

which could be adopted, even at this presently advanced stage of the global breakdown in progress, but the existence of any remedy requires a drastic change in the world's economic system, a change from any monetary system, including Marxist varieties, to a fixed-exchange-rate credit-system based on precisely that model which U.S. President Franklin Roosevelt had actually specified during the 1944 Bretton Woods monetary conference. Any Keynesian type of reform now, under present crisis conditions, for example, would be a disease worse than the existing illness. All compromises with Keynesianism, such as that adopted internationally under the influence of the U.S. Truman Administration, are now categorically disallowed, as being futile efforts to revive a world which had ceased to exist.

### **Marx's Role**

To grasp the reality of the present world situation, it is indispensable that we put to one side most of the customary academic and comparable presumptions respecting Marx's role in history. Some of these assumptions were practically reasonable, but disputed ones, at relevant past times. Other popular assumptions were never true, although widely believed. Now, a change in all the rules of the global game has come about. Now, the present, new world conditions, are in the process of acting against anyone foolish enough to continue to play by anyone's formerly assumed set of global economic rules.

To appreciate the included factors which have led the world into its present disaster, it is necessary to say, that, despite Karl Marx's emotionally charged outburst of praise for the swindling hoaxster Adam Smith, we must concede that Marx was not as dumb in matters of a science of economy as he often made himself appear to be. Nonetheless, Marx never represented anything resembling an actually scientific quality of competence in the field of political-economy; Marxism never actually worked, and never could have worked; it often happened to be the case, that the anti-Marxists were dumber than the Marxists.

Looking to that past state of affairs, we should say that, although some professedly Marxian economists have shown scientific capabilities, the credit to them belongs, as in the case of Rosa Luxemburg, to their preferring to look at the subjects of Marx's categories from the standpoint of ancient through modern European history and modern science, rather than, as ideologues, to the writings by Karl Marx.<sup>1</sup> The notion that there was some "science" behind Marx's views on economy, was never justified; Marx as an economist was, essentially, simply, as he himself insisted, a student of that British East India Company's Haileybury School, which expressed the axi-

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1. The case of Rosa Luxemburg's exposure, as in her *The Accumulation of Capital*, of the sheer silliness of the dogma of both V.I. Lenin and the leading German social-democrats, is an excellent illustration of the point. Compare her book's thesis with the confirmation presented decades later, by U.S. State Department historian Herbert Feis.

## **Marx on Smith, Free Trade**

*Here is an example of what LaRouche describes as Marx's "emotionally charged outburst[s] of praise for the hoaxster Adam Smith." It is from an 1847 speech prepared for a conference on "Free Trade" in Brussels (reported by Friedrich Engels). The full text of Engels' article is at [www.marxists.org/archive/marx/works/1847/09/30.htm](http://www.marxists.org/archive/marx/works/1847/09/30.htm).*

These laws, which A. Smith, Say, and Ricardo have developed, the laws under which wealth is produced and distributed—these laws grow more true, more exact, then cease to be mere abstractions, in the same measure in which Free Trade is carried out. . . . If you wish to read in the book of the future, open

Smith, Say, Ricardo. There you will find described, as clearly as possible, the condition which awaits the working man under the reign of perfect Free Trade. . . . Either you must disavow the whole of political economy as it exists at present, or you must allow that under the freedom of trade the whole severity of the laws of political economy will be applied to the working classes. Is that to say that we are against Free Trade? No, we are for Free Trade, because by Free Trade all economical laws, with their most astounding contradictions, will act upon a larger scale, upon a greater extent of territory, upon the territory of the whole earth; and because from the uniting of all these contradictions into a single group, where they stand face to face, will result the struggle which will itself eventuate in the emancipation of the proletarians.