomes possible only after proof of the revolutionary change in choice of working principles has been crafted. You will not get to the discovery by standard classroom mathematical methods. The discovery amounts, as Riemann’s case illustrates this so clearly, to the effect of the introduction of something from outside previously established mathematics, something which smashes the pre-existing set of relevant mathematical assumptions (i.e., the method of *Docta Ignorantia*). The attention of competent scientific practice is always focussed on the matter of those yet-to-be-discovered universal principles of some relevant doctrine, whose discovery will smash the existing mathematics associated with that doctrine, as Gauss’s 1799 smashing of the axiomatic assumptions of D’Alembert, Gauss, Lagrange, et al., typifies this form and quality of action, and as referenced chiefly among the principal works of Riemann, such as his habilitation dissertation and “Theory of Abelian Functions” do this in a more general way.

The language of the quality of science which is capable of dealing with such challenges in the domain of formal mathematical physics, is what is known, formally, as the meta-

13. Take the case of some brilliant experimentalists, with solid creative powers in their experimental practice, but who shrivel in fear of the tyrants of the cult of Newton, when the issue of proof of principle is shifted from their native domain, unique experimental results, to the terms of the discussion demanded by the virtual Babylonian priesthood reigning over academia today.

mathematical practice called *epistemology*, as the work of Plato best typifies the dialectical principles of epistemology. Epistemology, properly understood, is the language of reference to the existence of those principles which belong within that second order of experimental work which I have located as the characteristic distinctions of mental life which place Cusa, Leonardo, Kepler, Leibniz, Riemann, et al. outside and above the level of Aristoteleans and empiricists such as Euler. *Epistemology is the language of universals.*¹⁴

So, from the standpoint of *universals*, a person, such as a scientific discoverer, such as the ancient Archytas, Archimedes, and Eratosthenes, whose work has an efficient application in the widest range, even beyond the mortal bounds of birth and death, is a universal personality, as all of the greatest scientific discoverers typify this; or, as Jeanne d’Arc’s expenditure of her mortal life on behalf of the establishment of the modern sovereign nation-state republic as a replacement for the empire and medieval ultramontane systems earlier, renders her immortal because the effect of her mission has a universal quality of outreachingness.

Such a person’s existence within the universe is immortal. The person dies, but the radiated efficient effect of his or her existence as a cognitive being radiates through the simultaneity of eternity, after the mortal flesh is long gone. This quality of unbounded immortality is found only in the individual’s

14. The fallacy of Aristotle’s method is treated famously by Philo of Alexandria. Philo shows that Aristotle’s doctrine is based on the sophistry of the argument made by him: that if the Creator were not Himself imperfect, then His act of Creation itself were ruled by perfect laws, which He Himself could not violate. As Philo crushed those Aristoteleans, the evidence is that the Creator is A Perfect Creator of a *self-developing universe*, in which mankind, or the individual human being is obliged to contribute to that process of change which is an ongoing process of continuing creation. Thus, the reading of Aristotle ridiculed by Philo shows the Aristotelean theologians to have proposed implicitly, in this way, that God is effectively dead, and those Aristoteleans are therefore the clearest example of Gnostic theologians who have consigned day-to-day power in and over the world to a different sort of reigning deity, such as the Satan of the Mont Pelerin Society’s Mandeville. The same issue of Aristoteleanism, as posed by the ancient Claudius Ptolemy’s fraudulent treatment of the earlier discovery of Earth’s Solar orbit, as by Aristarchus, the fraud concocted by the Roman Empire’s Claudius Ptolemy, was made a theological issue of the agenda of Sixteenth-Century modern Europe’s Inquisition. This latter fraud was the modern attempt to uphold the hoax of the geocentric universe against the work of not only Aristarchus and other Classical astronomers, this time against Cardinal Nicholas of Cusa during the Fifteenth Century, represented the same gnostic “God is practically dead” notion attacked by Philo. The theological issue is, in fact, the effort of the Roman imperial tradition to uphold that Gnostic doctrine of the Olympian Zeus which is the subject of Aeschylus’ *Prometheus* trilogy: men and women must not be permitted access to knowledge of universal physical principles. Such theology works to keep God from interfering regularly in Satan’s (e.g., Bernard Mandeville’s) world. On this account, the empiricism of Venice’s Paolo Sarpi and his house-lackey Galileo Galilei, has no essential, underlying disagreement with modern Venetian Aristoteleans such as Henry VIII’s marriage counsellor, Francesco Zorzi (aka Giorgi). Much of the corruption of science by the work of contemporary science referees working in the tradition of Cauchy, is to be recognized a Gnostic enterprise of the same sort as the Hellish cult of Claudius Ptolemy’s hoax.



The “fishbowl syndrome,” shown here in the extreme case of Federal Reserve Chairman Alan Greenspan, describes how individuals, or a culture, gets trapped inside certain axiomatic assumptions, which are often leading to their doom.

efficient existence as a cognitive being, as only typified by the author of the radiation of experimentally validated universal physical principles.

The person who looks at the matter of such universals from the standpoint of personal identification with the domain of sense-certainty, becomes exactly what Shakespeare has Hamlet describe himself to be, in the famous Third Act soliloquy. The scientist of such a disposition, like that Hamlet, is gripped by such doubt of the reality of the higher domain, that he would rather condemn himself to a shameful, self-inflicted death, than take any action of belief which would prompt him to recognize the reality of his identity in the higher, apparently ghostly domain.

This treatment of the concept of universals, was, as I have just said, the method, and working principle of Kepler.

*Thus, each universal principle which generates such anomalies in a spherical domain of perception, is acting universally upon the real world which includes both the perceived effects of the spherical domain, and the set of unseen, but efficient universal physical principles.*¹⁵

The consequent definition of the scientific world-view, presents us with the contrast of the case of the thinker who has succeeded in making the shift, from considering sense-perception itself as reality, and principle as merely shadow, to the outlook of that better-qualified scientist who sees sense-perception as merely the screen on which the unseen, real universe’s principled effects, such as Kepler’s universal gravitation, are projected as shadows are. Here, we meet again the famous passage on seeing in a mirror, darkly, in the Christian Apostle Paul’s *I Corinthians* 13.

15. What I have just written here, touches, by implication, on what is known as “Dirichlet’s Principle,” a concept which is of crucial and pervasive importance in Riemann’s more advanced work.

Here lies the cause for the stunning effect of the opening, and closing paragraphs of Bernhard Riemann’s celebrated 1854 habilitation dissertation.¹⁶ Every discovered universal physical principle, such as the universal gravitation of Kepler, is an efficient instrument of action universally. The principle is a definite object of the human mind, but is bounded by its universal function (its characteristic action) rather than bounded simply, as empiricists would have us believe, by naive notions of physical space and time.

When we act in ways comparable to fostering net physical economic growth, per capita and per square kilometer of the total area, we are employing known universal principles to the effect of generating an ostensibly anomalous, but beneficial effect, an effect we observe as an anomaly experienced as such in

the sensory domain. This phenomenon is characteristic of societies which are raising their level of potential relative population-density, but is absent in the ostensibly willful behavior of an animal ecology, or, similarly, a so-called “traditionalist” culture.

Admittedly, all living species are distinguished by characteristics which are attributable to what we term loosely the genetic characteristics of that type of species; the difference is, that the animal can not change its species’ genetic characteristics at will. Man’s discovery of relevant universal physical principles has the effect of what would be considered a willful upgrade of our species, as Vernadsky’s concept of the Noösphere illustrates that principled point. Man is the only known instance of the existence of an immortal universal species inhabiting our Creator’s universe, a species thus made, by the Creator, in the likeness of the Creator Himself. The discovery and adoption of a *power*, in the Classical Greek sense of *power*, and Leibniz’s, is the power to change the universe by a relevant kind of act of will.

Competent physical science is not the business of contemplating man’s experience of an observed universe, but man acting, through discovery of powers, as the Pythagoreans and Plato define powers, to change that experience.

This definition of power—the Kraft of Leibniz’s science of physical economy, a definition which must be traced to today from the conceptions of the Pythagoreans and Plato, is the indispensable basis for a competent science of physical economy, and, therefore, the basis for any competent analysis of the functions of political-economy under the conditions of existential crisis wracking the world today. The widespread failure, among economists, accountants, and other persons

16. Bernhard Riemann, *Über die Hypothesen, welche der Geometrie zu Grunde liegen Bernhard Riemanns Gesammelte Mathematische Werke* (New York: Dover Publications reprint edition, 1953) pp. 272-273, 286.

of relevant ignorance, to recognize the defining role of the function of *power*, so defined, in physical economy, shows up as the leading factor of terrible incompetence underlying the degeneration of the world economy (taken as an interdependent whole) under the international monetary-financial system of the 1971-2005 interval to date.

In short, the typical economist and accountant is not capable of distinguishing between investments which actually contribute to the general welfare, and those which have either no useful outcome for the economy as a whole, or whose effect is systemically negative. This cause of failure in performance is most notable as among the effects of the shift from a “traditional” economy of increasingly physical-capital-intensive agro-industrial development, to the presently hegemonic trend in Europe and the Americas, toward a “post-industrial” economy based upon monetary speculation.

The Role of The Human Mind

Just as we have not yet isolated a uniquely specific kind of simple principle of life, which separates living from non-living processes, we have yet to identify that principle, which is lacking in all lower forms of life, but which adds the quality of cognitive powers, thus to yield a creature, the human individual, an individual uniquely capable of adducing an added universal physical principle. Nonetheless, there is a clear, functionally, rigorously definable separation between living and non-living processes, a separation sufficiently well defined to compel us to separate the abiotic domain from the Biosphere. So, the defining function of the human mind is absolutely differentiated from all other known forms of life.

There is no point in becoming terribly agitated about the way in which we are obliged today to treat the presently continuing lack of a better definition than that for these two pieces of elementary principle in human knowledge to date. Louis Pasteur was extremely cautious about the matter of pointing to something which might be claimed to be a principle of life. Vernadsky, who came to be associated with relevant scientific circles in France during an important interval in his own adult life as a scientist, manifestly recognized Pasteur’s point of caution, and learned from Pasteur’s prudence. Vernadsky’s masterful sense of this class of problem in reaching simple definitions, shows clearly enough in his own approach to stipulating the existence of two domains distinct from non-living processes, the Biosphere and Noösphere.

In such matters of science, competent thinkers rely on stating what we do know about such a matter, rather than running around like a love-sick banshee, shouting “Eureka! Eureka!,” claiming to have discovered some infinitesimal object which, like the mythical “philosopher’s stone,” is presumed to be either the distilled essence of life, or of higher cognitive powers.

In the preceding portion of this chapter of the report, I have already stressed that fundamental progress in scientific knowledge comes from moving upward from an existing hierarchy of presumed mathematical scientific knowledge, into

the higher, meta-mathematical domains beyond any established level of knowledge of already tested regions of mere mathematical formalism. Thus, Vernadsky defined the principle of life in the implications of the history of fossils, and, then, applied this same approach to define the principled nature of the existence of the Noösphere.

Similarly, I have used my experience of what nearly five decades has been shown to have been a relatively uniquely successful, “top down” approach, an approach comparable to Vernadsky’s approach to defining the Biosphere, for defining the factors which must be considered in long-range economic forecasting. The significance of my method of economic forecasting, which contrasts it to the failures of the usual sets of my putative rivals, has been that, rather than attempting to extrapolate from what so-called “ordinary” statistical methods treat as trends *perceived within the existing set of prevalent axiomatic assumptions*, I look for the critical point at which the fallacies embedded in the combination of the axiomatic implications of currently practiced beliefs, and related, strongly promoted patterns of shifts in the setting of political-economic trends, will, if continued, generate a future breakdown in any economy which sticks indefinitely to such combined trends in policies of practice.

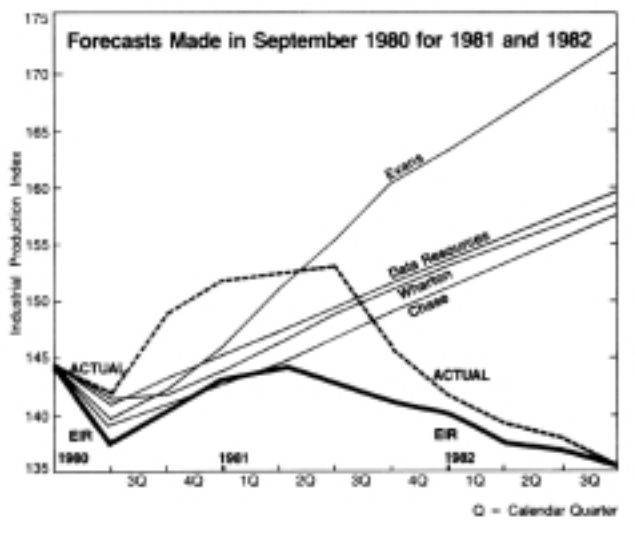
My top-down approach in economic forecasting, leads to a rigorous definition of the role of the human creative processes in determining the characteristic distinctions of society from animal ecologies.

Notably, the first of my forecasts focussed on those U.S. trends in production and marketing of product of the 1954-1957 interval, as merely typified by automobile marketing of that time. The focus was upon policies associated with the early 1950s reform of the internal revenue system, as expressed in expanded sales of leading hard-goods categories of consumer products. I focussed upon cases in which the rates of expansion were not only in excess of the actual rate of growth in household and related income during that interval, but in which the discrepancy between these factors of growth of household income and credit-expansion of sales in these categories, was moving toward a calculable point of breakdown. “Breakdown” meant a point at which the physical life of much of the product being sold, largely on increasingly reckless credit-terms, was less than the relevant financial life of the product which had been sold in this way.

My insight into this, which led to my firm, 1956 warning that we would experience a U.S. credit-crunch crisis beginning early 1957, was prompted, initially, by my studies of the dubious practices of the leading automobile manufacturers under the retail and wholesale market-conditions associated with plainly dubious manufacturers’ franchise agreements with the distributors.

The result of that practice, already in 1956-57, was that the virtually same make, manufacturer’s year, model, and condition of a specific type of used car could be bought by new-car dealers on the wholesale market, at a far lower price than the new-car dealership was carrying its “trade-in” stock

How EIR Predicted The Volcker Collapse



LaRouche's economic forecasts, beginning in the mid-1950s, have proven devastatingly correct, because he understands the unseen "powers" which are determining the direction of the economy. Here is the most graphic example, comparing LaRouche's forecast of what would happen after Fed Chairman Paul Volcker raised interest rates in 1979, with other "reputable" institutions.

of the same quality of product. This was the result of the stipulated accounting system which manufacturers had imposed upon their franchised dealers. At the time, it was immediately obvious to me, that that accounting system was designed to show a profit on dealerships' new-car sales, where, usually, no such margin of profit on the sale had actually been earned. To conceal what had been the heavy discount on the typical new-car sale, that discount, and sometimes more, was buried, statistically, in a wildly excessive inventory valuation of the unsold portion of those used-car stocks taken in trade.

The key to this swindle was not only the larcenous impulses of the Wall Street gang behind all this, but the moral laxness of the general buying public, a laxness which was expressed in their role in this disgraceful affair. Without that popular corruption, paralleling the decadence spread widely and deeply by the influence of the Congress for Culture Freedom, the great credit swindle of the 1950s were not possible.

My 1955-56 case studies of this pattern in automobile marketing, led me to compare the more or less similar cases for each of a number of other categories of leading consumer-market products. The conclusion from these studies, all situated within the available statistics for the U.S. economy in general at that time, was that we were on the verge of the biggest U.S. recession since the immediate close of World War II.

The psychological root of the 1957-1960 U.S. recession which ensued precisely on my forecasting schedule's projected arrival-time, was the role of increasingly popularized trends toward monetarist ideologies in both popular and management philosophies, trends which failed to recognize that it is long-term factors of growth of net physical capital which

must be placed foremost in designing the monetary-financial policies of both the nation, and key sectors of its national economy. The unfortunately, all-too-short-term active life of the Kennedy investment tax-credit program, is an example of the importance of the promotion of healthy growth in net long-term *physical* capital, instead of *merely financial* capital. It was the typical Wall Street accountant's emphasis on preference for financial capital, at the expense of physical capital, which was expressed by the way in which the 1957 recession was pre-orchestrated.

Once the 1957 recession had happened exactly on the schedule which I had forecast, I focussed attention on the state of mind of the government, the markets, and so on, as shown by the near-crisis by which the U.S. dollar itself had been threatened by the U.S. Federal Reserve System during Spring-Summer 1958. Despite a famous address

by Federal Reserve Chairman William M. Martin, the lesson of 1957 had not been learned in these policy-determining areas, and had not been learned in the wider reaches of the government and financial establishment. Therefore, during 1959-60, I reached my subsequently often-stated conclusion respecting the likely course of the 1960s: that if the kind of mentality associated with Arthur Burns' role during the 1950s were to be continued into the 1960s, we must expect the eruption of a series of international monetary crises during the latter half of the 1960s, a series of crises which would lead toward a breakdown of the Bretton Woods system, unless relevant policies were changed.

The source of the anomalies of the U.S. economy of the 1950s, was twofold. The temporary success of such swindles was possible at that time, because of the U.S. advantage from increasing rates of physical-capital formation under the post-war economic reconstruction in continental Europe at that time (and somewhat later). The source of the motive for this swindle from the U.S. side, is found in the way in which the "American Century" perspective for the post-war, post-Franklin Roosevelt world had been crafted. The Anglo-American financiers' right-wing, then currently predominant among Franklin Roosevelt's U.S. and London adversaries, hated, and sought to rid themselves, as soon as possible, of that American System of political-economy which Roosevelt represented. Their instinct, as reflected by President Truman's preference for the policies of Roosevelt's strategic adversary of that time, Winston Churchill's imperial policies of "world government through preventive nuclear warfare" and neo-colonization of the world at large, let those Roosevelt adversaries' own lustful preference for financial capital, over

physical economic capital, shape the characteristics of the changes, toward a post-Roosevelt policy launched, under Truman, more or less immediately, at the close of the war.

Arthur Burns, the notable predecessor in U.S. national policy-shaping of George Pratt Shultz and Burns' own Golem, Milton Friedman, typifies the way in which the pro-imperial tendencies of financial-capital interest worked to shape U.S. policies, more and more, at the expense of U.S. net physical-capital interest, over the course of the post-war decades. The automobile-credit bubble of the late 1950s was a perfectly lawful expression of that kind of now still-continuing process of moral degeneration of the physical economy of the U.S.A. (among others).

Therefore, the crises which I had forecast to occur within the international monetary system, erupted "on time," under the influence of Britain's Harold Wilson, during Autumn 1967. The U.S. made its first capitulation to Wilson's "I will bankrupt us all" blackmail in March 1968, a capitulation which helped to prepare the way for the wrecking of the world monetary system, under Nixon, during 1971-72. In the meantime, the savage 1967 cut-backs in the U.S.'s most successful economic science-driver program, the Moon-landing-pivoted space program, began causing its long-range, continuing experience of economic attrition to the present date, thus turning away from what had been the U.S.'s technological progress in continuing the increase of the physical productive powers of average labor in agriculture, infrastructure, and industry. These are the forces of attrition in the 1960s science-driver program which were, and are still—despite the sexual-fantasy-ridden illusions associated with the later "IT revolution"—continuing their destructive work, from 1967-68 to the present day.¹⁷

The election of a radically monetarist Presidency, under Richard Nixon, fostered an outbreak of wildly insane extremes of reactionary monetarist ideologies in the policy-shaping of the public and private sectors of the economy. By the point of the rampage of economic lunacy under National Security Advisor Zbigniew Brzezinski, as capped by Federal Reserve Chairman Paul Volcker's midnight madness of 1979-82, the degeneration of the U.S. economy accelerated, following Soviet General Secretary Andropov's own economically suicidal, flat refusal to discuss the Reagan SDI program, a program which would have meant a resurgence of the already ravaged physical economies of both the U.S.A. and its European alliances, and also the Comecon economies.¹⁸

17. The discussion of the reasons for the frequent lack of correspondence between investment in military "wonder weapons" and productive impulses in the physical economy as a whole, belongs to a later point in this report, when the significance of the "economic realization" question is presented.

18. The Soviet economy after Stalin was dominated by two conflicting ideologies bearing on economic policies of practice. On the one side, was the inherent resistance to autonomous generation of high rates of technological progress in the "civilian" sector of the economy. This reluctance was largely

This handful of excerpts from my experience as a long-range economic forecaster, illustrates two crucial points which bear on the way in which the creative powers of the individual human mind predetermine the potential for long-range economic trends.

First, that long-term and related historical trends in physical economies are determined, not by the inertial guidance of financial statistics as such, but by ideological factors disguised, psychologically, as virtual universal principles of economic practice. Second, that, therefore, the control of the destiny of nations and their cultures lies essentially within that domain of epistemology which deals with the adoption and superseding of ideas which, true or false, have the practical effect of acting as axioms.

Therefore, it should be obvious, that the common, frequently fatal habit in the shaping of national, and also world politics, is the tendency of political leaders and popular opinion alike, to be controlled by fear of opposing those bodies of popular opinion which contain what are currently habituated, widely worshipped axioms. Hence, usually, the reversal of the evils of what is currently generally accepted official and popular opinion, occurs only through the effects of a crisis which tends to undermine continued adherence to the sets of beliefs which have become habituated trends of policy-shaping and practice over relatively long preceding periods.

Political leaders and public alike, usually turn away from any remedy, no matter how practicable rationally, which is deemed "impractical" solely because it would go against pre-existing trends in official or public opinion.¹⁹ Like the Hamlet of Shakespeare's Third Act, such folk would rather plunge into the deadly folly of a waiting doom, as most U.S. leading circles have been committed until now, rather than venturing a turn into a world which they might describe, as Hamlet did, as a world from which no traveller has been recently seen to return. That is the way in which nations have often been destroyed by the hand of their own traditional opinions; that is the way the U.S. population, in the main, has marched, so far, down the road toward now threatened doom, over more than the three past decades.

The "mechanisms" by means of which a needed revolution in currently axiomatic opinions occurs, are rooted in the

a reflection of the implicitly zero-technological growth practice of the non-military sector, as contrasted with the high rates of gain in technology of the science-driven military sector. The cure for this disparity lay in spilling the science-technology-driver characteristics into the non-military sector, as agreement on SDI would have done this. In this sense, it was the scientific bankruptcy inherent in Marxist ideology which is crafted in opposition to the sounder principles of Hamilton, the Careys, and Friedrich List, which did cause the deciding margin of attrition in the self-inflicted economic collapse of the Soviet system. Count Witte was, after all, right on this point, together with the Mendeleyev who had pushed the American System of political-economy from 1877 on.

19. E.g., the whimpering objection to change from bad policies, sometimes expressed by the plaintive protest of the stubbornly suicidal political lemming: "You can't put the toothpaste back in the tube."

same qualities of the individual human mind which distinguish persons from beasts: the same creative powers of the individual mind we meet in physical science and Classical art. As Percy Bysshe Shelley writes of the political effect of Classical culture in his *Defense of Poetry*: it comes in those revolutionary periods when there is a reawakening of the habit of “profound and impassioned conceptions of man and nature.”

As the experience of the French Revolution of July 14, 1789 illustrates, such revolutionary influences are as often, unfortunately, as wicked as they might have been good, as the point is illustrated by the July 14th upsurge conducted by Philippe Égalité, on behalf of Britain’s Lord Shelburne and Shelburne’s puppet Jacques Necker, as contrasted with both the Germany-centered Classical revolution of Gotthold Lessing, his friend Moses Mendelssohn, and their followers, and the American Revolution whose success was prefigured by the simultaneous rise of the Franklin-led American Revolution in North America and the forces of the Germany-centered Classical revolution, of the followers of Leibniz and J.S. Bach, in late Eighteenth-Century Europe.

In more than 2,500 years of the history of European civilization, the well-springs of revolution are, typically, either the Dionysian current leading into Grand Inquisitor Tomás de Torquemada, Nietzsche, and Hitler, or, the “conservatism” typified by the Aristotelean, or, the progress expressed as the Promethean impulse, the latter as by, among others, Shelley. The Promethean impulse typifies the creative impulse of those kinds of youth movements, as from a trend among the young-adult group between 18 and 25 years of age, during the period of adulthood before cognitive calcification tends to set in in society, as today. The exemplary cases of a Leibniz arriving in Paris in 1672, Gauss of 1799, young Dirichlet coming under the patronage of Alexander von Humboldt in the Paris environment of the Leibnizian faction of the École Polytechnique, Abel, and Riemann of 1854-1856, like the comparable figures among the Pythagoreans and young Plato, or the Platonic Academy’s still-youthful Cyrenaican, Eratosthenes, beginning his career in Egypt, are only typical of this in physical science. A look at the roster of the followers of “Papa” Benjamin Franklin among the founders of the U.S. Declaration of Independence and Revolutionary War, attests to the same fact.

These cases reflect on the characteristics of the cognitive domain, as the fossils as defined by Vernadsky, define the reflected principle underlying the phenomenon of the Biosphere. It is by studying the way in which creativity generates those discoveries of principle in the domain of Vernadsky’s Noösphere which correlate with principle-driven revolutionary progress in the potential relative population-density among societies, that the way in which creativity works can be understood. It can be understood, in this way, although we have not yet isolated the specific “ontological” characteristics of that feature of human brain function which might be pre-

sumed to set the human individual apart from lower forms of life.

If my thus sampled experience as a forecaster is rethought, as an experience, by the methods of the collection of Plato’s dialogues, we have the following indications of the way in which uniquely human qualities of creativity may be located to the effect implied by Vernadsky’s representation of the Noösphere.

We do not yet know a self-standing ontological principle which might account, in and of itself, for the difference between non-living and living processes. Nor, do we yet know, of a parallel case for an ontological principle which causes the difference between the human creative powers and the lack of those powers among lower ranks of living species. This fact should not surprise us; *only a compulsive taste for absurdity could demand the discovery of the principle determining a higher form of existence, from obsessive search of the internal characteristics of the lower domain of existence.* Yet, the qualitative differences among the abiotic, living, and human-creative types are clearly defined phenomena experimentally and historically, if we but have the patience and determination to examine the matter from the top down, from examining the principled characteristics of the lower order of existence from the vantage-point of the higher.

That is not all. By comparing the results of the method of Plato’s dialogues with the opposing methods of the reductionists, we are able to know the way in which the creative powers of the individual human mind work to produce the difference between man and beast. We know this, then, in the same way in which Vernadsky correlates the fact of the difference between abiotic and living processes with the fact of the “history” of fossils. We know the role of the epistemological method of Plato’s dialogues in adducing the principles of discovery which are reflected there, as fossils reflect the “history” of a principle of life, reflected in the shaping the history of the development of human society through ideas defined in the epistemological way Plato’s dialogues illustrate.

To understand how the individual human mind works in relevant ways, it is necessary to experience the history of ideas from the standpoint of the Platonic dialectic as a method of physical science as also history generally. My summary account of my initial experience in successful long-range economic forecasting, is an illustration of this principle. The study of ideas must be a rigorous, experimental exploration of the way in which ideas are generated and used, which are truthful, and which are not, in those terms of reference. The ideas which survive that kind of test are the ideas which reflect the creative principle setting mankind apart from, and above all other known living species.

It is then sufficient to study the Leibniz-Gauss-Riemann development of the physical principle of the complex domain, from a still higher vantage-point, as a special case of the larger principle of human social history which knowledge of that notion of the complex domain reflects.

How Economies Work— When They Do?²⁰

At this point in the present report, I focus on a crucial practical aspect of our subject: the way in which *power* (i.e., the *dynamis* of the Pythagoreans and Plato, and the *Kraft* of Leibniz’s science of physical economy), when expressed in the quality of a discovered universal physical principle, allows that principle to be transmitted, as Leibniz’s *potential* (*power*), from a point of its first introduction as an application to the economy, into moving the *potential* of the entire economic process upward throughout.²¹ In other words, how does technology work, such that its application at one place in an economy may radiate, in the form of *potential*, to raise the level of productivity distributed throughout that economy as a whole.

In this matter, the choice of ordering of the transmission of this *power*, so defined, within the physical-economic process as a whole, ordered in the Leibniz-Riemann sense of *Analysis Situs*, determines the relative success or failure of the introduced technology to boost the economy considered as a whole.

In service of the effort to make this otherwise unfamiliar, but crucially important, specialized topic of economic science comprehensible to present-day economists and others, let us take the case of the way in which a science-driver program aimed for a military program may, or may not “spill over” with significant benefit, in the form of *potential*, into the non-



The science of the Strategic Defense initiative is a perfect example of the kind of application of a discovered universal physical principle which will drive the entire economic process upward.

military functions of that economy. One may refer to my proposal for what became known as President Reagan’s own original Strategic Defense Initiative (SDI) proposal of March 23, 1983 to Soviet General Secretary Yuri Andropov, in which this principle of a Leibnizian science of physical economy was the critical technical feature of feasibility in the making of a proposal which Andropov, unfortunately, foolishly and summarily brushed aside.²²

For example. There are few pieces of practical economic lunacy imposed upon physical science generally and economic science in particular, which are worse than the currently rampant doctrine of “dual-use technologies.” Frankly, this is not merely like, but reflects a kind of utopian thinking related to the implicitly fraudulent extension of the use of

20. Future reports will trace the subject of this chapter of the report, from the principle of physical-economic potential, treated here, in this chapter’s discussion, to the specialist’s interest in this subject’s connections with Bernhard Riemann’s treatment of what he defined, most clearly as “Dirichlet’s Principle.”

21. Given the state of academic and related affairs today, it is necessary to point out that my use of *power*, in the same sense as Plato, Leibniz, Riemann, et al., here, has no ontological congruence with that widespread misuse of the term “energy” which was launched by the neo-Cartesian thermodynamics school of Clausius, Grassmann, Kelvin, et al., with the attack on Riemann by the Clausius who based himself on Grassmann’s calculations. The ironical feature of Clausius’ attack on Riemann, is that that attack was supported by the innuendo of H. Weber, the editor of Riemann’s *Werke*—even within the pages of the published *Werke* itself. Editor Weber was also the brother of the Wilhelm Weber whose discoveries are reflected in the Riemann paper which Clausius attacked. *Energy is an effect, not a principled expression of causality of motion. Kepler’s development of the discovery of universal gravitation, is a prime example of the way in which the competent notion of power* (e.g., *dynamis, vis viva, potential, Kraft*) was re-introduced to modern science by the effects of Europe’s Fifteenth-Century Classical Renaissance.

22. Notably, Lawrence Livermore Laboratories’ Dr. Edward Teller’s late 1982 remarks on “the common aims of mankind,” showed his understanding of this economic-political basis, in so-called “dual-use” effects of science-driver programs in military technologies, for what I had proposed as a strategic defense alternative, first, in my 1979 Presidential campaign-statement on the subject, and, more successfully, at the beginning of 1982. On this count Teller was among the politically more notable circles of scientists and leading military professionals in Europe and elsewhere, such as Germany’s late General Karst, who, in 1982, grasped the economic-political principles underlying my proposed strategy: not quite as profoundly as I did, but well enough to cause a build-up of international momentum in support of what became Reagan’s March 23, 1983 televised proposal to Andropov. Of course, my success up to that point resulted in a now heavily documented, decade-long effort (1983-1989) by both the U.S., and Soviet opposition to have me eliminated, by assassination or fraudulently arranged imprisonment. What I had proposed, with such near-success, had cut deep to the bone of the “MAD” policy’s leading supporters on both sides of the so-called “Iron Curtain” at that time. To the present day, under the controllers of puppet-President Dubya, relics of the same strategic-economic insanity of MADness of Kissinger, Brzezinski, et al., remain the dominant, wretchedly incompetent trend in thinking about strategic hardware and military-economic strategies.

patent laws by overreaching corporate interests, to loot and ruin independent farmers, and nations, too, and even to patent the genetic characteristics of its victim, a human being.²³ The doctrine of “dual-use technologies” was concocted as part of the same “imperial monopole” dogma as neo-con utopian Francis Fukuyama’s foolish “end of history” rant. The term represents the attempted use of raw imperial power, not only to destroy the sovereignty of nation-states generally, but, even more, as a calculated step toward establishing a global system echoing the medieval system of *ultramontanism*.²⁴ Today, the range of such closely interrelated doctrines are each and all aimed toward the attempted elimination of the existence of national sovereignty, in favor of a Wellsian “Brave New World” of “globalization.” Indeed, such utopian thinking is an echo of the Olympian Zeus’s efforts to ban knowledge and use of fire from Prometheus’ mortal clients.

Since the so-called “spill-over” from one side to another of what fools call “dual-use technologies,” can be assuredly prevented only by “Gestapo” methods, the attempt to enforce a prohibition will either simply fail, or will lead to the intended victims’ provoked reliance on relevant sorts of asymmetric warfare. What we have seen spilling over, on this account, as applied utopian dogma, from Afghanistan and Iraq, toward the alleged “outposts of tyranny” under Dubya today, reflects the doomsday implications of the thinking of desperado financier circles typified by third-generation oligarch George Pratt Shultz and his like.

At the most, an attempt to prevent such a “spill-over” is, on principle, something which can be maintained among scientifically literate cultures only over a relatively short-term interval. Under present world-wide economic circumstances, the continuation of that attempt itself were most likely to lead to nothing but a plunge of the planet as a whole into a generations-long new dark age.

At the same time, as the Manhattan Project scientists warned decades ago, the attempt to block exchanges of such knowledge among scientists would, inevitably, tend to cause the intellectual failure of the project’s assigned mission. The unfettered progress of science requires a free and open social setting of the type which, in fact, would echo the form, and intention of the dialogues of Plato. Or, as in the Soviet case, in particular, the effort to enforce military-technological secrecy will only tend to dumb down the population in general, and thus undermine that intellectual development and production performance of that economic basis on which power of the society depends for its total mission as a society.

To sum up the leading point presented in this present chapter of our report, a society’s gains in productivity through technological progress, are not, contrary to the ac-

23. The law must be enforced: you are not permitted to secure a patent on a principle of nature.

24. Which was defended on the pretext of the fraudulent doctrine of “The Donation of Constantine.”

countants, *the arithmetic sum of the nominal financial gains at each point in the process as a whole. Rather, the required function must do as Dirichlet’s Principle would imply, address itself to the primary objective, the goal of raising the productivity in the part, by deploying the application, as an expression of potential, in ways which are expressed as the raising the productive power, per capita and per square kilometer, at virtually every point of the map of the society-economy treated as an indivisible whole unit-process.*

That brings into play the matter of the way in which the deploying of new principles is ordered within the economic process as a whole, an issue of *Analysis Situs*.

The simplest illustration of this point about *Analysis Situs*, is provided by the case of basic economic infrastructure, whose essential product is not “things,” but rather a raising of the level of potential productivity of the whole economy, in which that economy is treated, functionally, as essentially an indivisible unit, as in the way implied in Riemann’s view of Dirichlet’s Principle.²⁵

This requirement includes the development of the Biosphere in the nation’s territory as, functionally, an indivisible whole. It is artificial, high quality water-management systems of the territory as a whole, for the population as a whole. It is integrated national transportation systems, such as waterways and railroads or the equivalent (with a subsidiary role for highways). It is the production of electricity at, primarily, increasingly high energy-flux-densities. It is universal public health and sanitation combined, which may be a composite of public and private functions, but which functions overall to a single effect for the population and territory as a whole.

It is reversing post-war trends in the U.S.A. (among other parts of the planet), by returning to pre-World War II emphasis on the organization of cities and farmlands in ways which concentrate access to required conditions which are clustered within the relatively shortest distance between points, and provide access to places, including places of employment with the shortest time, the relatively greatest convenience, and, approximately, again, the shortest distance. It is education and all of the other general functional needs of the population made accessible at the will of the individual choice. It is being able, once again, to stroll within a city, on foot, where everything of relevance to life of persons in that city is within a reasonably short walking-distance, or by the provision of the equivalent of this through freely accessible mass-transit systems. After all, simply unexotic walking, early, late, and often—lots of it, as I used to do before security considerations

25. Dirichlet’s and Riemann’s understanding of this principle, was already expressed as an implied, but underdeveloped conception, in Gauss’s 1841 work on Earth magnetism. All of these views converging on Riemann’s use of Dirichlet’s Principle, are premised on the use of the notion of *potential* in the specific anti-Cartesian sense of Leibniz’s notion of universal *powers*, as otherwise expressed by his use of the term *Kraft* as the central principle of a science of physical economy.

interfered, some decades now past—is good for you.

As I emphasized at the relevant Berlin seminar of this past January, it means recognizing that we have reached the limit of treating what we call “raw materials” of production as if we were scrambling for control over the last remaining so-called “raw materials” resources of the planet. It means that the development and maintenance of adequate supplies of the world’s raw materials, at appropriate prices, must become a “public utility” of the planet, in effect. The cost of supplying adequate supply of such materials, to each and all nations, at reasonable prices, must be treated as an essential, regulated, planetary public utility, as part of the costs of the planet’s basic economic infrastructure.²⁶

Once we have introduced a new *power* (i.e., *dynamis*) into the production and deployment of military goods, where does the effect of the injection of that power into that production and use go from there?

It does tend to feed back into the economy through the improvements in production mobilized for the production of the military systems. That is, the refinement of, and innovations required for that production will inform the shaping of the more broadly applicable production capacity of the vendor. Hence, the vendor’s development of that improved production-capacity, will tend to feed into technological improvements in the general product design and methods of production which had been developed for the military program, unless that avenue of “technological spill-over” were blocked, as by government intervention.

In general, the blocking of any technology whose development is thus prevented from spreading into the economic process in general, results in poorer performance in the progress of the productive powers of labor in the economy as a whole. The only reasonable security in use of scientific principles, comes from maintaining a high velocity in the rate of generation and realization of new, fundamental and related discoveries of physical principle.²⁷ My personal experience shows, that hoarding secrets is a folly suited to creatively blocked, highly neurotic people who are habituated to getting out of bed (mentally) only very late in the morning, if ever. Success is rising before dawn to slink into undisturbed, intensive and prolonged concentration on problems involving a matter of development of a discovery of principle.

So, to assess the benefit which any technology contributes

26. See Lyndon LaRouche’s keynote to the Jan. 12-13, 2005 Berlin seminar in *EIR Feature*, Jan. 28, 2005, as well as his dialogues with other speakers in *EIR*, Feb. 11 and Feb. 18, 2005. See also his Feb. 6 paper “The Global Option for This Emergency: Beyond Westphalia Now,” in *EIR*, March 4, 2005.

27. The relevant included folly (among many others) of my notable adversary of that time, utopian General Daniel P. Graham’s High Frontier, was expressed in Graham’s hysterical rant against me, and also Edward Teller, personally, on the Graham’s adopted imperative of confining strategic defense to “dusting off the shelf” technologies already in the hands of the double-dipper’s nearby friend, the defense hardware contractors.

to the economy as a whole, we must take into account the losses in benefit which occur because the use of the technology more broadly, is either blocked, or is channeled into activities which have little, or no benefit, as potential, for improving social production of wealth considered as a whole.

Consider the benefit from shifting the ration of output, through utilization of technological progress, to less-labor-intensive modes of employment. These shifts not only raise life-expectancies of the population and its labor-force, but the upgrading of technology, to make production more knowledge-intensive in its composition, raises the age-level at which what is relatively, fully productive work, can still be performed, relative to lower-life-expectancy populations at the more poorly paid, lower technological levels of comparably labor-intensive occupations. The raising of the quality of life of the affected older strata of society, preserves the stock of knowledgeable development within the population as a whole. Because of the cultural-paradigm downshift in the U.S. population since the 1960s, the continuing winnowing, by sickness and death, of the ranks of knowledgeable persons from the World War II and Korean War veterans’ generations, has the ongoing effect, currently, of lowering the level of culture of the population as a whole, by the drip, drip, drip of attrition, every day.

For example, the resort to “out-sourcing” has relied largely on cheaper labor, and with the resulting contraction of the quality and quantity of both productive employment and of both basic economic infrastructure and production capacity, and also the loss, through attrition, of the productive powers of labor in the importing nations. As a result of “out-sourcing,” the level of the quality of existence and production has been lowered world-wide, as so visibly, since 1977, in the U.S. itself: although populations may grow, the potential relative population-density is lowered in both the importing nations and in the world population as a whole—when the two curves intersect, a crisis ensues. The world’s standard of living drops, and the potential productivity of the world’s labor-force drops, as the largely cannibalistic process of so-called “globalization” converges on the limits of the world’s population as a whole. Ever-cheaper labor means poorer quality labor of poorer quality populations, with a resulting collapse of the potential relative population-density of the world’s population as a whole. Such trends, in and of themselves, tend, already, to drive the world into the direction of a threatened new dark age.

These sampled cases point toward the relevant concept I have already emphasized in this chapter thus far.

The object of national and world technology policies, must aim at the technology-driven increase of the average productive power of labor as a whole, as *potential*, at every point in the process of the economy considered as an indivisible whole. This corresponds to national full-employment policies, policies based on the technological and related upgrading, and increasing general increase in physical capital-



The production of electricity is one of the elements of basic economic infrastructure which raises the level of potential productivity of the economy as a whole.

intensity at every point in the system, and in the system as a whole.

This view of the objective overlaps the concept of technological progress as flowing in waves along the time-axis, from the earlier phases of the production process-sheet, in the cycle of physical production, toward the outward boundary of consumption. Think of the process-sheet which represents the process beginning the first step in the planning of a product-line containing a new technology. Think of all of the elements, including mobilization of production of relevant materials and other components, which must be set into motion in the steps leading to the delivery of the finished result. In modern production, this process-sheet represents a lapsed time of years, sometimes many years. During that lapsed time, the economy as a whole is undergoing changes, including, hopefully, the rapid influx of newly employed technologies. The earlier in the cycle improved technologies are introduced, the greater the rate of benefit for the economy as a whole.

This flow is associated with a required, ongoing upgrading of general education, as in rising average levels of technological advancement throughout every part of the economy as a whole. Don't leave children behind, or allow them to loiter behind; kick their behinds in ways which prompt their intellects into creative forward motion. Don't bore them to death with readings of "My Pet Goat"! Bestir their wits with the challenge of making breakthroughs through the use and

development of their creative potentials. Have them relive the birth of modern European science in the work of such as the Pythagoreans and Plato; let them re-experience, in this way, the ancient rebirth of modern civilization inside themselves. Do not encourage backwardness and intellectual conceptual laziness. The notable included result of taking this view, is, as I have just pointed out above, the recognition that the highest possible rate of technological progress in the early phases of that cycle, will produce the relatively highest rate of gain in the lapsed-time course of the cycle as a whole. This means that the adoption of new technologies for current production must look ahead to the impact and requirements of still more modern developments which will occur within the life-time of the use of the currently introduced innovations.

These cycles are also defined, in ordering of their significance,

by relative physical-capital intensity of investment, which defines the front end of the relatively long-term cycle as a whole. The most weighty factor of this sort, is concentration in basic economic infrastructure and in development and production of primary materials. The impact of the U.S. Tennessee Valley project typifies this principle.

In contrast to the great projects of the Franklin Roosevelt era, the "IT revolution" has been worse than a grave economic disappointment; it is a national tragedy.

We spin our wheels faster, and faster, and faster with "IT," but we are going nowhere in terms of the *net* physical standard of living of our population as a whole, and, manifestly, in terms of such factors as national current account deficit and national fiscal deficit. Thus, in net effect, we have increased, not our wealth, but our life-threatening national obesity.

The problem of "IT" is primarily twofold. In the way the U.S. economy is organized today, IT's positive potential is poorly realized, if measured in terms of improvement of production of needed goods at the end-phase of the production-cycle. This failure of the "IT" revolution of the 1990s, was made virtually inevitable through the collapse of the U.S.A. domestic production of essential physical goods, the natural market for the intermediate product which IT product represents in a healthy economy, rather than consumer product, a relative collapse in the "realization" factor for the physical economy as a whole. In sum, the U.S. attempted to improve



“A crucial part of the intrinsic short-comings of ‘IT,’ is the fact that its mode of proliferation is chiefly a reflection of the emphasis upon the pathological mathematical dogmas of such Bertrand Russell appendages as Professor Norbert Wiener and John von Neumann.” Frenetic stockbrokers buying and selling on computers are shown here.

its enjoyment of the decadence of pleasure-seeking in a so-called “post-industrial” society; we gained more than as much decadence as we might have desired, but once the financial-monetary accounts of our bankrupt nation are brought in for settlement, we find that our nation today can no longer afford the luxury of such decadence.

A crucial part of the intrinsic short-comings of “IT,” is the fact that its mode of proliferation is chiefly a reflection of the emphasis upon the pathological mathematical dogmas of such Bertrand Russell appendages as Professor Norbert Wiener and John von Neumann. As is typified by Wiener’s pathological notion of “information theory,” these dogmas outlaw the notion which is actually the determining factor in fundamental scientific progress: the factor of *potential*, of anti-entropic creativity which is, in turn, the essential driving power of scientific and technological progress in the physical economy. Thus, the actual scientific principles of the “IT” revolution are buried, so to speak, in the technology applied to the manufacture and development of the product, not in the product itself otherwise. Thus, the benefit of “IT” lies in both the scientific creativity which is looted to produce “the stuff,” and in the application of the product to processes, beyond the direct reach of the computer, which do contain, within themselves, an actually anti-entropic factor of scientific-technological progress.

Hence, looking back from today, we can trace the dismal effects of Norbert Wiener’s fraudulent use of the term “negative entropy,” and the more lunatic concept of “artificial intelligence” promoted by Wiener’s Russellite sibling John von Neumann. Both of these and their like deny the existence of actual human creativity, which is admittedly not expressible within the Procrustean limits of the form attributable to Machian Ludwig Boltzmann’s “negative entropy,” but, actually exists only in the anti-reductionist comprehension of the “anti-entropy” of a Riemannian universe, such as the universe of Vernadsky’s Biosphere and Noösphere. The hoax of “information theory” is to be traced most immediately to the

continuing self-degeneration of the modern influence of the empiricism of such followers of Venice’s Paolo Sarpi as Sarpi’s house-lackey Galileo Galilei, and Sarpi’s devotees Francis Bacon, Thomas Hobbes, Descartes, and John Locke, who eliminated from their calculations, and from their philosophy, the role of those creative powers of the individual human mind which distinguish many among our best political leaders from apes.

So, today, gas-guzzling SUVs, the co-flag-bearers, with Soccer Moms, of the tragic outcome of the 2000 Gore-Lieberman Presidential campaign, gather, like our burgeoning mass of desperately unemployed, as also a kind of homeless persons, in suddenly abandoned masses, on used-car lots, where they have been abandoned to do little, at current fuel prices, but seem to us, the observers, to sit waiting, and rusting, while dreaming of days before the collapse of the “IT revolution.” We produce less and less, and, at present rates, will not be able to afford to buy, or even produce, much longer, unless we change our ways, suddenly and radically. In such cases as the auto industry, the most conspicuous benefit is, that with aid of “IT,” we are able to count our current President’s failures much more rapidly.

The Global View: A New Treaty of Westphalia

Now, begin what is to be said here with a new view of the matter which I have just discussed up to this point of the present chapter. This time, look at the matter from a global standpoint.

In a relevant series of recent articles, and in the transcript of my presentation to a January Berlin seminar,²⁸ I have emphasized the urgency of combining the presently indispensable move toward a rebirth of the original Bretton Woods monetary system, with a political goal which had been implicitly intended by President Franklin Roosevelt for the post-

28. Lyndon H. LaRouche, Jr. *Earth’s Next Fifty Years* (Leesburg, Va.: LaRouche PAC, 2005)

war world. The intention was, a concert among perfectly sovereign nation-states modeled, in fact, upon the principles of the 1648 Treaty of Westphalia. Consider that proposition from the standpoint of what I have emphasized in this present report, thus far.

Begin this account by considering the currently popular lie put forward currently in defense of the elimination of the modern sovereign nation-state republic. This lie is presently much more significant in western and central Europe, than the U.S.A., but it is also the recent trend of opinion in important leading circles within the U.S. itself. *The lie is, that it has been the emergence of the nation-state which has been the cause of terrible wars.* Such opinions show either bald ignorance, or a pathetically compulsive disregard for all of known history prior to the Fifteenth-Century European Renaissance.

Contrary to that lie: Since that great ecumenical Council of Florence, and the establishment, on that Council's principles, of the first modern sovereign nation-states, Louis XI's France and Henry VII's England, the major warfare within European civilization, to date, has been caused, not by the existence of the nation-state, but by the efforts of a resurgence of the medieval, pre-Renaissance, *ultramontane* Venetian party of financier-oligarchical interest. This was the reactionary party which intended to crush the modern nation-state out of existence. The chief cause of modern religious and other wars has been the reactionary effort to reestablish the medieval *ultramontane* system under new banners. Since 1648, the chief cause of major wars, such as so-called World Wars I and II, has been the effort of the Eighteenth-Century Anglo-Dutch Liberal's self-styled "Venetian Party" to crush the aspirations for, and existence of modern nation-states modelled on sovereign nation-state constitutions such as that of the U.S.A. of Benjamin Franklin and President George Washington.

Putting aside the pro-ultramontanist lunacies of the fascist "rat-line" element still polluting the Catholic Church's community, even still today, the actual, more widespread, contemporary ideological root of the argument is made on behalf of relatively more influential efforts of those Liberal and other fanatics who are currently determined to eradicate the modern sovereign nation-state republic. That source of those fanatics' lies, expresses the intrinsic *psycho-sexual impotence* of the modern empiricist tradition.²⁹

While many among the latter fanatics, still, so far, make

29. e.g., the passion of the infamous "Don Juan" ("Don Giovanni"), a compelling lust for the bestial aspects of the act, not for the love of the relevant person, not passion for cognitive qualities of scientific and artistic ideas. The term has more general, more significant application as a state of mind of the person who can not rise above grubby, "I can feel and touch," sentiments, to the actuality of passion for important ideas. We speak of the pitiable case of the emotional life of the "blocked personality," whose opinions may be impassioned, even violent, but whose perception of cognitive principles is lacking. The manic-depressive, morbidly "practical," "bi-polar" personality,

a great show of their avowed passion for "liberal democracy," their beliefs, the premises of their arguments, like Kant's, are rooted in those axiomatic features of the radically reductionist dogmas typified by the legacy of Seventeenth and Eighteenth Centuries' empiricism.

As empiricists, or, the more extreme cases, of the positivists, or existentialists such as the Nazi philosopher Martin Heidegger and his Frankfurt School associates such as Adorno and Arendt, these fellows deny, very emphatically, both the existence of knowable truth and, therefore, the existence of the sovereign creative powers of the human individual.³⁰ As an inevitable consequence of this denial, we have these contemporary radical reductionists, whose mental condition fits the image of participation of rabid anarchists steeped, as California's Governor Arnold Schwarzenegger once described himself, in the enthusiasms echoed from a Hitler Nuremberg rally. These types, like "touchy-feely" existentialist fanatics, deny the existence of the role of those sovereign creative powers of the human individual which Plato associated with the principle of hypothesis.

On that account, the contemporary empiricists of that ilk, are brimming with an existentialist quality of hate against even the bare notion of the existence of a valid basis for what we know as national language and related cultures. The brimming, bestial quality of existentialist hatred which impassioned Bertolt Brecht's lust for destruction of beauty and truth, is a naked expression of this syndrome. Their doctrine is not only a malicious dogma, but, in terms of inevitable economic effects, a belief which fits only the expression of the intended passions of brutishly stupid people.

To understand the implications of these neo-ultramontane fanatics working to uproot the nation-state, review the essential argument on human nature which I have affirmed earlier, this time in the light of the implications for the development and survival of modern national economies.

The essential difference between man and beast is shown most directly and clearly by the definition of the principle of hypothesis permeating Plato's Socratic dialogues. That principle of hypothesis typifies the characteristic mode of action which distinguishes the mind of the member of the human species from the behavior of the lower forms of life.

That said, we are thus prepared to treat the subject of the modern sovereign nation-state republic.

The recognition of the principled scientific character of the issue of the nation-state, has been European knowledge

whose raw-sexual view of all sorts of experiences of the world around him (or, her), is one example of this. This is, for example, the passion of the "fundamentalist religious nut," the preacher of legend who created more souls than he saved.

30. The Frankfurt School cronies of the Nazi Heidegger, such as Adorno and Arendt, were avowed followers of neo-Kantian school which adopted Kant's argument against the existence of knowable truth. This hatred of truth was an essential component in the crafting of the pro-fascist doctrine of the post-World War II Congress for Cultural Freedom.

since the work of such ancient Classical Greek thinkers as Thales, Solon of Athens, the Pythagoreans, Socrates, and Plato. However, the first societies which based the constitutional law of a national political system on that principle, were the modern Renaissance nation-states of Louis XI's France and Henry VII's England.³¹ Up to that time, society was largely based, like the "Code" of the Roman Emperor Diocletian, on the condemnation of the masses of the subject population to a "zero-technological progress" emulation of the beasts, to the condition which the Olympian Zeus of *Prometheus Bound* had prescribed for mortal mankind, as creatures allowed only to repeat the allegedly "traditional" role in technology of what their fathers, grandfathers, and earlier ancestors had done.

The overthrow, by the great ecumenical Council of Florence, of the fraudulent doctrine of "the Donation of Constantine," had implicitly ended the ultramontane system of the Venetian-Norman alliance for that moment. Despite the repudiation of that fraudulent medieval dogma of "the Donation" by the Council, the resurgence of the Venetian financier oligarchy's power, through the fall of Constantinople, had unleashed an only partially successful campaign, by Venice, to destroy both the work of the Council of Florence and the influence of the greatest scientific thinker of that century, Cardinal Nicholas of Cusa. Even after the Fall of Constantinople, the work of Cusa continued to empower the great movement for scientific progress associated with Luca Pacioli, Leonardo, and Kepler, as well as organizing, in furtherance of Cusa's explicit policies to this effect, the European movement for exploration across the Atlantic Ocean, and around the Cape of Good Hope.

So, the 1492 unleashing of the persecution of the Jews by aid of the pressures of Venice's Habsburgs, who were then engaged in gobbling up the Spanish Trastámara monarchy, touches the root of the subsequent, Venice-orchestrated religious wars of the Sixteenth and early Seventeenth Centuries. This warfare, which was directed against the work of the great ecumenical Council, was therefore also directed against, with special fury, the institution of the modern European nation-state of France's Louis XI and England's Henry VII. This warfare, so authored and motivated, plunged Europe into a pattern of warfare and imperialism which has been continued, through the Twentieth Century's World Wars and "Cold War," to the present policies of the U.S. George W. Bush government and Britain's flagrantly liberal-

imperialist Blair administration.

Throughout the interval since 1492, the efforts of the modern expression of the neo-ultramontanist currents, have been concentrated largely in efforts to eliminate the institution of the modern sovereign form of nation-state republic. This has been a continuing, long-range objective of, chiefly, the Venetian financier oligarchy and its Anglo-Dutch Liberal "Venetian Party" successor. That effort has been, to crush and eradicate scientific and technological progress and the idea of the sovereign nation-state republic from among the habits of the general population of the peoples of the world. The inherent intent of that effort has been, to effect a return to the condition of subject populations under the Emperor Diocletian and his successors, this time of today's contemporary Venetian Party, the Anglo-Dutch Liberal financier-oligarchy and its U.S. appendages. It is that same Venetian financier-oligarchical faction, in that combination of Anglo-Dutch Liberal and "black nobility" incarnations of today, which, as under the leadership of the financier-based Synarchist International's launching of fascism during the 1922-1945 interval, is behind the current drive of today's financier-oligarchical banking interests in the effort to eradicate the remains of the institutions of generalized scientific progress and the modern sovereign nation-state from this planet today.

The intent of this downgrading of the role of scientific progress in political-economy, has been to reduce future mankind into a parody of an earlier, more backward intellectual and moral condition, into a parody of the depravity to which mankind had been subjected under the Roman Empire and its medieval, ultramontane successors. By making people stupid, you render them more amenable to living and thinking as if they were cattle. By eliminating Classical culture and general association with the benefits of scientific practice, you render the victims, the subject population, to the desired cattle-like state of intellect and intentions, as we see this effect in the decadence of popular culture in the U.S.A. and Europe since the influence of the Congress for Cultural Freedom.

The leading, complementary fact of current world history, is the fact that the survival of civilization requires the defeat of that oligarchical, anti-nation-state faction which we should associate with the legacy of Venice's financier oligarchy. The success of the presently urgently needed effort on behalf of our imperilled civilization, depends upon certain economic principles of practice, and upon the social and political doctrines upon which the success of those principles depends. This success would require the uprooting of those popularized, monetarist and related kinds of economic dogmas which have been the guidon for the continuing efforts by those forces, in their effort to eradicate the U.S. patriotic reforms launched by President Franklin Roosevelt.

To accomplish the defeat of the oligarchical objective of our republic's combined foreign and domestic enemies, it were not sufficient that we establish the official position of

31. Cf. Friedrich August Freiherr von der Heydte, *Die Geburtstunde des souveränen Staates* (Regensburg: Druck und Verlag Josef Habbels, 1952). The actual establishment of the first durable modern nation-state was a product of the Fifteenth-Century Renaissance, in Louis XI's France and Henry VII's England, but the struggle, from Charlemagne through the work of Dante Alighieri (e.g., *De Monarchia*) to bring forth the sovereign nation-state, by overthrow of the *ultramontane* Venetian-Norman tyranny, is an essential part of the legal history, presented by von der Heydte, which is reflected in the Fifteenth-Century Renaissance.



“Tollgate fever,” of the sort that is taking over the world today, is generally an expression of flagrant political corruption, which shifts the cost of infrastructure from the rich to the population of medium to low incomes.

promotion of a return to policies of scientific-economic progress. Such progress can not be called into being by rubbing a magic lamp. Progress requires a fresh approach to the way in which *popular* culture is organized, in favor of an emphatic return to Classical modes in science and art, away from extremely decadent, presently popular modes which so much of our population has been corrupted into believing that they are enjoying today.

As we see from the experience of the degeneration of western European culture over the course of the post-war years under the depraved influence of the Congress for Cultural Freedom, the intellectual renaissance needed to uplift us from the decadence which has ruined our nations today, must be rooted in the reliving of the relevant act of creative discovery in the education and related experience of the young, the children, adolescents, and young adults, the latter drawn, most notably, from the 18-25 age-interval. This will not succeed, unless it is associated with a Classical scientific and artistic college-age experience.

Frederick Douglass’ views on education, for example, must be the model for the policy of uplifting the ranks of our poor from the influence of those post-Lincoln Liberal reformers, who demanded that the children of ex-slaves not be educated above that “My Pet Goat” level of the menial conditions of life which those Liberals deemed suitable for them, then, as today. The “downsizing” of today’s typical American intellect, among the broadest layers of our population, is the essence of the corruption which we must resist and overcome, if we are to regain the true sovereignty of our once-proud republic.

Such is the urgently needed Classical renaissance in the culture of what we associate with the name of “European civilization,” both in Europe and the Americas.

That much of essentials said on background, turn now to what may be described as the “technicalities” of the matter before us, the crafting of the new form of a Treaty of Westphalia required as an exit-strategy from today’s global crisis.

Creativity and Economy

Looking at the record of civilization as far back as might be both convenient and relevant for our purposes here, there are two sources of the growth which has occurred during the relatively more successful periods of each case. The one is what we term “primitive accumulation:” con-

sumption dependent in significant part upon the net looting of man, nature, or both. The other is the fruit of human creativity, as I have affirmed the definition of creativity here. The U.S. economy as defined by U.S. Treasury Secretary Alexander Hamilton’s trio of reports describing the American System of political-economy, most conveniently typifies the best design of physical-economic, *relatively* “primitive accumulation”-free conception of the performance of modern civilization.³² The immediate chief opponent of that American System, then, was the innate imperialism of the Anglo-Dutch Liberal System under Britain’s Lord Shelburne and his successors.

Typically, speaking in broad but fair terms, like the recurring collapses of the Sumerian and subsequent Semitic cultures of Mesopotamia,³³ ancient systems grew, during their

32. Most emphatically, Hamilton’s 1791 Report to the U.S. Congress *On The Subject of Manufactures*.

33. The initial culture of southern Mesopotamia was the fruit of a colony established by a Dravidian-language-group associated with the maritime culture which, as Herodotus emphasized, also established offshoots in Abyssinia and the area of present-day Yemen (Sheba) of what became later the relevant area of development of Semitic-language cultures. Had British Nineteenth-Century Biblical archeologists not made such a terrible mess of the relevant cuneiform records, we would have a far better picture of the foundations of Sumer and Akkad today. Nonetheless, the way in which the bow-tie systems collapsed through the resort to primitive-accumulation methods, is clear. Travelling up the Euphrates, above Baghdad, in Spring 1994, showed me the remains of the ancient irrigation system, sites which attested to the reasons why the population of Iraq then was approximately one-third of what it had been when Haroun al-Rashid’s Caliphate had been the pivot of culture for Europe.

ascendancy, by a net long-term despoiling of the land-area and populations on which the social systems of the relevant culture depended; this led to the physical and moral conditions of their decline. So, as a consequence of the method of their success, they collapsed into self-inflicted ruin. It has been only through the application of those creative powers unique to the human individual among all living species, that the apparent progress of a society in its relative wealth and other attributes of well-being has been of a relatively durable form over the longer term. In all forms of animal life, for example, the growth and well-being of the species is defined, chiefly, by factors of animal ecology. Only bestial people would apply the principles of animal ecology to human populations.

The growth of the world's human population has now reached a most ironical condition. *It can not continue to grow under governments' present policies of growth, and it would collapse into a greatly reduced world population in a state of general bestiality, if we chose to cease growing, as through austerity measures.* Therefore, we, as a unique species, must now do what only our species could do. We must reform society now under the doctrine that we must increase the resources on which human existence and progress depend, by driving the possibilities of scientific progress to the utmost degree. We must create the new, growing margins of resources, including those which we had rather naively called "natural resources," on which a rising standard of living for a growing world population now depends absolutely. We must reorganize the world's economy around a science-driver mission for economy of precisely that type which the Venetian ultramontane tradition of the modern monetarists fears, and hates the most. We must realize the principles of progress of mankind under the governance of what Vernadsky defined as the Noösphere.

The basis for such a reform already exists in the tradition of the modern sovereign nation-state republic. The American System of political-economy, as viewed by Hamilton and others, represents the world's best existing model of historical reference for what we, the human race, must now do worldwide. The science-driver program employed under a U.S. President directly in the Hamilton tradition, Franklin Roosevelt, afforded the U.S.A. a strategic capability, in sheer tonnage per capita, which overwhelmed our war-time adversaries, which, when combined with the best years of the manned Moon-Landing project unleashed by President Kennedy, contains the lessons of experience which point the way toward what we must do today. We need merely add the outlook of Vernadsky's principle of the Noösphere to the American System perspective as already pre-defined by such as Leibniz, and defined in practice, as the American system of political-economy, by Hamilton et al.

For this purpose, the willful development of our planet as a Noösphere, the 1648 Treaty of Westphalia is the indispensable model of reference available to be used by a relevant

concert of cooperating sovereign nation-states now.

This undertaking would fail, however, unless we obliterate now all presently ongoing efforts to "globalize the world." Unfortunately, the proof of that fact is a principle of science which has been beyond the mental powers which were shrugged off, long ago, by the like of the late Ayn Rand and her high priest, U.S. Federal Reserve Chairman Alan Greenspan.

The general nature of the task before the human race as a whole today, is to organize relations within (and somewhat beyond) our planet, for a common mission which requires that the partners in that task be organized as a cooperating set of respectively perfectly sovereign nation-state republics. On this account, the 1648 Treaty of Westphalia, and certain among its relevant outgrowths, is the only available basis for a plan of organization of the global efforts required during the decades immediately ahead.

The essence of the matter thus put before us, is the need to mobilize precisely those creative powers of individual human minds which the acolytes of the late Bertrand Russell, and empiricists generally, such as Norbert Wiener and John von Neumann, denied, systemically, to exist. The model of reference for the only approach which could succeed, is the modern outgrowth of the Classical Greek model of social organization for fundamental scientific and related cultural progress, the model associated with the names of such ancient anti-reductionists as Thales, Solon of Athens, Pythagoras, Socrates, and Plato. Plato's *Parmenides* dialogue marks well the dividing-line between the creative powers of the human mind, and the decadence of those, such as the Eleatic and other reductionists, who deny the existence of creative powers, and thus put themselves culturally among the beasts.

Henceforth, civilized society must be defined, explicitly, in constitutions, general law, and other ways, as a system of mission-oriented cooperation among perfectly sovereign nation-state republics. It must be defined as governed entirely by a principle of endless, and accelerating scientific and related progress in the discovery and application of those universal physical principles which Plato defined as fruits of the specifically, and uniquely human powers of hypothesis. Not as a system of government and economy, to which scientific progress might be added. What is required is government itself governed by commitment to the fruits of such scientific progress. This mission-orientation may be conveniently identified now as "The Noösphere Principle."

The New Role of the Nation-State

Despite the savage obstacles engendered by the Venetian financier oligarchy's conduct of the religious warfare of the 1492-1648 interval, the Fifteenth-Century, Italy-centered Classical Renaissance unleashed a long wave of the greatest progress in the growth of population and conditions of life of persons, in all known human existence to date. This net benefit

was chiefly the combined impact of four great European reforms, each and all associated in a most prominent way with the life and work of Cardinal Nicholas of Cusa. First, the adoption of the principle of the modern sovereign nation-state, as sparked by Cusa's *Concordantia Catholica*, the precedent for the later 1648 Treaty of Westphalia. Second, the birth of modern science, premised upon a revival of Classical Greek, pre-Aristotelean philosophy, by Cusa's *De Docta Ignorantia* and his later writings of this nature. Third, the establishment of the model sovereign nation-state of France's Louis XI, which served as the model basis for modern France and Henry VII's England. Fourth, the launching of the great program of global outreach, launched by Cusa, which planned what became the rediscovery of the Americas and the modern maritime reach into the great waters of Asia.

The commonly underlying feature of these four Fifteenth-Century developments, was the repudiation of the tradition of the worst of European cultural traditions before that time, all of which are defined as products of the continuing influence of what was known in the time of Plato and his immediate successors as what was known among Greeks and Macedonians by the name of "The Persian Model." That was the conception of that oligarchical-imperial system, the model on which the bloody-handed emergence of the Roman Empire, and the medieval ultramontane system which followed, were explicitly premised. On related grounds, the poet, playwright, and historian Friedrich Schiller defined European culture's history as a continuing struggle between the oligarchical models of Lycurgus' Sparta and the current representing the universal humanistic reforms in the tradition of Solon of Athens.

The essence of the great accomplishments of modern European civilization, as flowing from, and through the Fifteenth-Century Renaissance of Cusa et al., was the repudiation of the bestializing doctrine of Aeschylus' Olympian Zeus, a repudiation which placed the *Promethean* principle foremost among the needed means for liberation of the great masses of people, and of society as such, from the bestiality which Zeus' oligarchical principle demanded. The engagement of the population in general, in creative innovation in economy and other ways, under France's Louis XI, and the emulation of Louis' example by his admirer, Henry VII of England, typifies in practice, what Cusa taught in doctrine.

To put the same point in the language of the Christian Church, the great reform of the Fifteenth-Century Renaissance, was the liberation of the church of Cusa's life-time from those oligarchical dogmas which licensed such brutish violations of the principle of the *Common Good* (the *agapē* of Plato's Socrates and the Christian Apostles John and Paul), the same *Common Good* taught by Massachusetts' Cotton Mather, taught as Leibniz's "the pursuit of happiness" by the 1776 U.S. Declaration of Independence, and embodied as the highest principle of the U.S. Federal Constitution, as the principle of prime obligation of the nation and its government

to "promote the general welfare."

This was, and remains the principle of the *Common Good* (the *general welfare*) which is set as the first principle of the 1648 Treaty of Westphalia, a Treaty which the bearers of the contemporary oligarchical tradition hate so fervently today. It is not merely a "nice" principle; it is the principle upon whose efficient observance the continuation of civilization on this planet now depends, today.

I refer the reader now to a section of the feature article, "Earth's Next Fifty Years," which was originally published in *Executive Intelligence Review* weekly for January 7, 2005. The section was titled "The Vernadsky Remedy," occupying pages 18-33 in that publication. Since that article is an included feature of a book of the same title, *Earth's Next Fifty Years*,³⁴ to be released from the printer on March 22, 2005, it is not necessary to republish the content of that section of the article here. In that location, I develop the manner in which the creative powers distinguishing man from ape are expressed as the principle of hypothesis underlying both the discovery of universal physical principles and authentic Classical artistic composition. I use the case of the role of irony in poetry and Classical tragedy, such as Shakespeare's *Julius Caesar* and

34. Lyndon H. LaRouche, Jr. *Earth's Next Fifty Years* (Leesburg, Va.: LaRouchePAC, 2005)

Toward a New Council of Florence

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Hamlet, to demonstrate the way in which the creative powers of the human mind work.

The argument from that location which needs to be emphasized in the present location of this present writing, is the essential role of national language-cultures in providing the medium through which a people is able to organize itself around the discovery of those ideas of Classical principle, which are the creative expression in physical science and Classical artistic composition and performance.

As I illustrate the point in that referenced location, it is through the use of Classical irony within the medium of a specific language-culture, that a people is able to generate and share the replication of the experience of a discovery of universal principle. The crucial point is that the learning to replicate a formulation, as if reading a textbook, does not represent actual knowledge of an idea. The act of original discovery of an idea with the characteristics of a true hypothesis, must be replicated within the framework of the ironies available within the social setting of that culture. The discovery of such knowledge, as it may be shared among different cultures, must be generated, in each instance, within the culture of the person who shares the experience of generating that hypothesis.

The typical pedagogical model for demonstrating a principle of creativity, which is used within the educational program of the LYM, is the case of the incompetence of those theses of D'Alembert, Euler, Lagrange, et al., which Gauss exposes, and refutes in his 1799 doctoral dissertation. In those instances of incompetence, D'Alembert, et al. seek to substitute a mere algebraic calculation for the notion of a universal physical principle. In the real universe, it is the discovery of the kind of universal principles which Euler et al. avoid in that case, which is the efficiently active expression of the discovery of a universal physical principle. It is that act of discovery, within the domain of physical geometry, which typifies the creative-mental action through which the power of self-development of a society is made accessible, and expressed.

I should emphasize at this point, that the argument which I have just made, has an eerie coincidence with the notion of Dirichlet's Principle. A language-culture is not a collection of parts; it is the interaction of ideas of principle within the culture as a whole. In this way, a people is able to think together as a people, through the share which each person has in the potential represented by that culture as a whole. This potential of the culture must be functionally sovereign. In that sense, a nation is, or, at least, should be, a sovereign individuality, part of an array of such individualities which is assembled to a common purpose of benefit to them all.

Now, the time has come for us to relaunch the modern sovereign nation-state, that in a new, higher form than it had existed heretofore. This comes at a time when the emergence of great Asian states to a higher level of independence and

power means a great change in global relations, relative to Europe's experience on this planet during the preceding six centuries. We have now reached the level of preconditions for defining planetary civilization as a community of respectively sovereign nation-states, under which all nations must assume the role of partners in a global system of development of that redefined global community which was envisaged by the authors of the 1648 Treaty of Westphalia, and their successors, the authors of the creation of the U.S. Federal republic.

In the language of the Treaty of Westphalia, the new system we must now establish, will be a renewal, and more advanced development of a system of such sovereign nations, a system among nations based upon the commitment of each and all, in which "each part is to promote the others' benefit, honor, and advantage."

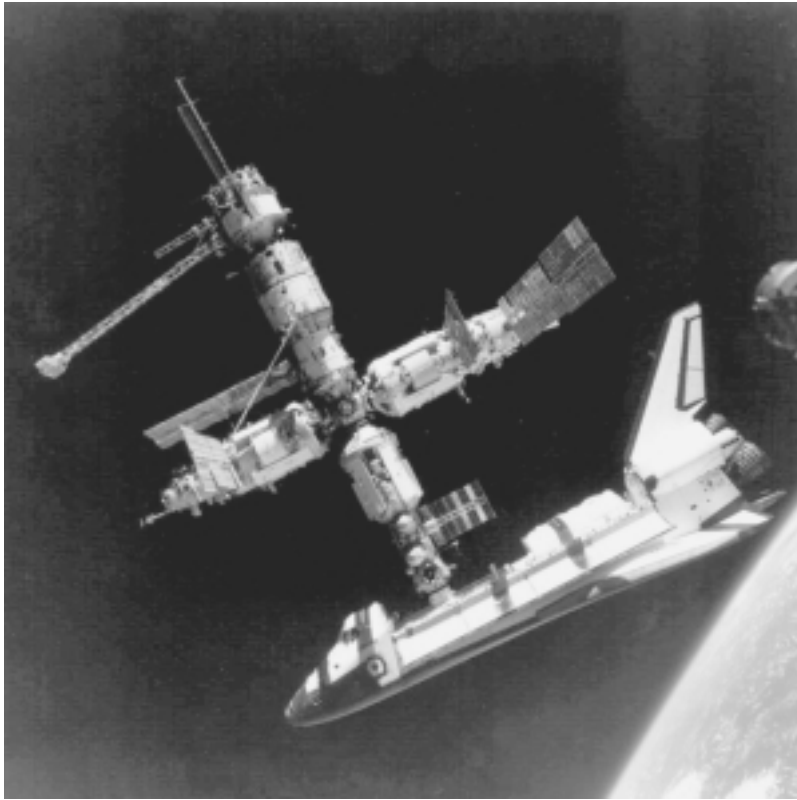
In crafting a policy of survival for global civilization today, two interrelated points for policy-shapers must be placed foremost. Firstly, the foundation for national and global economic policy must be the maintenance and development of the essential public infrastructure of the nation, its regions, and localities. Secondly, the conception of infrastructure for the future world of today must now include qualitative development of the Biosphere beyond any generally accepted notion of this up to this time. In the latter connection, the need to maintain the supply of so-called primary raw materials at acceptable prices to each and all, is exemplary. The development of such essential resources, including abundant supplies, free of charge, or at low prices, for required clean water,³⁵ which must be maintained and supplied to users in that mode, now supersedes the notion of raw materials as defined by a property-right over some piece of real-estate, or policy-shaping of some locality. The idea of developing the Biosphere, rather than attempting to conserve it in a zero-growth mode, is now a consideration of overriding importance for policy-shapers in every region of our planet.

Taking this matter into account, return attention, briefly, to the matter of tollgate methods of funding elements of basic economic infrastructure.

For related reasons, the recent decades' increasingly indiscriminate use of the tollgate, rather than the general tax-revenue as a routine source of income for basic economic infrastructure, must be uprooted. The necessary functions of ordinary daily life and work in the area of habitation should not be funded through tollgate methods, but, rather, uses not in excess of an average incurred activity should be a margin of cost paid out of the general revenue. The conditions of life and work of any person in society, is a need, like the air which all must breathe, and potable water each must drink, shared by each and all parts of the total population of that society.

Contrary to today's rampant exhibitions of tollgate fever,

35. The mounting crisis in drinkable fresh water, which is coming like an avalanche in relevant regions of the U.S.A. west of the Mississippi, is typical.



A government space program is the single most important driver of technological progress available for a modern economy as a whole. Here we see the Space Shuttle Atlantis connected to Russia's Mir Space Station in 1995.

the source of the payments which must be made to develop and maintain the environment, will be the general fund of nations. The fund of each nation, and the assistance which must be given to less developed regions for planetary goals in the common interest of the planet and its physical-economic potential as a whole must be arranged accordingly. The reasoning to be employed in decisions bearing upon this, shall recognize the way in which particular action, if it involves a physical principle of economy, raises the potential of the physical economy as a whole.³⁶ Therefore, the cost of providing that potential, which produces a benefit for all affected in that region of the nation, should not be supported usually by tollgate methods.

At its frequent worst, tollgate methods turn out to be ways of passing off the responsibilities for supporting the relevant functions of society as a whole, a practice whose use is a widespread expression of flagrant political corruption, conducted through shifting much of the burden of cost and expense, from the relevant, taxable, and politically influential rich, to the population of medium to low incomes.

36. Here, we have returned to matters to which I have referred earlier here, as bearing on the implications of Dirichlet's Principle.

Continuing our discussion of the matter of policy which should govern investments in basic economic infrastructure, the purpose of the division between public development and maintenance of basic economic infrastructure and the role of investment in professional practices and other private business ventures, must be along lines of the use of investment tax-credits to encourage private enterprises which promote the benefits of scientific and technological progress for the economy as a whole. The appropriate reasoning which ought to be taken into account in national and international shaping of both physical-economic and financial policies, is that, if we follow an appropriate version of Treasury Secretary Hamilton's argument in his *Report on the Subject of Manufactures*, as applicable to today's conditions, the portion of infrastructure in total national physical-economic throughput in a typical, healthy form of modern national economy, should represent a portion in the range of more or less half the total national physical-economic throughput of a nation. This portion should be regarded, and assessed as providing the needed potential, in the territory of the nation as a whole, for sustaining and improving the productivity, per capita and per square-kilometer, of the national territory as a whole.

The impact of the Franklin Roosevelt Administration's launching of the Tennessee Valley project, is paradigmatic. This kind of governmental activity establishes and maintains the needed base-line for the benefits generated within the scope of activities of the private sector.

To explore the relevant border-line between the functions of respectively public and private responsibilities for the increase of national productivity as a whole. Consider the example of both the U.S. Space Program and the functionally related role of general technological progress spilling over into the general economy from the military sector.

If we put aside, the ill-advised U.S. cut-backs from a serious Space program, since the 1967-68 interval during the Vietnam War, a government Space program is the single most important driver of technological progress available for the economy as a whole. On the one side, Space programs are, indeed, an essential part of national and global defense against attacks both by agencies which are either natural or man-made in character. As we observe from studies of the "economic spill-over" of the Kennedy "crash program" Space effort of the 1960s and 1970s, this role overlaps the natural role of a well-crafted general Space program as the most efficient driver of increases in physical productivity per capita

we have known. Moreover, it overlaps and augments, in their customary medical and sanitation missions, the mission of other combined public and private functions of public health activities along the frontiers of progress.

If we look at the function of a well-crafted mission assignment of our Space programs from the standpoint of the principled lines of thinking represented by the contributions of Vernadsky to the notions of Biosphere and Noösphere, a well-defined Space program by government, and among cooperating governments, is the area of public activity which subsumes all of the functions of maintaining and developing both Biosphere and Noösphere, as that mission is extended into the exploration of nearby Solar Space, and beyond. The notion of developing capabilities for putting men and women into indispensably human functions of exploration of the space of the inner planets of our Solar System (regions in reach of continuously powered acceleration-deceleration by known categories of types of means), subsumes every problem mankind can touch from within the orbits of Jupiter and Saturn during the foreseeable future.

Furthermore, to attempt to define any of a wide range of frontier-problems for human existence today, requires that we free our efforts from any avoidable fallacy of composition in our scientific approach to those matters. We must abandon mentalities which limit thoughts to regions within the combination of the upper regions of the planet and its atmosphere, to take into account those larger processes of the Solar System within which affairs on or near the surface of our planet develop. We must, in general, see the developments on Earth today within a perspective defined by the "history" of the Solar System from its origins in a fast-spinning "young" Sun, into the elaboration of the wonderful processes which have now filled the previously empty space around that Sun. We must, for example, include the challenge of putting living persons into nearby space for useful missions, while learning how to keep them alive and reasonably well in that mission.

Science today means Space science, from the top down, down to the little things that happen, or might happen, on some part of the surface of our planet. The practice of Space exploration and Space-related science becomes the super-university of our planet, to which all matters of exploring the Biosphere and Noösphere may be profitably referred. This mission, contrary to the implications of the frauds promoted by Cauchy et al., is to increase the potential relative population-density of the human species, and to define physical margins of profit of national economies as, essentially, the realization of the margin of gain of Dirichlet-Riemann potential which realized scientific progress contributes.

For such reasons, we must put a much higher value on the scientifically/technologically progressive form of closely held entrepreneurship, than the relatively inhuman regimes of the contemporary, public, financier-controlled corporation. For those among us who actually know something of the

relevant problems this argument involves, the useful functions performed by financier-controlled corporations have depended, to a most critical degree, upon the technological role of the scientifically progressive, closely-held entrepreneurship. It is here, in the latter category, that the crucial technological risks are taken, and often mastered, mastered in ways which make possible those actual products produced and distributed as the work of the relevant financier-controlled corporations.

These closely-held industrial and related enterprises of that relevance are the small enterprises, of from several to a few hundred employees, which used to speckle the same areas as our U.S. farming communities. It was the close interaction of agriculture and these firms, together with the other closely held enterprises which a healthy county or supra-county region contained, which formerly gave the pre-1971-72 U.S. a much higher level of net physical output per capita and per square kilometer than today. Here, not in the large financier-controlled corporation, the dynamic of net physical growth per capita and per square kilometer occurred. Look at our bankrupt economy of today, and see and think how this degeneration of the recently thirty-five years came about! See a parallel experience in Europe, especially since the collapse of the Soviet Union in 1989, when the competitive stimulus for continental Europe's technological capability was pulled down by the Anglo-Dutch Liberal predators and their U.S. accomplices.

To reestablish the sovereign nation-state according to the principles of cooperation adopted by the Treaty of Westphalia, let us relearn the lessons of past experience as they must be applied to a new world of today.

Rebuilding Ruined Economies

As the present trends in cooperation between Germany and China typify the opportunities before the world as a whole today, the world is now moving in a shift from emphasis on the export of finished products, to the export of technologies transferred in mid-stream. The most weighty aspect of this process at the present stage, is continental cooperation in a growing flood of development of basic economic infrastructure. We are at the onset of a process which is tending toward becoming what would be fairly described as a re-Earth-forming of our planet. The implications of this can only be understood efficiently from the standpoint of Vernadsky's concept of Biosphere and Noösphere.

The crux of the matter at this moment, is the present world "raw materials crisis." This is, actually, not so much a problem of scarcity of raw materials, but the effects of gigantic financial Golems immersed in titanic competition for control over the world's future supply of raw materials. The crucial portions of the mass of financier power afoot on the planet today, are represented by a monstrous price-speculation in competition to grab future control of such supplies. These monstrous financier parasites must be brought to heel, and control over

the availability of such stocks must be transferred to agencies which represent the vital human interests of present and future populations of the nations of the world as a whole.

From the standpoint of science, there is no visible shortage of raw materials even on the distant horizon. The challenge is to deploy science in ways which ensure an adequate supply of such materials, for present and future generations, through the combined application of gigantic new dimensions of development of basic economic infrastructure and expanding the known frontiers of science today.

At this moment, the pivot of such a needed global development is Russia and Kazakhstan. The vast regions so represented are the crucially placed sites for the organization of systemic cooperation between the nations of western and central Europe and the populous regions of Asia. This pivotal role of development within Eurasia as a whole, parallels related challenges in Africa, the Americas, and Australia-New Zealand. In all, however, the greatest store of materials for the future, points to the need for management of the world's principal oceans and seas.

Ironically, the pivot of the capability for such developments in Eurasia itself is the scientific capabilities still centered in the tradition associated with Russia's Vernadsky Memorial Geological Museum, right across from the Kremlin. That refers not only to the store of raw materials in relevant parts of Eurasia, but to the means which must be developed within the area of what had been the Soviet Union, in order to create the settlements and other infrastructure required for the rational development and continued use of those resources in that region.

What must be done, which can be done only under the conditions set by the establishment of a permanent new version of the Bretton Woods fixed-exchange-rate system, is to organize the management of a system of fair world prices for equitable access to needed raw materials, cutting out the present predatory horde of financier-speculators by whatever means are necessary to that end. Under those conditions, we can, and must add a new feature to the scope and foundations of the earlier Bretton Woods system. This area of price-regulation will then become, quite naturally, the foundation for organizing a quarter-century to half-century span of maturity of the vast new volumes of state-sponsored long-term credit, issued by governments, or through long-term treaty-agreements on financing of trade and payments among governments. The return to a gold-reserve system, not a foolish revival of the now long-deceased British gold standard.

The largest portion of the flow of such newly created credit, by the combination of state credits and trade-agreement treaties among governments, will be concentrated, initially upon long-term, high-technology-oriented investments in basic economic infrastructure. The case of China's urgent need for expanded progress in development of new, nuclear-powered and related urban-agricultural complexes typifies

the kinds of make-or-break requirements upon which success of long-term prospects over one to two generations depends.

This must be accompanied by a rapidly accelerated shift in new employment, away from labor-intensive, toward investments in increasingly advanced levels of "energy-intensive" technologies. Overall, the emphasis must be on developing new "volcanoes" of scientific-technological capital-goods technologies which are the upstream well-springs of technological progress downstream. The overall emphasis must be on "energy-intensity" and productivity per capita and per square kilometer in more and more areas of the planet as a whole. Over-concentration in giant complexes must be avoided, in favor of complexes of multiple fountains of technological progress in local regions, rather than over-emphasis, as now, on the giant enterprise.

Rather than slowing down progress to assess the profitability of productive use of more advanced technologies, the emphasis must be on investing in the newest proven technological advance simply because it exists to be used. The reliance upon small- to medium-sized entrepreneurships, will make this acceleration of the utilization of scientific-technological progress feasible.

In such a world, the emphasis will be on a shift from sales of final products across national borders, to sharing of technology as the growing export-import market in world trade at large.

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Summary: ‘A New Global Financial Architecture’

As this is written, the world as a whole is gripped by the onrush of what is already potentially the greatest financial-monetary crisis of modern history. We are figuratively, perhaps even literally, no more than a few steps away from a global crisis which would soon become unmanageable, unless certain specific kinds of reforms were put immediately into place.

The monetary-financial side of this onrushing avalanche of crises is centered in the factors expressed by the current fiscal and balance of payments debt of the U.S.A. Nonetheless, this is not a crisis of the U.S.A., but a crisis of the entirety of the present, U.S.-dollar-denominated world monetary-financial system. A sudden, deep collapse of the U.S. dollar’s value would set off a chain-reaction within the world’s monetary-financial system. This would set off a global storm of reaction which the rest of the world, presently, could not withstand. Concerted action by a concert of leading nations, including the U.S.A. itself, stands now between the world of the moment and a precipitous, chain-reaction collapse into what were likely a prolonged new dark age for the planet as a whole.

There are remedies, but these potential remedies require certain delimited types of concerted action from among leading relevant institutions of the planet. The relevant problem, presently, is that while there is wide-spread agreement on the urgent need for introducing a new financial architecture now, there is virtually no agreement, apart from some exemplary exceptions, such as those presented in official circles of Italy, on what that new architecture must be.

What should have been done, when U.S. President Clinton mooted such possible reforms, in September 1998, was not done. It is now more than six years since that time. This is the situation into which I step, as I must, at this juncture. For this I have the advantage of having foreseen the crisis of the past three-and-a-half decades, and having consistently pin-pointed the causes, nature, and general remedy for the crisis which the U.S. Nixon Administration unleashed more than thirty-three years ago. For this and related reasons, I have a unique, and uniquely proven record of foresight into both the principled features of this present crisis, and its now very, very narrow spectrum of available remedies.

From the advantage of the consequent authority which I have in this situation, I present my proposals for immediate

action in response to the presently inevitable onrush of global general breakdown-crisis of the present world monetary-financial system.

As long as those institutions sense themselves imprisoned as by oath to honorable service to the relics of the of the existing world monetary-financial system, those institutions will remain incapable of acting to prevent the catastrophe which could otherwise be averted. The remedies which I propose are therefore highly contentious, to say the least, but they represent the only existing option which could prevent a chain-reaction collapse of civilization as a whole. Within these bounds there is no room for dilly-dallying, no margin for sane men’s tolerance of evasive “what if” proposals of less prompt, or less pungent remedies.

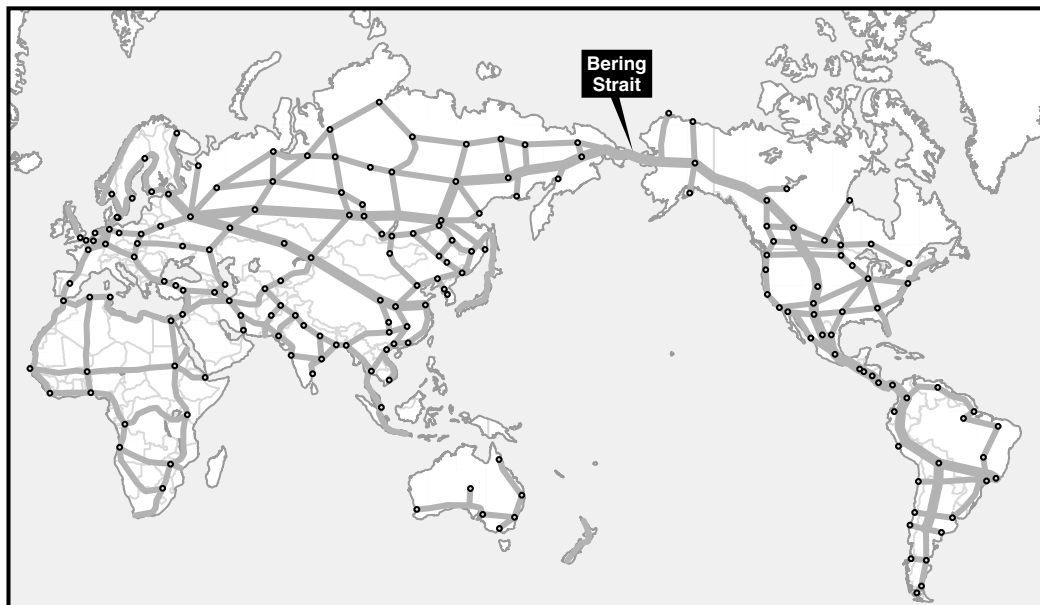
The front end of the presently onrushing crisis is the moment at which a chain-reaction collapse of the U.S. economy and U.S. dollar begins. At that instant, certain kinds of immediate emergency action must occur, actions with as much or more pungency and force than those taken by President Franklin Roosevelt beginning the hours after his first inauguration.

The included measure to be taken, without which the onrush of global chain-reaction collapse can not be halted, is a voluntary measure uttered by the U.S. Federal government, to seek relevant international agreement to fix the relative price of the U.S. dollar through aid of a stated commitment of the U.S. to the creation of large masses of Federal and Federally-motivated credit, in largely 30- to 50-year denominations at approximately 2% annual simple-interest yield, for unleashing massive infrastructure building inside the U.S.A. Only such a commitment, which would immediately bring the current accounts of the U.S. economy back above current and long-term break-even, could restore confidence in the U.S. dollar sufficient to support agreements among key governments to support the dollar at approximately its current relative valuation, the valuation needed to enable a concert among some nations to stave off a general, chain-reaction collapse of the system as a whole.

As Benjamin Franklin said famously in his time, we must say to the most relevant nations today: We shall hang together, or we shall hang separately.

We have already, on the books of Federal, state, and other agencies, including the U.S. Corps of Engineers, the prepared designs for projects of the type required for this purpose. The effect would be that of a “war mobilization” for peaceful reconstruction. This would immediately provide the basis for a recognizable long-term recovery, and, therefore, stability of the U.S. dollar.³⁷ This specific emergency action should be given flanking support by a clear intent to take similar measures for selected issues of credit to be supplied in pre-

37. Such an emergency measure would prefigure the turn to the equivalent of a prime Federal Reserve rate of about 2% for U.S. Federal government debt for the long term, a rate at which levering of essential long-term projects can be sustained for the purpose indicated.



Main lines of a worldwide rail network, from EIR's Special Report on the Eurasian Land-Bridge (1996). This map shows the rail lines involved in full realization of the Land-Bridge concept of development corridors associated with transportation routes.

mium projects for reorganizing troubled firms in the private sector along lines of long-term durability.

Obviously, politically, such measures could occur now only under conditions of the gravest of financial emergencies, conditions which are now moving, as the GM/GMAC crisis only typifies this, to present themselves very soon. This peaceful equivalent of a "mobilization for general warfare" is the only action feasible, under such special circumstances, which could turn the tide from doom in an effectively timely way.

The success, with cooperation of relevant foreign governments, with that preliminary counter-strike against the on-rushing crisis itself, would clear the way for two crucial measures of general international monetary reform. First, the reestablishment of a fixed-exchange-rate, gold-reserve-based Bretton Woods system. Second, the adoption of a technologically sustainable fixed price of gold reserve stocks to support that system. Third, the negotiation, within the framework of that restored system, of a global "raw materials" doctrine of the type which I have described above.

The combination of sufficient international acceptance of the emergency action by the U.S. in immediate defense of the U.S. dollar from a threatened chain-reaction crash of the world's present monetary-financial system, with these three measures of reform of the international monetary system itself, creates the environment for fostering of certain strategic objectives for large regions of the world.

Foremost among these is the present trend toward a system of long-term Eurasian cooperation. This is the trend toward a system pivotted, on the one side, upon Russia's dual relationship, with the Asian community now centered around what is known, since Prime Minister Yevgeni Primakov's mission of 1998, as the Russia-China-India Triangle, and, on the other side, with key nations of western and central Europe, including Germany, France, and Italy. Under the immediate

threat of internal monetary-financial-economic crisis of the European Union today, the point of most immediate concern is to prevent an internal collapse of the economies of Europe which are currently leading long-term trading partners of the Eurasian Triangle cooperation. The promotion of long-term internal recovery of productive employment and social security systems of Europe is of crucially strategic importance for securing the clear benefits of currently ongoing, long-term Eurasian cooperation.

Similar concerns must be addressed, secondly, among the economies of the states of the Americas, thirdly of Africa, and, fourthly, but not least, the deadly cockpit of Southwest Asia. The role of Australia and New Zealand is of crucial importance, especially with respect to its role as a focus of European culture's influence within the Pacific region, especially the portion of that region to its north.

These five areas of regional cooperation are bound together by the global issue of programmed design of approaches to what may be treated loosely as "raw materials matters."

The otherwise assured benefits of such reforms as these, depend upon a general reversal of the ideological effects of the ideologies associated with the Congress for Cultural Freedom. Two issues are crucial on this account. First, there must be an uprooting of the poisonous existentialist doctrine based on a denial of the existence of knowable truth. Without truth, there can be no agreement in principle, and, without agreement in principle, the attempted recovery of our planet would soon degenerate once again into the Hobbesian spirit of conflict which has ruined the peace of this planet for the preceding centuries. Second, the principle of truth must be energized for practice by the leading principle of agreement of the 1648 Treaty of Westphalia: "each part is to promote the others' benefit, honor, and advantage."

Conyers At LaRouche PAC Event Opens New Dialogue among Dems

by Nancy Spannaus

The process of discussion and debate within the Democratic Party entered a new phase on March 23, when Michigan Democratic Congressman John Conyers participated in a town meeting sponsored by the Lyndon LaRouche Political Action Committee (LPAC) in the city of Detroit. Rep. Conyers, who spoke on a panel with Midwest LPAC coordinator Robert Bowen, local UAW president Eugene Morey, and Nick Feden of the LaRouche Youth Movement, had a specific message to deliver.

“I come here tonight with an invitation,” Conyers said. “An invitation to take these [your-ed.] arguments, the book, the weekly newsletter, and let’s get it out into the debate . . . what I would like to do with you, is to begin to debate these issues. I know that they’re taken as gospel. But, unless they can stand the test of debate, they’re just a great view held by a number of people, who believe one thing. But that’s not going to sell it. And so, what I want to do, is, extend the discussion: What we need, is discussions about this, and where we are, and where are we going.”

The approximately 90 people in attendance responded enthusiastically to Rep. Conyers proposal, and to his presence on that snowy evening in Detroit. With Conyers having broken the ice, the door is wide open for other Congressmen, and the Democratic Party as a whole, to finally begin a public debate on the urgent measures put forward by Lyndon LaRouche to save the world economy, and the nation.

The Product of a Process

The Detroit LPAC meeting was the result of a process which took off after the Boston Democratic Party Convention last July. During those few days, LaRouche’s Youth Movement used bel canto singing, and the distribution of 50,000 copies of LaRouche’s Draft Democratic Party Platform, to make a dramatic intervention into a virtually moribund affair. The result was a shift in the relationship of LaRouche, who at

the end of the Convention endorsed Kerry for President, to the Democratic Party, with the result of increasing collaboration over the course of the fall election campaign. A crucial component of this collaboration was the deployment of the growing LaRouche Youth Movement in crucial areas, including the battleground state of Ohio.

Unfortunately for the outcome of the election, and for the nation, that collaboration came too late to ensure a Kerry victory in November. After Bush’s announced election, it was again necessary for LaRouche to take the decisive steps which pulled the deeply demoralized Democrats up off the floor, and give them a perspective for going on an offensive that would make President Bush a lame duck, particularly on the Bush proposal to destroy FDR’s signature program, Social Security.

As the Bush Administration has learned, to its dismay, LaRouche’s leadership has borne fruit. From the Jan. 6 Joint Session of Congress onward, the Democratic Party has demonstrated a virtually unprecedented determination to fight Bush’s fascist policies and illegalities. Nowhere has this been more evident than on the “issue” of Social Security privatization, where the Democratic Party leadership has not only held the line against compromise, but which has provided the impetus for a Democratic mobilization of town meetings and constituents which has not occurred in decades.

Up to this point, the Democratic Party resolve, energized, informed, and aided by the deployment of the LaRouche Youth Movement, has virtually killed the Bush proposal for Social Security privatization. But that accomplishment merely sets the stage for the next step: the Party’s adoption of an FDR-style program of emergency economic recovery to deal with the economic-financial breakdown crisis that led the Administration to seek to steal the Social Security funds in the first place.



Representative John Conyers, Democrat of Michigan and the Minority Leader of the House Judiciary Committee, addressed an audience of approximately 90 citizens in Detroit March 23, in what's expected to be the opening of a broader open dialogue between LaRouche Democrats and the Democratic Party.

The Debate Begins

The Detroit LPAC meeting featured the beginnings of the necessary debate, among an audience of community activists, local political leaders, unionists, and others.

After an opening Classical musical presentation by a LaRouche Youth Movement chorus, Robert Bowen keynoted the event with a short briefing on the LaRouche movement's perspective of restoring the principles represented by FDR, in order to meet the current breakdown crisis of the financial system, and the physical economy, including, prominently, that of General Motors.

Gene Morey, president of UAW Local 849 in Ypsilanti, who represents employees of Visteon Corp, then spoke about his experience as a labor leader and what he is facing. He particularly emphasized the way in which the collapse of infrastructure investments has strangled the economy.

Nick Feden of the LaRouche Youth Movement then addressed the question of Classical tragedy, specifically the way the corruption of the Baby Boomer generation has created no future for his generation. The LaRouche Youth Movement is dedicated to taking on this problem, Feden said, by taking on popularly accepted public opinion, and changing the way people think.

Rep. Conyers, who had chosen to speak last on the panel, then took the floor, and made the remarks which we include, in toto below.

At the conclusion of Rep. Conyers' statement, there was a spirited discussion, both on the matter of bringing LaRouche's ideas into the Democratic Party, and on issues of health care, the energy price inflation, and so forth.

In his concluding report, LPAC coordinator Bowen publicly accepted the invitation which Rep. Conyers had issued, for an expansion of the debate on LaRouche's ideas inside the Democratic Party, any time, anywhere.

The Battle Ahead

That the debate needs to be taken up immediately, rather than having the Democratic Party rest on its laurels for stymying Bush's drive for "private accounts," is not hard to see. The

Republicans may be in disarray, but the dramatic escalation of the bankruptcy crisis for the U.S. economy is well underway. The Democratic Party is a sitting duck for the bankers' campaign for austerity and budget cuts, if the FDR approach to creating jobs and building infrastructure, is not taken up extremely rapidly.

The contrast between LaRouche's approach and that of the current Democratic Party leadership is shown in their response to the latest report by the Social Security Trustees. The report projects that the Trust Fund will allegedly be exhausted by 2041, one year earlier than previous projections.

"Today's report confirms that the so-called Social Security crisis exists in only one place: the minds of the Republicans," responded Senator Harry Reid, the Democratic leader in the Senate. "This year's report from the Social Security Trustees, confirms that Social Security continues to be strong and remains on solid ground for decades to come." Reid then went on to note, correctly, that Bush's private accounts plan worsens Social Security's financial problems, and that Bush's tax cuts cost nearly three times as much as the Social Security shortfall.

LaRouche PAC's response, however, went to the heart of the matter: the incompetence of Bush's economic policy overall. For what the report actually shows is that Bush's loss of jobs, and reduction in wages from 2001 on, have led to a serious reduction in the growth of revenue into the Social Security Trust Fund. Whereas any previous three-year period from 1984 forward showed a growth of some 18-20% in revenue, between 2001 and 2004, payroll tax revenue grew by only 9%—half as much! For the year 2002 to 2003, Cheney/Bush even achieved a completely unprecedented zero growth in payroll tax income.

Obviously, the question before the nation's leaders is not Social Security, but how to reverse course and begin to have a growing economy, with decent wages, once again. That is the subject of LaRouche PAC's campaign on economic policy. Holding the line on budget cuts is one thing, but the crucial question is putting into place an FDR-style job and credit creation program, such as LaRouche's "Super-TVA."

We Can Turn This Economic Crisis Around

Here is the address of U.S. Rep. John Conyers (D-Mich.) to the LaRouche PAC Town Hall Meeting in Detroit, on March 23, 2005.

Thank you very much. Good evening. Thanks Dennis; to our speakers, Bob Bowen, Eugene Morey, the president of UAW local 849, and Nick Feden: I want to express my appreciation for being invited here to be on this panel.

I come to you as—I come out of a working family, and I am also a Democrat. We are in a two-party system. And so, what I want to share with you tonight, at my first invitation to speak before you, is the fact that a brilliant economic theory, unconnected to the political system is not going to go anywhere. I'm surprised that you're even growing your numbers—and I think that you are. But the fact of the matter is, is that my view of American politics, is that, people do not move on political theories. I would daresay that maybe—well, there are only a few people that have any idea that there is a Bretton Woods, there was a Bretton Woods monetary system, *much less*, why it was superior.

And so, I come here tonight with an invitation: An invitation to take these arguments, the book, the weekly newsletter, and let's get it out into the debate. Because—the reason I say that, is that, if you have to adopt this view to get in the organization, that's all you're going to have—is people that have adopted this view. The truth of the matter is, that many people have not adopted this view, and don't even know about it. And are likely not ever to become aware of the pros and cons, unless we do a lot of work. And this is what I've been doing for a number of years.

We got up to 60% of the voter turnout in Michigan—and we celebrated! We hadn't seen 60% in so long, we were afraid we were going to be below 50%. And that gives you a very strong signal as to how disconnected most people are from *all* political theory, and *all* political parties.

And so, what I would like to do with you, is to begin to debate these issues. I know that they're taken as gospel. But, unless they can stand the test of debate, they're just a great view held by a number of people, who believe one thing. But that's not going to sell it. And so, what I want to do, is, extend the discussion: What we need, is discussions about this, and where we are, and where are we going.

And so, since I have a few minutes, I want to give you my idea of where I think we as working people ought to be going; where we ought to be going in Michigan, and in the United States, and in the world for that matter.

I do think that there is a global economic and political challenge. But, I do not think that it's new. We've been exploited and used, and the class warfare in America has *always* gone on. I mean, it took the New Deal to legalize unions; collective bargaining was not even likely, before that time. And right now, there's an attack on collective bargaining, out of this world, that's going on, in every way—chipping away at the right of people not to have to negotiate one person with a corporation, as opposed to having a collective bargaining system.

And so, I think there are a number of things like this. Our education system, the "Leave No Child Behind" President: Out of the more than 150 budget cuts proposed in the FY06 budget, most of them came out of the education. Most of them are education cuts, which now have many of our cities, if not most of them, in terrible situations. And what we need to do, is to begin to learn how these things can be changed. But, before that, we want to try to agree on what we want, before we try to change them.

Open Up the Political Process

I've just heard a comment—to me it is very important, that we begin to bring people into the political process, because ideas—particularly economic and political ideas—are not going to work without a party. Now, I happen to believe that these last two elections were very crucial: Here we have the same person [who] wins two elections, each time, by one state. In 2000, it was several hundred votes that turned it (with a little help from the United States Supreme Court). In 2004, it was another one state, with 20 Electoral votes: that if 60,000 people had voted differently, the outcome would be different.

And so, I join with those who say, "Let's realize that this wasn't a mandate." These two elections were extremely close, even after all the electoral misdeeds—we had two secretaries of state [Florida and Ohio] that will go down in American history. What we need to do, is realize that, with a little bit more effort, we can turn this thing around.

And so, my major goal is to deal with getting people to understand that if you believe in yourself, you believe in your right to vote. And that you believe your vote can make a difference. Because, clearly, these last two Presidential elections prove that your vote can and would make a difference.

Now, it makes a big difference as to who's the President of the United States. It wouldn't have changed the economic situation that was described. But we'd have a far great opportunity to be effecting the change that we argue about, if we didn't have the most conservative President and group in the 20th Century now in power. It makes a big difference.

And so, I'm anxious to work with you on these and other issues.

Now, obviously Social Security, and privatization thereof, is an easy one, that we can knock out of the ballpark, and are. When the regular media is telling everybody that the President's trips around the country—and Cheney'll be in

Michigan tomorrow—they're not going to make any difference. Conservative Congressmen are hiding: The last thing they would do, is hold a town hall meeting on the privatization of the Social Security. The seniors know better. The young people know better. They know that stocks in America don't just keep going up. They have some very sharp dips, that you can't predict—not even the money managers can predict. And when those things dip—as they cyclically do—lots of people lose billions of dollars.

And so, it's hard to think that you can make more money out of Social Security. The whole idea of Social Security, was to give you security. And what they're saying, is: Let's take the 'security' out of the Social Security, and gamble that you've got more sense, or your money manager (who by the way will be charging you for that service), knows more than the U.S. government buying U.S. Treasury notes, at a very fixed rate, but a very steady rate.

And so, I think there's more to it, than where we are.

We Need Universal Health Care

Another issue that is very dear to my heart, is health care. We need a national, universal health-care system, that includes everybody! It is absolutely amazing, that, to me, this is not the biggest and easiest organizing tool that we have, legislatively, at our disposal. Because everybody, almost, is being negatively affected, unless you're at the upper 1 or 2%, which just got a \$1.3 trillion tax cut.

Plus, adding on the cost of the Iraq war, which is ongoing, and the defense budget, which is at an all-time high, we begin to understand that the Reagan strategy is now being used by President Bush.

What is it? That strategy is to cut the budget by investing in war, and by investing in tax cuts for the wealthy. And then, we come up short, and guess what gets cut? The over 150 programs that they're cutting now; [they] tell us that the war requires it, but we can also afford the tax cut as well, and of course, we can't.

So, I think health care—and I've introduced H.R. 676; I invite you to my website to look at it, I'd like to hold meetings and discussions, so we can determine how we deal with this: More and more people are now coming to the conclusion, and I'm thankful for many people, in at least a dozen labor unions, who have now come out for it, including the UAW, SEIU, and many other organizations, that realize that there are no more givebacks for them to make at bargaining sessions. Because, as the president of UAW said, "My people aren't going to give up any more." He said, "I don't know who's going to be negotiating the next time this contract comes up." And we're at a real crisis in creating a national health-care [system].

I use this term "crisis" advisedly, because, too often it's used politically to mean that you have to do something that the person that called it a crisis is telling you have to do, because things are going to go real bad.

Revive the Peace Movement

I think that there ought to be a movement in which we revive the peace organizations, peace activists, and the people against war, to end the war that is going on here, that has gone on way too long. And I'm going to be going to New York for the first big national rally—I think it's May 18. And we'd like to invite as many people as can, to join us, and that we begin holding our Federal leaders accountable for their actions connected with the war. This is a war, conveniently not against a country or countries—although they're already looking at other countries that are being publicly talked about as invasion targets—but this is a "war against terrorism."

My brothers and sisters, there has always been terrorism, historically. I mean, to "war against terrorism," means that you're in a wartime situation for which there's no end in sight! We'll never come out of it. And so, now that we've found out how this administration got people in the Congress to go for the war, we now realize that there's no way we're going to stay there for "a little while longer and get out"; it's going to take some very radical thinking about how we close this thing down, without causing even more death and destruction in the Middle East than we have.

Now, let me talk about one little part of our foreign policy, that's the little, tiny impoverished country of Haiti: the poorest country in the Western Hemisphere, which I started going to, oh, ten or twelve years ago, and had great hopes for. And we now find that we have helped chase out the government, Aristide. We've brought the rebels back, and given them legitimacy. We're now even trying to hold an election, where the country's in total turmoil. And it seems to me that this is something close enough, and small enough, for us to really begin to focus in on, in a very important way.

Civil Rights

I want to close with the mention of Martin Luther King, which I was happy that was done here. Amelia Robinson [whose message to the meeting was read earlier], I think is the same lady in Selma that was Amelia Boynton, whom I have known for many years. I'm glad to find out that that's true. And I've gone to these marches every year over the Edmund Pettus Bridge, where Governor Wallace ordered his troops to attack and kill those workers that dared march—to register and vote! That was all that the march was about. And Congressman John Lewis has kept this annual celebration alive, and we all are very proud of that.

But, to me, we need to breathe life, not only into our young people, who are the least voting-age segment of our population. But we've got to make people understand, that, notwithstanding Ashcroft and his successor, [and] a conservative United States Supreme Court, that we can win our country back. And the way to win it back, is to begin to open up our dialogue as to what I want, and how I would get there; what you want, how you'd get there; what the labor movement

wants, and how they would get there. Because, in a political system that we're in, dogmatism will not carry the day. The fact that you think you're right, know you're right—that's okay, you just—. I mean, inside the Democratic Party, there's a wide consensus—sometimes too wide for me—but there are a lot of conservatives and moderates in the party. And we've got to win them over, without chasing them out. We've got to get the 40% of the people in Detroit and Michigan that *didn't vote*, to vote. I think they would vote with us, if they could believe in the system. We've got to get candidates in office, that mean what they say, and will do something to make people want to continue to vote. If you really don't believe it's going to change anything, people say, "Why vote?"

And so, we have this—what I call a—not just a big "race problem," because is still a factor here. And I was so glad to hear those newly revised Spirituals coming from the singing group which sounded professional. Really, you ought to do a CD on that. Because it was really that good—don't you think they were really good? I mean you don't hear that kind of singing *anywhere*, even in the churches, because that was really very wonderful.

But, closing on this one question, I leave you with, because I'm always anxious to get views: Why is it, that in elections, there are so many people that unwittingly vote against their own best interests? This has fascinated me, because it's more than a political question. It's a sociological question, and a psychological question: How you can walk in there, here's a person that tells you he supports the wealthy, the corporations; he goes for outsourcing; he wants to turn back the clock on civil rights laws; he won't grant D.C. [the District of Columbia] the right to elect Congressmen; he supports tax cuts for the wealthiest; he slashes the budget—and then, a lot of people who are the direct victims of that philosophy, walk out and vote for George Bush! I mean, it's the most incredible thing, I have ever—. And I keep studying it. Because, I believe there must be an answer to this. And by the way, if I can't find an answer to it, or you can't help me, we're going to be in big trouble, because Bretton Woods isn't going to mean anything under those circumstances.

Thank you for inviting me today. I look forward to the discussion.

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Lebanon Resists Bush Civil War Provocations

by Michele Steinberg

The legitimate leaders of Lebanon from the Christian, Sunni, Shi'ite, and other communities are carrying out an heroic effort for peace inside their country against almost unsurmountable obstacles that include two terrorist bombings carried out in Christian neighborhoods on March 18 and March 23, provocations by a "democracy mafia" from the United States, black propaganda from Israeli outlets, and a new crop of Lebanese fraudsters, who are puppets of the U.S. neo-conservative warmongers, along the model of Iraqi exile and convicted crook, Ahmed Chalabi. On March 8, and March 14, Lebanon saw the largest demonstrations organized in the history of Lebanon, the first called by Hezbollah leader, Sheikh Hassan Nasrallah to *support* the presence of Syrian troops in Lebanon as a force for stability (a position supported by the United States for over 20 years), and the second, a unity rally that featured Parliamentary member Bahiya Hariri, the sister of the former Prime Minister, Rafiq Hariri, who was assassinated on Feb. 14; she called for Syria to leave Lebanon entirely. Lebanon's large Shi'ia population also participated in this demo.

Rather than returning to the violence that kept Lebanon in a destructive civil war from 1975 to 1990, now Lebanon's senior leaders are determined to keep the peace, along the lines of the Peace of Westphalia, which ended the Thirty Year's War of religious hatred and blood-letting in 1648, as Cardinal Nasrallah Sfeir, Patriarch of the Maronite Church in Lebanon, told *EIR* (see following interview).

Simply put, the opposition has no intention of allowing a U.S. occupation as seen in Iraq, to replace the Syrian forces that they now oppose.

Sources in Lebanon, Washington, and European capitols make it clear that Lebanese leaders are fully aware that the "war party" circle in the Bush Administration has a policy to destroy Lebanon—and Syria—as laid out in the 1996 policy paper, "A Clean Break: A New Strategy for the Realm," authored by neo-cons who became senior officials in the Cheney-Bush administration, and went full tilt for the Iraq war. This circle of neo-cons, including Cheney aide David Wurmser, Defense Under Secretary Doug Feith, and the now-disgraced Pentagon heavy weight, Richard Perle, not only pushed for the Iraq war, but pressed the White House to immediately invade Syria and Iran in Spring, 2003. Opposition from U.S. military and intelligence institutions, active and retired, blocked the move. But now, in 2005, the "neo-cons" have become the "neo-democracy" movement, trying to start

a war with Syria, over its occupation of Lebanon.

However, following the March 21-23 Arab League summit in Algeria, attended by Syrian President Bashar Assad, who met with UN Secretary General Kofi Annan, as well as with the heads of state of major Arab countries, President Assad stated that he will determine a timetable for rapid withdrawal of the Syrian troops, which now reportedly number about 8,000, which means that approximately 6,000 have already left Lebanon since February.

Lebanese leaders are determined to prevent the Bush league “neo-democrats” from turning their country into a staging ground for a “new Iraq” in Syria—or into a new Khyrgystan, which on March 23 erupted into mob violence—egged on by the U.S. ambassador, who had been meeting regularly with the opposition—leading to “regime change.” The case of Khyrgystan would prove the point—while President Oskar Akayev was driven out, what happens next is not clear, and violence looms.

The Olive Branch

The signs that the Lebanese opposition is not playing along with the “war in the name of democracy” plan of the second Bush Administration are evident, especially in an intensification of dialogue with Hezbollah, the largest Shi’ite group, which the Americans and Israelis have insisted be on a “terrorist list.” Hezbollah already holds seats in the Lebanese parliament, and the European allies refused the U.S. pressure to condemn Hezbollah.

Extremely important are the comments by Bahiya Hariri on March 14 to the largest opposition demonstration to date, where she praised Hezbollah Secretary General Nasrallah, and also the Shi’ite Parliamentary leader Nabih Berri, for “their act of heroism in leading the resistance [to Israeli occupation] that liberated the country.” She said, “Let us merge the two struggles into one, the resistance to occupiers and . . . struggle to build Lebanon.”

Then, on March 20, thousands of partisans of the Hezbollah gathered for the first time at the tomb of Rafiq Hariri to pay tribute to the former prime minister, a Sunni muslim. They placed a floral crown and Lebanese flag on the grave, located near a mosque in central Beirut’s Martyrs’ Square.

The March 14 demo was the last of the large demonstrations after both the Lahoud government and Maronite Patriarch Sfeir called for an end to the contesting street demonstrations before they could degenerate to violence. On the eve of his trip to Washington, Sfeir issued a call for an end to “muscle-flexing on the street,” because of the protests’ harm to stability and the economy.

If George W. Bush had been told that Patriarch Sfeir would rail against Syria and Hezbollah, as Bush and his Secretary of State cum National Security adviser Condoleezza Rice had been doing, he was in for a surprise.

Instead, Patriarch Sfeir told Bush that friendly relations with Syria, peace with Lebanon’s neighbors, was of the highest priority. He also delivered the message from the Lebanese

that the disarming of Hezbollah was a Lebanese matter, to be decided by the Hezbollah itself, reported the March 24 *Arabic Monitor*. This message potentially cuts the legs out from under the “Clean Break” strategy.

On March 17, following his meeting with Bush, Patriarch Sfeir, also told a gathering at the National Press Club in Washington, D.C. what they probably did *not* expect to hear from the figure who is described as the conscience of the Lebanese opposition. Instead of calls for revenge in the name of democracy, the audience heard the Patriarch say that “the Lebanese are united around the idea of solving any internal differences through peaceful and constructive dialogue, to preserve their unity and to protect their national institutions”; that Lebanese leaders of all convictions are alarmed by the continued migration of Muslim and Christian youth due to the lack of job opportunities and the suffocating political conditions at home; and that “The opposition would not demand Lahoud’s resignation until after the parliamentary elections.”

And in an exceptional statement of unity and peace, on March 17, Sfeir told *EIR* in an interview, that the 1648 Peace of Westphalia is what he and others are working for in Lebanon. “What is good for Lebanon is . . . peace,” he said, “We want to be good friends with all our neighbors. We want to walk together hand to hand. . . .”

Fires in the Streets

The Patriarch’s statements were a far cry from the

Kepler’s Revolutionary Discoveries

The most crippling error in mathematics, economics, and physical science today, is the hysterical refusal to acknowledge the work of Johannes Kepler, Pierre Fermat, and Gottfried Leibniz—not Newton!—in developing the calculus. This video, accessible to the layman, uses animated graphics to teach Kepler’s principles of planetary motion, without resorting to mathematical formalism.

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bloodlust sounded by the U.S. “Project Democracy mafia,” such as neo-conservative warmongers Paula Dobriansky, and Paul Wolfowitz, the number-two man in the Department of Defense, who was the architect of the Iraq war, and Principle Assistant Secretary of State David Satterfield, now acting as the ambassador to Lebanon, after the sudden departure of Ambassador Jeffrey Feltman, for “personal reasons.”

On Feb. 28, Dobriansky, an Assistant Secretary of State for Global Affairs, Satterfield and Wolfowitz were egging on mass demonstrations, extolling the “cedar revolution,” and telling “the people” to take destiny in their own hands. What they want to see in Lebanon is what happened in the impoverished nation of Khyrgystan on March 24, when opposition mobs (supported by the U.S. Ambassador) seized government buildings, took hostages, and set fire to automobiles and buildings.

This vision would be the fulfillment of what George W. Bush called, in his Jan. 20, 2005 Inaugural speech, lighting “a fire in the minds of men.” In reality, that phrase was fed to Bush by his handlers and speech writers out of Feodor Dostoevsky’s novel, “The Possessed,” where a nihilist revolutionary revels in the burning roofs set on fire by a mob he instigated, slyly insisting the violence is *good* because it is, “a fire in the minds of men.”

One of the key figures behind this policy of fiery chaos is George Pratt Shultz, the former Secretary of State under Ronald Reagan, whose maneuvers intensified and prolonged the fratricidal war in Lebanon in 1982-88. Shultz is now Co-Chairman of the Committee on the Present Danger, an outgrowth of the “Foundation for the Defense of Democracies,” (FDD), which he helped to build after the Sept. 11, 2001 attacks.

Under Shultz’s umbrella, which informally includes the neo-con “Temple of Darkness,” i.e., the American Enterprise Institute (AEI), and the U.S. Committee for a Free Lebanon (USCFL), are two would-be “Chalabis,” Dr. Walid Phares, a Senior Fellow at FDD, and Farik Ghadry, head of the supposed Reform Party of Syria, who are using the Israeli and neo-con press to build a false trail of information that can be then used to fool the U.S. Congress into repeating against Syria, the genocidal war it authorized Bush to wage in Iraq. Already the Christian evangelical fanatics and the right wing Israeli lobby are pushing warmongers in Congress to pass the “Syria Liberation Act,” to guarantee the implementation of “Clean Break.” The House of Representatives already passed a bill to “punish” Lebanese government officials, who do not demand the ouster of Syria, in the event that the opposition does not win the elections in May. Rep. Elena Ros-Lehtinen (R-Fla.) is sponsor of both bills.

To fuel the Congressional moves, on March 24, Walid Phares wrote a lengthy piece for the neo-con lie factories that “Syria has no intention of relinquishing power over its puppet state [i.e., Lebanon]” and filled pages with half-cocked information about Syrian intelligence agents and terrorists. On March 23, Ghadry, who lived many years in Lebanon, wrote

even more inflammatory lies for the Israeli Ynetnews.com, internet version of *Yedioth Aharanot*, saying that Syria plans to “set it [Lebanon] ablaze” and has recruited Palestinian terrorists from the West Bank to kill Lebanese leaders. Washington sources find Ghadry laughable—he is a former contractor with the Department of Defense, a total neo-con agent, whose Reform Party of Syria, created in October, 2001, operates essentially “out of the washroom of AEI,” according to one specialist in South West Asia.

But the lies of these operatives are no small or laughing matter—they are targeting Lebanese unity itself. Members of the Lebanese opposition told *EIR* that it is by constant daily dialogue among all religious and political factions that a return to civil war is being avoided, and the dirty tricks are being surmounted. One ugly example of the disinformation occurred last week when the press throughout the Arab world was filled with a lie that Patriarch Sfeir had called on Bush to disarm Hezbollah. “This was a *manufactured* tale,” a Christian leader heatedly told *EIR*. Sfeir issued a strong denial of the false report, and plans are underway to set up a meeting between Patriarch Sfeir and Sheikh Nasrallah of Hezbollah. The opposition is extremely optimistic that Syria is withdrawing and that Lebanon can be whole for the first time in decades, and at peace with Syria.

But the arrival of Satterfield to beef up the U.S. Embassy as a “command center” for “fire in the minds of men,” i.e. in the streets and homes—could bring a new phase of violence.

Interview: Cardinal Nasrallah Boutros Sfeir

‘I Hope That Lebanon Can Be An Example Of Peace’

His Beatitude, Cardinal Nasrallah Boutros Sfeir, of Lebanon, the Patriarch of Antioch and all the East, visited the United States March 14-21, and was received by many leading officials throughout the country, including President Bush and UN Secretary-General Kofi Annan.

The Maronite Patriarch, who is known in Lebanon by all religions and sects as “the conscience of his nation,” made this diplomatic visit to the United States during a time of great danger and tension for his country. The current, intensely complicated situation in Lebanon is balanced on a precipice between war and peace. Yet, the people of Lebanon, whatever their differences, have one unified determination; they will not be provoked into war again and they will uphold, not only the independence and sovereignty of their own nation, but



Patriarch Nasrallah Sfeir, shown at a press conference at the United Nations on March 19, 2005.

also that of their neighbors.

Throughout his visit to the United States, the Patriarch delivered this consistent message, whether speaking privately to political and religious leaders, or at public gatherings. In his speeches, one could hear a living echo of the Treaty of Westphalia, which ended the bloody Thirty Years' War in Europe in 1648. That Treaty's principles—"This Peace must be so honest and seriously guarded and nourished that each part furthers the advantage, honor, and benefit of the other"—shone through his discussions at the White House Congress, the Senate, and the United Nations. Participants in those meetings told EIR that many parties toned down their demands and rhetoric in the face of the Patriarch's calm and resolved authority.

The Patriarch granted the following interview to EIR correspondent Nina Ogden on March 18.

EIR: As you know, we have been discussing with our mutual friends in Lebanon, LaRouche's concept of a New Peace of Westphalia, which is based on the concord that brought peace to Europe after the Thirty Years War.

Patriarch: This is our image, and I hope I have gotten the message across in this country—the message that what we want in Lebanon is good relations with all countries in the region. What is good for Lebanon is what is in the common interests of all of our neighbors. We, in Lebanon, want peace. We want to be good friends with all of our neighbors. We

want to walk together hand to hand, heart to heart.

EIR: Many have feared the intention of some in the United States and other countries to use Lebanon as a playing card in the region, as a provocation for war.

Patriarch: I hope all have understood my message. Lebanon must be independent, sovereign, and free. Up to now we have not been free. Now Syria will have respect for Lebanon as a sovereign country, and Lebanon will have respect for Syria as a sovereign country. Lebanon as a free country must have no interference from any country in the world.

EIR: When you met with President Bush at the White House, do you think he understood this?

Patriarch: I am sure that he understands our position, because I sent him a message before I came here explaining this position and the context of the situation of our country. I emphasized that an independent, sovereign, and free Lebanon wishes all our neighbors also to be free and to be friendly.

EIR: What kind of example do you hope that Lebanon can be?

Patriarch: I hope that Lebanon can be an example of peace, of overcoming the problems of the past. A free nation has no reason for any interference from any country from the outside. When we have peace, we can create jobs and a hopeful future that can bring our young people back from all over the world.

EIR: I understand that you have identified this concept in the words of Pope Paul VI that "development is the new name for peace."

Patriarch: Exactly! It is true that our young people must be able to find this out for themselves. So many of our young people—Muslim and Christian alike—were pushed out of our country by lack of jobs and hopes. They were pushed abroad and are now living in countries all over the globe. I hope they will be happy and come back to Lebanon, when we have peace and a government of our own that can plan for the development of our country.

EIR: There were hundreds of young people at the reception for you and they seemed very happy about what you were saying to them.

Patriarch: I think the young people understand my message. There was much applause.

EIR: I think they were so enthusiastic that if you had asked them to all go back to Lebanon with you next week, they would.

Patriarch: Oh, I wish they could—but not yet; not yet. Things must be regularized for them. This is why we are working so hard on the new elections, so the young people will have hope—so the young people of every religion and sect will have prospects for the future—so they will not face fear and oppression, but will have hope for the future.

The Growing GM Crisis Requires That National Policy Change Course

by Richard Freeman

General Motors Vice chairman Bob Lutz's alarming speculation on March 24 that GM may shut down one or more of its "brand" production divisions—starting with Pontiac or Buick—underscores the reality that General Motors' credit rating may soon be reduced to junk, which would be accompanied shortly thereafter, by its filing for bankruptcy. Each new plunge of GM's credit rating, occurring in full public view in recent weeks, has sent shock waves through the world's bond and stock markets, threatening the world financial system.

On March 16, Standard and Poor's rating service lowered GM's credit rating outlook to one step above junk. In another blow on March 22, GE Capital announced it would be withdrawing a \$2 billion financing facility to GM. Investors sold off the automaker's bonds so heavily, and their value fell so steeply, that GM must now pay a wider interest rate premium (above that of U.S. Treasury securities) than most Third World countries.

Within hours of General Motors' financial crisis deepening, Wall Street financiers, led by Morgan Stanley and Credit Suisse investment banks, mounted a media campaign for a plan that is as insane as it is unworkable: that GM must be carved up, permanently cut its production, slash its workforce, reduce worker benefits, etc.—the knee-jerk reaction of banking networks to any financial crisis.

The auto sector's technologically advanced machine tool capacity, and its skilled labor, would be critical to Lyndon LaRouche's Super-TVA plan for reconstructing the U.S. economy. LaRouche commented March 24, that in its present form, GM is not going to make it, but, "GM is a critical piece of the manufacturing capability of the United States; without such capability, the nation can't make it." It is also a significant piece in the international economy, with Opel in Germany, Saab in Sweden, etc. "The physical side of the operation can not be allowed to go under," LaRouche asserted. "We must come up with a survival plan—to preserve the industrial side, rather than the GMAC financial operation."

The preserved capability could be used to construct a magnetically levitated rail system, and so on.

S&P Downgrade

The events of March 16 and March 22 show not only GM's severe problems, but also how ill-equipped the bankrupt world financial system is, to handle a crisis of the magni-

tude of General Motors'; with its financing arm, GMAC, it has \$301 billion in debt. March 16 served as a powerful shock; March 22 was a violent aftershock.

Even before the markets opened the morning of March 16, GM issued a statement which stated that its 2005 earnings would be as much as 80% below its prior forecast of January 2005, and that earnings for the first quarter would be negative, compared with its prior forecast of breakeven or a small profit. Moreover, the company said that it expected a negative cash flow of \$2 billion for all of 2005, when its previous target had been plus \$2 billion. However, a credit analyst at the firm Dresdner Kleinwort Wasserstein reported that when special items are considered, GM's negative cash flow could swell to an enormous \$4-5 billion for 2005.

The markets waited to see how the credit-rating agencies would respond. GM is currently rated BBB- by Standard and Poor's, one step above junk-bond status. At 2:00 pm that day, S&P held a teleconference call on GM. S&P's lead analyst Scott Sprinzen began with a warning in very strong language: "Between the severity of the guidance revisions that GM has announced this morning, and our directness in recent months in warning about our previously stable outlook [for GM], I expect that there is no one among you who has been surprised that we moved today to revise GM's rating outlook to negative." He added that, "the bad news of this morning outstripped our downside expectations, and the significance for us . . . what that says, longer term, about how GM is going to fare." Sprinzen's announcement meant that S&P had gone halfway to moving GM to junk bond status. In January, GM had projected that it would earn \$4-5 per share, but on the morning of March 16, it had revised that to \$1-2 per share. Sprinzen indicated that were it to become clear that GM were on a path to earn \$1 per share, that could trigger the junk-bond rating. "We now view [GM's] rating as tenuous. The rating could be lowered at any point if we came to doubt GM was on a trajectory to improving its financial performance," he said.

Once S&P opened the teleconference for questions from analysts at Credit Suisse, JP Morgan, and others, there were three direct questions about GM ending up in bankruptcy court. Though the teleconference was about GM, questions immediately poured in about the financial status of Ford, and the major parts suppliers Visteon and Delphi. In light of the crisis spreading through the entire auto industry, and the

heavy indebtedness and precarious nature of the junk bond market, *EIR* asked whether this wouldn't hit the entire financial system. Sprinzen answered cautiously, and inaccurately, "this is largely the problem specific to one company [GM]."

Yet, within the first hour of the S&P teleconference call, investors in droves sold off GM bonds. The interest rate that GM is forced to pay on its bonds soared 56 basis points, which is 0.56%, in one day. This is extraordinary: Normally a bond's yield rises or falls by only 1-5 basis points (.01-.05%) per day. GM's stock plunged by 14% to close at \$29.01, which pulled the Dow Jones average down by 112 points.

David Cole, director of the Center for Automotive Research, stated that he expected others in the auto industry to have similar problems, "This will not be the only company where you're going to see this kind of comment." He said that the condition of higher raw materials prices were creating "a perfect storm, with a confluence of a large number of factors that are causing severe pressure across the entire [auto] industry."

Investors started dumping many U.S. corporate bond issues by late afternoon. "Some people are buying [U.S.] Treasuries as a place to hide," said E. Craig Coats, co-head of fixed-income securities at Keefe Bruyette & Woods in New York.

At the same time, this intersected the price of petroleum shooting to a record above \$56 per barrel, and the announcement that the U.S. current account deficit had risen to a record \$666 billion for 2004.

GE Capital Cuts and Runs

The further event that nearly brought GM down started on March 22, with the story reported in that day's *Financial Times*, that GE Capital, the giant financing/speculative arm of General Electric, had withdrawn a \$2 billion financing facility to GM.

For a number of years, GE Capital provided "factoring finance" to GM. Under this arrangement, parts-supplier "X" may sell goods to GM, for which GM issues an IOU to company X, promising to pay so much in 45 days. Company X can take this paper immediately to GE Capital. GE Capital will discount it—i.e., pay to Company X less than the full value of the paper, but in cash, immediately. In 2004, GE Capital had informed GM that it would discontinue this factoring operation for GM by the end of 2005; but now it used a contract clause that said that if GM's credit rating were cut to "BBB-, negative,"—as happened on March 16—then GE could opt out of the contract.

Most investors correctly interpreted GE Capital's move as a vote of no confidence in GM, severing ties before GM is officially downgraded to junk—under which condition, GE Capital might possibly not be able to get back the full value of its credit.

Dresdner Kleinwort Wasserstein's analyst Christopher Boulanger said on March 22, "The last thing you want to see is a liquidity provider [GE Capital] pulling its support." Panic

ensued, as investors dumped GM bonds. Accordingly, for GM's bonds due in 2033, the interest-rate spread *above* Treasury securities of comparable maturity, shot up to 516 basis points (5.16%). The spread premium that Brazil pays for its foreign bonds is 431 basis points, so the world's largest automaker must now pay a worse premium on its bonds than Brazil and most Third World countries. GM's deterioration triggered a broad jettisoning of U.S. corporate bonds. But the pandemonium was not restricted to the United States: Led by the GM sell-off and related crises, emerging-market bonds fell in Mexico, and emerging-market stocks tumbled in Pakistan, Russia, Argentina, and Turkey.

Trying to stem the chaos, GM and GE Capital released a *joint statement* in the afternoon of March 22, which denied that GE Capital was severing ties to GM. It said that GM and GE Capital would implement an orderly transition, in which GM's finance arm, GMAC, would gradually take over the factoring operation, allowing GE Capital to execute "an orderly exit from the deal." However, no one swallowed this fanciful story; bond prices remained deeply depressed.

Proposals to Cut Production

As the crisis deepened, Wall Street demanded that GM be carved up. Stephen Girsky, chief auto analyst at Morgan Stanley investment bank, said on March 17, "It's one thing to say things are rougher than [GM] expected, but what people want to know is, 'What are they going to do about it?' The company's market share doesn't support its size. They have too many plants, too many workers, too many models, too many dealers, and their employee benefits are too high." Daniel Howes, the auto columnist for the *Detroit News*, regurgitated this theme on March 20, in an article titled, "All Signs Point to Big GM Shakeout." He declared that GM has "too many workers, [and] too many plants;" stated that GM "is studying whether to close more assembly plants in the United States"; and concluded by warning, "Brace yourself for what's likely to be a harrowing ride."

The March 22 *New York Times* reported GM and Ford plan to pressure the UAW to make an agreement with them similar to the one that the United Auto Workers union made with Chrysler, where 35,000 white collar and production workers in Chrysler's workforce, and some retirees, whose medical benefits are covered by Preferred-Provider Organizations (PPOs), agreed to pay first deductibles on healthcare, ranging from \$100-1,000. GM has scheduled an April 14 meeting with the UAW, where it is believed this scheme will be brought up. But GM is so over-indebted, that the act of slashing production—which simultaneously slashes the volume of sales—makes payment on the debt even more difficult. This insures that more powerful aftershocks will hit GM and the world financial system. It were better to change course, and adopt the potential offered by LaRouche, to operate GM's priceless capacity full throttle, in a manner that benefits GM and the advancement of the whole economy.

LaRouche PAC to Senate Water Meeting: 'Create' New Natural Water Resources

On April 5, a Water Policy Conference will be hosted on Capitol Hill, by the New Mexican Senators Pete Domenici (R) and Jeff Bingaman (D), to consider new proposals for what should be done to deal with water shortages in the American West. In response to a call for submissions for the Conference, the Lyndon LaRouche Political Action Committee provided a policy document on March 9, excerpted below.

Despite the occurrence of heavy rains in California this Winter, drought persists in the Northwest. This month, Washington State declared a state of emergency. (See article, following). This underscores how urgent it is, to reverse the last four decades of lack of infrastructure building and maintenance to mitigate drought.

Senators Domenici and Bingaman are associated with a bipartisan effort, which last year proposed Federal legislation to get the Department of Energy National Labs—led by Sandia—to pursue how to expand water supplies.

Senate Energy and Natural Resources Committee Water Conference, April 5, 2005

Submitted March 9, 2005 by the Lyndon LaRouche Political Action Committee. www.larouchepac.com. Prepared by Marcia Merry Baker and Franklin Bell.

Executive Summary

Action of the Senators is commendable to convene a policy conference on the crucial matter of water supply and use. We provide the following points of principle, with illustrations, under the topic headings requested, with an overview under **Topic 1**.

Conceptualizing “what went wrong” to lead our nation into water shortages, and what must be done about it, can contribute to a far better understanding of how an economy ought to function—an understanding urgently required to deal with the financial and economic breakdown underway. Specific recommendations have been made in detail in a water sector analysis appended to “Science and Infrastructure,” by Lyndon LaRouche (*EIR* Special Report, *LaRouche’s Emergency Infrastructure Program For the U.S.*, November, 2002). These and others will be in a forthcoming book, *The Earth’s Next 50 Years* (April, 2005), by LaRouche.

Topic 1. Water Supply and Resource Management Coordination—‘Natural’ Resources Are Man-Made

The water shortages associated with the recurrent droughts in the Pacific, Southwest and High Plains regions of the continental United States are not “natural” in the sense of being pre-determined by limited resources. Had modern infrastructure been implemented in these vast western drylands—hydraulic plans which were ready to go as of the 1960s—the water shortages and trade-offs would not now be happening. After all, the “Great American Desert” is the historic name for the multi-state region of the West, crossing over into Mexico, defined by the isoline of 500 millimeters of average rainfall running north-south through the High Plains. The North American arid West was a challenge for the nations of Canada, the United States and Mexico from the start.

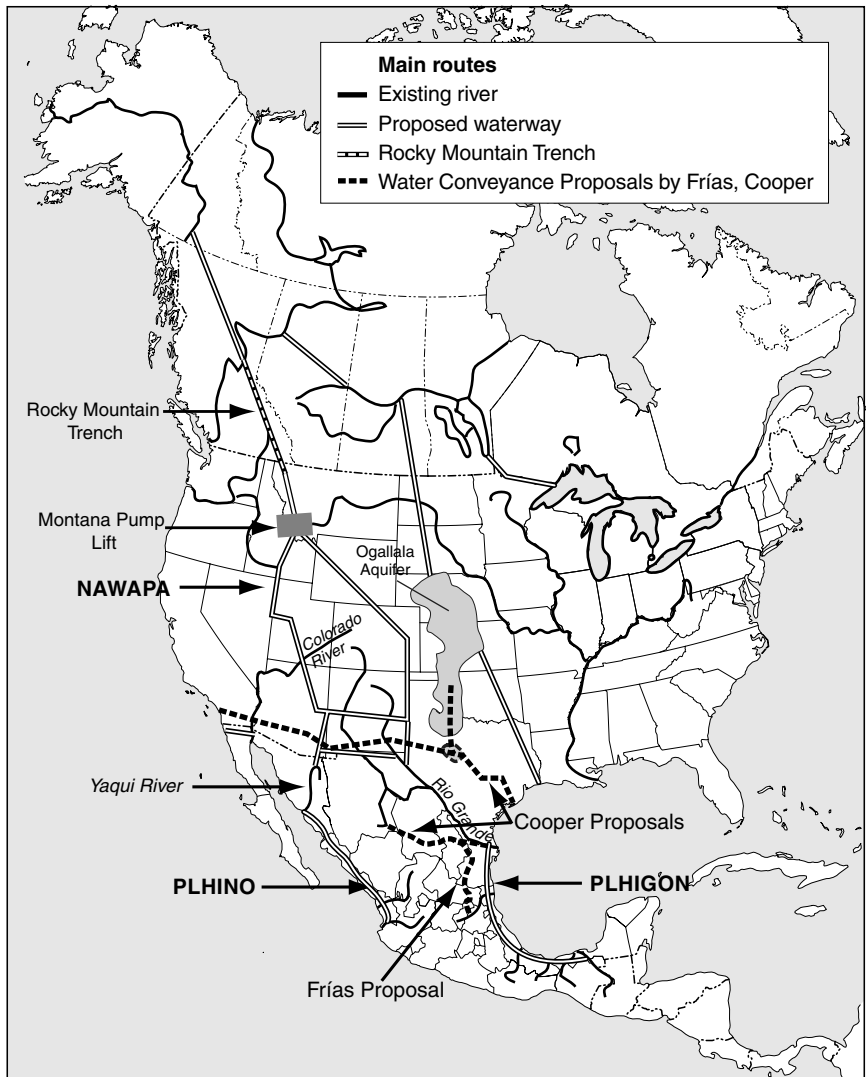
As of mid-20th Century, plans for nuclear-powered desalination of Pacific Ocean water, and of inland brackish underground waters were widely known. And the large-scale continental water transfer plan called “North American Water and Power Alliance” was ready to go. These and related programs would by now have been supplying ample new “natural” water resources for the region, had they not been dropped under pressure from financial policy circles opposing such infrastructure-building.

Figure 1 shows the North American Water and Power Alliance (NAWAPA) proposal of the 1950s/1960s, backed strongly by former House Speaker Jim Wright and a contingent of other leading Congressmen. This project, developed by Parsons Co. of California, diverts southward, some of the plentiful northern continental waters of the Alaska and MacKenzie systems, now flowing into the Arctic. Though extensive, no extraordinary engineering is involved. If begun in 1970, the project would now be complete, adding over 20% more water to the resource base used by Canada and the United States, and significant amounts by Mexico, plus hydro-power. In the 1960s, analogous, smaller projects were planned in Mexico to divert water northward from the Southern and Western Sierra Madre.

Figure 2 [not shown here—ed.] shows an artist’s depiction of a modern seawater desalination facility, proposed for the Pacific Coast of California, using a process of multi-effect distillation (vertically stacked evaporators). This is reproduced from the 1993 Preliminary Design Report 1084, from the Metropolitan Water District of Southern California. The idea is to use cheap, plentiful electricity from “fourth-generation” nuclear plants, as proposed by San Diego, California-

FIGURE 1

North America: 'NAWAPA-Plus'



Source: Parsons Company, *North American Water and Power Alliance Conceptual Study*, Dec. 7, 1964; Hal Cooper; Manuel Frías Alcaraz; *EIR*.

based General Atomics. One nuclear-powered, large-scale desalination installation alone could provide 284,000 cubic meters daily. This is enough to provide roughly half of all the daily water used by greater metropolitan San Diego.

These projects would obviate the current recourse to shifting water use from Imperial Valley agriculture, to San Diego urban needs. However, modern water-manufacturing projects have been stalled by the past 30 years of globalization, outsourcing, and economic shrinkage. Instead of new “man-made” water resources and associated economic development, the last 30 years has seen less economic activity, and with it, destructively diminished water use.

Figure 3 shows the results of what the nation has done, instead of continuing the kind of water-project work con-

ducted during the Franklin Delano Roosevelt New Deal programs, and under the Army Corps of Engineers. The volume of water use has declined in industry, power generation, and farming. The amount of irrigated agricultural land has shrunk. Everything except urban and residential use of water has gone down. We now, in effect, import industrial water, in the form of goods we no longer produce; and we import water in foods we no longer produce. Annual water used in the U.S. economy, on a per capita basis, dropped to 1430 gallons per day (gpd) in year 2000, after having peaked in 1975 at 1941 gpd. Thus, the nation’s total water usage has dropped, even while the population has grown. That does not come primarily from the second brick in the toilet tank. It reflects less activity in the economy over the past 30 years of outsourcing. Less steel produced. Less agriculture.

Topic 2. Role of the Bureau of Reclamation in the 21st Century—Restore the Original ‘American System’/ FDR Mission

It has been over 100 years since the founding of the Bureau of Reclamation by milestone legislation in 1902, mandating the Federal government to play a role in land improvements. Today, though the Bureau’s tasks may differ, its mission of serving the public good should not be changed or lessened.

“American System” was the term applied for the practices and policies of the United States economy in the 1800s, as laid out by the thinking of a number of policy leaders, from Alexander Ham-

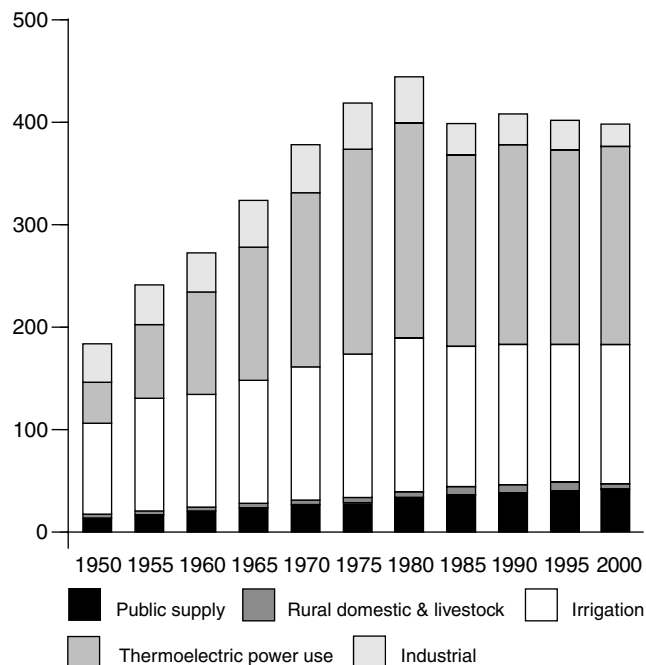
ilton, the first Secretary of the Treasury, to Henry Carey, Abraham Lincoln’s economist, and figures of the 20th Century. The creation of the Army Corps of Engineers, the Bureau of Reclamation, the U.S. Geological Survey, and certain other agencies and sub-agencies, is part of the institutional reflection of the central concept that the Federal government has a responsibility to see to resources and infrastructure—water, land management, transportation, energy, etc.—on behalf of the general good.

The Bureau of Reclamation is a classic example of how government intervention has literally created the soil and land resource base of the United States. It is relevant briefly to review the earliest decades of the Bureau, which oversaw—in cooperation with local, state, and other Federal agencies—

FIGURE 3

U.S. Water Usage, Total and by Sector, 1950-2000

(Billions of Gallons Per Day)



Source: U.S. Geologic Survey.

providing drainage or water supply improvements, so that large areas, previously hostile wilderness, could be made available for farming, residential, industrial, and recreational use. Millions of acres of irrigable land were brought into cultivation. An even greater area of swamped acreage was drained, especially in the central states of the Middle-Mississippi Basin, opening up vast lands for cultivation and settlement. Thousands of miles of tiling were laid.

Related Bureau functions were carried out over the years, in cooperation with other Federal agencies. In 1935, the Soil Protection Act was passed. Following War II, the Agriculture Department was mandated, in partnership with local entities, to build a network of thousands of smaller, upper watershed dams and installations for proper land management. The Army Corps functioned alongside Reclamation, for flood control.

From this brief retrospective, two functions of the Bureau for the present century are underscored: 1) A vast amount of infrastructure maintenance and expansion are needed. For example, thousands of upper watershed dams are long overdue for rehabilitation—technically, a USDA purview, but in parallel with Reclamation. The Bureau itself has direct responsibility for infrastructure projects that, because of budget cuts, have gone neglected to the point of near dysfunction. 2) New tasks of protecting soil fertility, countering salinity, and

many related land management functions, are necessary for the Bureau of Reclamation to carry out.

Topic 3. Indian and Federal Reserved Water Rights—Implement a ‘Super-TVA’ To Expand the Resource Base; End the Fiction of ‘Conflict Resolution.’

The role of the Federal government today lies in urgently resuming its responsibilities for the provision of proper ratios of water and other infrastructure per capita, and per unit land area, for all people; and in this context, special considerations for historic legacy regions can be provided. It is vital to understand that the very same financial and media interests organizing opposition to infrastructure-building for the general good (nuclear-powered desalination, large-scale water conveyance systems such as the North American Water and Power Alliance, etc.) have likewise been backing “conflict resolution,” and litigation over shortages as the only so-called solution to scarce water and other resources. Cynically, they know it is no solution at all.

These anti-infrastructure networks are especially venal when it comes to cynical treatment of the rights of Indian Tribes, which, as a group, have been made to suffer for want of the very means to existence. No amount of “rights”—fair or unfair—to resources deliberately made scarce through lack of infrastructure, are going to aid Indians or any other peoples. Instead, new infrastructure projects and new supplies of utilities and resources must be set in motion. In that context, any interim “sharing” or apportioning of rights can be worked out equitably, including giving first priority for jobs, schooling, housing and other basics to Indian and any other designated groups.

A “Super-TVA” approach (what’s required in this regard) is the name given by Lyndon LaRouche in a 2003 economic development perspective for the multi-state cross-border region of northern Mexico and the Southwest United States. With vast new supplies of power and water, along with a modern transportation system, the seven states of the United States, and six states of northern Mexico—all located in the Great American Desert—would constitute a new development zone, where its current population of only 86 million people (including 34 million in California and 21 million in Texas) could increase many times over, as new economic activity locates in the once-desolate desert areas. This would be real development, not *maquiladora* slave-labor operations. This new type of development would absorb Mexican labor into working in high-productivity jobs, rather than fleeing across the border into the United States in search of survival. Millions of new high-skilled jobs would be created, and new towns arise. (This development plan is available on www.larouchepac.com.)

Topic 4. Conservation and Technological Developments—Resume Nuclear-Era High Technology.

The proposal of water “conservation” in the name of policy, presented as the response to water scarcities created by

four decades of lack of water infrastructure development, is not a serious proposition. It is either stupidity, or deliberate sabotage of nationally-needed infrastructure development. Once that mistaken idea is cleared away, the questions are posed as to: What can new, advanced technologies do, in terms of creating new, expanded water supplies? Taken from this point of view, the thrust of the 2004 proposed legislation sponsored by Senator Domenici, (co-sponsored by Senator Bingaman) is in the right direction [“Department of Energy National Laboratories Water Technology Research and Development Act,” S. 2658, 108th]. Two exemplary technologies make the point about what kind of R&D should not only be furthered, but backed for implementation:

- Fourth-generation nuclear power plants. Given the many advances in salt water desalination technologies, the limiting factor for creating vast new supplies of desalted water, is simply inexpensive, ample power. In turn, this can be solved by a full-scale nuclear power construction program, with implementation of the technical advances made over the years despite cessation of new nuclear plants.

Figure 4 shows a cutaway view of the General Atomics proposal of the “GT-MHR”—an underground, high-temperature gas-cooled nuclear reactor. Its inherent features make meltdown impossible. It is the “pebble-bed” design, named for its use of small, round-sized fuel pellets. The tiny fuel particles are encased in ceramic spheres, which serve as mini-“containment” housing for the fission products. The diagram here shows a design for a 285 MW-e power plant (600 MW thermal).

- Electron-beam wastewater treatment. Another nuclear-era technology, which has been proven in Miami, Florida, is the use of electron beams to treat wastewater, for the purpose of recycling dirty water back into use as safe and fresh water supplies. Over the 1980s, the Drinking Water Research Center, at the Florida International University, built a working plant, using focused electron beams to treat waste water falling over a weir, successfully, to create clean water. (See International Desalination Association, *Advances in Nuclear Science and Technology*, Vol. 22, New York; Plenum Press, 1991.)

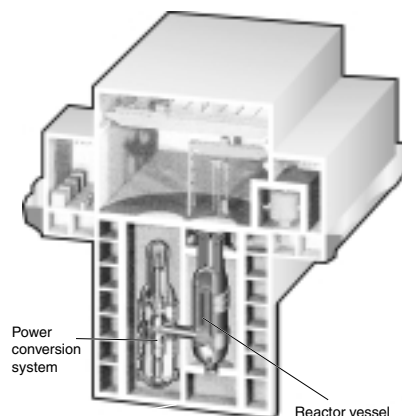
Topic 5. Knowledge of Water Resources—Assay the Earth, ‘From The Future’ and From Outer Space.

Because of satellite technology, and related computer-assisted mapping, the continued updating of the patterns of deposits of minerals, water, and resources of all kinds is not only possible, but limited only by the degree to which this R&D is applied; and by the conceptualization of those using the technologies.

Topic 6. Drought—Base National Strategy on Nuclear Technology and Large-Scale Projects.

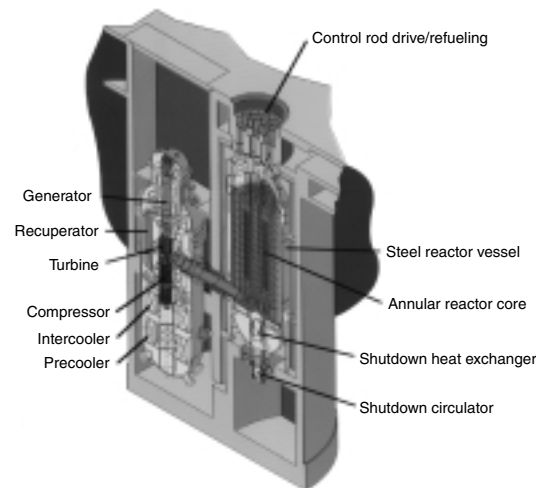
“Privatization” of water supplies—asset-grabs by global corporations and their controllers—will not overcome our water shortages. Nor will the various “share-the-thirst”

FIGURE 4
Cutaway View of the GT-MHR Reactor and Power Conversion Systems



This is the current design for a 285 MW-e power plant (600 MW-thermal), and shows how the layers of hexagonal fuel elements are stacked in the reactor core. The helium gas passes from the reactor to the gas turbine through the inside of the connecting coaxial duct, and returns via the outside.

The reactor vessel and the power conversion vessel are located below ground, and the support system for the reactor are above ground.



Source: General Atomics

schemes that pit, for example, downriver navigation versus upstream recreation, and urban household needs versus agricultural irrigation and industry.

The call for a National Drought Strategy, if taken as a call to action to resume advanced R&D, and large-scale infrastructure-building, will provide benefits not only in terms of water supply itself—merit enough to justify such an effort—but at the same time will provide mass job creation, and the basis for current and future economic development. This applies not only to the United States, but to Mexico, and to Canada, in terms of mutually beneficial effects.

Bipartisans Stop Bush Electricity Price Hike

by Franklin Bell

While the U.S. Northwest is suffering under its worst drought since 1977, a bi-partisan Congressional bloc has quashed a classic Bush/Cheney energy policy scheme for radical “market-based” electricity price hikes, which would have hastened the destruction of the remnants of the region’s economy. The needed follow-on move would be to relaunch the projects—nuclear power plants, and new inter-basin water transfers—that were shelved decades ago. These infrastructure improvements would permanently do away with the worst ravages of recurring droughts in the Northwest, and throughout the Great American Desert.

The Bush/Cheney attempted Northwest energy rip-off was contained in the White House’s proposed FY 2006 budget. In line with the 2001 Cheney Energy Taskforce, a “free markets/deregulation” scheme was buried in the 2,000 pages of the Feb. 7 budget proposal, which would have forced the Bonneville Power Administration (as well as the three other Federal public power administrations) to sell electricity to wholesalers at undefined “market rates,” rather than *at-cost*, as has been its mandate since its inception by FDR’s New Deal in 1937. The plan would also have rearranged the way the power administrations define their debts, thus severely cutting into their ability to borrow to expand their grids and make other infrastructure improvements.

The insanity of this is underscored by **Figure 1**: the 2001 electricity price spike from California’s deregulation that ruined the Northwest aluminum industry.

Bonneville generates 50% of all the electricity for the Northwest. Aside from the one nuclear plant in Washington state, most of the regional power is generated by hydro-electric facilities along the Columbia and Snake Rivers and their tributaries. The Columbia Basin’s vast hydraulic improvements made possible the Northwest’s development of heavy industry and its extensive irrigated agriculture. But as the not-so-compassionate corporativists of the Bush/Cheney regime like to complain, its playing field isn’t level. To level it, in the Bush Administration’s unbalanced mind, electricity prices must be increased 65%, according to the Northwest Power and Conservation council. Estimates vary, in large part because the Administration has refused to say what it means by “market rates.” Whatever they may be, as Washington Democratic Senator Maria Cantwell put it, “The Bush plan would have a devastating impact on our economy and jobs.”

Although Congressional delegations from Colorado, Georgia and Oklahoma haven’t gotten any ink about their

perspectives on the plan, it didn’t take a Northwest Democrat to get the picture of what the plan would have meant. The chairman of the Senate Budget Committee, Judd Gregg, a Republican from far-off New Hampshire, assured colleagues just three weeks after the the Bush plan came to light, that it would not be included in the budget resolution to be approved this year.

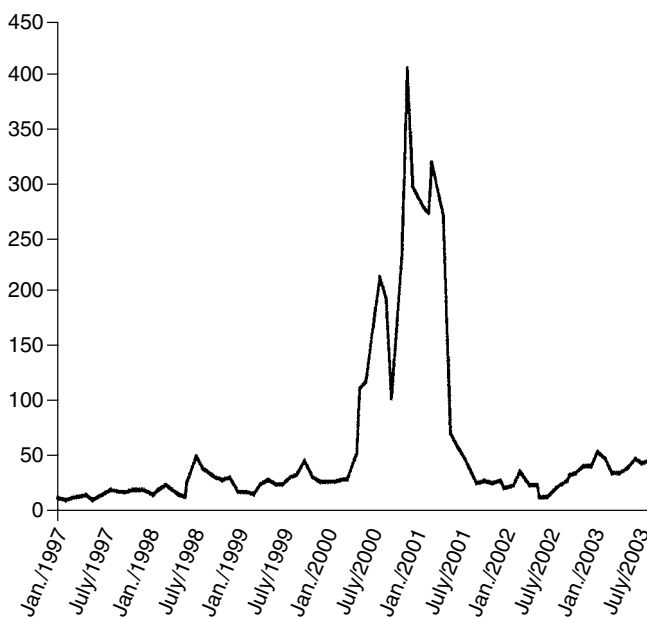
During a mid-March hearing, Rep. Peter DeFazio (D-Oregon) posed some probing questions about “the mystery of market-based rates.” “Are we talking about the spot market?” he asked. “Are we talking about the spot market in a good year for water? Are we talking about the spot market right now? An hour from now? Two hours from now? A month from now? What is a market-based rate?” He received no answers.

But the Cheney energy policy approach remains. “[The plan) will accelerate recovery of taxpayer subsidies and repayment of debt owed to Treasury, while creating a more level playing field for the wholesale power market,” Energy Secretary Samuel Bodman said. “We believe we have a sensible proposal that will bring (Bonneville) and other power marketing administration rates up to market levels,” said Energy spokesman Joe Davis after the hearing. “Our position has not changed.”

The fact is, Bonneville gets no budget allocations from the Federal government. And monies from its wholesalers’

FIGURE 1
Pacific Northwest Monthly Wholesale Electricity Prices, 1997-2003

(Dollars per Megawatt Hour)



Source: GAO/Platts-RDI PowerDAT data.

FIGURE 2



Wyoming, and the western Dakotas are also hit by this Winter drought, which does not bode well for the rest of the Missouri River states, either (see **Figure 2**). In the Great Plains they’re still trying to carve up what’s left of the Missouri River. Water in the river’s six major reservoirs is only slightly above the level for restricting downstream flow—what the Army Corp of Engineers calls the “navigational preclude.” Governors or representatives of seven Missouri River states met in February to try to come up with acceptable accommodations. The *Montana Great Falls Tribune* headlined its coverage of the meeting “Missouri River States in Hopeless Impasse.”

Nebraska Gov. Dave Heineman announced a program on March 19, that will pay farmers to take land out of irrigation, starting the takedown of programs of the past half-century that made Nebraska the nation’s leading groundwater irrigating state, and the second-leading state in total irrigated acres. The \$168 million program will be 80%

financed by the USDA. ratepayers pay down the U.S. Treasury debt it incurs for capital projects. It’s the same for the other three public power administrations based in Colorado, Georgia and Oklahoma. Combined, they provide power to some three dozen states.

Bonneville relies on the 259,000-square-mile Columbia River drainage basin (an area bigger than France) for its hydro-electric power. And that basin has been hit with one of its driest winters on record, the third-driest in 75 years. Snowpack in some places is as little as 8% of average. With less snowpack, there is less spring runoff, no matter how great the spring rains. And the less the runoff, the less hydro-electric power that is generated. This sets in motion the necessity to acquire make-up megawatts from other sources, to meet the needs of the Northwest, thus competing with supplies for electricity-short California. In “normal” times—a euphemism—the Northwest sells its “excess” power to California, but not this year. Thus, pressures are created for everybody’s electricity rates to go up. In addition, of course, water supplies for irrigated agriculture are short.

Under these circumstances, state politicians are resorting to their various “coping” mechanisms. Washington Gov. Christine Gregoire (D) declared a statewide drought emergency in March. She has asked the legislature for \$12 million to cope with the situation, including implementing plans for earlier training of forest fire fighters, and similar measures. She is urging people, among other things, to flush their toilets less often.

Oregon Gov. Ted Kulongoski (D), who has already declared drought emergencies in a number of counties, is considering making it statewide. He urges all to conserve water, even by planting spring flowers that need less water. Idaho,

and still the workable solutions sit on the shelf.

But all of this coping, conflict, and catharsis could have been avoided, had the available, workable solutions been initiated decades ago. To initiate variants of those solutions today requires thinking outside the anti-infrastructuralists’ sandbox, which decrees that problems must be accommodated, rather than solved. It requires implementing infrastructure projects on the order of Super-TVAs, creating new “natural” resources, not manipulating ever more diminished supplies.

The North American Water and Power Alliance (NA-WAPA) was and still is a project that is really needed. It would bring water now flowing into the Arctic and Northern Pacific Oceans down into Canada, the United States and Mexico. As then-Sen. Frank Church of Idaho said during Senate committee hearings on NAWAPA in the 1960s, “Whether or not this proposal is advanced further, whether or not it is adopted, we must not be deterred by its size. To perform the great task before us may well need a program as farsighted as the Louisiana Purchase.” Even at that time, in the 1960s, the technology for this project was already off-the-shelf.

The other key component necessary to make the region drought-proof has made major technological advances since the 1960s. New technologies in desalination, powered by advanced nuclear power plants, could easily help supply ample water for all of the West Coast—at most efficient rates.

The Northwest has one nuclear plant that is 85% built, but has just been gathering dust for years, since its completion was halted by “environmentalists.” Along with the region’s power production, much of its industrial and agriculture production has been taken down.

And still the workable solutions sit on the shelf.

Torquemada, the Inquisition, And the Expulsion of the Jews

by Timothy Rush

Even after 1492, when the Jews were expelled from Spain, there was no anti-Semitism. It was not a religious question. It was not a racial question. Their expulsion from Spain in 1492 had been a military question—the Jews had allied with the Moors, and for military reasons of state security, the Hapsburgs could no longer have the Jews in Spain.

Fernando Quijano, “Black Legend hides the truth about America’s Discovery,” speech delivered Sept. 2, 1990 (EIR, Oct. 19, 1990).

The essential conflict between Europe and Islam must be seen in the context of the earlier alliance between Charlemagne and the Baghdad Caliphate’s Haroun el-Rashid. The origin of the conflict is essentially traced to the period approximately 1000-1400 A.D., when Europe was dominated by the so-called ‘ultramontane’ partnership of usurious Venetian financier-oligarchy and the Norman chivalry. This partnership authored all of the crusades, from the Albigensian Crusade and the Norman Conquest of England through the Fourth Crusade and beyond.

This came to an end, temporarily, with the collapse of the ultramontane system of the Venetian-Norman tyranny in the so-called New Dark Age of Europe’s Fourteenth Century. During the period of the Fifteenth Century Renaissance prior to the fall of Constantinople, and beyond, European leading policy was the peace of faith doctrine of Cardinal Nicholas of Cusa.

Later, with the rise to power of a deadly adversary of that Renaissance, the Spanish Grand Inquisitor Tomás de Torquemada, and Torquemada’s expulsion of the Jews from Spain (and condemnation of the Moors, too), the modern form of religious warfare was launched. . . .

To understand the modern Venetian and later Anglo-

Dutch Liberal operations against Islam, we must study the way in which Grand Inquisitor Torquemada’s 1492 decrees (dictated to the Spanish monarch) set into motion the internal religious warfare, led by the Habsburgs, in Europe, which continued until the 1648 Treaty of Westphalia.

Lyndon LaRouche, e-mail reply to a correspondent, Jan. 7, 2005.

The Hitler regime typifies nothing other than the “Beast-Man” concept of Martinist ideologue Joseph de Maistre, and of such Maistre followers as Friedrich Nietzsche and Hannah Arendt’s beloved Nazi philosopher, Martin Heidegger. However, as Maistre himself insisted, . . . his proximate model for what we have come to know as the Nazi and Nazi-like model echoed by Vice President Cheney today, was the Spanish Grand Inquisitor.

This role of the Spanish Inquisition, and its continuing ideological tradition via Franco’s Spain, is of crucial significance for the endangered security of the American continents today. . . . [It] is no mere literary-historical curiosity. The abuse of the nations and peoples of South and Central America, chiefly by the U.S. and Britain, since, especially, 1982, has built up an accumulation of both left- and right-wing revivals of, ironically, often U.S.-backed Synarchist hatred against the U.S., which has turned those looted parts of the hemisphere into a hotbed of potential we dare not ignore. The right-wing admirers of the tradition of the Spanish Inquisition are, ultimately, the great source of internal danger to the Americas as a whole, from this quarter. The left-wing varieties are, like British agents Danton and Marat, and also the Jacobin Terrorists, the political cannon-fodder fertilizing the ground for the com-



This Synagogue of the Transition, built in Toledo in the mid-14th century, reflects the highly developed and well-established position of Judaism in the Spain of the Convivencia, the “living-together” of the three major Western religions.

ing of a reactionary Synarchist tyrant like Napoleon or Hitler.”

Jeffrey Steinberg, The Children of Satan, 2004, pp. 113-4.

Fernando Quijano made his astounding 1990 assertion while nominally a leading associate of Lyndon LaRouche, who at the time had been subject to a political show-trial and was incarcerated in Federal prison. It would not be until LaRouche was freed from parole conditions ten years later, that investigations could assemble the true picture of Quijano’s perfidy. He had become an agent of such neo-con controllers of Central American death-squads as Iran-Contra associate Nestor Sanchez, and had embraced the tenet of the geopolitical poison summarized in Samuel Huntington’s *The Soldier and the State* (1957): “You don’t know who you are unless you know who you hate.” Among Quijano’s associates today in the circles of St. Catherine of Siena church and Christendom College in Northern Virginia, are ardent opponents of Pope John Paul II, who eagerly desire the Pope’s passing, to open a return to a “Crusader Church Militant.”

It is time to return to the real stage of history, to see just how the rise of Torquemada’s Inquisition and the Expulsion of the Jews was neither historically inevitable (the Spanish destiny idea—a *cosa de España*) nor justifiable. Ironically, both defenders and detractors of the Inquisition, accept as a given that it is, centrally, a *Spanish* phenomenon; when, in fact, it must be seen as simply one, particularly vivid, arena for the interplay of European-wide forces building the Renaissance and the nation-state commonwealth mission, on one

side, and the “blood and soil,” “clash of civilizations” oligarchic forces seeking to crush the Renaissance in religious war, on the other.

Quijano’s one sentence justification of the expulsion of the Jews is a whopper by any stretch of the imagination. For one, the Hapsburgs did not cement their control over Spain until the succession of Charles V of Austria as Charles the First of Spain in 1517. The Spain of Isabel and Fernando¹ was a wholly different matter of many rich possible outcomes, ultimately frustrated by the currents which directed the Inquisition.

But, more fundamentally, the notion that the Jews were some kind of Fifth Column, whose mortal threat to “state security” could only be excised by mass expulsion, is a staggering misrepresentation of the profound Iberian identity of the Jewish community of Spain, an identity and contribution akin to the role of Jews in Germany in the interval from the time of Moses Mendelssohn to the rise of the Nazis. After their 1492 expulsion, the Jews of Spain became known as the “Sephardim,” from the Hebrew word for Spain, *Sepharad*. So deep was their cultural identification with Spain, despite the shattering nature of the expulsion, a “second diaspora,” that Sephardim communities from Morocco to the Balkans were still speaking a form of Castilian, called *Ladino*, 400 years later. Some of the purest living versions of medieval Spanish ballads (*romances*) have been collected in modern times in these Sephardic communities. A refugee Sephardic congregation in Canada in the 1980s, dedicated its synagogue as *Kehi-*

1. Spanish usage is adopted in this article as a general rule for names of people and places: hence, Fernando rather than Ferdinand.



“the Wise” (reigned, 1252-84), was only one manifestation of this revival, already presaged in the multilingual (Castilian, Hebrew, Latin, and Arabic) inscription on the tomb of his father, Fernando III, who had carried out the dramatic conquests of Seville and Córdoba. Historians variously ascribe to both Fernando and Alfonso the self-appellation of “king of the three religions”; it can aptly be claimed by both. Dom Diniz of Portugal (reigned 1279-1325) represented the same kind of figure in the Portuguese kingdom.

The echo of the quality of the Jewish contributions to “convivencia” Iberia, in similar contributions to Germany starting in the late 18th Century, is captured in Gotthold Ephraim Lessing’s play *Nathan the Wise*. Not only does Lessing base the character of the Jew, Nathan, on

lla Anshei Castilia, (congregation of the people of Castile). In the early 1990s, as geopolitical maneuverings lit conflagration in the Balkans, 57 Sephardic Jews of Sarajevo successfully sought return, not to Israel, but to Spain.

The story of the Moslem-Jewish-Christian intermingling in the Iberian Peninsula from 711, when the invading Moslems overthrew the Visigothic kingdoms of Iberia, to 1492, a cultural florescence known as “Convivencia,” (literally, “living together”), is magnificently told in such recent histories as María Rosa Menocal’s *The Ornament of the World: How Muslims, Jews, and Christians created a Culture of Tolerance in Medieval Spain*, and Jane S. Gerber’s *The Jews of Spain: A History of the Sephardic Experience*. The Andalusian poetic flowering, brought to southern France and Italy by the troubadours, inspired much of the work of Dante and his successors, setting the cultural and political stage for the outpourings of the Italian Renaissance in the 15th Century (See Muriel Mirak-Weissbach’s work, cited in “Suggested Readings” below). An enormous reservoir of the learning of the ancient Greeks, became known throughout Europe in the Middle Ages, only through the translation projects based in Spain of the Convivencia, involving Arabic and Hebrew language transmission modes.

Though this Convivencia suffered many ebbs and flows in its long course (one of its gravest setbacks was the invasion of fundamentalist Berber tribes, the Almoravids and Almohads, overrunning the Iberian Moslem kingdoms in the late 12th Century), its resiliency was astonishing. Quite contrary to the conventional view that the Christian Reconquest of the peninsula was the Iberian component of the contemporary Crusades, and that it inevitably brought with it a surge of intolerance, the Reconquest which had its most rapid period of advance in the first half of the 13th Century, initially revived the spirit of the previous flowering of Convivencia in the Córdoba in the late 10th Century reign of Abd al-Rahman III. The great translation school of Christian King Alfonso X

the character of his cherished friend and collaborator Moses Mendelssohn (1729-1786), but the famous “Parable of the Rings” which is the pivot of the lessons of tolerance so fervently advanced by Lessing, is expanded from a story in Boccaccio’s *Decameron*—which, in turn, was based on a story first recorded in Spanish and Hebrew literature of Spain in about 1100! In the original, a King Pedro of Aragon summons a wealthy Jew, one Ephraim Sanchus, and demands which of the two religions, Christianity or Judaism, was superior. He intends to trap the Jew and have a pretext to confiscate his goods. Either Ephraim will offend the King by defending Judaism as superior; or he will admit the superiority of Christianity, in which case he will have to convert. Ephraim outwits the King, by relating the story of a jeweler who, upon leaving on a trip, had given each of his two sons a precious ring. The two sons had that morning asked Ephraim to identify which ring was the most valuable, but when Ephraim told them that they should await the return of the jeweler, they abused him and beat him. The king exclaims that this certainly was unseemly behavior. “Let thine ear hear what thy mouth speaketh,” rejoins Ephraim. “The brothers Esau and Jacob, they also, have each a precious jewel and, if thou wouldst know which one possesses the better stone, then send a messenger to the Great Jeweler above, for ’tis He alone who knows the difference.” King Pedro recognizes the wisdom of this answer and dismisses Ephraim with honor and gifts.

Lessing’s additions to the tale are crucial for an additional quality of the Convivencia model, which moves it beyond just a plea for religious tolerance. As in the Italian intermediate versions, he adds Islam to the contest as to which is the superior religion. And he adds a crucial quality to the ring, this time given in copies to each of three sons of a loving father who cannot decide which of his sons should be given the “true ring” and thus inherit the family domains. Lessing’s ring has the special power to make its possessor beloved of man and God. When the three sons quarrel over which has the true



Alfonso X “The Wise,” King of Castile, who ruled in the mid-13th century, presided over a renaissance of learning which involved Judaism, Christianity, and Islam. He was known as the “king of the three religions.” His father’s tombstone contained writing in Hebrew and Arabic, as well as Castilian and Latin.

ring, and seek recourse in a judge to decide, the judge at first declares that *none* of the three bitterly quarreling sons can have the true ring—none of them has the power to make himself beloved of the other two. The brothers naturally protest, at which point the judge extends his verdict: “Let each son vie with his two brothers to bring to light the promised virtue of the ring he wears upon his finger! Let each son always nourish this great virtue to shine forth through gentleness, a loving spirit, deeds of kindness, and a most fervent piety and devotion to his God! Then, in days to come, when the magic powers contained within these rings, worn by your children’s children, will brighten up the world, I’ll call you once again before this seat of judgment, after a thousand thousand years have passed. On that day a wiser man will sit upon it and hand down his decision. And now, depart!”

The “Ultramontane” Dagger: The Crusades and the Dominican Inquisition

The companion showcase of Convivencia to Spain in the early 13th Century was the court of the Holy Roman Emperor, Frederick II Hohenstauffen in Sicily, and his respectful relations with the successors of the legendary Saladin, the late 12th Century Sultan of the Islamic Eastern Mediterranean. It is noteworthy that Boccaccio’s version of the Ring Parable, as does Lessing’s after him, inserts the name of Saladin as the Moslem ruler summoning the Jew to the religious interrogation, and subsequently granting the wisdom of the lesson of the parable.

The religious fanaticism and venal confiscatory motives behind the Crusades, as steered behind the scenes in the “ultramontane” interests of the Venetian-Norman alliance, fell like a thunderclap on Frederick II’s court. Before the storm subsided, all direct descendents of Frederick had been hunted down and killed (see Dante’s poignant recounting of this persecution in his *Divine Comedy*). In an earlier phase of the Crusades, Bernard de Clairvaux had made sure that the incipient Renaissance tendencies of Abelard were crushed, as Bernard mobilized feudal contingents for the voyage to the Holy Lands. In the Fourth Crusade of 1204, the Venetians skipped the Holy Lands altogether and sent the Crusaders to sack Constantinople, held by Eastern Orthodox Christian rulers.

Wherever the Crusader hordes passed in Europe on their way to Mediterranean destinations, they lost few opportunities to pillage and massacre the small Jewish communities dotting the routes. Thus was the renowned center of Jewish learning in Mainz obliterated in 1096 by contingents of the First Crusade. Later, Jews were entirely expelled from England in 1290 by Edward III, and intermittently expelled and then allowed return in France, starting with Philip the Fair in 1306.

At the height of the Crusades, in the late 12th Century, the Ultramontane forces added a new element to their armamentarium: Inquisition. It was only a pale forerunner of what Torquemada would unleash in Spain three centuries later, but it carried the germs of the subsequent virulence within it. Pope Lucius III issued a decretal in 1184 which first established a procedure for ecclesiastical findings of heresy, with punishment assigned to lay (secular) power. A decretal of Pope Innocent III, in 1199, for the first time placed heresy within the Roman law provisions dealing with treason, and wide-ranging further applications of Roman Law precedents were ratified at the Fourth Lateran Council of 1215. With the founding of the Franciscan mendicant order in 1209, and more especially that of the Dominicans in 1220, the popes of the time found precisely the kind of friars—imbued with better training in the doctrinal matters relevant to ferreting out heretics than that of the regular clergy, and operating without allegiances to specific localities—which could staff a special inquisitorial procedure. In the midst of the Crusade to snuff out the Albigensian (Cathar) heresy in southern France, Pope Gregory IX issued a Letter to the prior of the Dominican convent of Regensburg, authorizing a travelling group of Dominican inquisitors, with a clearly implied death penalty provision (the doctrine of “animadversio debita,” the “debt of hatred”). Burning at the stake was a punishment widely adopted by secular criminal procedures of the time. But it was a revolution in Church procedure, since heresy previously was considered, in the tradition of St. Augustine, as a deviance at worst punishable by excommunication and confiscation of property. The next year, 1232, saw the definitive founding of an Inquisition as an institution.

This original form of the Inquisition, although it lasted

for several centuries, was limited in both scope and territory. It was convened only sporadically, never had a permanent headquarters, always functioned in close coordination with resident bishops, and was concentrated in southern France, with a lesser offshoot into the Spanish kingdoms of Aragon and Catalonia (Barcelona), because of a spill-over effect of the Cathar heresy into that traditionally independent-minded area. It was never established in Castile, which, with approximately 5 million inhabitants, dwarfed the population of the kingdom of Aragon (comprising the jointly administered territories of Aragon, Catalonia, and Valencia) by a ratio of three to one.

The Cusa Option

The forces behind the Inquisition, especially the Dominicans (known popularly as the “Hounds of the Lord,” based on a pun in Latin) had a difficult task in fundamentally breaching the Convivencia traditions of Spain. One of the major stumbling blocks was the sheer size of the Jewish community in Spain. Comprising between a quarter and a half million Jews, it constituted the overwhelming majority of all Jewry in Europe at the time, and had been an active force on the Iberian peninsula back to before the time of Christ. Another stumbling block was the jurisdiction of the Inquisition itself: It could only punish heresy, and thus, by definition could not be applied directly against Jews, who by never professing the Christian faith, could not stray from it. A third obstacle, was the long Spanish medieval tradition whereby kings took on as a special obligation the protection of Jews and other minorities as their personal vassals. A fourth, was the continuing vigorous application of contrary principles within the Church itself.

This last element was epitomized by the role of the great Cardinal Nicholas of Cusa (1401-64) in the re-building of the Papacy after the shattering Great Schism. For half a century preceding the Council of Constance in 1415, there were two, and even for a period, three, rival Popes. Cusa not only assisted in the re-establishment of the functioning and authority of a single Pope based in Rome, but was a towering figure in the Council of Florence (1438-41), which reunited the Eastern and Western Churches for the first time in over 400 years.

Cusa’s contributions to the founding of modern science and statecraft cannot be summarized here (see Wertz, *Toward a New Council of Florence*), but of special relevance is Cusa’s response to the Ottoman Turk capture of Constantinople in 1453. The fall of Constantinople was no cause for sorrow in Venice, which had strategic understandings with the Ottomans. Venice may even have helped the Turks to breach Constantinople’s walls, in revenge for the success of the Council of Florence thrust, which brought a surge of Platonic Christian studies into the center of the burgeoning Italian Renaissance. But for the rest of Christendom, it was a disaster of enormous magnitude. A Crusade had been preached by Pope Eugenius IV in 1444, and it was a natural reaction to return to the



Cardinal Nicholas of Cusa, shown here, represented the antithesis of the Inquisition approach, as he showed by responding to the capture of Constantinople by the Muslims by writing the “Peace of Faith.”

Crusader mentality of “Death to the Infidel.”

Instead, Cusa wrote one of the crowning ecumenical works of the age, *De Pace Fidei*, “On the Peace of Faith.” In this dialogue, situated in heaven, representatives of every possible faith and culture—Jew, Christian, Arab, Tatar, Indian, Chaldean, Persian, and many more—converse with the Holy Spirit and fathers of the Church such as St. Paul. They all converge on the concept that the search for wisdom may have many paths but there can only be one true Wisdom, through which divergent religious rites can lead a believer. But those rites can never substitute for the ineffable God-head himself.

Such a work brought to a high-point, a long-standing current which argued that “water is stronger than fire”—that is, that uncoerced conversions, leading to baptism (hence, “water”), was more efficacious than the methods of the sword and the Inquisition (“fire”). That current had had a staunch and brilliant advocate in the Catalan Ramón Llull (1232-1315), who composed a dialogue in Arabic, in which the three characters were a Jew, a Christian, and a Moslem. It is noteworthy that the first compiler of a manual of Inquisition practice, Nicolau Eymerich, fulminated against Llull and tried to have his work banned, later in the 14th Century; and that Cusa’s library included one of the most extensive collections of Llull’s works then in existence.

Cusa’s collaborators at the Council of Florence, included the outstanding Spanish Cardinal Juan de Torquemada, Tomás de Torquemada’s uncle. Juan de Torquemada had previously served as Pope Eugenius IV’s official theologian at the Council of Basle. At the Council of Florence, Juan led the

theological debates with the representatives of the Eastern Orthodox Church on such questions as the Eucharist and Purgatory, which led to the final reunion agreement. During the Council, he was elevated to the cardinalate by Pope Eugenius IV, who described him as the “defender of the faith.” He also distinguished himself, along with Nicholas of Cusa, in criticizing the Pseudo-Isidorian Decretals, which include the fraudulent Donation of Constantine used to justify ultramontane claims (i.e., that the Pope wielded ultimate political as well as spiritual authority).

A decade after the Council, Juan wrote a defense of the Conversos (Jews converted to Christianity) when the Conversos came under attack for being fatally “tainted” with Jewish blood. He himself may have had a Conversa grandmother or great-grandmother; but he was defending passionately a central tenet of the Church, that with baptism and acceptance of Christian faith, all Christians were on an equal footing, irrespective of previous belief or ancestry. Another of Cusa’s closest collaborators was the deacon of Lisbon, Fernão Martins, who directly transmitted the work of the Council of Florence into Portugal, and who, on Cusa’s death in 1464, served as one of the three executors of Cusa’s estate. Later, he was to convey the famous map of Cusa collaborator Toscanelli, to Columbus (see below).

Thus, far from Spain being “fated” to succumb to the “unity of faith” mission subsequently attributed to it by most historians, there was indeed a historical option of great weight and tradition, that might have led to a different outcome in the momentous year of 1492.

Breaking Spain

Even though St. Dominic came from northern Spain, the Dominican order made little progress in the direction of stifling the Convivencia during the 13th Century. Dominican Ramón de Peñafort did succeed in inserting certain anti-Jewish provisions in the *Siete Partidas* compendium of law assembled under King Alfonso X, but these were advisory only and never took hold. Similarly treated were Ramón’s anti-Jewish provisions in the *Fueros* (codes of feudal rights and privileges) of Aragon.

The next two centuries were to see the wall breached, and then crumble.

The mid-1300s were decisive in the change of historical vector. The impact of the Black Death was not quite as severe in Spain as in other parts of Europe, but had a devastating effect nevertheless. It proved fertile ground for a popular upswell, nurtured by the Dominicans, which blamed the Jews for the calamity. Then in the 1360s, the Iberian peninsula became entangled in the next phase of the Little Dark Age breakdown, which became known as the Hundred Years’ War. Civil war raged in Castile as Enrique of Trastámara challenged the reign of King Pedro (dubbed “The Cruel” in later official histories). The triumphant Enrique held it against Pedro that many of the leading Jewish families had aligned

with Pedro, and for a time encouraged the growth of anti-Jewish sentiment.

However when, in the late 1370s, a Dominican archdeacon of Ecija, Ferrant Martínez, began incendiary anti-Jewish preaching in Andalucía, the *aljama* (also known as *judería*, the Jewish district) of Seville, successfully petitioned Enrique for protection. The same protection was forthcoming from Enrique’s successor, Juan I, in anti-Jewish upsurges sparked by the Dominican Martínez, in 1382 and 1388.

But when Juan died, in October of 1390, his son, Enrique III, was only 11 years old. Ferrant Martínez exploited the weakened position of the crown, to push the Seville tinderbox to complete explosion. Intersecting a period of economic distress, Martínez unleashed a mob in June 1391, which ransacked the Jewish quarter, killing several hundred and leaving the *judería* in ruins. The mob then moved on to non-Jewish targets among the privileged classes. A wave of anti-Jewish pogroms moved with startling speed through the rest of Andalucía and much of Castile, Valencia, Murcia, and even into Catalonia, in the immediate summer months. In Valencia, an estimated 250 were murdered; in Barcelona, 400.

The kings and other authorities brought the wave of violence under control, less quickly in Castile, more quickly in the other realms. A Jewish chronicler reported that in Aragon, “Many of the governors of the cities, and the ministers and nobles, defended us, and many of our brethren took refuge in castles, where they provided us with food.” But the damage was done. In many cases, those not murdered were compelled to convert; in districts less directly threatened, many converted anyway, to remove themselves from the line of fire. Although there had been a trickle of conversions before (most notably that of Salomon ha-Levy of Burgos, a rabbi who converted to become a notable church prelate with the name of Pablo de Santa María, a short while before the pogroms), 1391 marked the advent of a large and growing number of *Conversos*, Jews converted to Christianity. They also became known as New Christians; and more pejoratively “Marranos,” a term of obscure origin but later claimed to come from a word meaning “swine.”

The community which remained Jewish, lost not only many of its members to the wave of conversion, but also much of its leadership and quality of rabbinical scholarship. Two of the most prominent rabbis, Isaac b. Sheshet of Zaragoza and Valencia, and Simon Duran of Majorca, fled Spain completely. As the intensity of yeshiva (rabbinical study centers) life declined, there was a rise of Cabbalistic mysticism. The decline in the numbers, wealth, and vitality of the Jewish community would be continuous for almost a hundred years, though there was a spark of renewal in the decade just before the expulsion.

The Conversos

The next wave of conversions came hard on the heels of the first. Fray Vicente Ferrer, a Dominican whose fervent

preaching achieved even greater renown than that of Martínez, sparked a new, although less severe wave of anti-Jewish violence in the Murcia-Valencia area around 1410. The subsequent surge in converts ultimately surpassed even those of 1391, and extended to Castile and Aragon. In this climate, the converso Pablo de Santa María, now Chancellor of Castile, was able to promulgate the *Ordenamiento de Doña Catalina*, which decreed that Jews and Moslems had to wear special identifying badges, could only dress in coarse clothing in public, and could not occupy higher trades and offices, including medicine. The ordinance was unenforceable and generally disregarded, but furthered the anti-Jewish climate. Then in 1414, the schismatic Pope Benedict XIII arrived to personally preside over the famed Disputation of Tortosa. Leading rabbis were forced to defend Jewish belief in the face of a phalanx of Old and New Christian interrogators. Although most accounts indicate the rabbis held their own, the hostile environment led to a further increase in conversion.

Why did such a large number of Jews convert, rather than face martyrdom or find a way to emigrate? The smaller Jewish populations of other parts of Europe in the preceding centuries had often accepted the fate of death rather than conversion. Further, if we accept the obvious point that many of the first conversions were forced (*anusim*, in the Hebrew term for unwilling converts, and there was an acknowledged body of rabbinic sanction for this, including from Maimonides), then

why did not many of the unwilling later find opportunity to re-settle, or otherwise return to Judaism, once the initial spasms of persecution abated—as the persecutions did?

The answer which many recent scholars have derived, including Jewish ones, is that most of the converts were not *anusim*, but *meshumadim*—that is, voluntary converts. True, the 1391 pogroms and continuing hostile climate fostered by Vicente Ferrer’s preaching, constituted more than a little “push.” But the tremendous numbers who “never looked back” can only be understood in relation to the long and distinguished role Jews had played in the Convivencia environment. They had been involved in matters of culture and economic entrepreneurship for centuries, way beyond those enjoyed by other Jewish groups in Europe. This higher involvement, had loosened the insularity which could feed a martyr’s response. And in passing over to becoming Christians, many gained renewed access to cultural, economic, and government functionary activities that were gradually closing down to them as Jews, but which they saw as part of their heritage.

The first half of the 1400s, when this wave of conversions began to work its way into second and third generations of extraordinary achievement, was also the period when the breakthroughs centered in the Italian Renaissance were spreading rapidly into the Iberian Peninsula. The Conversos were among the groups most alive to this new influence.

The Catholic Encyclopedia On Tomás De Torquemada

The following is an excerpt from the current on-line entry of the *Catholic Encyclopedia* on Tomás de Torquemada, a view contrary to the tenets of Pope John Paul II, but a demonstration of how active certain unreconstructed apologists for a renewed medievalism in the Church are today.

“First Grand Inquisitor of Spain, born at Valladolid in 1420; died at Ávila, 16 September, 1498. . . . The Infanta Isabella chose him as her confessor while at Segovia, and when she succeeded to the throne of Castile in 1474 he became one of her most trusted and influential councilors, but refused all high ecclesiastical preferments, choosing to remain a simple friar.

“At that time the purity of the Catholic Faith in Spain was in great danger from the numerous Marranos and Moriscos, who, for material considerations, became sham converts from Judaism and Mohammedanism to Christianity. The Marranos committed serious outrages against Christianity and endeavoured to judaize the whole of Spain. The Inquisition, which the Catholic sovereigns had been

empowered to establish by Sixtus IV in 1478, had, despite unjustifiable cruelties, failed of its purpose, chiefly for want of centralization. In 1483 the pope appointed Torquemada, who had been an assistant inquisitor since 11 February 1482, Grand Inquisitor of Castile, and on 17 October extended his jurisdiction over Aragon.

“. . . The Marranos found a powerful means of evading the tribunals in the Jews of Spain, whose riches had made them very influential and over whom the Inquisition had no jurisdiction. On this account Torquemada urged the sovereigns to compel all the Jews either to become Christians or to leave Spain. . . . Chiefly through his instrumentality the Jews were expelled from Spain in 1492.

“Much has been written of the inhuman cruelty of Torquemada. . . . Whether Torquemada’s ways of ferreting out and punishing heretics were justifiable is a matter that has to be decided not only by comparison with the penal standard of the fifteenth century, but also, and chiefly, by an inquiry into their necessity for the preservation of Christian Spain. The contemporary Spanish chronicler, Sebastian de Olmedo . . . calls Torquemada ‘the hammer of heretics, the light of Spain, the saviour of his country, the honour of his order.’ ”

by Timothy Rush

Conversos or their descendents reached special prominence in four particular areas: civil administration, the intelligentsia, the Church, and medicine. Exemplary of those who rose to the highest ranks of civil administration in Castile was Diego Arias Dávila, the finance minister of King Enrique IV, Isabel's half-brother and predecessor. In Aragon, the Converso Santangel, de la Caballería, Santa Fe, and Sánchez families were major powers. Luis de Santangel, treasurer to Fernando the Catholic, was a principal financier of Columbus's voyage. The historian Henry Kamen observes that in Aragon, "at the very moment that the Inquisition began to function, five conversos—Luis de Santangel, Gabriel Sánchez, Sancho de Paternoy, Felipe Climent, and Alfonso de la Caballería—held the five most important posts in the kingdom." There is evidence indicating that Fernando of Aragon himself had Converso ancestors several generations back, and there are those who argue an even more distant Converso element in Isabel's background.

The notable churchmen of converso background, in addition to the above-mentioned Pablo de Santa María, who became bishop of Cartagena and then Burgos before advancing to papal legate, included his eldest son Gonzalo, who became bishop successively of Astorga, Plasencia, and Sigüenza; his second son, the famed Alonso de Cartagena, who followed his father as bishop of Burgos; the previously mentioned Cardinal Juan de Torquemada; Juan Arias, bishop of Segovia and son of Diego Arias Dávila; and Hernando de Talavera, in succession Isabel's confessor, bishop of Seville, and archbishop of Granada. Alonso de Cartagena headed the Spanish delegation to the Council of Basel (1434-39), where he gave an address on behalf of "the Spanish nation" that has remained renowned to this day as an impassioned declaration of emerging Spanish nationhood.

In the field of medicine, both Jew and Converso remained a mainstay of the households of the nobles and of the court. It was a Jewish surgeon who, in 1469, successfully removed two cataracts from the eyes of King Enrique IV, restoring the king's eyesight. Among the notable Converso physicians was Francisco López Villalobos, court physician to both Fernando of Aragon and Charles V.

No area, however, so reflected an overwhelming Converso predominance as the field of literature and the translation of classical works. Very few of the notable scribes and history chroniclers, poets, novelists, and playwrights of the next two centuries were not of some Converso background. From the very first large-scale generation of Conversos, emerged yet another of the Pablo de Santa María family, his brother Alvar García de Santa María (ca. 1380-1460). Declared a noble by King Juan II (Isabel's father) in the early 1400s, he rose to be secretary of the royal council, and official chronicler of the reign. Three secretaries of Isabel—Fernando Alvarez, Alfonso de Ávila, and Hernando del Pulgar—were of Converso background, as were the official chroniclers Diego de Valera and Alonso de Palencia. The career of Alonso

de Palencia (1423-92) is particularly instructive. He was in Rome serving the Vatican during the pontificate of one of the greatest of the Renaissance Popes, Pope Nicholas V. Returning to Spain in 1453, he rose to become Latin secretary and chronicler of the reign of Enrique IV (a monarch whom he detested), and then, with much greater will, he wrote one of the principal accounts of the reign of Fernando and Isabel.

The greatest Spanish poet of the first half of the 14th Century, Juan de Mena (1411-56), was a Converso. Educated at Salamanca and Rome, he made a famous first Spanish translation of the *Iliad*. Among the greatest poets and composers at the end of the century was Converso Juan del Encina (ca. 1468-1529). And Converso, too, was Fernando de Rojas, author of *La Celestina*, hailed as the masterpiece of 15th Century Spanish literature and the first true modern play in broader European cultural development.

'Limpieza de Sangre'

The forces which had spurred the initial persecutions of Jews now had to face an unexpected result: The Conversos, forced into existence by the initial persecution, had assumed a greater role in the life of the country than any unmolested Jewish community would ever have done. The tradition of Convivencia was certainly not broken. Even though most of the Conversos had become sincere Christians, their ancestry and their prominent role in fostering the spread in Spain of the influence of the Italian Renaissance movement constituted a stumbling block to those who wished to repudiate the intermingling elements which one can rightly call "the true Spain."

Some of the most retrograde "Old Christian" elements, especially ones who wanted to challenge centralized regal power and regain prerogatives for recalcitrant landed nobility and urban elites, solved this problem by imputing to Conversos, not failures of faith, but corruption of blood. It was argued on *racial* grounds, that all descendents of Jews were inherently tainted, corrupted, evil-minded, sinister. All such must be excluded from holding any office in public life or the church; only those who could prove *limpieza de sangre*, "purity of blood," could be eligible for such positions of authority.

This doctrine only exploded with force in a handful of locations in the five decades leading into the Inquisition, but those episodes are telling. The most important was in Toledo, the historic center of Convivencia and the leading city of Castile, in 1449. A group of nobles, seeking to unseat the weak king Juan II, chose to attack his chief minister Alvaro de Luna, who correctly was perceived in the popular mind as the true power in the kingdom. Luna was of Converso descent; his supporters included a notable number of Jews and Conversos. Alvaro de Luna needed money for the continuing conflicts with the remaining Moslem kingdom of Granada; he asked a Converso to collect the war tax. The insurgents who rose up and took the city, led by chief city magistrate Pero Sarmiento, seized on these circumstances to make the first official proclamation of a Limpieza de Sangre statute, the

famous *Sentencia-Estatuto*.

Quite contrary to the “inevitability” school of Spain’s descent into the Inquisition’s fanaticism, the promulgation of the *Sentencia-Estatuto* created a shock of enormous magnitude, reaching all the way back to the Vatican. In late September 1449, Pope Nicholas V issued one bull denouncing any exclusion of Christians from office based on blood origins, and a second bull the same day, excommunicating Sarmiento and his colleagues. Hard on the heels of the Pope’s vigorous action, came a series of remarkable rebuttals of the *Sentencia* from some of the leading Spanish Christian authorities of the day. These included Cardinal Juan de Torquemada, then with the Pope in Rome. But the most thorough of the rebuttals which comes down to us today, is from Old Christian Dominican master and bishop of Segovia, Ávila, and Cuenca, and formerly confessor and Chief Chancellor of King Juan II, Lope de Barrientos (1395-1465). As one excellent recent study reports, Lope “raises the obvious objection that this persecution discourages others from converting and leads to ‘blasphemy’ among those already converted, who say that it would have been better not to become Christians. . . . From a moral-historical viewpoint, Barrieto argues (as does [Juan de] Torquemada) that the prophets and apostles were all Jews, and logically the later would have been persecuted as conversos” under the spirit of the *Estatuto*.

Lope noted that there were notorious heretics in Basque country and Bohemia, but no one could argue that all Basques and Bohemians should be stigmatized. And Lope noted that since large numbers of Jews had converted to Christianity in Visigothic Spain (the 7th Century), could any Christian of Spain now argue he was not a descendant of those early conversos? Lope appended a special memorandum prepared by an assistant, with a devastating list of all the “best families” of Castile which had Converso blood in the family background.

But as notable as was the vigor of the initial reaction, was the sorry and tangled record of the eventual follow-through. For the events in Toledo were not just a jockeying for position, but part of a pattern of full-blown civil war and breakdown. Full-scale battles were fought in the city, with great destruction visited especially on Converso residential areas. The king was not in a position to regain his control by military means alone, and in ensuing negotiations, petitioned the Pope to lift the Pope’s excommunication of Sarmiento’s group, and in 1451, even gave the *Estatuto* sanction as local Toledo law. The complexities of the situation went further. Alvaro de Luna, to free himself of the charges that he favored Jews and Conversos, got the crown to petition the Pope for an Inquisition to ferret out backsliders among the Conversos; and Pope Nicholas V granted the request! The initiative died, however, with Alvaro de Luna’s own death in 1453, arrested and executed by Juan II himself in an attempt to defuse the growing revolts in the kingdom.

For the 30 years preparatory to the full founding of the Spanish Inquisition in 1480, this was the pattern: general tran-

quility for Jews and Conversos, but with at least two further flare-ups of dramatic anti-Converso rioting (Ciudad Real and Toledo again, in 1467, and Córdoba and Jaén in 1473), imbedded in periods of virtual civil war. Although leading Church prelates had vigorously defended the Conversos from the racialist attacks, these same prelates—including some of the foremost Converso bishops—issued strong ecclesiastical condemnations of Judaism. (The fact that some Conversos were among these bishops, has been wildly misused by some to propagate the astounding charge that “the Conversos themselves” instigated the Inquisition!) Although these in themselves did not call for or foster physical threats to Jews, they provided a certain climate for the virulent propaganda of a naked racialist nature, which was circulated widely by discontented Old Christian elements. Most significant of these was the *Fortalitium fidei contra Judaeos* of the notorious Alonso de Espina, Observantine Franciscan friar and confessor to Enrique IV of Castile. The crudeness of his themes and language rivals that of the Nazis of 450 years later. In the words of one eminent historian, he “raked together, from the chronicles of all Europe, the stories of Jews slaying Christian children in their unholy rites, of their poisoning wells and fountains, of their starting conflagrations, and of all the other horrors” conceivable. Adds another historian: for Alonso, the Jews were “traitors, homosexuals, blasphemers, child murderers, assassins (in the guise of doctors), poisoners, and usurers.” And all Conversos, were secretly Jews.

Enter the Inquisition

For fully the first three-quarters of the 15th Century, Spain’s dominant kingdoms of Castile and Aragon had consistently weak kings and periods of outright civil war. Isabel of Castile (1451-1504) and her husband Fernando of Aragon, (1452-1516), faced periods of virtual house arrest as children, married without sanction of their families in 1469 amidst tumultuous conditions in both kingdoms, and were only able to consolidate their reign in the 1474-78 interval, facing down both civil war and invasion from Portugal. They nevertheless established the basis for Spain to follow the direction of Louis XI’s France and Henry VII’s England, in that greatest of the Renaissance’s achievements in statecraft, the development of a nation-state in which the welfare of the people, not the privileges of the titled and powerful, was the justification for the state.

This is not the place to review in any detail the enormous accomplishments of Isabel and Fernando. In summary, however, they painstakingly created a new public administration and freed much of economic activity from holdover feudal taxes and prerogatives. They reshaped the *Santa Hermandad* (“Holy Brotherhood”) as a quasi-military constabulary force that suppressed rampant brigandage and other crime that had made all roads and many towns unsafe in the realm. They attacked the lax morals and poor theological training of many of the prelates, and consistently improved the quality of indi-



Torquemada became the Grand Inquisitor for the areas of Spain controlled by Fernando and Isabella in 1483, and stayed in office until his death in 1498. The institution he established lasted virtually intact for 330 years.

viduals raised to high office in civil and ecclesiastical administration. They started the circulation of a new currency valid for each of the respective kingdoms, where 156 different coinages had previously held sway, and began the process of unifying the two kingdoms into one state, a unification which would only reach completion in 1517. And they backed the explorations of Christopher Columbus, the extraordinary mariner trained in Portugal by circles collaborating with the key figures of the Council of Florence, and equipped with a map from Nicholas of Cusa's friend, the great Florentine astronomer and mathematician, Paolo dal Pozzo Toscanelli.

Not least in the catalogue of accomplishments, particularly in Isabel's case, was a keen sense of justice and personal courage in dispensing such justice in the face of hostile uprisings and danger to her person. And as noted above, she and Fernando kept a roster of exceptionally able Jews and Conversos in high government and church service.

With justice, her chronicler Fernando del Pulgar (a Converso) could write: "It was certainly a thing most marvelous, that what many men and great lords did not manage to do in many years, a single woman did in a short time through work and governance."

The painful and troubling question which any student of the period has to ask is, how could these monarchs—with all the good they accomplished—acquiesce in, or (in the estimate of some) encourage, the eruption of the Spanish Inquisition in exactly these years?

To get at least an approximate answer, it is necessary to review the nature of the Inquisition itself and the role of its first Inquisitor-General, Tomás de Torquemada. Whatever mixture of religious fervor and "converging motives" Isabel and Fernando may have had, they had other proven inclinations which would have kept the balance even, except for the virulence of the "Beastman" factor which intervened.

From 1477 to late 1478, Isabel and Fernando established their court in Seville, as they mopped up the last resistance to their rule in the districts of local nobles. The Converso population of Seville was relatively small—roughly 2,500, of an estimated 250,000 in the Iberian kingdoms as a whole. But yet another Dominican firebrand, one Alonso de Ojeda, was then whipping up a furor over supposedly lax New Christians who were allegedly "Judaizing" the kingdom. It was, of course, the city in which Ferrant Martínez had first unleashed mobs against the Jewish quarter in 1391, and Andalucía as a whole was the part of Spain in which tensions involving Old and New Christian, Jew, and Moslem, were the most raw. Ojeda attempted to overwhelm the Monarchs with an array of evidence of supposed apostasizing by the Conversos, to create a climate of emergency, and he did succeed in inducing Isabel to request of Pope Sixtus IV, the papal permission for setting up an Inquisition in Castile, which had never known one before.

However, it was obvious to less fanatical Christian authorities—including the powerful archbishop of Seville and intimate of the Monarchs, Pero Gonzalez de Mendoza—that whatever evidence of laxness among Conversos could be adduced, there was laxness in belief among all Christians, New and Old, and the New could not be condemned without an effort to remedy the Church's own dereliction in inculcating more rigorous doctrine. So for the period of 1478 to early 1480, the Pope's bull was not published, and an intense preaching and catechizing effort was launched.

But by early 1480, the proponents of the Inquisition convinced Isabel and Fernando that more severe methods were required. Fernando, in a letter of a few years later, wrote that "We could do no less, because we were told so many things about Andalucía." The first Inquisitors were appointed, both Dominicans, and tribunals began in Seville in early 1481. The first *auto de fe* (a public procession, a sermon, reading of charges and verdicts, and executions of the sentences) took place Feb. 6. Six "relapsed" Conversos were burned, after a fiery sermon preached by Ojeda. During a summer lull resulting from an outbreak of the plague—which took the life of Ojeda himself—the Inquisition concentrated on forcing nobles in outlying districts, to turn in the many hundreds of Conversos who had fled Seville, and later thousands more in the rest of Andalucía, who had sought refuge in the feudal fiefdoms. Isabel and Fernando backed up the Inquisition's demand firmly, probably to further break the nobles who had so recently been in open revolt against the crown, and the fugitive Conversos were forced back into the grip of the Se-

ville tribunal. More trials and *autos de fe* proceeded apace.

By early 1482, more inquisitors and an expanded administrative apparatus were deemed necessary. The Pope's permission was obtained to name seven more inquisitors, all Dominicans, among them Tomás de Torquemada. A branch of the Inquisition was set up in Córdoba in 1482; in Ciudad Real and Jaén a year later; in Toledo in 1485; and by 1492, had added Ávila, Valladolid, Sigüenza, Segovia, and Medina del Campo, on the Castilian side of the ledger. Meanwhile, Fernando had re-activated the largely moribund Aragon Inquisition (which dated back to 1238), and in late 1483, arranged Vatican approval to have one head of the Inquisition for both Castile and Aragon, the first Inquisitor-General of all Spain: Tomás de Torquemada.

From these beginnings, a repressive apparatus of extraordinary dimensions rapidly grew beyond what were likely to have been Isabel and Fernando's original intentions. A *Golem* had been created, which utilized unprecedented ferocity and ruthlessness to destroy large portions of the Converso community and the entirety of the Jewish population, in less than a generation.

Procedures

Most of the procedures were inherited from the earlier Inquisition of the 1200s, which were in turn largely borrowed from Roman Imperial precedents. These procedures started with the arrival of inquisitors in a given locale, and the declaration of an Edict of Grace. During this period, individuals were urged to come forward to confess whatever their aberrations from doctrine might be. Such as did so, were penanced (often involving loss of property or public shame), but the procedure went no further. The inquisitors simultaneously assembled evidence and sought denunciations of heretical belief or action from any accusers as would step forward. The identities of accusers were kept secret. The accused would be arrested, the charge read, and a secret tribunal begun. The accused were not given right to defense personnel. If "full proof" (sworn testimony of two witnesses, the accused caught in the act, or a confession) was not available, the inquisitors were empowered to use torture, under condition that the confession needed to be confirmed the next day, ostensibly freely. For those condemned, there were a variety of penalties, ranging from further penances and confiscations, to burning at the stake for "unrepentant" heretics. In the latter case, since canon law did not permit the Church to take life directly, the convicted would be delivered to a secular authority, in a procedure called "relaxation," and the sentence carried out.

The overall character of the proceedings was both penitential and judicial. It was considered that no one would face charges unless the initial body of evidence was sufficient to demonstrate guilt. Occasionally inquisitors would acknowledge false accusation, and release the accused. But in the large majority of cases, the guilt was assumed, and the duty of the inquisitors was to "reconcile" as many of the accused as

possible with the Church.

However, from the early 1200s to the late 1400s, use of this instrument was sufficiently intermittent so that one could call it the activity of inquisitors, rather than an Inquisition.

All this changed in the Spanish Inquisition of Torquemada.

Defenders of the Spanish Inquisition argue that the lack of safeguards for the accused were a standard feature of almost all judicial procedure of the age; that the institution indeed served a penitential purpose as much as a judicial one; that burning at the stake was a non-infrequent punishment in other judicial venues of the age, and was used by Calvin and other later Protestant sects as well. All true.

But there are three factors which make the Spanish Inquisition a wholly different phenomenon, a "cultural electroshock," which cast its shadow of religious brutality large over the succeeding 150 years of European history.

First was the vastly expanded "combustible material," literally and figuratively. Instead of intermittent pockets of Cathar heretics or the like, as in the 1200s, the "target population" was all Conversos—somewhere over a quarter of a million of them, in constant contact with Old Christians and with Jews.

Almost any Converso had something to fear. Besides denunciations from embittered Old Christian adversaries, on some occasions they faced accusations from Jews who either believed the Conversos to be willing apostates from Judaism who should be punished, or resented the fact that some of the Converso prelates were among the most vociferous in preaching anti-Jewish doctrine. Many Conversos continued to live in, or close to, Jewish districts. They were open to charges of "judaizing" tendencies on this account, or on account of lingering Jewish customs in their households—not signs of actual religious belief but simply habit, very far from heresy (which involves conscious repudiation of central tenets). The inquisitors were provided a long list of supposed "signs" of secret backsliding, including changing linen on Saturdays; turning one's face to the wall in the last moments before death, and not lighting a fire on Saturdays (the Jewish Sabbath). In one case, an especially zealous inquisitor in Seville was known to climb to the rooftops on Saturday to note any homes which did not have smoke coming out of their chimneys.

Many Conversos would thus voluntarily come to the Inquisitors, to confess to lesser real or invented activity that they thought would trigger "reconciliation" in this first phase, and take them out of the line of fire (as if were) for the later horrific possibilities. The Inquisitors, of course, knew this, and often insisted that the proof of sincerity of such "self-denouncers" was that they had to provide names of others who shared in the backsliding. And any who so "self-denounced," had to live with the knowledge that any return accusations in later years, would subject them almost automatically to the maximum penalty of burning, since they had



The banner of the Inquisition, shown here at right, includes the symbolic representations of mercy and justice. Those who were not condemned to death, were often forced to wear the "sanbenito," a coarse document depicted here, in processions of public humiliation.

exhausted the room for "reconciliation," The fact that anyone accused in the subsequent phase of the procedures, had all their property immediately sequestered pending the outcome of the trial, thus putting their family into extreme distress, was an additional motive for pre-emptive "cooperation."

Ironically, as in Nazi Germany among many non-observant Jews, the virulence of the Inquisition's assault actually awakened in some Conversos, a renewed Judaism not there before.

After the expiration of the Edict of Grace, inquisitors began acting on the secret denunciations, or on the collateral evidence gleaned from those who had "voluntarily" confessed. No direct accusation was initially made to those rounded up. They were kept guessing as to the charges. In their heightened paranoid state, they would sometimes confess to things that in fact were not related to the charges the inquisitors already had drawn up. When the accusation was finally presented, it was stripped of any details which were deemed to jeopardize the identities of the accusers. The accused were allowed to bring forward witnesses on their behalf, but since charges were so riddled with gaps or vagueness to disguise the identity of accusers, seeking witnesses was extremely difficult—not to mention the reluctance of many so called, to put themselves into the net of the inquisitors' attention. As the Spanish Inquisition developed, there was also granted a limited right to defense counsel. But these defense assistants were as hampered as the accused themselves in contesting the charges, and were "court-appointed." In some cases, they were sent by the Inquisition to ostensibly counsel the accused

but in actuality, to try to ferret out additional inculpatory information.

Those who continued to insist on their innocence to the tribunal—a distinct minority, given the coercion of the initial phases—would next be subject to torture. In the cases in which torture yielded a confession, it was required that the victim confirm the confession the next day. If the victim abjured the confession, in theory torture could not be re-applied; but the Inquisition often violated this proscription, deeming the initial torture merely "interrupted," not terminated.

The results of all these procedures were that only a tiny minority of those accused, escaped without punishment. Large batches of the accused would be assembled, without the nature of punishment made known to them, until the next date of an *auto de fe*. There, they would be led through the streets in a special coarse garment, called a *sanbenito*, and in front of a large populace in some

large outdoor space, listen to lengthy sermons and then have their sentence pronounced. Lesser degrees of Judaizing or other activity deemed heretical, might merit the shame of having to wear the *sanbenito* at a succession of Church days, or some confiscation of property. Others were consigned to varying lengths of prison. Those considered obdurate in false belief, were handed over to a secular authority and consigned to the flames. If any of the so condemned asked to be reconciled with the Church in their last hour, they were garrotted before being tied to the stake, so as to be spared the slower agony of the fire. In its initial period, the *auto de fe* was a primarily religious act and combined equal elements of shame and punishment. It was only under Philip II's notorious Inquisitor-general Fernando de Valdés, three generations later, that it became, in the words of one historian, "a public festivity rather like bullfighting or fireworks."

An Institution

The second factor, building directly on the first, is that the Spanish Inquisition soon became a national institution rather than simply an occasional special procedure of the Church. Given the dynamics highlighted above, there was almost an explosion of self-denunciations and accusations from the first (although as the Inquisition spread, there were a few notable instances of certain locales where no one—Old and New Christian alike—would cooperate.) The inquisitors made sure this mass of "evidence" was conveyed to the Crown with the admonition, "See, the dangers of secret Judaizers are even worse than we thought." So much material for investigation

poured in over the first ten years of the Inquisition, that in the 1490s, the Edict of Grace was often suspended, because the accumulation of previous accusations made new ones superfluous.

At the same time, the inquisitors (and this was a technique especially refined by Tomás de Torquemada) constantly whipped up an atmosphere of hysteria, claiming that the Conversos and Jews were plotting uprisings that threatened the kingdom (especially in light of the concurrent War of Granada; more on this below).

These factors intersected Isabel and Fernando's all-consuming drive to forge a functioning nation-state, rather than a collection of feuding feudal fiefdoms. The two factors intertwined to give Torquemada and Co. an opportunity to create an institutional framework of extraordinary scope.

From its beginnings in Seville in the 1478-81 period, the Inquisition spread its tribunals to all corners of the land within five years. A veritable army of staff developed around it. When Torquemada travelled, he had a retinue of 250 armed men as his escort. In Seville, the Inquisition commandeered one of the major fortresses of the city for its activities there. And in 1483, the giant step of making the Inquisition an official *council of government* was taken.

Previously Isabel and Fernando had operated with four such councils: the Council of Castile, the Council of State, the Council of Finance, and the Council of Aragon. The newly formed *Consejo de la Suprema y General Inquisición* (Council of the Supreme and General Inquisition), was the only one with jurisdiction over the entirety of the two joined kingdoms. The fact that the Inquisition was thus so clearly able to insinuate itself as part of the emerging *national* institutions of Spain, rather than an arm of Vatican jurisdiction, is a clue as to the special power it exerted.

Isabel and Fernando were determined to build the force of an emerging nation in all areas, including emphatically in curbing the reach of secular power of Rome into Spain, and in confronting the legacy of corruption and demoralization in the Church, carried over from the extended period of Church breakdown in the 1250-1438 period. Similar efforts, of course, were proceeding from the faction of Cusa in the Vatican apparatus, overlapping the emerging set of reforms identified with Erasmus of Rotterdam. Thus there is no easy way to characterize the intricacies of this "fault line," either in Spain or in such other "nation-state laboratories" as France and England of the time.

Suffice to say that the upshot in Spain, was that, having given their consent to the establishment of an Inquisition in Castile, and a revived Inquisition in Aragon, the Monarchs were assiduous for these reasons in keeping the Vatican out of the functioning of the Inquisition as much as possible. This led to bitter disputes with three successive Popes—Sixtus IV (pontificate, 1471-84), Innocent VIII (1484-92), and Alexander VI (1492-1503). These were not the extraordinary Renaissance Popes of the mid-15th Century. Their efforts to rein in

the Spanish Inquisition were sometimes motivated by concern over iniquitous procedure, but just as often, flowed from their desire to benefit from confiscations of property, and the lucrative practice of giving penances, or of reversing previous findings, in appeals directly to Rome.

The third factor, was the nature of Inquisitor-General Torquemada himself.

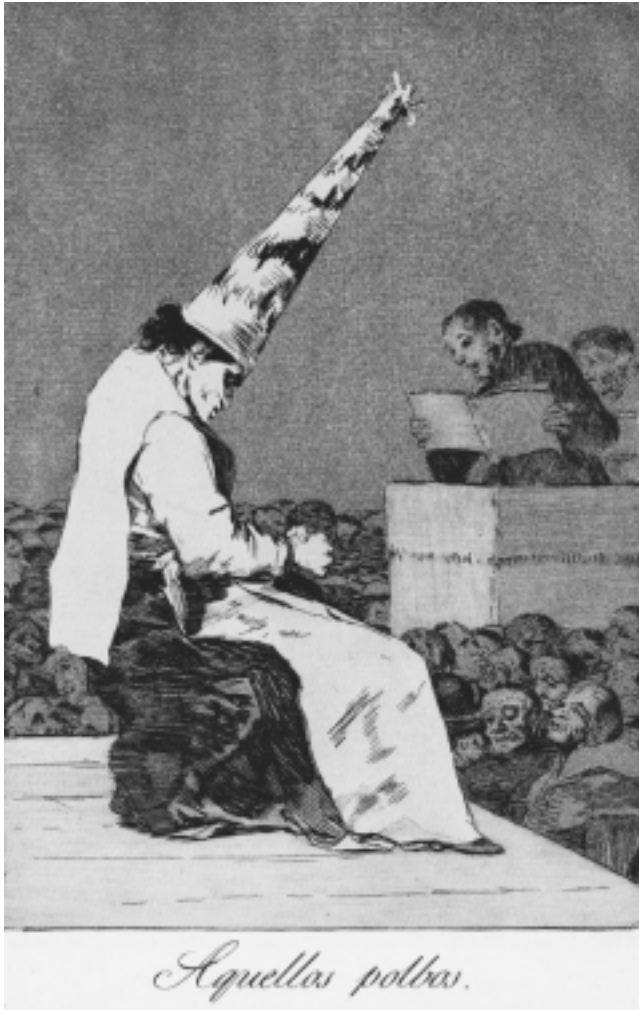
The Prior of Santa Cruz

Tomás de Torquemada was born in Valladolid in 1420. The name of the town of his ancestry, Torquemada, was a corruption of an old Roman fortress-town, "Turre Cremata" (Burnt Tower). Like his uncle, the Cardinal Juan de Torquemada, he entered the Dominican Order, and rose in his middle years to be prior of the monastery of Santa Cruz in Segovia for 22 years. It was as prior of Santa Cruz that he came to know Isabel, during her lengthy stay in the city after marriage, but before she assumed the crown in 1474. A number of biographers assert that he was her confessor for a period around that time.

All accounts depict Torquemada as an extreme ascetic, without any penchant for personal wealth, and with no relish for high ecclesiastical office. It is said that Isabel at one time later offered him the Archbishopric of Seville. He reputedly turned it down.

However, he was of the Dominican mold of Ferrant Martínez, Vicente Ferrer, and Alonso de Ojeda, in his all-consuming drive to castigate Spain's Jews and bring down the Conversos for their alleged secret Judaizing. He achieved a position of power just as the Crown had its own reasons to acquiesce in a large-scale Inquisition, and as a final phase of the 800-year-long struggle between Christians and Moslems (known in Spain as *Moros*), created exceptional conditions for alleging a national security emergency requiring exceptional measures. For exactly in the year the Inquisition came into existence—1480—a foolhardy foray by the ruler in the remaining Moslem Kingdom of Granada (which had been a de facto vassal of the Crown of Castile for several centuries) gave Isabel and Fernando the pretext to embark on one final long series of campaigns, culminating in the surrender of Granada to the Monarchs on Jan. 2, 1492. This was harrowing, almost continuous fighting or besieging, requiring enormous commitment of men and funds. What emerged on the Spanish side was a new kind of fighting force, equipped with breakthrough technology in artillery, which was to be the basis of almost a century of Spanish pre-eminence as a military power all over Europe. Torquemada rushed special funds to Fernando's aid in the early great contest over Loja, and later attached himself as chaplain to Fernando's troops for four months during the great siege of Málaga. Consistent with his character, Torquemada urged Fernando to put all the surrendering *Moros* to the sword. Fernando enslaved them, but spared their lives.

Torquemada was not in the forefront of the group of Dom-



This drawing from Goya's "Los Caprichios" is entitled "Those Specks of Dust," and evokes the spirit of the Inquisition's condemnation of those considered to be indelibly stained with Jewish or Islamic ancestry.

inicans who forced the issue of creating an Inquisition in the "wedge city" of Seville, but he definitely took an interest in the matter, from his Segovia priory. He first appeared in Seville in 1481, when he drafted a preliminary guide for inquisitors to spot the signs of Judaizing. In February 1482, he was named one of seven inquisitors in the expanded structure confirmed by the Pope in that month. In the course of 1483, he rose to dominate the Castilian Inquisition, and in October of that year, he was named by Fernando, with accord of the Pope, chief inquisitor of Aragon. In that year also, the *Suprema* structure was created, and Torquemada assumed the functions of Grand Inquisitor. He took command of the entire structure, from commending or reproving inquisitors, to establishing the smallest details of procedure (such as setting the minimum age someone could be tried for apostasy—14 years old in the case of a boy, 12, in the case of a girl.)

The best way to understand Torquemada's use of power is to think of neo-conservative acolytes of Leo Strauss, such as Dick Cheney or Paul Wolfowitz today. There's a bit of historical inversion in the comparison, since, in fact, it was the direct exemplar of Torquemada as the Beastman explicitly recognized by core Synarchist theorist Joseph de Maistre, which infused the thinking of Strauss and his Synarchist henchmen, Kojève and Schmitt. (See *Children of Satan* in Suggested Reading.) But think of the conscious use of "Big Lie" techniques, the conscious exercise of irrationality and terror beyond what onlookers or other political figures can psychologically handle in terms of preceding parameters of accepted practice, and you approach understanding both the neo-con fascist apparatus at work in the United States today, and Torquemada's Inquisition of yesterday. It also helps to re-read Shakespeare's study of the Beastman in a timeframe directly overlapping that of Torquemada: the play *Richard III*.

For the flavor of Torquemada's vengefulness, an instance gleaned by the dean of American scholars of the Inquisition, Henry C. Lea, from the records of the Inquisition itself, will suffice: "There was a fully organized Inquisition at Medina, with three inquisitors, an assessor, a fiscal and other officials, assisted by the Abbot of Medina as Ordinary. They reconciled some culprits and burnt others, apparently without referring the cases to him [Torquemada], but when they found reason to acquit some prisoners they deemed it best to transmit the papers to him for confirmation. He demurred at this mercy and told the tribunal to try the accused again when the Licentiate Villalpando should be there as *visitador*. Some months later Villalpando came there, the cases were reviewed, the prisoners were tortured, two of them were reconciled and the rest acquitted, and the sentences duly published as final. Torquemada on learning this was incensed and declared that he would burn them all. He had them arrested again and sent to Valladolid, to be tried outside of their district, where his threat was doubtless carried into effect."

As his tribunals fanned out from city to city, Torquemada nurtured an intense propaganda machine, building a case that the Inquisition was needed to deal with a threat that constituted nothing less than a national emergency. One of the items that he made sure circulated widely, was a forged correspondence ostensibly involving "the Jews of Spain" asking "the Jews of Constantinople" for their advice on what to do in the face of forced conversions in Spain. The Jews of Constantinople, in these crude inventions, reply: "dissimulate" and when "our Spanish brethren" have won the confidence of the Old Christians, "strike back." A hugely influential tract of several decades earlier, was resurrected for wide circulation in these same years: the *Alborayco*, a vituperative attack on Conversos for being like Muhammad's legendary horse, *al-buraq*, "the lightning," which was neither horse nor mule, neither male nor female.

But for Torquemada's Inquisition to truly shatter the Converso factor in Spain, it was necessary to break the Converso

higher officials around the court and the Church itself. Since these were circles with the wealth and connections to appeal to Rome to reverse whatever were the Spanish Inquisition's verdicts, the issue of whether Spanish authorities—or the Pope—had final say in appeals, was a hotly contested battleground. Similarly contested, was the issue of who had authority to name inquisitors, and whether inquisitorial activity needed to obtain sanction of local bishops, who often tended to ameliorate the Inquisition's savagery.

The ensuing struggle came to a head in Torquemada's efforts—fully backed by Fernando—to extend the Castilian form of the Inquisition to Aragon, whose pre-existing inquisitorial structure was moribund. The cities of Aragon, Catalonia, and Valencia, had some of the deepest traditions of rights of consultative and decision-making assembly—the *Cortes* tradition—of any place in Europe. Aragon's *Magnum Privilegium* codified these ancient rights, and the oath that the Aragonese nobility, church, and town councils swore to a monarch assuming the throne, began with the words, "We, who are as good as you. . . ."

In the period of Fernando's early manhood, Barcelona and parts of surrounding Catalonia rose up in outright rebellion against the Aragonese crown, and Fernando personally led the troops to quell the uprising. It was Torquemada's good fortune—and a disaster for the Conversos in Aragon—that Fernando thus had his own reasons of state to want to bring these recalcitrant councils of civic leaders and nobles to heel. In one of the starkest ironies of the period, it was because these *Old Christian* elements had proven so troublesome to Fernando, and because these Old Christian elements *showed solidarity* with the Conversos, that Fernando saw in the Inquisition his instrument to break them.

In April 1482, the battle barely begun, Pope Sixtus IV responded to concerns from Old and New Aragonese Christians alike, with one of the most extraordinary Papal bulls of the entire period. The Pope protested "that in Aragon, Valencia, Mallorca, and Catalonia the Inquisition has for some time been moved not by zeal for the faith and the salvation of souls, but by lust for wealth, and that many true and faithful Christians, on the testimony of enemies, rivals, slaves, and other lower and even less proper persons, have without any legitimate proof been thrust into secular prisons, tortured, and condemned as relapsed heretics, deprived of their goods and property, and handed over to the secular arm to be executed, to the peril of souls, setting a pernicious example, and causing disgust to many." Fernando, in reply, pretended to disbelieve the authenticity of the bull. After a five month stalemate, the Pope backed off.

Never again would the fundamental character of the Inquisition be questioned, although an account of the many disputes over the issue of indulgences, appeals, naming of inquisitors, and disposition of confiscated goods, over the subsequent decade, is a story too extensive to relate here. Fundamentally, the Popes of the period were jealous of their

prerogatives and chance to control the lucrative traffic in indulgences; but the Papal States were too threatened by the unstable politics of the time, especially the looming threat of French invasion of the Italian peninsula (which did indeed happen in the mid-1490s), to alienate the one growing power capable of counteracting the French: the Spanish crown.

The resistance of the Aragonese grandees and city councils was far from over. In 1484, when Torquemada, now-Grand Inquisitor of all Castile and Aragon, appointed the first two inquisitors for Aragon, public opposition was so great that Fernando hastily had to issue a circular letter repeating one of Torquemada's favorite assertions: "If there are so few heretics as is now asserted, there should not be such dread of the Inquisition." When the city of Teruel, a hundred miles south of Aragon's leading city of Zaragoza, simply refused to let the inquisitors enter the city, protesting that "they were coming to set up an Inquisition that will repeat the excesses committed in Castile," Torquemada issued an excommunication and interdict against the city and its magistrates. When Teruel's clergy obtained papal letters releasing them from the interdiction, the Inquisition decreed that all office holders were summarily dismissed. When the town fathers appealed directly to Fernando, Fernando called out troops in both Aragon and Castile to back up the Inquisition. Teruel capitulated.

But there remained the main bastion of resistance, Zaragoza itself. In early 1485, Torquemada arranged two demonstrative *autos de fe*, and arrested one of the most prominent Conversos, Leonardo Eli. Standard accounts of the Inquisition to this day, repeat Inquisition propaganda about uprisings of Conversos in Seville in 1481, and Toledo in 1485, as justifications for Torquemada's constant claim that Conversos and Jews were inherently a *national security* threat to the state, ready at any moment to rise up and aid the Moslems in Granada or the rival throne of Portugal. These instances in Seville and Toledo have been shown by recent historiography to be spurious. But the uprising of Conversos in Zaragoza can not be disputed—and it proved to be Torquemada's trump card in shattering the stubborn resistance of Aragon. In response to Torquemada's provocations, a wealthy family of Conversos plotted and carried out the assassination—in the Zaragoza cathedral no less—of inquisitor Pedro Arbués de Epila.

Torquemada had his martyr, and he made the most of it. If the plotters calculated that the population would rise up and back them, they could not have been more utterly mistaken. All opposition crumbled, Arbués was avenged with the brutal public executions of the main conspirators (two of them had their hands cut off before they were hanged, drawn and quartered), and in the course of 1486, the Inquisition ran riot. In Zaragoza alone, there were 14 *autos de fe*, in which 42 people were burned alive, 14 were burned in effigy, and 134 others were subjected to imprisonment, flogging, and public humiliation. Members of some of the most illustrious Converso families of Aragon were implicated. Sancho de Pomeroy, one of the top five officials of the kingdom, was executed. Alonso



Shown here is a page of the original Edict of Expulsion signed by Ferdinand and Isabella on March 31, 1492.

de la Caballería, vice chancellor of Aragon, refused to recognize the authority of the Inquisition and Torquemada. He succeeded in having Pope Innocent VIII take the case out of Torquemada's hands. Torquemada refused; the Pope held firm; and in the end, after reviewing the court papers, the Pope absolved de la Caballería. In another notable case, Fernando himself intervened on behalf of his treasurer, Luis de Santangel. Contrary to Fernando's customary bridling at Papal indulgences, in this case he sought Papal intervention on behalf of his court official himself. It saved Luis de Santangel's life, but Santangel had to suffer the disgrace of walking in a procession of penitents, clad in a *sanbenito*.

There remained but one class in all of Spain over which the Inquisition had no jurisdiction: the bishops. By decree of Boniface VIII in the late 13th Century, only the Vatican itself could initiate proceedings against a bishop. Torquemada petitioned the Vatican in 1487 for this last jurisdictional prey, but Pope Innocent VIII held firm. Torquemada proceeded anyway, to attempt the destruction of two of the most prominent and highly regarded Converso bishops in Castile, Juan Arias Dávila of Segovia, and Pedro de Aranda of Calahorra.

In the case of Arias Dávila, who had had the temerity to refuse the Inquisition permission to operate in his diocese, Torquemada systematically targeted not only Arias but his deceased father, his mother, and other relatives. Arias, in his 80th year, was summoned to Rome to answer the charges; the Pope appears to have absolved him, for Arias was given significant tasks as a papal legate in his last years. The even more distinguished Pedro de Aranda, who in the early 1480s had served as president of the Council of Castile, was summoned to Rome on Torquemada's charges and was not so fortunate. He died, disgraced, in 1500.

How many people fell victim to the Inquisition under Torquemada? The estimate of Isabel's chief chronicler and scribe, the Converso Hernando de Pulgar, has held up well to the current day: In the first decade, 1480-90, 2,000 victims were burned at the stake, and another 15,000 charged, and forced to endure severe humiliations, penances, and confiscation of property. In the next decade, the burnings were sporadic but locally devastating. In Toledo, for instance, some 250 were burnt. In nearby Ávila, where Torquemada had successfully petitioned the crown to allow him to raze the Jewish cemetery and build on its site, an imposing monastery dedicated to St. Thomas Aquinas, there had been no reports of apostasy until Torquemada arrived to direct the building project. Between 1492 and 1498, the year of Torquemada's death, 127 people were burnt in Ávila.

This toll, however, only begins to delineate the impact on the Converso population. For every Converso who fell into the Inquisition's control, at least as many simply fled. In the first two years after the tribunal was established at Ciudad Real, 52 of the accused were burned alive, but 220 were condemned to death "in absentia." They had gone underground, in other parts of the country or abroad. Similarly, in the Barcelona *auto de fe* of June 1491, 3 were burned *in vivo* and 139 burned *in absentia*. In a Mallorca *auto* of May 1493, 3 were burnt live, and 47 in effigy. These were exceptionally weighted toward the "absent," but almost nowhere were those who burned, a greater number than those who were condemned in absentia. And in all larger *autos*, the number "penanced" far outnumbered all other categories. In addition, there were the even larger numbers of those who "voluntarily confessed" in the Edict of Grace phase. In the first year of the Inquisition's operations in Toledo, for instance, 2,400 Conversos so confessed, a huge percentage of the Conversos in the city. They thus avoided confiscation of goods, but were "rehabilitated" only for a cash payment.

The Expulsion of the Jews

The idea of the wholesale expulsion of the Jews, was first preached with any broad effect by the incendiary Alonso de Espina in the 1460s. The argument was simple: If the "backsliding" Conversos were to be successfully pulled out of their "Judaizing" habits, all temptation resulting from contact with the Jews themselves had to be broken.

In 1483, Torquemada succeeded in getting the Crown to issue an order expelling all Jews from Andalucía, on these grounds. There is evidence that this indeed occurred in the case of Seville. In most other areas, it was of limited effect, in many cases simply the occasion for a bribe to a local official.

But Torquemada began to lay the groundwork for the Inquisition to directly confront the Jews, even though the Inquisition had no direct jurisdiction in that area. Thus in 1485, shortly after Torquemada moved the headquarters of the Inquisition from Ciudad Real to Toledo, he decreed that all rabbis had the obligation to turn in to the Inquisition, any information they had on any contacts between Jews and Conversos, on pain of death if they should not do so. Soon, the whole Jewish congregation was so instructed. The fact that some Jews did cooperate with the Inquisition, was not forgotten by a few among the Conversos. After the Expulsion in 1492, when some Jews who left, found exile too difficult to bear, and were re-admitted to Spain as New Christians, the handful of embittered Conversos struck back by denouncing these “Exile New Christians” to the Inquisition in their turn.

However, the Edict of Expulsion in 1492 is such an order-of-magnitude greater rupture than any of these preliminary developments, that it requires deeper discussion.

The climate for the expulsion was prepared by one of the propaganda coups of the period, a gigantic hoax, the equivalent in some ways to the “Weapons of Mass Destruction” fabrications of the Straussians in the Bush Administration regarding Iraq in our current day. This was the famed “Santo Niño de la Guardia” (Holy Child of La Guardia) case.

It was not the first “blood libel” case against Jews in Spain. But the history of previous incidents of charging Jews with ritual murder of a Christian were rare in Spain, and there had been none for several decades. When, in early summer 1490, a Converso named Benito García, was caught with a confessional wafer in his possession (allegedly a sign that he planned an act desecrating the host, implicitly sacrilege against the body of Christ), Torquemada took immediate charge of the case, including having the trial moved to his home base of Segovia, when it should have taken place in La Guardia’s district seat of Toledo. In the course of a year of torture, García gradually revealed, under intense “leading” interrogation, details of how he, with five other Conversos and six Jews, had kidnapped and ritually killed a 6-year-old boy several years earlier, an act designed to mock the suffering and crucifixion of Christ.

On Nov. 16, 1491, Torquemada had two of the culprits pulled apart by red-hot pincers, and the rest burned, their case and verdict made known from one corner of the combined kingdoms to the other. A cult of the “Saint-Child of La Guardia” promptly sprang to life, replete with reputed miracles. There was only one thing wrong with the picture: No child anywhere had been reported missing, and no remains were found at the location where the child was said to be buried. No “confession” matched the details of any other. The

case was simply manufactured.

Within six weeks of the ending of the La Guardia case, the last king of Granada, Boabdil, surrendered to Isabel and Fernando. Torquemada saw his opening. He pressed the case for the complete expulsion of the Jews from the combined kingdoms. The atmosphere was heated up by the La Guardia case. The religious fervor of having wrested the last corner of the peninsula from the Moslems after 800 years, was palpable. Isabel and Fernando, who had financed the protracted, intense, 12 years of the Granada War with large contributions from the Jews of the kingdoms, and with key court Jews such as Don Abraham Seneor and Don Isaac Abravanel collecting war taxes from others, no longer had need of such financial assistance mediated through the Jewish community. And, most of all, the virulence of the preceding decade of the Inquisition’s rampage, had cowed any Conversos who would have protested the move, and neutralized any Old Christians who still adhered to *Convivencia* traditions. Notable is the case of the Queen’s scribe, Hernando de Pulgar, a Converso who had protested the establishment of the Inquisition in the first half of 1480s, but at the time of the expulsion, presented himself as a public defender of the tribunals.

Isabel and Fernando did not instigate the Expulsion order, but under the pressures of the moment, they did not stand up to Torquemada. On March 31, 1492, the fateful order was signed (though not proclaimed until a month later). All Jews had until the last day of July 1492, to dispose of all their property that could not be carried, and quit the kingdoms. Historian Henry Kamen touched on much of the truth when he summarized the moment: “The deliberate stimulation of a feeling of crisis (aggravated by alleged converso plots, by the murder of Arbués, by the episode of the La Guardia infant), and the universal response to the great 12-year-long crusade against Granada, pressured public authorities to conform and stilled the protests of individuals.”

A famous story that all but the most recent accounts of the Inquisition relate as fact, claims that the two most prominent court Jews, Seneor and Abravanel, approached Isabel and Fernando with a payment—in effect, a bribe—of 30,000 ducats, if the order were rescinded. Torquemada burst into the room holding high a crucifix, flung the crucifix on the table, and proclaimed, “Judas once sold the Son of God for 30 pieces of silver. Your Highnesses think to sell Him again for 30,000. Here you have Him. Sell Him, then, but acquit me of all share in the transaction.” The story only cropped up some 70 years later, and is almost certainly apocryphal. But it accurately conveys the psychological control Torquemada had established by this time.

A Second Exodus

The order of expulsion fell like a thunderclap on the diminished but still substantial Jewish community, heir to a thousand years of notable Jewish life and achievement in Iberia. In the decade before the expulsion, there had been a



Shown here is the dome of the Great Mosque of Cordoba, which was built in A.D. 786-787. This is just one example of the architectural jewels left by the Islamic presence in Spain.

relative strengthening of Jewish communal life, and even a strange sense of being less “in the line of fire,” seeing the Conversos taking the brunt of anti-Jewish sentiment. Suddenly all that was shattered, and most of the Jews could only seek to comprehend such a sudden cataclysm in terms of God punishing his Chosen for sins and transgressions. Many Sephardic accounts compared the new Jewish suffering to that of the Prophets and patriarchs in Hebrew scripture. A mystical current in Sephardic Jewish thinking seized on the expulsion to claim it was God’s sign that it was time for an in-gathering of Jews in the land of Zion. Almost all were aware that the expulsion occurred just a day or so before the 9th of the month of Av in the Jewish calendar—the fateful day, according to tradition, in which both the first and second destructions of the Temple in Jerusalem had occurred.

How many Jews were forced to leave Spain? The best

current estimates are that between 100,000 and 150,000 Jews were still in Spain at the time. Of these, at least a third accepted conversion rather than exile. This large number included the leading court Jew, the 80-year-old Abraham Seneor. His sponsors at the baptism ceremony were none other than Isabel and Fernando. Of those who did leave, another third found conditions in exile too terrifying or uncertain to endure. They returned to Spain in waves over the succeeding half dozen years. The returnees, along with many of those who converted rather than leave in the first place, were manifestly involuntary converts who were not easily incorporated into the long-standing, earlier Converso population. They would provide in later years much new raw material for the Inquisition.

The chronicler Andrés Bernáldez, who avidly promoted the work of the Inquisition, nevertheless provided the following harrowing account of the caravans of Jews forced to take to the roads of Castile and Aragon that hot summer: “Confiding in their vain blind hopes, [they] left the lands of their birth, children and adults, old and young, on foot and in wagons, and the *caballeros* on asses and other beasts, and each journeyed to a port of embarkation. They went through roads and fields with many travails and [mixed] fortunes, some falling, others rising, others dying, others being born, others falling sick, so that there was no Christian who did not feel sorry for them and always invite them to be baptized. And some sorrowfully converted and stayed, but very few. And on the way the rabbis heartened them, and had the women and youths sing and play tambourines to cheer the people, and so they went through Castile and arrived at the ports. . . . When those who went to embark through Puerto de Santa María and Cadiz saw the sea, they shouted loudly and cried out, men and women, great and small, in

their prayers demanding mercy of God, and they expected to see some marvel of God and that he would open a path through the sea for them.”

Basically the Jews left by whatever port or land exit was nearest. A number went to the independent kingdom of Navarre in the Pyrenees to the north (only to be expelled from there in 1498 when Navarre fell under control of Spain). From the east and northeast, the Jews embarked for southern France, the northern Italian states, or Naples. In the south, many embarked for Moslem-held lands in North Africa, where small enclaves of Jews still existed. And in the west, the largest numbers of all, found temporary refuge—for a price of one *cruzado* apiece—in Portugal. Many never made it to their destinations, falling prey to pirates at sea, unscrupulous captains who sold them into slavery, or to deadly outbreaks of disease. A substantial group, including Isaac Abravanel and

his family, made it to the welcoming kingdom of Ferrante II in Naples—only to have large numbers of their own group, as well as thousands of Neopolitans, succumb to the plague, and be thrown into further flight when the French overthrew Ferrante in 1494. Those who went to Portugal had a similar stormy further odyssey, facing cruel pressures from King Joao II to convert (one of his strategies was to separate a group of Jewish children from their parents and send them to far-off Sao Tome in the African Gulf of Benin, relenting only if the parents converted). Large numbers moved on to other destinations in North Africa or northern Europe after only six months in Portugal.

Eventually, the largest single component of this Second Diaspora relocated into the eastern Mediterranean, where Sephardic communities took root in Salonika, Aleppo, and a number of other locations, under a generally welcoming edict from Sultan Bayezid II. Other notable Sephardic communities took root in Amsterdam and the New World.

The Expulsion of the *Moriscos*

In the last years before his death in 1498, Torquemada split his time between his duties as Inquisitor General and the building of his great Monastery of St. Thomas in Ávila. He rode with a retinue of 250 liveried soldiers for protection, dined with a reputed unicorn horn or a scorpion tongue next to his food to ward away poison, and had to constantly dispatch a trusted Dominican associate, Fray Alfonso Badaja, to Rome as his advocate in Papal investigations of Torquemada's abuses. His continuing close ties to the Monarchs is illustrated in an incident in 1497, when the Monarchs had come to his Monastery for a visit. There they received the devastating word that their only son and direct heir, Prince Juan, had died of a sudden malady, in a city some distance away. They arranged for the body to be brought to them at Torquemada's Monastery, and buried on its grounds.

Even in his last year, he was laboring on the third revision of his *Instrucciones*, the bible of Inquisitorial practice which he had first compiled in 1483. When he died, he left behind an institution that would function with very little change in procedure for another 330 years. Although it never exerted as dramatic an overall influence, nor took as many lives in a short period as it did under Torquemada, and although its targeted victim populations shifted from Conversos to Lutherans and Erasmians, then to the converted Moslem population (*Moriscos*), then back to a second wave of Portuguese Conversos at the turn of the 17th Century, its fundamental character was firmly set. Henry Charles Lea, dean of the historians of the Inquisition, noted the reports of Venetian envoys in the early 16th Century, "who lauded its [the Inquisition's] services in the suppression of heresy, and to whom, as practical statesmen, it was an object of wonder and admiration, as a machine perfectly devised to keep the people in abject subjection. . . . The envoys were profoundly impressed by the



Cardinal Francisco Ximenez de Cisneros was a prime mover against Spain's Muslims in the late 15th century, although, paradoxically, he was also a promoter of Renaissance ideas.

universal awe which it inspired. As early as 1525, Gasparo Contarini tells us that everyone trembled before it, for its severity and the dread entertained for it were greater even than for the Council of Ten." The Council of Ten was the inner core of Venice's deadly and efficient secret police which controlled a system of anonymous channels of denunciation akin to the Inquisition's. High praise indeed!

The use of this instrument through its remaining three centuries is beyond the scope of this study. But a quick sketch of the events leading to the expulsion of the population of Moslem background provides haunting parallels to those which produced the expulsion of the Jews, with a time lag of roughly one century.

The terms of capitulation granted by the Monarchs to Granada in 1492 were of a piece with earlier Iberian traditions of Convivencia. The *Moros*, as the Spanish termed them, could retain their religion, customs, and language, but subject to Spanish governors. Many of the Granadan Moslem elite chose to emigrate, but the large bulk of the population (now *Mudéjares* in the lexicon of cultural/religious variants of the times) stayed. Inigo López de Mendoza, the Count of Tendilla, was named governor, and Hernando de Talavera, archbishop of Granada. Both represented enlightened policies. Talavera emphasized conversion only through voluntary persuasion, respect for Mudejar culture, and the use of Arabic in church functions.

Clerics, led by the Cardinal Francisco Ximénez de Cisneros, intervened, starting 1499 with a tougher policy of mass baptisms and persecution of the handfuls of Christians who had converted to Islam, known as *Muladies*. This led to a series of revolts. In 1501, all *Mudéjares* of Granada were forcibly baptized, and a huge bonfire of precious Arabic books symbolized the end of the terms of the capitulation. The newly appointed Inquisitor of Córdoba, Diego Rodríguez Lucero, became notorious as one of the most corrupt and vindictive

of all officials of the Inquisition. When Talavera protested Lucero's iniquities, Lucero turned on Talavera himself, accusing the archbishop and his family of Judaizing. Talavera was acquitted of all charges in Rome in 1507, but died, close to 80 years old, soon thereafter. In 1502, Isabel forced all Mudéjares in the rest of Castile, to choose baptism or exile, and almost all chose baptism. In the crown of Aragon, the power of the landed nobility, which utilized a large Moslem population as its principal source of farm labor, and of the Cortes (the parliament), kept Convivencia arrangements in force until 1526. At that time, Charles V (Carlos I of Spain) ordered the forced conversion of all Mudéjares in these remaining jurisdictions of Spain. Thus had been created a huge new "Converso" population, called *moriscos*, with all its attendant tensions and ambiguities.

For the next 40 years, the primary thrust of policy was the effort to convert the Moriscos in fact, and not just in name. But with the strengthening of the Inquisition in the 1560s under Philip II and his Inquisitor General Fernando de Valdés (the most notorious Grand Inquisitor since Torquemada), tensions built rapidly. They exploded in the Morisco revolt which broke out in Granada in 1568, and settled into protracted warfare in the inhospitable Alpujarra mountains. It was a savage war, with unparalleled atrocities on both sides. In the end, the Spanish authorities forced over 80,000 Moriscos to leave their homes in Granada, and resettle in Castile, only transferring the unrest to new territory. In September 1582, Philip II's council of state proposed a general expulsion. Although backed by both Church and Inquisition, the measure was not acted upon. When Philip III assumed the crown in 1598, opposition to expulsion by his personal confessor, and the powerful Duke of Lerma, kept the provision in the background. But with a 1609 change of heart by the Duke of Lerma, the scales tilted in the opposite direction. Over the next six years, roughly 300,000 of the 320,000 Moriscos in Spain were expelled, starting with the most populous Morisco area of Valencia (roughly half of the total). It was an exodus several times larger than that of the Jews 120 years earlier. It shattered the last substantial element of the Convivencia legacy, and brought even more economic dislocation than the considerable negative economic effects of the persecution of the Conversos and the expulsion of the Jews in the late 1400s.

The Hapsburgs and Venetians

In mid-1488, when the court was in residence in Valladolid, Isabel and Fernando received an embassy from Maximilian, son of the Hapsburg Emperor Frederick IV of Germany. The Hapsburg emissaries solicited Spain's cooperation in designs against France, both to restore Hapsburg control over the duchy of Burgundy, wrested from them by King Louis XI of France a few years before, and to restore to Spain the provinces of Rousillon and Cerdagne, similarly seized by

France when Aragon's rule in the region was disrupted by rebellion in Catalonia in the 1470s. The Spanish Monarchs agreed to the proposal.

Spain's disastrous dance with the Hapsburgs intensified in the mid-1490s, when Isabel and Fernando betrothed both their only son, Juan, and their first-born of four daughters, Juana, to offspring of the Hapsburg House. When Juan died in his 17th year, the succession fell jointly to his sister Juana and Juana's husband, Philip of the Hapsburg provinces of the Netherlands, unless there were male offspring in the meantime produced from the marriages of Juana's younger sisters. The string of misfortunes to Fernando's lineage, the Trastámara royal line, is too long to enumerate here; suffice to say, the succession did pass to Juana and Philip with Isabel's death in 1504. But Philip's early death two years later, and Juana's madness—which came on during years spent in Hapsburg environs in the Low Countries—left Fernando as regent of the unified kingdoms until Juana and Philip's first son, Charles V of Austria (Carlos I on the Spanish side), became the single Hapsburg ruler of all the combined Austrian and Spanish possessions in phases during the period 1517-20.

There were thus dual devastating blows to Spain's further development as a nation-state in the line of statecraft passed from the Council of Florence to the France of Louis XI and the England of Henry VII: one, the rise of the Inquisition, blighting many of the political channels through which a further development of such a Commonwealth policy would have been effected, and linking the image of man to a definition of "the purity of blood" rather than the light of the soul; and two, the passing of the Spanish crown to the control of the Hapsburgs. This meant that Spain could be harnessed to Venice-instigated religious wars as the pre-eminent "marcher-lord" factor of anti-Council of Florence "Catholic Orthodoxy" for the next century.

Not that Venice was on the side of "Catholic Orthodoxy." It was on the side of Venice, and the statecraft of an emerging form of sophisticated transnational merchant-banker empire. In this duplicitous game, Venice would emerge at the end of the 16th Century as a "judicious critic" of the very Spanish Inquisition it had hailed at the beginning of the century. The man who issued this "revisionist history" of the Inquisition was the Servite friar and theological advisor of the *Serenissima Repubblica*, Paolo Sarpi (1552-1623). The crucial role of Sarpi in its full dimensions cannot be touched on here. But a summary statement of one of the leading historians of the Inquisition, Edward Peters, gives the flavor of how successful Sarpi's propaganda was, including on Peters itself: "During the 17th Century Venice was the one Catholic power generally admired in Protestant Europe. Its republican form of government, its control of ecclesiastical authority, and its often acerbic relations with Rome singled it out to many northern Europeans as a progressive society, and in the usual denunciations of inquisitions, the Venetian In-

quisition was often made the exception. Part of the ‘myth of Venice’ was the result of the historical and apologetic work of Paolo Sarpi, Venice’s literary spokesman to the rest of the world,” resting especially on his *Historia della Sacra Inquisizione*.

Cervantes’ Revenge

But it would be wrong to imagine that Spain fell under some kind of dark spell after 1492, or even 1520. It was too vigorous an arena for the Convivencia heritage and the nation-building impulse from the Italian Renaissance. Like any arena of larger battles, its positive currents continued to make a fundamental mark on history, however negative the overall trajectory. Thus great achievements in city-building and enlightened instances of treatment of the Indians were embedded in Spain’s New World colonization efforts, alongside plundering, de facto enslavement, and the establishment of neo-feudal latifundia.

The figure of Cardinal Francisco Ximenes de Cisneros (1436-1517) perfectly illustrates the multifaceted and paradoxical character of many key figures in the period of the Inquisition. Serving in the Rome of the great Renaissance Popes of the mid-15th Century as a young man, Cisneros rose to become confessor to Isabel and Fernando in the early 1490s, and in 1495, was named Cardinal and Archbishop of Toledo, the highest Church office in the land. He was a supporter of the Inquisition and instigated the harsh forced conversion policies which turned Granada toward rebellion in 1499-1501, and overturned the gentler proselytizing achievements of Hernando de Talavera. But when the Inquisitor-General who succeeded Torquemada, Diego Deza (another paradoxical figure who had been a prime sponsor of Columbus’s venture, and a noted promoter of the work of the Italian Renaissance) attempted to silence the great humanist and philologist Antonio de Nebrija for his work correcting the errors in the Vulgate Bible, it was Cisneros who defended Nebrija.

Under Cisneros’ protection, Nebrija contributed mightily to one of the greatest accomplishments of Cisneros’ long life: the 1515 publication of the Polyglot Bible, in which the text is made available for scholars in parallel columns of Greek, Hebrew, and Latin, one of the outstanding works of scholarship of the Renaissance. And while the great university of Salamanca, founded in the mid-1200s by Alfonso the Wise, had succumbed to *limpieza de sangre* statutes in 1482, Cisneros made sure that the university, which he himself founded and endowed, the renowned university of Alcalá de Henares, had no such *limpieza* restrictions. In a final irony, Cisneros confronted and crushed the venal and vicious Inquisitor Lucero of Granada; but then assumed the post of Grand Inquisitor himself from 1507 until his death, ten years later. Although proceeding at a slower pace than under Torquemada, nevertheless the Inquisition continued on the same road, under Cisneros.

The Inquisition came to haunt the lives of many of Spain’s greatest intellectuals and poets of the succeeding century. Yet their works lived among their countrymen—and live today—far above the Inquisition’s poor powers to defame or diminish. The case of Juan Luis Vives is exemplary. One of Spain’s greatest men of letters in the first half of the 16th Century, especially renowned for his writings on education, Vives spent his entire career outside of Spain. Born of Converso parents in Valencia, who continued to practice Judaism in secret, he was sent abroad by his father to study in Paris in 1509. His activities thereafter were based in the Low Countries. After Nebrija’s death in 1522, his fame was such as to win him an invitation to take Nebrija’s professorship at Alcalá. The reasons for Vives’ refusal are not hard to discover: in 1520, the Inquisition arrested his father as a Judaizer, and in 1524, burned him alive. Four years later, his long-dead mother was condemned posthumously, her bones disinterred and burned.

In the second half of the century, illustrious intellectuals of Converso—or just suspected freethinking—backgrounds, were targeted directly. These included Juan de Vergara, Fray Luis de León, and St. Teresa of Ávila. But each emerged with his work unblemished—even ennobled—from his ordeals. Ultimately, it was the deeper currents going back to the more promising features of Isabel and Fernando’s rule and the earlier period of Convivencia, which produced the exceptional Spanish diplomat Diego de Saavedra Fajardo, who led the Spanish side of the negotiations leading to the Treaty of Westphalia. This was the 1648 treaty which finally brought to a close, the *150 years* of religious wars, which had opened with Spain’s induced apostasy from the image of man projected by Cusa and the Council of Florence.

It was Miguel de Cervantes Saavedra, the inspired creator of Don Quijote and Sancho Panza, and possibly a very distant descendent of Conversos himself, who delivered the “true Spain’s” most enduring ironical rebuff to the heritage of Torquemada and the Inquisition. In his *entremés* (one-act “interlude” play), “The Pageant of Marvels,” Cervantes sets the theme of what later became the Grimm brothers’ story, “The Emperor With No Clothes,” in a small Castilian village of peasants and small town local officials. A travelling duo of con artists tell the townspeople that they can produce a most astounding series of marvels, but warn that “those of impure blood, of the blood of Jews” will not be able to see these miraculous events. Naturally, and hilariously, all the townspeople make asses of themselves, trying to outdo each other in exaggerated reactions to prove that they can see the non-existent “marvels.”

The *Quijote* itself is the outlet for Cervantes’ other slap in the face of the Inquisition which had destroyed the Spain of Convivencia. The “mirror” effect of Cervantes placing references to himself inside his own novel, and having Part Two of the novel comment on the public’s response to the publication of Part One, is all subsumed in the greatest “role reversal”



Queen Isabella and King Fernando are buried in Granada, Spain.

of all: the entire novel, Cervantes tells us, was written by one Cide Hamete Benengeli—in Arabic!

Afterword

The history of the changing historical and cultural treatment of the Inquisition in later times, is a vast subject of its own. Fast forward, however, to a snapshot of the “history of the history” in the first half of the 19th Century. There is a wonderful lesson here, of how an assortment of writers and historians in the newly formed American republic, directly took on Torquemada’s heirs, and rehabilitated the positive currents of Spain which had been swallowed in a propandistic Black Legend of Spain.

Joseph de Maistre, the man whom all subsequent Synarchist theorists revered as the seminal influence in their doctrines, led the reaction to the publication, in 1817-18, of the first detailed treatment of the Inquisition based on its own internal documents, Juan Antonio Llorente’s *Historia Crítica de la Inquisición*. Llorente’s vast work was translated into Italian in 1820, into Dutch a year later, into German and Spanish in 1823, and into English, in both British and U.S. editions, in 1826. De Maistre’s energetic defense of the Inquisition and the role of Torquemada, took the form of his *Lettres sur l’Inquisition*, published posthumously in 1822 and soon translated into a number of other languages.

The history of a fascinating publishing war is recounted by historian Edward Peters. Various records of the Barcelona Inquisition had found their way to Boston, Massachusetts, “where they were translated and printed by Samuel Goodrich in 1828 as the *Records of the Spanish Inquisition*. The United States had inherited the traditional Protestant views of the

Spanish (and generally Roman) Inquisition; . . . in 1825 the *American Quarterly Review* published a long and sophisticated anonymous review of the Madrid Spanish edition of Llorente’s *Historia Crítica*. Probably stung to retort by these publications, a Boston priest, T.J. O’Flaherty, published the first English translation of de Maistre’s *Letters on the Spanish Inquisition* in 1830. . . .”

This battle took place against the backdrop of an extraordinary florescence of U.S. scholarship on Hispanic topics, initiated a generation before by the earliest of notable U.S. Hispanicists—Benjamin Franklin!—and closely linked to the direction of thinking of John Quincy Adams’ Monroe Doctrine of the early 1820s. Unlike Teddy Roosevelt’s perverted “Gunboat Diplomacy” Corollary of almost a century later, Adams’ original conception sought to foster a “Community of Principle” among the then-emerging independent states of formerly Hispanic America, as a redoubt of republicanism against the reassertion of oligarchic principles from Old Europe.

In 1826, in the midst of John Quincy Adams’ presidency, William H. Prescott, inspired by his Harvard teacher George Ticknor, a leading scholar of Spain and notable conduit of the Göttingen education system of Germany into the U.S., began his deep exploration of Spanish history. From his pen poured a series of historical masterpieces, starting with his *Ferdinand and Isabella* in 1837 and concluding with the third volume of his history of Philip II just before his death in 1859. Excellent and highly readable history to this day, these works also showed a highly sophisticated understanding of Venice’s duplicitous role, in the tradition of Schiller’s *The Ghost-Seer* and James Fenimore Cooper’s *The Bravo*. Prescott wrote in

Ferdinand and Isabella, “Venice may be considered as the most formidable of the great powers. . . . No government in that age attracted such general admiration, both from natives and foreigners, who seem to have looked upon it as affording the very best model of political wisdom. Yet there was no country where the citizen enjoyed less positive freedom, none whose foreign relations were conducted with more absolute selfishness, and with a more narrow, bargaining spirit, savouring rather of a company of traders than of a great and powerful state. But all this was compensated, in the eyes of her contemporaries, by the stability of her institutions.”

In the same generation we should note Washington Irving, who served as U.S. ambassador to Spain and wrote the evocative *Tales of the Alhambra* to celebrate the Spain of Convivencia.

The greatest of U.S. historians of the Inquisition itself—a man whose work has been the basis of every serious study since—is Henry Charles Lea (1825-1909). He was born into one of the Philadelphia publishing families which was at the center of the republican cause in the period from Franklin to Lincoln, that of his grandfather, Mathew Carey. His uncle was the most outstanding American System economist and polemicist of the Lincoln era, Henry C. Carey. Lea, a self-educated man who started out as a scientist, had a breakdown as a young man caused by overwork, and took to historical research almost as a pastime. Although he didn’t retire from managing the family’s publishing house until 1880, he had already assembled most of his ground-breaking first major work, *A History of the Inquisition of the Middle Ages*, published in three large volumes in 1887. His crowning work was *A History of the Inquisition of Spain*, published in four large volumes in 1906-07. The last sentence of this monumental study brings us back to the lessons of Convivencia Spain, as so beautifully distilled in Lessing’s Parable of the Ring: “We must recognize. . . . that competition in good works is the most beneficent sphere of human activity.”

Suggested Reading:

On Spain’s joint Islamic-Jewish-Christian heritage (Convivencia): The two books, María Rosa Menocal’s *The Ornament of the World*, and Jane S. Gerber’s *The Jews of Spain: A History of the Sephardic Experience*, are unequalled and essential reading. Excellent shorter studies are *Andalusia, Gateway to the Golden Renaissance* by Muriel Mirak Weissbach in Vol. X, No. 3 (Fall 2001) of the quarterly of the Schiller Institute, *Fidelio*; and *Al-Andalus: the Melting-Pot Culture that Created a Renaissance* by Bonnie James (*Fidelio*, Vol. XIII, No. 3, Fall 2004).

On Nicholas of Cusa and the Council of Florence, see *Toward a New Council of Florence: ‘On the Peace of Faith’ and Other Works by Nicholas of Cusa*, translated and with an introduction by William F. Wertz, Jr. Also the special Cusa commemorative issue of *Fidelio*, Vol. X, No. 2, Summer 2001.

On Isabel and Fernando, William H. Prescott’s multi-volume *History of the Reign of Ferdinand and Isabella the Catholic* of 1837 is the best starting place, discerning and well-written. If it is difficult to find, the 1962 abridgement by C. Harvey Gardiner is adequate. Of modern biographies of Isabel, I prefer Peggy Liss’s *Isabel the Queen: Life and Times* to Vera Rubin’s *Isabella of Castile: The First Renaissance Queen*, but both 1992 volumes are superior history.

On the Inquisition itself: Edward Peters’ *Inquisition* combines a useful, if somewhat bloodless, overview of the sweep from the early medieval Inquisition to the end of the several branches of the Inquisition in the first half of the 19th Century, with outstanding and original research into the evolution of views of the Inquisition in later works of literature and history.

On the Spanish Inquisition and the expulsion of the Jews, Lea’s great work of the beginning of the 20th Century, *A History of the Inquisition of Spain* is well worth consulting but too lengthy and difficult to obtain for the average reader. Fortunately, two very recent single-volume studies are first-rate, and far eclipse the standard histories of the preceding 80 years. These are *The Spanish Inquisition: A Historical Revision* by Henry Kamen (the 1997 edition—don’t get his earlier work, which is superseded by this), and the contentious but superbly researched *Conversos, Inquisition, and the Expulsion of the Jews from Spain* by Norman Roth (the 2002 paperback edition has an extensive new Afterword which makes it superior to the 1995 original hardback version). *Don Isaac Abravanel: Statesman and Philosopher* by Benzion Netanyahu, Jabotinskyite “revisionist” historian father of recent Israeli Prime Minister Benjamin Netanyahu, is a useful study of one of the most fascinating and distinguished Jewish leaders of the period, who rose to the highest offices, in succession, of Portugal, Spain, and Naples, only to end his days in Venice, extolling the Serenissima Repubblica. Netanyahu’s later magnum opus, the 1,385-page *The Origins of the Inquisition* is unreadable, but worth consulting on specific issues and incidents. *The Expulsion 1942 Chronicles*, selected and edited by David Raphael, contains moving testimonies from the Jewish chroniclers of the Second Exodus, as well as useful excerpts from the principle contemporary Christian chroniclers of both Spain and Portugal.

No good biographies of Torquemada exist in English, but Thomas Hope’s 1939 *Torquemada, Scourge of the Jews* is not hopeless.

For the projection of the shadow of Torquemada into the modern world, the indispensable work is *Children of Satan*, by Lyndon LaRouche and collaborators, (issued by LaRouche PAC, 2004).

I wish to express deep appreciation of the research (unpublished ms. on the Trastámara Dynasty) and spirit of truth-seeking of Carlos Cota Meza, a friend whose much-lamented death in 2002 deprived me of a companion I would have wished with me on the journey of this work.

Napoleon at the Gates of Baghdad

by Steve Douglas

In the Summer of 1807, on the eve of his military onslaught into the Iberian Peninsula, Napoleon was arguably at the zenith of his power. The provisions of the Treaty of Tilsit had ended the War of the Third Coalition, and accorded him virtually total control over continental Europe. Russia, Prussia, and Austria all made their “peace” with Napoleon. Prussia was largely dismembered, deprived of all but a token army, and saddled with a huge indemnity to France, while Russia was brought into a series of agreements and understandings, both public and secret, which committed it to support Napoleon in his continuing conflict with Great Britain.

Napoleon was determined to close all European ports to British trade, and thereby bring Britain to its knees. With Russia, and what was left of Prussia joining Napoleon’s system, Portugal, Britain’s oldest ally on the continent, remained the only substantial point of access for British shipping on the mainland. Napoleon resolved to invade Portugal, and made arrangements with Spain, his years-long ally, to secure passage for his troops accordingly. According to the terms of the Treaty of Fontainebleau of Oct. 27, 1807, he was granted the right to garrison his troops in key cities in northern Spain, to protect the lines of communication and supply of his army which was to invade Portugal. In return, Napoleon pledged to Spanish Chief Minister Manuel Godoy—a thoroughly duplicitous character already on the French payroll—that Spain would be awarded southern Portugal (*sans* Lisbon, which the French would retain) as a new principality.

A 25,000-man French army under General Jean-Andoche Junot commenced its invasion on Nov. 19. By Nov. 30, Junot led 2,000 exhausted, but triumphant, troops into the capital city of Lisbon. The Portuguese royal family had evacuated the city, with aid of the British navy, just two days before Junot’s arrival. While Napoleon was disappointed that the Braganza royal family—together with their fortune—escaped his clutches, he was nonetheless pleased with the 300-mile forced march of Junot, insofar as it yielded him physical control of yet another country. No sooner did he have this nominal control of Portugal, than the insatiable Napoleon set his sights on Spain. There is perhaps no greater example of imperial arrogance, stupidity, and overreach in modern history. There was absolutely no compelling reason for him to do so!

Spain posed no threat whatsoever to Napoleon. Militarily



Napoleon’s romantic hubris is captured in this 1801 painting, “Napoleon Crossing the Alps,” by his court artist Jacques-Louis David.

speaking, its armed forces were regarded as incompetent, or mediocre at best. But, to be on the safe side, Napoleon insisted that a 15,000-man corps, which was deemed to be one of the most capable in the Spanish army, had to be deployed into north Germany, as an allied formation under the direction of the French Marshal Jean-Baptiste Bernadotte. Economically, Spain had been in bad shape for years. Henry IV of France had called Spain “a country where small armies are defeated and large armies starve.” Politically, the country was a squabbling, paralyzed mess. The King, Charles IV, was much despised by the people, as was his Chief Minister Godoy. Prince Ferdinand, the heir to the throne, was in constant conflict with both of them. Napoleon gleefully exploited the animosities and weaknesses of all three.

In February 1808, Napoleon proceeded to seize a variety

of Spanish towns and garrisons, without prior consultation with Godoy or other Spanish authorities. In the chaos that ensued, angry citizens rose in rebellion against Godoy and Charles IV, and blockaded them in one of their palaces. The King became so frightened, that he abdicated in favor of Prince Ferdinand, or Ferdinand VII. When the crisis passed, the King appealed to Napoleon to intervene and restore him to his throne. Napoleon was only too happy to “intercede” at the King’s request.

Napoleon could have ruled Spain efficiently through a Spanish caretaker—especially Ferdinand VII. But Napoleon’s monstrous imperial ego dictated that he install one of his own family members on the Spanish throne, even though the country had been his loyal and pliable ally for years. In reality, many Spaniards even welcomed the prospect of “regime change” away from Godoy and Charles IV, and were not unhappy at the prospect of Napoleon facilitating that. But when word leaked out on May 2, that Napoleon had issued arrest warrants for the remaining members of the Royal Family, an uprising erupted in Madrid to prevent their extradition by the French. Angry mobs killed as many as 150 French soldiers, and the French responded by killing at least three times that number of Spaniards in street skirmishes that raged thereafter. Martial law was imposed, and court martial teams sought out the leaders of the uprising, and brutally executed large numbers of “suspects.” While order was restored on the surface, rage against the French—seen only months before as possible liberators—grew to volcanic dimensions. Napoleon fueled it by forcing Ferdinand VII to abdicate and restore his father to the throne, only to have Charles IV immediately abdicate in favor of a Regency Junta supervised by Napoleon; it, then, on May 6, 1808, bestowed the Spanish Crown on Napoleon’s brother Joseph, at the time also King of Naples and Sicily.

Patriotic Resistance and Bailen

Napoleon was blind to the depth, breadth, and fury of the resistance he had unleashed. He wrote to his brother Jerome, shortly after the events of early May, commenting dispassionately, “There was an insurrection at Madrid on 2nd May. Two battalions of fusiliers of my Guard and four or five hundred cavalry put everything right.” Only slightly later, he declared that, “Opinion in Spain is taking the direction I wish; law and order is everywhere restored.”

There were two relatively distinct phases to the Spanish resistance that ultimately expelled Napoleon and his hated regime from Spanish soil. The first lasted from May to December 1808. It was characterized by a combination of deployments by the 200,000-plus man Spanish army, in the open field, against large French formations, coupled with complementary attacks from ambush by Spanish civilian/irregular forces on French military detachments, or even single French soldiers who wandered too far afield, as well as on Spaniards who collaborated openly with the French occupiers. The Brit-

ish expeditionary force that arrived in August also played an important role during this period.

The second phase began to take shape on Dec. 28, 1808, on the eve of Napoleon’s departure from Spain. On that date, the Supreme Junta of Spain, meeting in Cadiz in internal exile, in an effort to rally opposition to Napoleon’s onslaught, called for the creation of a “new kind of militia”—of *partides* or *guerrillas*—giving birth, thereby, to the little war” or “guerrilla warfare.” A decree of April 17, 1809 amplified that of Dec. 28, calling for “all-out struggle” on this new “guerrilla warfare” front. This phase of the anti-French resistance assumed a character very much like the character of the insurgency in Iraq today. It had strong religious, patriotic, and anti-French elements to it, and was conducted with a sense of remorseless, murderous fanaticism. It was devastatingly efficient. It has been estimated that the number of guerrilla/insurgents never numbered more than 35,000 to 50,000 combatants at any given point in time, between 1809 and 1814. Yet, their deft collaboration with Sir Arthur Wellesley’s 30-40,000 man British expeditionary force, and the Spanish and Portuguese “regular” army forces that were attached to it (that never exceeded a total strength of 25,000), proved sufficient to tie down from as many as 340,000 (!) French troops in 1810, to as few as 200,000 in 1812, after Napoleon had siphoned off tens of thousands of soldiers for his ill-fated campaign against Russia.

Less than four weeks after he had his brother Joseph crowned King of Spain, patriotic resistance against the French occupation was spreading like wildfire. By the end of May 1808, the pro-French governors of Badajoz, Cartagena, and Cadiz had been assassinated. At the same time, three provincial juntas—in Valencia, the Asturias, and Seville—began to raise armies of Spanish patriots, for the purpose of expelling the invaders. The junta of Seville issued an appeal to Great Britain for aid, and the British dispatched both naval and land forces.

Still, Napoleon persisted in his imperial blindness. On June 9, 1808, he wrote to his former Foreign Minister Talleyrand, asserting that the arrival of his brother Joseph “will bring about the dissipation of all these troubles, raise everybody’s spirits and lead to the universal re-establishment of law and order.” When, however, the various French generals Napoleon had deployed in different theaters, met with relatively little success in their efforts to quell the rebellion, he began to shift his thinking. He turned his attention to the capital, saying, “The object of all our efforts must be to hold Madrid—everything is there.”

Meanwhile, the conflict was becoming more ugly by the day, with growing instances of atrocities and counter-atrocities. The French Commander Castellan reported: “Our men did not want to take any prisoners. They said, ‘These men are brigands—they kill us when we march alone.’” General Dupont, who had been dispatched with a corps of 23,000 men to pacify Andalusia, further inflamed the ire of the Spanish,



This is an artist's rendition of Spanish men surrendering to Napoleon after his conquest. Napoleon lived to regret this adventure, which cost him 180,000 men.

when his forces sacked the town of Córdoba. Thousands of peasants flocked to General Francisco Castanos' 30,000-man "Army of Andalusia," vowing revenge against the French.

They proceeded to exact their revenge in short order, and in a most spectacular way. General Castanos capitalized on some bad decision-making by General Dupont, and defeated him at the Battle of Bailen on July 21, 1808, whereupon Dupont surrendered his 18,000 troops. This represented the first defeat of a sizeable French military force, since Napoleon's ascension to power in 1801.

News of the French battlefield disaster spread at lightning speed throughout Spain, and all of Europe. The myth of French invincibility was punctured! The anti-Napoleon political factions in Prussia and Austria rode the wave of dizzying optimism engendered by the French defeat in Spain, and launched new efforts to forge an effective coalition against Napoleon's empire. Freiherr vom Stein, the great leader of the Prussian Reform Movement and Chief Minister of the Prussian government in 1808, spoke of the sense of excitement that the success of the Spanish resistance against Napoleon had unleashed:

The popular war which had broken out in Spain and was attended with good success, had heightened the irritation of the inhabitants of the Prussian state caused by the humiliation they had suffered. All thirsted for revenge; plans of insurrection which aimed at exterminating the French scattered about the country, were ar-

ranged; among others, one was to be carried out at Berlin, and I had the greatest trouble to keep the leaders, who confided their intentions to me, from a premature outbreak. We all watched the progress of the Spanish war and the commencement of the Austrian, for the preparations of that power had not remained a secret; expectation was strained to the highest point; pains were necessary to moderate the excited eagerness for resistance in order to profit by it in more favorable circumstances.

In late August 1808, Napoleon's secret police intercepted a letter from vom Stein to Prince Wittgenstein, requesting financial aid for secret Prussian war preparations against Napoleon, that were being timed to coincide with similar preparations underway in Austria. Napoleon issued an arrest warrant for Stein, and Stein was unable to set foot

again in Prussia, until late 1812. In a bit of historical irony that most likely did not escape Napoleon, vom Stein accepted Czar Alexander I's offer to become his advisor in March 1812, from which position he helped ensure Napoleon's defeat in the depths of the Russian Winter later that year.

The Pope, on his part, seized the moment of the French defeat at Bailen to publish a strong denunciation of Napoleon. This had a profound impact on the staunchly conservative Catholic population of Spain, by infusing the resistance to Napoleon with a substantial added degree of religious fervor. There had been growing tensions between Napoleon and the Papacy, almost from the moment of the signing of the Concordat. At one point, Pope Pius VII had even threatened Napoleon with formal excommunication from the Church, if he did not abandon some of his more egregious demands against Rome. A furious Napoleon ranted to his brother, "Does the Pope think that the rights of the throne are less sacred than the tiara? They wish to denounce me to Christendom—the madmen! The Pope who takes such a step will cease to be a Pope in my eyes. I shall consider him an Antichrist."

The importance of the religious component in the opposition can hardly be overestimated. It was not without reason, that an embittered and enraged Napoleon later derisively referred to the Spanish insurgency against him as "bandits led by monks." Many in the Spanish insurgency saw him as a pagan infidel—or even the Devil. A French observer characterized the situation as follows: "Comparing the occupation of its country to the Moslem invasion, the mass of the people,

urged on by the clergy, waged a merciless war against our soldiers. In a nightmare country, surrounded by hostile nature, faced by the passionate and cunning hatred of the inhabitants, stirred up by the first national war sustained by a people for its legitimate defense, the French soldiers were . . . enduring constant privations and hardship.”

Napoleon’s Redeployment

In the aftermath of Bailen, things went rapidly from bad to worse for Napoleon. His brother Joseph, who had only finally arrived in Madrid on July 20, 1808, immediately evacuated the town. He relocated far to the northeast, almost within the shadows of France, behind the Ebro River. Napoleon was none too pleased with his hasty and long retreat. He

became even more unhappy with events unfolding in Portugal. A 14,000 man British expeditionary force under the command of Sir Arthur Wellesly (the later Duke of Wellington) landed at Mondego Bay in early August. From Aug. 15 to 21, Wellesly inflicted a series of defeats and setbacks on General Junot, as he advanced on Lisbon. After Junot was routed at the Battle of Vimiero, he and Wellesly’s superiors signed the Convention of Cintra on Aug. 22, according to which Junot and his 26,000-man army had to evacuate Portugal. News of yet another massive French defeat rocketted throughout an astounded and excited Europe.

Napoleon resolved upon two courses of action to remedy the situation. First, he decided to redeploy 200,000 of his most seasoned troops from central Europe into Spain, in order to

The Beastman With The God Complex

Adolph Hitler’s “crown jurist” Carl Schmitt wrote, in glowing terms, of the philosophical outlook of Joseph de Maistre, whose works inspired the real-live “Beastman” Napoleon Bonaparte:

De Maistre spoke with particular fondness of sovereignty, which essentially meant decision. To him, the relevance of the state rested on the fact that it provided a decision: the relevance of the Church on its rendering of the last decision that could not be appealed, and the infallibility of the spiritual order, was of the same sovereignty of the state order. The two words *infallibility* and *sovereignty* were “perfectly synonymous.” To him, every sovereignty acted as if it were infallible, every government was absolute. . . . De Maistre asserted . . . that authority as such is good, once it exists: “Any government is good, once it is established,” the reason being that a decision is inherent in the mere existence of a governmental authority, and the decision as such is in turn valuable precisely because, as far as the most essential issues are concerned, making a decision is more important than how a decision is made. “It is definitely not in our interest that a question be decided in one way or another, but that it be decided without delay and without appeal.” In practice, not to be subject to error and not to be accused of error were for him the same. The important point was that no higher authority could review the decision. (emphasis added)

This was most certainly the outlook of Napoleon, as he made the decision to launch a completely unnecessary and groundless invasion of Spain. It is also the outlook of de Maistre’s bloody executioner, the beast who is the “bond of human association” and the agent of de Maistre’s perverse notion of “sovereignty”: “All greatness, all power, all subordination rest on the executioner. He is the terror and the bond of human association. Remove this mysterious agent from the world, and in an instant, order yields to chaos: Thrones fall, society disappears. God, who has created sovereignty, has also made punishment; he has fixed the Earth upon these two poles.”

After he became First Consul of France, Napoleon had his Aug. 15 birthday declared to be a new religious holiday, the Feast of St. Napoleon. And after he became Emperor, Napoleon had the catechism for French children rewritten to encourage their worship of him:

Q. What are, in particular, our duties towards the Emperor, Napoleon?

A. We owe him love, respect, obedience, fidelity, military service, all the contributions ordered for the defense of the Empire and throne, and fervent prayers for his welfare and the prosperity of the State.

Q. Why are we bound to show these duties towards the Emperor?

A. *Because God has established him as our Sovereign, and has rendered him His image here on earth, overwhelming him with gifts in peace and war. To honour and serve our Emperor is, therefore, to honour and serve God himself*” (emphasis added).

Notwithstanding this rewriting of the catechism on Napoleon’s behalf, the dictator still lamented his inability to declare himself the son of God! Yet this did not prevent him from acting his “God-complex.”

substantially upgrade the caliber of his troops and commanders there. Second, he concluded that he would have to lead the campaign in Spain, personally, “I see that everybody have lost their heads since the infamous capitulation of Bailen,” he said. “I realize that I must go there myself to get the machine working again.”

In an effort to secure his exposed and now weakened positions in central Europe, Napoleon convened a meeting with Czar Alexander I at Erfurt in late September. A desperate Napoleon sought assurances from Russia, that it would keep Austria in check while the French dictator was tied up in Spain. The Czar, recognizing that Bonaparte had almost no leverage, drove a hard bargain and gained various concessions with respect to Prussia, the Balkans, and Scandinavia. How much things had changed since Tilsit, a scant 15 months earlier; and all because of Napoleon’s insatiable imperial appetite and God complex-driven ego!

On Nov. 7, 1808, Napoleon launched a month-long series of battles and maneuvers that brought him into Madrid. Another month of fighting ensued before he returned to France in mid-January 1809, never to return again to Spain. While it can be said that Napoleon succeeded in restoring his brother Joseph to his palaces in Madrid; that he bested the ill-organized and ill-coordinated Spanish armies that he met on the field; and that, as a consequence, France occupied most of northern Spain; there was, at the same time, an extraordinary and ominous down-side to his Spanish battlefield successes. He lost close to 75,000 men in less than a year of conflict there. As 1809 dawned, no less than 270,000 of Napoleon’s best troops—a full 60% of the Empire’s total armed forces—were tied up in the Peninsula. Worse, Napoleon’s aura of invincibility and infallibility had been badly tarnished, if not irremediably damaged. But the worst for Napoleon in Spain was yet to come: five years of insurgency (guerrilla warfare) for which Napoleon, for all of his battlefield brilliance, had no antidote. Furthermore, it should be noted that many of the soldiers of defeated and disbanded regular Spanish army formations, migrated to become potent “irregular” participants in the insurgency against the occupation, much like members of the Iraqi army did after it was imperiously disbanded by Paul Bremer and the Occupation Authority in 2003.

Napoleon had brashly stated before his assault on Spain, “If I thought it would cost me 80,000 men, I would not attempt it [to seize Spain], but it will cost me no more than 12,000.” By the time Napoleon’s forces were finally expelled from Spain, over one quarter of a million French soldiers had lost their lives!

Geographic Factors

No doubt one reason Napoleon thought that he could summarily suppress the Spanish insurrection against him, was because he had successfully squashed earlier revolts in northern Italy and Calabria, in southern Italy. In fact, even as late

as October 1808, as he was preparing to take the field against the Spanish, he promised his brother (King) Joseph, that the 200,000 veteran troops that he would lead into battle in Spain would see to it that, in the entire country, “there will not be a single village in revolt.” But Spain, unlike Calabria or northern Italy, represented an entire nation—not merely a region or small principality—with a long and storied history. And, whereas Calabria comprised barely 8,000 square miles, and the northern Italian areas in revolt only 16,000, the Spain in revolt against Napoleon was nearly 200,000 square miles in dimension. Just as the Prussian Reformers prevailed upon Czar Alexander I to lure Napoleon into the depths of Russia to his doom, trading “space for time,” the insurgents in Spain capitalized on “space in time,” to force Napoleon to fight a “people’s war” on a scale that vastly exceeded any of his prior experiences. Where French burning and pillaging of selected villages, coupled with the torture of numbers of their inhabitants, had proven sufficient to force the smaller domains in revolt in Italy to capitulate, French acts of wanton destruction in the vast recesses of a devoutly religious Spain, made up of fiercely independent regions, actually tended to fuel and expand the insurgency.

Moreover, not only was Spain much larger than Calabria or the relevant part of northern Italy, its terrain was much more foreboding. It was rugged, barren, and mountainous, with very few roads; ideal country for small-unit ambush actions of the sort conducted so effectively and murderously by the insurgency.

As the insurgency spread in 1809, it rapidly made Spain into a true “hell on earth” for the hated French occupiers. King Joseph’s military adjutant, General Bigarré, evaluated the situation as follows: “The guerrillas . . . caused more casualties to the French Armies than all the regular troops during the whole course of the war in Spain; it has been proved that they murdered a hundred of our men daily. Thus, over the period of five years, they killed 180,000 French soldiers without on their side losing more than 25,000.”

It was not just the horrible death toll the insurgents wrought upon the French which was disconcerting—it was the means by which they did it. General Mathieu Dumas wrote about the insurgents: “These men are brigands; they kill us when we march alone. I shall always remember how I was afflicted with great anxieties; every day I saw the murder of several French men, and I travelled over this assassins’ countryside as warily as if it were a volcano.” Marshal Suchet observed, “This new system of resistance defended the countryside more effectively than a war regulated by disciplined armies, because it conformed to the localities and the character of the inhabitants.” A frustrated but insightful General Gouvion St. Cyr wrote about this new form of warfare: “Ready for all sacrifices, free from ‘soft’ needs or prejudices . . . they formed irregular corps, chose their leaders, operated by whim, attacked anywhere that numbers or conditions favored them, fled without shame when they were not the

strongest, and disappeared by a combined dispersion. . . . In the long term, such a system of implacable hostility must suffice to destroy the most numerous and valiant of armies, obliged as they were to fritter their strength away in mobile columns and convoy escorts.”

Colonel de Grandmaison spoke of the fiercely psychologically unsettling characteristics of this type of conflict:

The Spanish employed this means with an energy, an animosity and such constancy that only victory could crown. . . . The system certainly contributed to the final success of the war of independence, which would never have been achieved by regular armies. It was the unleashing of passion, the forgetting of the laws of humanity, the repudiation of military rules of discipline, the scorn for authority, the unbridled satisfaction of pride. Customs, the climate, and fanaticism inspired the methods of a merciless resistance—ferocious in the mountains, more feeble on the plain. Yes, really a war to the death, for to kill the enemy became the general aspiration, the brutal goal pursued unceasingly wherever there was hope of its achievement: in the silence of the night, in the shelter of a house, in the repose of one’s bed, in a corner of the woods, at the turning of a pathway—unexpectedly—through a hedge, behind a rock, on the highway—just as on the field of battle.

Napoleon’s secretary Bourienne reflected on the disquieting aspects of the Peninsular Campaign as early as December 1807, when, writing about General Junot’s (successful) invasion of Portugal, he noted: “Many men met their deaths through sheer misery—or at the hands of the peasantry.”

In a lecture delivered in 1987 at Southampton University in England, drawing upon a presentation he had made at the U.S. Army Staff College in Fort Leavenworth in April 1985, David Chandler characterized the French dread of an assignment to Spain as follows: “There are clear indications that French soldiers came to regard orders for Spain from 1810 onwards with as much enthusiasm as a member of the Wehrmacht received a posting order to the Eastern Front in 1943-44. In other words, it became regarded as very much of a ‘one-way ticket.’ ” Such was the psychological hell the insurgency created.

Logistical Hell

The insurgents, as coordinated and supplied by the British expeditionary force’s commander Wellesly, wreaked havoc on the efforts of French garrisons and field units to communicate and coordinate with one another. The only reliable means of communication was via human courier, in those days, prior to the invention of the telegraph. As of the late Summer of 1808, an escort of 200 (!) cavalry was required to secure the safe passage of a single courier, from one French military base or formation to another; and even that number provided

no guarantee of success. By 1813, couriers on the “Royal Road” had to be accompanied by 1,000 cavalry! It is estimated that, by late 1812, the French had to deploy 90,000 troops—almost one-third of their total strength in Spain—just to keep the Burgos to Bayonne arterial road open!

When the French resorted to using multiple couriers carrying copies of the same message, in the interest of ensuring that the message reached its desired destination, they only compounded their problems. First of all, double, triple, or quadruple the amount of manpower had to be deployed for security escorts. And secondly, the possibilities of the insurgents intercepting the messages were multiplied two, three, and fourfold, correspondingly. As a consequence, Wellington was the beneficiary of fantastic amounts of intercepted military intelligence, which he used to great advantage. He was well aware of his distinct advantage in this critical realm: “The French armies have no communications, and one army has no knowledge of the position or of the circumstances in which the others are placed, whereas I have knowledge of all that passes on both sides.”

The difficulties that the French experienced in their efforts to communicate with one another, were compounded manyfold when it came to questions of food supply. Because the peasantry was generally implacably opposed to the French, and the country was so barren and ruled by the insurgency, the French could not forage to supply themselves, as they did in central Europe. This meant that major supply convoys, which required huge military detachments to protect them, had to be organized.

A bloody and fanatical campaign was waged by the insurgents against those who were known, or simply suspected to be collaborators of the French occupation forces. Torture, garotting, and burning at the stake were among the various forms of punitive terror that were employed. It is estimated that approximately 30,000 Spanish collaborators met their deaths at the hands of the insurgency—from aristocrats to ordinary townspeople. Their gruesome deaths were meant to discourage others; and judging from the way events unfolded, the message clearly registered.

Another way in which the insurgency’s displeasure with the collaborators of the French occupation was expressed, was its silence in the wake of the British army’s massacre of as many as 4,000 Spaniards, following its seizure of the fortress city of Badajoz in April 1812. Apparently, the Spanish population of Badajoz had been deemed to be excessively friendly and cooperative with the French occupation, and therefore did not merit avenging, in the eyes of the insurgents. As was recounted by the British historian Napier, in his *History of the Peninsular War*: “There now developed a scene of hideous crimes which tarnished our soldiers’ shining heroism. It is true they did not all show themselves the same, for hundreds of them risked—and even a few of them lost—their lives in trying to halt such unbridled violence. But madness prevailed generally, it must be said, and



¡No valen!

Spanish painter Francisco Goya's *Caprichio* etchings on the Disasters of War were based upon Spain's experience under Napoleon's invasion.

as in such cases, the worst species of men lead the others. All the most detestable passions of human nature gorged themselves in broad daylight: a rapaciousness without shame, a brutal intemperance, a savage lewdness, cruelty, murder . . . that was the spectacle offered by the streets of Badajoz for two days and nights."

Wellington and the Insurgents

While much has been made of Wellington's battlefield exploits in the Peninsular War, his real wisdom, to the extent that it was manifested in this campaign, was expressed in the imaginative and effective methods of coordination and collaboration that he developed to cement his potent working relationship with the insurgents. He had the insight to recognize that the insurgency was the key to victory: Without its countrywide menacing presence, he would have been quickly run off the Iberian peninsula. With it, the French were forced to disperse their troops in garrisons all over the country, to respond to the insurgents' many attacks. They were robbed of the ability to effectively concentrate their vastly larger forces against Wellington's small army. Wellington, backed up by the British navy, kept the various independent bands and networks of insurgents well-stocked with money, weapons, ammunition, and other vital supplies that were necessary to sustain their operations.

The strategic and operational intelligence about French troop movements and deployment plans, with which the insurgents continuously supplied Wellington, saved his neck on more than one occasion. After the Battle of Talavera, for

example, in July 1809, Wellington was marching his 18,000 man force toward what he believed would be a surprise attack on a 10,000-man French contingent. A dispatch from the French commander which was intercepted by the insurgents revealed, however, that the French troop strength amounted to 50,000, not 10,000 men. Armed with this intelligence, Wellington was able to beat a hasty retreat, and avoid the crushing blow that the French had prepared for him.

From 1809-1812, Wellington maintained a fundamentally defensive posture against the French invaders. The insurgency played an especially important role in 1810, when it stood largely alone against Napoleon's forces in Spain: Wellington was bottled up in Portugal, and Napoleon, after his victory over of the Austrians was memorialized in the form of the Treaty of Press-

burg, dispatched reinforcements to Spain that swelled the number of French troops to 340,000! By 1812, however, the strategic dynamic began to shift. In that year, as Napoleon redeployed tens of thousands of troops from the Iberian peninsula to eastern Europe for his Russian campaign, Wellington finally went over to the strategic offensive. The process of the expulsion of the French occupation was irrevocably underway.

'The Spanish Ulcer'

The price Napoleon paid for his ill-conceived Spanish venture was truly staggering. His Spanish gambit produced so much bleeding, over so many years, in the diplomatic, military, financial, and political realms of his empire, that a number of historians have taken to referring to it as "the Spanish Ulcer." While it, in and of itself, did not bring down Napoleon's empire, it nonetheless immeasurably weakened the Napoleonic system as a whole, rendering it ripe for collapse. Perhaps it is only fitting that the Duke of Wellington, of "Spanish Ulcer" fame, presided over Napoleon's final defeat at the Battle of Waterloo in 1815.

It was the insurgency that kept the "Spanish Ulcer" bleeding. It was Napoleon's imperial arrogance which gave birth to the insurgency, as surely as his awesome military might could not extinguish it. As was noted earlier, at the end of his life, Napoleon, in a moment of truthful reflection, said of his undoing in Spain, "I embarked very badly on the Spanish affair. . . . The immorality of it was too patent, the injustice too cynical."

Earth's Next Fifty Years

The release of Lyndon LaRouche's new book, *Earth's Next Fifty Years*, on March 22, comes precisely at the moment when world leaders, including many within the United States, are looking in dismay at the stunning collapse of the world economy, and the fact that "no one is home" in the Bush Administration, on economic policy, in particular. LaRouche provides the ideas which are needed to save the world financial system, fundamentally challenging those who have succumbed to the false axioms of the current economics and business professions.

Most of the offices of the U.S. Senate and the House of Representatives received copies of this book this last week, at the hands of the LaRouche Youth Movement. And it is sure that over the next weeks, the book will find its way into the hands of leading policy-makers in capitals around the world as well.

LaRouche has timed the publication of this book with a crucial inflection point in the political battle in the United States, as well as the world economic collapse. Nearly all political sources, Republican and Democrat, are pointing out that the leading economic thrust of the Bush Administration, Social Security privatization, is for all intents and purposes, dead. But the death of the scheme to steal Social Security funds, necessary as it is, will not put the United States on the road to recovery. It simply clears the political decks for the serious discussion.

That discussion is what LaRouche presents in this book, by concentrating on the conceptions which have been abandoned since the days of President Franklin Delano Roosevelt's New Deal and Bretton Woods. Those conceptions proceed directly from the most profound scientific understanding of universal physical principles, and the *powers* which a mastery of these principles permits mankind to exercise in and over the universe. Many readers will chafe and complain about the difficulty of the concepts which LaRouche is demanding they master, but the alternative to facing the question of scientific and economic method, is, in fact, the destruction of the human race for centuries to come.

It's worth taking a moment to review just what murderous results the abandonment of FDR's principles has wrought.

- At least 1.5 billion people on this planet have no access to electricity.
- At least 2 billion people on this planet make less than \$1 a day, and are deprived of a secure food supply.
- The continent of Africa is now seeing a decline in life expectancy down to the level of less than 40 years of age.
- The means for reversing these crises—the high-technology agro-industrial capabilities and skilled manpowers of the "industrialized" sector—are being wantonly destroyed in the United States and Western Europe.

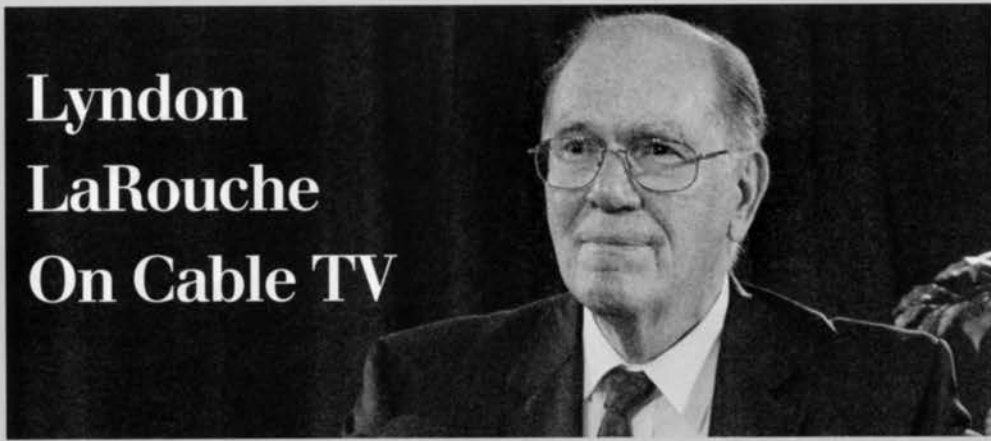
If one looks at these physical results of economic policy over the last 40 years, can there be any doubt that our economic establishment stands condemned as disastrously flawed? Can there be any doubt that the correction of the systemic failures in policy, from the top down, over this same period, is required immediately?

What is clear is that a reform of our financial system, to bring it into a condition where it will once again serve the ends of promoting the physical improvement and well-being of mankind, is long overdue. It is equally obvious that such a reform cannot take place without a change in policy in the United States of America, away from the fascist policy thrust that began in 1971, and is now moving toward being consolidated today.

As an American, and as the world's leading economist, Lyndon LaRouche is uniquely positioned to lead this change. He has devoted himself passionately to educating leaders throughout the world, but especially in the United States, so that they can act on the crisis in time to prevent the imposition of global fascist policies. On April 7, he will hold an international webcast devoted to the changes in the world financial and economic system which are needed to stop disaster. Between the webcast, and LaRouche's new book, the solutions to the crisis will be on the table.

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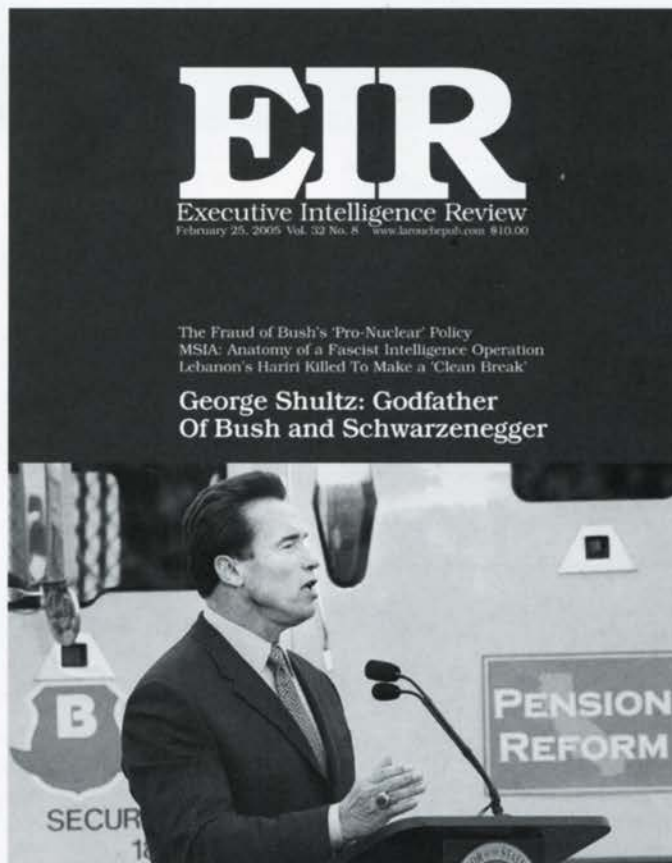
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