

EIR **Special Report**

Part Two

Systems analysis is white-collar genocide

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The (macro) systems analyst could be rescued from the intrinsic incompetence afflicting his work only on condition that we define an ordered succession of phase changes in the economy—for example, $a_1, a_2, a_3, \dots, a_n$ —as ordered by what is best named a “transformation-function.” We now explain what this sort of function implies, and then proceed to follow it to more profound considerations.

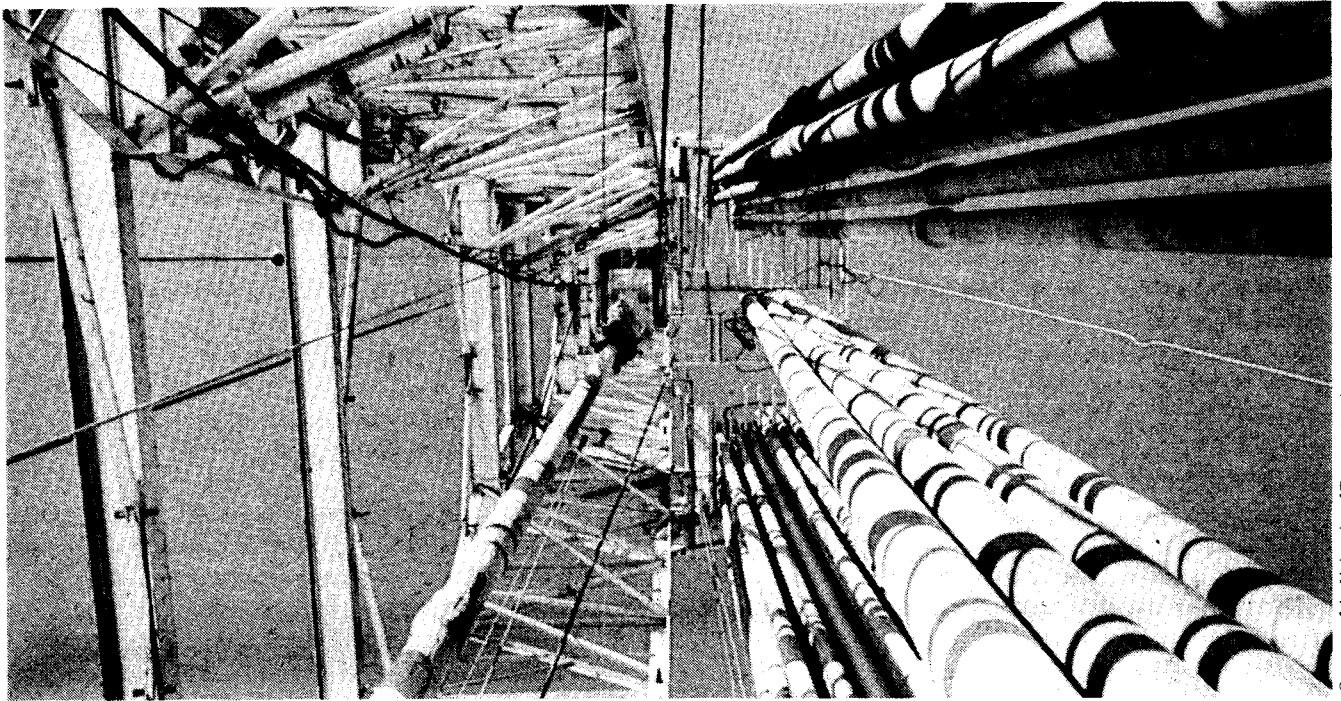
The rigorous definition of “work”

Imagine some form of mathematically-describable physical action upon an economy, such that the following conditions are satisfied. This action, performed on a_1 , transforms the economy from the state approximated by “linear model” a_1 , into a state approximated by “linear model” a_2 . This exact-same action, applied to a_2 , effects state a_3 . The exact-same action, applied to indefinitely defined member of the series a_1 , to a_n , a_i , transforms the economy from state a_i into $a_{(i+1)}$.

If this transformation-function holds for all of the phase changes, a_1 through a_n , we have the non-linear function which determines each phase-change of the ordered series, a_1 through a_n .

This brings us against a new problem. If there is any break in the series, such that some different transformation-function is required to account for the change from state $a_{(n+i)}$ into state $a_{(n+i+1)}$, the series of changes defined by the transformation-function for a_1 through a_n , comes to a halt at that point, and a new series, defined by a different transformation-function, begins.

In the reality of societies’ practices, such changes in transformation-function occur whenever there is a radical shift in that society’s policies of practice. Therefore, what we require is some general theory of all possible transformation-functions. Without such a general theory of transformation-functions, any notion of a “general mathematical economics” is an absurdity.



Courtesy of the University of Texas at Austin

Drilling for oil: The broad introduction of more and more efficient energy resources can mark phase changes in an economy.

By transformation-function, we clearly mean, from the reference-point of linear modeling, a change in the lines and coefficients of line of a matrix. As we have already indicated, a positive such transformation must increase the implied number of lines, and must alter the coefficients in the direction correlated with increased per-capita productivity for the society's production of goods.

What is the common feature of transformations which provides the proper basis for a general theory for evaluating transformations? We are forced back to potential relative population-density. Whether any transformation is positive or not is measured as the increase in the potential relative population-density of the entire society (all of that society's population) effected by that transformation. A transformation-function, therefore, is positive if the series of phase-changes subsumed by it is also a series of successive increases in the potential relative population-density for that society as a whole.

In turn, transformation-functions are to be compared with one another, to the extent that they are really alternative options for society's existing state of development, by the comparison of their values as generators of successive increases in the potential relative population-density of the society as a whole.

From this vantage-point of reference, the only portion of the total activity of a society which represents *net work* accomplished is determined by the work of increasing the potential relative population-density of

In Part One

Part One of this series, published in the Dec. 22 issue of *EIR*, began: "It is an ugly, painful, but completely true fact: Each and every recipient of the Nobel Prize for economics has achieved economic fame for advocating policies which mean global genocide in today's practice." This, writes the author, reflects the ascendancy of systems analysis, as applied to the economies of whole nations or groups of nations for a time-period of a decade or more. Those who consider systems analysis value-neutral deny the fact that its premise of zero technological growth inherently relegates a fixed economy to decline. Linear modeling of macro-economic processes, he stated, axiomatically ignores the essentials of the economic process: **potential relative population density**, namely, the number of persons which can be sustained on an average square-mile of habitable territory by means solely of the productive efforts of that population's own labor-force, and the corresponding **average level of per capita energy throughput**.

These magnitudes, and their rate of growth or decline, are the measure of healthy self-sustained economic development, writes Larouche, which depends upon technologically advancing modes of production. Successive advances in this crucial respect are equivalent to physical **phase changes** of precisely the sort denied in theory by the Malthusian creators of systems analysis, and opposed by them ferociously in practice throughout history.

the society as a whole. The transformation-functions which yield the highest ratios of increase of net work, successively, are the functions of relatively greater *power*.

What of all that other activity in society? Excluding the exertions of pimps, belly-dancers, drug-pushers, and Hugh Hefner of *Playboy* magazine, there is much activity in society which does qualify as useful activity. Why does this useful activity not deserve the honor of being treated as *net work* accomplished? There is a vast amount of molecular activity within that three-legged stool, standing quietly in the corner. We call such work, relative to elementary physics' mechanics, *virtual work*: it has the form of the kind of activity which accomplishes work, but this activity is not expressed in a manner which actually accomplishes work.

A large amount of useful activity is required by society simply to "stand still," relative to changes in the potential relative population-density. The crucial thing is the ratio of the net margin of total activity, which increases the potential relative population-density, to the remainder of that activity, required merely to "stand still." So, *the ratio of net work to total work*, or the *ratio of net work to virtual work*, is the ratio series of leading concern for us.

This ratio-series, of *net work to virtual work*, is plainly congruent in some fashion with a series of ratios of the form $n+m/n$.¹

Since such functions affect the ecological function only as they effect beneficial physical alterations of nature, and of man's per-capita power to effect such alterations, only the production of goods and the physical distribution of such goods have any primary correlation with the notions of *work* and *power*; only production of goods and the physical distribution of such goods are competently treated as *productive*.

Useful administration, and useful forms of services (which pretty much excludes all forms of "social work") affect the organization of the production and physical-distribution processes; and services, beginning with education, medicine, science, affect the productivity of goods-producing labor, the making of policies bearing on advancement of technology, and so forth. These functions affect productivity, but are not in themselves productive. Moreover, the contributions of administration and services to society are fully taken into account if we limit measurement to increases in the goods-producing productivity of the entire society's per-capita average.

To illustrate the point in "practical" terms of reference, we interpolate the following discussion.

In capitalist society (or, in the Soviet Union as well), net work is accomplished through allocation of a produced social surplus of goods to expansion of the scale of production of goods and the physical distribution of

such produced goods: the *net operating profit* of the society's combined industrial and agricultural production.

This "reinvestment" of net operating profits into improved production (and physical distribution) of goods occurs in two interconnected flows.

The first aspect of this flow is the extension of the relatively most-advanced modes of productive technology to replace relatively less-advanced modes of productive technology—including employment of unemployed portions of the total labor force and shifts of employment from wasteful or marginally useful forms of employment in services into high-technology production of goods. The average goods-producing productivity of the entire population of the society is increased in this manner.

The first aspect of the process of improvements would dry out unless new, more-advanced additions were being made to the total spectrum of technologies in use by the society.

To this purpose, it makes no difference whether the economy is capitalist (for example, the American System of political-economy of Hamilton, et al.) or the Soviet industrial model. The "dirigist" application of governmental regulation of flows of credit and taxation, combined with governmental encouragement through undertakings beyond the capacity of any agency but government, channels the creative potentials and other initiatives of the population into preferring technological progress in the mode of production of goods to all other economic objectives, and into effecting the maximum conversion of society's net operating profit into "reinvestment" in capital-intensive advancement of the modes of industrial and agricultural production.

It is idiocy, or even worse, to propose as policy of practice, that the net operating profits of society can be enhanced by lowering real wages of the population, either by directly suppressing wage-rates and social benefits in the form of essential state services such as education, or by reducing the average wage of the entire population through fostering increased unemployment. Brown and Root's essential problem is not merely ideological fanaticism, but downright incompetence in the ABCs of industrial management.

The relative productivity of a nation's labor-force is determined principally by the level of education and popular culture of the population as a whole. The material culture of the household and community determines the productivity and cultural potential of the population, as deterioration of medical services delivered decreases the productivity of the average member of the labor-force through increased illness, disability, and mortality-rates.

Only incompetent managements propose to drive down real wage-rates of the average member of the

population as a means for subsidizing the incompetence of industrial or other employers' management. It is only through concentrating "reinvestment" of net operating profits, credit-resources and tax-benefits of the entire society to promote preferential rates of investment in technologically advanced goods-producing industry that the preconditions for sustaining society's wealth, and hence for permitting future profits, is made possible. Brown and Root's managerial incompetence thus borders on downright subversion of the strength of the entire United States.

"Cheap labor" is less-proficient labor; the costliest kind of production is bungled production. Those who undermine the quality of the nation's labor-force undermine the strength of the nation, and usually produce inferior merchandise besides.

Society as a whole "produces labor." It produces a labor-force of a certain quality (technological aptitude, productivity) by better education, and better material culture of households and communities, all of which is made possible by cheapening the direct social cost of consumer goods and services through society's technological advances in productivity. These costs cannot be reduced without lowering the quality of labor-force produced. If the quality of the labor force is reduced, productivity declines. If productivity declines, the entire economy declines.

The object of sane managements in respect to labor force policy is to reduce the social cost of improved real wages-income: get more and better for one's employees at a reduced percentage of the employee's total income.

Returning from these illustrative remarks to our working-point here: The continued existence of any economy depends upon a *net directedness* of the sum of activities within the societies composing the economy. This net directedness is the technological progress which maintains or increases the potential relative population-density of the population of that economy as a whole. (Although the case of constant value for potential relative population-density is merely a hypothetical case, a useful pedagogical notion, a value not achievable except for brief intervals in actual society.)

Even the case of parasitical forms of society, such as British society, is no exception to this. If one society, such as the degenerate society of ancient Rome or the society of the British monarchy, derives the crucial margin of its growth and prosperity by sucking the juices from people of other societies, by destroying so the parasite's hosts, the parasite also destroys the future basis for its own successful existence as a parasite.

Therefore, each and every activity within a society must be judged, valued, in terms of its "marginal contribution" to those forms of technological progress which increase the potential relative population-density. That is the only unit of measurement (metric) which can

be employed in economic science.

With aid of this metric, all activities within an economy are classified as *productive* or *non-productive*. This distinction between productive and non-productive overlaps a second kind of distinction, between *useful* and *useless* (or worse) activities.

Science, medicine, public-school teaching of science or classics, good administration of governmental agencies and private firms are all *useful* to the point of being indispensable. However, they do not *directly* alter the ecological potential of society: only the direct production of useful goods, and useful physical distribution of such goods, change the physical setting of society *in the manner required to improve the ecological potential*. Useful administration and services *improve the organization of* productive work, as administration exemplifies this, or as education and science exemplify this. The contribution of administration and services is not measured in terms of the output of an economy, but rather in terms of the *rate of improvement in the ratio of* net work to total work performed over successive phase-changes by the population as a whole.

To perform a useful service (or a useful function of administration) is *to cause others*, directly or indirectly, to advance the technology of production of goods. To perform useful work directly is *to cause oneself* to advance the technology of production of goods or of the physical distribution of such goods. *To cause others* to advance the technology of production of goods is *useful*, but not *productive*. *To cause oneself* to improve the technology of production of goods is both *useful and productive*.

What aspect of the activity in these cases constitutes *work*? Is it the sweating, the pushing and shoving? By no means; there is no contribution to advancement of the technology of the production of goods in repeating the same technology of practice year after year. *Exertion, sweat, time expended*, are not measurements of work. *Work is measured by what it produces*. Work must be measured as the advancement of the technology of the society as a whole, for which purpose potential relative population-density is the criterion of an advancement in technology. Work is not of the quality of sameness, but of the quality of difference, of *change*.

This does not mean that repetitive labor in production of useful goods may not contribute to positive change.

The repetitive factory operation may produce a supply of semi-finished or finished goods which is indispensable for a time to those others in the economy who are more visibly, more immediately introducing useful advances in technology. In the aero-space industry, for example, such a relationship exists between the special category of industrial operatives assigned to developmental work and the operatives doing relatively repetitive work on the components-production or main-frame

assembly line.

If one man climbs on the shoulders of two others, to effect escape from a pit into which all have fallen, the two onto whose shoulders the third person climbs are effecting useful change even while they stand still, precisely because they are integral to the process by which change is being effected. However, we evaluate the activity (or, still-standing) of the two in terms of the amount of change being effected by the combination of all three.

These points are clear, and are properly interpreted only if we take the society as a whole (economy as a whole) as our only primary datum.

Most of the technical blunders committed by honest accountants today, in attempting to assess the U.S. economy (for example) as a whole, is their credulous acceptance of the Gross National Product methods and procedures of national income accounting. They accept the monstrous, axiomatic fallacy of the GNP system (or GDP system, in other nations), of assuming that the output of the whole economy is the simple sum of the "value-added" margin contributed independently by each of the component farms and firms of the economy as a whole. They accept the delusion that the whole economy is the sum of its parts, whereas the value of each part of the economy is properly determined by taking the economy in total as the indivisible whole used as the starting point for analysis.

It is the positive change in the potential relative population-density of the whole economy which is primary. *The parts are to be assessed and measured in respect to their marginal contribution to the changes maintaining and increasing the potential relative population-density of the whole.*

It is the quality of difference, of positive change in the technologically determined value of the potential relative population-density of the whole economy, the latter taken as a self-subsisting unity, which provides us the only standard of measurement for defining *work*. *Work* is the work accomplished *to the effect of perpetuating and extending the existence of self-subsisting systems.*

The work is measured by a general function, of the form of $P = F [(n+m)/n]$, which subsumes all cases of transformation-functions, as we have outlined the notion of transformation-function here.

Therefore, if we define work and power in terms of such scalar measures as calories and watts, we have imposed upon economic analysis, by imposing the notions of self-evident quantities of activity as scalars, an axiomatic assumption which from that point onward excludes any competent assessment of the economic process being considered. Work, as measured from the standpoint of the potential relative population-density of the whole economy, taken as a self-subsisting whole, is a magnitude which must appear to be *axiomatically non-linear* from the vantage-point of the ordinary industrial

accountant or systems analyst.

The imposition of such linear assumptions upon economic policy-making is worse than merely total incompetence. By limiting decisions made by government and private firms to decisions which are consistent with advice of economists, a policy of stagnation and decay is superimposed upon the economy itself.

Decisions respecting reinvestment of net operating profit, respecting introductions of improved technologies, respecting the built-in carrot-and-stick of taxation-policy, respecting the standards and borrowing-costs for creation of credit and issuance of that credit among various alternative borrowers, together with the purveying of a consensus respecting what modes of action will probably be "economically successful," determine the production, investment, and purchasing decisions of the individuals in society. This is determined directly, through policies imposed by government, by banks, by insurance firms, by corporate industrial managements, and by trade union organizations. This is determined indirectly as the shaping of the popular consensus guides the development of the policies of practice of most institutions and households in society.

If the policy-making so directly and indirectly governing the society's aggregate policy of practice is governed by linear thinking, the effect of decisions within affected institutions and households of the society will be to impose a linear model in the internal actions of the economic process itself.

Since a linear model is a model causing stagnation and the onset of devolutionary spirals in actual economies, so the prevailing delusions and practices of the university economics departments and professional economists are the principal cause for depressions and other most-unpleasant developments in modern history—especially over the course of the period since 1871-1879, at the point the British system achieved decisive world-domination at the expense of influence of the American System.

This is already half the proof that global systems analysis is intrinsically genocidal, but only half. To the errors we have so far identified, the British system adds a vicious element, to which we turn attention next. After that, we shall resume the examination of *work* and the reasons only a negentropic, or Riemannian, form of the fundamental function meets modern requirements.

The outright fraud of "free trade"

The British monarchy's economy (which includes the economy of the British Commonwealth taken as a whole) is primarily a neo-feudal economy, as Friedrich List and Henry C. Carey, among others, rightly demonstrated during the first half of the 19th century. At bottom, the British doctrine of political-economy is based on the principle of ground-rent income to a

feudalist oligarchy, including such disguised forms of ground-rent income as ground-rent embedded in the capitalization of debt service charges.

Throughout modern history, there has been a raging conflict between the interest of ground-rent and the interest committed to reinvestment of profits of society's industry and agriculture in the form of expanded, more technologically-advanced new industrial and agricultural production. Essentially, this has been, and continues to be, a conflict between feudalist and industrial capitalist interests.

As the feudalist faction has adapted to the changed world brought into being by the 15th-century Golden Renaissance and the consequent emergence of industrial capitalism, the feudalist faction (for example, the British) has attempted to assimilate industrial modes within the framework of feudalist principles and feudalist forms of oligarchical financier interest. The feudalist, when disguised as a capitalist entrepreneur (but still a feudalist under the disguise), insists that the principle of capitalism is a fixed rate of return on *financial investment*, a return based on nominal valuations of financial investment. The New York City housing swindle and associated deadly real estate bubble, are efficiently representative of this feudalist policy.

The price of housing ought to be the competitive cost of producing an equivalent, without respect to the nominal valuation of the land on which it stands, and without respect to inflated financial changes for construction. Yet, over the postwar period (in particular) the rate of return on paid-in owner's investment, in New York real estate, has been substantially higher than for investment in new construction; because, chiefly, the New York government connived with landlord interests to swindle renters.

The value of New York City real estate is not based on the principle of profits on production and maintenance. Although the rental income to nominal capitalization ratio is used as the customary multiplier for valuing real estate properties on the market, even the rental income itself is not the key to the New York City financial bubble in real estate speculations: a true imitation of the John Law "Mississippi" bubble of the 18th century. The key to the New York City real estate bubble is capital gains income, a capital gains earning much increased by massive flows of funds derived from the international drug traffic into competition for real estate refuges from inflation, and by the major role the growth of the New York City pornography-and-sodomy industry has had in augmenting flows into real estate revenues and investments.

What is capitalized, in point of fact, in such real estate capital gains spirals? What is capitalized is not the improvements emplaced upon land, but rather the ground-rental income value assigned to the unimproved

land itself. The economy of New York City has been sucked dry, through the pockets of households and treasuries of industries (fleeing increasingly from such a robbers' roost), to feed this ground-rent bubble.

Under Prime Minister Margaret Thatcher's Friedmanite (fascist) monetary policies, the economy of the British Isles has become a vast, decaying, industrial slum, yet, like slum properties in New York City, the market value of the British economy, as expressed by competitive valuations of the pound sterling, has increased relative to the values of more viable national economies.

A similar, if more ugly situation, prevails in the external indebtedness of the so-called developing sector as a whole. As the International Monetary Fund and the World Bank lead in shutting down productive investment in those nations, those financier agencies act to increase the per capita debt service of each nation through refinancing arrangements. In this case, especially in the so-called Least Developed Countries of Africa and Latin America, International Monetary Fund and World Bank policies are already, explicitly and intentionally acts of massive genocide against whole peoples.

Generally, worldwide, the portion of total world income to rentier-financier types of financial institutions, especially those based in Switzerland and the British Commonwealth, has increased vastly, and at an accelerating rate. This increase in rentier-financier income has already exceeded the net operating profit margins of the combined capitalist economies of Western Europe and North America. Since President Jimmy Carter and Paul A. Volcker introduced fascist varieties of monetary policies to the Federal Reserve System in October 1979, it has been the muscle and bone of the economies which have been looted as the principal source of growing revenues to rentier-financier interests allied with the British monarchy. Hence, Western Europe and the United States are now sliding ever more deeply into a new world depression which was started by Margaret Thatcher in Britain and then spread into the policies of the government of the United States.

These illustrations are adequate for our purposes here. The deadly conflict between "ground rent" and profits of productive enterprise is clear enough to any intelligent person. So far, ground-rent rentier-financier interests are controlling the British, U.S., and many other governments, and are implementing global genocide through such instruments as the International Monetary Fund and World Bank.

If the policies which contribute to this relative increase of power of rentier-financier interests, against industrial and agricultural entrepreneurial interests, are built into a linear form of global systems analysis model, as is the case in fact, the acceptance of that

model as a guide to policy-making is in and of itself an act of global genocide. The proposal to increase and to enforce the payments to rentier-financier account, while savagely contracting the productive basis for producing means to pay such financial charges, is an act of genocide.

Feudalists among Moscow communists?

The fact that the kind of global systems analysis incorporating both linearity and the British model is intrinsically a policy of genocide poses some interesting speculations concerning the Moscow Malthusians. Is it possible to believe that a powerful minority faction in Moscow is not only committed to global genocide, but also that this faction is acting directly in support of the policies of British rentier-finance?

The fact that we must consider such a question necessary to answer reflects a widespread, monstrous, popular ignorance of the roots of socialism and communism extended among even policy-making layers generally.

Modern socialism and anarchism, together with solidarism, are direct outgrowths of the "Young Europe" radical-insurrectionary movement led by Giuseppe Mazzini and coordinated with British SIS through such key figures as Lord Palmerston and Karl Marx's British Museum "controller," David Urquhart. Although Karl Marx and Lenin, chiefly, are "flukes," who proposed socialist models based on the capitalist model of technologically-progressive economic growth, the socialist and anarchist movements during and since international-terrorist Mazzini's period have been anti-capitalist, pro-Malthusian "social battering-rams" created chiefly by the neo-feudalist, rentier-financier interests centered in Venetian family funds and the British oligarchy.

In Russia itself, the evil Russian Orthodox Church (not to be confused with any actually Christian denominations) performed a decisive role in coordinating the anti-semitic "black hundred" gangs under Czarism, in controlling the Czarist Okhrana, in directing the 1905 and February 1917 revolutions, and in creating the Russian socialist and agrarian-populist movements. The Russian Orthodox hierarchy then, and presently, is integrated with the Jesuit order and with the hierarchy of the Established Church of England.

For example, the late Herbert Waddams, chief of British foreign-intelligence for the Queen's private household, was a principal coordinator of Anglican plotting with the Russian Orthodox hierarchy, as well as the "fifth man" in the Philby-Maclean-Burgess-Blunt affair, a nasty ring of homosexuals penetrating many parts of the European, U.S., and Middle Eastern intelligence communities. (Mount Athos monastery in Greece, the historical center for Aristotelean propaganda since the Coneni dynasty of Byzantium, is also a principal world-center of pederasty. British public schools and Eastern



The Bukharin group wanted to keep Russia primitive: peasants during the 1920-21 famine.

Orthodox priesthoods are particularly nasty centers of pederastic practices.)

The Trotsky and Bukharin circles were, historically, under the coordination of the same complex of British-Venetian forces which produced Mazzini's and Palmerston's Young Europe organization earlier. Most of this sort of Bolshevik radical was deployed by such exemplary assets of the Venetian family funds' intelligence service as Alexander Helphand-Parvus, and most were run by Venetian interests during key parts of their life through Venice's principal route into Russia then (as now), Hapsburg Vienna. It is most interesting, for understanding factional alignments in Moscow today, to piece together the list of Bolsheviks who were on the payroll of Parvus at one time or another into the early 1920s.

This British-Venetian network among Bolsheviks was the controlling force within the international political-intelligence apparatus under G. Zinoviev of the Communist International. Jay Lovestone, who was part of this Communist International apparatus of Venice's into the middle 1930s, is among the few surviving personalities who could tell much from his experience as a secondary leader on the inside of this operation.

There is, among those in Moscow who continue the Trotsky-Bukharin-Zinoviev tradition of Cominternism today, an inner circle which has, as a matter of tradition,

wittingly allied itself strategically to Venetian-pivoted solidarism and the financier interests deploying SIS's Bertrand Russell from London. These are the same British interests historically behind the China opium-traffic through Hong Kong and Shanghai. These inner circles of fanatics dream of "The World Revolution," a world free of sovereign nation-states, in which the pederastic socialist doctrine of Oxford's John Ruskin predominates.

From the standpoint of the inner hierarchical circles of the Russian Orthodox Church, the precedent for such global socialist influence under world-rule by the rentier-financier oligarchy is the arrangement concluded between Patriarch Gennadios of the late 15-century Eastern Orthodox Church and the Ottoman Sultan, Muhammed the Conqueror. Gennadios, as a reward for assisting the Ottoman Turks to subjugate the Greeks, was made Patriarch of the Eastern church and given dictatorial powers over the cultural and religious affairs of non-Islamic populations of the Ottoman Empire.

With the help of the anti-industrial-capitalist forces of the neo-feudalist Venetian and British rentier-financier interests, the Soviet plotters of "The World Revolution" aim to achieve global socialist power.

The Stalin government went to great excesses of desperate fear in the 1930s purges, but in respect to most among the leading Bolshevik figures charged at the Moscow Trials, excepting the case of the Red Army leadership, the accused were quite guilty, not of being Hitler agents, but of being British-Venetian agents of the variety we have indicated here.

Under the adventurous Nikita Khrushchev, the survivors of Stalin's purges of the Comintern inner circle, together with numerous revengeful survivors and surviving family-members of 1930s-purges persecution, were encouraged to come out into the open as a political force. Khrushchev, at one point, publicly mooted even the "rehabilitation" of N. Bukharin, the arch-agent of the Anglo-Venetian interests. The establishment of IMEMO in 1956 is of crucial significance. It has been the haven for political rallying of the Cominternist ("world revolution") faction within the Soviet Union, closely allied with British SIS—and the Jesuits, and gradually increasing considerably its penetration of many powerful institutions of the Soviet state.

Apart from the shameless advocacy of Malthusian policies of genocide, there are two leading elements of propaganda radiated from the inner Cominternist circles which expose the extent of the Cominternists' combined direct and indirect influence over the shaping of Soviet policy as a whole. This force is chiefly responsible for the policy of Soviet alliance with Britain against the United States, sometimes under the cover of the doctrine that "Britain, the played-out capitalism, is therefore, the lesser evil to be played against the military-industrial com-

plex." This latter is alleged, according to Soviet propaganda, to be based in the U.S. industrial interests of the South and Southwest (not in New York City's Eastern Establishment, where President Eisenhower located its existence). This force is also responsible for Soviet insistence that "arms reduction" is the primary measure to be taken on behalf of avoiding war. It rejects the reality, that shifting the world from a Malthusian, rentier-financier neo-colonialist policy, to one of rapid technological development of the developing nations, is the only possible avenue for war-avoidance. The policy, forcefully laid down by Boris Ponomarev at the East Berlin world Communist Parties Conference in 1980, that developing nations must limit development to their own native resources, is not only a policy promoting global genocide against peoples of many developing nations, but is directly connected, in Soviet policy-making logic, to the perverted confidence in the mechanisms of "disarmament."

In understanding Soviet policy, we must look more closely at ourselves for comparable cases. As with our governments, virtually no policy is ever developed for practice on the basis of rational, principled perceptions of national self-interest. Policies are formulated pragmatically, on the basis of making concessions to and avoiding rupture with those political adversaries with whom one believes it is politically expedient to effect a compromise.

There is no single principled, rational perception of Soviet national interest behind the formulation and implementation of Soviet foreign policies; those policies and their implementation are defined by pragmatic expediency, in terms of shifting balances of power among combinations participating in the Soviet leadership. The most common expression of the influence of the genocidalist Cominternist forces in Moscow is not the overt promotion of a genocidal policy, such as Ivan Frolov's evil observations in a recent issue of *Literaturnaya Gazeta*;² more frequently, the genocidalist faction's influence is reflected as an accommodation worked into the pragmatic stew of this or that Soviet policy, especially—from our point of emphasis—Soviet foreign policy postures and maneuvers.

Once all these and related considerations are taken into account, the fact remains that the Malthusians of the West and the Malthusians of the East, are instruments of policy of the same, Peking-allied, rentier-financier interest of London and Venice.

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1. For a beginner's introduction to the economic science behind this, cf. LaRouche, Lyndon H., Jr., *Basic Economics for Conservative Democrats*, New Benjamin Franklin House, New York, 1980.
 2. Interview with Ivan Frolov, Deputy Director of the U.S.S.R.'s All-Union Systems Research Institute, in the *Literaturnaya Gazeta*, Oct. 14, 1981.