

The Political Economy Of Military Posture

By Lyndon H. LaRouche Jr.

In the main, the February 1977 report of Chief of Staff General George Brown to the Senate Defense Appropriations Subcommittee is newsworthy only because it appears over General Brown's signature. The exception is the report's vitally important concluding section on Research and Development, whose crucial point we amplify here.

Given the circumstances of the "Carter transition," one could not have expected General Brown to speak as frankly in public as he might have wished against the sort of rubbish being dragged into national "strategic estimates" by the Rockefeller crowd. President Ford had "quit the ball game" in the "third quarter," professing to thus avoid the victory which might have damaged his "good loser" standing. General Brown's report chiefly clings to the bureaucratic tradition, "touching the right-bases" and that sort of thing.

Although the sensitive reader picks up a significant shading of language and emphasis here and there, until the final section the report avoids the kind of direct statements which might prompt excessive howling from Carter's "team." Until the final section of the report, General Brown "kept his nose clean."

A few opening observations on the report as a whole provide background for the specific point chiefly under consideration here.

The Strategic Balance

Until President Kennedy's (McGeorge Bundy's) 1962 "Cuba Missile Crisis" the Soviet strategic military profile tended to converge upon the "mutually assured destruction" utopian doctrine of the USA and NATO. The 1962 confrontation tilted the balance of strategic policy-thinking within the Soviet leadership away from "deterrence" toward a commitment to a thermonuclear war-winning policy. This shift brought Soviet policy back into conformity with the natural Soviet political-military outlook, for which the 1930s "Tukachevsky Plan" is broadly exemplary.

This shift in Soviet military posture goes far deeper than a formal change in policy. Present Warsaw Pact strategic capabilities are now peculiarly adapted to the commitment to thermonuclear war-winning. This approximate decade-and-a-half of buildup around the shifted policy has been accomplished through the most painful allocations of productive facilities, and not

without shocks within the Soviet and Warsaw Pact political leaderships.

As General Brown's report properly emphasizes, this shift in Soviet policy correlates with a double-effect development to the decided, cumulative advantage of the Warsaw Pact generally and the Soviet Union in particular. During the approximately 15 years since the Cuba Missile Crisis, the USA's Research and Development infrastructure has been in ongoing erosion and virtual collapse, while Soviet basic research has leaped ahead on the basis of a massive increase in the number of scientists and engineers. This feature of the strategic balance includes several recent demonstrations that the Soviets are qualitatively ahead of the USA in key areas of militarily relevant basic scientific research, an emerging gap which will probably accelerate over the period immediately ahead.

Broadly, there is no disagreement concerning those facts among most leading NATO circles. It is agreed that the Warsaw Pact is developing a thermonuclear war-winning capability. It is debated whether the Warsaw Pact has yet developed a decisive margin of military war-winning capability.

In respect of those facts, there are two glaring omissions from General Brown's report.

General Brown asserts that the Soviets have not yet achieved a significant margin of thermonuclear war-winning capability. This feature of the report has no weight one way or the other — and is therefore an omission-in-fact. *The Chief of Staff of the United States would under no imaginable circumstances announce publicly that the Soviet Union had achieved such military superiority, no matter how large such a margin were to his knowledge.* (The reasons for that are obvious enough to any congressman or journalist who does not have his thumb stuck in his mouth.)

Second, although the report emphasizes categorical comparisons of principal weapons systems, it does not interrelate those elements as a coherent military capability — even though there could be no reason of "national security" for omitting such matters of extant public knowledge. In this way, the report avoids presentation of actual Warsaw Pact capabilities — losing the coherent image of such capabilities in a *Schwaermerei* of systems considered in only a fragmented way.

The significance of that is illustrated by the 1940 Fall of

France. On paper, in terms of weapons systems considered in distinct categories, the French Army had the advantage in tanks and certain other categories. What was decisive in the Nazi victory — apart from the political war-fighting capabilities of the opposing forces — was not the weapons systems as such, but the way in which they were deployed, etc.

Exemplary is the case of the Warsaw Pact armored personnel carriers. It is necessary to add to the appropriate location in General Brown's report that these APCs are part of the training and deployment programs for mobile movement of Warsaw Pact mechanized spearhead forces across a West German terrain which has been previously saturated with ABC warfare.

In general, weapons systems can be competently assessed only from the way in which they will be used, and within a coherent overview of the overall deployment of forces. The business of matching one weapons system against its opposite number is an inconclusive application of the Sears-Roebuck catalogue mentality. The question is, "What does such a weapons system, in its indicated usage, do to enhance the total offensive capability of the forces as a whole?"

Naturally, one doubts that the staff at the Pentagon would perpetrate such a blunder in its own private strategic studies. Nonetheless, their report to the Congress perpetrates such a blunder on the congressmen — hence, such a blunder contributes to shaping USA policy. What the report offers the Congress is a comparative study of a collection of catalogue parts, when the question before the Congress is whether these parts add up to a functioning automobile, tractor, or merely a very expensive (and dangerous) toy for overgrown Trilateraloid children.

"Salt II"

The immediate context of reference for the report is the off-again, on-again "SALT II" charade — to be precise, the "SALT II" Mutt-and-Jeff game of psychological warfare being employed in the effort to throw Moscow (and other centers) psychologically off-balance.

We are not opposing a "SALT II" agreement, but merely insisting that foolish illusions concerning this subject ought to be exploded.

"SALT II" is not primarily a military agreement. *It is a political gesture in the guise of a military weapons-systems agreement.* From the Soviet standpoint, such an agreement, like the Helsinki "Basket I" package, is no better than its bona fides — which, at this moment, would include a Carter administration pull-back of its Israeli and Ian Smith-Vorster puppets from the present headlong confrontationist course currently being escalated in both the Middle East and Africa's south and Horn regions. It is the political process of publicized ratification of a "SALT II" agreement by both parties, accompanied by certain perhaps less publicized bona fides, which would "reduce" the political tensions between the USA and the USSR.

As a military agreement per se, "SALT II" is nonsensical. The issues of "cruise missile" and "backfire bomber" are mere rhetorical sleight-of-hand diversions. Any agreement on specific weapons systems can enforce only what it purports to expressly enforce. I could place myself in either seat, meticulously honoring such an

agreement, while also cheerfully and quite legally proceeding to develop a decisive margin of war-winning capabilities.

Unfortunately, "SALT II" cannot be realized under the present *operational* policy commitments of the Carter administration.

The bankruptcy of Chase Manhattan Bank and related institutions can not continue to be forestalled unless both the Western Hemisphere and most of the rest of the world are placed under a fascist zero-growth deindustrialization and austerity policy. Without that concession, Chase Manhattan's bankrupt debt-overhang collapses. Hence, the Trilateral Carter administration has shown itself consciously committed to a domestic and foreign policy absolutely irreconcilable with the expressed fundamental self-interests of the other OECD nations, the Comecon (CMEA), and the developing sector. It is Soviet and CMEA political and economic cooperation with Western European and other nations which presently represents the decisive margin of resistance to Chase Manhattan's desperate policies. Hence, the Carter administration is proceeding from a conscious commitment to bluffing its way through an irrepressible global conflict.

If the Carter administration were to commit itself to a "SALT II" agreement and the indispensable bona fides that entails, such a step backwards from the present, *operational* confrontationist policies would mean a collapse of Chase Manhattan Bank and allied institutions. Until and unless that Carter administration elects to abandon Chase Manhattan to its much-deserved bankruptcy, that administration will tease the Soviets and others with recurring apparent moves toward "SALT II," and might effect such an agreement *only if the Soviets would relinquish the requirements of the relevant bona fides.*

There is no basis to doubt that such a confrontationist policy is currently operational. The escalation of the Middle East operations of Brzezinski et al., the Carter administration's intervention to nullify a written protocol just previously enacted between Vorster and British representative Ivor Richard, the all-out escalation of Brzezinski's interventions into Eastern Europe, and, most significant, the Carter administration's launching of "crisis-management" destabilization tactics against the U.S. population through the contrived "energy crisis," are all crucial evidence that the *New York Times* Jan. 20 "Potemkin Village" editorial reflects the operational policies of the administration. *Any contrary estimates are simply wishful delusions.*

At the moment, one of the key breaking-points on the global strategic situation is the issue of Brazilian nuclear-energy development agreements with the Federal Republic of Germany. The Brazilian government is not only preponderantly committed to this, despite massive pressure from New York and Washington, but has made this a public issue between itself and the Carter administration. At the other end, West Germany, the issue is no less significant.

Through Rockefeller-controlled agencies, including the Rockefeller brothers' protégé Ralph Nader, the general development of nuclear power has been effectively aborted. Only two nations, the USA and the USSR (plus, possibly China) currently have

operating fuel reprocessing capabilities — although West Germany and France are on the verge of achieving this. West Germany's agreement with Brazil coincides with West Germany's realization of reprocessing capability.

Currently, massive pressure, including some delivered via Vice-President W. F. Mondale, has been deployed against West Germany and Europe generally on the issue of the Brazilian power agreement. West Germany is nonetheless firmly committed to that contract, a point featured as a leading public joint statement of West Germany's Helmut Schmidt and France's Giscard d'Estaing during this past week. Meanwhile, every part of Rockefeller's intelligence networks, including the agent-riddled West German Communist Party, is being deployed for projected mass riots and other means in the effort to sabotage European nuclear energy programs.

If Secretary Cyrus Vance loses the fight over nuclear plants for Brazil, the \$40 billion Brazilian debt is placed in jeopardy (at least as far as lower Manhattan's perceived requirements are concerned in this matter), and the South Atlantic Treaty Organization game probably evaporates, too. Agreements on development cooperation among Venezuela, Brazil, and Argentina would nullify the Carter administration's "Second War of the Pacific" scenario.

On might therefore say that Cyrus Vance et al. behaved most stupidly in this matter of Brazil's nuclear-power policy, placing their entire Latin American strategy at risk in such a way. Actually, the unfortunate Cyrus had a Hobson's choice in the matter. Since global deindustrialization and reduced energy consumption are the keynotes of his faction's fascist economic policies, he could not envisage acceptance of so significant a nation as Brazil shifting effectively to a pro-development policy while he is armtwisting Peru, Mexico, and other Latin American nations into submitting to fascist economic austerity. Mr. Vance was not stupid, but merely insane.

With Carter in the White House, the world is on a short fuse leading to a showdown. In this setting, the Carter administration's Mutt-and-Jeff games over "SALT II" are merely part of the overall psychological warfare effort to put the opposition psychologically off-balance before the actual thermonuclear confrontation occurs.

The Pentagon's Predicament

The nexus of General George Brown's problem is that his government is headed toward an actual thermonuclear war, but preparing only for a monstrous strategic bluff modeled on the 1962 missile crisis. In fact, since 1966, the logistical and other elements of fundamental war-fighting capability of the USA have deteriorated, together with the Vietnam War's erosion of the nation's political war-fighting capability. Mr. James Schlesinger's recent, weird public statements respecting the "aura of power" exemplify the essential hollowness of the administration's military strategy.

The purely military side of the question is illustrated by the 1976 ERDA flap concerning the declassification of secret Soviet research to a Livermore Laboratories audience by Soviet physicist L. Rudakov. The Soviets are qualitatively ahead of the USA in relativistic beam and related work. The flap over the MIG-25 is a part of the same picture. Most recently, some idiot has circulated a summary of a purported CIA paper alleging that the

Soviet's monkeying with the ionosphere has caused a global weather modification. That argument is absurd in its conclusion; it is the Tri-"laterization" of the Amazon basin, involving forces on a scale much larger than Soviet ionosphere experiments, which entirely accounts for the main features of the recent years' shift in global weather patterns. However, the Soviets are developing such capabilities, as well as the ability to put the entire NATO communications and related targeting system "on the fritz" with the aid of such procedures.

From the Pentagon's standpoint, the USA is losing its capability to sustain a military posture at such crucial points as electronics-aerospace and basic research and development. The Carter policy of reducing U.S. energy consumption by successive 20 per cent and 40 per cent levels will have devastating consequences from the Pentagon's standpoint, as will also Senator Ted Kennedy's effort to liquidate the New England electronics-aerospace complex.

Although the Pentagon report avoids arrogating the decisive political side of the strategic problem to itself, generals and colonels can not help thinking about such matters. No commanding officer attuned to the outlook of combat troop command could. The Pentagon must view the U.S.A.'s extremely reluctant strategic allies as largely "unacceptable forces" in overall strategic planning. The zombie and mercenary forces which fascinate the "surrogate warfare" freaks of the Interpol and National Security Council cliques quickly lose their special usefulness under the political conditions of general warfare — as Vietnam, among other experiences, illustrates. Terror and forces modeled on the Canaris "Brandenburger Division" may represent a tertiary, complementary feature of war-fighting, but for serious war-fighting, "special forces" antics are strictly "bush league" ultra-obnoxiousness of the sort that cannot decide the outcome. Serious political mobilizations under warfare conditions deal summarily with the Mark Rudds and kindred covert operations offal. The relatively hardened allies of the Trilateral gang are a tiny minority of social forces which the rest of the population of those nations is only waiting to string up from the nearest limb of summary justice. Once general warfare shifts the pattern of deployment from exceptional actions to general mobilizations, the massive potentialities simmering below the surface of current events come into play — a contemplation which prompts any sensitive Pentagon official to shudder at the mere mention of the word "allies."

The political strategic problem is not that the USA is intrinsically hatable. Quite the contrary; any large outpouring of U.S. industrial technology to the developing sector (and elsewhere) would make most of the world pro-American. The problem, from the Pentagon professional's vantage point, is that the present administration has all the policy and related earmarks of a "loser," a doomed *ancien regime*.

General Brown Radiates A Coherent Thought

General Brown's report chooses to concentrate its main effort at the crucial point of the Research and Development question.

The general background presentation included in that concluding portion of the report is an able and accurate

summary of the comparative facts of Soviet and U.S. Research and Development capabilities over approximately the past fifteen years. This, concentrating on numbers and specializations of categories of scientists and engineers, is a direct parallel to our own earlier summary of the same matter.

Brown proposes to reverse the USA's decline by an energetic revitalization of military Research and Development programs. There are some potentially devastating fallacies — chiefly of omission — in this proposal, but his argument is entirely sound as far as it goes.

At first glance, Brown's proposal is a politically astute approach toward saving the nation's key university and other research centers, as well as the electronics-aerospace industry generally, from the Naderite axe of Carter's deindustrialization policy. Save these vital national capabilities by placing them in effect under the national defense budget umbrella. Thus, General Brown's co-thinkers in the Congress are offered the option of measured retreat before Carter on the economy in general while exempting key sectors from the Carter axe under the implied threat of charging Carter with virtual treason if he fails to make such exceptions. In fact, although Brown does not explicitly charge Carter with being a filthy Tory traitor to the United States, he sets forth the facts on which some congressman might premise such an epithet.

Brown complements this line of argument with the correct observation that a broad spectrum of now-commonplace technological advances in civilian economy originated as by-products of military Research and Development. The argument offered is sound as far as it goes, and might have been elaborated into an even much stronger case, space permitting.

We have made a related sort of proposal to congressmen and others concerning a counter-energy policy: mobilize our forces for a concerted defense of university and other research centers, and feed our electronic-aerospace industry with the projects developed in that way, centering around fusion research. In this way we shift resources within academia away from "socially relevant basket-weaving" into basic sciences training, building up qualified cadres and working teams of scientific specialists while extending this spearheading effort into development projects conducted chiefly through the electronics and aerospace sector. Brown's report essentially proposes to accomplish such a tactic under the umbrella of national defense.

There are two problematic features of Brown's approach. The first is the implicit problem of "national security," which gets significantly in the way of the quality of research effort required. The second is a tendency toward a *post hoc ergo propter hoc* evaluation of the record of military technology.

We ourselves have two specific competences to employ in dealing with the problem of "national security." First, through our collaboration with some leading physicists and related studies, we have put together a conclusive overview of the fact that the Manhattan Project succeeded despite the "national security" environment in which it operated; but for a revolt of the scientists against the pertinent ignorance of the FBI and others involved, the conditions of work for the project's success

would not have been established. Free-wheeling communication among scientists is the essence of a research and educational environment for proliferation of effective scientific cadres. Second, we have come into the forefront of several areas of current theoretical work, and have demonstrated that a certain type of political campaigning among scientists, industrialists, workers, and others is indispensable to realizing the preconditions for broadly based breakthroughs in scientific knowledge. The Greshamite science and education policies of Tudor England are the most pertinent paradigm for the workings of the same principle.

We shall deal with the second of those two points after identifying the second problematic feature of the Brown report on Research and Development.

The relative success of military technological development work is not located in the military aspect as such, but in the *dirigist* and centralized character of state-funded development in contrast to market-oriented projects of private capitalist firms. This is illustrated in one way by the general case of Soviet economic and military development, and in another way by the pattern of "state industry" sectors emergent in Italy, France, Britain, and so forth. Any person who has been concerned with a corporate development project recalls, with enraged frustration, why most corporate projects of that sort tend to fail. What is wanted, to supersede the problematical, *post hoc ergo propter hoc* perception offered in General Brown's report, is an insight into the underlying principles common to the varied cases of successful *dirigist* approaches.

We shall develop that point secondly, after first developing the notion of the "Greshamite paradigm" for development of scientific capabilities.

Lessons Of The Naderite Plague

Dr. Edward Teller, for some years a public opponent of our proposals concerning fusion research, late last year publicly reversed himself on this issue, elaborating absolutely cogent reasons for such a shift in policy. This incident exemplifies the broader fruits of the kind of international campaign we had conducted, especially over the preceding two and a half years, a campaign which contributed in a marginal but definite way to making 1976 the year of definite breakthroughs in plasma physics research.

If our campaign is properly examined, it offers a conclusive refutation of previously prevailing illusions respecting the alleged nonpolitical character of basic scientific work. This point is best illustrated by placing our efforts as the direct opponent of Ralph Nader (variant spelling *Nadir*) and what Nader broadly symptomizes.

Nader is a protégé of the Rockefeller Brothers Fund. That fact is of interest to those corporations who have incurred extra financial costs to Rockefeller-linked financial institutions as a result of Nader's sabotage of financed projects. In fact, the entire zero-growth plague is essentially a Rockefeller project. Zero Growth as such is associated with John D. Rockefeller III, and with the Rockefeller-linked Club of Rome. It is not only a fight between Rockefeller and the Catholic Church, but pits Rockefeller and allied factions against the entirety of the Non-Aligned nations, most of the OECD nations' funda-

mental self-interests, and the fundamental industrial and related self-interests of the United States itself. The neo-Malthusian Rockefeller brothers have demonstrated that science itself is the most fundamental of the *political* issues before mankind today.

This is not a new issue, only an old issue which has peaked to the dimensions of a crisis of unprecedented magnitude and intensity in the form of "energy policy." In the history of the English-speaking people, this was the issue of the fight between the Tudors and Hapsburg Fuggery (the fight that made the very word "Fuggery" and its derivative epithets among the most obscene terms in the English vocabulary.) It was the issue of the American Revolution. The *Tory* Rockefellers and their allies express the seven centuries continuity of anti-scientific Fuggery from the days of the Bardi's ram-paging thieves, Biche and Mouche, through the Hapsburgs, the Holy Alliance, and our native American *Tory* traitors, Aaron Burr, Martin van Buren, Andrew Jackson, August Belmont, and so forth.

Science — the fostering of creative scientific work for technological progress — is a profoundly *political* commitment. Not petty "politics" in the sense most persons misuse that term, but real politics, the struggle over policies which determine the fate of nations and humanity generally. (Indeed, a nonpolitical person is therefore professedly a moral imbecile, just as the notion of a "value-free university" is a depraved obscenity.)

The root of scientific thought is the conception of the entire universe as a lawful universality, and the coherent notion that deeds of act and omission are events which send ripples throughout the world to affect the universality in that way. Hence, scientific knowledge is not essentially mathematical procedures or anything of that sort. Scientific knowledge is a rigorous way of looking at the connection between one's acts and the world as a whole. Scientific knowledge is the habit of looking over the shoulder of one's own thought-processes while one is thinking, judging whether those thought processes represent a competent ordering of the way in which one's behavior can affect the world as a whole in some useful way.

This attitude becomes science as impassioned efforts to discover the lawful ordering of the connection between the universal and the individual act lead to coherent knowledge of the lawful ordering.

Dr. Edward Teller, in explaining his shift in policy, spoke precisely as such a scientist. He spoke as a scientist not merely because of his education and so forth, but because he situated the question of policy appropriately in respect of its global consequences.

Our campaign for fusion research had two complementary features most pertinent to the points just made. Our chief argument involved an elaboration of the theoretical overview of physics and of the notion of energy which coincided with the humanist origins of physics: the neo-platonic, negentropic conceptions emergent from the work of Roger Bacon, the Florentine Academy, and so forth. These arguments were most typically effective among strata of physicists which were distinguished by a history of creative scientific achievements; hence the argument we made found corroboration in such physicists' own psychological and related experience in creative work. "Yes, this describes the way I think when

I accomplish something important," is the gist of that psychological corroboration. Our correlated arguments emphasized the universalist approach to present global problems, that the fusion breakthrough represented the main chance upon which present establishment of the future of the human species depended.

These positive elements of the campaign were complemented by a ruthless emphasis on the fact that the delay in fusion research was consistently the result of deliberate anti-scientific policies of forces centering around the Rockefeller brothers. In general, the physicists and others knew that fact better than we did, but had wishfully refused to conceptualize their relevant experiences in that coherent way.

This political aspect of our campaign was deliberately complemented by an accompanying practical activity. Each of these physicists and others had already some accomplished or in-process significant bit of contribution to overall progress in fusion and related work. What was immediately lacking was an institutionalized set of channels for socializing that material in a political way. These sorts of contributions were generally being buried, either by de facto censorship by some relevant journals and so forth, or by being relegated to obscurity by the indifferent way in which their circulation occurred. These physicists and others had been cumulatively discouraged from sustaining the effort to propagate their contributions in the way essential to fruitful scientific work. We improvised alternative channels of communication of some of the most appropriate of these conceptions.

To balance the account, those physicists and others were immediately subjected to a massive "Cointelpro"-type harassment on account of their associations with our efforts. That experience proved to much of the physics and related scientific communities that our theses concerning Rockefeller and the political character of science were not only valid, but could not be overlooked.

The extension of this campaign into the ranks of industrialists and working people — especially skilled workers and technicians — produced evidence of the potential for assembling a significant social force behind the cause of a broadly based, but fusion-research-issue-centered campaign for science.

This was helped in direct and perverse ways by Soviet breakthroughs, the flap over the Rudakov case representing a kind of watershed for accelerating preliminary success of the overall campaign. The fact that Soviet breakthroughs forced U.S. and other physicists to consider more seriously the reality of "non-linear effects" meant that our specific epistemological emphasis on the corrected notions of a Riemannian relativistic continuum could no longer be brushed aside. Science was obviously obliged to orient now toward fundamental breakthroughs in theoretical physics, preparing itself to overthrow Maxwellian physics, the Einstein-Weyl program, and to examine the Schrödinger issue in a new way. Contrary to the wretched Bertrand Russell, basic scientific knowledge had not come to its end at about 1927; the greatest breakthroughs in such knowledge are imminently before us — if we only mobilize ourselves appropriately to realize them.

What this experience illustrates, most fundamentally, is that the emerging new era of scientific knowledge demands a reorientation of the physicist toward greater emphasis on the self-consciously epistemological aspect of scientific thought in general. The epistemological emphasis in the works of Descartes, Riemann, and Cantor is exemplary of the mere beginning-point for the kind of rigorous emphasis required today.

In Bardwell's recent treatment of the work of Lamb, the work of my own immediate associates took a fresh step forward in behalf of our continued concern to begin the process of shifting scientific thought from an excessive dependence upon algebraic (hence, *reductionist*) forms of conscious conceptualization. Negentropic "non-linear effects" complement the apparent elementarity of particle-forms with the conditional elementarity of the Gestalts characterizing vortices and so forth. Some most recent achievements at the Argonne laboratories point in the same direction.

These Gestalts, whether as particles or "non-linear structures," are of course only predicates of existence — and "existence is not a predicate." Basic research will concentrate in the immediate period ahead on synthesizing apparent anomalies under many kinds of controlled conditions, including developing coherent positron beams and what-not. The research programs will emphasize efforts to explore the relations which may be synthesized among various combinations of such particles and "anomalies" under very high energy-density conditions. The broad functions of this research program is to elaborate a broad array of evidence to the point that some crucial hypotheses can be developed concerning the *transfinite* existence which orders the negentropic relations among very high energy-density phenomena. As Bardwell's commentary on Lamb's work properly suggests, we shall discover many new things concerning what underlies the apparent soundness of many algebraic formulations, but we shall accomplish this by resorting to increasing emphasis on new kinds of conscious images which supersede mathematical thinking as we now know it.

For this purpose, the epistemological program we have specified for physics will be indispensable. To this end, the sort of work done by the Labor Committees, Labor Party, and Fusion Energy Foundation thus far is only the preliminary, token expression of what must next be undertaken. The Labor Party, because it presently represents the only institutions which have so far attained an independent mastery of the epistemological method indispensable to the next qualitative phase of basic research, will thus tend to determine catalytically whether the USA succeeds in this venture at the rate which is potentially within our immediate grasp.

Consider the folly of conducting such basic research work under the disadvantages of "national security." Although the Soviets have not yet replicated the specific epistemological competence of the Labor Party, Soviet science verges with a high degree of approximation on such competence through the tradition associated with Academician Vernadsky, notably emphasizing Vernadsky's successful preliminary grasp of the significance of Riemann (the actual Riemann, not the cheap-imitation Riemann of the Einstein-Weyl program) for extending Pasteur's program of studies into the

primariness of negentropic processes. Hence "secrecy" in respect to basic research is nonsensical. It is to the extent that the kind of open basic research activity emphasized by the Labor Party and Fusion Energy Foundation are enhanced, expanded to include more numerous institutions, that the necessary, crucially oriented approach to basic research can be successfully fostered.

Hence, we are not opposed on principle to conducting much of the research program's support through General Brown's Pentagon, and so forth; the basic research must, however, be kept away from the umbrella of "national security." Since there is every reason to order the matter in this way, and no competent reason to prevent such an arrangement, that is the way it must be done.

One further, extremely important practical consideration must be taken into account. General Brown's report emphasizes that, on the record, military research has appeared to foster much civilian technological progress. It is also a fact, on the record, that development has tended to occur through small firms rather than large ones. Informal, task-oriented teams of collaborators, sometimes of relatively short duration, are the normal optimal organization of a research project. Great intellectual efforts radiate from centers of leading influence, centers which operate as coordinating and reference points for particular project-teams, but the task-oriented teams themselves best function in this sort of environment under the added stipulation of the greatest freedom in their manner of composition and dissolution. It is often the cross-fertilization accomplished in new teams through team-members from diverse other short-term projects which is most fruitful.

The type of activity typified by the recent work of the Fusion Energy Foundation represents the necessary sort of central focus needed for the overall research community. This must be complemented by great fluidity in migration of specialists among various university research centers, corporate and private research laboratories, and so forth, for collaborative shorter-term undertakings.

Otherwise, given a certain level of basic research and scientific cadre development, the final phase of technological advancement is the capacity to produce devices which reflect scientific achievement. The power of the United States was not developed by virtue of our possession of "scientific secrets," but our superior power to produce what more advanced European science discovered. Today, granting the importance of scientific cadres in Western Europe, Japan, and India, outside the USA the residence of science is the Soviet Union. We have little opportunity to parasitize science from Europe any longer: to have it, we must begin to foster basic scientific communities ourselves. It is not necessary to elaborate the rather obvious various implications of that point.

The Flap About "Dirigism"

When some key corporate executives protested angrily against the "dirigism" of the ICNEP organization, we emphatically agreed — because ICNEP was proposing *fascist* dirigism. Otherwise, as we emphasized during

our 1976 presidential campaign, there are certain other forms of dirigism which simply cannot succeed in a capitalist economy; those, too, we rejected.

What General Brown's report proposes is, to speak plainly, *dirigism*. The conscience of U.S. conservatives, otherwise stoutly opposed to dirigism generally, accepts the same dirigism for the sub-domain of our economy represented by the U.S. Defense Budget. In Western Europe, and in Brazil, the "state sector" — sometimes ingenuously termed "socialist sector" — represents a broadened application of dirigism.

The proper way for a typical American to examine this problem is to take the dirigism of Alexander Hamilton as a point of reference, the Hamiltonian conception of the national bank.

The mental block against competent insight into this matter is the acceptance of the nonsense-myth of "pure, state-free, competitive capitalism." Such a form of capitalism, on the record, never existed. From the Tudor period onward, capitalist development has always occurred through the patronage of a centralized state, and has depended upon the credit and revenues of the centralized state to create the economic environment in which capitalist development of individual firms could flourish. In fact, the notion of "pure, competitive capitalism" was developed in the United States principally as a piece of Jacksonian anti-capitalist rubbish.

As Hamilton clearly and correctly understood, and as most today unfortunately do not, the centralized capitalist state's selective fiscal and monetary policies, mediated by an appropriate central banking institution, are the only instrument through which private individual capitalist firms can flourish. Every other version of this matter is pure myth and ignorant delusion. The question is not whether the state credit should be used to shape national development. The only legitimate question is what national development policy should be, and how the relationship between state banking and individual firms should be ordered.

As we have shown and emphasized in our 1976 presidential campaign materials, the most efficient state regulation of private firms in a capitalist economy is a minimal direct intervention into the internal affairs of those firms. Certain minimal and maximal standards of employment and so forth are quite sufficient, provided that the fiscal and monetary relationships between the firm and the state are properly ordered.

State policy properly says that a certain capital-formation policy for agricultural development and a certain policy for taxing the revenues of agriculture is specified, catching the resources of individual initiative between those two points of policy. The same applies to mining, manufacturing, and transportation. The state must direct its fiscal and monetary policies to efficiently mold the economic environment to the effect of favoring the results demanded.

This principle governed the development of state sectors in Italy, France, Brazil, and so forth. The national interest demanded maintaining and developing certain industries in opposition to foreign monetary interests, mis-called "free market forces."

These sorts of "dirigist" policies intersect the case of military expenditures. If sufficient concentration of state

funds is committed to a dedicated effort to cause certain corporations to get a job done, the job will probably be done. If this allocation of state resources is made in respect to military requirements, but if similar support for non-military productive research is not provided by those or other means, it will appear to be the case that military technology leads the way. The secret is essentially that the government tends to be more sensible of military imperatives as long as a probable adversary is in sight.

The essential problem is our tax and banking policies. We do not require vast "dirigist" bureaucracies. Quite the opposite. What we require is a ruthless tax and banking policy which distinguishes between aiding the results we desire and penalizing those (relatively speaking) we desire less. Create a relative tax-bonanza for useful forms of basic research, and for technological advancement through higher rates of per capita capital formation, and tax the hell out of speculative capital gains and so forth; use the resources of a state bank to pour credit on the most favorable terms to desired categories of activity and starve less desirable activities, meanwhile keeping financial structures pared down by tax and related methods to correspondence with real values. The results will tend to produce themselves through "private initiative."

The problem is that our fiscal and monetary policies have been at best indifferent to the distinctions between industrialist and monetarist interests, and have increasingly favored the monetarist interest at the expense of the industrialist interest.

After all, it is the same corporations, the same executives, the same professional technicians, and so forth who deliver both military and civilian technology. We have moved away from the government arsenal as the main instrument of military hardware. The only difference behind Brown's *post hoc ergo propter hoc* presentation of facts is the difference in the policies under which the same corporations, the same executives, and so forth are operating in respect of the two kinds of production by the same firm.

Let us consider the case of Chrysler Corporation. Why don't we take the wraps off Chrysler's potential — get it out from under various kinds of harassment, including the Naderite varieties, and let it concentrate on a high-technology role in the auto and related fields? Why spend billions patching up automobile models which are inherently high pollutants and so forth, rather than letting the flow of capital move into developing new types of vehicles and so forth? Why not let Chrysler continue with some basic models, adding new types into its spectrum, thus feeding the overall development of the industry? Our federal tax and monetary policy should be attuned to such purposes.

This would require a drastic change in the functioning of the Congress. Instead of session devoted to ad hoc patchwork enactments, the Congress should be essentially a body which proceeds from a deliberative overview of the needs and objectives of the nation and passes annually *very, very few bills*, shaping fiscal, monetary, and other principal policies to give clear direction to the effective efforts of the nation. The ad hoc, helter-skelter arrangement, in which principally the Brookings Insti-

tution, the Russell Sage Foundation, Joe Rauh, and the Rockefeller Foundation proposes, and a confused Congress processes, an unwholesome mess of ad hoc legislation and an occasional, non-understood lollapalooza, is the immediate root of the problem to which General Brown's report refers. Our nation lacks any purpose, except to do in the main what pleases the Rockefeller brothers and a few others of the same ilk.

Given the circumstances of the moment, one would not be properly displeased if the Congress were to authorize the tactic which General Brown implies in the Research and Development section of his report. For the moment, we are not overly scrupulous concerning how the indispensable Research and Development effort is funded. The practical problem is of providing some method which would effectively prevent the Carter administration from interfering with the realization of the intent of Congress to this point. In line with the proposed Exec-

utive Branch reorganization I presented to the Ford White House, I would prefer basic research under the Commerce Department, coordinated with a remodeled Intelligence Department of the Executive, but matters being what they are — for the moment we must accomplish some extremely essential things by the proverbial "hook or crook."

The important thing, the reason for this report, is that the present period in the United States is one of mobilization and general preparation for what we must do once we rid ourselves of the Trilateral Administration and what it entails. Our actions during this period must also be a coherent building-process, a preparation of our outlook and programmatic views for what we must do once we get the Executive Branch into our hands, where it belongs. In the meantime, forced to expedients as we are, let us shape our expediencies as much as possible into conformity with the measures we will enact once we are in control of the Executive Branch.