Helga Zepp-LaRouche

The LaRouche Method

Helga Zepp-LaRouche is the founding board member of the LaRouche Legacy Foundation and the founder of the international Schiller Institutes. She was Lyndon LaRouche's closest philosophical associate and political collaborator, and his wife, for over 40 years. There is no one more qualified than she to discuss LaRouche's Discovery, and to carry his legacy forward. This is an edited transcript of her Keynote Address to Panel 1, "On LaRouche's Discovery," of the August 14, 2021 LaRouche Legacy Foundation seminar, On the 50th Anniversary of LaRouche's Stunning Forecast of August 15, 1971: "So, Are You Finally Willing To Learn Economics?"

LaRouche Legacy Foundation

Helga Zepp-LaRouche

I greet you wherever you may be around the globe.

The history of the trans-Atlantic world is unfolding as a drama in which it is unclear whether it will end as a tragedy or point the way to a new era of universal history. Contrary to the two-dimensional assumptions of many contemporaries trapped in the here and now of sense perception, the current state of the world is in no way the result of natural processes, forms of historical materialism, or chance. But rather, the result of false axiomatic assumptions concerning the reality on the part of important decision-makers and their influence on leading institutions.

We are gathered here today on the 50th anniversary of the prophetic forecast of Lyndon LaRouche on the effects of President Nixon's fatal decision of August 15, 1971, to destroy the Bretton Woods system and replace it by a system of flexible exchange rates. LaRouche, my late husband, at the time was the only economist worldwide who recognized the systemic break in all of its implications, represented by such a switch from an economy based—despite all of its imperfections of the postwar period—on scientific and technological progress, to a monetarist model of economy. LaRouche warned at the time that the continuation of this monetarist policy would inevitably lead to a new depression, a new fascism, and the danger of a new world war, unless it were replaced by a new world economic order.

LaRouche's forecast now seems to be borne out with terrible precision. Given the explosive discrepancy between a fragile real economy and an overhang of some $4 quadrillion of the trans-Atlantic financial system that is moving to hyperinflation; given the blatant threat of the central bankers and bankers to "shift the trillions" into a global ecological dictatorship which would lead to a massive depopulation; and given the outrageous fact that the head of the U.S. Strategic Command, Admiral Richard, instructed the Pentagon in February to shift the possibility of a nuclear war from "nearly impossible" to "very real"; it is time to examine the methodological approach of Lyndon LaRouche. Hopefully, the world could then correct the false axioms underlying the sinking leading institutions.

Lyndon LaRouche is unquestionably one of the most productive original authors of his time. And to understand his economic method in depth, it is necessary to study the major parts of his enormous works, which the LaRouche Legacy Foundation is committed to publishing. But as an entry point into his method of thinking, the best is to begin with his own description, as he presented it in his essay, "On LaRouche's Discovery" published in *EIR* November 21, 1993. LaRouche said:

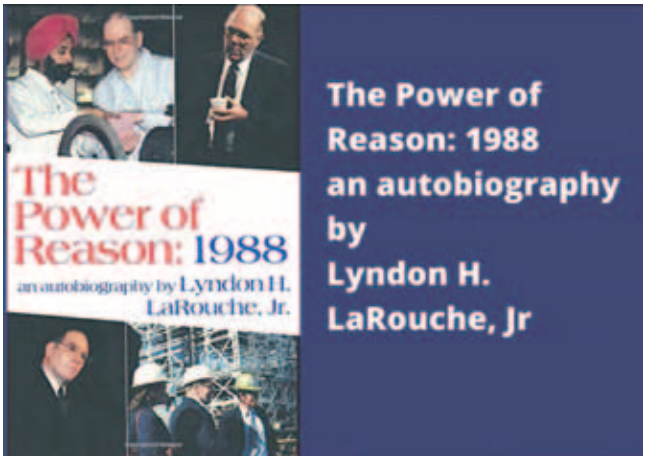
> The central feature of my original contribution to the Leibniz science of physical economy, is the provision of a method for addressing the causal relationship between, on the one side, individuals' contributions to axiomatically revolutionary advances in scientific and analogous forms of knowledge, and, on the other side, consequent increases in the *potential population-density* of corresponding societies. In its application to political economy, my method focusses analysis on the central role of the following three-step sequence: First, axiomatically revolutionary forms of scientific and analogous discovery; second, conse-

quent advances in machine-tool and analogous principles; finally, consequent advances in the productive powers of labor.

That is, in a nutshell, the quintessence of LaRouche's discovery, which provides an unerring yardstick as to whether an idea, a technology, or an investment is conducive to ensuring the sustainable long-term existence of mankind, or whether it contributes to the collapse of society. Russian scientist Pobisk Kuznetsov considered this concept so fundamental that he was convinced that it would go in the history of science under the name of "**la**," just as other measurements were named after their discoverers, such as watt, ampere, or volt.

Christoph Bernhard Franke

From an early age, LaRouche was a truth-seeking mind who very quickly recognized the hollowness of accepted manners, as well as the epistemological defects of various theories and convictions. Early on, he embraced the work of Leibniz; his notion of the pre-established harmony inherent in the universe, and the existence of monads, which reflect in almost folded-in ways, the entire lawfulness of the universe, as well as the principles of physical economy defined by



Leibniz and the principally infinite degrees of freedom that arise from Leibniz's concept of the best of all worlds.

LaRouche described, in his 1988 autobiography, "The Power of Reason," how he, on the basis of his understanding of Classical Greece, identified a clear notion of the harmonic proportions of living processes. Leonardo da Vinci wrote about and made sketches of the perfect city. It's reflected in the principle of the Golden Section in great works of painting, sculpture, architecture, and in similar ways in poetry and music.

His knowledge about the great thinkers and artists of the Italian Renaissance had taught him that all the living processes, morphology of those is harmonically ordered in a manner consistent with the Golden Section, and that ordering is a guideline for beauty; and that of non-living processes is not.

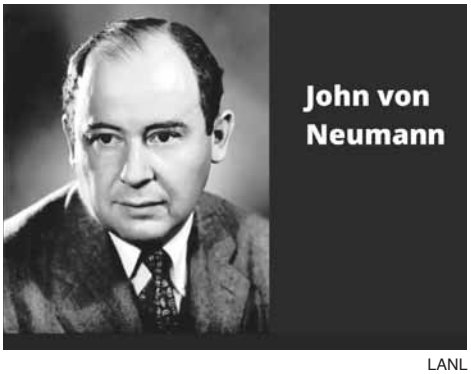
His love of Classical music and the study of the principles of bel canto polyphonic harmonic compositions from Bach to Haydn, Mozart, and Beethoven, as well as his acquaintance with the works of Kepler, and emphatically Bernhard Riemann's 1854 published inaugural dissertation, "On the Hypotheses which Underlie Geometry," had created for him a rich understanding about the negentropic character of the actual developing physical universe, as well as the negentropic character of the impact of man's discovery of those universal principles and their application in the production processes in the form of scientific and technological progress.

Starting from this very rich perspective, LaRouche recognized the inadequacy of the theories of Norbert Wiener and John von Neumann and their linear statistical methods of cybernetics, Information Theory, and systems analysis, as to their ability to communicate ideas about the real universe. The negentropic character of the productive economy is one that is based on the continuous discovery of new physical principles and their application to the production process. Since all ideas depend on metaphorical communication of hypotheses and the meaning of discontinuities in the transition from one physical principle to the discovery of the next higher principle, the conscious creation of par-

adoxes in the minds of the listeners is necessary. It is precisely this living principle that is left out in Information Theory and systems analysis.

This fundamental error is in no way lessened by the fact that the systems and subsystems have become more complex over the decades since Wiener and von Neumann, and that their complexity and information processing now permeate almost all areas. Rockets and satellites sent up to space; the control of drones for remote warfare; round-the-clock supercomputing in nanoseconds all around the globe; algorithms that are supposed to predict when the people will commit, statistically speaking, a murder in what street five years from now. And quantum computers that are used for data collection and analysis and for the surveillance of society.

John von Neumann was perfectly aware of the extensive impact of his conceptions when he predicted, "I built something better and more efficient than bombs. I built computers." That is not to say that these highly complex systems have no useful applications. For example, to program the rovers for Mars missions so that they can apparently make autonomous decisions. But the crucial question remains the moral quality of the people who program these systems; what their intention is; and what goal they hope to achieve.



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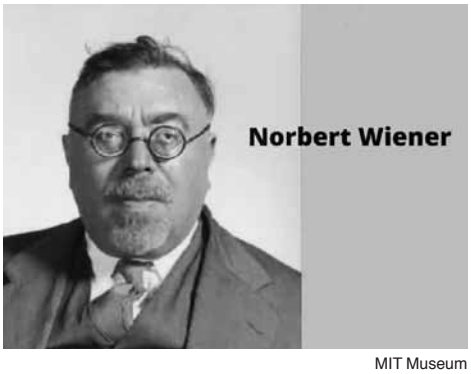

MIT Museum

In addition to this unrivalled ability in terms of economic analysis and forecasts, Lyndon LaRouche had the unique ability to define historical processes and categories that beforehand appeared obscure but became clear in his definitions.

Regarding the radical positivism of the defenders of information theory, he stressed that this way of thinking reflected a constantly recurring folly that for the past 6,000 years had acted in a certain sense like a curable infection of European history. Curable, because the propensity to this folly does not actually correspond to the nature of man. The foreign infection was characterized by LaRouche as an almost genetic weakness of the intellectual character of European civilization up to the present. Namely, the propensity to accept the oligarchical model of society.

Also, specific forms of these mainly imperial oligarchical models have changed over the centuries from Babylon to the Roman Empire; then to Byzantium; Venice; the British Empire; and today's Anglo-American special relationship. LaRouche compared these transformations of the same system to a slime mold that changes color and shape but remains a slime mold. In principle, the same, whether it be the viewpoint of the priest class of Mesopotamia, or the laws of Sparta's tyrant Lycurgus. Until the 15th century and the image of man of the Golden Renaissance in Italy and other regions in Europe, these various forms of oligarchical model assumed that the destiny of the majority of people was to live as cattle—as cows, pigs, sheep, or chickens that can be bred to fit one's needs; used for work; and even, if they become too many, can be culled.

While the average Eurocentric liberal or neo-liberal snobbishly puts his nose in the air and thinks he is miles above such supposedly antiquated forms of society, Lyndon LaRouche identified the essential unity between the ideology of cybernetics, Information Theory, and the oligarchical model.

In his article, "Information Society: A Doomed Empire of Evil," written April 13, 2000, [and published in *EIR* April 28, 2000,] he emblematically takes apart the confessions of Bill Joy, the co-founder of Sun Microsystems, as the latter expressed them in an article in the April 1, 2000 issue of the magazine *Wired*, titled, "Why the Future Doesn't Need Us." The subject is the scenario still rampant today in the IT community of how computer scientists succeed in conceiving intelligent machines that are faster and more efficient than their inventors, who will then become so dependent upon their capability, that they will ultimately have no choice but to accept their decisions.

Joy reports about his discussion with Ray Kurzweil, the inventor of the first reading machine for the blind, and his book *The Age of Spiritual Machines* in which Kurzweil quotes the so-called Unabomber, who held the United States in suspense for 17 years with his terrorist activity. The quote is:

> But we are suggesting neither that the human race would voluntarily turn power over to machines, nor that the machines would willfully seize power. What we do suggest is that the human race might easily permit itself to drift into a position of such dependence on the machines, that it would have no practical choice but to accept all of the machines' decisions. As society and the problems that face it become more and more complex, and the machines become more and more intelligent, people will let machines make more of their decisions for them, simply because machine-made decisions will bring better results than man-made ones. Eventually, a stage may be reached at which the decisions necessary to keep the system running will be so complex that human beings will be incapable of making them intelligently. At that stage, the machines will be in effective control. People won't be able to just turn the machines off, because they will be so dependent on them that turning them off would amount to suicide.

Then Joy continues with the idea that it would be enough to have the enormous machines operated by a small elite. The masses would be a useless burden on the system. The elite could reduce their birthrate to such an extent that most of them would disappear, and the rest could pursue some harmless hobby and leave the world to the elite. "These engineered human beings may be happy in such a society, but they will almost certainly not be free. They will have been reduced to the status of domestic animals."

The methodological hideousness of oligarchical thinking that LaRouche recognized as of 1953 in the theories of Wiener and von Neumann, and that inspired the kernel of his own discoveries in his economic method, is openly reported here by Joy.

From here, it's a short distance to the terrorists who believe that scientific progress and the emergence of industrialization are the source of all evil. LaRouche points to the morbid irony that Joy cites long passages from the manifesto of the Unabomber; an eccentric mathematics professor well linked to eco-networks, named Theodore Kaczynski, whom Joy does call criminally insane and a Luddite. But he is nevertheless fascinated by his argumentation. In the meantime, a whole series of eco-terrorists has emerged, who describe themselves as eco-fascists, and who cite in their manifestos their radical ecological ideology as the motivation for their acts. Such as the mass murderers of Christchurch, New Zealand, and El Paso, Texas.

At a time when so many of the leading institutions of the trans-Atlantic world are attempting to establish a global eco-dictatorship on the basis of the same radical positivist logic of cybernetics, Information Theory, and systems analysis as those of Wiener and von Neumann, it is more urgent than ever to study the economic method of Lyndon LaRouche. The Biden administration's Green New Deal; the EU Green Deal; the regime-change that Mark Carney addressed at the Jackson Hole, Wyoming conference in August 2019, which would take not only all monetary policy, but

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also all fiscal policy out of the hands of elected governments, to give it to the central banks, and de facto to the mega-players of the City of London and Wall Street. All these systemic changes are designed to channel investments exclusively into Green technologies, and thus, into very low energy-flux density energy sources.

In countless writings, LaRouche has shown the connection between the relative potential population-density and the energy-flux density used in the production process. If the trans-Atlantic elite alone were to hold sway, the population both in the soon-to-be formerly industrialized nations and in the then no-longer-developing nations would soon be rid of that useless faction that the eco-fanatics consider too burdensome for the Earth's eco-system.

Of course, the proponents of the Green Deal do not use such crude methods as the Unabomber, but the effect is all the greater. For example, in the agreement between Norway and Gabon, in which Gabon undertakes not to develop its rainforest area, which is no less

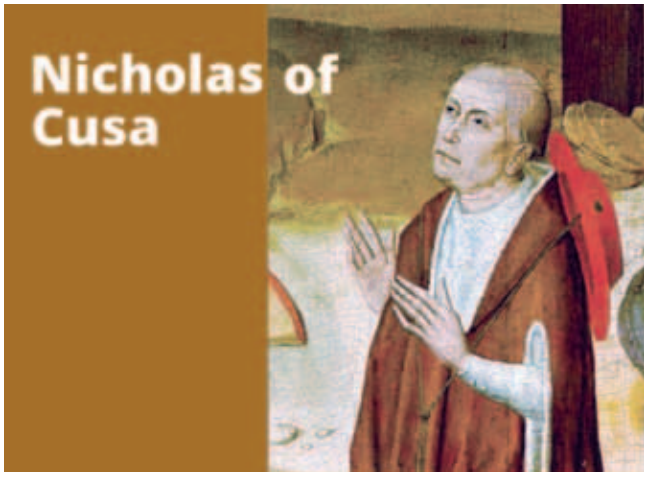
than 90% of the total area of the country, for a paltry 150 million euros over 10 years. One could estimate how many hospitals, schools, and industrial parks will not be built. How many children will not reach the age of five, etc., because of that. One could also calculate by how many years the lives of people living in poverty in the United States and Europe will be shortened if hyperinflation eats up their savings while the billionaires continue to rake it in. But of course, these are only armchair criminals or computer designers, as von Neumann noted.

Hopefully, it is not too late to reorganize the hopelessly bankrupt financial system by adopting the Four Laws proposed by Lyndon LaRouche, and to rescue the world from the brink of the abyss of geopolitical confrontation between NATO, and Russia and China. Such a solution requires the West to understand the reasons for the relatively phenomenal success of the Chinese economic model. Namely, that it focusses in practice on continuous innovation and the excellent education of an enormously large number of young scientists and professionals, while spending 10% of GDP on the cultural development of its population. This is several orders of magnitude closer to the criteria LaRouche defined for the physical economy than is the case for the United States or the EU, which seem determined to pursue monetarist policies to the endpoint LaRouche warned about 50 years ago.

And it is not too late to bring about the cooperation among the four major nations—the U.S., Russia, China, and India—without which none of the major strategic issues can realistically be resolved, beginning with the common fight against the pandemic and the creation of a modern health care system in every single country on this planet. But this requires an honest reflection and the correction of the axiomatic flaws in the thinking of the past 50 years, of which Nixon's decision is exemplary.

It should be a challenge to the honor of any economist as to why their profession has failed so remarkably to forecast the systemic nature of the financial crisis. Before the crisis of 2007-8, many asserted that from now on, the stock markets would rise indefinitely, and everybody could become a millionaire.

LaRouche, on the contrary, has been accurate in all of his forecasts, and that has to do with his method, which is not based on statistics and linear projections, but on what Nicholas of Cusa called prescience—foresight, previous knowledge. Since LaRouche has a clear conception about the negentropic character of the



Master of the Life of the Virgin

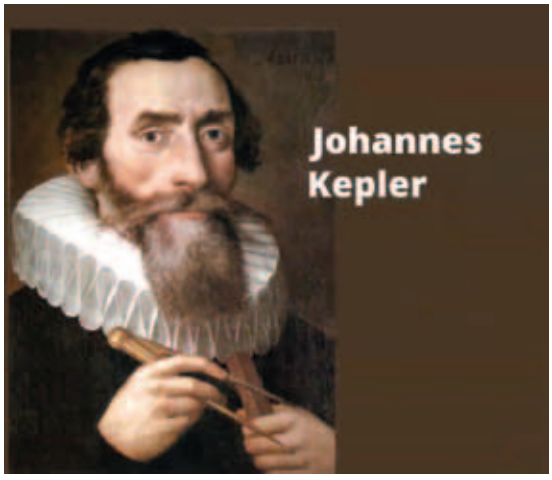
laws of the universe and the necessary affinity of those laws with those of the creative powers of the mind, he knows in principle what the next step of the necessary discovery has to be.

In that sense, factors that determine the development, or do damage to the creative powers of the minds of the workforce are much more meaningful in respect to the future productivity of an economy than monetary figures. For that reason, he was the only economist in the 1960s who recognized the devastating impact of the rock-drug-sex counterculture on the creative potential of entire generations, and therefore the long-term productivity of society. The GDP, on the other hand, is happy to calculate the income of drug-infested rock concerts, as well as the income of brothels and tattoo parlors as positive quantities.

It is that quality of prescience which explains why with LaRouche, the science of physical economy achieved the quality of the "queen of sciences." Since physical economy encompasses all fields of knowledge which are necessary for the long-term survivability of mankind, i.e., all the natural sciences and all the Classical arts.

It is the absolute merit of LaRouche that he demonstrated, contrary to the importance given to the job specialization in modern times, that the faculties of the mind which make great discoveries of breakthrough knowledge, are the same for both the natural sciences and great Classical art. It is that same quality of prescience, the capacity for adequate hypothesis which enabled Eratosthenes to calculate the circumference of the Earth with the help of a sundial to within a 50-km precision, despite the fact that nobody had ever seen the character of the planet as a sphere from space. It is the same

quality which enabled Kepler to take reflections of the "divine Nicholas," as he called Cusa, a step further, and to discover gravitation as the principle accounting for the orbits of the planets.



Sternwarte Kremsmünster

The most important distinction, however, which separates LaRouche from the bloodless accountants of the linear world of the rules-based order, who apparently have no problem wiping out millions of human beings with a click on their computer, is that he was motivated by a passionate love for mankind. In literally hundreds of his articles, he emphasized the central importance of Plato's principle of agapē, of the idea of Paul's *1 Corinthians* 13 of love, of which he says that it is the only universal principle upon which true morality can be premised.

This love for humanity was the guidance behind all his works in economics. Be it his early infrastructure development plans for all continents of the planet, or his visionary conception about the "The Woman on Mars," and the idea of future forests on Mars. In everything he did, he was motivated by the principle that "Each and all members of mankind are made in the image of what Plato in his *Timaeus* identified as both the composer and the continuing efficient principle and personality of this universe." Some may object and ask what this fundamental conception about the identity of mankind and the principle of the universe have to do with economics. As Bernhard Riemann says in his dissertation, often quoted by Lyndon LaRouche, "Here we leave the realm of mathematics, and enter the world of physics."

The chance for a positive outcome of this present era of human history may very well depend on the hope that enough human beings—economists included—understand that difference, and replace the quackery of cybernetics, systems analysis, and Information Theory with LaRouche's science of physical economy in all universities, faculties, and textbooks around the world. Thank you.

Ding Yifan

The Importance of Physical Economics in Today's World

Ding Yifan is Deputy Director, Research Institute of World Development, China Development Research Center (DRC). This is an edited transcript of his presentation to the August 14, 2021 LaRouche Legacy Foundation seminar, "On the 50th Anniversary of LaRouche's Stunning Forecast of August 15, 1971: So, Are You Finally Willing To Learn Economics?"


LaRouche Legacy Foundation
Ding Yifan

I'm very honored to be able to take part in this very important event of the Schiller Institute, and to talk about the importance of physical economy in today's world.

Lyndon LaRouche is the inventor of "Physical Economics." When the Nixon Administration defaulted in 1971 on the U.S. commitments to the Bretton Woods system, and decoupled the U.S. dollar from gold, Bretton Woods collapsed.

Mr. LaRouche forecast the danger of excess liquidity in the world. And 50 years later, many things predicted by Mr. LaRouche are happening. If we do not pay attention to these matters today and let them continue to develop, the world will advance in a more threatening direction in the future, and bring us