

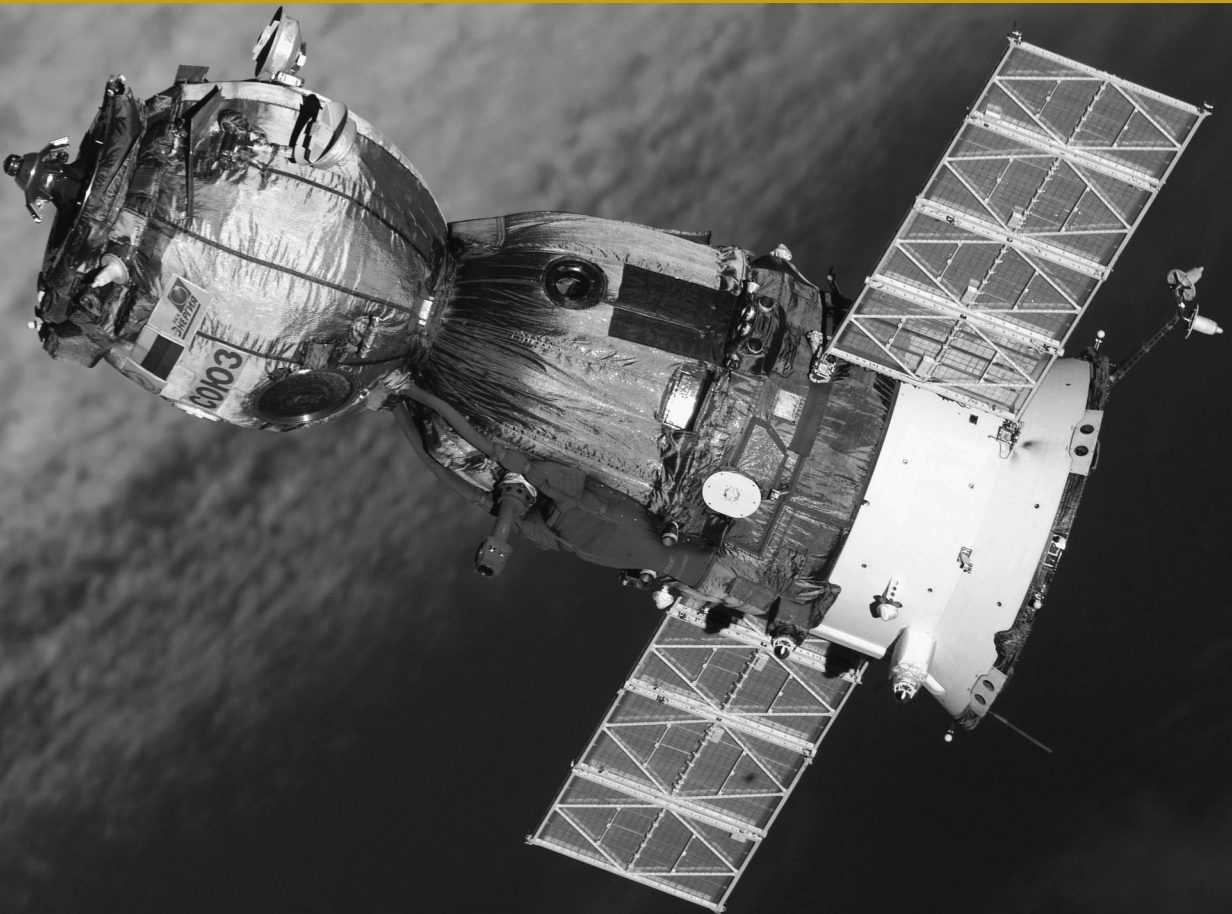
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Russia's Role in a Recovery**



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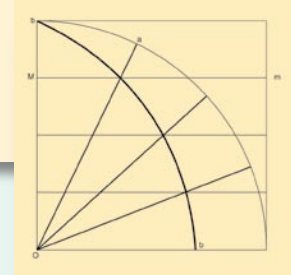
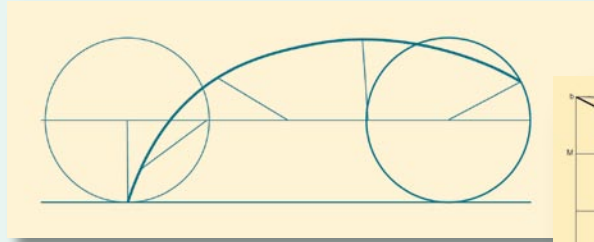
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Thousands of direct chemical measurements of CO₂ concentration in the atmosphere since the mid-19th Century show that the current claim of human-induced CO₂ increase is a willful fraud.

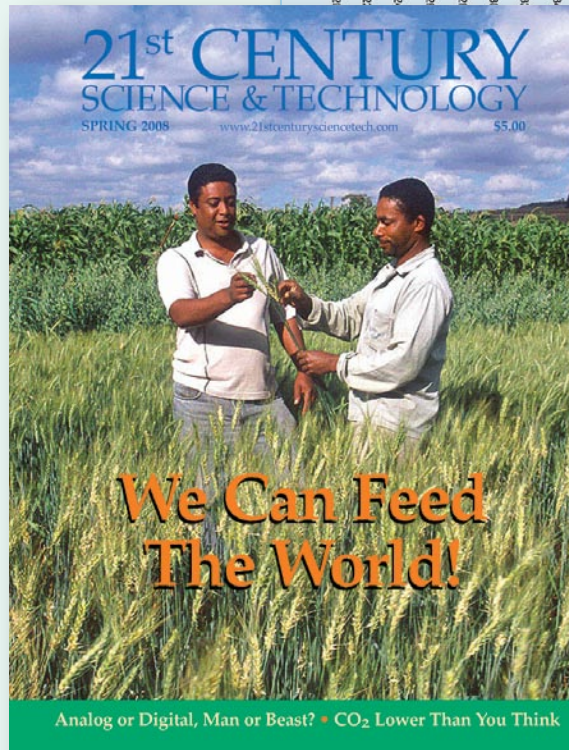
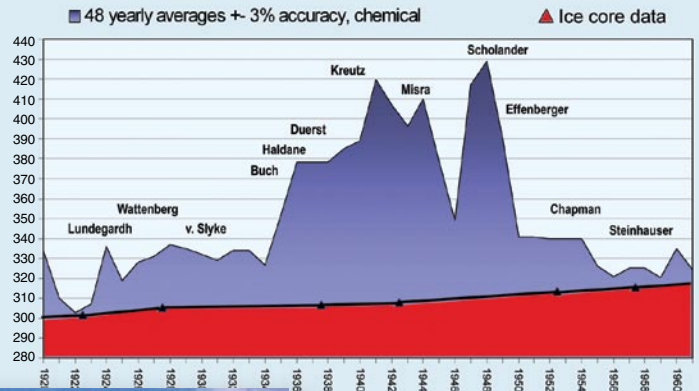
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EIR

From the Managing Editor

The nomination of Senator Obama, wrote Lyndon LaRouche on Aug. 29, as combined with the prospect of the nomination of Senator McCain, “has settled almost nothing, other than the fact of those nominations themselves.” The world is still faced with both the threat of thermo-nuclear war, and the greatest financial-economic crisis since the 14th Century. (See *National* for his statement.)

Helga Zepp-LaRouche surveys the world strategic situation, in which British-sponsored pawns are playing a geopolitical chess game of whose danger most of them seem to be blissfully unaware. From Dick Cheney to Joe Biden, official Washington is lining up to bash the Russians, who did what any informed person knew they would do: They drew a line against provocations along their borders. They drew it in South Ossetia, following the Georgian assault on that territory. If the Anglo-Americans continue to press them, they will act again, most likely with asymmetric warfare.

John Hoefle reports on what’s behind U.S. government agencies’ promises that they will “guarantee” bank deposits and other paper: *nothing!* The system is gone, and not even a tissue of lies can cover the hole where it once was.

In this hair-raising strategic context, LaRouche addresses the Russians in our *Feature*, telling them what *they* need to know, to help steer a way out of the crisis. Read it as if over the shoulder of a Russian patriot, perhaps one of those who has been invoking Franklin D. Roosevelt, his New Deal, and America’s wartime cooperation with the Soviet Union.

LaRouche emphasizes that “we must, first, dispose of a widespread ignorance of the implications of the strategic conflict between the Bretton Woods System as it had been intended by President Franklin Roosevelt during the 1944 Bretton Woods conference, the conflict between Roosevelt’s *anti-imperialist credit-system*, and the opposite, pro-imperialist intention expressed under that scoundrel President Harry S Truman, during the years which followed.” Russian economists are not the only people who have yet to grasp the crucial difference between the Keynesian, monetarist model, supported by Truman, and Roosevelt’s completely different intention. As an appendix to LaRouche’s analysis, we include FDR’s own message to Congress on the Bretton Woods plan.



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Russia's Soyuz spacecraft departs from the International Space Station, April 2006.



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Russia's Role in a Recovery

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There is no shortage of “guarantees” to depositors — from the Federal Deposit Insurance Corporation (FDIC), the Federal Reserve, and the Federal Home Loan Banks — but none of these players actually has the money it needs to satisfy those guarantees, in anything approaching a worst-case scenario.

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62 After the Democratic Convention: LaRouche PAC Takes Leadership of the Nation in Crisis

“The nomination of Senator Barack Obama,” wrote Lyndon LaRouche, “as combined with the prospect of the nomination of Senator John McCain, has settled almost nothing, other than the fact of those nominations themselves.” Hence the indispensable role of LaRouche PAC will increase in the weeks ahead, to provide leadership that is otherwise sorely lacking.

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NEW BRETTON WOODS:

Russia's Role In a Recovery¹

by Lyndon H. LaRouche, Jr.

August 20, 2008

A fraudulent representation of the Franklin Roosevelt Bretton Woods system was recently launched at Modena, Italy, by a pair of seasoned turn-coats, Jonathan Tennenbaum and Paolo Raimondi. The targets of their fully intended fraud included both important Russian scientists and notable Italian political figures. That pair of hoaxsters, who had gone over to the proverbial "other side" during recent years, represented a small, London-oriented circle of hoaxsters which have put themselves out for sale in search of hire and fame to be supplied by British Euro-oligarchical intelligence circles. The method by which that pair of hoaxsters perpetrated their fraud on the Russian and other guests, was passing themselves off, flagrantly, by representing themselves as being currently associated with me.

A significant number of participants in that Modena event have since expressed shock at discovering that fraud perpetrated upon them by the particular rascals Tennenbaum and Raimondi. The following report will serve, hopefully, as some compensation to them for the embarrassment which they suffered at the hands of that pair of hoaxsters.

Otherwise, the subject of the following pages of this report, has been posed to me by the way in which the relevant Russian participants, even including some prominent ones, were targeted for disinformation. The remedy for that abuse which they suffered on that account, is provided in the following pages, as a correction for the lack of understanding of Roosevelt's actual Bretton Woods reform shown by the event's organizers. This

1. In part, the content of this publication overlaps the discussion in my recent June 12, 2008 "The Economic Debate About Russia" *EIR*, July 4, 2008. That earlier report should be referenced for its treatment of the historical background for the same economic issues during the 18th and 19th Centuries.



President Franklin Roosevelt intended to establish a new world order, at the end of World War II, based on the principle of Westphalia. His intention to eliminate all forms of imperialism, and to bring Russia into the community of nations, made Churchill apoplectic; FDR's plans were scrapped by his successor, Anglophile President Harry Truman. Stalin, Roosevelt, and Churchill are shown here at the wartime Tehran Conference, November 1943.

correction by me will fill a gap in the knowledge of this matter among those present-day European policy shapers who were born after the close of the 1939-1945 general war. The object here is to make known the actual requirements for a present-day equivalent of the proposal which President Franklin D. Roosevelt initiated at the 1944 Bretton Woods conference.

The particular source of difficulty for some relevant Russian specialists, in particular, has been that they have often been victims of the errors of assumption of the type which might be expected as the net effect of an earlier, pro-Marxist indoctrination in the British imperialist monetary dogma of Adam Smith. Similarly, most Europeans of today, therefore tend to resist a competent understanding of the actual intention of President Franklin Roosevelt, and are not informed of the relevance of that Leibnizian science of physical economy

which underlies the design of the Hamiltonian credit-system on which President Roosevelt's intentions had depended.

It is therefore important that these matters be clarified by me, not only for the benefit of Russians, but also most other patriotic Europeans, and also prominent North and South Americans of today. Economics is the one subject which is outstanding in the respect that everyone practices it, but almost no one in government around the world today has an actual understanding of what it is, in its effect, that they are actually practicing.

**Foreword:
The Dollar Is Still Mighty**

But, not almighty.

The clearest example of the need for the kind of reform of the presently, hopelessly bankrupt world monetary-financial system which the world needs today, is to be recognized in the immediate problems which the recent collapse of the U.S. dollar represents for China. It is a China without whose participation no successful reform of what is the already bankrupt world system, could be managed by any part of the world at this time.

Simply restated, that challenge to be faced in capitals around the world today, is: "What about the U.S. dollar-denominated debts to China?" Without a system of parity based on approximately current physical content of U.S. dollars held as claims by China, no successful recovery from the present world economic breakdown-crisis would be possible. Without a reform of the type which requires the kind of cooperation I have specified for the initiation by the U.S.A., Russia, India, and China, there is no possibility of avoiding an already onrushing plunge of the planet as a whole, into a prolonged new dark age of all humanity.

Furthermore, while it were desirable that any among Russia, China, India, and other nations would press the United States to initiate the New Bretton Woods reform which I have proposed, it is absolutely indispensable that that reform in international institutions actually be initiated as a proffer from the U.S.A. The reasons for

that indispensable role of the U.S.A. lie, not only in the fact that “dollar” means “the big debt of the world system;” it also means, that only the U.S.A. Constitution provides the mechanism readily at hand by which a needed quality of New Bretton Woods system could be actually launched as an international treaty organization.

The obvious sort of likely objection to what I have just said, would be expressed by the question: “What if the U.S.A. were not to utter such an offer?”

Even if proposals for a “New Bretton Woods” from Russia, China, and India, could not be successful without U.S. concurrence, the making of those proposals *in the spirit of the Westphalian principle*, by those and other nations, will have a powerful, perhaps indispensable effect in pushing the U.S.A. toward launching the required initiative for joint action.

The only competent reply to that question which many might pose, would be, that the failure to push through this reform now, would mean that we shall all either actually go to the Hell which we will have brought upon ourselves, or, will be subjecting several coming generations of this planet as a whole to a roughly comparable effect. Thus, the campaign for a “new Bretton Woods,” is one of those battles, like that of a great war already in progress, in which no acceptable choice but that either a Westphalian victory in policy is adopted, or the planet has already entered a new dark age.

Sometimes, as in physical-scientific practice, nature itself confronts us with choices like that: For this occasion, governments better decide to do it in a timely fashion, or those nation-states themselves may not be around long enough to be free to search for alternatives. Liberals of that general type which the excellent English patriot Jonathan Swift ridiculed, do not, admittedly, accept such notions of scientific imperatives with the good grace shown by such predecessors and patrons of Benjamin Franklin as Massachusetts’ Increase and Cotton Mather. So, in the case that the Anglo-Dutch Liberal legacy of Paolo Sarpi were to prevail again today, mankind might be left with no hopeful option but to look for some future, perhaps distant time, when the self-elimination of the modern Sophistry of Liberalism from the human equation, provides mankind a poor and painful, but necessary relief from what has become the infinitely tiresome, continued existence of the moral depravity known as the Sarpian mode of Anglo-Dutch Liberalism.

The particular problem in today’s world, is that the Trans-Atlantic world, especially in the northern hemisphere, has undergone a form and degree of moral and scientific degeneration since about 1968, in which competent knowledge of the physical and related requirements of a successful form of economy is, presently, rarely possessed or desired among that specifically white-collar, philosophically Liberal generation of the so-called “Baby Boomers,” which was born between the 1945 close of the most recent world war, and the 1958 approach toward the so-called 1962 “missiles crisis.”

In short, it is time for many nations to actually grow up, suddenly, to true adulthood. Admittedly, the dollar has been greatly depreciated since July 31, 1971; but, the potential of that dollar as a reserve currency remains unique, even if—for the present moment—the U.S.A. no longer actually owns it.

1. Ask China!

An increasing number of relevant officials, inside and outside China, recognize the global situation to which I have just referred; however, no governmental source on record known to me has shown, so far, a true comprehension of both the urgently needed warnings, and proposed remedies which I have uttered on this account. The problem is not that I have not been accurate, nor that I have lacked necessary precision on this subject-matter; *the problem is a familiar type of problem in present and past history alike. Many simply did not wish to hear of any rational change contrary to their own, passionately held, present prejudices.* This reality can be studied as a composite of several historically defined issues of policy-making and, in general, the true history of tragedy in the planet’s great affairs of today.

- 1. First of all, there is the matter of widespread ignorance, even among putative experts, of the fundamental difference in scientific principle, between the U.S. Constitution’s specification of a credit-system, and a typical, usury-based, European monetary system.*
- 2. Second, the vicious, cardinal error of substituting a monetarist standard for physical values.*
- 3. The absence of a scientifically competent standard for defining “earned” profit mar-*

gins, a standard needed to rid the current practice of financial accounting of its corrupting traditions of usury.

4. The failure to bring the notion of economy up to date, scientifically, in terms of the notions of Biosphere and Noösphere.

So, therefore, in this present report, we must, first, dispose of a widespread ignorance of the implications of the strategic conflict between the Bretton Woods System as it had been intended by President Franklin Roosevelt during the 1944 Bretton Woods conference, the conflict between Roosevelt's *anti-imperialist credit-system*, and the opposite, pro-imperialist intention expressed under that scoundrel President Harry S Truman, during the years which followed. Most of the present discussion to date, under the rubric of "New Bretton Woods System," implicitly accepts the axiomatic assumptions of the British opposition to President Roosevelt's actual intention, the opposition represented by the pro-imperialist, Keynesian, monetarist model. That was the mistaken model supported by both President Harry Truman and his British accomplices, in specific, systemic opposition to President Roosevelt's 1944 intention, during the years immediately following Roosevelt's death.

Some History To Be Considered

The new system, required to rescue the real economies from what are in fact the presently hopelessly bankrupt present systems, must earmark the elements which are to be saved, out of nominal values from the present, bankrupt systems, while discarding the remainder. The earmarked elements from *the discarded monetary systems*, must then be assimilated into *the new credit systems*.

As President Roosevelt stated clearly to Winston Churchill and others, during the course of the 1939-1945 world war, not only had the U.S. economic recovery under Roosevelt produced the most powerful economic war-machine the world had ever known. Roosevelt intended to use that available economic power to eliminate imperialism from the planet's forthcoming, post-war history.

Roosevelt's intention, including that expressed by his role in Bretton Woods, was that each nation must have true sovereignty under the needed new reforms, and, at the same time, that all forms of colonialism and

its like must be uprooted from the planet. To that end, Roosevelt intended that the colonies should be freed to become truly sovereign nations. To accomplish this, he intended, that the physical-economic power of the U.S. war-machine would be converted into an instrument of a post-war order, an order in which all people would gain both political freedom from actual or virtual colonial status, and each nation would be assisted in the economic development needed to sustain that sovereignty.

These had been the anti-imperialist intentions which Roosevelt had stated clearly, and repeatedly, to Winston Churchill and other relevant figures during the interval of the 1939-1945 war. Had President Roosevelt lived through the end of that war, those intentions were about to be fulfilled, but only if Roosevelt's 1944 design for Bretton Woods were carried forward at the point of the coming close of the war. This intention by him has been supported, continually, by me, as my expressed intention in all the recent forty years of my life as a public political figure, and in all my designs for public policy, over all of the past four decades, to present date.

For example: the actual source of all of the actually important opposition to the role which I have played in public affairs during these decades, has been an echo of the leading opponents of that Franklin Roosevelt legacy, opponents who represented the same political species of powerful trans-Atlantic financier interests against which President Franklin Roosevelt had fought up to the moment of his death, an intention, by him, which I have been proud to serve.

What I affirm for today as this continuing intention for the post-war world, had been the foundation for President Roosevelt's launching of a fixed-exchange-rate *credit-system* at the 1944 Bretton Woods conference.

FDR's Intended Principle

What President Roosevelt had intended, as I do today, is not some new, vulgar mercantilist contract among competing separate powers, but a reform of the world's economic and related affairs according to a single, commonly adopted great principle, one conceived in the same spirit as the 1648 Peace of Westphalia. What is required, if civilization today is to be rescued from its own pervasive folly, is a submission to a common universal principle, as it were to be conceived as an adopted principle of nature, as was that Peace of Westphalia. It must become a new, refreshed body of

anti-monetarist,² natural, international law of economy, binding together a system of respectively perfectly sovereign nation-states by a common, universal principle adopted in the likeness of a universal physical principle. Either those nations will bind themselves together according to that principle, or the case for each and all among them would be a hopeless cause.³

Thus, although the U.S.A.'s alliance with Britain was necessary for the defeat of Hitler's power at that time, it was a very difficult alliance between a sovereign nation-state and an empire, as President Roosevelt, General Douglas MacArthur, General Dwight Eisenhower, and others saw clearly during that time of war. For just that reason, the continued existence of President Franklin Roosevelt was, therefore, seen by London as a grave strategic threat to the continued, post-war existence of the British Empire. For that reason, the death of President Roosevelt was seized as the strategic opportunity which Britain desperately desired, the opportunity to corrupt and ruin the post-Franklin Roosevelt U.S.A., as we should be able to see this clearly in retrospect today.

For reason of those war-time circumstances, President Roosevelt made difficult alliances with such circles from among both his domestic and foreign opposition during the war-time; this was done in order to secure the launching and needed continuing support for the war from among the Wall Street and like-minded factions within the U.S.A. So, already, as soon as the U.S.-led forces had succeeded in breaking through the Normandy beachhead, the right-wing supporters of the war in the U.S., unleashed a campaign against Roosevelt in concert with the relevant circles in the British establishment. Among President Roosevelt's most difficult concessions to his political adversaries within the Anglo-American camp, had been the replacement of Vice-President Wallace by his right-wing Demo-



Truman Library

Gen. Dwight Eisenhower, Supreme Commander of the Allied Forces in Europe during the Second World War, shared FDR's view that an alliance with Britain was necessary for the defeat of Hitler, but understood the difference between the American and British systems. Truman, on the other hand, acted as a British tool, following FDR's death. Eisenhower and Truman are shown here at an airfield in Brussels, July 1945.

cratic Party adversary Senator Harry Truman for the 1944 nomination of a U.S. Vice-President.

For example:

As soon as the Allied breakthrough at Normandy had been completed, the British imperialists, and their sympathizers in the U.S.A., took measures, such as the catastrophic "Market Garden" swindle led by British Field Marshal Montgomery, to prolong the warfare unnecessarily, by operations which would prevent an otherwise available completion of the mission of that war by the close of 1944.⁴ Similarly, the British betrayal of the German Generals' Plot against the Nazi regime was a betrayal made to prevent such a relatively immediate

2. I.e., anti-monetarist, anti-Keynes.

3. The lack of this specific type of binding common principle, was the specific, potentially fatal error pervading the agreements made among the participants lured into the trap at Modena.

4. Back during the late 1980s, when I asked a leading international law specialist who conducted the rear-guard retreat of Field Marshal Rommel from El-Alamein, if he agreed with my estimate that Montgomery was the worst commander of an army in World War II, he laughed, and replied: "I was leading the rear guard for Rommel all the way to Tunis; if Montgomery ever flanked me, I would be dead today. I am very grateful to Montgomery; he saved my life." Montgomery, among his other strategic incompetencies, was a raving anti-African racist. However, there is no doubt that the replacement, in Egypt, of competent British commanders by Montgomery fulfilled the intention of Prime Minister Churchill, that the war in Europe not be won "too soon."

cessation of warfare. The militarily absurd and immoral, British-led terror-bombings of non-military civilian targets, such as Dresden and Magdeburg, were also typical of post-Normandy British objectives of this same Churchillian character.

We have seen the same British imperial policy of late 1944 and early 1945 in the post-1989 actions by Britain's Prime Minister Margaret Thatcher and her asset François Mitterrand, to dismember and loot a reunited Germany and also ruin the nations of the eastern European Comecon and the former Soviet Union itself, a looting continued up to the first inauguration of Vladimir Putin as the new President of Russia.

The foolish acquiescence of most Presidents, and most Congresses of the U.S.A.,⁵ like some other nations, to these recurring British imperial policies of practice, has transformed the two decades since the beginning of 1989, into one of the most monstrous destructions of physical productive potential, and essential basic economic infrastructure, in places such as Europe and North America, in modern history.

This deliberate ruin of the U.S. economy had begun with President Truman. The death of President Roosevelt, had already cleared the way for a fundamental change, carried out by President Truman, in full witting service of the British (e.g., "Anglo-American") imperial interest, in the mission-orientation assigned to what emerged as the International Monetary Fund (IMF). The evidence of the intention of that change was immediate. The former colonies which had been marked for independence, during President Roosevelt's term, were now doomed to various forms of either their former, colonial status (such as Indo-China and Indonesia), or some thinly disguised form of pseudo-independence under Anglo-Dutch Liberal financier control of all important moveable assets of those newly "freed" nations.

Thus, instead of a global political and economic reconstruction of the post-war world, the mass of U.S.

5. The most disgusting case of the ruinous capitulation of the Congress and the political parties occurred from January 2006, onward, through British pressures on party leaderships exerted through the pro-fascist Felix Rohatyn of Lazard Frères pedigree, and the British Foreign Office's predator George Soros. This actually began during the Spring of 2005, at a time when the Congress had responded positively to my pushing for defense of the Social Security system, but when the Congress had already capitulated, under Rohatyn's pressure, from Spring-time on, not to prevent the liquidation of the last bastion of U.S. agro-industrial might, the auto industry. Hardly a patriotic sort of behavior by the leaders of the Congress.

agro-industrial potential available through conversion of military-industrial-agricultural capabilities to civilian development of the economies of the world, was either largely wasted, or, otherwise, was reoriented from the intention under Franklin Roosevelt, to establishing what is sometimes identified as a neo-colonialist system, under which what should be the emerging, economically developing nations, were prevented from enjoying "too much liberty" in developing their national resources and productivity per capita and per square kilometer. The presently continuing, pro-genocidal victimization of Africa under British imperial overlordship, has been, to the present moment in world history, among the most shameful expressions of this brutishness under the Keynesian alternative to Roosevelt's intended credit-system policies.

London's Treasonous U.S. Assets

We must never forget such examples from the rise of Anglo-Dutch imperialism, as the British use of its puppets of the Nineteenth-Century Spanish monarchy to build up African slavery in the post-1815-war United States, and also that monarchy's assistance to the British in corrupting and wrecking the Ibero-American states of South and Central America. These things were done as a conscious form of warfare, directed under the British Foreign Office's Jeremy Bentham and his protege Lord Palmerston.

Nor must we forget the Anglo-Dutch Liberal interest's earlier creation of the Seven Years War as the means by which British imperialism ruined continental Europe to London's strategic advantage. Nor must we forget the warning stated by Germany's Chancellor Bismarck, that the general war on the continent of Europe being prepared by Britain's Prince Edward Albert, already during the 1890s, was intended to be the "geo-political" intention of Britain's second, imperial "Seven Years War."

All of the major warfare on this planet since the 1890 ouster of impediment Bismarck from the Chancellery, as in Edward Albert's launching Japan into its 1895-1945 warfare against China, and as every major war on this planet since 1895, has been a continuation of the same strategic principle expressed by Edward Albert's use of the model of the Anglo-Dutch Liberal conduct of the Seven Years War, a principle continued in such forms as the crucial role of Britain's Prime Minister Tony Blair in plunging the U.S.A. into U.S. President George W. Bush, Jr.'s foolish, fraudulently

conceived, wasting warfare in Southwest Asia , a terrible chaos not only continuing, but spreading, now, with the complicity of President George W. Bush, Jr.'s administration, into Pakistan, up to the present moment this present report of mine is written.

Thus, we see in these examples from modern British history since the 1763 Peace of Paris, that men and women rarely live to 100 years, but that nations' and empires' cultures and habits often span centuries.

Was Truman a Traitor?

From the very day after President Roosevelt's most untimely death, London's asset Truman was already serving as the British Empire's ally against the intended policies of the Bretton Woods system.

This presents thoughtful historians with a certain question: *Was President Truman therefore a traitor?* In U.S. tradition, excepting extreme cases such as one-time U.S. Vice-President Aaron Burr, such tainted political figures are not formally considered to be traitors, but rather as political skunks or, worse, like creatures such as former U.S. Vice-President Al Gore from "Possum Hollow," Gore, for example. Gore today typifies a certain kind of ambiguous, in-between place, which Gore shares with British assets such as U.S. Presidents Andrew "Slippery" Jackson and with Jackson's controller, and traitor Aaron Burr's successor on Wall Street, Martin van Buren, and John Quincy Adams' and Abraham Lincoln's adversary, Polk, later. Van Buren was the author of the scheme, installed by his puppet and "Trail of Tears" veteran Jackson, which exploded as the financial Panic (banking) of 1837.⁶ Theodore Roosevelt and Ku Klux Klan backer Woodrow Wilson, or Coolidge, Richard Nixon, and other Presidents of a kindred stripe, later, were similar cases of corruption.

So, where President Roosevelt's administration had marked former colonies for liberation, the British Empire, working hand-in-glove with Truman, had restored either old colonial rule in other places, or imposed new guises for the same thing, in effect, as in the presently continuing British population-control policy for the looting of the African continent, which was also adopted by the U.S.A. under Ford and Carter during the middle through late 1970s.

6. Burr was an asset of Lord Shelburne's lackey Jeremy Bentham, who headed the British Foreign Office's Secret Committee. Bentham ran the Foreign Office's operations in France from 1782-83 on, and produced his principal successor Lord Palmerston. He controlled Burr totally.

The Spring 1945 change in U.S. policy, from Roosevelt to Truman, had thus produced a corresponding trend of change in the content and meaning of the name "Bretton Woods system." That change in meaning of the term, under Truman, has been a principal source of the present general confusion among the misinformed (and those who wish to appear to be misinformed), world wide, respecting both the Franklin Roosevelt legacy in particular, and the American System of political-economy in general.

Therefore, it is essential to focus here on *the specific difference in principle* between President Franklin Roosevelt's Bretton Woods intention of 1944, the establishment of an international Bretton Woods credit-system, and Truman's perversion of Roosevelt's policy, to use the name of the 1944 Bretton Woods draft as a cover for a fixed-exchange-rate monetarist system premised on the imperialist monetarist dogma of John Maynard Keynes.

Roosevelt Versus Keynes

To understand today's global economic crisis, we must see the stark contrast of the system of uttering of money defined by the U.S. Federal Constitution, to the usual European monetary systems, the British system. We must trace the underlying consistency of trends of change, away from President Franklin Roosevelt's intention, a change which has not only ruined what had been the most powerful and productive economy the world had ever known, to the state of wreckage to which it has been degraded today. It has been a wrecking-process which began with the inauguration of President Harry Truman and his Anglo-American policy of imperialist re-colonization of many among the nations of the poorer peoples of the world, as that same ugly policy of the British empire is deployed against Sudan, Zimbabwe, and other nations of Africa today.

To begin the needed exploration of this relevant matter of recent history, consider, briefly, the essential, principled difference between the British system and that of the United States Constitution, a difference which is of crucial significance for anyone who seeks to benefit from the legacy of the Bretton Woods system.

Under the U.S. Federal Constitution, the creation of money is a monopoly of the elected Federal Executive, but this is permitted only under the condition of the consent of the lower house of the U.S. Congress. This consent is the authorization to create a specific debt of the Federal Government, which is put into circulation as an increase of money authorized to be put



Orange County, Calif. Fire Ant Authority

The monarchy of the British, or Anglo-Dutch Liberal system of international usury, and its swarm of private financiers, can best be compared to a swarm of ants, in which a reigning queen can be replaced, but the character of the swarm as an institution persists. Shown, a queen ant surrounded by workers and brood.

into circulation through the U.S. Treasury directly, or through credit extended for authorized loans through such institutions as U.S. Federal and state chartered banks, or through treaty-agreements with foreign nations to which the U.S. Congress has consented.

What I have proposed as the treaty-organization to be launched through the joint initiative of the U.S.A., Russia, China, and India, is an outstanding example of the advantages available for the use of a credit system, rather than a monetary system of the Keynesian type.

The British monetarist system, is derived from the tradition of an ancient system of usury, as practiced in the Mediterranean and adjoining regions over the course of ancient, medieval, and modern times. The prevalent modern European parliamentary systems were derived from the practice of concessions to the medieval and modern Venetian systems of tyranny through usury. The medieval Crusades have been the model used for such operations as the presently, London-steered, ongoing wasting wars and related terrorist operations in South-west Asia. The contemporary Anglo-Dutch Liberal system, for example, was an outgrowth of the reforms by that New Venetian Party of Paolo Sarpi, which moved the bulk of intrinsically usurious, Venetian financier operations from the Mediterranean littoral, to the maritime regions of the northern coastal regions of Europe, that with increasing emphasis on maritime usury (e.g., Adam Smith, “buy cheap and sell dear”) practiced in the realm of transoceanic traffic.

The essential difference between the two systems,

American versus British, American System versus John Maynard Keynes, et al., is that *the American System is based on a constitutional principle of public credit*, where the Anglo-Dutch Liberal system, including its Keynesian variant, is based on an implicitly imperialist, reigning law of usury, a reign of private money established as the hereditary benefit delivered to a predatory, financier class. The latter is a system under which citizens and their governments pay tribute to the power of privately held hoards of financial assets, an intrinsically predatory Adam Smith system, under which people are cheap, and under which usurious profit-taking, by means of the swindles concocted by the private money-interest, is dear.

Under the American System, the constitutional system supported by President Franklin Roosevelt, *Federal public credit*, as defined by our Constitution, is supreme, and the Federal government exerts the power of regulation, through the instrument of public credit, as also coinage, throughout the land.

The British system, of which the Keynesian system is a subsumed variant, is more accurately labeled “the Anglo-Dutch Liberal system of international usury.” Under that monetarist system, the private financier-oligarchical interest loots the public credit, supremely. The modern monarchies themselves are predominantly Liberal Venetians of the Sarpi pedigree, sometimes dressed up with feudal trappings, but despite such costumed buffoonery, are actually very, very “bourgeois” monarchies, and are representatives of the collective interest embodied in the swarm of private financiers, as it were the “Queen” of the hornets’ nest. Sometimes, the swarm of hornets, or of ants, may dump a reigning queen, and replace her with another government, but the character of the swarm as an institution persists. The essence of the business lies in the relationship of the hive to what it deems its lawful prey, the ordinary citizen or the like.

The actual British Empire of today, for example, is, in every systemic cultural and other leading feature, an outgrowth of the influence of both Sarpi’s reforms, and the earlier Venetian slaughter of statesmen and royal wives under the reign of mad Henry VIII. The empire itself is essentially a financial empire based on usury, rather than being a secretion of the will of the population of the British Isles; that is the essential meaning of “free trade” (free of government interference with usury

and kindred swindles). With the combination of the shutting down of the U.S.-based Bretton Woods system, under U.S. President Nixon, in 1971-72, with the great Anglo-Dutch-Saudi petroleum-hoax swindle of 1973, and with the breakdown of the U.S. economic system carried out by David Rockefeller and his cronies under the rubric of the Trilateral Commission, the U.S. economy has been systematically looted and wrecked.

This wrecking has been done almost as much from the inside as from the the actions of the Anglo-Dutch-Saudi operations centered in the petroleum spot-market operations and the BAE (e.g., El Yamamah). This vast petroleum swindle, combined with London-centered “protection” of a vast international narcotics trafficking, has taken over control of the U.S. and the U.S. dollar system, beginning with those radical measures of destruction of the U.S. economic system during the implicitly treasonous interval between pressure on President Johnson to capitulate to the British on the U.S. dollar, on March 1, 1968, and the subsequent, 1981 inauguration of President Ronald Reagan.⁷

If we select attention to these, subsequent 1968-1981 developments, and their 1981-2008 sequel of today, what has happened to the post-Franklin Roosevelt U.S.A. has been a relatively successful period of continued net physical growth of the U.S. economy over the interval 1945-1967. We see a significant slowing of that progress during the 1964-1967 years. This was followed by an uninterrupted period of increasing rate of net collapse of the *physical economy*, per capita and per square kilometer, during the course of the

7. Some have argued, in the past, and would probably still insist today, that the January-February 1968 crisis of the dollar was a product of the U.S. expenditures for Indo-China warfare, up to that point. That crisis was actually, predominantly, a side-effect of a fraudulently crafted (i.e., the Gulf of Tonkin resolution) launching of war in Indo-China. That popular view of the February 1968 dollar-crisis overlooks two most crucial sets of facts. First, that the 1968 dollar-crisis was an echo of British Prime Minister Harold Wilson’s collapse of the British Pound. That collapse of the Pound, itself, had been the fruit of a Wilson Labour Government policy of wrecking the industrial economy of the United Kingdom from the beginning of that Wilson government’s take-over of power through an orchestrated Profumo scandal against the Macmillan government. Wilson’s economic-wrecking policies were the forerunner of the economic-wrecking policies of the Nixon, Ford, and Carter administrations, especially by the Carter Administration’s implementation of the Trilateral Commission lunacy. The policy of the British establishment since the death of Franklin Roosevelt, had been to wreck the U.S.A.’s role as a leading power through a policy of what is called the Malthusian “environmentalism” of Britain’s Prince Philip and ex-Waffen-SS official Prince Bernhard of the Netherlands, and Bertrand Russell’s Wellsian program for World Government.

forty-year net physical collapse, 1968-2008. Statistics which have been forged to suggest a contrary, post-1968 effect, have been clearly fraudulent concealment of the visible physical reality of the increasing ruin of the general population and territory of the U.S.A. under the cover of financial jiggery-pokery crafted for the intellectual consumption of the credulous.

The three factors which have had the greatest impact in forcing the long wave of collapse of the physical output of the U.S. economy, per capita and per square kilometer, over the 1968-2008 interval, have been the net collapse of production and maintenance of basic economic infrastructure which began in fiscal year 1967-1968, the establishment of the combination of President Nixon’s wrecking the last remnant of the Bretton Woods system in August 1971, and systemic wrecking of every pillar of progress in our system through the injection of the policies of the David Rockefeller-Brzezinski Trilateral Commission, beginning the U.S. Carter Administration.

In the following five chapters of this report, I trace more of the implications of the four subject-matters listed in the opening of this present chapter.

2. Why a Credit-System?

1. First of all, there is the matter of widespread ignorance, even among putative experts, of the fundamental difference in scientific principle, between the U.S. Constitution’s specification of a credit-system, and a typical, usury-based, European monetary system.

The intention of the Constitution of the United States was identified by the original U.S. Secretary of the Treasury, Alexander Hamilton, under three reports to the U.S. Congress during 1790-1791: *Report on Public Credit* (1790), *Report on a National Bank* (1790), and *Report on the Subject of Manufactures* (1791).

These policies respecting currency and related matters, were, in principle, enacted into U.S. Constitutional law under, principally, *Sections* §7 and §8 of *Article I* of the original *U.S. Federal Constitution*. Although some founders, such as Jefferson, were opposed to the *National Bank* and to some among the implications of Hamilton’s *Report on the Subject of Manufactures*, both of these policies emphasized by Hamilton were borne out beyond reasonable doubt by



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EIRNS/Stuart Lewis

The intention of the U.S. Constitution was identified by the first Secretary of the Treasury Alexander Hamilton, in his three reports to the U.S. Congress during 1790-1791. The efficacy of Hamilton's policies was "borne out beyond reasonable doubt" over the course of the history of the U.S. economy since that time to the present date. Shown: the First Bank of the U.S., Philadelphia; statue of Hamilton at the U.S. Treasury Building in Washington.

the comparative evidence of the contending impulses for enforcement of, and failure to implement those principles, over the course of the total history of the U.S. economy since that time to the present date.

The ideas on which these constitutional policies were premised then, and later, were drawn from the very roots of modern European history, as reflected in such publications, on the subject of the sovereign nation-state as Dante Alighieri's *De Monarchia* and Cardinal Nicholas of Cusa's *Concordancia Catholica*, and, on the principles of physical economy codified by Cusa, as in his founding of the principles of modern physical science in his *De Docta Ignorantia*. The first modern nation-state premised on Cusa's principles of statecraft and physical economy, was that of France's Louis XI. The imitation of Louis XI's successful example by England's Henry VII, established the precedent on which all successful modern European models of statecraft in general, and economy, are models of early success to the present day.

The effort, organized by the Venetian financier oligarchy, to attempt to crush the accomplishments of the great 1438-1439 ecumenical Council of Florence, beginning the Fall of Constantinople, was the precedent

for what became the same Venetian party's direction of the religious warfare which dominated and wracked European civilization from the 1492 expulsion of the Jews from Spain until the adoption of the great 1648 Peace of Westphalia.

The 1492-1648 interval of a Europe dominated by religious warfare, was succeeded by a relatively brief interval of the crucial 1620-1688 colonization of a New England led by the Winthrops and Mathers. By 1689, the great rise of the Commonwealth of Massachusetts had been crushed, and many relevant New England families subjected to a long-ranging process of corruption. The party of the Winthrops and Mathers struggled on at their posts, but even they soon advised figures such as the later leading American scientist and statesman, Benjamin Franklin, to shift the base of their party's operations to the Pennsylvania of James Logan et al. For a great moment of history, during the first decade of the Eighteenth Century, the great universal intellect of Gottfried Leibniz challenged the enemies of a civilized form of society; but, then, the defeat of the English Tory faction of Leibniz, Jonathan Swift, et al., by the accession of England's Liberals' regime of King George I, shifted the best hopes of the Europeans to the emerging poten-

tial for a republic along the shores of North America.⁸

Out of the success of the great struggles, centered then in the France of Cardinal Mazarin and Jean-Baptiste Colbert, came a great flourishing of science in the tradition of Nicholas of Cusa's avowed followers Leonardo da Vinci, Johannes Kepler, and also such among their Seventeenth-Century followers as Fermat, Pascal, Christiaan Huyghens, and Gottfried Leibniz. Thus, the great tradition of the Sixteenth-Century followers of Cusa, such as Leonardo da Vinci and Niccolo Machiavelli, and Cusa's and Leonardo's follower Johannes Kepler, created the foundations of the political statecraft associated with the great ecumenical Council of Florence, embodied in those international circles centered in the figure and influence of the universal genius of Leibniz.

I emphasize here, again, that the special nature of the human individual, as distinct from all the beasts, and also, generally speaking, English-speaking Liberals, is that although man has the incarnate form of another beast, the creative potential lodged within the birth of the newborn human individual, expresses a potential immortality of the personal human identity of that individual who participates in the preservation of the uniquely human creative power of human individuals.⁹ As I have emphasized, the human individual who lives up to that potential, does not lose his, or her viable identity with death of the mortal body. Rather, the good which the individual conveys is a power that has been proven by known history, and even earlier traces, to reach across many centuries, even millennia. It is the individual who accepts that noble destiny, who is among the true leaders from mankind's past, and in its future destiny.

Thus, the Preamble of the U.S. Federal Constitution states simply and nobly:

We the people of the United States, in Order to form a more perfect Union, and to establish Jus-

8. This orientation of the leading freedom-seeking circles of Europe to hope from the progress in North America persisted under the aftermath of the combined French Revolution and 1812-1815 swindle by Metternich and Jeremy Bentham's Treaty of Vienna. The rise of the U.S.A. under President Abraham Lincoln over Bentham's and Palmerston's launching of the Nineteenth-Century use of Spanish slave-trade as a strategic operation into the U.S. territory, restored this orientation of European hopes from the rise of United States to a great power among nations. Otherwise, the ability of European oligarchical interests to prejudice European populations and others against the U.S.A. has been chiefly facilitated by the British role in backing the election and incumbencies of bad U.S. Presidents.

9. E.g., man's soul in the image of his Creator.

tice, insure domestic Tranquility, provide for the common Defense, to promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America.

This Constitution reflected the colonists' experience of the relevant great literature from ancient scientific and other sources which the Winthrops and the Mathers of the Seventeenth and Eighteenth centuries' colonization knew through their own education and that of their children and grandchildren. It embodied the great tradition of Cardinal Mazarin's leading role in organizing the great 1648 Peace of Westphalia, and the informed opinion which these North American colonists had formed through experience with the ever fresh eruptions of brutishness from the reigning powers of the continent, of Europe, especially the European aristocratic and financier oligarchies. During the course of the middle through late Eighteenth Century, Americans had come, partly through the radiated effect of the leading role of Benjamin Franklin as a publicist, to relatively up-to-date knowledge of important developments within Europe, and among the future states which were then the English colonies.

As the case of Leibniz himself attests to this, the most direct influence on the development of the culture of the North American colonies was that radiated, as by Gottfried Leibniz, from the France of Jean-Baptiste Colbert. It was the role and influence of Colbert in promoting the science-driven economic progress in the productive powers of labor in France, and the unprecedented degree of achievements accomplished in France under his personal influence, which informed the developing future states in North America. It was, for example, an example rooted in the precedents of Colbert's France, which prompted this North America to actually introduce the industrial revolution to mid-Eighteenth-Century England, not the reverse. The modernity of the Saugus Iron Works in Seventeenth-Century New England attests to the superiority of the progress of economy in New England relative to England under the Kings of that time.

It has been a popular, foolish belief among many poorly informed Europeans, and even some Americans, as shown in historical researches published by my associate Anton Chaitkin, that the initial advantages of the English-speaking colonies in North America came from looting of natural resources. Here, on this point,

we encounter the roots, in day-to-day, and generation-to-generation experience, of the newly formed United States' keen appreciation of the advantages of its Constitutional credit-system over a monetary system, as opposed to an inherently usurious, neo-Venetian type of British or continental monetary system even today.

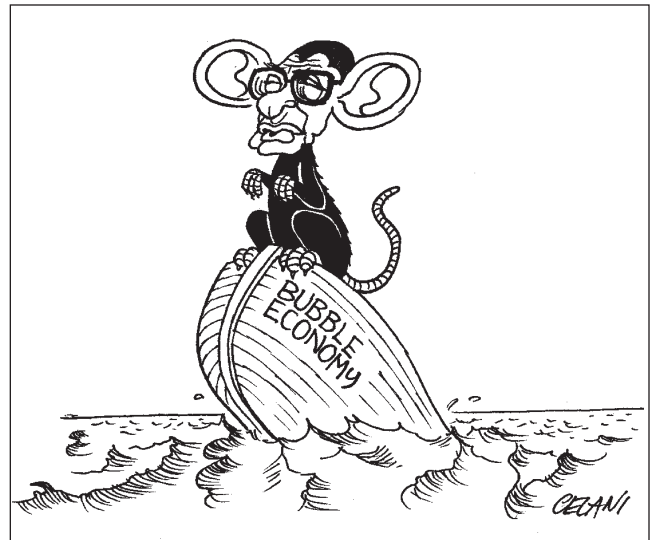
The impetus and character of development of the productive powers of labor in the English colonies of North America is well illustrated by the writing of my late associate, professional historian H. Graham Lowry's *How the Nation Was Won*.¹⁰ The increase of the productive powers of labor is accomplished through credible promises of future physical basis for the generation of means of payment of that investment, that over not only years, but, often, successive generations.

This principle was understood very well by the founder of the first modern European nation-state, France's Louis XI, who created a profit for France and its individuals of all classes through bribing English, Burgundian, and Spanish predators into peace, which allowed the productive powers of labor and means of production to be built up in France. The same wise practice of Louis XI was adopted by his admirer, England's Henry VII, thus creating both a France and an England which became the principal heralds of successive forms of modern nation-state economy and its marketing practices. This was the echo of a precious lesson from the development of large regions of future France and Germany under the leadership of Charlemagne, as the still living inland waterways of continental Europe attest to the present day.

A prudent economy is one which invests in the profit of its own people through the credit organized for that people by its own self-government. An excess of foreign loans, especially loans from predatory usurers in the Venetian tradition, is usually a sign, not of the lenders' hope of prompt repayment as scheduled, but their lust for the perpetually increasing indebtedness of the nation and its citizens to the alien predators such as those lenders themselves. Such are the predatory "Mr. Scratch" types of Felix Rohatyn and George Soros.¹¹ Decent foreign loans are those arranged among nations allied in common cause against predatory adversaries. As Popes of the

10. H. Graham Lowry, *How the Nation Was Won: America's Untold Story* (Washington, D.C.: Executive Intelligence Review, 1988).

11. "Mr. Scratch" was the name which author Stephen Vincent Benet assigned to the Satan of his famous, long short story, *The Devil and Daniel Webster*.



EIRNS/Claudio Celani

Today's economic/financial meltdown can be fairly dated to Alan "Bubbles" Greenspan's chairmanship of the Federal Reserve Bank.

past might have forewarned you: never trust a Venetian, especially when he is engaged in his customarily most evil role, pretending to be your friend and backer.

3. Why Physical Economy?

2. Second, the vicious, cardinal error of substituting a monetarist standard for physical values.

When Adam delved and Eve span, who then was nobleman?"

For intelligent and sane economists, however rare they might be in this age of post-industrial decadence, the only competent policy for capital investment, is the reasonable presumption that the *physical* productive powers of labor of the national economy (and, implicitly, the world) will be increased as the fruit of that enterprise. It is not the ownership of property which defines this required accomplishment; it is the benefit expressed as the increase of the physical productive powers of labor, per capita and per square kilometer of national, and, implicitly, world territory.

This output of society is not to be counted as the summing-up of individual estimates of values, but as the effect of the whole process on the relative value of the process considered directly as an indivisible whole.

Is the potential relative population-density of the territory and population as a whole increased to a higher dynamic level (as a whole), or not?

The notion of *physical* must, however, be congruent with certain implications of Academician V.I. Vernadsky's notions of the categorical (phase-spatial) distinctions of the abiotic, the Biosphere, and the Noösphere, as I shall identify those distinctions here.

The value of any particular part of that process is to be measured implicitly by the effect of the removal, or addition of the examined element from, or to the whole process as a process, not an aggregate of separate things.

Therefore, the object of pricing is to provide a reasonable estimate of the relative price, one which corresponds to the physical value of the particular as a functional part of the whole, as better defined in those terms.

As a matter of contrasts, the good workman, or the honest entrepreneur, seeks to leave behind a condition of the world which is better, by these standards for physical investment, than it had been when he, or she had entered that world. *Without such a notion of progress, there is no truthful notion of economic value.* The sense of a practical quality of personal immortality expressed in this fashion, is typical of the human individual who thinks, with reference to such physical terms, about the kind of world which his, or her, life will leave behind him. Under the real conditions of today's on-rushing, global breakdown-crisis, there is, morally, no allowable room for defining "investment" in the terms of the delusory folly of "marginal utilities."

Those so summarized considerations, respecting the economic processes of entire nations as wholes, are the essence of the matter from the standpoint of a physical-scientific outlook.

The principles for adducing the relative prices which are approximately congruent, in effect, with those physical values, is a matter of the good approximations necessary for conducting local financial transactions within the economy considered as a whole process.

Any contrary definition of productive investment, is chiefly a matter of the folly popular among the monetarist entrepreneurs and their male or female mistresses. Lusty satisfaction, in one way or another, by the person, has become the often sado-masochistic motive of the typical actual, or would-be capitalist.

Consider some relatively commonplace, or false opinions on the subject of economic value. For example:

Why Both Al Gore & Satan Are Wrong

One among the present prototypes of the religious dogma of service to Satan and his followers, is that essentially pro-Satanic dogma of the likes of former Vice-President Al Gore: his worship of entropy. I mean their opposition to the conceptual outlook of a science-driven, physical-economic development of national physical economies, their opposition, such as that of Gore and his masters, England's Princes Philip and Charles, to the up-shifting of modes of productive existence to higher levels of effective energy-flux density, as by nuclear power, expresses their implicit devotion to the pro-Satanic image of Aeschylus' Olympian Zeus. That expresses, thus, notions comparable in effect of practice to those of Hitlerian depravity. This is as shown by their denial of the right to physical development of the continental nations of Africa by Africans, a denial which is among the frankest expression of that counterproductive trio's share of investment in moral depravity.

For example: the essential common character of Gore and Princes Philip and Charles, is their defiance of the scientific reality of what the late Academician V.I. Vernadsky defined as the Biosphere and Noösphere. We shall return to that matter later in this report, but, for the moment, the following clarification of the point is sufficient for the purposes of the discussion immediately at hand in this present chapter.

During the course of the preceding century, any competent approach to economic science recognizes that the mass of the planet Earth is composed of three distinct types of products.

First, is the portion of that physical mass whose adduced origin is pre-biotic (derived from non-living origins. Only life generates life.

Second, that the product of the mass of living processes and the products, as residues, is, thus, specific to living, or formerly living creatures.

Third, is the portion of the mass of the planet which is the increased product of nothing other than the activity of human beings, human beings who are set categorically apart from the beasts by their innate, creative-mental (noëtic) abilities to make, and to employ discoveries of physical principle willfully, discoveries through which the human species can increase its potential relative population-density, per capita and per square kilometer, as no other living species of marsupial or mammal could do this.



EIRNS/Stuart Lewis



NASA/Paul E. Alers

The pro-Satanic dogma of the likes of Al Gore, and his British royal masters Princes Charles and Philip, is based on their worship of entropy. Their hatred of scientific progress, e.g., nuclear power, expresses their devotion to the image of Aeschylus' Olympian Zeus. Left to right: Gore, Charles, Philip.

The distinction of one among these categories from the others, is located in the existence of relevant, corresponding physical principles. Thus, as emphasized in the opening of this present chapter, the principle of life is a universal physical principle of a phase-space, whereas the principle of human creativity is a universal physical principle of another phase-space. The common product is therefore to be found in the dynamics of the interaction of the three phase-spaces: the “inorganic,” the Biosphere, and the Noösphere.

These just-identified conclusions are evident in the comparison of the fossil masses of human beings, and non-human living processes, to the known abiotic mass of our planet and the Moon, and related evidence of the Solar System at large. Life, thus, is a principle of the universe which is not derived from non-life, while the mass of the planet specific to human life and its unique products, expresses a principle associated with the notion of human individual creativity, which does not exist among any other known form of existence. The order among these three categories, is that life increases its share of the mass of the planet at the expense of non-life, whereas the human species increases its share relative to all lower forms of living processes.

The idea of a reasonable estimate of physical-economic value, is to be crafted from the standpoint of the role of the Noösphere as the highest level of outcome of the dynamic interaction of the three phase-spaces.

Thus, since any fixed mode of social existence of

mankind tends to outrun the depletable resources of non-human masses, only the quality of development of human *noëtic* powers, as expressed typically by the quality of scientific and related progress unique to the individual member of the human species, permits the indefinitely continued existence of mankind's national cultures, on this planet (or, beyond).

The living purpose of the form of existence to be chosen by mankind, is that typified as the scientific and related qualities of anti-entropic progress associated with the development of societies through increasingly capital-intensive, technologically revolutionary progress in what we call “labor by individual persons.” Productive labor governed by a principle of anti-entropic, increasingly capital-intensive (physically) progress, is the inherent destiny which the Creator has assigned implicitly to mankind.

The effect of the act of individual human creativity is typified by the individual's discovery, or reenacting of the discovery of a relevant universal physical principle, or of the relevant reassessment of a principle previously known to that person.

Real history, in its expression as a lawful process, will therefore come, sooner or later, to destroy any form of human society which rejects that inherent mission. The penalty for any society's supporting the perversion shared among Gore and Princes Philip and Charles, would be awesome.

The consequence of the argument which I have just

summarized, thus, here, is that man is distinguished so from the beasts, by this *noëtic* principle of the existence of the individual person.

All competent insight into the principles of a physically successful organization of the behavior of nations, is derived from the notion of human individual creativity as the uniquely original discovery of the universal principle of gravitation of the Solar System was discovered, as Albert Einstein emphasized, by Johannes Kepler.

The Theologian's View of Economy

This is not a theological argument in the simple-minded sense of matters; but, it does have a basis in what was, rather famously, the condemnation of the Aristoteleans by that friend of the Christian Apostle Peter known as Philo of Alexandria.

The argument of the Aristoteleans to whom Philo referred, is that those Aristoteleans were arguing in favor of Satan (whether they intended that or not) when they read the opening chapter of *Genesis* as suggesting that the Creator had finished his work, as being perfected, once the successive steps outlined in that chapter had been completed by Him. The Sophistry employed for that interpretation, was that, if the Creation had been perfect, the Creator Himself could not have altered what He had already created! Unfortunately, this scheme provided opportunities for the play of what were to be considered by theologians as agencies, such as the past and present forms of "malthusians," which would be unfriendly to God and man alike.

In short, the silliness of those Aristoteleans referenced by Philo, was that they demanded a God made impotent, his power of creativity terminated by his own actions! Philo left them with a devil of a time explaining that. The atheist who agrees with that Aristotelean, would nod approvingly: "Who should pray to an impotent Creator?"

The remedy for the Aristoteleans' silliness was, theologically and otherwise, that God's perfection is expressed as the view of a principle of a continuing power of Creation, a principle of universal anti-entropy expressed as a limitless sequence of phases of development to higher states of (anti-entropic) organization.

The sophisticated objection to that from the Aristoteleans and their likenesses, was the argument attributed to the Olympian Zeus from Aeschylus' *Prometheus*



If there ever were an actual Mephistopheles of Marlowe's and Goethe's fancy, he were certainly a suitable model for Venice's Paolo Sarpi, whose dogma has been the unifying basis for Anglo-Dutch Liberalism, up through the present day. Here, Mephistopheles appears before Faust, in a lithograph by Eugène Delacroix, 1828.

Bound. The argument was that Satan (e.g., Zeus) would never permit mankind to practice a principle of anti-entropy: to be creative.

This was not simply an arbitrary rule. What Aeschylus identifies for us to be Zeus' domain, in *Prometheus Bound*, is the principle of empire which European history traces to the imperialism of an evil ancient Babylon. This was also the imperialism of the Roman Empire and of its successors. The rule of the imperialists, such as Diocletian (who, like Gibbon, would have preferred Julian the Apostate on this account), was, that the great mass of the human population, if permitted to exist at all, must live in dutiful submission to the rule that the ordinary man and woman must not seek to rise above his and her given station, but must adhere to the profession of his father. From the ancient *Iliad* through all Classical Greek tragedy, this evil rule of the gods serving Olympus was of this Babylonian type, a type traced from a degenerated mode of the Sumerian, so-called "hydraulic," bow-tenure culture.

In decent modalities in modern European society, the effect of scientific and technological progress is to be regarded as the proper destiny of progress from laborer, to skilled artisan, to machine-tool designer, to

scientist, and, from farmer to modern scientific farmer operating in a relatively capital-intensive mode.

The Sarpi Legacy Today

If there ever were an actual Mephistopheles of Christopher Marlowe's and Goethe's fancy, he were certainly a suitable model for Venice's Paolo Sarpi. The model explicitly adopted for this purpose, by Sarpi, was that systemic irrationalism of the medieval William of Ockham. Ockham's irrationalism was adopted by Sarpi as the unifying basis for all of the dogma of Anglo-Dutch Liberalism, up through the present day.

I summarize now what I have presented in numerous locations published earlier. I caution the reader at this point, that the argument to be supplied here, while inescapable in any practical treatment of the subject of modern economy and so-called "geo-politics," is very tricky ground for discussion. My difficulty here does not lie in any fault I should attribute to myself, but in the confusion which the popularization of the Anglo-Dutch Liberal dogma of Ockham has embedded in contemporary academic and related life. This impediment to accepting reason is especially notable in the special relationship which Ockham's influence has shown in the cases of both the frankly anti-scientific positivism of Ernst Mach, and the even more radically Ockhamite dogma of Bertrand Russell and his followers since the publication of Russell's *Principia Mathematica*.

Today, few victims of contemporary higher academic education have escaped what is fairly described as "brainwashing" in the sheer lunacy promoted by followers of Russell devotees such as Professor Norbert Wiener and John von Neumann.

Creativity in presently known physical science, since the ancient Pythagoreans, has depended essentially on the notion of the meaning of what modern practice identified, not as imaginary, as the Eighteenth-Century reductionists proposed, but, as the, ontologically, efficiently existing, Leibnizian *infinitesimal*.

This idea, as it had been treated previously extensively by Nicholas of Cusa and his followers, such as Johannes Kepler, focuses on the exemplary case of Kepler's demonstration of the existence of *the ontologically infinitesimal* as the expression of efficient principles which do not correspond to the human images of naive sense-perception, but are nonetheless efficiently demonstrated, as gravitation is, to exist as

efficient effects of a universal character. *As Albert Einstein's emphasis on the validity of Kepler's genius should remind us: We can not see the universe which encloses our existence as an object of sense-perception; but, we must respectfully acknowledge the actuality of that universality's effects.* The case of Kepler's uniquely original discovery of the general principle of gravitation which corresponds to the organization of the Solar System, is, as Albert Einstein emphasized centuries later, a demonstration of the existence of universal physical principles which efficiently bound action within a universe which is therefore finite, but not externally bounded.¹²

These discoveries represent efficient ideas, which can be willfully demonstrated to be such by mankind, but which appear to the human senses, as in Einstein's praise of Kepler, as if *ontologically infinitesimal*. This latter notion was introduced to the founding of modern science by Nicholas of Cusa, who was followed explicitly on this account in the development of modern science by such exemplary individuals as Leonardo da Vinci, Kepler, Fermat, Christiaan Huyghens, and Gottfried Leibniz.

The Principle of Experiment

The notion involved, is, simply stated, the fact that our given senses are comparable to scientific instruments, in the sense that no one of these provides the mind a direct sense of the real universe. It is through discovering the paradoxes posed by comparing the coincident experience of different qualities of senses, or different qualities of laboratory instruments co-deployed paradoxically, as surrogates for sense-perception, that the human mind itself is impelled to go to a higher level than mere sense-certainty, to discover the reality which is not the bare evidence of any of these senses or instruments. The experimental proof-of-principle of such a discovery of a higher order than sense-perception, is the proper notion of an *idea*. Kepler's uniquely original discovery of universal gravita-

12. That universe is, therefore, to be described as "self-bounded." The origin of this as a modern conception, is to be traced from Nicholas of Cusa's rejection of Archimedes' quadrature of the circle. That rejection features not merely the irony of point, curvature, and some apparent, ultimate line. It is demonstrated by Kepler even in his *The New Astronomy*, from the implications of curved motion shaped by a dynamic principle of equal areas, equal times. Also, see not only the opening two paragraphs of Bernhard Riemann's 1854 habilitation dissertation, but also the concluding sentence of that publication.

tion, as recounted in his *Harmonies*, which produced the only competent, modern notion of the principled organization of the Solar System, is an example of this.

All that are properly identified, thus, as experimentally demonstrable ideas of the real universe beyond the limits of sense-perceptual accuracy, such as the entirety of sub-optical microspace, exemplify the domain of the action properly known as the power of human individual creativity which is the only efficient proof of man's distinction from the beasts.¹³

That illustrative case, so identified, is also the key for the definition of the human individual creativity which sets the individual human being apart from, and absolutely above all lower forms of life. These considerations just so presented here in summary, are key for proper insight into the pernicious implications of the influence of the Ockhamite dogma of Sarpi on the typical failures of putatively scientific thinking today. In other words, the inability to comprehend this referenced discovery of universal gravitation by Kepler, as that discovery was later upheld by Albert Einstein.

The notion of underlying physical values, for the purpose of economic analysis, must reflect these considerations.

Sarpi's argument, as presented by such among his school's followers as the empiricists de Moivre, D'Alembert, Leonhard Euler, Lagrange, Laplace, and Cauchy, has, as I have noted above, denied the existence of the relevant ontologically infinitesimal, as de Moivre, D'Alembert, Euler, and their followers did, as "imaginary." Accordingly, they do not identify universal physical principles as such, but employ a chosen substitute in mathematical formulas, formulations whose significance is that those formulations are never better than the poor, adumbrated shadows cast by the actual physical principle expressed experimentally.

Seeing this incompetence of those Eighteenth-Century and later empiricists and positivists, is crucial for the competent understanding of those issues of physical economy which underlie all competent assessments of the matters of functions of pricing.

However, this is no mere matter of interpretations. It is precisely within the ontological domain which

those Eighteenth-Century empiricists derided as "imaginary," that the factor of human individual creativity in economy is located *ontologically*.

Economy's Ontological Paradox

As a matter of principle, all net technological increase in the productive powers of labor in society, is dependent upon the kind of inventive mental activity which is typified by an individual's application of an experimentally valid notion of a universal physical principle of that class which the indicated, silly Eighteenth-Century empiricists derided as "imaginary."

At the same time that this consideration must be brought into play, the economy is experiencing attrition in the relative productivity of previously established technologies. The quality of what might be termed "customary resources" is suffering effects of attrition, at the same time that the increase of relative population-density defines a lower density of what current practice regards as customary resources per capita, per square kilometer.

Thus, progress, even maintenance of previous standards of output per capita, requires greater density of resources, and new qualities of resource combined, in effect, with more densely rich technologies.

Naturally, there is something which some of the Eighteenth-Century empiricist economists, and Marx came to recognize as the effects of depletion. Marx referenced the published work, *Riflessioni sulla popolazione delle nazioni per rapporto all'economia nazionale* (Reflections on the population of nations with respect to national economy; Venice 1790), of that Venetian economist Giammaria Ortes from whose English translation the Haileybury School's Thomas Malthus promptly plundered the essentials of his own, infamous *On Population*. The earlier precedents for that line of argument which has become synonymous with "Malthusian," are traced to the "proto-Malthusian" decrees of the Roman Emperor Diocletian. The appearance of the forerunners of "Malthusianism" in modern Europe is usually dated to Giovanni Botero's association with the thinking of the circles of Paolo Sarpi.

While Karl Marx did recognize aspects of the role of scientific and technological progress, he never understood this subject-matter in terms of scientific principles of physical economy. In fact, he confessed, in what is called Volume I of his *Capital*, that this involved a branch of economics which he was not addressing at that time. Indeed, the Soviet accomplishments in prac-

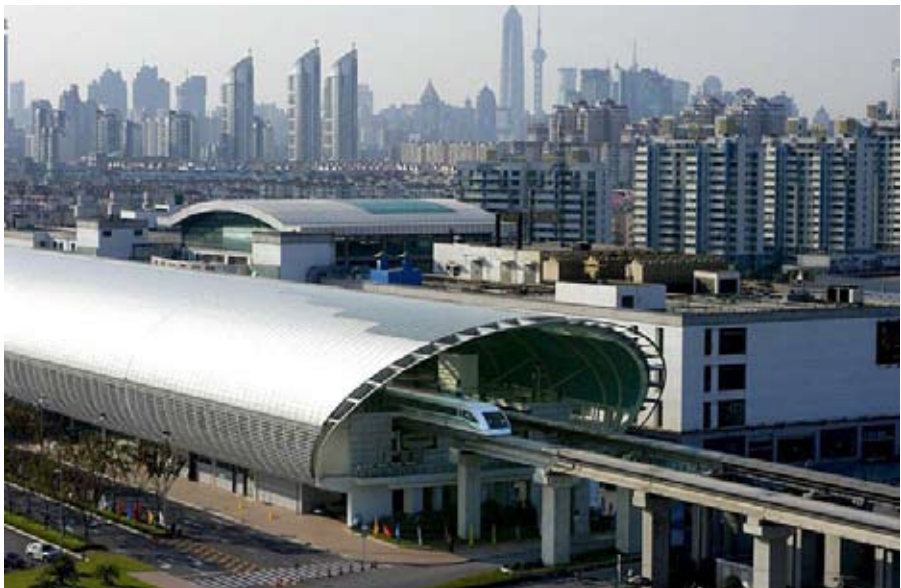
13. For a relevant illustration of this, see the LaRouche Youth Movement study of Kepler's work (<http://wlym.com/~animations>). Consider that body of work on file from the working standpoint of the LaRouche PAC website's video *Harvard Yard* (www.larouchepac.com).

tice of science and technology, were more a product of the tradition of Russian physical science since the influence of Gottfried Leibniz and of the Freiberg Academy on Czar Peter the Great, than Marx. Marx, did not recognize a science of physical economy, and the Marxists generally were hostile to the notion of a science of physical economy of the sort we, today, would associate with the discoveries of Academician V. I. Vernadsky in the field of a science of physical chemistry which shared the field with scientists such as Chicago's famous Harkins.¹⁴

On the Subject of Pricing

The most significant of the recent decades' experiments in the domain of managing market prices, was the U.S. experiment with "fair trade" during the 1950s and the 1960s under President Kennedy. The U.S.A. coming out of the 1930s economic recovery from the 1920s and its Great Depression, and then confronting the austerity measures required by the conduct of World War II, recognized that a certain degree of regulation of prices, called a "fair trade" policy, must be tested; that a turn to a "free trade" policy would be ruinous, as the terrible error of "free trade" has been demonstrated, even violently, in the world's persisting decadent movement toward a general, presently global breakdown crisis of today, since August 1971.

The actually productive sector of the U.S. economy had always been committed implicitly to a "fair trade" policy in the approach to tariffs and kindred measures of policy-shaping. The expressed thinking of Franklin, Hamilton, Mathew Carey, and Henry C. Carey is exemplary. President John F. Kennedy was continuing the exploration of management of "fair trade" policies during his conflict with the steel magnates, and in the design of taxation policies designed to encourage corporate reinvestment in long-term capital improvements. The Franklin Roosevelt recovery and the expe-



LaRouche has prescribed "long-ranging cooperation in development among sovereign nation-states," to produce large-scale capital improvements typified by great projects in basic infrastructure. Shown: the Shanghai, China maglev system.

rience of World War II had taught us some useful lessons, despite President Harry Truman.

The outcome of those and kindred developments reached a relative high-point of good approximation under President John F. Kennedy. What followed has been catastrophe, a presently global catastrophe.

Where the Future Takes Us

If we assume, as I do for the purposes of this report, that we are at a point of desperately hopeful opportunity for all mankind. We are, thus, on the verge of establishing the form of long-ranging cooperation in development among sovereign nation-states which I have prescribed, such that the greatest increases in categories of production globally will occur in very-large-scale capital improvements typified by great projects in basic infrastructure. These will be, to a very large degree, international projects of cooperation among sovereign nation-states, including projects whose initial development and turnover will span several or more generations.

The development of high-density and very-high density sources of power, the process of increasing the rate of flow of fresh, clean water through the world's national economies, a progressive revolution in the practice and principles of public health, very large-scale mass-transportation of passengers and freight emphasizing magnetic levitation, the development of

14. A closely related problem came to the surface in a 1994 public debate with my friend Pobisk Kuznetsov, in the matter of the so-called "Second Law of Thermodynamics."

new conceptions of raw materials and their processing, and increased emphasis on exploration of nearby space for scientific purposes, will lead the list of undertakings. These types of great undertakings will be the drivers which define the direction of organization of all leading phases of production.

These great projects will then define the base-line of capital factors underlying all significant other economic activity in the economies within and among nations of the world as a whole.

From this point of departure, we shall obtain the base-line of costs and values which will underlie and permeate all phases of production, trade, and consumption throughout the world. That base-line, tied to a fixed-exchange-rate system shared in common by respectively sovereign nation-states, will then define the base-line to be referenced in determining suitable levels of pricing and related cost-estimations among the cooperating national economies of the world.

Within that framework, individual freedom to innovate will be promoted, and will be actively present in precisely the degree that the potential scientific and relatively creativity of the individual person is promoted.

4. Why a “Fair Trade” Policy?

3. The absence of a scientifically competent standard for defining “earned” profit margins, a standard needed to rid the current practice of financial accounting of its corrupting traditions of usury.

The general principles of what have been known, in earlier times, as “fair trade” policies, have been indicated in the immediately preceding chapter. However, as in discussing diet, it is not sufficient to emphasize what is beneficial; it is urgent that there also be a warning against more or less deadly poisons.

Therefore, the essential point, stated summarily, is that there is no statistical or comparable convergence



A “fair trade” policy requires that we rid our financial accounting practices of the corrupting traditions of usury. Shown: “Christ Driving the Moneychangers from the Temple,” an etching by Rembrandt (1635).

of “market-driven” determination of prices on relative economic values, whether that matter is as discussed by followers of the doctrine of Karl Marx, or not. That is the lesson which should have been recognized by any actually competent economist who has considered the patterns of the relations of volumes and relative prices over the course of the recent four decades of, in particular, North American and European trends.

It is nonetheless possible, of course, and, sometimes, also useful to compare trends in prices with contrasted physical-economic data. When this is done properly, it has the usefulness of showing up the fact that movements of prices may reveal some awful blunders in policy of economic practice (they often help to show us the patient—the economy—as sick), but neither temperature-readings, nor series of prices are reliable, in themselves, as indicators of the medicine required.¹⁵ Cures of most kinds of very bad current forms of long-term economic trends, lie in the domain of practice of physical economy, as was the case for the U.S.A. during the 1939-1945 interval of general warfare in the world, when sundry controls balanced with

15. As in the three sets of measures I have prescribed for the U.S.A.’s required measures under conditions since July 2007 to present date.

military requirements had to be considered in light of the conditions of warfare.

For example, following the death of U.S. President Franklin Roosevelt, it was increasingly commonplace to hear that there had been something wrongful about pricing policies under the conditions of the 1941-1945 interval of the U.S. engagement in the general warfare of the 1939-1945 interval. On the contrary, if we acknowledge that price controls and related arrangements were necessary for the winning of that war, the price structures under that war-time regimen were closer to fulfilling both the current and future developmental requirements of physical reality than at any time later.

For example, the post-war intention of the Franklin Roosevelt Administration, was to convert much of the 1939-1945 wartime build-up of production for warfare, into non-military production for development of the peace-time world economy, including the freeing of what had been colonial territories. The cutting back of much of this potential, rather than realizing it through useful development in the world economy, made it difficult to deal with the accumulated war-expenditures debt of the U.S.A. during the post-war years.

In a different case, in the contrary effects seen during the costly 1964-1975 interval of U.S. warfare in Southeast Asia. In the latter case, the lack of correlation between prices and physical values, was increased radically from U.S. Fiscal Year 1967-1968 onward; this discrepancy was accelerated, from that point onward, by the sharp cut-backs in net growth, even replacement of basic economic infrastructure during the latter part of the 1960s, and beyond.

As the developments of the 1960s demonstrated, veteran planners of serious warfare, qualified military officers, such as Generals of the Armies Douglas MacArthur and his former aide Dwight Eisenhower, showed then that they are usually far better economists, in practice, than the typical accounting specialists of today, as the case of Defense Secretary Robert McNamara has demonstrated.

In general, the notion that medium-to-long-term movements in relative prices converge, as if statistically, on appropriate relative (e.g., “market”) values, is one of the most popular, and most stupid ideas commonplace in the field of statistical economic forecasting. This convergence virtually never occurred under “free trade” conditions; throughout the 1971-2008 interval, the trend toward “free trade” has been an increasingly disastrous one.

The most successful, and most profitable periods of the economies of the U.S.A. and modern Europe, have been periods of great increases in ratios of indebtedness *on capital accounts, especially in government uttering of debt in the matter of public expenditure*. In other words, these have been periods of high rates of physical-capital formation, combined with high ratios of advances in productive and related technologies. These governmental actions include greater rates of investment in competent forms of scientific training and higher rates of Classical artistic education.

The key to such ironical patterns, is that the real economy functions, over the medium to long term, in response to physical conditions, rather than financial projections as such.

The happier periods of exceptionally high rates of growth of physical productivity per capita and per square kilometer, are also associated with high rates of net increase in the debt associated with rising ratios of physical-capital investment with rising rates of physical productivity per capita and per square kilometer of national, or regional territory. This includes increased rates of so-called “public investment,” as distinct from what is usually classed as “private investment.”¹⁶

The entire span of that period of the U.S. economy since Fiscal Year 1967-1968, had been a process of what has been an overall net physical decline in the net physical productivity and average quality of full “life-span” of productive investment, during that period to date. This is illustrated by a net collapse, through attrition, in outstanding margins of basic economic infrastructure since Fiscal Year 1967-1968, since which there has been nothing but a net collapse of the basic economic infrastructure of the U.S.A. as a whole.

The worst effects came over the course of the 1970s and beyond, through the combined effects of deregula-

16. So-called “ppp’s” (public-private partnerships) are echoes of the practices of the fascist regime of Italy’s dictator Benito Mussolini, and are, by nature, intrinsically an integral feature of a predatory, fascist form of economy and nation-state. Notably, the principal argument of the Rockefeller Foundation, which has taken a leading position, together with New York’s Mayor Bloomberg, in promoting the fascist “ppp” program, has been the failure of the Federal and state governments to maintain previously existing levels of infrastructure during the 1968-2008 interval to date, a wrecking of the U.S. economy done in the name of promoting “free trade” advantages for private investors! Now, they propose to turn over the infrastructure already created on public account, to the worst among the private financial predators which have plundered the economy in ways which brought much of our publicly maintained infrastructure into its present state of relative ruin.

tion and the wrecking of the real economy under the 1977-1981 Carter Administration's implementation of the Trilateral Commission's program of the intrinsically highly inflationary method of controlled disintegration of the U.S. economy.

This attrition has been more or less concealed, fraudulently, by a gradual elimination of the accounting practices of national economic accounting which used to emphasize the proper, functional distinction between current and capital budgets. If the commitment to maintain public capital budgets which are sufficient to maintain what had been the capital invested in public infrastructure at parity levels per capita and per square kilometer had been enforced, there would have been no significant long-wave of rising real deficits in the public infrastructure budgets on which the Rockefeller Foundation's accomplices now seek to prey.

This element of accounting fraud introduced to the post-1971 practice of U.S. national accounting, was reflected in effects felt in the domain of physical productivity. For example: the high point of *the rate of scientific progress* associated with the U.S. space program was reached by Fiscal Year 1967-1968, at a time when savage cut-backs were introduced into the related research and development programs associated with aerospace and related programs.¹⁷ It is a truism to suggest that, therefore, the ability to complete the intended Moon Landing program was being used up, by attrition, by the U.S. Administration, with each of the successful flights launched during the early 1970s. That certainly is the view of the recent forty



NASA

The high point of the rate of scientific progress associated with the U.S. space program was reached by 1967-68, at which point, savage cutbacks were introduced into aerospace and related research and development programs. As a result, the ability to complete the intended Moon Landing program was being used up, by attrition, with each of the successful flights launched during the early 1970s. Shown: the Apollo 16 launch, April 16, 1972.

years in retrospect, today.

That space program had been, by its inherent nature, among the most efficient generators of profitable forms of investment in scientific and technological progress of the period since the program had been launched. During the 1970s, there was an estimate of a ten-cent return to the economy, on this account, for every penny advanced for space-program R&D.

This same historical-economic consideration appears when we are willing to see the ridiculousness of the suggestion that urgent military requirements necessarily require a cut-back in physically capital-intensive investments in relevant general agro-industrial and infrastructural programs. History demonstrates the opposite conclusion. It is the increase of the technologically progressive productive powers of labor of society as a whole, per capita and per square kilometer, especially in industrial and agricultural labor and basic economic infra-structural capabilities, the which is essential support for all programs essential to missions such as warfare or any great program of progress.

The increase of the productive powers of labor, per

17. Some wags might object, "But, buddy, there was a war on." The reply to such an objection would have been, "Buster, if President Kennedy had not been shot, then, the cronies of Defense Secretary Robert McNamara would not have been able to bring us, fraudulently, into that particular war." Former Prime Minister Blair's fraudulent means employed to bring the U.S.A. into the current warfare in Southwest Asia, is a notable example of the point. We have been destroyed, now, as then, by wars launched on such fraudulent pretexts. Indeed, one of the most effective ways to destroy a foolish once-great power, such as our own, is to permit that power to buy into lies like those of McNamara's and Blair's crowd.

capita and per square kilometer, means an increase in the ratio of physical-capital accumulation in categories of scientific-technological advances relative to general consumption otherwise.

On these accounts, every trend in U.S. technological-economic orientation of policy introduced since 1967-68, has been, in effect, more clinically insane, and more damaging than its predecessor. We have the results to prove that, in any honest examination of the physical-economic history of the U.S.A. during the recent forty years. The worst physical-economic damage done to the U.S.A. and its citizens during those forty years of ruin, have been policies oriented to promotion and toleration of recreational drugs, and to what is called, euphemistically, the kind of “environmentalism” associated with such worshippers of that Satan called the Olympian Zeus of Classical tragedian Aeschylus’ *Prometheus Bound*, as Britain’s Princes Philip and Charles, and their American patsy, that lying, pro-genocidal, pro-bestial fanatic, former Vice-President Al Gore.

The characteristic of the human species, especially of that species’ progress from pathetically primitive conditions, has been the increase of our species’ potential relative population-density, an increase accomplished only through the equivalent of the increase of the potential relative population-density of national cultures generally. We are, by given nature, a progressive, future-oriented species. *We live, and progress, not by re-arranging the proverbial deck-chairs of policy, but by the way in which we choose, or fail to choose, and commit ourselves to our advances into the future.*

Therefore, there is no idea more efficiently inhuman, than the idea that the standard for human economic behavior should converge upon some asymptote associated with a previously established level of practiced technology. Civilized society is governed by a devotion to generating the progress of the future now, not an obsessive occupation with re-enacting, and depleting the practices of the past. *Capital-intensive modes of development and investment in scientific progress are required; this commitment to increasingly capital-intensive progress, is, thus, the emblem of the expressed difference between human beings and the beasts.*

The Roots of Imperialism: a Synopsis

The world is presently menaced, chiefly, by two institutions of policy-shaping. First, the failure of most governments and peoples of the world to understand

the nature, and origins of the present form of a British empire dating from about A.D. 1763 to the present instant. Second, the actual nature of that empire, rather than the presently popular fairy-tales on that general subject. Chancellor Otto von Bismarck knew better, so they dumped him.

To understand the monstrous threat of a new world war today, we must proceed from the understanding of the actual, rather than popularized mythical view of the matter of that British Empire which came into being as the imperial power of the followers and heritage of Paolo Sarpi, that in the form of the private, financier-oligarchical form of the British East India Company, a power secured during the proceedings of the February 1763 Peace of Paris: a triumph of the British power which had organized and steered the so-called “Seven Years War” for precisely that purpose. That Company itself has dissolved into the rotting woodwork of its past, but the spirit of that Company lives on, and reigns today, as the principal past and present foe of the existence of that U.S.A. which London presently infests as a parasite penetrating virtually all of the U.S. Republic’s financial, political, and cultural institutions, as it also corrupts those of most of continental Europe as well.

While it is widely conceded that the British Empire emerging from the imperial maritime power of the British East India Company, has been, essentially, a maritime power, from even before the beginnings of its imperial power in the outcome of the Seven Years War, the unfortunate fact is, that most of the world’s present governments conceal the true nature of their principal foe, the actual British Empire, from themselves, by refusing to look behind a mask which is the fading, comitragic trappings of feudalist pomp of the present, decadent British monarchy.

Those observers miss the essential fact, that the British Empire always was, as it is today, essentially a financier oligarchy in the Venetian tradition, specifically the Anglo-Dutch Liberal tradition of Paolo Sarpi. This is the essential truth which is displayed with full rottenness by that modern petroleum “spot market” established, chiefly in concert with Saudi Arabia, through an international petroleum swindle of the early through middle 1970s.

The Mediterranean Roots

This development of that real-life British empire of today has ancient Mediterranean roots, the roots of the empires relatively familiar to relevant historians who

have examined the world's history since about the time of the alliance of the Etruscans, Egyptians, and Ionians, against the tyranny of Tyre, since about the Seventh Century B.C. The tracing of the development of those roots to the present-day form of the British Empire, is absolutely indispensable for understanding the remedy for the general economic-financial breakdown-crisis which has seized our entire planet today.

The birth and continued existence of that empire has a history. Unless that history is understood as a pathologist must examine a disease, the infection can not be effectively defeated. Therefore, some essential notations must be supplied by me here.

What is properly defined strategically as a fairly well known form of European culture, emerged from earlier arrangements at some time during the Seventh Century B.C., when the Egyptians (as also represented by Cyrenaica), entered into a working alliance with the Etruscans and Ionians, for mutual defense against the predatory Mediterranean maritime power of Tyre. Indeed, the roots of European culture are to be traced to the effects of earlier trans-oceanic maritime cultures (from which we obtained what became our best ancient calendars) which colonized the coastal and lower riparian regions emerging from the seas, in the aftermath of the millennia-long melting of the preceding, long glaciation in the Northern Hemisphere, in particular.

The appearance of the scientific method known as the *Sphaerics* of the Pythagoreans and Plato, typifies the earlier origins of the notion of "universe" in the astronomy of great navigational cultures. Thus, the dominant cultures under which European culture emerged, were the maritime cultures which tended to colonize the relevant lower riparian and coastal sites of the Mediterranean, especially from about the time a great fresh-water lake was invaded from the Mediterranean, to form what we call today "the Black Sea." Thus, it was the most advanced cultures, the maritime cultures, including the culture of Egypt which had the same general maritime origins, which dominated the emergence of what became European civilization.

Because of the transoceanic cultures' access to the science of the "universe," through study of the astronomical changes essential to trans-Atlantic navigation over many centuries and longer, it was from this origin and continued development of the best known ancient calendars, that the essential foundations of scientific capability were developed by mankind.

The Homeric *Iliad*, dating from a relatively late

phase in this Mediterranean process, has long been a point of reference to some significant cultural aspects of the emergence of a maritime-culture-dominated development of the Mediterranean and related regions of Europe, near Asia, and northern Africa during the First Millennium B.C., until Cardinal Nicholas of Cusa's proposal for trans-oceanic outreaches inspired Christopher Columbus, from about A.D. 1480, into what became the trans-Atlantic colonization of the Americas from Europe and northern coastal West Africa, from A.D. 1492 on.¹⁸

Thus, the emergence of the Mediterranean maritime culture of Europe, especially the more familiar period since the Seventh Century B.C., is crucial for insight into the emergence of the influence of maritime culture in shaping the evolution of today's globally extended European history since such ancient times.

Thus, the relevance of bringing those matters up here. I explain the connections now.

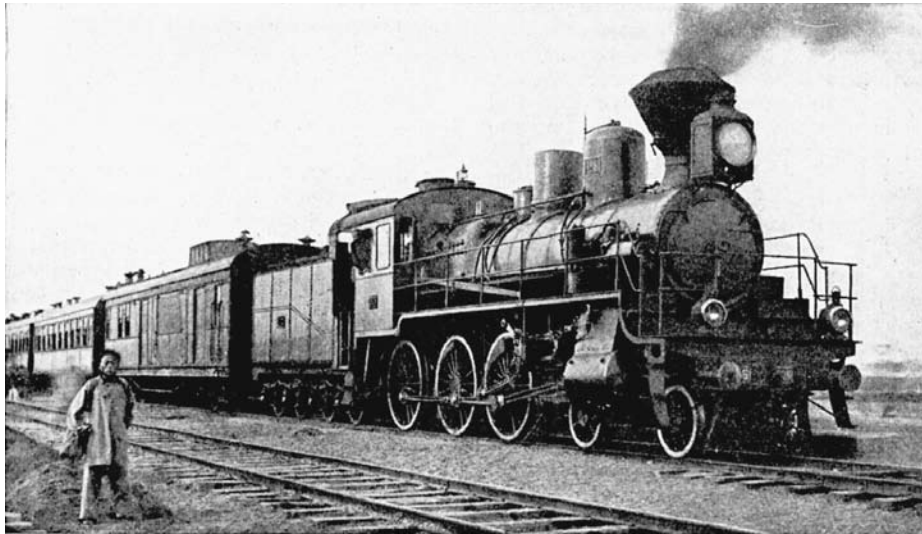
Trade & Imperialism

The economic advantages of maritime cultures over inland cultures, have persisted from ancient times, until the U.S.A. introduced the concept of the development of the trans-continental railway system. An approximation of this latter development had been introduced under Charlemagne through the building up of a relevant network of streams and canals in France and eastward, a developmental process which was still actively in progress into the 1990s. In both the U.S.A. and in Europe, the development of national, continental, and transcontinental railway systems based upon the development of the steam locomotive, tended to lie along existing riparian and canal routes of traffic in freight.¹⁹

Notably, the destruction of the continental railway system, and its replacement by highway transport, has

18. The times of great maritime cultures of China prior to Europe's Fifteenth Century, and Leibniz's identifications of the related ancient development of astronomical science in China, are comparable matters of historical concern for those intent to gain a better understanding of mankind for today.

19. The development of the steam-engine was originally sponsored by Gottfried Leibniz, while the development of the efficient general use of the steam-engine involved discoveries organized in Britain and France by Franklin, Priestley, and collaborators such as Watt. This was, as documented by my associate Anton Chaitkin, the American initiative which organized the beginnings of the industrial revolution inside England—largely from the colonies in North America, as in the case of the Saugus Iron Works in Seventeenth-Century Massachusetts.



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The economic advantages of maritime over inland cultures, prevailed, from ancient times, until the U.S.A. introduced the concept of the development of the transcontinental railway system. Shown: Russia's Trans-Siberian railroad, modelled on the United States system.

been an intentional, London-centered, geopolitical trick for wrecking of the U.S. economy, rather successfully, during the recent fifty-odd years.²⁰

It had been, in turn, earlier, under the influence of the development of transcontinental railway systems inside the United States, especially since the international impact of the 1876 Philadelphia Centennial exposition, that transcontinental railway projects of continental Eurasia were launched in Bismarck's Germany and under the guidance of the universal scientist D.I. Mendeleev in Russia. This specific development, on both sides of the Atlantic, was already the origin of the new policy of the British Empire under the growing influence of Prince of Wales Edward Albert, to destroy both the United States and continental European powers such as France, Germany, and Russia, by what became known as two "World Wars" of 1914-1917 and 1939-1945, as also the Prince's inciting and aiding Japan in the launching its great, recurring war against China and Russia—and, then the U.S.A.—over the interval 1895-1945.

This continuing warfare-in-fact, by the British financier-oligarchical Empire-in-fact, against the U.S.A. and continental Eurasia, over approximately the span

20. During the last years of the 1950s, I worked up a plan for rationalization of the national railway freight transport, beginning with the integration of the Pennsylvania and New York Central systems, through the creation of a computerized initial transfer and storage facility in the northern New Jersey area. This reform died on Wall Street, with the sad outcome clearly visible today.

1876-2008, is the key to tracing the ins-and-outs, twists-and-turns of British operations against the U.S.A. and other relevant targets, including Britain's intended victims on the continent of Europe today. That is the significance of the British monarchy's use of the foolish former U.S. Vice-President from Possum Hollow as the neo-Malthusian puppet of Princes Philip and Charles, and of Britain's George Soros of the World War II period's notoriety in the mass murder of about a half-million Jews, for Soros' more recent role in extensive British Foreign Office not-so-covert operations against tar-

gets in many parts of the world, as in the recent developments in Georgia.

As we can plainly see in retrospect today, since the first election of the wretched Harold Wilson as Prime Minister, the British empire has shown virtually no present interest in actually producing much of anything; it trades, following the trail of all usurious parasites who suck the blood of humanity in buying cheap, and selling dear, as Lord Shelburne's other American-hating lackey, Adam Smith prescribed.

The development of that British Imperialism otherwise known as the Anglo-Dutch Liberalism of the present-day heirs of Venice's Paolo Sarpi, has reached the point of seeking to establish a truly naked form of global imperialism of the type prescribed by the overt fascist H.G. Wells, and Wells' crony Bertrand Russell of "world government through preventive nuclear war" notoriety.

Already, as under the bestiality of the WTO, the British empire in its present form has gone to such grotesque postures as showing what is intended to pass for moral indignation against any nation which attempts to resurrect the almost dead tradition of national sovereignty, any nation which attempts, thus, to resist the British empire's insistence that anything you produce in your own nation you must not be permitted to consume, and everything you consume must be paid for at dear prices which are highly profitable to the middleman, the British Empire, which supplies such foreign-

made products obtained by the British from labor-intensive sources at cheap-labor prices.

At the same time, the British system, acting according to the whims of such predators as Princes Philip and Charles (with Al Gore tagging behind), makes clear that these WTO policies are intended to assist London's intention to reduce the world population, by the means proposed by the late Bertrand Russell, from over six-and-a-half billions persons on this planet, to no more than two, and that in considerable haste in the making.

One might ask: Is there any proffer of pretended rationality about these clearly British imperial demands? In the meantime, while one were waiting for the answer to the question concerning their method for bringing that result about, the fact is already clear, that Princes Philip and Charles are intent on the early achievement of their stated population and related goals. For all of which, they are expected to be regarded with great respect, even, perhaps, reverence.

Empire's Ancient Motive

None of this brutishness from those quarters is novel in known ancient, medieval, or modern European history. This is the tradition of all expressions of true European imperialism, and the Babylonian tradition, too. After its close cousin, prostitution, imperialism is among the oldest of institutions, and diseases, known today. The relationship of prostitution and the like to imperialism is most simply expressed by the close relationship of both to, and abundant liaison with the systems of money. In other words, monetarism as we know it from such examples, runs along the pathway down to the nearby port, from that cult of Delphi where the treasuries of the notable worshipful cities surround the temple. In other words, the center of the practice of the usurious racket which Plato had intended to have shut down.

All of the ancient European empires which have existed since that time, have been based on the control of the valuation of money in the closely related practices of simple usury and international trade. The premium placed on controlling the pathways of navigation and related matters, so that this control may be established over the difference in money-price between buyers and sellers, has been the most profitable function of what had become modern trade under WTO conditions today. The purpose of WTO rules is to establish the greatest achievable margin of marketable difference, and distance, between "cheap" and "dear."

It is that kind of control over international or kindred forms of trade, which has always been an essential constitutional feature of monetary functions of any actual or would-be empire.

The mechanism of control depends upon the existence of another, complementary feature of the system of imperialism: the Olympian pagan religious (Gaea-Python-Apollo, or Apollo-Dionysus) cult of Delphi, as that was echoed in the function of the Pantheon of ancient imperial Rome. The most essential features of such intrinsically tragic cult-mechanisms are the subsuming subject matter of the Homeric *Iliad*. The great tragedian Aeschylus used the ancient Egyptian account of the Atlantan chronicle of the Olympian Zeus' conflict with Prometheus, to open the secrets of European imperialisms to his audience for the story of the *Prometheus Bound*.²¹

The crux of the matter was, and remains, the banning of knowledge of "fire"—meaning such things as nuclear power today—from the knowledge of ordinary men and women. In the Prometheus account, "fire" is generic for that human individual creativity by means of which individual persons discover universal physical principles.

London & The Drug Trade

Thus, during the Nineteenth Century, the British Empire had used the Spanish monarchy as the handmaiden of its dirty work in the same African slave-trade used as a lever of the British imperial crown in the effort to create the Southern states' slavery system intended to enable the British to destroy the United States by aid of such penetration. The British, who had abandoned direct trafficking in African slaves during the 1790s, had turned the slave-trade over to their agent, the Spanish monarchy, so to conserve British vessels for the vastly more profitable opium-trade which, today, is still funding Saudi, Afghan and other investments in the vastly profitable illegal, international traffic in opium and its derivatives around the world. Then, as today, it is the British empire which actually controls the bulk of this trafficking. They engage in their part in managing this traffic not only for obvious profit-margins, but as a weapon of subversion used against sections of the populations of targeted nations.

21. At a later, Roman time, the Sicilian chronicler Diodorus Siculus gave an account which he attributed to the then-contemporary descendants of the ancient Berbers.

Thus, as the case of London's George Soros illustrates this point, the Anglo-Dutch Liberal financier interests abandoned the work of appearing to conduct the narcotics trade, by limiting their own visible role largely to the imperial political, as much as the direct financial profits. This has been typical of imperialism since long before the British Empire existed.

Today, since the role of the so-called "68ers," the following related factors have been in play in assisting the British Empire in the work of eliminating the United States and some other nations which are too important to be overlooked as targets. The creation, from among a "systemically white collar" sector of the U.S. and European persons born between 1945 and the 1958 midpoint of the first major U.S. economic recession, of future adult youth who were "pre-programmed" by the obvious methods of targeting "White Collar" and "Organization Man" households of that period, to become the wildly irrational, enraged, Dionysian stratum of "blue collar-hating," science-hating "68ers" of the late 1960s and 1970s. One is reminded of that academic, Friedrich Nietzsche, dying and rotting of venereal disease in a foul attic, when one thinks of those 68ers now.

This stratum of haters of science, of industrial and of agricultural development, and of Classical culture generally, became the notorious "White Collar" shock-troops of the political establishment between about fifty to sixty-five years of age inside the U.S.A., most of western and central Europe, and relevant other parts of the world today.

It were sufficient to read the literature of the latter sociological phenomena of mass-politics today, to recognize the kind of "mass-brainwashing" which the policies of the Olympian Zeus' ban on knowledge of "fire" represent for the world's politics and economy today.

Unfortunately the victims of that "brainwashing" which we must associate with the hard-core of the leading political layer drawn from the same cultural matrix as the "68ers," have dominated the cultural trends among the ruling political strata of government and economic life today. This layer typifies the most concentrated expression of those cultural types of victims of Zeus-like "brainwashing" in the leading political strata of Europe and the Americas today. This is the hard-core constituency of imperialism in the world at large today, especially within northern Europe and the Americas, but not limited to those areas.

Economics & Creativity

Refer back to the review of the role of human creativity in defining the absolute nature of the difference between ecology and economy.

The source of all net physical growth in the productive powers of labor, even the ability of society to prevent an attritional slide into the decadence of too long spent doing nothing better than the same old thing done in the preceding generation, depends upon that quality of the human mind lacking in all lower forms of life.

So, the history of past empires, and the lurking fate of the British Empire and its "neo-Malthusian" lackeys of today, is the attritional effect of attempting to sustain a human population over a long time according to the Delphi Apollo-Dionysus tradition implied to be that of the Olympian Zeus. The attempt to establish and maintain a relatively powerful empire, results in a depletion in the kinds of resources which the relatively stupefied population conditioned to a fixed level of technology prefers. At a certain point, the doom of that society becomes inevitable. Then, out of that catastrophe, some echo of the old ruling ways starts the attempted build-up of imperial power, and this is repeated, over and over again, with, or without a Julian the Apostate. Such is the history of empires in general, and the empires since the fall of the Achaemenid empire in particular.

Now, the population of the planet has reached the level of more than six-and-a-half billions living human individuals. That population can not continue to exist under the conditions prescribed by the British Empire and its accomplices of today. Hence, we have heard the suggestion that the planet must now suffer the catastrophe of a collapse of population from more than six-and-a-half billions persons, to level of two or less. Perhaps Philip thinks himself to be Julian the Apostate; at least he tries out for the part.

Scientifically, probably no institution in existence today could fairly estimate where bottom would be if Prince Philip's ambition were tolerated, but, bottom would be, actually far, far below a level of two billions humans. We hover, thus, at the brink of a catastrophe which simply must not happen. The remedies are two. First, the British Empire must be brought to an end. Some replacement, like the idea of the peaceful cooperating, sovereign nations of Ireland, Scotland, Wales, and England, would be a sensible alternative. Second, we must uproot every trace of the influence of imperialism, while reorganizing the population of the planet

as composed of respectively sovereign nation-states committed to sharing the promotion and use of the available new technologies which lie beyond nuclear-fission power as such. That change would not be an end, but only a needed beginning. Above all, in all this, it is the development of the creative powers of each society's human individuals in a world, which must have eradicated everything from its policy of practice which looks like, or smells like the agenda of former U.S. Vice-President Al Gore.

5. Vernadsky & Economy

4. The failure to bring the notion of economy up to date, scientifically, in terms of the notions of Biosphere and Noösphere.

The most common fault of which I know in studying the thinking processes in society, is the inability, or, worse, in the refusal to recognize that that human creativity which distinguishes man from beast, is essentially personal. "Let's be objective" can usually be relied upon as an indication that the person who introduces that suggestion is either about to lie, has just lied, or is simply feeling very uncomfortable about the direction in which the deliberation is proceeding. Perhaps it is because he, or she has something to hide. Or, perhaps, it is because he, or she fears that either his or her own ignorance of the subject at hand is about to become manifest. Sometimes, however, for reasons which I illustrate here, that involves an important issue of scientific method.

That resistance is of a quality typified by the situation in one member of a group is showing signs of irritation with the course the discussion is threatening to take, as if that person fears that things may be about to come up in the course of that discussion, which would indicate such a thing as the existence of a secret mistress to persons who either know the person's wife, or the man's mistress.

The expression such latter person might employ is, "Let us get off that subject!" What is actually in danger of being revealed, is not so much the identity of the man's mistress, but, as, in scientific, or certain other matters, how the speaker's mind actually works.

For example, often, in my working experience as an economist, or in political-intelligence matters, someone has suspected that I "must have received" in-

formation he had preferred that I not know, or not be able to reveal. Often, the fellow feeling such a concern, has simply failed to grasp the point that I, for example, am responding to nothing but what he himself had just inadvertently revealed. In relevant cases, the source of his error of assessment is essentially his lack of the quality of creative insight essential for scientific method. There are people who, therefore, deeply resent, or even hate, those others who are able to "see things," such as matters of scientific principles, which their blocked mind will not, or does not wish to see. They hate that as much, or more than the revealing of the identity of a secret mistress.

This syndrome is, or ought to be notorious in the field of scientific work generally. By the nature of the social character of the subject of economy and its principles, the type of problem to which I have referred leads quickly to angry outbursts within the discussion of matters of principles of economy, especially when the discussion borders on someone's, such one of today's financial speculator's, fear of losing his, or her accustomed, or merely desired right to steal.

I explain the crucially important point toward which I am pointing with that illustration, by using those immediately preceding remarks as a way of referring to a very personal, and crucially important aspect of scientific method, as follows.

Science & Personal Insight

Out of respect for the limited access to certain physical resources, sometimes available to me in those particular settings, I have concentrated my principal life's effort, overall, to the subject of the outcome of my fortunate devotion, since early adolescence, to a certain kind of an expression of human creativity, an outlook typified by my good fortune, since adolescence, to have recognized the implicit evil of the promotion of Euclidean geometry and related methods.

That piece of good fortune brought me to a consequent, agreeable association with the legacy of Gottfried Leibniz, and, onward from that, to the implications of Bernhard Riemann's 1854 habilitation dissertation. However, it had an important added consequence of great specific relevance to the matter of physical economic science with which we are dealing in this report.

In the course of time, in the immediate aftermath of my admittedly modest war-time service and its experience, the experience from my adolescence and early



“Not only has Vernadsky led a great and profound revolution in understanding ourselves and our relationship to the universe we inhabit, but very few, even scientists, so far, have grasped the more fundamental ontological implications of his contribution.” Academician V.I. Vernadsky, in 1940 photo.

adulthood, was combined with an incurable stubbornness in resisting anything which, so to speak, “smelled” like more reductionist sort of academic, or comparable pabulum, even when the subject-matter was otherwise intellectually attractive. This steered me into emphasizing a commitment to the idea of human creativity as such. This was stimulated, as my experience overall had shown me repeatedly, by my discovery, about myself, that what I detested the most was that which I became most passionately impelled to dissect and cure. Thus, the relevant output of Professor Norbert Wiener, John von Neumann, and their patron Bertrand Russell, became such targets, although scarcely the only such, which I could not relinquish. Thus, my adult professional experiences, and similar matters, purified my focus into one of concentration on the subject of creativity *per se*.

By the late 1950s, my fascination with the problem of the lack of creativity in business executives and management consulting personnel, in particular, drew my attention to some work by Dr. Lawrence Kubie, a work with which I came to disagree on certain points, but found nonetheless fruitfully challenging. Later, I appreciated very much a message relayed to me from Kubie: *Creativity is itself intrinsically a good*. It was not a new idea for me, in any degree, but hearing it

stated so by one whose work I had studied in connection with my own professional practice, my spirits were much refreshed by hearing that message.²²

Creativity as such is not only a good in its own right. It is the true essence of that which sets the human individual apart from, and above the beasts. Virtually all persons have this quality, as an intrinsic distinction of their share in human nature, but, today, in only a very few does that potential survive the social conditions to which individuals are usually subjected, even in the nations which are most generously endowed with access to knowledge.

What pleases me most in my own experience and development along those lines, has been cracking the virtual wall which separates the individual’s access to knowledge in physical scientific matters from the principles of Classical artistic composition, especially in the matter of the non-plastic arts. That matter of the conventional separation of the one de-

partment of creative efforts from the other, is a subject with which I have associated for about sixty-four years since the impact of what I experienced in reading Percy Shelley’s *In Defence of Poetry*. I bring the discussion now, thus, to the point of these opening paragraphs of this chapter of the report,

Mathematics Versus Science

It has become, unfortunately, customary in modern education and along related tracks, to identify scientific creativity with formal mathematics. As I recognized the mistake of that customary belief, I also recognized that the proof of my objection should have been obvious. That is, in any creative discovery of a solution in principle for a viciously perplexing paradox, the typical problem is that the nature of the answer

22. This message passed to me from Kubie was notable because he was not only a leading psychiatrist of that time, but, nominally at least, a Freudian. As I have referred to such matters in some of my work published during the 1970s, there are some isolable outbursts in Freud’s published work on the subject of society as such, which tend in the direction of Kubie’s message, but Freud’s attachment to the mechanistic influence of Ernst Mach is all too notable in his work as a psychiatrist. Kubie’s emphasis was relatively unique, formally and morally. With that I concurred with his argument, especially as he situated it with respect to pathological factors arising in what had been otherwise promising scientific minds.

to the paradox has a certain proximity to mathematical forms of expression, but that expression is never better than a shadow cast by the relevant conception generated in the mind.

The scientific treatment of Kepler's uniquely original discovery of the principle of gravitation includes several crucial illustrations of this point, as does the work of Fermat contributing to the principle of least action, the discoveries of Leibniz, and so on.

Essentially, all valid expressions of creativity as such, share this characteristic. The discovery of a true physical principle, as Johannes Kepler demonstrated this so powerfully in his *Harmonies*, or, any great performance of a Classical musical masterpiece, demonstrates that there is a correct reading of the Beethoven (for example) score, but, as Wilhelm Furtwängler both argued and demonstrated, it "lies between the notes."

As I have referenced this point earlier in this report, any actual discovery of a universal principle must, by its very nature, "lie between the notes," as Kepler's uniquely original discovery of the principled character of the orbit rests on the discoverer's flash of insight into the existence of what I have fairly described as an *ontological infinitesimal*, the infinitesimal expression of a principle which envelops, rather than being enveloped by the principle which contains the relevant action: i.e., which bounds the action, as Albert Einstein's universe is an expression of a finite, but, ontologically, infinitely self-bounding principle.

The folly of the introduction of the notion of "imaginary" magnitudes by de Moivre and D'Alembert, illustrates the point.

Think of a sterile strict reading of the intention lodged behind the literal performance-reading of a score by J.S. Bach or Beethoven, and we realize that that intention does not allow liberties, but, as in the case of the distinction of a mathematical formulation, ontologically, from the principle to which the formula-



The discovery of a true physical principle, as Johannes Kepler demonstrated this so powerfully in his Harmony of the World, or, any great performance of Classical music, "lies between the notes." Kepler, in a 1610 portrait.

tion refers, performance of great Classical musical composition, as in the legacy of such as Leonardo da Vinci and Johann Sebastian Bach, requires a more demanding precision than the mere score itself could show. When we accept the relevant evidence of that, then, we have gained an insight, which Kepler, doubtless, would enjoy. That insight is: that the actually creative occurrence of ideas specific to, respectively physical science and Classical musical performance, are ultimately of the same nature. The only real difference, is that, in physical science, the subject is man acting upon the universe; whereas, in the irony intrinsic to Classical artistic composition, as by Bach, Mozart, and Beethoven, or Leonardo da Vinci, earlier, it is the mind of man acting upon the mind of man in social processes, as its subject.

The problem with all such and related matters of the relationship of human creativity to irony, is, that, so few people today have not lost most of even the powers of creative insight which were not entirely uncommon during the 1950s, the insight needed to make such ideas, the ideas which inhabit the domain of specifically human creativity, their own.

The importance of saying what I have just stated thus far in this chapter, is that it expresses the hope of improving the access of people to the natural power of creativity within them, a power which could be greatly improved by aid of willful means.

Poetry, For Example

Since Classical poetry, when it is actually poetry of which Keats and Shelley would not be ashamed, is the closest sibling of Classical music, I have come to the conclusion, which you may regard as merely heuristic, if you wish, that a certain course of experiencing the evolution of competent physical science along a pathway from Pythagorean *Sphaerics*, through Cusa, Leonardo, Kepler, Fermat, Leibniz, Gauss, and Riemann, that in the setting of the blending of the relevant Clas-

sical prosody and manifest benefits of Florentine and related *bel canto* voice-training, is probably the most effective choice of pathway for what Kubie identified as promoting the quality of scientific creativity which we are failing to promote in leading university programs today.

The more I digest the kind of argument which I attribute to what I suspect have been believable translations of Vernadsky's work from the last decades of his life, the more important I consider the standpoint which I have recommended for approaches to a more or less universal standard for higher education today. It is also clear, that not only has Vernadsky led a great and profound revolution in understanding ourselves and our relationship to the universe we inhabit, but that very few, even scientists, so far, have grasped the more fundamental ontological implications of his contribution.

Please assume that I might have now repeated everything I said in the preceding paragraphs of this chapter, but this time from the notions of Biosphere and Noösphere as a context of physical-economic reference.

The Crucial Implications

In all competent appreciation of Classical artistic composition and valid modes in fundamental scientific progress, the ontologically infinitesimal, as I have described it during the course of these pages, reigns supreme. Call it "mind over matter," if you wish. The power of the human mind which is lacking in all beasts, is not merely a difference between man and beasts; in our respective ways of functioning, we and the beasts live *as if* in different universes. The universe as only man could know it, rather than the beasts, is not only the real universe, but our actions as incarnated person-



Experiencing the evolution of physical science, from Pythagorean Sphaerics, through Cusa, Leonardo, Kepler, Fermat, Leibniz, Gauss, and Riemann, combined with Florentine bel canto voice-training, is probably the most effective way to promote the quality of scientific creativity needed today. Shown: a panel from Luca della Robbia's "Cantoria" (1430s), in the Florence Cathedral.

alities are actions within the domain experienced by the beasts, but the beasts do not know this. The difference is that our species is defined, as if by the Creator, as like the man who runs the zoo within which the animals are kept. It is our actions, on this account, actions of which the beasts are not capable, which define our essential, functional relationship to the universe as a being made in the image of the Creator.

The problem is that people, for the most part, see themselves, in most moments of their living, as more in the likeness of the beasts, than their Creator. This is shown, chiefly, in the fact that most people, even those aware of the actual presence and function of human individual creativity, think of creativity as if it were a kind of magic which intervenes from outside our real existence. The tendency to see matters in those terms, is strongly re-enforced by the social fact of today, that most of the human beings with whom we are associated do not

actually believe in the existence of true creativity, and therefore do not seek to define their social relations in terms of creativity as a human characteristic of man as a social being.

They, even most of the actually creative people, tend to locate their personal identity in the part of themselves which dies, rather than in terms of those social relations we share with those departed and also with the yet to be born. Generally speaking, it is only those of us, such as creative scientists and Classical poets, who are in an active, efficiently productive quality of practical intellectual relationship with the principles adopted by deceased important thinkers of the past, who find in that fully efficient, if immortal quality of efficient social relationship in the form of a dialogue with minds from the

past, the effect of what we sense as “cathexis” with those relevant minds living in the past. In theology, this quality of efficient social connection with past individuals, is classed under the heading of “simultaneity of eternity.” Let the deceased smile in our imagination when we think of them in this way.

No truly competent scientist, nor any competent professional, or knowledgeable audience for great Classical musical composition, is ignorant of that quality of connections with creative work which is radiated into the present, from past generations. It is impossible to understand Beethoven, or any of his compositions, except as he is engaged in a dialogue with Bach and Mozart, among others. It is not because those subjects are “old,” that we revere them; it is because they represent the experience which has defined the materials of the work with which we must begin to act now.

When you can experience the impulse to shout across time, “Franz Liszt, as a composer, you are the terrible faker that Beethoven warned that that criminal Czerny would cause you to become!” “All those pianos at Wahnfried! All squatting like sleeping, elephantine dinosaurs. What an awful spectacle of waste!”

All competent pursuit of physical science occurs as a dialogue spanning no less than the lapse of time since the Pythagoreans.

Those who adopt the profession of making history, of which competent practice of science is typical, must *live the relevant past as an active presence within themselves, as really a living part of their presently immortal identity with respect to both future and past.* Otherwise, they will make a horrible mess of things, as the present generation of leaders in Europe and North America, for example, have done of late.

Then, Consider Vernadsky

Vernadsky’s establishing the concept of the Biosphere, when this aspect is combined with his more primitive, but provisionally valid insight into the principled nature of the Noösphere, has, in a manner of speaking, “changed everything” for the scientist, or statesman who has grasped what Vernadsky has actually accomplished.

Rather than seeing the human species (ourselves) as popped up like a toaster-tart from the Earth we inhabit, we experience the progress from inhabitants of what they might have been assumed to have been popped-into as a given environment, to the experience of the development of our bodies from the preceding

evolution of the materials of us which do not die, but which have been assimilated to form the bulk of those materials of which our living bodies are composed to form us, not as a species of animals, but as in the likeness of the Creator.

However, there is nothing of spontaneous generation in this process. We are not made of inorganic materials, as if we had been creatures molded from clay. If you must have analogies, if they will be of any assistance, consider your body as a recording medium, in which it is merely the imprint of your development which dwells. The medium decays, but what is experienced may be replicated in other ways, as within, for example, the medium of society as a whole.

At this point in this report, certain debts must be, so to speak, paid.

Put that point in other terms, as follows. Start with Vernadsky’s definition of the Biosphere. What really convinced me that the argument of Vernadsky, which I already considered important, was to a certain degree conclusive, was, ultimately, my good fortune to be associated with Chicago University Professor Robert Moon, who was, himself, a particularly accomplished former student of the great physical chemist William Draper Harkins, whose work must be associated in physical chemistry with the role of D. I. Mendeleev, as in opposition to the reductionism of the notable British reductionist schools. The effect of my own association with Professor Moon crystallized into a more important relationship around the implications of Vernadsky’s discoveries in a certain fashion, during my vigorous defense of the work of Kepler against the frauds of Newton, during several general meetings of the leading body of the Fusion Energy Foundation. My argument prompted Professor Moon to return to some uncompleted work of his own in physical chemistry. The lines of work which this prompted were crucial for situating lines of inquiry of continuing relevance for today.

That coincidence of the legacy of Professor Harkins’ leading role in Twentieth-Century physical chemistry with that of Academician Vernadsky’s treatment of the physical chemistry of the Biosphere, when that is viewed appropriately in retrospect by us today, has a basis in authority which reaches far beyond issues of physical chemistry as such, into the higher realm of the means of experimental validation specific to the domain of the science of physical economy, my own field.

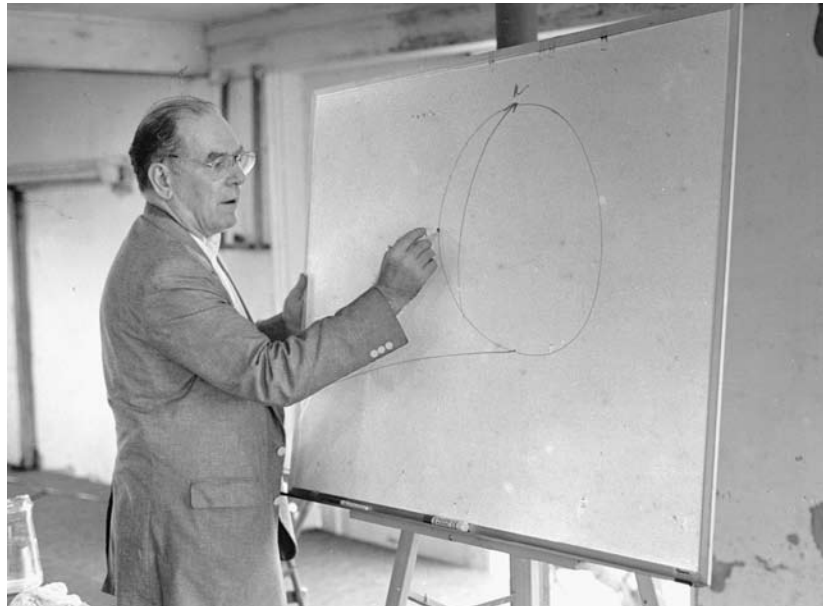
There is an essential universal principle here. To

understand the universe, we must start from the top down, with mankind, rather than, as is, unfortunately customary, from the bottom up (where, in fact, it usually remains). As an effect of the validation of Academician Vernadsky's discoveries in physical chemistry, our comprehension of the place of man in the universe has been implicitly transformed, lifted to a higher plane than mankind has known, ever before. The standpoint required to appreciate these implications of Vernadsky's accomplishments, in light of this and related developments, is the conception of the immortality typified by the cases of truly great minds, which is common to great Classical artistic composition and the essentially non-mathematical aspects of fundamental scientific progress in the heavenly potential for the improved condition of mankind in a domain of the simultaneity of eternity.

The necessary, if introductory argument for this case, can now be stated from the vantage-point of the implications of Vernadsky's contributions. I summarize that argument here, as I do, because what must be discussed between us and relevant Russians today, under the presently given considerations of a global existential crisis of all mankind, is the ecumenical task of finding the underlying common cultural denominator which will be capable of binding the U.S.A., Russia, China, and India, together as a keystone of a system among the respectively sovereign cultures of many nations.

It was very good that Cardinal Mazarin and others established that 1648 Peace of Westphalia to which all truly civilized persons on both sides of the Atlantic adhere still today. "To love one another," is a sound principle; but, it is not sufficient. There must be a higher ranking mission which binds differing cultures together in an impassioned devotion to a common end, an end which can not be mere peace among peoples, but some purpose which binds them, even among different faiths, passionately, to a common outcome.

The statement required could be uttered in theological terms, and probably shall be presented so. Unfortunately, the state of relations among putative and equivalent religious beliefs is not particularly good. For the good of all, let us, for the moment say it in my fashion.



EIRNS/Stuart Lewis

"I have devoted my principal life's effort to the outcome of my fortunate adolescent devotion to an expression of human creativity which is typified by my good fortune to have recognized the implicit evil of the promotion of Euclidean geometry and related methods," LaRouche writes. Here, LaRouche gives a class to his associates in Leesburg, Va., July 1985.

The Thesis

The crucial feature of the standpoint from which to trace the social implications of Vernadsky's combined treatment of the Biosphere and Noösphere, is the inescapable implications of the interactions, as in both physical science and Classical artistic composition, of the efficiently active personal relationship between the thinker living today and the thinker living even thousands of years earlier.

Out of respect for the extremely limited physical resources sometimes available to me during the past, I have devoted my principal life's effort to the outcome of my fortunate adolescent devotion to an expression of human creativity which is typified by my good fortune to have recognized the implicit evil of the promotion of Euclidean geometry and related methods. This brought me to the consequently agreeable association with the legacy of Gottfried Leibniz, and, onward from that, to the implications of Bernhard Riemann's 1854 habilitation dissertation.

In the course of time, in the immediate aftermath of my war-time service and its experience, the experience from my adolescence and early adulthood, combined with an incurable stubbornness in resisting anything which, so to speak, "smelled" like more reductionist

sort of academic pablum, even when the subject-matter was otherwise attractive. This steered me into a commitment to the idea of human creativity as such. This was stimulated, as my experience overall had shown me repeatedly, by my discovery about myself that what I detested the most was that which I was most passionately impelled to dissect and cure. The relevant output of Professor Norbert Wiener, John von Neumann, and their patron Bertrand Russell, became the targets, although scarcely the only such, which I could not relinquish. My adult professional experiences, and similar matters, purified my focus into concentration on the subject of creativity *per se*.

By the late 1950s, my attention to the problem of the lack of creativity in business executives and management consulting personnel, in particular, drew my attention to some work of Dr. Lawrence Kubie, with which I came to disagree on certain points, but found his work a fruitful challenge nonetheless.

As I have already emphasized above, in my references to Dr. Lawrence Kubie, creativity as such is not only a good in its own right. It is the true essence of that which sets the human individual apart from, and above the beasts. Virtually all persons have this quality, but in very few does that potential survive the social conditions to which individuals are usually subjected, even in the nations which are most generously endowed with access to knowledge today,

What pleases me most in my own experience and development along those lines, has been cracking the virtual wall which separates the individual's access to knowledge in physical scientific matters from the principles of Classical artistic composition, especially in the matter of the non-plastic arts. That matter of the conventional separation of the one department of creative efforts from the other, I have associated for about sixty-four years with the impact of what I experienced in reading Percy Shelley's *In Defence of Poetry*. I come, thus, to the point of the opening paragraphs of this chapter of the report,

It has become unfortunately customary in modern education and along related tracks, to identify scientific creativity with formal mathematics. As I recognized the mistake of that belief, I also recognized that the proof of my objection should have been obvious. That is, in any creative discovery of a solution in principle for a viciously perplexing paradox, the typical problem is that the nature of the answer to the paradox has a certain proximity to mathematical forms of ex-

pression, but that expression is never better than a shadow cast by the relevant conception generated in the mind.

Essentially, all valid expressions of creativity as such have this characteristic. The discovery of a true physical principle, as Johannes Kepler demonstrated this so powerfully in his *Harmonies*, or, any great performance of a Classical musical masterpiece demonstrates that there is a correct reading of the Beethoven (for example) score, but, as Wilhelm Furtwängler both argued and demonstrated, the truth of the composer's intention "lies between the notes."

As I have referenced this point earlier in this report, any actual discovery of a universal principle must, by its very nature, "lie between the notes," as Kepler's uniquely original discovery of the principled character of the orbit rests on the discoverer's flash of insight into the existence of what I have fairly described as an *onotological infinitesimal*, the infinitesimal expression of a principle which envelops, rather than being enveloped by the principle which contains the relevant action: i.e., which bounds the action, as Albert Einstein's universe, is a finite but infinitely self-bounding principle.

The folly of the introduction of the notion of "imaginary" magnitudes by de Moivre and D'Alembert, illustrates the point.

Think of a sterile strict reading of the intention lodged behind the literal performance-reading of the score by J.S. Bach or Beethoven, and when we realize that intention does not provide liberty, but a more demanding precision than the score could show, we have gained an insight, which Kepler, doubtless would enjoy, that the actually creative occurrence of ideas specific to, respectively physical science and Classical musical performance, are ultimately of the same nature. The only real difference, is that in physical science, the subject is man acting upon the universe; in irony intrinsic to Classical artistic composition, it is the mind of man acting upon the mind of man as its subject.

The problem with all such and related matters of the relationship of human creativity to irony, is that so few people today have not lost most of the powers of creative insight needed to make such ideas, the ideas which inhabit the domain of specifically human creativity, their own.

The importance of saying what I have just stated thus far in this chapter, is that the hope of improving the access of people to the natural power of creativity

within them can be greatly improved by aid of existing willful means.

Since Classical poetry, when it is actually poetry of which Keats and Shelley would not be ashamed, is the closest sibling of Classical music. I have come to the conclusion, which you may regard as merely heuristic, if you wish, that a certain course of experiencing the evolution of competent physical science along a pathway from Pythagorean Sphaerics, through Cusa, Leonardo, Kepler, Fermat, Leibniz, Gauss, and Riemann in the setting of the blending of the relevant Classical prosody and *bel canto* voice-training, is probably the most effective choice of pathway for what Kubie identified as promoting the quality of scientific creativity which we are failing to promote in leading university programs today.

The more I digest the kind of argument which I attribute to what I suspect have been believable translations of Vernadsky's work from the last decades of his life, the more important I consider the standpoint which I have recommended for approaches to a more or less universal standard for higher education today.

Please assume that I might have now repeated everything I said in the preceding paragraphs of this chapter, but this time from the notions of Biosphere and Noösphere as a context of physical-economic reference.

Our Dialog Among the Immortals

As every qualified scientist or Classical artist knows (otherwise, they are not qualified), the practice of one's profession reaches across many generations of the departed, to an intimately personal, and active relationship across a span which usually reaches as far as some thousands of years. Unfortunately, most of contemporary popular art reaches back no further than the depths of mud, or some less pleasant antecedent. Similarly, the fraudulent teaching of physical science prevalent in universities and other places today, abandons everything from the past which is not either pathologically mythical, such as the intrinsically incompetent work of Isaac Newton, or sufficiently disgusting to please the appetites of popular entertainments. François Rabelais,



EIRNS/Elizabeth Mendel

The LaRouche Youth Movement's work on the discoveries of Kepler, which supplied the foundations of a competent modern astronomy, is bringing to life the process of discovery of a competent modern science. Here, members of the LYM participate in a class on Kepler's Harmony of the World.

like Boccaccio before him, or Miguel Cervantes (if few among the latter's present-day readers) would understand.²³

In the mind of the accomplished Classical artist or scientist, the spirit of such worthy departed (and also some other) souls are in our presence as if still living, and that virtually either within the same room, or on some telephone connection or comparable arrangement. We argue with these departed. We breathe a living spirit into their works, and seek actual evidence which would point out to us what their response might be to our question, or in objection to what we are thinking.

Consider my following examples minted to illustrate the point to which I am leading here. Become prepared to view the work of Vernadsky from this same vantage-point.

Take the case of the remarkably good somewhat short story of Stephen Vincent Benet, *The Devil and Daniel Webster*, which some among us would consider in the spirit of typically New England stuff. Or, consider the featured videos recently produced for LaRouche PAC by my associates of the LaRouche Youth

23. Spending the night chatting with a prostitute, is not, as Shakespeare's Doll Tearsheet could have explained, an uplifting occupation.

Movement (LYM) as practical demonstrations of the same principle. Consider these compositions as informed by the experience of bringing the actual process of discovery of the foundations of a competent modern science to life, in the LYM work on the discoveries of Kepler which supplied the foundations of a competent modern astronomy.

It is within the framework of that *simultaneity of eternity*, bringing the voices of the relevant deceased back as if to life in the dialogue of the present, in which truthful conceptions are set afoot among the minds of contemporary men and women. Silly people live in the present moment, a moment which will soon die; people who know what it is to be human, or possess at least an inkling of that, are never existentialists; they live within a dialogue of living and departed alike. It is that dialogue that their knowledge of experience inhabits; it is in the active dialogue among the living and the relevant departed, that the meaning of the mortal life of a human being is really situated.

We must confess, that Stephen Vincent Benet did a brilliantly good job.²⁴

Now, extend the principle of history so illustrated to our present relationship to the Biosphere, and also the abiotic domain.

Prior to the relevant discoveries by Academician Vernadsky, especially the consolidation of that work which developed from the mid-1930s onward, most of mankind enjoying the benefits of a modern European education, visualized mankind as if dropped from outer space upon the relatively habitable regions of our planet. We were, in that sense, and in that degree, more or less aliens within this habitat.

Prior to the work of Vernadsky, especially from the mid-1930s, onward, mankind as mankind, which is to say, not some variety of ape, had a relationship to our planet like that of visitors from outer space whose ancestors had colonized this planet. With Vernadsky's work, especially that from the mid-1930s onward, the historical perspective of our species had been profoundly changed. We were now of this planet. It could not be assumed, by people with respectable scientific opinions, that life in general was a secretion of non-life. Once we compared mankind's population characteristics with those of the beasts, including the higher apes, we could no longer presume that mankind was

24. I.e., *The Devil and Daniel Webster*. The motion-picture version was not bad, either.

simply an evolution of some animal species.

Going a qualitative step further than that, any serious examination of the nature of the variability of the potential population-density of the human species, showed that there was nothing attributable to the characteristics of any and all marsupial or mammalian species which could account for the way in which the developing of human cultures brought about the virtually willful increase of the potential relative population-density which occurred only through the kind of cultural development which the edict of the Olympian Zeus' ban on use of "fire" would have forbidden. So, our existence was thus distanced, qualitatively, from that of any, or all known forms of life.

The significance of these distinctions is made clearer by an examination of the demonstrable, "historical" changes in the relative masses of the products of the respectively abiotic, biotic, and cognitive contributions to the component residues of the outer regions of our planet. We are, thus, of this planet, and, as the Solar System is of the process known as our Sun, we are of this Solar System, and, implicitly, of the universe as a whole.

What I have just emphasized in the immediately preceding paragraphs now complements the simultaneity of existence of both our living and our deceased of all times thus far. This is a conception which is shown, functionally, to be a true conception of ourselves, and our heritage as a species in this universe.

In our essential nature, as what we might term the still tiny minority of the "relatively most enlightened" among us, we do, indeed, live in a simultaneity of eternity, as that view was expressed in Raphael Sanzio's "The School of Athens."

The problem is, that most of the people of this planet do not yet see themselves in these terms, in terms of a notion of a simultaneity of eternity. That deficiency among our people is the principal source of the persistent, but remediable great evil which has plagued our species in all known times to date.

Epilogue: the U.S.A., Russia, China & India

Now, that much said up to this point, return to our starting-point of this report.

In viewing the awful predicament which, once again, menaces the existence of the human species on



The pathway out of the awful predicament which menaces the human species today, is the rapid development of advanced economic infrastructure across the planet, centered on a keystone alliance of the four great powers, the U.S.A., Russia, China, and India. Here, an artist's conception of a Bering Strait Railway Tunnel between Wales, Alaska, U.S.A. and Uelen, Chukotka, Russia.

this planet, the considerations which I have selected for sampling in the preceding sections of this report, appear to be the only adducible remedy for the presently immediate threat of a general thermonuclear and related holocaust on this planet.

Since the most menacing features of the current strategic situation are chiefly a reflection of the combination of what the British Empire is, and what the United States of America, unfortunately, has failed to do in keeping faith with its own revolutionary tradition, it is necessary to recognize that the British Empire, which, in fact, is currently in top-down control of these United States, is the nearest approximation of a true representation of Satan, as it was when it created Mussolini and Adolf Hitler as geopolitical strategic tricks earlier.

Yet, when we think more carefully about these matters, this evil which the British empire in its present form most precisely expresses, is less an evil in its own right, than an expression of what we of the United States, for example, failed to do when we had, formerly, the power, under President Franklin Roosevelt, for example, to prevent this presently perilous situation threatening all humanity. Evil is not as much a power in its own right, as much as it is the expression of the absence of the good.

What should capture our attention in viewing this presently perilous situation menacing all mankind, is the following leading facts of the present situation.

First, that without the role of the U.S.A. which I have prescribed, there is no hope for the assured continuation of civilized human life on this planet during generations yet to come. Second, the only partner presently available to the U.S. for this urgent mission is one other European culture, that of Eurasian Russia, and the leading Asian nation powers of China and India. There are other allies for this purpose, but the mission as a whole requires a firm commitment by the four indicated leading powers, whose actions will allow the others to enter as members of the same enterprise.

Second, all nations, including the indicated leading ones, must summon a relevant humility respecting the causes of this crisis of global humanity. It is the ignorance of the masses of poor, which has, in effect, disarmed the majority of the human race of the mental capability of organizing its own defense under these terribly perilous, global circumstances.

Thirdly, the essential problem is not merely that most of humanity, including its relatively wealthier, more privileged portions, is also a victim of the most corrupting of all moral disorders, not merely ignorance, but a defiant ignorance stubbornly defending the very ways which have been its complicity in its own oppression.

Finally, the most essential fault of humanity today, is its want of a competent sense of immortality of the person, not in the flesh, but in the simultaneity of eternity.

FDR's Bretton Woods Plan

Here are excerpts President Franklin Roosevelt's Feb. 12, 1945 message to Congress on the creation of the Bretton Woods system.

In my budget message of Jan. 9, I called attention to the need for immediate action on the Bretton Woods proposals for an international monetary fund and an international bank for reconstruction and development. It is my purpose in this message to indicate the importance of these international organizations in our plans for a peaceful and prosperous world.

As we dedicate our total efforts to the task of winning this war, we must never lose sight of the fact that victory is not only an end in itself but, in a large sense, victory offers us the means of achieving the goal of lasting peace and a better way of life. . . .

If we are to measure up to the task of peace with the same stature as we have measured up to the task of war, we must see that the institutions of peace rest firmly on the solid foundations of international political and economic cooperation. The cornerstone for international political cooperation is the Dumbarton Oaks proposal for a permanent United Nations.

International political relations will be friendly and constructive, however, only if solutions are found to the difficult economic problems we face today. The cornerstone for international economic cooperation is the Bretton Woods proposals for an international monetary fund and an international bank for reconstruction and development.

These proposals for an international fund and international bank are concrete evidence that the economic objectives of the United States agree with those of the United Nations. They illustrate our unity of purpose and interest in the economic field. What we need and what they need correspond—expanded production, employment, exchange, and consumption—in other words, more goods produced, more jobs, more trade,

and a higher standard of living for us all.

To the people of the United States, this means real peacetime employment for those who will be returning from the war and for those at home whose wartime work has ended. It also means orders and profits to our industries and fair prices to our farmers. We shall need

prosperous markets in the world to insure our own prosperity, and we shall need the goods the world can sell us. For all these purposes, as well as for a peace that will endure, we need the partnership of the United Nations.

The first problem in time which we must cope with, is that of saving life and getting resources and people back into production. In many of the liberated countries, economic life has all but stopped. Transportation systems are in ruins, and therefore coal and raw materials cannot be brought to factories.

Many factories themselves are shattered, power plants smashed, transmission systems broken, bridges blown up or bombed, ports clogged with sunken wrecks, and great rich areas of farm land inundated by the sea. People are tired and sick and hungry. But they are eager to go to work again, and to create again with their own hands and under their own leaders the necessary physical basis of their lives.

Emergency relief is under way behind the armies under the authority of local Governments, backed up first by the Allied Military Command and after that by the United Nations Relief and Rehabilitation Administration. Our participation in the UNRRA has been approved by Congress. But neither UNRRA nor the armies are designed for the construction or reconstruction of large-scale public works or factories or power plants or transportation systems. That job must be done otherwise, and it must be started soon.

The main job of restoration is not one of relief. It is one of reconstruction which must largely be done by local people and their Governments. They will provide the labor, the local money, and most of the materials. The same is true for all the many plans for the improvement of transportation, agriculture, industry, and housing, that are essential to the development of the economically backward areas of the world.

But some of the things required for all these proj-



ects, both of reconstruction and development, will have to come from overseas. It is at this point that our highly developed economy can play a role important to the rest of the world and very profitable to the United States. Inquiries for numerous materials and for all kinds of equipment and machinery in connection with such projects are already being directed to our industries, and many more will come. This business will be welcome just as soon as the more urgent production for the war itself ends.

The main problem will be for these countries to obtain the means of payment. In the long run we can be paid for what we sell abroad chiefly in goods and services. But at the moment many of the countries who want to be our customers are prostrate. Other countries have devoted their economies so completely to the war that they do not have the resources for reconstruction and development.

Unless a means of financing is found, such countries will be unable to restore their economies and, in desperation, will be forced to carry forward and intensify existing systems of discriminatory trade practices, restrictive exchange controls, competitive depreciation of currencies, and other forms of economic warfare. That would destroy all our good hopes. We must move promptly to prevent its happening, and we must move on several fronts, including finance and trade.

The United States should act promptly upon the plan for the international bank, which will make or guarantee sound loans for the foreign currency requirements of important reconstruction and development projects in member countries. One of its most important functions will be to facilitate and make secure wide private participation in such loans. The articles of agreement constituting the charter of the bank have been worked out with great care by an international conference of experts and give adequate protection to all interests. I recommend to the Congress that we accept the plan, subscribe the capital allotted to us, and participate wholeheartedly in the bank's work.

This measure, with others I shall later suggest, should go far to take care of our part of the lending requirements of the post-war years. They should help the countries concerned to get production started, to get over the first crisis of disorganization and fear, to begin the work of reconstruction and development; and they should help our farmers and our industries to get over the crisis of reconversion by making a large volume of export business possible in the post-war years. . . .

As confidence returns, private investors will participate more and more in foreign lending and investment without any Government assistance. But to get over the first crisis, in the situation that confronts us, loans and guarantees by agencies of Government will be essential.

We all know, however, that a prosperous world economy must be built on more than foreign investment. Exchange rates must be stabilized and the channels of trade opened up throughout the world. A large foreign trade after victory will generate production, and therefore wealth. It will also make possible the servicing of foreign investments. . . .

A good start has been made. The United Nations monetary conference at Bretton Woods has taken a long step forward on a matter of great practical importance to us all. The conference submitted a plan to create an international monetary fund which will put an end to monetary chaos. The fund is a financial institution to preserve stability and order in the exchange rates between different moneys. It does not create a single money for the world; neither we nor anyone else is ready to do that. There will still be a different money in each country, but with the fund in operation, the value of each currency in international trade will remain comparatively stable. Changes in the value of foreign currencies will be made only after careful consideration by the fund of the factors involved. . . .

[The whole package of measures] is our hope for a secure and fruitful world, a world in which plain people in all countries can work at tasks which they do well, exchange in peace the products of their labor, and work out their several destinies in security and peace; a world in which Governments, as their major contribution to the common welfare, are highly and effectively resolved to work together in practical affairs and to guide all their actions by the knowledge that any policy or act that has effects abroad must be considered in the light of those effects.

This point in history at which we stand is full of promise and of danger. The world will either move toward unity and widely shared prosperity or it will move apart into necessarily competing economic blocs.

We have a chance, we citizens of the United States, to use our influence in favor of a more united and cooperating world. Whether we do so will determine, as far as it is in our power, the kind of lives our grandchildren can live.

‘Most Terrifying of Terrors’: World War by Miscalculation?

by Helga Zepp-LaRouche

This article was translated from German.

Russian Prime Minister Vladimir Putin has accused the United States of being behind Georgia’s attack on Russian peacekeeping troops and civilians in South Ossetia, and says that he has proof that U.S. military advisors participated in the combat actions, and that this could only have been carried out on orders from a higher level. That is quite close to a state of war. And if, on top of this, you consider the insanity of sending U.S. naval formations into the Black Sea, where the potential for incidents with the Russian Navy is extremely high, it becomes clear how dangerously close the world is to a confrontation, which can easily spin completely out of control.

The high-ranking Russian military advisor Gen. Col. Leonid Ivashov (ret.) has meanwhile warned that the Georgian crisis could lead to a new Cuba Missiles Crisis like in 1962, and he connected this to the systemic crisis of the world financial system: “We see that certain strategic preparations are under way in the United States and NATO countries. At what point they will stop, is difficult to say. The local Georgian conflict was not an end in itself. This is merely the trigger mechanism of a big and complex game, a geopolitical operation. That it is anti-Russian in its nature is beyond doubt. Creating instability and chaos in other regions is becoming Washington’s main policy. Some American leaders are already talking about that openly.”

General Ivashov then presented an additional argument, one which is difficult to dispute, and fraught with implications which we would do well to examine thoroughly: “Another sign that the West does not exclude the possibility of solving the existing problems through military cataclysms, is that even at the G-8, the problem of the financial crisis was not discussed.” And indeed, even though Alan Greenspan has spoken of a once-in-a-century crisis, and there is talk of thousands of banks being under threat of insolvency, the systemic crisis was not an agenda item at the last G-8 summit meeting in Japan.

British Geopolitics

Lyndon LaRouche, commenting on Ivashov’s assessment, pointed to the British authorship of the geopolitical confrontation strategy against Russia, an authorship which is evident, not only from the composition of the puppet regime in Tbilisi, which utterly and completely owes its existence to George Soros, but also from the special role of Dick Cheney in the U.S. Administration.

Russia’s Ambassador to NATO, Dmitri Rogozin, has compared Georgian President Mikheil Saakashvili to Gavrilo Princip, the assassin who shot Archduke Franz Ferdinand in 1914. Such parallels to the run-up to World War I are, unfortunately, all too clear. Just as then, today the political landscape resembles a chessboard, with all the hallmarks of British geopolitics. The



U.S. Coast Guard/Petty Officer 2nd Class Lauren Jorgensen

A U.S. Coast Guard cutter and Navy guided-missile destroyer cross the Black Sea on Aug. 26, to deliver relief supplies to Georgia. Such provocative actions raise the likelihood of incidents with the Russian Navy that could escalate to World War III.

activities of Prince Albert Edward of Wales, later, King Edward VII, in crafting the Entente Cordiale, the Triple Entente, and the Balkan wars, correspond to Margaret Thatcher's and François Mitterrand's role in crafting the Maastricht Treaty, which started the EU off on its imperial course, and to Tony Blair's role in rigging evidence to create the basis for launching the Iraq War—and those are only two of many such elements.

It's scarcely believable: Anyone with common sense can see that the world is now racing toward a potential catastrophe, and yet our governments are acting like chess pieces following a script, apparently without thinking on their own, and without it ever occurring to them that they can throw the chessboard into the trash can and put another game onto the agenda, with entirely different rules. One example is the insane proposal to impose sanctions on Russia, coming from some masochists who apparently prefer to spend this Winter in the cold and darkness.

LaRouche has warned that the British and their U.S. lackeys are pursuing a policy not unlike the U.S. Armed Forces' reaction to the 1968 Tet Offensive by North Vietnam and the Vietcong. Then, Defense Secretary Robert McNamara and Gen. William Westmoreland committed the strategic blunder of grossly underestimating the enemy's strength, and, as a result, the United States was defeated. This same mentality grips not only the Bush-Cheney Administration, but also both designated Presidential candidates, John McCain and Barack

Obama—the only difference being that today we're dealing with the threat of nuclear war.

The Chinese Perspective

This ideologically benighted wishful thinking became evident, for example, in the interpretations of what was claimed to be the refusal by members of the Shanghai Cooperation Organization (SCO) to support Russia. The *Financial Times* took the sentence from the SCO's joint declaration which says that all sides should seek to resolve problems through peaceful dialogue, and pulled it completely out of context, as if it were a Chinese criticism aimed at Russia. In reality, the Chinese Ambassador in Moscow, Liu Guchang, made it quite

clear during his meeting with Russian Deputy Foreign Minister Aleksei Borodavkin, that China understands Russia's political and legal reasons for recognizing South Ossetia's and Abkhazia's independence.

It shouldn't be surprising that China, whose territorial integrity is likewise being threatened by British-inspired destabilizations in Tibet and Xinjiang, has been very careful in its formulations. But anyone who thinks, with the same mentality as the reaction to the Tet Offensive, that if one wages war against Russia, one won't also have to contend with China, is simply blind to reality.

The strategic partnership between Russia and China, as well as with the SCO, is, admittedly, not on an offensive footing; but if attacked, they pose a combined military might which would shatter the attacker's teeth, not to mention the impossibility of an attacker occupying all these countries. It didn't even work in Iraq and Afghanistan.

Saber-Rattling and Delusions

However much the hypnotized masses who idolized Obama in Berlin were deluded when they chose to believe his promises of a "change" in policy: By the time Obama voiced his reaction to Georgia's aggression, at the very latest, it became clear that he has placed himself firmly on the aggressor's side. It became even more clear when his chosen Vice Presidential candidate, Joe Biden, speaking at the Democratic Party Convention in



DoD

U.S. Marines in Hue, South Vietnam, during the Tet Offensive by the North Vietnamese Army and the Vietcong, which began on Jan. 30, 1968 and continued until September. The offensive was a turning point in the war, convincing many Americans that the war was unwinnable. Defense Secretary Robert McNamara resigned on Feb. 28.

Denver, summarily characterized the Georgian invasion of South Ossetia as “Russia’s invasion of Georgia,” and then conjured up a purported Russian threat:

“For the last seven years, this Administration has failed to face the biggest forces shaping this century: the emergence of Russia, China, and India as great powers; the spread of lethal weapons, the shortage of secure supplies of energy, food, and water; the challenge of climate change; the resurgence of fundamentalism in Afghanistan and Pakistan, the real central front against terrorism.

“In recent days, we’ve once again seen the consequences of this neglect, with Russia’s challenge to the free and democratic country of Georgia. Barak Obama and I will end this neglect. We will hold Russia accountable for its action, and we’ll help the people of Georgia to rebuild.”

Thus, as far as Biden is concerned, the Bush Administration’s reaction has been too mild. And after Russia recognized South Ossetia’s and Abkhazia’s independence, Obama hurriedly beat the White House and McCain to the punch, demanding that the UN Security Council be convened for a special session to condemn Russia’s actions.

David Miliband, Great Britain’s Foreign Minister, and probable successor to Gordon Brown, escalated the situation even further during his visit to Kiev, when he

called upon Ukraine to rearrange its relations with Russia. The *Financial Times*, writing in connection with Miliband’s visit, proposed that the EU immediately offer Ukraine membership in the EU, in order to smooth the way toward its assimilation into NATO, since the majority of Ukrainians favor entry into the EU, whereas they are split on the issue of NATO membership.

The *Financial Times*’ assertion that entry into the EU would be less provocative than joining NATO, is a flat lie: The Lisbon Treaty, whose adoption would mean the full militarization of the EU, includes an explicit solidarity clause, according to which, in the event of a crisis, all EU member states would have a military responsibility, which even those countries inclined to reject such a course, would not be allowed to shirk. German Chancellor Angela

Merkel and French President Nicolas Sarkozy continue to be dead set on getting the Lisbon Treaty adopted, even though the Irish “No” referendum vote rendered it a dead letter; and thus, if Ukraine joins the EU, any future Ukraine crisis could be used to usher in the Lisbon Treaty through the back door, as it were.

The so-called “New Europe”—the Baltic states, Poland, the Czech Republic, Hungary, Romania, and Bulgaria, still well-remembered for their support of the war against Iraq—wanted to work out a common position for the Sept. 1 special EU summit on the Caucasus crisis. “Old Europe”—Germany, France, Italy, etc.—should meanwhile make it crystal clear that there is no alternative to partnership with Russia.

If we don’t want the lemmings to march over the cliff, then we will have to abandon the British Empire’s geopolitical chessboard, and act jointly with Russia, China, India, and other nations, in putting a new financial architecture onto the agenda. What role the United States will play in this, is still an open question, because aside from Obama’s and McCain’s nomination, nothing has been decided—and it’s still a long time until November. But one thing is certain: The role of the LaRouche movement—the LaRouche Political Action Committee in the United States, and the Civil Rights Solidarity Movement in Germany—has become more important than ever before.

British Oligarchs Run Soros Addiction Drive

by Gretchen Small

The international drug-legalization strike force, for which George Soros is the frontman and moneybags, is determined that the moment has arrived to go for mass addiction of the world's populations, to ensure all civilization collapses along with their masters' financial system.

When Lyndon LaRouche called for sovereign nations to join together to crush the new British Opium War, he hit it on the mark. Over the past five years, the slime mold of Soros-financed, drug-pushing NGOs proliferating across the globe has been shaped into a "focussed, disciplined, inter-connected and organized" strike force, directed from the top by the highest levels of the British oligarchy. That strike force is now out to legalize opium in Afghanistan and the coca trade in the Andes, to break the international community's will to crush the drug trade, and to begin to dismantle institutions of global cooperation against narcotics traffic, by the March 2009 Ministerial of the UN Commission on Narcotic Drugs (CND) in Vienna, Austria.

They are gunning to do now, what they were unable to do ten years ago, at the 1998 UN General Assembly Special Session on Drugs. At that time, Soros mobilized dozens of "people in high places" (including that Pinochet-sponsor who gave us Bush-Cheney, George Shultz) to publicly call upon the United Nations to formally declare an end to the policy of fighting the global drug trade. That gambit failed, but the legalizers have regrouped, expecting the ground they gained in the meantime, under global collapse and pessimism, to bring victory.

The Ibero-American Flank

A Latin American Commission on Drugs and Democracy was established in Rio de Janeiro in April 2008, to centralize the Ibero-American side of this offensive. The 18 self-described "distinguished" men and women making up the commission stated that their

job is to ensure that "the voice of Latin America" is heard at the March 2009 CND meeting in Vienna. But, the only voice speaking in this show is that of British agent George Soros.

Soros's Open Society Institute (OSI) is a top funder of the Commission, and the three "experts" brought in to address its founding meeting were all from Soros's stable of agents. Not surprisingly, the agenda adopted is also that of Soros: attempts to control the production of drugs have failed, and combatting drugs is too expensive, anyway; society should give up the idea of getting rid of narcotics and capitulate to drug "decriminalization."

The Commission is co-chaired by three former Presidents: Brazil's Fernando Henrique Cardoso (1995-2003), Colombia's César Gaviria (1990-94), and Mexico's Ernesto Zedillo (1994-2000). Each in their day was an avid implementer of London's free-trade and privatization policies which fostered the dope trade which now controls entire economies and nations in the region. Gaviria, in particular, is infamous for having knowingly permitted the drug mafia to control the 1991 Constituent Assembly which rewrote Colombia's Constitution.

'Left-Right' Polarization

Ibero-Americans drawn into the dangerous polarization between "socialist left" vs. "democratic right," which threatens to rip the region (and the nation of Bolivia) apart, would do well to consider the implications of leaders of both "sides" happily joining forces on Soros's "drugs and democracy" commission.

A key role in the Commission is being played by Amsterdam's nominally left-wing, Soros-funded Transnational Institute (TNI). TNI, with Soros's OSI, ran the Coca 90's project, which a decade ago organized the coca-growers in the Andes as a battering ram for legalization. Another key agent in that Coca 90's project, Peru's Diego García-Sayán, Soros-financed in his own right, is a member of the Commission.

Among the other members of the Commission are such well-known British agents as Brazil's João Roberto Marinho, the former head of Prince Philip's genocidal Worldwide Fund for Nature (WWF) in Brazil, and Peru's perverse liberal, Mario Vargas Llosa, whose 1990 Presidential campaign was run by Soros's *compadre*, Lord Mark Malloch-Brown, today U.K. Minister for Africa, Asia, and the United Nations. No one could call either a "leftist."

TNI's Martin Jelsma, active in the British "poppy for medicine" Afghanistan opium legalization scam, as well as a leader of the "coca for tea" cocaine legalization hoax, told the Commission that, "there is not going to be a world rid of drugs." Therefore, your job is to turn away from the "U.S. approach" of a war on drugs, toward the "European approach" of "harm reduction."

Jelsma's coca legalization hoax (see accompanying article "Coca: The Sacred Leaf Of British Imperialism") with the British government's opium gambit exposed in the Aug. 22 *EIR* article, "Afghan Opium Pleases Taliban and Soros," are central to Soros's overall 2009 narco-strategy.

The other two "experts" addressing the meeting are also Soros boys: Rubem César Fernandes, director of Brazil's Viva Rio NGO, a leading OSI "democracy" project; and former RAND Corporation analyst Peter Reuter, who today chairs the Soros-linked International Society for the Study of Drug Policy.

Holes in Their Heads

Reuter brings us to a deeper level of this matter. The International Society for the Study of Drug Policy, like its sister association, the International Drug Policy Consortium, which unites some 25 international "drug policy reform" NGOs (most, if not all, financed by Soros), was founded out of a seminar held in the British House of Lords in 2004.

The seminar was organized by the Beckley Foundation, whose founder and director is one Amanda Feilding, aka Lady Neidpath, wife of the heir apparent to the Earldom of Wemyss and March. Receiving major funding from Soros's Open Society Institute since 2000, the Beckley Foundation has played a central role in his international drug legalization lobby.

Lady Neidpath's Beckley Foundation doesn't bother to hide its objectives under the fig-leaf euphemisms of "harm reduction," etc. with which the Soros crew assuages the consciences of government officials capitulating to Soros. Originally named the "Foundation To Further Consciousness," the Beckley Foundation openly campaigns for the mass use of psychoactive drugs for "expanding consciousness" and "altered states."

One might expect no less from advocates of the medieval practice of trepanation. Lord and Lady Neidpath drilled holes in their skulls in the 1970s, in search of "an altered state of consciousness." M'Lady, accord-

ing to her own account, went so far as to film the bloody act of cutting a hole in her own head.

So, while they run studies into the "benefits" of cannabis and other "social drugs," Lady Neidpath and her foundation are really into psychedelics, particularly LSD, whose inventor Albert Hofmann was a close friend of Feilding. She told the *London Times* just this month, that the Foundation is proud to have been the first to secure permission to use LSD on human subjects in "a scientific context" in 35 years, a study being carried out "at a secret institution in the U.S."

This bears investigating.

Drug Legalization on Russia's Border?

In 2000, when the U.S. Drug Enforcement Administration busted one Leonard Pickard for running one of the largest LSD operations in U.S. history (out of a decommissioned Atlas missile silo in Kansas), with enough raw material to produce 10 million or more LSD doses monthly, Lord and Lady Neidpath wrote a letter to the prosecutor requesting leniency because Pickard had helped them plan conferences on "Drugs and Society" at Queen Elizabeth II's Windsor Castle, and arranged conferences on drug policy which featured British Home Secretary Jack Straw and Drug Czar Keith Hellawell.

Yet, this brazen narco-foundation functions as a British government cutout, to which the House of Lords has opened its doors. The Foundation has held its annual Global Drug Policy Seminars in the House of Lords since 2003, attended by top government officials (e.g., the head of the Drug Strategy Directorate, Home Office) and diplomats, as well as prominent lords and ladies. Its 2003 meeting at the Royal Society was co-sponsored by the U.K. Cabinet Office Strategy Unit; and in 2005, the U.K. government's "Foresight" program co-sponsored a "Brain Science, Addiction and Drugs Project" with the Beckley Foundation, and assigned the foundation the task of developing "a long term, sustainable policy on the management of recreational drugs."

All of which raises the question: Could trepanation explain what happened to Soros's personal psychopath, Georgia's Mikheil Saakashvili? After all, in a May 2008 study, the Beckley Foundation praised Saakashvili's drug policy. Is London about to get their puppet Georgian government to legalize drugs, right on Russia's border?

Coca: The Sacred Leaf of British Imperialism

by Luis E. Vásquez Medina

This article was translated from Spanish.

Wall Street and the City of London must have burst out laughing when they heard the “revolutionaries” Hugo Chávez and Evo Morales at the opening of the Fourth Summit of the Bolivarian Alternative for the Peoples of the Americas (ALBA) in January 2008. There, Chávez, the Venezuelan President, clarifying that he was no drug addict even though he was in the habit of chewing coca leaves in the morning, defended his consumption by publicly chewing some, while asking his Bolivian counterpart, Morales, to explain the plant’s beneficial properties. Morales obliged, saying that “after extensive research, Harvard in the United States has affirmed that the coca leaf is the best food in the world.... In sum, the coca leaf in its natural state ... is beneficial ... it has proteins, vitamins ... the United States is a winner with Coca-Cola. The essence of the coca leaf was part of Coca-Cola.”

Coca Is Not a Food

Historically, Anglo-Dutch imperialism has depended not only on weapons and financial warfare to impose its will, but also on inducing its victims, through psychological and ideological warfare, to accept, and even defend, their subjugation. That same Anglo-Dutch imperialism, today, called globalization, does just that with the promotion of coca by a large part of the “anti-neoliberal” opposition, those who believe and spread the historical, anthropological, and anti-scientific lie, according to which the coca leaf is the soul of the Andean nations, a wonder-food. This great lie expresses the strategic plan of the British utopian imperialists like the Huxley brothers, Julian and Aldous, who presented their battle plan in Aldous’s *Brave New World*, in which slaves will be controlled by making them feel “happy” with the cheap drug “soma”—coca.

The promotion of the coca leaf by today’s Anglo-

Dutch imperialists is not gratuitous. Ninety-eight percent of coca is used to produce cocaine, whose traffic—as was revealed in the late 1970s by Lyndon LaRouche and associates in the famous book *Dope, Inc.*—is the beloved business of the international financial banks, since it constitutes the source of that flow of money indispensable for sustaining their world financial system, which is today dying of acute illiquidity.¹

The international financial oligarchy, on the one hand, promotes the legalization of coca/cocaine, while at the same time condemns its cultivation, thereby fanning the flames for Bush and Cheney’s constant assaults against the sovereign nation-state. It is important to emphasize that the supposed “war on drugs” by the British agent Dick Cheney and his neoconservative friends is in no way intended to actually eliminate the drug traffic; that is why the financial controllers of the drug trade—Cheney and company’s bosses on Wall Street and in the City of London—are never touched.

Thus the campaigns to eradicate coca cultivation allow globalization to intervene, including militarily, against the countries of Ibero-America. Bolivia could well prove to be the first victim of this strategy, which in the end, seeks to balkanize us.

In Ibero-America, the drug trade has turned into a power above even some of our governments; it controls many of the most important communications media; it has political parties and legislators at its service; it has overthrown and imposed Presidents. It functions as the real power in many interior regions of the Andean countries, a power that is reinforced by its ties to terrorism.

Today, this supranational mafia, allied to the international synarchist banks, hopes to fulfill its old dream:

1. In June 1999, then-president of the New York Stock Exchange Richard Grasso travelled to the Colombian jungle to meet with the leaders of the narco-terrorist FARC. This unusual episode made clear the already long-standing ties of Wall Street and the City of London to the drug trade.



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The coca leaf harvest in Peru. The scientifically fraudulent argument that coca is nutritionally beneficial started—where else?—at Harvard University, in 1975.

legalization of the coca leaf, with which the transformation of the Andean nations into narco-states would be just around the corner, and a major step will have been taken toward the indiscriminate legalization of drugs on a global scale.

Thanks to the multimillion-dollar campaign, run for more than three decades by the drug mafia and international financial interests, the legalization of the cultivation and trade of coca is today a possibility. The immediate objective is to get coca removed from Schedule 1 of the United Nations Single Convention on Narcotic Drugs, at the March 2009 meeting of the UN Commission on Narcotic Drugs; that is, to remove its classification as a banned substance, at the Vienna Convention of 1961.

Running this drive are well-financed NGOs and enraged coca-growing organizations sponsored by the financing of George Soros since the 1980s, through the Andean Commission of Jurists.²

2. The final declaration of the Coca and Sovereignty Campaign event, held in La Paz, Bolivia on July 31, 2006, organized by coca-growing groups of the Andean region with the backing of the Andean Commission of Jurists, stated: “With the 1961 UN Single Convention [ratified in 1988], and especially since 1998, with the approval of the United Nations Action Plan, the use of force was legalized and the eradication of coca bushes imposed, with its sequel of death and repression, as well as serious damage to the environment. . . . In this context, to decriminalize the coca leaf is the equivalent of removing it from the Schedule I of substances prohibited under the Vienna Convention (1961, 1988), and that goal is what the Coca and Sovereignty Campaign has proposed for the new meeting of that body in Vienna, in the year 2008.”

A key element in the campaign to decriminalize the cultivation and trade of coca has been the spread of fraudulent anthropological, historical, and economic arguments in its favor, which range from presenting coca as the basis for the national and cultural identity of the Andean nations, to claiming that it has nutritional properties and even industrial applications. This has reached the point that the National Culture Institute of Peru, under the former government of Alejandro Toledo (who is owned by George Soros), and the Bolivian Foreign Ministry under the Evo Morales government, declared the coca leaf to be the cultural patrimony of their respective nations.

The arguments for industrializing the coca leaf—for example, using it as toothpaste (!)—are so ridiculous as to require no refutation. The argument that coca is a food does require a conclusive rebuttal, since this will be the key argument put before the international community in the campaign for its legalization, even more so, given the present world food crisis, the result of economic deregulation imposed globally, but affecting, above all, the poorest nations of our continent and the world.

Harvard’s Fraud

In March 2006, the Morales government of Bolivia had barely been sworn in, when its Foreign Affairs Minister David Choquehuanca proposed that the coca leaf be included in the country’s student lunches, to take advantage of its calcium and phosphorous content. He reported that the use of these leaves as a nutritional supplement was a part of the policies the new Bolivian government was studying, to vindicate the plant’s value.

These and other arguments, such as those of the Peruvian Humala family on the “astounding” food quali-

In this same vein, an article appeared in the newspaper *Los Tiempos*, of Cochabamba, Bolivia, on Oct. 17, 2006, revealing how the Transnational Institute, one of George Soros’s multimillion-dollar-financed European NGOs, lobbied the Evo Morales government in favor of a campaign to decriminalize coca: “Members of Transnational Institute (TNI), a Non-Governmental Organization (NGO), yesterday presented the Government with studies and arguments supporting the request for decriminalizing the coca leaf, a plan that is currently on the United Nations’ list of dangerous substances.”

TABLE 1

Comparison of the Nutritional Content of 100 grams of Coca Leaves with That of 50 Edible Plants

Nutritional Elements	Units per 100 grams	Coca Leaf	50 Edible Plants
Calories	Cal.	305.0	278.8
Water	g.	8.5	40.0
Protein	g.	18.8	11.4
Fat	g.	3.3	9.9
Carbohydrates	g.	44.3	37.1
Fiber	g.	13.3	3.2
Calcium	mg.	1,789.0	99.0
Phosphorus	mg.	637.0	270.0
Iron	mg.	26.9	3.6
Vitamin A	IU	100,000.0	135.0
Vitamin (B-1)	mg.	0.58	0.48
Riboflavin (B-1)	mg.	1.73	0.16
Niacin	mg.	3.73	2.25
Vitamin C	mg.	1.40	12.96
<hr/>			
Vitamin E	IU	43.5	—
Vitamin B-5	mg.	0.308	—
Folic Acid	mg.	0.13	—
Vitamin B-12	mg.	1.05	—
Biotin	mg.	0.0865	—
Pantothenic Acid	mg.	0.684	—
Iodine	mg.	5.0	—
Magnesium	mg.	213.0	—
Zinc	mg.	2.7	—
Copper	mg.	1.21	—
Sodium	mg.	40.6	—

Source: James Duke, David Aulik, and Timothy Plowman, "Nutritional Value of Coca," *Botanical Museum Leaflets* (Cambridge: Harvard University, 1975).

ties of the coca leaf, have become commonly accepted in our countries. The infamous "Harvard Report" has provided a supposed scientific underpinning to such lies.

Harvard University, a nest of synarchists, published a fraudulent report in 1975, in which it stated that the coca leaf has nutritional properties. It was prepared by the Harvard's Botanical Institute, by James Duke and collaborators,³ who declared that their goal was to justify coca-chewing.⁴

3. James A. Duke, David Aulik, and Timothy Plowman, "Nutritional Value of Coca," *Botanic Museum Leaflets* (Cambridge, Mass.: Harvard University, 1975).

4. Coca-chewing is the traditional way in which the coca leaf is consumed in the Andes. It involves chewing the coca leaves, and mixing the resulting pulp with saliva and some alkaline substance—ashes or chalk, for example—keeping this tucked for a long time between the molars and the cheek, where the juice of the coca is extracted; the cocaine

But this research and other examples in the same vein were not guided by the laudable intention of using coca flour as a solution to the hunger problem; on the contrary, all the "scientific" papers are fraudulent propaganda pieces prepared *ex profeso* to promote the legalization of coca on the South American continent. The same arguments and anti-scientific methods of Harvard were used in 1986 by William E. Carter, Mauricio Mamani, et al., in a book that has been given widespread distribution, *Coca en Bolivia*.⁵ The book states that coca is the best food available to Bolivians.

Since 1975, Harvard has been turned into the "scientific authority" that is cited by pro-legalization lobbyists worldwide. There are at least three bills to legalize the coca leaf pending before the Peruvian Congress, which explicitly base themselves on the Harvard Report.

What Is Harvard's Trick?

Violating all the rules of serious research, the Harvard Report presents the results of a chemical analysis of the coca leaf, in which the presence of numerous proteins, vitamins, and minerals is cited *as definitive proof of its nutritional value*.⁶ Based on these chemical analyses, the authors conclude that coca "surpasses 52 of the vegetable species, that feed all of Latin America, in nu-

passes into the blood through the mucus lining of the mouth, numbing the tongue and the cheeks. This means of consuming coca is one of the quickest and cheapest ways for the human body to absorb cocaine, even if the dose is small. Coca-chewing is considered to be a drug addiction under the 1961 UN Convention on Narcotics.

5. William E. Carter, Mauricio Mamani, José Morales and Philip Parkerson, *Coca in Bolivia*. In Peru, psychologist Baldomero Cáceres, who drugged himself in front of his students to demonstrate that coca and cocaine are innocuous, based himself on this book's arguments to claim that he was filling his mouth with the supposed "nutritional transcendence" of coca. Cáceres is a researcher for the Andean Commission of Jurists, founded by British intelligence and financed, among others, by George Soros, the biggest promoter of drug legalization in the United States.

6. Among the 50 foods used for comparison are ten grains (*Amaranthus Caudatus*, *Oriza sativa*, *avena sativo*, *chemopodium Pallidicaule*, *quinoa del chenopodium*, *Hordeum Vulgare*, *Scalle Cereale*, *Coix Lachrima Jobi*, *Zea mayos* and *triticum Aesticum*), ten tubers (*Canna edulis*, *Caapsicum*, *spp.*, *allium Saticum*, *arracacha Xanthorriza*, *batatas de Ipomoca*, *Cyclanthera Pedata*, *máximos de Cucurbita*, *Allium Cepa*, *Brasica Oleracea* and *Tropacolum Tuberosum*) and ten fruits (*Persea americana*, *pin'a Cosmosus*, *Musa Sapientum*, *Cocos Nucifera*, *passiflora Mollissima*, *Annona Cherimolia*, *Prunus Persica*, *Fregaria spp.*, *Annona muricata*, and *Ficus Carica*). That is, the greater part of the foods that are currently consumed in the Andean region (see Table 1).

tritional value,” and that “ingesting 100 grams of coca leaf surpasses the daily needs of calcium, iron, phosphorous, vitamin A, vitamin B2, and vitamin E, as recommended by the World Health Organization for a single person.”

However, as any competent biologist or nutritionist knows, the food value of a plant or animal does not lie solely in its nutritional content, but also in the state and manner in which they present themselves for assimilation by the organism.

In the case of human beings, although the presence of nutrients in some animal or vegetable product, as revealed by a simple chemical analysis, could surprise the naive, the fact is that many vegetable and animal products (grass, leather, etc.) contain proteins, carbohydrates, vitamins, and mineral oils, but cannot be absorbed by our bodies, and therefore are not food. In the case of the coca leaf, the macronutrients (proteins) present in the leaf cannot be absorbed by the human organism, and the micronutrients (minerals and vitamins) that it contains, in small quantities in comparison to other plants, make its potential contribution to the human diet negligible.

As the Center for Information and Education on the Prevention of Drug Abuse (CEDRO)⁷ declared in De-

7. In 2002, Adriana Cordero published her thesis in pharmacology, in which she presented her results on the nutritive value of the coca leaf. The study worked with groups of six to nine male rats, over five weeks, each with a starting weight of around 50 grams. The rats were fed without any protein and lost weight. Some who were then fed with casein (milk protein) for ten days, recovered the weight (31.22 grams). Those fed with four different kinds of protein from the coca leaf (without the alcaloid) during the same ten-day period, gained practically no weight (4.5 grams). Further, it was proven that the weight of various organs was less in the group that consumed coca protein.

Dr. Cordero refers in her conclusions to the fact that food containing different levels of coca-leaf protein, consumed by rats during their growth process, produced a lesser development of vital organs and a lower weight increase, compared to the animals which received a diet of casein. All the rats that were fed coca-leaf protein died.

Ramos Allaga and colleagues published (2004) their findings from a study of the nutrition of rats fed coca leaves that had been de-cocainized (without the cocaine alcaloide) and without colorants. There were four groups: a control group fed only casein (CAS), and three experimental groups fed with different kinds of prepared proteins—free of alcaloides—obtained from the coca leaf. The results showed that the rats fed casein gained significant weight (approximately 60 grams), while those supplemented with coca-leaf proteins increased only a little (5 grams, that is, just 9% of the increase of those fed the casein).

Another recent study, performed at the University of San Martín de Porres, showed that when laboratory rats are fed with dietetic supplements based on coca leaf, they die in the first nine days of treatment. A food supplement containing 10% coca leaf produces mortality in 37%

December 2006, “The publicity campaigns of the previous three months by the promoters of coca flour and nutrition with coca-flour bread, have based their possible nutritional uses, among other things, on ‘the nutritional value of the coca leaf proteins,’ which is not supported by the scientific literature. Apparently, they haven’t read the scientific studies published in the country in the past fifty years on nutrition and the coca leaf. The results of those studies do not support the hypothesis of nutritional use of coca leaf proteins. Laboratory animals (mammals) nourished by coca leaf protein lose weight, and at higher doses . . . die.”

The Harvard Report is a fallacy of composition, in that it presents information in a partial way, with the purpose of deceiving the ingenuous, who abound on our continent, as we have seen, especially among our Presidents.

Harvard’s “scientific” method is surpassed in its stupidity only by the research of the so-called “participant observer” anthropologists, who base their studies on polls, in which they ask the Andean farmer or miner why they chew coca leaf. The predominant and expected answer is: “Because it relieves hunger.” These social “scientists” therefore conclude that coca is food.

As we shall see, the coca leaf’s property of assuaging hunger without nourishing the body, has turned it into one of the principal tools of imperialism since the Hapsburgs first colonized the Americas.

The scientific proof that the coca leaf is not a food is really very simple, and easily understood by any university undergraduate.⁸ When laboratory animals are exclusively fed with coca flour, they all die within a short period of time, not merely from malnutrition, but because the cocaine affects the animal’s liver; when rats are fed with de-cocainized coca flour, while the toxic effect against the liver disappears, no nutritional property is demonstrated.

With these results, which can be proven as many times as necessary in a laboratory, one could shut up all

of the animals. With 20% coca leaf, the mortality rises to 75%, and with 40%, all the animals die. All the rats that did not receive coca leaf supplement survived.

All the studies carried out experimentally, using recognized methods to demonstrate the nutritional value of coca leaf preparations for laboratory animals, have shown unsatisfactory results and a low level of nutritional value and incapacity to sustain mammals.

Source: *La hoja de coca en la alimentacón (The Coca Leaf in Nutrition)*, (Lima: CEDRO, 2006).

8. *Psychoactive*, No. 22, magazine of CEDRO (Lima: 2006).

those speakers who travel around our Andean countries praising the nutritional benefits of coca, with the simple challenge: “To be consistent with your own arguments, you should subject yourself to a diet consisting exclusively of the super-nutritious coca leaf for a few weeks!”

Pervian Science vs. Freud

Since the beginning of the 20th Century, the founders of Peruvian psychiatry, headed by Dr. Hemilio Valdizán, warned of the noxious effects of coca-chewing by the inhabitants of the South American Andes.⁹ They vigorously opposed the pro-coca current set in motion by the Nietzschean psychoanalyst Sigmund Freud.

Coca was brought to Europe almost immediately after the Conquest of the Americas, but it wasn't until chemistry had developed so as to be able to analyze its active ingredients, that chemist Albert Niemann, in 1860, isolated the primary alcaloid of the plant: cocaine. Freud, who experimented with all kinds of drugs (and died as a result of oral cancer from his addiction to tobacco), was effusive in his praise for cocaine. He wrote that with cocaine, “one feels an increase in self-control, greater vigor, and more capacity for work. On the other side, if one works, the volatility of the mental forces caused by alcohol, tea, and coffee, is lost. Simply, one is normal, and in a short time, it becomes difficult to understand that one is under the influence of a drug. One can carry out physical or mental labor for a long time, without fatigue; it is almost as if the need to eat or sleep vanishes, which otherwise one would feel at certain hours of the day.”¹⁰

For more than 12 years, Freud consumed cocaine intravenously and prescribed the drug for practically every complaint of his patients: depression, stomach ailments, insomnia, weakness, sexual impotence, as an aphrodisiac, and to cure drug addiction (!) and alcoholism.

9. Hermilio Valdizán, *La alienación mental entre los primitivos peruanos (Insanity Among Peruvian Primitives)* (Lima: 1915). “With regard to the harmful qualities of coca, to Peruvian cocaine use, it is not without a certain bitterness that we must state that our call to study the problem, our recommendation on this to government branches, men of science and goodwill, and even to those who for years have been defending our Indians from the mistreatment of unscrupulous shysters and still less scrupulous government officials, have all been ignored. All that merits the deepest disdain.”

10. Antonio Escohotado, *pía de drogas (Drug Guide)* (Spain: Omnibus Mondadori, 1990).

His criminal behavior—added to the promotional campaign run by Parke & Davis and other laboratories interested in distributing cocaine worldwide, which used slogans like “Don't waste time, be happy,” and “If you're feeling down, ask for cocaine”—produced a pandemic that rapidly spread among the wealthier classes of certain European countries.

It reached the point that Viennese doctor Emil Erlenmeyer accused Freud of having unleashed “the third scourge of the human race,” after alcohol and morphine. In Great Britain, cocaine became so popular that by the end of the 19th Century, it was said that not a single writer in the Empire did not resort to cocaine to sustain his efforts. This is reflected in their literature. Robert Louis Stevenson conceived the novel *The Strange Case of Dr. Jekyll and Mr. Hyde* under the influence of cocaine, which his doctor had prescribed to treat his tuberculosis. Arthur Conan Doyle, the creator of Sherlock Holmes, was a frequent user, and described as cocaine addicts several prominent characters in his novels.¹¹

British imperial interests immediately saw how useful coca could be, and wasted no time in bringing it to their colonies, with the intention of extending its cultivation. It was sown in India, where it is still consumed by eating it, and in Ceylon (now Sri Lanka) and Malaysia, as well; however, their plans were frustrated because the coca cultivated in those regions had very low cocaine content. Their vision of a world in which a small handful of oligarchical parasites were served by subhuman servants kept “happy” through consumption of a cheap drug, was described in *Brave New World* by Huxley, who years later revealed that he had used coca as the model for his “soma,” the drug that kept his novel's slaves happy and docile.¹²

Dr. Hermilio Valdizán published his fundamental contribution to the modern condemnation of coca in Lima's *Crónica Médica*. In his article, “Cocaine Use and the Indian Race,” he attributed to coca part of the responsibility for “the indigenous degeneration.” His legacy was taken up by Peruvian doctors and scientists

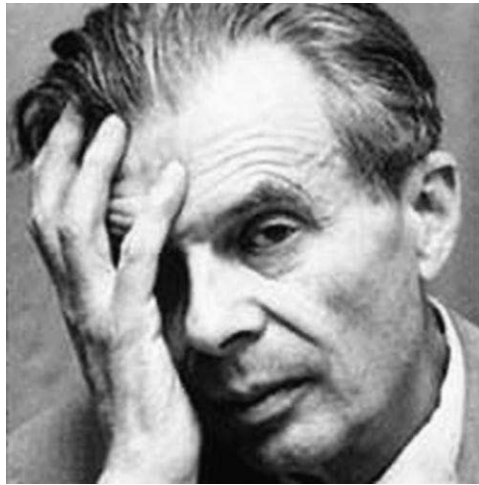
11. In *The Sign of the Four*, a novel published in 1890, Arthur Conan Doyle provides a detailed description of the habits of a cocaine addict. At the end of the novel, a resentful Sherlock Holmes tells his companion Dr. Watson, “For me . . . there still remains the vial of cocaine.”

12. “‘Glum, Marx, glum.’ The clap on the shoulder made him start, look up. It was that brute Henry Foster. ‘What you need is a gramme of soma. All the advantages of Christianity and alcohol; none of their defects.’” Aldous Huxley, *Brave New World* (London: Chatto and Windus, 1932).

who followed up his research, primarily at the Medical School of the Greater University of San Marcos. In the early part of the 20th Century, Carlos Paz Soldán, Carlos A. Ricketts,¹³ Carlos Gutiérrez Noriega, Vicente Zapata Ortiz (1946) and García Giesman (1950), among others, established the scientific basis for banning coca. These studies led to the United Nations' decision in 1961 to classify coca as a substance harmful to human beings.¹⁴

All the praise and so-called arguments in favor of the nutritional power of the coca leaf put up during the colonial and republican eras, until the beginning of the 20th Century, were based on subjective judgments, which, in good measure, responded to the colonial criteria of the *encomenderos*—the Spanish colonialists granted control of the Indians by royal decree—and the large landowners who enjoyed having semi-enslaved Indians to do their work for them, without having to provide them with food, while keeping them “happy” with coca. Even today, this can be found.

The most important and serious research demonstrating that the custom of chewing coca was harmful to the inhabitants of the Andes, was carried out by Peru-



In Aldous Huxley's *Brave New World*, coca was the model for the mind-numbing drug soma.

vian doctors Carlos Gutiérrez Noriega and Vicente Zapata Ortiz. Their research was published in 1946 with funding from the Fostering Peru's Culture Award, under the title *Studies on Coca and Cocaine in Peru*.¹⁵ Dr. Gutiérrez was mysteriously assassinated in Europe not long after his work was published, and Zapata Noriega was the Peruvian delegate to the UN Economic and Social Council, where he urged the condemnation of the coca leaf on the part of that institution.

In its introduction to the book, its publisher, Peru's Education Ministry, wrote: "...*Studies on*

Coca and Cocaine in Peru is a true revelation about a vital aspect of our reality. We have reason to hope that its presence will destroy the errors that still predominate, and that it will begin the social reconstruction of those regions which suffer the ravages of cocaine use. For freeing a people from enslavement to a radical drug which, by unimaginable error, has enjoyed for several generations the good opinion of many men of science and government, would be, to our mind, the greatest reward to which the authors of this book could aspire. The nature of its content, the transcendence of the theme addressed, and the clarity of its presentation, as well as the valuable conclusions and intellectual prestige of its authors, calls for the beginning not just of a new era in the history of coca use, but in the very history of Peruvian medicine and the social well-being of the Andean Region."

Unfortunately, in the mid-1960s, the international financial oligarchy, with a vast flood of financing directed through NGOs, launched the campaign to eliminate this condemnation of coca and cocaine, a condemnation that had stood as a cultural paradigm in all of our Andean countries until the end of the 1960s, a paradigm which Gutiérrez and Zapada had helped create. Their work summed up the experimental research that the Medical School of the Greater University of San Marcos had begun in 1936, and was based on meticulously pre-

13. C.A. Ricketts, father of Dr. Patricio Ricketts, who was President Leguía's doctor, a Congressman from Arequipa, and the leader of the fight against the addiction involved in coca chewing; a great defender of Peruvian Indians. See his *Ensayos de la legislación pro-indígena (Essays on Pro-Indian Legislation)* (Arequipa, Peru: 1936).

14. Recently, the UN body charged with overseeing compliance with international drug treaties, the International Narcotics Control Board (INCB), urged "the Governments of Bolivia and Peru to adopt measures without delay, with an eye to abolish those uses of the coca leaf which contradict the 1961 Single Convention, including the practice of chewing it."

In its 2007 *Annual Report on Drugs*, the INCB also criticizes the fact that those two countries are planning the industrialization of coca leaf, as in the production of coca tea, which goes beyond the medicinal use that international treaties assign to that plant. And it asks that those countries think about a legal change to "abolish or prohibit" the practice of coca chewing, as well as "the fabrication of other products that contain coca alkaloids for the purpose of domestic consumption or export." Philip Emafo, president of the INCB, recently declared that chewing coca leaf is "harmful or could be harmful, and I believe that the people who drafted the [1961] Convention believed it to be harmful, that it should not be practiced."

15. Carlos Gutiérrez-Noriega and Vicente Ortiz, *Estudios sobre la coca y la cocaína en el Perú (Studies on Coca and Cocaine in Peru)* (Lima: 1946).



StoptheDrugWar.org

Coca leaves are set out to dry alongside a highway in the Chapare region of Bolivia.

pared experiments with laboratory animals, and observation of coca-chewing habits among populations in the mountains and in Peruvian prisons.

Their conclusion was overwhelming: Coca-chewing is a drug addiction. Gutiérrez and Zapata determined that “daily ingestion of 100 grams of coca leaf represented the ingestion of 0.2-0.3 grams of alkaloids per day,” a significant amount of cocaine.

This proof was admitted by some of the more cynical defenders of coca-chewing. One was Anthony Henman, a British anthropologist who works with the Transnational Institute, one of the most powerful of George Soros’s pro-legalization NGOs in the world. Henman recently said: “Using coca as a food would be a waste, since coca’s value lies in its cocaine, [and] chewing the coca leaf provides the perfect dose of cocaine.” Thus, he admitted what Gutiérrez and Zapata’s study had established more than five decades earlier, but he uses this knowledge to promote his perversion. There exists no qualitative difference between the chewing of coca in the Andean world, and the use of cocaine in the Western world. The difference between the two is merely a question of dose.

Gutiérrez and Zapata’s book points out, “From an historic viewpoint, it is nearly certain that coca was prohibited during the era of the Incas, probably for religious reasons, and that the practice of coca-chewing spread after the Conquest, until acquiring its current proportions.” It then concludes:

1. Cocaine is one of the most dangerous drugs, due to the rapidity and intensity with which it produces addiction, which has been experimentally demonstrated in animals, in which the habit is more easily induced than with morphine.

2. Coca chewers habituated to large doses of coca present sharp changes, similar to those of cocaine addiction. Habitual coca use or coca addiction has a slower course than cocaine addiction, and its symptoms are less intense. We do not generalize this concept to coca users habituated to moderate doses.

3. When the drug enters the organism orally, as with coca chewing, the symptoms of addiction are less intense than when the drug is administered by other means. For this reason, the physiological and psychological changes observed in coca users are nearly always less severe than the changes that cocaine addicts present.

These conclusions, among others of Gutiérrez and Zapata’s book, were abundantly confirmed by later scientific studies. Coca/cocaine constitutes the most powerful natural stimulant known. Unlike psychotropic drugs (opium, heroin, LSD, etc.), which make users useless for physical labor, coca/cocaine promotes the exploitation of the labor force, above all in forced labor, where man without the aid of machinery and technology, is used as a beast of burden.

It is the ideal drug which the oligarchy has long dreamed of. With coca/cocaine, one produces a human being degraded to the condition of a “happy” slave, without the need to provide adequate nutrition. This was the history of the colonial slavery of the Hapsburgs in South America. How true were the words of the famous Peruvian writer Enrique López Albújar—father of a Peruvian Army general assassinated by the narco-terrorist MRTA—who wrote in the mid-20th Century:

“Possibly it is coca that makes the Indian appear like a donkey; but it also makes this human donkey work our mines in silence; resignedly cultivate our cannibalistic mountains; carry burdens where machines and beasts have yet been able to pass. Such a donkey deserves to enter the ranks of man and to participate in all the advantages of citizenry.”

These phrases synthesize the shameful inheritance that our Andean countries have suffered since the colonial era of the Hapsburgs, and make clear that the great republican desire has yet to be realized.

Who Wants Civil War in the Philippines?

by Mike Billington

Civil war is about to break out across the southern Philippines, just as British-orchestrated political and military explosions are going off around the world—especially on the borders of Russia, China, and India. With the global financial system in free-fall, the British empire is determined to provoke a war between the United States and Russia, and to destabilize the Eurasian powers generally, in a drive to impose its financial power over weak and divided nations. As in all these crises, the local populations are encouraged to see their problems as purely internal, expressions of long-term historical divisions and animosities, rather than the imperial manipulation intended to “divide and conquer.”

The incident that sparked the crisis in the southern Philippines, after years of relative peace in the region, was the aborted attempt by the government to sign a peace agreement, called a Memorandum of Agreement (MOA), with the Moro Islamic Liberation Front (MILF), one of the two armed separatist movements among the Muslim minorities living primarily in the South. In a process guaranteed to blow up, the government and the MILF, under the auspices of the Malaysian government, and with “facilitators” from the U.S. Institute of Peace (USIP), concocted an agreement, in secret, which would have established a virtually independent state encompassing huge sections of Mindanao, Sulu, and Palawan provinces, granting the MILF full power over the extensive oil and mineral deposits in the region, including the power to sell the rights to this national wealth to foreign interests.

Among the many problems with this deal was the simple fact that it was blatantly unconstitutional.

Incredibly, the government of President Gloria Macapagal Arroyo, as well as the director of the USIP’s Philippine Facilitation Project, Eugene Martin, *admitted* that the deal was unconstitutional. The government even initialled the deal, and arranged a formal signing ceremony in Malaysia, scheduled for Aug. 5, without releasing its (illegal) contents to the citizens of the nation—not even to the majority Christian population living in the region, where many villages and towns, largely dominated by Christians, were to be turned over to the rule of the new Moro-ruled entity. A prescription for civil war could not have been scripted any better by the British Foreign Office itself; that because it probably was.



What Was the USIP Role?

In 2003, the MILF chief, Salamat Hashim, exchanged letters with U.S. President George W. Bush, discussing U.S. support in the peace talks with the government in Manila. Bush then sent in the USIP, a pseudo-independent body fully funded by the U.S. government, on the same pattern as the National Endowment for Democracy (NED). These government-funded entities have served as subversive tools, targeting governments deemed enemies of the Anglo-American establishment, using U.S. taxpayer dollars, but often working at odds with U.S. national interests.

George Soros, the British Foreign Office agent who uses his ill-gotten billions to subvert nations, works hand-in-glove with both the NED and the USIP.

The USIP carried out its “facilitating” function until June 2007, when it was unceremoniously dumped, under the direction of the U.S. ambassador to the Philippines Kristie Kenney, with full support from Christopher Hill, Assistant Secretary of State for East Asia and the Pacific. It was clearly implied by Ambassador Kenney, that when she took that position in March 2006, she considered the role of the USIP to be contrary to U.S. policy and interests, leading her to

request the termination of the USIP contract, with Hill's concurrence. Hill, it should be noted, has played a significant role in turning U.S. policy in Asia away from the Cheney track of unilateral confrontation and regime change, especially in Korea, where he has served as the U.S. representative to the Six-Party Talks, and in Myanmar, where he has insisted on working with China and engaging the regime in Myanmar, despite massive subversion from the Soros/NED/USIP circles.

The USIP released a Special Report earlier this year, co-authored by the Philippine project director Martin, assessing its work in Mindanao. It is clear from this report, that the concept of creating an independent sovereign entity for the Moro minority was openly promoted by the USIP. The USIP was not allowed to attend the negotiations themselves, because of strong opposition from the Malaysian government, which sponsored the talks. Instead, they sponsored seminars and workshops, bringing in "experts" on the issue of "ancestral domain," including American and Canadian Indians. Thus, the concept of sovereignty granted indigenous peoples in the Americas was injected into the purely ethnic and religious divisions among the Philippine people. Martin's report even crowed about the "MILF enthusiasm for Native American 'sovereignty' and treaties with the federal government as a model for its own relationship with the government in Manila." The final result, as expressed in the MOA, came directly from this USIP process.

The USIP report reveals the intention to subvert the nation of the Philippines: "The three branches of government also lack consensus on the outlines of a deal that may be offered to the Moros. As with past agreements, a serious risk exists that the national legislature could scuttle any agreement signed by the government in the implementation phase. The Supreme Court might also declare unconstitutional any deal on ancestral domain that grants the Moros significant political authority and control over natural resources. A constitutional amendment might be required to protect a GRP-MILF agreement, but the prospects of this happening appear dim."

Author Martin thus knew very well that the proposal was unconstitutional, and that signing such an agreement would offer the Moro people a policy which would place them in legal and military confrontation with important elements of the government. He knew that the checks and balances of the Philippine Presi-

dential system of government would never allow such a deal to be implemented. He also knew that President Arroyo and her ally Gen. Fidel Ramos have been trying for years to hold a Constitutional Convention to change the charter from the Presidential system to the parliamentary system, doing away with the pesky opposition from the Congress and the courts, by eliminating the checks and balances altogether, and, in the process, eliminating the constitutional restrictions on foreign ownership of businesses and raw material wealth.

Was this the USIP intention? Martin, in fact, served as Military Attaché at the U.S. Embassy in Manila from 1987-90, immediately after the coup against nationalist President Ferdinand Marcos in 1986, which was run by General Ramos, under the direction of the neoconservative Secretary of State George Shultz and his deputy Paul Wolfowitz. Martin also served as Deputy Chief of Mission during Ramos's term as President in the 1990s. He can not plead ignorance to the nature of the continuing political crisis in the Philippines, nor the unavoidable consequences of the phony peace deal promoted by the USIP. He makes a habit of blaming Marcos for all disasters that have befallen the Philippines, ignoring the fact that Marcos had led his nation towards global leadership through development, including the construction of Southeast Asia's first nuclear power plant, and the world-famous Green Revolution, making the Philippines self-sufficient in rice production. All this was destroyed when Shultz and Wolfowitz deposed Marcos—in fact, that was the purpose of the coup.

The subversive role of the USIP in this process is expressed in its final report, which argues that a political settlement must be reached before economic development can be undertaken successfully. The report states: "The roots of conflict in Mindanao are primarily political, not economic or religious." It bitterly quotes a U.S. Embassy official telling him that "the formal peace process, which had been USIP's focus, was not the most critical element of future stability in Mindanao," and that the embassy intended to get more directly involved, through the Bangsamoro Development Agency, in real economic development activities.

This has been a leading issue for Lyndon LaRouche, who has repeatedly warned that political agreements, such as the Oslo Accords in the Mideast, are doomed to fail if they are not accompanied by aggressive development programs, providing a real physical basis for co-

operation between the different parties in the conflict. The British know this principle well: get populations fighting each other over land, and they will be diverted from offering resistance to the economic disaster being imposed upon them all.

Kenney Under Fire

Ambassador Kenney has also come under fire for her role in the insane anti-peace agreement. Although she dumped the USIP, she later held a highly controversial personal visit with MILF chief Mohammad Murad in his jungle headquarters, which was reported to have been carried on outside of Philippine government protocol. She was also in Malaysia to sign the deal on Aug. 5, but had to fly back when the Philippine Supreme Court issued the restraining order against signing the unconstitutional agreement.

However, as Martin complained in his USIP report, the embassy under Kenney was focused on economic development aid, not ancestral domain issues. Following the exposure of the agreement and the Court's intervention, the leftist groups in the Philippines have had a field day accusing the U.S. of imperial designs, orchestrating an independent Moro state in order to grab the oil and mineral wealth and arrange for permanent military bases. While that certainly fits the neo-conservative designs of the Cheneyacs, Kenney and Hill were more interested in development, although hardly on a scale adequate to solve the dire problems in the region.

Kenney has been quite direct in responding to the charges against her: "We are strong supporters of lasting peace as a way to development. We do not believe, on the part of the United States, that independence for Mindanao is appropriate. Lasting peace should be done within the territorial integrity of the Philippines." She insisted that she had not seen a draft of the MOA, which she considers to be a sovereign matter for the Philippines. She told the press: "We have no permanent presence in Mindanao. We have no plans to have a permanent presence—not military, not anything, not now, not in the future, not in our hopes, not in our dreams."

While noting that U.S. policy toward the Philippines has been a disaster since the overthrow of Marcos, it must be added that those who promoted this anti-peace agreement, assuring a severe threat of civil war, were not serving U.S. interests, but those of the British and their Soros-linked satraps within the United States.

Soros's Thai Fascists Lay Siege to Capital

by Mike Billington

The George Soros-linked anarchist mob in Thailand known as the People's Alliance for Democracy (PAD) is close to being eliminated as a threat to the survival of the Thai nation, as Prime Minister Samak Sundaravej has consolidated both popular support and military backing to crush the anarchists once and for all. This follows the PAD "flight forward" occupation of several government buildings on Aug. 26, including the Prime Minister's office, known as Government House.

PAD leaders Sonthi Limthongkul, a media mogul who founded *Asia Times*, and Buddhist cult leader Chamlong Srimuang, both of whom have been "Project Democracy" darlings in Thailand for over 15 years, declared that the violent seizure of the government buildings was to be the "final protest," intent on bringing down the government at all costs.

The PAD, with support from the international Soros-financed networks and the Dow Jones press, also ran the mass demonstrations in 2006, which played on urban middle class rage to bring down Prime Minister Thaksin Shinawatra's government, even though Thaksin was wildly popular among the poor and the rural population, and won wide majorities in all his elections. His general welfare policies—medical care for all, cheap financing for rural development, educational loans for all through college level, and more—won him the enmity of the City of London/Wall Street financial oligarchs.

Phony 'Democracy'

With PAD providing the "warm bodies" as an excuse for the desired military coup, the Privy Council approved a military takeover in September 2006. However, when new elections were finally held in December 2007, Thaksin's supporters again swept to victory, with Thaksin ally Samak Sundaravej becoming Prime Minister. Almost immediately, PAD renewed its "democracy" protests, demonstrating for the world that

“democracy” for them means a fascist hatred for abiding by actual popular elections, and instead, the imposition of the will of the elite over the poor.

This was also clear to many of Sonthi’s followers in the demonstrations against Thaksin, who had not counted on a military dictatorship as the outcome. This time around, PAD’s followers are conspicuously missing the student and working-class layers who swelled their ranks against Thaksin, and polls show that 75% of even the Bangkok population now opposes the anarchist occupation which is disrupting the government and the economy of Thailand, while the global financial system is crashing down upon them.

Notably, a columnist who writes under the pseudonym Changnoi (Little Elephant), published an article in *The Nation* in July identifying the fascist nature of the Soros-linked “democracy” advocates of PAD. Changnoi accused PAD of intending to “disenfranchise the rural poor,” placing the military in power under the guise of “protecting the monarchy”—a risky thing to say in Thailand, where *lèse majesté* can be charged at the drop of a hat. He concludes that the “democratic” opposition is actually “anti-democratic, supported by high investment and shadowy protection that exploits the fears of the privileged, and a deliberately anti-rational nationalism, and flirts with militarism and violence.”

PAD leader Sonthi does not hide his fascist proclivities. His program for Thailand includes transferring the Ministry of Defense out of control of the elected government and placing it directly under the monarchy, with the right to intervene in politics in the case of virtually any perceived threat. He even wants 70% of the Parliament to be appointed. Sonthi also led PAD followers in an attempt to stir up sentiment for a war with neighboring Cambodia over a territorial dispute—a provocation which Samak and Cambodian Prime Minister Hun Sen skillfully outflanked.

Provocative Tactics

As of this writing, about 5,000 hard-core Jacobin “democrats” are holed up in the Government House, but are totally surrounded by police, who will not allow any people or food to enter the building. The courts have issued arrest warrants for nine of the PAD leaders, including top honchos Sonthi and Chamlong, and have ordered the demonstrators to clear the area entirely.

Prime Minister Samak is allowing the anarchists to

destroy themselves. He has the full support of the police, but, since there was some doubt about the loyalty of the Army, he moved himself and his Cabinet into Army headquarters, challenging them to protect the elected government against the anarchists. They have complied—thus far, at least.

Samak then told the international press, regarding the PAD: “They want bloodshed in the country, they want the military to come out and stage a coup again,” but that the government would not be provoked, nor would it allow the demonstrators to continue indefinitely.

In response, Sonthi blustered: “I won’t leave until there is a political change. If you want me to leave, you will have to kill me and take my body out of here.”

Thai citizens, including Prime Minister Samak, recall the demonstrations of 1992 against Prime Minister Gen. Suchinda Kraprayoon, an Army general who had carried out a coup and arranged for himself to become Prime Minister. The same Chamlong who is leading the anarchists today, led the demonstrators then, many of whom were part of his Buddhist cult, and many of whom had received extensive training from U.S.-based Project Democracy networks in “civil disobedience,” when Chamlong ordered them to charge the young soldiers manning the barricades. The result was a bloodbath, which forced the government to step down. Samak has made it clear that he does not intend to allow such fascist provocations to succeed this time around.

The anarchists, who wrap themselves in the yellow banners symbolizing the monarchy, are not helped by the fact that *Forbes* magazine recently identified the King of Thailand to be the richest monarch in the world, with a personal wealth of \$35 billion, purportedly more than either Britain’s Queen Elizabeth or Saudi Arabia’s King Abdullah.

The extreme, desperate measures taken by the PAD demonstrators have forced even their leading supporter, the Dow Jones-linked *The Nation* newspaper, to run for cover. In an Aug. 27 editorial, *The Nation* wrote that “PAD’s provocative action yesterday was completely uncalled for.” Their concern, however, is simply that the fascist tactics are not working. Only if Prime Minister Samak succeeds in cleaning out this Soros swamp will Thailand be able to get down to the desperately urgent business of dealing with the global financial collapse, and its effects on the national economy.

International Intelligence

Military-Linked Website Warns of Nuclear War

A prominent website widely monitored by active-duty and retired military and intelligence officers, has picked up on the danger of nuclear war coming out of Georgia's attack on South Ossetia. Col. Patrick Lang's (USA-ret.) Sic Semper Tyrannis 2008 blog (http://turcopolier.typepad.com/sic_semper_tyrannis/), Aug. 28 posted the following item, under the headline, "Trade War Over Georgia? Not the Point."

"Several commentators have written to discuss my rhetorical question as to whether or not Russia and the U.S. will push their renewed rivalry to the point of war... Only 'Curious' addressed my principal concern. Nuclear war. . . .

"Consider this. What was there of really rational calculation in Russia's recognition of the independence of South Ossetia and Abkhazia? The Russian leaders have every reason to think that Bush, Cheney, and the neocons are capable of ideologically driven decisions that are devoid of rational action.

"The Iraq adventure speaks for itself as an example of that. The near disaster in Iraq has probably been averted through the ability of the U.S. armed forces to learn from their experience there, but the Bush Administration and the neocons dragged their feet and did little to help the armed forces retrieve the situation. McCain can 'rattle on,' but everyone who really studies the situation in Iraq knows that the solutions reached were complex, and only partly the result of the increase in combat units labeled 'the surge.'

"The Russians should also consider the bellicose comments of both candidates for the presidency of the United States concerning Georgia, and the foolishness of the idea of sending U.S. fleet units into the Black Sea, where the potential for a confrontation with the Russian Navy would be high. Such a confrontation, fed by mass emotion expressed by modern media, could easily escalate in an uncon-

trollable process.

"Khrushchev badly misjudged the possibilities for the U.S.S.R. when he met with Kennedy in 1961. As Kennedy said on a later occasion, 'The Soviets have made the mistake that many others have. They have thought us weak, soft, and self-absorbed.'

"Russia and the United States still possess the power of Armageddon. They must be more careful in dealing with each other."

SCO Dushanbe Declaration: Force Will Not Work

The "Dushanbe Declaration," signed Aug. 28 by the Presidents of member-nations of the Shanghai Cooperation Organization (SCO), nations focusses on the dangerous international strategic situation. The first sentence states that the "Interdependence of states has grown sharply, security and development are becoming inseparable. None of the modern international problems can be settled by force. . . . Reliance on a solution based solely on the use of force faces no prospects."

The Declaration emphasizes that due regard must be given to the interests of all parties, and to "the need to respect historical and cultural traditions of every state and every people and the efforts aimed to preserve in accordance to international law unity and territorial integrity of states."

These statements were written after intense discussion of the Russian response to the aggression launched by Georgia. The Declaration also denounces the "creation of a global antimissile defence system [which] does not assist the maintenance of strategic balance," and then supports "the active role of Russia in promoting peace and cooperation" in South Ossetia.

Western press reports have consistently claimed that the Declaration is an attack on alleged Russian aggression in Georgia, although Russian President Dmitri Medvedev was one of the six signers.

The Declaration demands "broad international collaboration in resolving the problem of resources supply to satisfy the needs of mankind," and states that, given the world economic situation, a "responsible currency and financial policy, control over the capital flowing, ensuring food and energy security have been gaining special significance."

Farsi Media Cite LaRouche On Dangerous Brit Agents

A Persian-language news wire published in Iranian press and Internet sites, such as Alborznews.net in late August, cited Lyndon LaRouche on the operations to perpetrate a blockade against Iran in the Gulf, and the Georgian attack on South Ossetia, noting that the operations are run by British Intelligence agents George Soros and Dick Cheney.

The wire stated that the Russian *Russky Zhurnal* asked LaRouche about the British schemes in the Caucasus. LaRouche responded: "The excellent information available to me shows that there should be no doubt that the sneak attack on South Ossetia, by the order of President Saakashvili, an instrument of British agent George Soros, was a British imperial operation intended to coincide with both the similar provocations in the case of Kosovo, and current operations of the PKK in Southwest Asia, and the threat of an attack on Iran intended to occur during the interval between now and approximately mid-September."

This London-directed operation, the Persian wire reported, is to be assessed as exploiting both London's influence on U.S. Vice President Dick Cheney, and on the U.S. Democratic Presidential candidacy of Soros-asset, Sen. Barack Obama.

At the same time, the British Foreign Office is using this opportunity for committing western continental Europe to a military-thrust posture toward Russia and Belarus under conditions of the failure, so far, of London's "Lisbon Treaty" scheme.

Briefly

TAIWAN is considering building a bridge linking an outlying island, Kinmen (formerly Quemoy), to Xiamen city on mainland China, Taiwan's Central News Agency reported Aug. 24, in a sign of improving cross-Straits ties. Kinmen is only 1.4 miles from the mainland. Taiwan will complete a feasibility study by year's end.

THE PRO-PLHINO Committee's announcement that Mexican political leader Cuauhtemoc Cardenas endorsed the tri-state water management plan, the North West Hydraulic Plan (PLHINO), became front-page news in Sonora's newspapers Aug. 28, the same day President Felipe Calderon visited Sonora to attend a meeting of federal Congressmen from his PAN party. Cardenas is the son of Mexican President Lazaro Cardenas, a collaborator of U.S. President Franklin Roosevelt.

ISRAEL is considering sending aid to North Ossetia. Unlike Great Britain, Germany, and the United States, Israel has not made any public statement on the Russian government's recognition of the independence of South Ossetia and Abkhazia, nor will it issue any condemnation of Russia. According to the *Jerusalem Post*, Israel is keeping a balanced policy, because it has "critical strategic interests" in maintaining good relations with Moscow.

AN ISRAELI-U.S. agreement for the deployment of a U.S. radar system in Israel's Negev region means that there will be a de facto American base in Israel for the first time.

RIA NOVOSTI reports that Russia successfully launched a Topol ICBM with new warhead on Aug. 28. Said Col. Alexander Vovk, "The performance data gathered during the test launch will be used to increase the effectiveness of future Russian mobile ballistic missile units."

The wire concluded by citing LaRouche: Although the Georgian government has apparently given up its war, after virtually demolishing the capital of South Ossetia, the British Foreign Office, which actually created the Saakashvili government through financial operations by Britain's George Soros, will now use its fraudulent version of the events as the basis for efforts to promote its current complex of operations against Russia in Southwest Asia, including the London-promoted deployment of U.S. naval forces into a blockade-posture against Iran.

Russia's Lavrov Responds To Brit Miliband's Line

Russian Foreign Minister Sergei Lavrov responded Aug. 27 to provocative assertions made by British Foreign Secretary David Miliband in Kiev, Ukraine.

"The moralizing that we hear from our Western colleagues is not based on facts," Lavrov told reporters. "It's strange that our actions to defend our citizens right on our borders should be criticized by Britain, considering its actions in the Falkland Islands, which are on the other side of the world," Lavrov added.

"Miliband says NATO is an anchor of economic stability, democracy, and development," he said. "I never heard that NATO is involved in democratization. But it seems times are changing. I won't comment on that, just as I won't comment on his emotional statement about the division of Europe," Lavrov said. "I think the completely inexplicable and unfounded expansion of NATO is creating that division of Europe.

"Miliband proposes action by the West, including a re-examination of relations with Russia in international institutions such as the G-8, the Russia-NATO Council, the European Union, and the OECD," he continued.

"Russia is interested in partnership in these and other structures only to the extent to which its Western colleagues are interested. The tendency recently has

been for a block policy against Russia," he added.

Regarding Moscow's position on the use of force for resolving conflicts, Lavrov pointed out that Russia has been against the use of force for settling conflicts anywhere, including Yugoslavia, and Iraq, and also Iran, where there is no conflict at all, although it is talked about all the more frequently.

"Russia is also opposed to the use of force in the Middle East, and the Caucasus region. Georgian President Mikheil Saakashvili is the one who is for the use of force in conflict resolutions in violation of all agreements, signed, among others, by the Georgian leadership," Lavrov stressed.

Steinmeier: Push Aside Emotion, Talk with Russia

In an op-ed in Aug. 27 issue of Germany's major tabloid *Bildzeitung*, Foreign Minister Frank-Walter Steinmeier wrote: "We are faced with a very grave situation in foreign policy. The conflict in the Caucasus threatens to go into further escalation. If we don't watch out now, the entire security architecture in Europe will be destabilized—with unpredictable consequences for all of us.

"Some people are now playing with fire—on all sides. The spiral of provocations must stop, and must do so instantly. Otherwise, the situation will get out of control faster than we can believe.

"With the recognition of Abkhazia and South Ossetia, Russia is escalating the conflict further. That is irresponsible. But exactly because of that, we here in the West must not act in an unwise way.

"To be carried away by emotions right now, would be wrong. We have to prevent the virus of separation and war from spreading to other regions. We here in Germany know: Conflicts can only be solved in a common approach and in a climate of respect and trust. That is why we now need the return to responsibility and reason."

Guarantees Are Worthless, When the System Is Bankrupt

by John Hoefle

While the Federal Deposit Insurance Corporation (FDIC) has gone to great lengths to assure the public that their bank deposits are safe—at least up to the insured limit—it is obvious that the agency lacks the capital required to back up its claims. As long as the FDIC closes only small banks, it can meet its responsibilities, but it does not have the resources to even begin to deal with the magnitude of the crisis it faces.

The same is true of the Federal Reserve, which is running out of room on its balance sheet to continue the escalating bailout process it began last December, and also true of Fannie Mae and Freddie Mac, whose role as a dump for the toxic waste of the banking system means that they will not survive on their own. All of these players, the FDIC, the Fed, Fannie and Freddie, and others like the Federal Home Loan Banks, can always turn to the Federal Government for cash, but the Federal Government itself is operating at a deficit, already borrowing money to meet its spending requirements. Thus, while there is no shortage of guarantees, none of the players actually has the money it needs to satisfy those guarantees, in anything approaching a worst-case scenario.

The Federal Government, it is assumed, can always borrow more money, but under our current unconstitutional central banking monetary system, it borrows that money by issuing bonds, which are sold through the Fed into the financial markets. That is, it is borrowing money from the very financial markets it is attempting to bail out. One does not have to be a professional econ-

omist to spot the flaw in such a scheme (in fact, it appears, the only people who fail to see the glaring flaw in the scheme are professional economists, bankers, and their pet regulators, who have a vested interest in ignoring the obvious).

In the end, whatever the Federal Government does manage to borrow, becomes the obligation of the taxpayers, most of whom are themselves dependent upon borrowed money for their survival, and living in an economy which has been operating below breakeven for some four decades, and falling further behind by the day. Ultimately, the guarantees are worthless, because there is nothing backing them.

Shrinking Banking System

For those who would prefer to believe that the banking system is sound, the FDIC's just-released second-quarter report is not encouraging. For one thing, the net income reported (read: claimed) by FDIC-insured commercial banks and savings institutions was just \$5 billion, the second-lowest figure since 1991, and a whopping 87% below the second quarter of 2007. This is not surprising, given the huge losses the banks have been reporting of late, and while we believe that the reported income figures are seriously overstated, the plunge from the consistent \$30 billion plus quarters of recent years shows a trend which cannot be ignored. The FDIC also reported a small drop in the total assets of the 8,451 institutions it insured, to \$13.30 trillion from \$13.37 trillion in the first quarter. Such drops are uncommon—

it is the seventh quarterly drop since 1987—but it is also the largest, and a sign of things to come. The asset drop was also accompanied by a small drop in equity capital.

One item which did increase was the notional amount of the banks' derivatives holdings, up \$2 trillion to \$183 trillion. The vast majority of these derivatives are held by just three banks, J.P. Morgan Chase, Citigroup, and Bank of America, with Morgan alone accounting for nearly half the total.

Reflecting the deterioration of the financial condition of the banks' customer bases, the banks also reported significant jumps in the level of non-current loans and leases, and in net charge-offs of loans. Despite the increase in the amounts of money banks set aside as reserves against losses in their loan portfolios, the increase in non-current loans surpassed the increase in loan-loss reserves for the ninth consecutive quarter. The banks as a group now have just 88.5 cents in reserves for every \$1 in non-current loans, the lowest level in 15 years.

These statistics are not important in and of themselves, since the banks are hardly being honest about their true conditions, but they do nevertheless reflect, however understatedly, the descent of the banking system from the fictitious profits of earlier years to an increasingly obvious insolvency. The FDIC raised to 117 from 90 the number of banks on its "problem" list, with a combined \$78 billion in assets. The Fed has a secret list of 1,400 troubled banks, and the assets for that list surely run in the trillions. Reality is much worse than the "official" statistics indicate.

All of which brings us back to the question of deposit insurance. According to the FDIC, its Deposit Insurance Fund held \$45 billion in mid-June, against insured deposits of \$4.5 trillion. That's about a penny on the dollar. On top of that, the deposits of all FDIC-insured institutions stood at \$8.6 trillion as of June 30, meaning that there are another \$4.1 trillion of uninsured deposits in the banks. Roughly half of all deposits are uninsured, and the rest are backed by a penny on the dollar. What could possibly go wrong?

Lies and Lehman

The investment banks are also in big trouble. Lehman Brothers, which has been shopping itself around looking for a savior, had proposed to sell a big chunk of itself to South Korea's government-owned Korean Development Bank, at a price 50% over book

value. KDB chairman Min Euoo-sung, who had been the chief of Lehman's Seoul branch for three years before joining KDB in June, was in favor of the deal, and other Korean bankers saw it as an opportunity to expand their nation's role in the global financial arena. However, the plan was shot down by the government.

"After a review of its [Lehman's] account book, we found that its insolvency was serious," a senior government official stated, according to the Aug. 22 English-language edition of the *Chosun Ilbo*.

For a government official to publicly admit that a major investment bank is insolvent is extraordinary—and refreshingly honest!—but clearly, from the standpoint of the international bankers, totally unacceptable. A number of papers carried the *Chosun Ilbo* story, until Reuters, the British propaganda outlet, issued a false story claiming that KDB was considering buying Lehman anyway. The original story quickly disappeared, replaced by the phony one, which was touted enough to send Lehman's stock soaring. The lie prevailed, at least in the short term, in what was just another day at the office for the spin doctors.

Other Indicators

As we have said repeatedly, there is no financial solution to the current crisis, only political ones. The current financial system has died, and what will replace it is a political question, one which is being fought out before our eyes, even though it is not identified in that way. On the domestic front, there are two significant elements which bear watching: the way in which the Presidential campaigns are being shaped to prevent any FDR-style recovery movement, and the relentless implementation of police-state measures. The development on the foreign front is the revival of the Cold War confrontationist policy against our alleged enemies. Under the Bush/Cheney regime it was the specter of "terrorists" everywhere, a specter now being replaced by the Russians. Behind it all lay the British puppet-masters, determined to manipulate America once again into a self-destructive, and self-defeating, stupidity.

The closer we get to the final, open disintegration of the financial system—the day the banks don't open, the day the economy stops—the louder the British brainwashing will be. The volume of the lies, financial, political, and military/security, is itself one of the best economic indicators we have. Don't think, be terrified, and let the "experts" decide your future. That's the plan, and it will work, unless we stop it.

AFTER THE DEMOCRATIC CONVENTION

LaRouche PAC Takes Leadership Of the Nation in Crisis

by Jeffrey Steinberg

On Aug. 29, Lyndon LaRouche issued a brief policy statement, on behalf of the LaRouche Political Action Committee (LPAC), addressed to members and supporters, and to the general electorate.

Under the headline, “Organizational Policy Now!” LaRouche wrote:

“The nomination of Senator Barack Obama, as combined with the prospect of the nomination of Senator John McCain, has settled almost nothing, other than the fact of those nominations themselves. The world as a whole is presently gripped by a growing potential for a genuine thermonuclear-weapons crisis like never before, at the same time that the greatest financial-economic crisis since Europe’s Fourteenth Century has the entire world presently in its grip—whether some governments and leading political figures wish to recognize that reality, or not.

“The present international financial system is hopelessly bankrupt, and could not be saved. It could only be reorganized in a bankruptcy designed to defend people, not financial speculators.

“Neither of the two referenced candidates has any present capability for successfully meeting the grave challenges of economic breakdowns of entire economies, and threats of nuclear exchanges, which must be expected as serious possibilities between now and November.

“As recent patterns of developments have already shown, we have an intellectual capability of unique im-

portance in this process. Our most prominent role, as through the work of LPAC, is to provide the intellectual leadership on crucial economic and other strategic issues which neither of those candidacies is presently equipped to deal with competently without outside advice, including that provided by our initiatives.

“Therefore, our LPAC campaign has far greater importance for the weeks immediately ahead, than at any time prior to this point. We shall therefore mobilize accordingly.”

Website Video Educational Program

Along with the post-convention policy statement, LaRouche also announced that the LPAC website (www.larouchepac.com) would immediately expand its video productions, in order to provide the American people with the needed educational and policy background material, to lead the fight for the soul of the American Republic.

Indeed, at the beginning of the Democratic Convention in Denver, LPAC posted on its website a one-hour video report, “The Missed Chance of 1989,” which documents the events leading up to the collapse of the Soviet Union and Warsaw Pact, centered upon LaRouche’s own historic role in the development of President Ronald Reagan’s Strategic Defense Initiative (SDI) of 1983, and the tragic blunder of Soviet General Secretary Yuri Andropov, in rejecting that last, best opportunity to end the era of thermonuclear Arma-



EIRNS

The LaRouche Youth Movement, shown here organizing in Boston in mid-August, and wide circulation of LaRouche PAC's revolutionary video-documentaries, are providing national leadership, as the two political parties self-destruct.

geddon. The timing of the release of the LPAC video was stunning, intersecting both the events in Denver, and the ongoing British-led Caucasus provocations, aimed precisely at triggering a new Cuban Missile Crisis, under even more dire global circumstances.

LaRouche subsequently announced the plan to produce two new video documentaries, one, a sequel to "The Missed Chance of 1989," carrying events forward to the current crisis, with particular focus on international efforts, led by Helga Zepp-LaRouche in Europe, to establish a Eurasian Land-Bridge project as a war-avoidance policy, in the tradition of the original Reagan-era SDI.

The second video will focus on the willful destruction of the U.S. auto sector, and the fight waged by LaRouche and LPAC, between 2005-2007, to prevent the wipeout of the nation's crucial machine tool capacity. In this context LPAC will reissue its own proposal for the establishment of a Federal Corporation which would proceed with the massive retooling of the auto industry, in order to save the machine tool core of the U.S. economy, and put it to work on rebuilding the nation's collapsing infrastructure.

LPAC has developed an extensive repertoire of original videos, including "1932," "Harvard Yard," and "Firewall," which are proving to be powerful educational tools for a population that has been otherwise dumbed-down to near illiteracy (as demonstrated by the fact that George W. Bush was able to win two terms as President).

McCain's Devilish Deal

While the Democratic Convention's theatrics underscored the fact that the Obama-linked leadership was both unwilling and unable to address the major strategic and economic crisis now crashing down on the United States and the world, there is every indication that the Republican gathering, which will feature both Bush and Cheney, will be worse.

The danger of a Republican victory in November was, in fact, highlighted the same day as the LaRouche statement reproduced above, when Sen. John McCain, the presumptive Republican Presidential nominee, announced that he had selected Alaska's novice governor, Sarah Palin, to be his Vice Presidential running-mate.

Although politically obscure, Palin was well known to some of the leading Christian Zionists in America, who were aggressively promoting her choice for weeks or months before the McCain "surprise" announcement.

On Aug. 11, the evangelical publication *Christianity Today* reported, "Richard Land's VP Advice to McCain: Pick Sarah Palin." The article reported on a recent CBS News interview with the public policy director of the Southern Baptist Convention, Richard Land, in which he responded to a question about which running-mate would "most excite Southern Baptists and other members of the conservative faith community."

Without hesitation, Land said, "Probably Governor Palin of Alaska, because she's a person of strong faith. . . . She's strongly pro-life. She's a virtual lifetime member of the National Rifle Association. She would ring so many bells."

Doug Wead, who was President George H.W. Bush's White House liaison to the Christian right, and who is a key ally of Karl Rove, also backed McCain's choice of Palin as his running mate: "What is Sarah Palin's religion? She is Assemblies of God. . . . McCain does more than balance the ticket with a woman. He solves his complicated religious problem with Pentacostals and Charismatics, who, according to a recent Barna survey, make up almost half of all Born Again Christians. McCain's on-again/off-again relationships with Pentacostals, John Hagee and Rod Parsley . . . are now moot points. . . . All of Senator Obama's kind overtures to people of faith will be for naught."

World War III Closer Than the Elections

In a statement issued Aug. 21, former Democratic Presidential candidate Lyndon LaRouche warned that the world is closer to World War III, than it is to the November Presidential elections in the United States. Nothing that happened in Denver during the Democratic Convention, or which is likely to happen during the Republican Convention this week, changes that reality.

“November is a far distance away,” LaRouche said. “The world situation, and recent events, show that we are at the point of breakdown of the world system, and the threat of a thermonuclear World War III is immediate. The provocations against Russia, via George Soros and British intelligence’s Saakashvili government in Georgia, are but one leading edge. Despite the focus on the Caucasus in the past weeks, the Iranian issue is very much on the table. Do not put it past Vice President Dick Cheney and his British controllers to orchestrate a major provocation there.”

In fact, as LaRouche has stressed in subsequent statements, the British—for whom Cheney is simply a stooge—are determined to escalate their efforts against Russia in the immediate period ahead. The British, and the forces under their control, are locked into the same kind of mentality that characterized Robert McNamara and Gen. William Westmoreland on the eve of the Tet Offensive in January 1968. They are signalling their intent to escalate against Russia on all fronts, but have not faced the fact that, as with Tet, they cannot possibly win—although they could create a confrontation with thermonuclear implications.

Cheney’s upcoming trip to Azerbaijan, Georgia, Ukraine, and Italy—to begin Sept. 2—threatens to be a major point of escalation in this lunatic onslaught against Russia. The Vice President, who

bears primary responsibility, along with British Prime Minister Tony Blair, for having manipulated the Bush Administration into the disastrous Iraq War in 2003, is known to be hell-bent on provoking a new war, most likely against Iran, *in the months before he leaves office*. The confrontational stance which Cheney, Bush, and the British have taken against Russia, helps create the conditions for such an action, which would bring horrific results.

Unfortunately, both of the current Presidential candidates can, at present, be expected to fall in line with the British-steered provocation that could lead to a World War III confrontation between Russia and the United States. Obama’s close ties with British agent Soros, who functions as a kind of godfather to the Saakashvili regime, make it unlikely he would break from the British script. In the case of John McCain, he is ideologically susceptible to precisely such a British-orchestrated provocation.

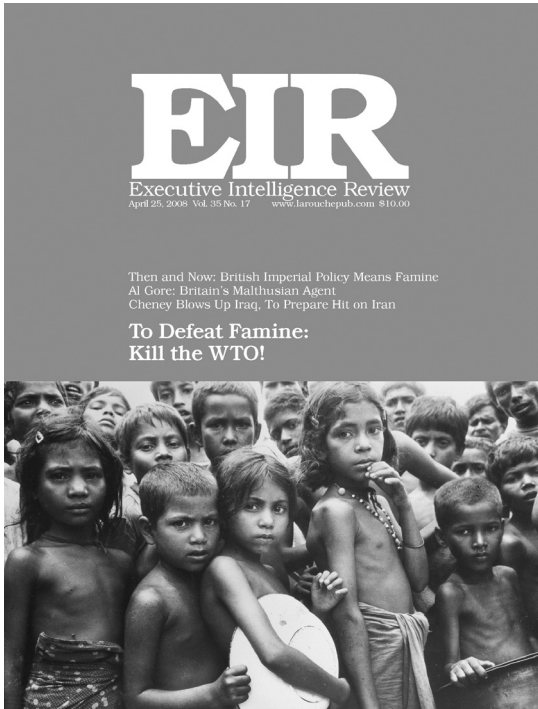
Without effective leadership from either political party—and an utter disaster in the person of the nominal President George W. Bush—the only leadership available to the American people is that coming from LaRouche and his associates. LaRouche has been unique in identifying the actual strategic threat to the United States—the drive by the British to finally establish its globalized empire, and destroy the FDR tradition in the United States. Similarly, only LaRouche has offered a workable solution to the current crisis, through reviving the American System of Economics, both domestically and internationally.

It may seem incredible to many, but it’s true: To stop World War III, you must listen to Lyndon LaRouche.

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