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LaRouche: When economics becomes science
Hyde leads lame duck Congress in insurrection
Boeing layoffs usher in new phase of collapse

Gingrich looks at Al Gore



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Beethoven's 'Christ on the Mount of Olives': Gethsemane, As Schiller Would Treat It

by Fred Haight

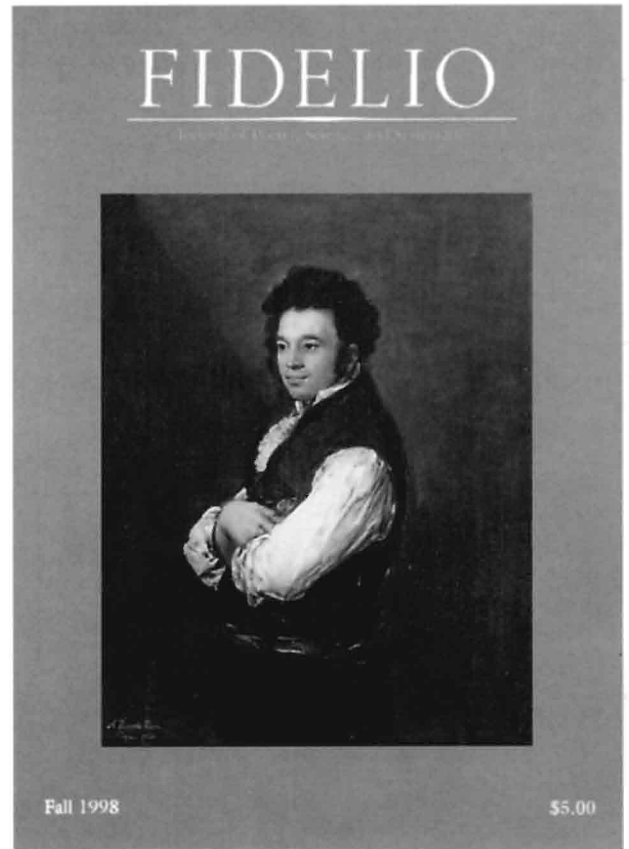
Beethoven's Creative Process of Composition: Reflections on 'Leonore' and 'Fidelio'

by Anno Hellenbroich

For Beethoven, as for Schiller, freedom is the freedom to develop one's cognitive powers, in order to carry out that necessary mission, on behalf of humanity as a whole, for which the Creator put us here in the first place. It is only from this Promethean standpoint, that we can locate the true meaning of individual freedom.

'As free, as it is rigorous'— Beethoven's Four-Voice Composition

Interview with Professor Norbert Brainin,
Primarius of the Amadeus Quartet



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From the Associate Editor

The last time we put the bug-eyed face of Newt Gingrich on *EIR*'s cover, was on Jan. 12, 1996. It is instructive to consider how the world has changed in those three intervening years, and why, today, Gingrich's eyes are looking at Al Gore—as Lyndon LaRouche reports in his introduction to our *Investigation*, “Why Expose Gore's Record Now?”

In January 1996, Gingrich and the Conservative Revolution had shut down the U.S. government, with their demands for fascist austerity measures against America's poor, sick, and elderly. The 1996 Presidential campaign was going into high gear—an election in which LaRouche would win some 600,000 votes in 26 states during the Democratic primaries (ignored by the media), and in which President Clinton would decisively defeat GOP candidate Bob Dole in November. But unfortunately, under the influence of Al Gore, toe-sucker Dick Morris, and Democratic National Committee Chairman Don Fowler, the Democrats, “triangulating” among various unprincipled positions, failed to regain control of Congress from Newt's Jacobins.

As *EIR* pointed out at the time, the GOP shutdown of the functions of government was blatantly unconstitutional. It was a harbinger of even worse to come: the shocking spectacle that we are now seeing, the attempted destruction of the U.S. Presidency, ripping the Constitution to shreds over the flimsiest of pretexts.

Citizens are confronted with a paradox: In the November 1998 elections, they repudiated Gingrich and the whole impeachment charade, expressing their support for President Clinton, warts and all. Yet still, the lame duck Congress, undeterred by the lack of popular backing, is proceeding toward impeachment (see *National*).

This is happening while, as LaRouche emphasizes in his two featured articles in this issue, the United States is plunging into an economic depression “far deeper, more menacing than what the U.S.A. experienced under President Herbert Hoover.” The way out of this crisis exists: LaRouche explains it once again, and China's President Jiang Zemin's brilliant diplomatic initiatives in Russia and Japan, building the Eurasian Land-Bridge with the cooperation of other sovereign nations, point the way the United States must go. Will we go there, with Al Gore or George W. Bush as President? Not on your life. The time to stop Gingrich's games with Gore, is now.

Susan Welsh

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Mr. Legatowicz is an economist and professor at College of Management in Warsaw. He was a close collaborator of the late Cardinal Wyszynski, served as a deputy in the Polish Sejm (Parliament) during the late 1980s, and was a member of the State Council.

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By Lyndon H. LaRouche, Jr. "The gut of the Gore issue, is that this is no ordinary strategic crisis. By acting as he has done, repeatedly, in the worsening world crisis which erupted this Autumn, in the midst of the most awesome, global financial and monetary crisis in modern history, Gore's foolish actions, like the treachery of the Confederacy's Jefferson Davis, crossed the bloody line. He went beyond his usual, childish foolishness, and crossed that line, which defines where U.S. national-security ends, and intolerable conduct begins."

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By Lyndon H. LaRouche, Jr. The policy initiatives surrounding the Eurasian Land-Bridge that have been launched by Chinese President Jiang Zemin—virtually blacked out in the Western media—represent “the only source of economic hope for the nearly smashed economy of western Europe. The entire world needs this policy, urgently; only such cooperation, of this intensity, on this scale, can reverse the plunge toward doom which has been unleashed upon us now, by the foolish choices of policy-directions adopted by the trans-Atlantic powers during the recent thirty-odd years.”

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The Senate Judiciary Committee chairman and his cohorts are determined to push through an impeachment which will not only permanently weaken the Presidency, but which will virtually paralyze the United States government during a time of unprecedented financial and economic crisis. This, despite the fact that the November elections showed that the vast majority of the American population is opposed to impeachment.

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Boeing layoffs usher in new phase of production collapse

by Richard Freeman

On Dec. 2, Boeing Corp., the world's largest aircraft-maker, and America's 11th-biggest company and largest exporter, announced that it will lay off an additional 20,000 workers, on top of the 28,000 layoffs it had announced in August. Boeing will implement 38,000 of these firings in 1999, and 10,000 in the year 2000. The 48,000 layoffs represent 20.2% of Boeing's total workforce of 238,000.

Three other American production sectors are also being crushed: steel, oil, and farm equipment, arguably among the most vital sectors in the economy.

Outside the United States, a parallel collapse of the physical economy is under way: German, Japanese, and Swiss machine-tool orders have plunged, world steel production is falling, and sales by major automakers in Asia are headed straight down. Further, the prices of many basic commodities, from oil and natural gas to copper and grain, are hitting their lowest levels in a decade or two. A world physical economy that is shrinking buys fewer of the basic commodities needed to supply human existence, thus creating a seeming "oversupply of commodities in the market," and falling prices.

Since late summer, the world physical economy has entered a new phase-shift downward. Any report that the United States "could" or "is about to enter a recession," is a tale retailed by the London-controlled financial press, and is buncombe. The United States has been in physical economic contraction for the past 30 years; it has now shifted into a new violent lurch downward, within that overall falling trajectory.

What this means is that the world financial disintegration, which 18 months ago began ravaging the economies of East and Southeast Asian nations, and then spread to Russia and Ibero-America, is now hitting the so-called advanced economies of the United States and western Europe. This means snowballing layoffs, and lower living standards in the advanced sector. The firm of Challenger, Gray & Christmas, Inc., which tracks layoffs, reported on Dec. 7 that during the

first 11 months of 1998, American businesses laid off 574,629 workers, the second worst year recorded during the 1990s. Worse, between April and November, the U.S. manufacturing labor force lost one-quarter of a million jobs.

Once the economic unravelling reaches a critical stage, the physical economy falls below breakeven, imploding upon itself. This point, economist Lyndon LaRouche has forecast, may be reached during the first months of 1999.

However, the implosion of the physical economy will blow out the world speculative bubble. It has been the voracious appetite for loot, characterized by the \$150 trillion derivatives market, that has sucked the lifeblood from the physical economy, which can no longer provide the loot to keep the speculative bubble afloat. Thus, the accelerating rate of physical economic breakdown intensifies the rate of disintegration of the world financial system, in a self-feeding cycle.

We examine the scope of the Boeing layoffs, and then at the contraction in America, in steel, oil, and farm equipment. We then look at the process of production collapse in Europe and the rest of the world. Finally, we look at the resulting growth of layoffs.

The economic collapse is accelerating

In 1996, Boeing acquired the defense and space operations of Rockwell International for \$3.1 billion, and in August 1997, carried out a \$16.3 billion merger with the defense and civilian aircraft producer McDonnell Douglas. As a result, Boeing is the largest builder of civilian aircraft in the world, producing 65% of the world's large planes (100 seats or more); the largest builder of military aircraft in the world; and the number-one supplier of goods and services to both the Pentagon and NASA.

In the early 1990s, the U.S. airline industry had been in a tailspin. As it came out of it, it had a large backlog of needed planes. In 1995, the average age of planes in American airline

TABLE 1

Boeing's employment sites, and number of workers

Washington State	99,700
California	41,900
Wichita, Kansas	21,340
St. Louis, Missouri	21,000
Philadelphia, Pa.	5,660
Other locations*	43,000

*In the other locations, Boeing maintains significant levels of employment in Florida; Alabama; Tulsa, Oklahoma; Texas; Tennessee; Utah; and Canada. Source: Boeing Corp.

fleets stood at 14 years, much older than the average 1.1 years in 1961, making the fleet less safe. The industry placed orders with Boeing. Boeing also heavily courted the foreign market for civilian aircraft. Steve Lewins of Grunatal & Co. investment company reported, "Boeing sells more than 60% of its planes overseas." A large share of the overseas market consisted of sales to Asian air carriers.

During late 1997 and early 1998, Boeing attempted to gear up production, but could not meet the delivery schedules. Two reasons for this were that Boeing had fired or let go many of its experienced workers during an earlier period, and now was forced to hire inexperienced workers to replace them, and second, Boeing had installed a "just-in-time" inventory and parts replacement system, which left it, predictably, with shortages of parts throughout its production process by 1998.

Beginning in 1997, the global financial disintegration had a severe impact on Asian nations. By May-June 1998, Philippine Airlines announced plans to suspend flights on two-thirds of its 69 destinations; Cathay Pacific announced layoffs totalling more than 1,500 employees; and Garuda Indonesia announced that by 1999, its fleet will be down to 45 planes, from 57, with all of its most modern planes gone. Many Asian airlines "deferred" orders placed with Boeing, some to the year 2001 or beyond. Many Asian airlines did not call them cancellations, because they would lose their deposits for the planes, which can be a large sum of money. Yet, as a spokesman for the Aerospace Industries Association admitted on Dec. 3, unless conditions radically improve, the deferrals are really disguised cancellations.

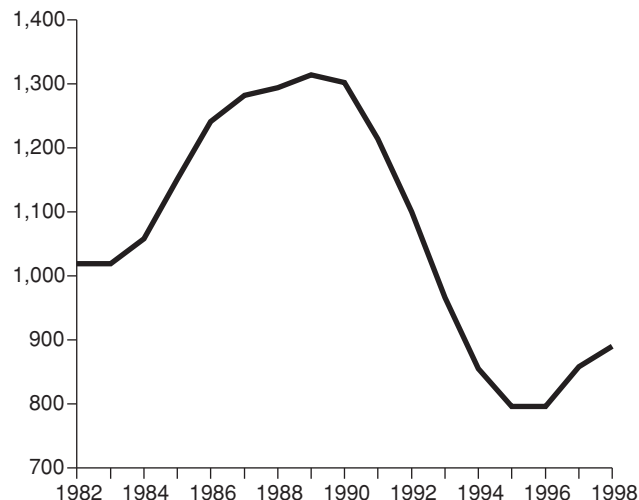
This past June, Boeing admitted that Asian airline companies had deferred the purchase of 60 of Boeing's flagship 747 jumbo jets. On Dec. 4, a Boeing spokesman revealed that the number of deferred orders of 747s and other types of Boeing aircraft is now more than 100. Orders of 747 jets by Asian nations account for 40% of all Boeing 747 orders worldwide. In turn, sales of the four-engine 747s account for nearly half the operating profit of the commercial jet division, by far Boeing's largest division.

By fall, Boeing was cutting production: Earlier this year, Boeing had been producing five 747s per month; it is now producing 3.5 planes per month, and will cut that back to two

FIGURE 1

Aerospace industry employment

(thousands of workers)



per month by the end of 1999. The production of the newer Boeing 777s will be slashed from seven per month now, to five per month by the end of 1999, and so on.

The August layoffs of 28,000 had two principal causes: cost-accountant "job rationalization and downsizing" of the Boeing and McDonnell Douglas workforces following the merger, and the cancellation of orders by, primarily, Asian airlines. On Dec. 2, largely as a result of the intensification of the worldwide financial disintegration in Asia, Boeing announced an additional 20,000 layoffs.

Boeing has 36 job sites in the United States, and four in Canada, at which it employs 100 workers or more each. According to a Boeing spokesman, Boeing has already let go 5,400 workers of the planned reductions through firings and attrition. **Table 1** shows the principal locations of Boeing employment of its remaining workforce.

The ripple effect of the layoffs

Boeing's cuts in production will wreak devastation on the U.S. economy on many levels. First, its workforce of machinists, engineers, etc. represents one of the most highly skilled labor pools in the world. Indeed, the aerospace-defense sector represents an important potential for increasing the social surplus and scientific discoveries for the whole society. Now, a sizable chunk of that is being shut down.

Second, Boeing's cutback in employment will affect the employment of the entire U.S. aerospace sector. **Figure 1** shows all aerospace industry employment in the United States, including in civilian, military, missile, and space vehicle production. At its high point in 1989, it was 1.31 million; it then fell sharply by more than 400,000. It started to recover after 1996, but the new Boeing layoffs will knock it down

further. The number of workers producing only civilian aircraft fell starting in 1990, reached its low point in 1994, and then rebounded some. Boeing employs 118,700 out of its current workforce of 232,600 in the civil aircraft division. At least 30,000 of these workers will be laid off as part of the planned layoffs.

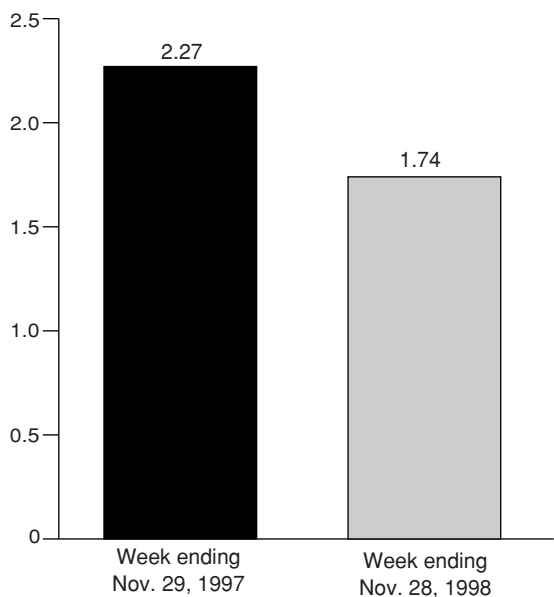
As the process sheet of the bill of materials shows, the cuts in Boeing production will produce cascading layoffs and production shutdowns in related sectors of the economy. This gets to the internal workings of the physical economy: No product is produced simply at the point of production. Rather, it depends on a process of prior stages of production, each of which works up products from a still earlier stage of production. The production of any product depends on a network of production, infrastructure, and so on, that extends several times around the globe. The bill of materials traces back each component in the production process to the several earlier stages of production that are essential for its own production.

A 1992 input-output study of the aircraft industry by the Commerce Department, showed that the first level of the bill of materials includes products ranging from engines, fluid power products (like fluid power pumps), ball and roller bearings, forgings, and castings, to avionics-electronics, machine tools, aircraft seats, and paints and varnishes, which are essential to the process of aircraft production. According to Boeing president Harry Stonecipher, in a speech at the Boeing Supplier Conference on Oct. 1, two-thirds of the value added in Boeing planes and products comes from Boeing's suppliers. Boeing is a heavy out-sourcer. If the employment is proportional, then, if Boeing employed at its peak 238,000 workers directly, its suppliers would employ somewhere around 476,000 workers. That would mean that the number of workers making Boeing planes and products is 714,000, the size of the workforce of some small countries.

Further, Boeing's supplier industries, in turn, depend on the receipt of products, usually in semi-finished or raw materials form, produced by other workers. One source calculated, as a rule of thumb, that for every worker employed at Boeing directly, there are three other workers employed in the general economy. Boeing's cutbacks would have the same leverage—the firing of 48,000 workers could entail the firing of 144,000 workers in the economy, mostly in basic production. For example, the president of a United Steelworkers of America local recently reported that 21 of his workers, who had been producing titanium for use in Boeing jets, are to be laid off. This is the ripple effect extending outward from basic industry.

On Dec. 8, the aircraft maker Northrup Grumman, which makes fuselage components for Boeing 747 jets (and \$1 billion of whose \$9 billion in annual sales is tied to Boeing's commercial plane production), announced that it will lay off an additional 1,100 workers in response to Boeing's layoffs announced on Dec. 2. This will increase the number of layoffs that Northrup plans through the year 2000, to 9,100 workers, or 16.9% of its total workforce.

FIGURE 2
U.S. raw steel production falls 22%
 (millions of short tons)



Other industrial sectors

But aircraft production is only one of the major industries in the United States that are collapsing.

Farm equipment: Due to the collapse in the Asian economies and the fall in U.S. farm income, U.S. farm equipment production and sales are tumbling. Comparing October 1998 to October 1997, American farm equipment producers' sales of two-wheel-drive tractors of more than 100 horsepower are down 28.3%, sales of four-wheel-drive tractors are down 48.6%, and sales of combines have plummeted 38.4%.

Recently, Russia cancelled an order of 400 combine-harvesters from Case Corp. of Racine, Wisconsin. Because America produces one-third of the world's farm equipment, and exports 25% of that, making it the world's largest exporter of this equipment, it strategically affects the world's ability to produce food sufficient for its existence.

Steel: U.S. raw steel production for the week ending Nov. 28, at 1.736 million short tons, is 22% lower than the 2.226 million short tons produced one year ago (Figure 2). U.S. steel producers are suffering from two interconnected problems, both originating with the world economic collapse: there is a declining demand by U.S. industries for steel, and several steel-making nations—Russia, Ukraine, Brazil, India, Japan—faced with falling markets for their product in Asia, and in several cases desperate to earn foreign exchange to pay off debt and/or stay afloat, are selling large amounts of steel and steel products in the United States at prices below those of U.S. producers.

From the early 1970s through 1994, on average, the level

TABLE 2

Automobile sales in Asia, 1997 vs. 1998*

	1997	1998	% change
China	1,567,500	1,325,000	-15.5%
India	766,500	615,000	-19.8%
Indonesia	378,200	80,000	-78.8%
Malaysia	404,800	190,000	-53.1%
Pakistan	52,500	42,600	-18.8%
Philippines	144,400	63,000	-56.4%
South Korea	1,532,900	635,000	-58.6%
Taiwan	473,800	440,000	-7.1%
Thailand	363,200	155,000	-57.3%
Other	96,000	72,800	-24.2%
Asia/Pacific	5,780,700	3,618,400	-37.4%

*projected.

Source: *Economist Intelligence Unit*.

of U.S. steel imports was 15-20 million short tons per year. This shot up to 25-30 million tons in 1994-97. Through the first three quarters of 1998, U.S. steel imports have averaged 43 million tons, on an annualized basis. The steep fall in U.S. raw steel production means plant shutdowns and layoffs. For the week ending Nov. 28, steel capacity utilization was 71.8%, compared with 93.8% a year ago.

Oil drilling and production: On the New York Mercantile Exchange, the price of oil for January delivery has dropped to below \$11.25 per barrel, its lowest level in 12 years. In west Texas, America's largest oil producing region, today only 70 oil rigs are operating, compared to 220-250 at the beginning of the 1998.

Four critical industries—civilian aircraft, farm equipment, steel, and oil production—are in free-fall. The four, with their supplier-feeder industries, through the process sheet of the bill of materials, are producing a multiplier effect of production shutdown and layoffs.

Western Europe

The same process is also occurring in western Europe and Japan. One can identify some of the key industries where this is occurring:

Machinery and machine tools: According to the Federal Association of German Machine Builders (VDMA), the sector's foreign orders fell 35% in September, compared to the year before. For third quarter 1998, foreign orders were down 21%. The decline in export orders was particularly strong with respect to Asia, but has started to weaken also in Ibero-America, the United States, and among members of the Organization of Petroleum Exporting Countries. The same applies for Switzerland, whose machine exports for the first nine months of 1998 fell 66% to South Korea, 49% to Malaysia, 45% to Indonesia, and 18% to Asia as a whole.

As for machine tools, Japan is the world's number-one machine-tool producer and exporter. In the first eight months of this year, Japan's exports to South Korea, Taiwan, and

TABLE 3

U.S. manufacturing labor force, 1998

(millions)

Month	Number of manufacturing workers
January	18.824
April	18.827
June	18.780
October	18.631
November	18.584

Source: Bureau of Labor Statistics of Department of Labor; *EIR*.

Hong Kong were down 36%. Comparing October 1998 to October 1997, Japan's internal domestic orders for machine tools were down 49.5%.

Steel: September 1998 crude steel production of the 66 major reporting steel-producing nations, was 61.3 million tons, down 6.3% compared to the year before.

Automobiles: Sales by the world's biggest automakers, many of which are European and Japanese, of cars to Asia are in a nosedive. Based on the trends of the first eight months of the year, the *Economist Intelligence Unit* estimated sales in Asia (excluding Japan) for the entire year, compared to last year (**Table 2**). Overall, auto sales in Asia are expected to fall 37%. Some nations' auto industries, such as those of Malaysia and Indonesia, are in jeopardy.

The industrial collapse will have a heavy impact as Europe launches the euro on Jan. 1.

Growing unemployment

The expanding industrial shutdown in the West is building wave after wave of layoffs. Challenger, Gray & Christmas reported on Dec. 7 that in October, 91,531 jobs were slashed in the United States, followed by the elimination of 51,642 jobs in November. The firm also reported that during the first 11 months of 1998, American businesses laid off 574,629 workers, the second worst year recorded during the 1990s.

But the most serious threat is the loss of manufacturing jobs. **Table 3** documents that U.S. manufacturing employment remained steady between January and April of this year. But during the seven months since April, there has been a great loss of manufacturing employment, including 47,000 jobs in November. The drop in manufacturing employment takes account of only a small amount of the Boeing layoffs in the works.

In November 1998, the manufacturing sector of the U.S. labor force comprised just 13.5% of the labor force, down from 31.7% in 1943.

The seismic shakeup in the industrial sectors in both the United States and Europe indicates that the depth of the crisis cannot be solved by simple "anti-cyclical" recipes. This represents the implosion of the entire "economic engine" of the West.

International Monetary Fund 'model' in Thailand meets stiff resistance

by Michael O. Billington

The International Monetary Fund (IMF) continues to hold up Thailand as the "good boy" who has taken all his medicine, as opposed to his delinquent brother to the south, Malaysia, who has not only refused the medicine, but announced to the world that the IMF medicine is poison and set about curing itself, while looking for new doctors.

The effects of the poison in Thailand, as in South Korea and Indonesia, are no secret. Although the Thai government continues to follow IMF guidelines, as evidenced by the sixth quarterly letter of intent to the IMF issued in early December, the IMF itself has been forced to relax its draconian conditionalities—slashing spending on industry, infrastructure, and subsidies for the population in order to pay the debt—which have aggravated the disaster caused by the speculative destruction of the currency and equity markets in the spring of 1997. The new letter of intent allows a 5% deficit in the federal budget, rather than the 3% permitted by the previous letter, and the 1% surplus demanded by the first letter in August 1997. The additional deficit will allow some increased spending for public works and agricultural projects, to provide jobs for the millions of newly unemployed workers.

Nonetheless, the new letter of intent maintains the fraudulent premise that austerity, privatization, and the foreign takeover of Thai banks and industries is the only path to recovery. The IMF also continues to insist that the additional deficit spending should go to bail out banks, by relaxing the conditions required for banks to receive government bailouts. Many Thais, both in and out of government, want the extra spending to go into direct investment in infrastructure or support for industry and agriculture.

A collapse of productive capacity

The facts of the continuing collapse speak for themselves: Only 52% of the nation's productive capacity is now in use; the economy has contracted by 14.4% since 1996, and production continues to collapse at a rate of more than 5%; unemployment, at 3 million, is more than 10%, and private investment is down by 20%. Overall, some 11,000 firms have closed their doors already in 1998.

The IMF continues its rosy prognosis even as its patients are dying. "The worst is over for Thailand's troubled economy, and the one-time tiger economy should return to growth next year," reads a typical quote from an IMF official in the

Dec. 2 issue of *The Nation* in Bangkok. The IMF, and its strongest supporters within the administration, Finance Minister Tarrin Nimmanahaeminda, and Bank of Thailand Governor Chatumongol Sonakul, point to the partial recovery of the baht (Thailand's currency), the rise in foreign reserves, and lower inflation and interest rates, as signs of recovery. However, as the real economy shows, no one is lending or investing, scared off by the nearly 40% "bad loan" rate in the bank system. In any case, the rise in the baht is largely due to the weak dollar rather than any confidence in the Thai economy, while the reserves are threatened by the deterioration of exports, which are now declining in dollar terms. A full one-third of the \$27 billion in reserves is still earmarked to cover derivatives contracts issued during the original effort to defend the baht against the speculators in May 1997.

Even worse, the agriculture sector is facing a 20% collapse in earnings next year, due to the falling world prices and the continuing economic problem within the nations that have traditionally been purchasers of Thai food exports. Thus far, the urban unemployed have survived by returning to their upcountry family farms. Social chaos could well result from a further deterioration in the farm sector.

Loss of sovereignty

A package of 11 bills has been introduced into the Parliament under pressure from the IMF. Three of them, in particular, have further convinced many Thai political and business leaders that Thailand is on a rapid course toward colonization by the IMF and the British-American-Canadian banking oligarchy. Senate speaker Meechai Ruchuphan, much to the surprise of Finance Minister Tarrin, strongly criticized the IMF and questioned whether the bills would not sell out Thai sovereignty to foreign interests. Headlines over the following days, for example, read, "Rebellion Against the IMF," "The Day Thailand Lost Sovereignty to the IMF," as academics and political leaders retraced the year and a half of shame and destitution under IMF dictates.

The three most controversial bills would make changes in regard to foreign rights in bankruptcy, foreclosure, and property ownership. Foreign creditors would be allowed to foreclose and take over businesses which are behind on debt payments, threatening a mass transfer of Thai industry and finance to foreign control. The property bill would allow

foreigners to lease Thai property for 100 years. Commentator Thongbai Thongpao, in the Dec. 6 *Bangkok Post*, asked, "Is Thailand up for rent?" He wrote: "China agreed to let the United Kingdom rent Hong Kong for 99 years. But Thailand will allow foreigners to rent its land for up to 100 years. The only difference is that China was forced to accept the deal by gunboats while Thailand voluntarily opens its door to aliens."

The outpouring of opposition to these bills has forced the government to hold public hearings, now scheduled for Dec. 9, which will be simultaneously broadcast to the nation on radio and television. The panic in the administration was demonstrated by Deputy Finance Minister Dr. Pisit Lee-Ahtam, who wildly claimed that "passage of these laws is not one of the available options, but the only way out for the country."

But passage is not assured. Paisal Kumalvisai, who chairs the Senate panel studying the bills, said that the Parliament is not required to sign the bills just because of agreement between the government and the IMF. "Parliament could throw away those bills which would not benefit the country," he said. Brazil's Congress has demonstrated recently that elected representatives are totally capable of defending their nation by rejecting IMF-dictated looting schemes.

The British government expert, Rolf Soderstrom, who has been in the country for six months advising the Thais on privatization, warned the Thai Parliament that any delay in passing the bills would "trigger doubt about the seriousness of Thailand's privatization plan," and argued that foreign investors would try to find better bargains in South Korea and Indonesia! Not surprisingly, Soderstrom was one of the leading advisers to British Prime Minister Margaret Thatcher, whose privatization policies in England contributed to the collapse of that nation's economy into becoming a rust bucket.

Former Finance Minister Virabong Ramangkura, now deputy chairman of the Senate Finance Committee, called the reform measures "impractical" and "futile," and warned that the IMF's predictions of recovery were all based on the false premise of a recovery worldwide. "With the global economy getting weaker," he warned, "the Thai economy could deteriorate and deflation might occur."

China and Japan intervene

Behind all the debate is the ever-present reality of Malaysia's declaration of sovereignty on Sept. 1, when it imposed strict currency controls, and the mounting support for such an approach from China, Japan, and elsewhere in Asia. The dramatic agreements in November between China and Russia, and China and Japan, including plans for collaboration on the development of industrial corridors along the "Eurasian Land-Bridge" routes connecting Europe and Asia, prove the seriousness of these nations in posing a true alternative to the IMF course of self-destruction.

Japan and the Association of Southeast Asian Nations

(ASEAN)—including Cambodia, which is expecting to join ASEAN soon—formed an alliance on Nov. 23 called the ASEAN-Japan Economic and Industrial Cooperation Committee. The founding meeting in Bangkok was co-chaired by Japanese Minister for International Trade and Industry Kauru Yosano, and Thailand's Deputy Prime Minister and Commerce Secretary Supachai Panitchpakdi, who has been the most outspoken advocate within the current administration for real development rather than IMF monetarist austerity policies. At that meeting, Supachai said, "At the moment, I am afraid that the so-called 'real sector' has not been able to reap the benefits of whatever rescue operations have been put in place during the past year." The committee will focus on infrastructure and heavy industry, in conjunction with the \$30 billion Miyazawa Plan for Japanese development aid to the ASEAN nations and South Korea. It includes a renewal of plans for the development of the Mekong River region, plans which were put on hold after the onslaught of IMF austerity last year.

China, also, has renewed the Mekong River development projects. Thailand and China signed an agreement to build a \$2 billion dam on the Chinese section of the Mekong in Yunnan province, which will deliver 80% of the 1,500 megawatt capacity to Thailand via power lines through Laos. The master plan for the Mekong project includes nine dams, producing 15,000 MW of electricity and providing water control for the entire region, including Myanmar, Thailand, Cambodia, Laos, and Vietnam.

In addition, China may step in to save the partially completed skytrain elevated rail system in Bangkok, started by Hong Kong-based Hopewell Holdings, but deserted after the collapse of the Thai currency. China is also interested in building four upgraded railway lines in the north and the northeast of Thailand, totalling 800 kilometers.

Renewed interest in the Kra Canal

Yet another sign of Thailand's resistance to IMF austerity is renewed interest in the Kra Canal, a proposed 102 km canal across the southern peninsula in Thailand. The parliamentary subcommittee on military affairs has come out in support of the project, and may present it to the entire Parliament this month. The \$10 billion Kra Canal would provide a more direct shipping route between Europe and Asia, and could transform southern Thailand and northern Malaysia into a major industrial and trade center.

Without a definitive break from the IMF, such Great Projects will die on the planning boards. The potential for Thailand and its ASEAN allies to join with the new "Land-Bridge coalition" is greater and more urgent than ever before. Such an initiative would also contribute significantly to persuading President Clinton to break with the IMF and with his bungling Vice President Al Gore, to bring the United States into collaboration with these policies, to create a just, new world economic order.



A view from Poland: LaRouche's ideas must be part of the debate

Aleksander Legatowicz is an economist and a university professor in Poland. He was a close collaborator of the late Cardinal Wyszyński, served as a deputy in the Polish Sejm (Lower House of Parliament) during the late 1980s as a representative of a Catholic faction, and was a member of the State Council. Currently, he teaches economics in the College of Management in Warsaw. He is also a signer of an Appeal to President Clinton, calling on the American President to appoint Lyndon LaRouche as an economic adviser in his administration. He was interviewed by Anna Kaczor Wei in November.

EIR: A fight is emerging in Poland, as well as in other countries, over how much influence the state should have on the economy. Behind this controversy is the worldwide fight between sovereign governments and powerful global financial interests, as represented, for example, by the big hedge funds. How do you view these developments against the background of the global crisis?

Legatowicz: I think that we here in our country, like in other countries with a similar history during the last period, face a problem of the choice of the form of the transformation. Till today, to some extent, there has been a sort of obligation to think that, after the failure of communism, we have to follow certain models, which dominate now the developed countries, western Europe and the United States. This is obligatory thinking, and anybody who breaks out from it, is attacked. But, the question is, whether uncritical following of those models is really reasonable. I think that it is very important what the Schiller Institute, and in particular Lyndon LaRouche, are saying, because he is questioning and criticizing what is going on in those countries, and in other parts of the world. In my opinion, those models, coming from the West, are not suitable for the situation and the civilizational changes which we see today.

We have growing unemployment, which the so-called market economy cannot cope with. Therefore, we need a rational intervention of state structures, not only an intervention, but an active involvement of such structures, in order to solve social problems connected with the process of transformation. Solutions proposed by the market economy are not sufficient. There is a second very important element: In this system, there are strong mechanisms which cause great disproportions in the division of the national product. Great

riches bear more riches, while poverty brings more poverty. A great number of people are pushed below the poverty line, whole countries end up below any acceptable civilizational levels, while at the same time money and all kinds of wealth are accumulated in the hands of the few. This leads to social tensions within nations, and tensions in international relations. This has not been solved in the frame of the standard market economy either.

This requires, on an international scale, not just an intervention, but an active involvement of the governments of the world.

The fourth element which we have to consider, and which is very much stressed by the Schiller Institute and LaRouche's work, is the alienation of the financial system from the productive, real economy. This is typified by the fact that more than 90% of foreign exchange is of a speculative nature, and only a very small percentage has something to do with real economic processes. One has to remember that those speculative operations do not create economic value, but rather they lead to the disintegration of productive potential. The financial system has expanded tremendously, in the same way as a sick organ in the human body, which used to play an important role, but then started to grow pathologically and live at the expense of the rest of the body. Mr. LaRouche stresses this very often in his statements. That requires a new approach, and this is why there are more and more voices calling for a New Bretton Woods agreement. This is important because the present system creates the threat of a global crisis. This is why LaRouche's message is so important, as well as the ideas promoted here by the Schiller Institute.

There is a need for a new system, but one has to keep in mind that in the present system, certain groups have gained significant privileges, so one has to expect a lot of resistance against any propositions which would challenge this privileged status. This makes the problem of making the right choice of reforms, not only in the former East bloc countries, but also globally (so-called developed countries stand before this question, too), even more difficult. Such countries as Poland should be given a certain degree of freedom to look for such solutions which are the best, from the point of view of their interests. We do not want to see a situation in which we express a wish to integrate with the developed countries but, in order to be able to do this, we have to uncritically accommodate to the rules existing there, so that we are losing

We have to make sure that a general idea of a new system, like a New Bretton Woods, is developed in a very concrete way, so that in this critical situation, societies do not find themselves helpless.

our sovereignty, in two ways. First of all, we are not allowed to chose solutions for systemic changes, and second, we lose sovereignty when it comes to dealing with our national wealth, which in practice is taken over by the narrow group of people who represent big Western financial groups.

It is clear that in the process of integration, one has to protect the rights of the individual, of the family, but also the rights of the nation. This is why I think that the fact that the Schiller Institute stresses national sovereignty, is so important. Without protecting those rights, we'll see more and more paradoxes. For example, on one hand, farmers in western Europe cannot sell their products, and on the other, in a country like Poland, after a few years of reforms, the Polish radio announces a campaign to feed Polish children. According to the radio report, about 1 million children in Poland go to school every day without breakfast. I think that there are no objective reasons why Polish children should be forced to go without breakfast, and if they have to, it is clearly due to the failure of the economic system that has been implemented here.

So, we have to look for a new system, and, of course, we can draw upon the historical experience of those systems from the past which were successful. I think that LaRouche's economic concepts fulfill this task, because they stress the importance of physical economy, and show how the financial system has been separated from the real, productive economy in a pathological way. He also stresses the involvement of the state in infrastructure development, such as, for example, the West-East bridge [Eurasian Land-Bridge]. In other words, the state is consciously active economically, in order to use the contemporary knowledge to the greatest degree — the Schiller Institute stresses the importance of science very much — with the idea of solving the problems which we are facing now.

How to solve unemployment? We have to do it not just to give people the means to feed themselves. We have to consider that every individual can do something good, maybe with additional training and education, and this valuable quality should not be wasted. Those who are unemployed may survive on unemployment benefits, but they do not contribute anything to the economy, and this has a bad impact on their mental state; after some time, they may not be able to join in social life in a creative way. This is also the reason why those big infrastructure projects are so important.

In his analysis of the present situation, Lyndon LaRouche says that the scientific knowledge we have today, could allow us to create decent conditions of life for the human population

living today, and also for future generations. He opposes all the claims that we have to limit population growth, and stresses that science, its development, and human capabilities which are at the roots of science, can allow us, if we act rationally, to solve social problems in an appropriate way. This makes a difference between LaRouche and some other so-called experts, say, from the Club of Rome. LaRouche's ideas are also consistent with the social teaching of the [Catholic] Church; this is why they should be part of a serious conceptual discussion here in Poland. If LaRouche is right about the present crisis, we will soon see tremendous social tensions which will force the search for new solutions. We have to make sure that a general idea of a new system, like a New Bretton Woods, is developed in a very concrete way, so that in this critical situation, societies do not find themselves helpless.

EIR: In April 1995, you wrote an article on national sovereignty. What was your main argument in this paper?

Legatowicz: It is obvious that due to certain civilizational processes, various nations tend to depend on each other to a certain degree. Sometimes it is also necessary to solve social problems in an integrated way, if they concern a few countries, not just one. However, it is important to make sure that all the processes leading to a closer integration are based on moral principles of human relations. We have to decide what kind of rules must constitute the bases for such an integration. The human rights charter, formulated some years ago, was an important step. . . . The same kind of charter one could also write for the family, as a basic structure of the society.

One can also ask whether a nation, as a certain community, should have a charter of rights. On one hand, the awareness of national commonwealth is a certain humanist value which cannot be ignored in the process of integration. This value should be defined. On the other hand, if the question of national interest is not discussed properly, it may lead to negative phenomena and conflicts. The rights of nations should be defined. Political rights should be acknowledged, as well as the rights to seek independent economic solutions without outside pressure: "Only if you follow certain kind of reforms, will you get some money, perhaps," etc.

Every nation should have the right to seek the best kind of solutions on their own. Every nation should have the right to maintain economic sovereignty: the right to decide about its national wealth, instead of giving it away to supranational oligarchical structures.

In this context, I wanted to say that in my contacts with the Schiller Institute, I appreciate the fact that it proposes to return to Classical forms of culture which have certain eternal values. The institute started its work in Germany and the U.S., but it is not influenced by contemporary cultural trends. It represents certain values which pertain to all humanity, and which have survived through centuries. This cultural aspect also has a great importance. I think that this message should be treated with great attention, not as a new political religion or something like that, but it should be seriously discussed. Searching for new solutions, and this I see in the Schiller Institute very clearly, should be a part of a broad dialogue. It should not be treated with a negative attitude already beforehand, as something dangerous, a saboteur, or some institution supported by God knows who. I do not know who is behind it, but I can judge the content of ideas.

EIR: When the Holy Father was in the United States in 1995, he also expressed the idea of the “rights of nations.” Do other circles express similar sentiments in this matter?

Legatowicz: When the Pope spoke before the United Nations General Assembly in October 1995, he proposed that a charter of the rights of nations be formulated, and that those rights be respected in international relationships. Moreover, after he came back from the U.S., he referred to this charter

again, so it was not just a one-time intellectual adventure. It is important that the international press reported that and stressed it very strongly. For a long time, this was ignored. But we think that the rights of nations are being trampled on right now; we have started efforts to mobilize around this issue here in Poland, but we also we seek support internationally.

EIR: What do you think about LaRouche’s document “What Each Among All Nations Should Do Now,” and how do you think his ideas, especially in the field of economics, can be combined with your efforts here to formulate the course of nations?

Legatowicz: It is obvious that the rights of nations should include economic sovereignty, and the right to conduct independent policies, especially domestic policies. It is very important to stress that every country should have the right to shape its own internal policies. No external force should be allowed to force us to accept some, say, economic models, which may be detrimental to our economy, from our point of view. Why is this important? There is a question of progress, not only in the field of technology, but also in the area of morality and statecraft, as well as social organization of the society and progress in economy. It may occur only if one is allowed to look for new solutions. Therefore, it is not good if every new proposition is treated as utopia or something dangerous.

Right now, as LaRouche says, the crisis will escalate; we will be forced to look for new solutions. We have to be quicker than the crisis, so that we do not see a situation in which, only after a huge social cost has been paid due to wrong reforms, do we start to look for solutions.

It would be impossible now to solve only local problems in Poland. There is an interdependence among nations, and therefore we have to contribute something positive to world developments. I think that Poland, although it cannot impose anything on a large scale, can propose something in an international arena. When it comes to LaRouche’s proposals, I think, they should be seriously considered under the magnifying glass, so to speak, and analyzed point by point. LaRouche has been proposing new solutions to the growing crisis for a long time; he knows what is going on in the West and in the United States. He has been campaigning for the implementation of those solutions, and even taking risks to do that. The necessity to defend national sovereignty — in the field of politics, culture, and economy — is very important. We have the right to look around and follow some examples which we consider good, but we should not be forced to imitate anything. In the past, we had to build socialism, because that was demanded by Moscow, and now we have to build market economy, because somebody else again says so.

Therefore, I am convinced that what LaRouche proposed in the document you mentioned, is very much going in the right direction.

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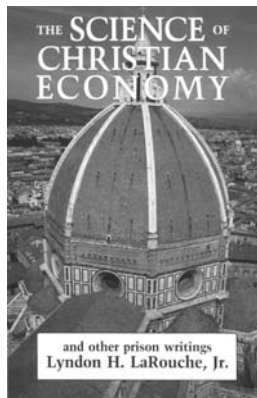
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Polish resistance stiffens against IMF

Deteriorating economic conditions in Poland, as well as the fact that the collapse of the global financial system is becoming more and more evident, are encouraging an anti-International Monetary Fund (IMF), anti-globalization faction in Poland to strengthen its resistance against monetarist policies, as representatives of the Schiller Institute found out during their recent trip to this country (see EIR, Nov. 27, p. 61).

One of the voices attacking the policies of Polish Finance Minister Leszek Balcerowicz, who in Poland is identified with IMF policies, is that of Jan Lopuszanski, a deputy of the Polish Sejm (Lower House of Parliament) and a member of the Christian National Union. A few months after Parliamentary elections in November 1997, Lopuszanski, together with a group of about 10 other deputies, left the Solidarity Electoral Action Parliamentary Club and formed a Parliamentary faction, Nasze Kolo (Our Circle). On behalf of Nasze Kolo, the Confederation for an Independent Poland-Patriotic Camp, and the Movement for the Reconstruction of Poland, he gave the following speech on the floor of the Sejm on Nov. 9, during the debate over the proposed 1999 budget:

A speech by Jan Lopuszanski

... This government, like previous governments ... is implementing a policy of filling budget holes with the income from the sale of Polish wealth. Already in the past, I had an opportunity to compare this policy with the behavior of an alcoholic, who sells the family furniture in order to have money for booze. We should be aware that by accepting this budget, we will be accepting the sell-out of Polish wealth into foreign hands. ... This is happening in the face of the worst global financial crisis, apparently the most serious in this century, in a global economy interconnected as never before; this crisis may have unimaginable consequences. This is not only my opinion; the American President talked about it at a meeting of the New York Council on Foreign Relations. To turn concrete property into paper money in such a situation, is thoughtless.

In the context of the crisis, we are confronted by the following question: How to defend ourselves from the effects of this or other crises? We know the recipe of the IMF by heart: Tighten your belt, reduce spending, increase taxes, keep interest rates high, slow down domestic production, let taxpayers pay for the speculation of financial magnates, and

then international capital investment will flow into Poland, as if in reward, and will give—at the expense of dependency, and only for a limited time—the possibility of showing so-called good economic parameters, and Mr. Finance Minister will be able to boast that we are one of the economic tigers. What will happen later, when they have milked us like a cow, when we have rid ourselves from reserves—state, banking, enterprise, and human reserves—after we have sold out everything to foreign hands?

Does a sovereign nation-state, when it faces international financial aggression, have the right to defend itself? We could understand a tight budget, if the government were undertaking a defense against such attacks and at the same time tightening the budget. However, when tightening the budgetary belt becomes part of a policy of submitting to international forces, a policy of selling out Polish property, suffocating Polish agriculture and production, not to mention shipbuilding or military industry, the question arises: Who does such a budget serve, and who serves a Polish government which creates such a budget?

Moreover, the popularity of the monetarist doctrine in Poland has resulted in the acceptance of very unfortunate, in my opinion, Articles 216 and 220 in the Constitution. ... To constitutionally limit public debt and to introduce a ban on borrowing money from our own central bank, means, in the face of the crisis, a serious threat to the state, and the elimination of important defense mechanisms. ... We may see circumstances in which the sovereignty of the Polish state will depend on mobilizing to create our own payment means. I hope it will not come to that. I hope we will not have to choose between defending the Polish state in violation of the Constitution, or passively watching our sovereignty collapse while the letter of the Constitution is preserved.

I am talking about this during the debate on the budget, because the current proposed budget expresses the same fatal tendency to burden citizens too much, as well as businesses, with the effects of the economic doctrines of the monetarists and of world financial speculation, whose costs are transferred onto the shoulders of nations through state budgets. This is happening not only in Poland, but all over the world.

I would like to ask why, during the last 10 years, except for continuing what had been started before, the Polish state has not started big infrastructure investments? Why did it not wish to mobilize the economy through state involvement in the creation of new economic initiatives? Many governments have put the economies of their countries on their feet thanks to such activities. Is the reason for that the fact that the IMF, the World Bank, the Club of London, the Club of Paris, would not take it well? Is it because the European Union demands in the Maastricht Treaty, to put a stop to nation-states' intervention into the economy? Of course, [the European Union headquarters in] Brussels has the right to intervene, only governments do not have such a right. ...

John Kenneth Galbraith: an intelligent, sane economist

by Lawrence Freeman

Letters to Kennedy

by John Kenneth Galbraith

Cambridge, Mass: Harvard University Press, 1998
158 pages, hardbound, \$24.95

It is refreshing to read the writings of a *sane* economist, like John Kenneth Galbraith, especially compared to the insane rantings of today's so-called economic authorities, who have obliterated any notion of political economy by their fantasy-filled flight into the never-never world of virtual-reality derivatives. One may not agree with all of Galbraith's views, but as a senior economist in his 90th year, he demonstrates a grasp of reality unknown to today's Nobel Prize economists such as Robert Merton and Myron Scholes, who drove the Long Term Capital Management hedge fund into bankruptcy, and to such far-out, lunatic monetarists as Federal Reserve Board Chairman Alan Greenspan.

In a letter to Sen. John Kennedy dated March 13, 1959, Galbraith advises the Presidential candidate, "One will always encounter the argument that the Federal government should conduct its affairs like the average family and balance income and outgo. I have always found the most useful answer to this that the Federal government, by unbalancing its budget, can help the man who needs a job balance his budget."

Galbraith displays in those brief remarks, how sane, rational economists used to think, before the 1964-72 cultural paradigm shift, which changed the axioms of economics, away from the concern of advancing the productive labor process for the welfare of people, to the worship of money and the goddess Fortuna.¹ In his letters, Galbraith gives the young President economic advice based on "pro-human," pre-1964 (i.e., pre-counterculture) values, and to his credit,

1. For a thorough treatment of the effects of the post 1964 cultural paradigm shift, see Lyndon LaRouche's "The Roots of Today's Mass Hysteria," *EIR*, Nov. 6, 1998.

has maintained a commitment to those "people-first" values over the succeeding four decades.

Galbraith, in a *New York Times* commentary earlier this year, describes quite well the pathetic state of affairs of today's policymakers. He comments that they seem "overwhelmingly, some say will say exclusively, concerned with sex," because "no tedious study or discussion is required." He states that the fragility of the current financial structure, "is the natural product of a long period of speculation in the stock market, in related financial instruments, and in real estate." Rising expectations, he says, fuel "the classic speculative bubble." In an interview with the London *Observer*, Galbraith displays his sarcastic humor. When asked about the potential for a financial crash, he says, "I, of course, don't use the word crash; I repair to financial language and talk not about a major correction, but a major adjustment. (I am considering retitling my book on the 1929 crash, *The Major Adjustment*.)"

A unique friendship

Letters to Kennedy is enjoyable reading, filled with Galbraith's humor and insights into government policymaking from a selection of several dozens of letters to Kennedy, covering the period from January 1959 to November 1963, divided into three sections: politics, economics, and foreign affairs. Included are a handful of letters written by Kennedy. This book is quite beneficial for historians examining policy during the Kennedy years, including the early debate over U.S. involvement in Vietnam. It is especially interesting for those concerned with looking at the counsel provided to Kennedy by the experienced New Dealer from the Roosevelt period. However, while the reader gains many useful insights into the debates on domestic and foreign policy surrounding the Kennedy Presidency, the letters do not always give us the context, consequences, or outcome of Galbraith's advice to the President.

A majority of these letters were written from New Delhi, India, where Galbraith was serving as Kennedy's Ambassa-

dor,² thus providing the reader with some glimpses of India during the government of Jawaharlal Nehru and its relations with Russia, China, and Pakistan in the early 1960s.

The relationship between Galbraith and Kennedy was close, allowing Galbraith to bypass the normal channels of communication through the State Department and the White House staff. This direct access to the President was resented by Secretary of State Dean Rusk and National Security Adviser McGeorge Bundy, who tried to have Galbraith's letters routed through the State Department. Galbraith responded with his own unique and to-the-point metaphor "that communicating through the Department would be like fornicating through a mattress." The respect and affection Galbraith and Kennedy had for each other show Galbraith to be more than a mere adviser to the President. One intuits from these letters something above a simple friendship between the "egghead" intellectual, as Galbraith referred to himself, and the dynamic young President, who was a voracious reader, and whom Galbraith considered "an extraordinary, intelligent person." With Kennedy surrounded by coterie of establishment figures, including Robert McNamara, John J. McCloy, Bundy, and Rusk, Galbraith's voice provided a unique perspective, often at odds with the establishment's outlook.

Monetarism versus people

It is not extraneous to Galbraith's reality-based views on economics, that he began his career as an agricultural economist, having grown up in a farming community in Ontario, Canada in the early decades of this century.³ He didn't fall under the spell of monetarists such as Milton Friedman, but believed in the responsibility and obligation of government to make life better for its citizens, and to assist the poor and less fortunate. Having cut his "economic teeth" on dealing with the tribulations of hard-working, productive farmers trying to survive, he developed a healthy disbelief in the so-called laws of the free market. He strongly supported parity pricing for farmers, which the "free marketeers" refused to accept.

Galbraith belonged to the old school; he was not afraid to tell the truth. In a March 1961 memorandum, he explained the "hard facts" to Kennedy, that the economy was not performing satisfactorily, and was not getting better. He opposed a tax cut, which was being favored as a solution to reverse the country's economic woes at the time, because it would not yield net economic growth. In a footnote, he explains his opposition to other Kennedy advisers, including Walter Heller, chairman of the Council of Economic Advisers: "I was against the tax cut, arguing instead for an increase in social spending. Government spending would pump money into the economy and spread the benefits around. Tax cuts dispropor-

2. Galbraith's extensive compilation of letters while serving in India is contained in his *Ambassador's Journal*, (Boston: Houghton Mifflin, 1969).

3. All biographical references are from Galbraith's autobiography, *A Life in Our Times* (Boston: Houghton Mifflin, 1981).



John Kenneth Galbraith addresses the UN in 1981. His letters to President Kennedy give a refreshing glimpse into how a competent economist deals with reality—by contrast with today's Nobel Prizewinners.

tionately benefit the wealthy."

Galbraith was influenced by John Maynard Keynes's theories, as well as his stints in the first and third Roosevelt administrations, initially as a summer employee in the Department of Agriculture in 1934, and then in the 1940s as the man in charge of the Office of Price Administration. Galbraith outlined his alternative to a tax cut in his letter to the President-elect on Nov. 17, 1960, just a couple of weeks after the election: "So we drive for more exports; we have a wage and price policy. . . ; we launch a productivity drive. . . ; we use production payments to make our farmers competitive." In the same letter, he warns Kennedy not to expect any help from Wall Street and the establishment's "banker statesman" McCloy, and Douglas Dillon.

Galbraith was very concerned about the harmful effects of unemployment on the population. His advocacy of lowering interest rates then did not have the same aim as Greenspan's reduction of rates today, whose only intent is to prop up the cancerous speculative financial bubble. Galbraith's "objective is to reduce the retail and mortgage rates—the rates that effectively influence investment, employment and the rate of growth." Unfortunately, in these letters, Galbraith fails to mention any investment programs or infrastructure projects to foster economic growth, other than construction of "housing,

school building and urban renewal.”

Galbraith attacked the independence of the Federal Reserve, because it was not concerned with “expanding output and increasing employment.” He told the President, “Independence has become the design for maintaining the affiliation with those who lend money as distinct from people who need jobs.” Galbraith, expressing Franklin Roosevelt’s outlook, recommended “a special omnibus bill—The Special Assistance Act of 1961,” which, among other components, called for “a supplementary assistance program for families of unemployed based on the number of children.” Roosevelt’s interventionist attitude to provide for the welfare of the population against free-market fanaticism, was characteristic of Kennedy administration policy. It has been the systematic elimination of the Roosevelt-Kennedy outlook, brought on by the 1964-72 cultural paradigm shift, the adoption of the anti-industrial, anti-scientific “New Age” post-industrial utopian insanity, that is the root cause of the financial maelstrom that we are living through today.

An adviser on foreign policy

In preparation for Kennedy’s inaugural address, Galbraith recommended that the basis of the President’s policy for Ibero-America should be to “build on the Roosevelt foundation,” a reference to Franklin Roosevelt’s first major foreign policy statement of his Presidency. In his April 12, 1933

“Good Neighbor” address, FDR reaffirmed America’s commitment to the Monroe Doctrine, which was a firm rejection of his cousin Teddy Roosevelt’s colonialist-imperialist attitude toward our southern neighbors, in favor of strengthening “the independence of every other republic.” While Galbraith’s recommendation shows how Roosevelt’s thinking was presented to the Kennedy White House a generation after FDR, the letters do not reveal how much, if any, of Roosevelt’s thinking was adopted.

Galbraith did not fall into the establishment’s view that communism was the greatest evil that the United States faced in dealing with the Third World, and as a result found himself in opposition to Rusk, the Dulles brothers, Bundy, et al. Galbraith says of himself, “I became one of the few voices for a rational non-militarist policy toward the Third World.” Writing from his ambassadorial post in India, Galbraith expresses his concern for people, upon which a great nation’s foreign policy should be premised: “I don’t exclude a certain compassion for poor people. If one lacked compassion he would not see the full importance of our assistance.”

Galbraith most strenuously object to providing military assistance for the collapsing Diem regime in South Vietnam, and advised President Kennedy, as did Gen. Douglas MacArthur, against further U.S. military involvement. Kennedy sent Galbraith on a special mission to Vietnam, to get an independent, on-the-ground assessment, free from the controlled reports he was receiving from the State Department and National Security Council. Upon returning to New Delhi, Galbraith, on Nov. 21, 1961, sent the President a 24-paragraph telegram, labelled “Top Secret”: He was highly critical of the Diem regime, citing its poor economic policy, its incompetence, and the bad deployment of its army, among other deficiencies. Galbraith said of himself regarding Vietnam: “I continue to be out of step with Establishment.” In his telegram, he told Kennedy that “the key and inescapable point, then, is the ineffectuality of the Diem government. . . . It will be said we need troops for a show of strength and determination in the area. Since the troops will not deal with fundamental faults—since there can’t be enough of them to give security to countryside—their failure to provide security could create a worse crisis of confidence.” Six months later, on April 4, 1962, he wrote to Kennedy: “There is a consequent danger we shall replace the French as the colonial force in the area and bleed as the French did.”

There are strong indications that President Kennedy was prepared to follow Galbraith’s and MacArthur’s recommendations against a military escalation in Vietnam, and this, along with other disagreements between the President and the ruling establishment, led to his assassination. The President was fortunate to have “a Galbraith” to provide him with sound counsel. President Clinton desperately needs to have such sober counsel today, and can have it, with the appointment of Lyndon LaRouche as his economic adviser, if only President Clinton would muster the courage to take such an action.

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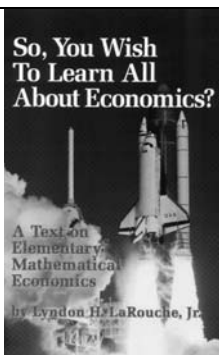
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A pact for monetarism

Led by Finance Minister Oskar Lafontaine, the government is working with France to defend the IMF system.

The Franco-German consultations in Potsdam on Nov. 30-Dec. 1, and the visit of Finance Minister Oskar Lafontaine to the United States on Dec. 3-4, made clear that the “red-green” government poses no threat to monetarist institutions. At least, such a threat to the International Monetary Fund (IMF) and similar structures would never emerge from a policy based on principle; the only threat that might emerge, is measures which the government’s populism would lead it into.

Before the Sept. 27 elections, there had been a lot of speculation about a “new financial policy” which Lafontaine would allegedly pursue. Because he had repeatedly mentioned during the campaign the need for “a stable exchange rate system” and “certain controls on the hedge funds,” many people believed that he would become what the daily *Frankfurter Allgemeine Zeitung* called a “German Mahathir” (after the Malaysian Prime Minister who has taken on the globalist speculators). But, Lafontaine has shown that he is neither a German Mahathir, nor does he seem interested in doing anything more than creating a media image for a policy that does not even exist. There is no change in financial policy—this government is on the same monetarist course that the previous government had been on.

The Potsdam meeting, the first official Franco-German consultations since the German elections, resulted in a joint statement that both governments endorse an increase in the political power of the IMF, including strengthening its global role as a supervisory body, and that restrictions

should be placed on IMF bailouts. The IMF can only welcome that, since it is running out of money for huge bailouts anyway.

No New Bretton Woods, but certain modifications of today’s free market system, are on the agenda, the leaders of both governments stated. More transparency, rather than new controls on hedge funds and the like, is what the Franco-German initiative wants. This will be at the top of the German government’s agenda during the first half of 1999: Germany chairs the European Union from January to July, and also hosts the Group of Seven world economic summit in Cologne in June. The government hopes, naturally, that the global markets behave accordingly, and do not disturb the policy strategists over the coming months.

This is what Lafontaine had in his bag, when he went to Washington to meet with the heads of the IMF and the Federal Reserve, Michel Camdessus and Alan Greenspan, respectively. All that he really wants, Lafontaine assured them, is implementation of the recommendations made in 1994 by the so-called Bretton Woods Commission, headed by former Federal Reserve chairman Paul A. Volcker.

Lafontaine pointed out to U.S. journalists who voiced skepticism of his monetarist loyalties, that, after all, two prominent German monetarists, Count Otto Lambsdorff (the former German Economics Minister and current head of the European branch of the Trilateral Commission) and Karl Otto Poehl (former governor of the German central bank), are on that commission. And the recommenda-

tions of that commission—including for coordinated purchases and sales of the leading currencies among the central banks of the G-7, but within the existing structures of global monetarism—are also his own recommendations, Lafontaine told journalists. In a 1997 book, *No Fear of Globalization*, Lafontaine and his wife explicitly endorsed the Volcker commission’s script.

Lafontaine’s outlook expressed in the United States did not really come across on the other side of the Atlantic. Here, he still cultivates the image of a politician who has a bigger heart for labor, than for the banks. The one message that Lafontaine brought home from his visit to the United States, was that he feels very much inspired by the “American model of revitalizing the job market,” and by the policy of the Federal Reserve, which allegedly has helped to create jobs by lowering interest rates.

But, reality is quite a contrary picture of the “American model” to that which Lafontaine presented. First of all, the savings rate of American citizens has become the lowest in decades, which has to do with the fact that millions are emptying their bank accounts to engage in speculation on Wall Street, or to make ends meet. And second, lower interest rates have not improved the investment ratio in the United States at all, as indicated by the continuing loss of manufacturing jobs. The fact that the United States projects a net loss of more than 600,000 jobs during 1998, despite the Federal Reserve’s repeated lowering of interest rates, is something that Lafontaine has never paid any attention to.

Instead, he keeps propagating the myth of the “domestic stimulus, at a time when exports are decreasing,” a stimulus which would be created by lower interest rates, according to Greenspan’s Federal Reserve model.

Business Briefs

Biological Holocaust

AIDS spread in India shatters WHO estimates

The World Health Organization's previous estimates on the rate of spread of the human immunodeficiency virus (HIV, which causes AIDS), have been proven wrong in India, by new, alarming figures from rural areas. A detailed study in the southeastern state of Tamil Nadu has found that the rural population has an HIV-infection prevalence rate of 2.1%, and the urban population a 0.7% rate. The previous assumption was that the rural population was insulated from the AIDS epidemic, which spread rapidly in the large cities first. However, the study shows this is not the case, and it estimates that there are 500,000 HIV cases out of the 25 million people in Tamil Nadu.

Also alarming, is that 13.6% of women treated for sexually transmitted diseases in Tamil Nadu were HIV-infected. Of the infected women, 93% were married, and 91% claim to have had sex only with their husbands. These statistics do not fit the classic HIV model, and there has been no adequate explanation of how this large increase in HIV infections in the rural population was transmitted. If the HIV rates from Tamil Nadu reflect the situation in the general Indian population of 930 million, the number of infected persons may be in the range of 13-20 million, not the 7 million estimated by UNAIDS last year.

Space

Assembly of ISS in orbit now under way

At 9:07 p.m. on Dec. 6, a new era in space exploration was opened, when the first two pieces of the International Space Station were connected in Earth orbit. The U.S. Unity module was mated to the Russian-built Zarya module, which had been launched on Nov. 20. The first two elements now orbiting the Earth together weigh 35 tons, and are 76 feet in length. The ISS will take four years to assemble.

Zarya, meaning "sunrise," was plucked

out of orbit by Mission Specialist Nancy Currie, using the Space Shuttle's 50-foot-long robot arm, when it was within 10 feet of the Shuttle Endeavour. More than two hours after Currie had grappled Zarya, she attached it to the Shuttle's robot arm, and positioned it precisely above Unity, Commander Cabana then fired the Shuttle's jets, to drive the two modules together.

Following the mating, Currie used the cameras on the robot arm to conduct a detailed survey of Zarya, focussing on two antennas that are used in the Telerobotically Operated Rendezvous System, which failed to deploy following launch. The system is part of a back-up navigational aid system, and is not needed for Zarya's docking next summer with the next Russian-built element, the Service Module. Mission managers may call upon the two crew members who will be conducting spacewalks, to manually deploy the antennas.

The first of three spacewalks occurred on Dec. 7, as crew members began to hook up electrical cables and connectors between the two station modules. This will bring electrical power into the Unity, and allow its avionics, computers, and heaters to be activated.

Southeast Asia

Labor group sees crisis worsening

"The social fall-out from the sudden unravelling of economic fortunes in East and Southeast Asia is exceeding initial forecasts and risks dramatically worsening," according to a new report, "The Asian Financial Crisis: The Challenge for Social Policy," by the International Labor Organization (ILO), an ILO press release said on Dec. 2.

The ILO report states that "prospects for an immediate bounce-back are poor. The most optimistic forecasts see the beginnings of a moderate recovery in the second half of 1999, but few observers expect a return to the heady growth rates of the pre-crisis era. Full employment, one of the hallmarks of the last 30 years' Asian economic miracle, is also unlikely to return any time soon."

The ILO report compares the increase in unemployment rates from the "pre-crisis" to

"latest" periods (those not dated are ILO estimates): Indonesia 4.9% (August 1997), 15%; Thailand 2.2% (February 1997), 6%; South Korea 2.3% (October 1997), 8.4% (September 1998); Malaysia 2.6% (end 1997), 5.2%; Hong Kong 2.4% (end 1997), 5% (third quarter 1998); Singapore 1.8% (end 1997), 4.5% (September 1998).

The ILO reported that in Thailand, 16% of the population was living below the poverty level before the economic crisis hit, and now an additional 12% has fallen below the poverty level. In Indonesia, 40 million people will have fallen into poverty this year. Sources in these nations have told *EIR* that some of the ILO's figures may be too conservative.

The ILO recommends creating a program of unemployment insurance in these countries—only Korea has such a program. As usual, it blamed the crisis on "excessive government interference in the market." However, it called Malaysia's policy of exchange controls "a real-world experiment with an alternative set of policies to those, which, so far, do not seem to have succeeded in stemming the crisis."

Electric Power

Deregulation leaves Alberta in the dark

This Christmas is going to be a gloomy one for residents of Calgary, Alberta, who have been told not to turn on their decorative holiday lights, in order to save energy. For the past six weeks, the residents of this Canadian "oil city," have experienced rolling blackouts and appeals by utilities for "conservation," because of the deregulation policy implemented by the government in 1994.

Since the utilities were deregulated, it has been up to private companies to decide when to build new capacity, without any government incentives to provide for a reliable power supply. There has not been a new power plant built since then.

According to the Dec. 3 *Wall Street Journal*, the utilities had been warning that the province's generating capacity was "only a whisker above peak demand." Now, residents are wondering how they will get

through 18-hour winter nights, and sub-zero temperatures.

Infrastructure

India gives road to Myanmar top priority

India is giving high priority to construction of a road to Myanmar, to further trade, promote personal contacts, and counter insurgencies in the northeast, the Indian daily *The Hindu* reported on Dec. 3.

In its reply to queries by members of the Standing Committee of Parliament on the proposed Tamu-Kalemyo road, the government has said that this road has "a strategic importance from India's security and commercial point of view. It was in the national interest [that] the project should be implemented with a high priority." The road, which is close to the India-Myanmar border, will connect India to the interior of Myanmar, including its capital, Yangon. The access could establish a link between India and Myanmar's neighbors in the Association of Southeast Asian Nations.

According to the Standing Committee report on external affairs, released in early December, this road can connect National Highway 39, which ends at More in Manipur, India, to Tamu in Myanmar. Kalemyo, where the proposed corridor would end, is a key junction in Myanmar, whose airport is included in Myanmar's civil aviation network.

United Kingdom

Economic crisis leading to wave of suicides

The Dec. 3 London *Times* reports that Britain is experiencing "a record level of self-destructiveness, with one in every 250 people in England a year admitted to casualty for self-harm." The wave of suicide attempts was addressed in a new study, "Effective Health Care," by University of Leeds psychiatry lecturer Allan House. It says that de-

liberate drug overdoses or other self-injuries are now in the top five of all emergency hospital admissions, higher than in most other European countries.

The *Times* notes that suicide-attempt rates "have mirrored recent recessions." According to House, those most likely to die from suicide are now males, unemployed, in poor physical health, and living alone. He told the *Times*: "The rates have gone up spectacularly for men under 30. In Holland, they never see the very large numbers of young people we do."

Agriculture

European policy more insane as prices fall

The European Union accounting office is demanding more cuts in farm prices, which are already severely depressed because of the crisis in Asia and Russia, to boost exports. Instead of adopting a Food for Peace program such as that proposed by Lyndon LaRouche, or a financial reorganization to boost purchasing power, the EU is intent on destroying its farming sector.

The accounting office, which supervises the expenses of the 15 EU member-states, is demanding that the planned cuts in farm prices, of 10% for milk, 20% for grain, and 30% for beef, must be even deeper. The crisis in Russia and in Asia, the main buyers of EU agriculture exports, caused such a drop in purchasing power, that export prices must be lowered if trade with these regions is to be picked up again, this institution argues.

Already in Britain, for example, farm income will drop by one-third this year, according to official estimates of the farm ministry. Farmers in Scotland are hit the worst, with earnings down 42%. The drop comes on top of a sharp decline last year, adding up to a 63% fall in real terms over the past two years. Ben Gill, president of the National Farmers Union and until recently an advocate of radical liberal economics, admits: "The statistics paint a disturbing picture. They confirm that the current recession in farming is the worst since the 1930s." The NFU calculated that if the cost of family labor is deducted from farm earnings, income fell by 51% in real terms this year.

ZAMBIAN President Frederick Chiluba accused Western donors of arbitrarily altering conditions for assistance without regard for the impact on the economy, in a speech on Nov. 19 opening a convention on economic strategies. First, the donors had linked money flows to "good governance," but now they are linked to the sale of the country's copper mines to Anglo American. "The time has come to seriously look elsewhere for the survival of our country," he said.

THAILAND and Iran have agreed on multimillion-dollar joint ventures, whereby "Thailand will build a fertilizer factory in Iran, and Iran will start a joint-venture oil refinery plant in Thailand," said Nateq Nouri, speaker of the Iranian Parliament, the Malaysian *New Straits Times* reported on Dec. 3. Nateq Nouri proposed an Asian Union.

SAUDI ARABIA and Iran held the first meeting of their joint economic commission, in Riyadh, Saudi Arabia, on Nov. 29. It was to set up committees in the areas of economy, commerce and investment, science, technology, health and environment, culture, education, sports, and trade transportation. The meeting is defining the relationship between the two formerly hostile countries.

THE WORLD ECONOMY could "plunge into recession in 1999," the World Bank belatedly warns in its new report, "Global Economic Prospects 1998/99." The growth of global output will be halved this year, from 3.2% in 1997 to 1.8% in 1998, and the growth of world trade will be cut from 9.5% in 1997 to 5.3% this year. Russia, Brazil, Indonesia, and 33 other developing countries, comprising 42% of non-OECD global output, will all face negative growth in 1998.

JAPAN'S housing starts in October fell 12.9% from October 1997, the Construction Ministry reported on Nov. 30. It was the twenty-second straight month that housing starts fell, and followed drops of 14.0% in September and 11.4% in August.

When economics becomes science

by Lyndon H. LaRouche, Jr.

November 23, 1998

If a follower of Immanuel Kant could understand it, it can not be true.

Take another look at the two remaining choices which the developments of the past fourteen months now present to the world of 1999. First: What are those foolish ideas, in which the governments and most of the populations of the U.S.A. and western Europe continued to believe during 1998, which now threaten the doom of civilization during the course of 1999? Second: What must be changed, very soon, if civilization is to reach the year 2000 safely? We shall address these questions from the vantage-point of the present state of economic science.

The present situation is, in summary, as follows. Focus upon that situation as it has developed since Spring and Summer 1997.

During more than thirty years, by Spring 1997, I had accumulated a public record in long-range forecasting whose accuracy is unmatched by any other noted economist reporting during that same period.¹ During Summer 1997, I forecast a new turn, as about to erupt.² I situated this within the framework defined by what had been published, in 1994, under the title of my "Ninth Forecast." My Summer 1997 update of that "Ninth Forecast," warned, that middle to late October 1997 would see the outbreak of a new, terminal phase, in the already ongoing, global, systemic financial crisis. I stressed that the present world financial system would

1. Lyndon LaRouche, "The Coming Disintegration of Financial Markets," *Executive Intelligence Review*, June 24, 1994.

2. For example, Lyndon H. LaRouche, Jr., interview to "EIR Talks," June 17, 1997, quoted in *Executive Intelligence Review*, June 5, 1986, p. 9.

— —, "Your Time Is Running Out," *Executive Intelligence Review*, June 13, 1997.



Clockwise from right: Immanuel Kant, Hannah Arendt, Adolf Hitler. "All of my own discoveries in economic science, and in related work," LaRouche writes, "depended upon my earlier commitment to refuting and rejecting that satanic principle of evil which Arendt rightly identifies, and embraces, as embedded, axiomatically, within the work of Kant. It is from that vantage-point, that the general failure of nearly all of the present century's generally accepted academic economists, is best understood." Arendt became a follower of Kant, whom she recognized as a philosophical forerunner of Hitler and the existentialists.

never emerge intact from the series of crises which would begin erupting during October 1997. During late October 1997, that new phase erupted in timely fashion.³

In the meantime, while western Europe and the U.S.A. hang over the precipice, watching for the doom which threatens to strike during early 1999, the recent months have brought forth a directly contrary, hopeful development, involving forms of cooperation among China and other nations, which could mean that the greatest period in the economic history of our planet would be the dominant feature of the coming century. If the U.S. and some other governments could come to their senses, in time, a way out of the presently ongoing global economic catastrophe is available to us all.

Consider the danger first, and then consider the hopeful alternative.

Unfortunately, during early October 1998, even after twelve months' consistent proof of my forecast, the G-7 governments had foolishly rejected my warnings. These supposedly leading nations of North America, western Europe, and

3. Among the catastrophic events of Black October 1997: Southeast Asia underwent record declines in stocks, assets, and currencies. The Hong Kong stock market lost nearly one-quarter of its value in four days, under speculative attack. On Oct. 27, the Dow Jones Industrial Average dropped 550 points, then rebounded 357 the next day, after the Federal Reserve, IBM, and mutual funds infused massive amounts of funds into key stocks. On Oct. 27-30, there was \$10 billion in capital flight from Brazil, and the São Paulo stock market lost 35% of its value. The prime rate was hiked to 43%, slowing the outflow of capital, but further collapsing the domestic economy.

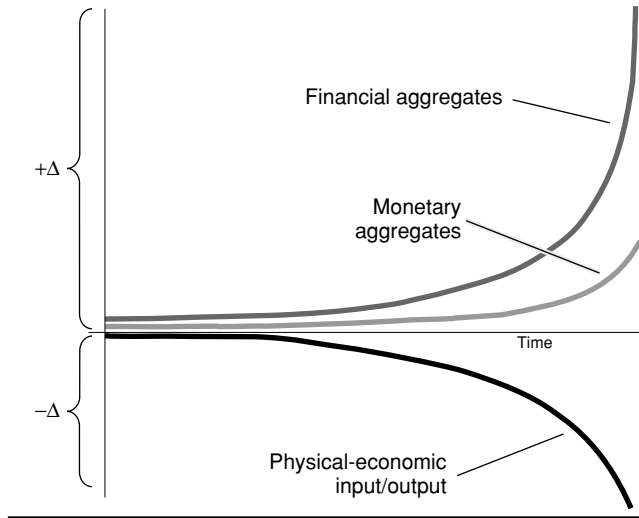
Japan, had chosen exactly what I had forewarned them against doing. They had launched a hyper-inflationary pump-priming operation, a parody of the hyper-inflationary spiral which Weimar Germany had unleashed upon itself during the years

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FIGURE 1

A typical collapse function



1921-1923.⁴

Since this past October, until the day this is written, those governments, central bankers, and most of the mass media of those nations, have been obsessed by their professed delusion, that their hyper-inflationary bubble-pumping, led by U.S. Federal Reserve Chairman Alan Greenspan and other doomed ducks of central banking, had brought to an end the financial crises experienced over the year from mid-October 1997 through September 1998.

Meanwhile, the series of successively worsening crises, which I forecast during Summer 1997, continues. The most ominous development of the past thirteen months, as now we approach the end of 1998, has been a global collapse, since October 1997, in levels of trade and production, with collapses in key sub-sectors of international trade, collapses which range between 20% and 40% in crucial categories. So, just as my Triple Curve [Figure 1] from late 1995 depicts the situation still today, during the interval October 1997 into October 1998 [Figure 2], financial hyperinflation of the more wildly speculative categories of financial paper zoomed upward, while production and trade plummeted. The difference between the closing weeks of 1995, when I introduced that curve, and now, is that the fatal boundary-layer depicted in that figure, has now been reached.

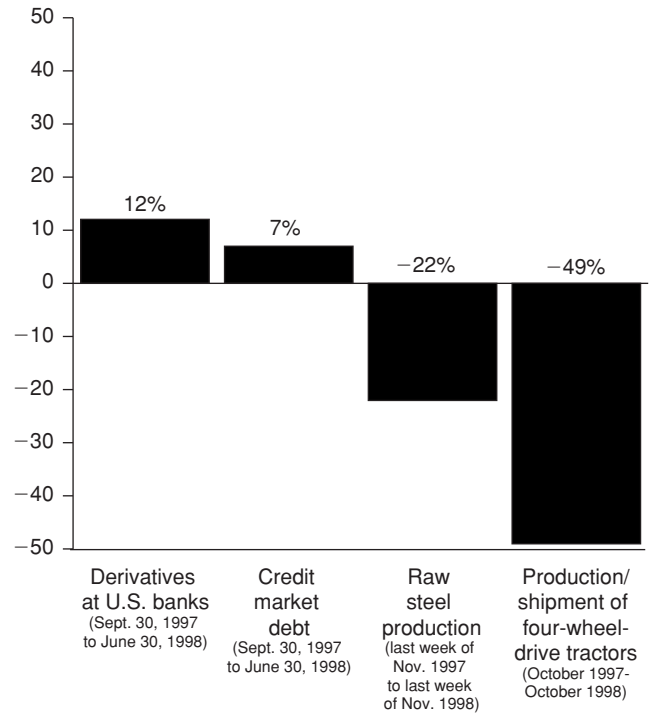
The central bankers' latest bookkeeping swindle, the attempt to hide the trade-collapse figures for no more than a

4. Lyndon H. LaRouche, Jr., "The Roots of Today's Mass Hysteria," *Executive Intelligence Review*, Nov. 6, 1998; Lyndon H. LaRouche, Jr. "What Each Among All Nations Must Do Now," *Executive Intelligence Review*, Oct. 9, 1998; Richard Freeman, "Greenspan Creates New Hyperinflation Danger," *Executive Intelligence Review*, Nov. 13, 1998; Richard Freeman, "Hyperinflation in Weimar Germany," *Executive Intelligence Review*, Jan. 30, 1998.

FIGURE 2

Financial paper zooms while real economy collapses

(percent change)



Sources: derivatives: Federal Deposit Insurance Corp.; credit market debt: Federal Reserve; tractors: Equipment Manufacturers Institute; steel: *Wall Street Journal*.

couple of months,⁵ at most, marks the end of the line—the time when, as the giggling kindergarten children once said it, “all fall down, go boom!”

Some relatively few weeks ahead, Federal Reserve Chairman Alan Greenspan's Weimar-hyperinflation style, financial bubble, will burst. Unless the President of the U.S.A., by then, accepts my guidance in dealing with this crisis, the existing nations of western Europe, and the U.S.A., will be plunged suddenly into the worst existential crisis since no less than the past six centuries of modern European history. Then, not much later than some weeks into 1999, today's orgy of desperate delusions will come to an end, buried under history's greatest trashing of paper fool's gold.

The U.S.A. and western Europe will then be plunged into something awesomely worse than the worst economic depression in six centuries. Unless the measures which I have proposed, are implemented soon, most of those nations, including Bill Clinton's U.S.A., will begin to disintegrate as nations,

5. There are efforts to juggle the trade and payments accounts among a number of nations, to the purpose of concealing, for at least one or two months, the disastrous collapse of the balance of trade levels of a number of states, including the U.S.A.

as an early result of that collapse.⁶

This catastrophe, *if it were not prevented*, would not be something some imaginary Gods of Olympus have done to us. Such an apocalyptic catastrophe would be what the foolish majority of the American people, among others, had done to themselves. Such is the price popular opinion would have paid for flights from reality, into silly dreams, into its own wishful, delusory views on matters of economics and politics.

Today, the most numerous, very silliest among government officials and central bankers of the U.S.A. and western Europe, **insist** on continuing the policy which has caused this calamity. They insist, foolishly, stubbornly, that the system of “free trade” and “globalization” must triumph, unchallenged, during the weeks to come. If that foolish public opinion prevails, then we can surely say, that those governments, those central banking systems, and also the ordinary inhabitants of those nations, have doomed themselves to join the ranks of all ancient empires which have fallen into the dust of time.

So, if such folk continue to cling to their presently expressed beliefs, doom is the experience which today’s mayfly dreamers, and others, will come soon to enjoy, beginning some time during the course of the weeks ahead.

So, I repeat the warning made earlier. It is today’s popular superstitions about economics, superstitions such as “post-industrial” utopianism, “free trade,” and “globalization,” which are at the root of the ongoing catastrophe. We must emphasize once more: These silly, popular superstitions, which have been embedded as fads, during the recent three decades’ policy-shaping of the G-7 monetary authorities, are the continuing cause for the impending disintegration of what is often called “Western civilization” today. Unless those faddish policies are suddenly, effectively reversed, during the weeks immediately ahead, “Western civilization,” and you, my friend, with it, are already doomed to plunge into a process of disintegration, beginning early during the course of 1999.

Latin, for example

As I have stressed in earlier reports on this subject, the root-causes of this looming doom, were established as potential, as a potentially fatal susceptibility, long before the Twentieth Century. What has changed lately, is that that potential doom has become, increasingly, a virtually certain one. What changed, about thirty-odd years ago, is that what had been formerly no worse than a lurking potential catastrophe, became the accelerating onrush of an actual apocalypse. So it was, centuries and millennia earlier, with all the once-powerful, fallen empires which lie now in the dust of past ages. The ordinary people, as well as the political leaders of those doomed empires of the past, each in his or her own fashion, contributed to bringing doom upon themselves.

6. Lyndon H. LaRouche, Jr., “Is Western Europe Doomed?” *Executive Intelligence Review*, Nov. 27, 1998.

Usually, the people of those self-doomed former empires, especially the leaders, refused to recognize their doom even when it was already looking them directly in the eye. For us, as it was for them, despite the outward grandeur of what contemporaries saw as unshakable, almost eternal power, there is a potentially fatal folly slinking, menacingly, among the shadows, while the fools are distracted by the customary parade of colorful, day-to-day, stock-market and other popular delusions, passing pompously in review.

For example, about a decade ago, in just such a fashion, just weeks before the disintegration of the Berlin Wall, the already doomed dictator of the German Democratic Republic, Erich Honecker, and his prize-winning admirer, Canada’s Edgar Bronfman, proudly asserted the almost everlasting durability of that already doomed nation.⁷ In such a fashion, silly geese of Europe, as of North America, speak desperately, hysterically of a recovery now in progress, when doom is clearly visible on the way.

So, even the most powerful nations may be doomed by the persistence, over successive generations, of what later appears as those traditions, those inclinations, by means of which they brought doom upon themselves. Thus, we must say, that those persons, in the U.S.A. and western Europe, who do not master the relevant lessons of past history, are persons who have lacked the most essential of those elements of knowledge indispensable to people who command the moral fitness to survive these times of troubles immediately ahead. Such are the considerations upon which the continued existence of the economies of nations such as the U.S.A., depend absolutely today.

I concede, that even at this late date, it might still be useful to have learned ancient Latin, if only so that you might understand that doomed culture of ancient Rome better, as St. Augustine did, and might, therefore, be less likely to repeat the follies of that Latin empire, as most of your fellow-citizens have been doing lately.⁸ Better than learning Latin, it is more useful to learn Plato’s Classical Greek.

On precisely this account, I have lately stressed, repeatedly, that there is an urgent lesson for today, to be learned from a long sweep of history, beginning in Egypt, even centuries before the birth of Christ. An adequate understanding of the

7. Edgar Bronfman met with East German dictator Erich Honecker on Oct. 17, 1988, during which he was awarded the East German medal of the “Peoples Friendship in Gold.” On Nov. 30, 1989, World Jewish Congress representative Maram Stern assured East Germany’s Foreign Minister of the WJC’s opposition to reunification, and saying that WJC “President Bronfman would exert his influence in this direction in the U.S. and elsewhere.” He continued, “In any case, the WJC will do everything possible to strengthen the G.D.R. [East Germany] politically and economically.” In 1989, Honecker had proclaimed for the 40th anniversary of the German Democratic Republic, “*Den Sozialismus in seinem Lauf/hält weder Ochs noch Esel auf*” (“Socialism in its course, can be stopped by neither ox nor ass”). Notwithstanding, he was ousted as communist party head on Oct. 18, 1989, and after a brief interregnum, was replaced by Hans Modrow, who was voted out in March 1990.

8. St. Augustine, *Concerning the City of God against the Pagans*, Henry Bettenson, trans. (New York: Penguin Books, 1972).



Praxiteles' sculpture of "Hermes with the Infant Dionysius" (one of the few surviving Greek sculptures, as opposed to Roman-era reproductions), clearly shows the superiority of Greek civilization over the stultified Roman culture, as shown by this drawing of the Roman "Apollo of the Belvedere."



combined ancient, medieval, and modern history of European civilization, depends upon an understanding of why Roman civilization was doomed from the outset.

This point is most simply and clearly illustrated by attention to recently rediscovered evidence bearing upon a most crucial single, included fact. That fact, as I addressed it, yet once more, in an address I delivered at Bad Schwabach, Germany, this past November 22,⁹ is, that more than 1,723 years elapsed, between that discovery of South America which was claimed for Egypt, on August 5, 231 B.C., and the claim of the discovery of the Americas, for Spain, dated as October 12, 1492. The crucial fact is, that the voyage of Christopher Columbus was based upon rediscovery, during the mid-Fifteenth Century, of the same scientific principles which had guided Egypt's trans-Pacific 233-231 B.C. voyage of discovery, 1,723 years earlier.

Admittedly, there are indications of other voyages to the Americas, from across the Pacific, before the Egyptian discovery of 231 B.C.; there were certainly earlier voyages, from the Straits of Gibraltar across the Atlantic, before Columbus. The distinction of the Egyptian discovery of South America

9. Conference on "History As a Principle of Action," speech by LaRouche on "What Is Real History, As Science? All Modern Science Is Based on Erathosthenes' Work on Determining the Shape of the Earth." See also LaRouche et al., "Go With the Flow: Why Scholars Lied About Ulysses' Transatlantic Crossing," *Executive Intelligence Review*, Nov. 20, 1998. Reports on this subject will also be published in the Winter 1998-1999 edition of *21st Century Science & Technology*, and subsequent issues.

from chance voyages which did occur, or may have occurred, was that it was a voyage based then on an explicitly specified scientific certainty, not chance impulses; Columbus' voyage, too, was based upon rediscovery of that same scientific certainty, not accidents, guesses, or chance.

The crucial fact within that historical connection between the discoveries of 231 B.C. and A.D. 1492, is, once more, that both voyages of discovery were based upon the same principles of science, the principles discovered and developed by the great continuer of the scientific method of Plato's Academy, Eratosthenes, the principles copied by the associates of Cardinal Nicholas of Cusa, during the middle of the Fifteenth Century.¹⁰ Thus, the 1,723 years between those two voyages, represent the duration of a period of loss of scientific knowledge, a long dark age which descended upon the Mediterranean region, with the rise of the Latin-speaking Romans to power. It was those relatively brutish Latin speakers, who prevailed over the culturally superior Greeks of the preceding two centuries of Classical and Hellenistic times, who dragged most of European civilization to doom with them.

The crucial point should be restated: that nearly fifteen centuries elapsed between the birth of Christ and his apostles, and the qualified triumph of Christian principles of statecraft, after a long struggle, led by Christians following in the footsteps of Peter, John, Paul, and their follower Augustinus, against the ruinous legacy of the "New Babylon," Rome and

10. "Columbus and the Christian Conception of Man," *Fidelio*, Spring 1992, and *Ibykus* No. 38, 1992.

its empire.¹¹ The ironical murder of Eratosthenes' collaborator, Archimedes, by Roman soldiers, most aptly typifies the evil—the cultural and moral depravity—which the “New Babylon,” ancient Rome, like Babylon and Tyre before it, represented throughout the Mediterranean region.

The same, corrosive influence, which was responsible for that 1,723-year interval in the lapse of science, is echoed, once again, in the history of statecraft in Europe itself, during the approximately five centuries since Columbus' voyages of discovery and exploration. In both cases, ancient and modern alike, the nature of the relevant evidence is the same: a looming catastrophe caused by nothing other than the willful suppression of certain scientific principles which were essential for the progress of civilization.

In the first instance, during the 1,723-year interval prior to the collaboration of Cusa with his friend Toscanelli, what was lost from practice, was the driving principle and method of the development of Classical Greek science, from Thales and Pythagoras through the Platonic Academy of Plato through Eratosthenes.

In the second instance, following Venice's defeat of the League of Cambrai, what was lost, in large degree, was that method of Plato's Academy, the science which had been revived under Nicholas of Cusa and his successors. This revived science was, tragically, replaced by the Latin-like neo-Aristoteleanism of Venice's Padua,¹² and, even worse, that empiricist method of Venice's Paolo Sarpi. It is from Sarpi's empiricism that the presently ruinous, gnostic dogmas of “free trade” and “globalization” are derived.

The legacy of Babylon, which ancient Rome bequeathed to feudal Europe, is echoed in the roles which Venice and, later, today's British monarchy, have represented, in succession, for more than 1,000 years until now.

Since the beginning of the Sixteenth Century, since the defeat of the League of Cambrai by Venice and its Spanish allies, the leading landed aristocracies and financial oligarchies of Europe have been engaged in a desperate effort to turn back the clock, to a feudalistic, post-nation-state globalization, a desperate effort to crush and eliminate the institutions of the modern nation-state and those other institutions which are best typified today by the 1776 Declaration of Independence and 1789 Federal Constitution of the U.S.A.

Since A.D. 1510-1511, that reactionary effort to turn back the clock, was never entirely defeated, but, until events erupting in the aftermath of the 1962 Cuba Missiles Crisis,¹³ never

11. See St. John on “The Whore of Babylon,” *Apocalypse*. Pagan Rome of the Caesars was, in fact, a revival of the tradition of the empires of ancient Mesopotamia, empires consistent with what had been known earlier as the “Persian,” or “oligarchical” model. Hence, to identify the principle of Roman rule as “The Whore of Babylon,” is literally true.

12. e.g., the “mortalist” Pietro Pomponazzi and his student Cardinal Gasparo Contarini.

13. Lyndon H. LaRouche, Jr., et al., “How Our World Was Nearly Destroyed,” *Strategic Studies, Executive Intelligence Review*, Oct. 23, 1998.

actually succeeded, either.

The aftermath of that 1962 crisis, included such notable events as the October 15, 1963 retirement of Chancellor Konrad Adenauer in Germany, the attempted assassinations of President Charles de Gaulle, the November 22, 1963 assassination of a President Kennedy who was targeted by the same circles behind the attempted assassinations of de Gaulle,¹⁴ the subsequent November 30, 1966 cold coup d'état against Adenauer's successor, Ludwig Erhard, and the subsequent, April 28, 1969, ouster of de Gaulle. These developments correspond to a fundamental change in axioms of policy-making, which was imposed upon both the U.S.A. and continental western Europe in the wake of the 1962 Cuba Missiles Crisis. The world of President Franklin Roosevelt, Douglas MacArthur, Adenauer, de Gaulle, Kennedy, and Erhard, was willfully pushed from the stage by the authors of what became known as the “New Age” of “post-industrial utopia, “free trade,” and post-nation-state “globalization;” the march of the “New Age's” political lemmings toward the cliffs, had begun.¹⁵

Thus, following that 1962 crisis, with the spread of the manias of “post-industrial” utopianism, “free trade,” and “globalization,” we face now the likelihood that the neo-feudalists might finally succeed in setting up their kind of anti-science-motivated “world government,” that utopia of the damned called “globalization.” They themselves would not survive to enjoy their pyrrhic victory. They, too, would be destroyed by their own victory over the forces of reason; their victory would mean the apocalyptic doom of us all, a plunge of this planet, or at least western European civilization, into the worst dark age since the well-earned doom which a Latin-misruled European civilization suffered earlier, in the disintegration of the Roman Empire.

The comparison of an ancient European culture self-doomed by the influence of Rome, to the threatened doom of European civilization at the present moment, is appropriate in a degree which some might find awesome, once they grasp the essential connections. There is a deep connection, between the corrosive impact of Latin culture upon the Mediterranean region, then, and the influences which have been responsible for the incompetence of nearly all contemporary economists today. I refer to those factors of incompetence,

—, “Is Western Europe Doomed?” *Executive Intelligence Review*, Nov. 27, 1998.

14. Despite the hysterical efforts of John J. McCloy, et al., to force the Warren Commission into adopting the infamous cover-up of the Kennedy assassination, the agencies known to have targeted President Kennedy for assassination (whoever actually conducted the attack) were the same British intelligence circles identified by French authorities as engaged in the targeting of President Charles de Gaulle. The Profumo scandal, used to oust Britain's Prime Minister Harold Macmillan, is part of the same bloc of actions which resulted in the elimination of powerful U.S. and European political leaders opposed to the policies of post-industrial utopia pushed by McCloy and his crowd.

15. *ibid.*

which are responsible for the past thirty-odd years slide toward doom of what had been, in 1962-1963, the world's most powerful, and, then, still-growing economic system.

Science and economy

As I have just emphasized, above, the essential reason for the doom of a civilization polluted by Latin culture's influence, is typified by the decline of the dominant science-culture of the Mediterranean region, that of Egypt's Hellenistic science, from the level represented by Eratosthenes, to the decadence represented by the anti-heliocentric hoax perpetrated by Claudius Ptolemy, that anti-heliocentric superstition still faithfully defended by corrupted influential circles in Europe as late as the Seventeenth Century.¹⁶

With the rise of the power of Rome, the principle of scientific truthfulness, upon which Plato's Academy had premised scientific practice, was pushed aside. It was the policy of slavery and looting inhering in Latin thought, which defined Rome as a culture which lacked the moral fitness to survive. Where even plain economic truth conflicted with Latin prejudice, truth was pushed aside, and truth then destroyed the culture which had rejected its own moral fitness to survive.

Today's popular delusion is, that "economics" is "about money," "price," or, "how to succeed in the business world." Such beliefs are not only morally degrading fads; they border upon insanity in their effects. They are the kinds of mass delusions which will cause a nation to destroy itself. In contrast to such delusions, in reality, economics is the subject of the human species' relationship to nature; it is, as Leibniz defined it, primarily a matter of the role which the development of the innate creative powers of the individual mind must play, in increasing mankind's mastery over nature. While that relationship is not limited to what physical science is narrowly defined to be today, the role of scientific and technological progress is a crucial part of economic processes. Those who ignore the determining role of scientific progress, as today's "New Age ecologists" and the Mont Pelerin Society's "free trade" freaks do, bring doom upon themselves, and, if they are successful, all of civilization, too.

There is more than a mere parallel to Rome's self-induced doom, in the influence of the British empiricist hoaxes of Paolo Sarpi's followers. As in the case of Sir Isaac Newton's "action at a distance" hoax, expressed in the guise of "free trade" dogma, empiricism's corrupting, collateral impact upon contemporary economic policy, is destroying civilization from within. Just as Rome's toleration for the practice of slavery, defined it, like Jefferson Davis's and Robert E. Lee's Confederacy, as a society whose conception of human nature was so degraded that that nation's political existence must be

16. Robert R. Newton, *The Crime of Claudius Ptolemy* (Baltimore: Johns Hopkins University Press, 1977).

exterminated: so, both ancient Rome and the modern British monarchy. Just as a society which accepted the culture of Rome, had lost the moral fitness to survive, so, a modern economy which adapted itself to the lunatic, pro-oligarchical methods of "post-industrial" utopia, "free trade," and "globalization," represents a misconception of the nature of man, which the Creator of this universe will not tolerate indefinitely.

Once the U.S.A. and leading nations of continental Europe chose to break altogether with American System tradition, and go the British "free trade" way, in the aftermath of the 1962 Cuba Missiles Crisis, the worm of "New Age" rot within European civilization, took over. The presently ongoing disintegration of that civilization, world wide, is the result of that fatal error of the mid-1960s, the error of choosing to become a power which has abandoned the moral fitness to survive. A rejection of the truth respecting man's relationship to nature, the policy of slavery, was the cause of the collapse of the Roman empire, just as any present continuation of the unnatural policy of unbridled "free trade," assures the collapse of Western civilization today.

Thus, in the aftermath of the Cuba Missiles Crisis, European civilization brought itself, step by step, toward the edge of doom. The legendary "New Age" of the radical Sixty-Eighters, is now surely doomed. Only a precious short time remains, for the President of the U.S.A. to reverse what has been his own administration's social and economic policies until now. Otherwise, the entirety of Western European civilization will disintegrate, not gradually, but in violent convulsions, during the months ahead.

Those background considerations so restated, we come now to the core of the matter to be addressed in this report. Just as the scientific principles represented by the work of Eratosthenes, draw the line between the superior qualities of Hellenistic culture, and the contrasting, anti-scientific characteristics which doomed Rome, so we may point to a specific principle of scientific work which draws the line between the possibility of a recovery of the world's economy, even at this late date, and the inevitable doom of Western civilization, unless that corrective principle of science is adopted now.

On this account, my role in economic science continues to be, historically, a uniquely essential one. What ought to be taken as the astonishing fact about my own achievements in this branch of science, is only the fact that no one else made the same crucial, readily available, presently indispensable set of discoveries. *Any literate and intelligent young person who put his mind to the same task, and pursued it with the degree of impassioned devotion I did, could have made the same discoveries. Why didn't they?* There lies the source of the threat of doom lurking at the flanks of western Europe and the U.S.A. during the crisis-ridden weeks and months ahead.

There was a certain progress in the further development of economic science (as distinct from its useful application), following the 1671-1716 founding of the science of physical economy, by Gottfried Leibniz. Although Leibniz's eco-

conomic science was spread in the form of what became known as Treasury Secretary Alexander Hamilton's American System of political-economy, the progress in discovery of new principles halted after the contributions of France's Lazare Carnot. The work of the Careys and Friedrich List typify the progress of the American System economists in developing *the application of the previously discovered scientific principles defined by Leibniz and Lazare Carnot*. No fundamental progress in mastering actually new principles of that science was made, after the crucial contributions of Carnot on the machine-tool principle, until my own work of the 1948-1952 interval. Even now, more than forty-five years later, my original contributions, although they are increasingly widely known, remain unique.

How could such long periods of lapse in scientific progress occur?

For an appropriate comparison, think of the parallel to the period of creeping, Latin-speaking darkness of the mind, during the centuries following the deaths of Eratosthenes and Archimedes. Certainly, the physical and other relevant attributes of the minds of Mediterranean populations represented the same biological potentials as members of Plato's Academy such as Eratosthenes. Why no new Eratosthenes? In present-day street-jargon: under the conditions favoring growing Roman influence throughout the region, there was a diminishing market for the work of minds like theirs. Under such conditions of prevailing immorality today, a diminishing ration of students have sufficient devotion to truth for its own sake—Plato's principle of *agapē*, to pursue a career for which no financially rewarding, or popularly prestigious places of employment are advertised. On this account, when it comes to choosing future careers, the name for banality is, thus, often: "Hey, Joe, let's be practical! Pick a career that pays, instead."

Once more, summarize the history of economic science up to the present time.

Economic science was begun by Gottfried Leibniz, beginning approximately 1671-1672, continuing through approximately the time of his death. Leibniz defined it as a science of physical economy, as I do today. Every successful version of economic science practiced thereafter, including the economics on which the U.S. economy was originally premised, and including my own practice, was based upon the work and influence of Leibniz. Economic science consisted of the adaptation of the principles discovered chiefly by Leibniz and Carnot to the benefits of modern physical science in general. After the work of Carnot, no new validated principle of economic science as such was provided, until my own original work done over the 1948-1952 interval. Until then, the only substantial addition to Leibniz's discoveries were, as I have said, those of Lazare Carnot and his associates, in their development of the principles of application of machine-tool design, these the foundations for later development of the American and German models of the successful modern agro-industrial economy.

What I accomplished was centered, essentially, around two issues. The combined use of the example of the principle of machine-tool design, and my refutation of the central proposition of Immanuel Kant's *Critiques*, to show the absurdity of Norbert Wiener's "information theory," and also to refute the central proposition of John von Neumann's doctrine of "systems analysis." This led me to important original discoveries in the field of epistemology, revolutionizing the science of physical economy in this way. The application of my own original discoveries, then depended for their realization, chiefly, upon using the notions of multiply-connected manifolds provided by Gauss's follower Bernhard Riemann.

If one reviews the elementary nature of my own essential discoveries, it would appear, therefore, that a fairly large number of serious young thinkers should have duplicated the same discoveries which I have achieved, *had they wished to do so*. What prevented them? The answer to that question ought to remind literate readers of Poe's "The Case of the Purloined Letter."

Ask: What is filed, openly, exactly in the place you would expect it to be filed, which informs you exactly why my discovery would be rejected out of hand by virtually all candidates for doctoral degrees in physical science fields today? How does that fact, so easily found on open book-shelves of almost every modern public library, tend to ensure why every person seeking a successful career in any field of science, would shun all evidence leading to my discovery, as a threat to their careers and pensions. Look, for example, under "generally accepted classroom mathematics." Look, for example, under "Isaac Newton."

So, as Poe illustrated the point, the most general of important, truthful facts, are usually hidden in such obvious places, that most ordinary seekers might never think to look for important discoveries there.

On Hannah Arendt's confession

Whether in physical science, or in Classical art, whether as student, original composer, or performer, knowledge is acquired by two steps. The second, is making, and validating a discovery of principle; but, the first, is defining, and needing to destroy, the obstacle which that discovery overcomes. In our universe, which Leibniz defines as the best of all possible worlds, the recognition of the face of the adversary, evil, is often the first step toward the good. On this account, even a creature as passionately evil as Adolf Hitler, or the "Pirate Jenny" from Bertolt Brecht's *Three-Penny Opera*, or that real-life "Pirate Jenny" known as Nazi Martin Heidegger's lover, Hannah Arendt, may provoke some among us to do something good, as I demonstrate such a connection here and now.

Had the satanic, existentialist pair of Theodor Adorno and Hannah Arendt, not been, quite accidentally, of Jewish

ancestry, they would have qualified for, and would probably have become Nazi Party ideologues, like their anti-Semitic crony, Nazi philosopher Martin Heidegger.¹⁷ Hannah was a witch, and a very nasty one, too, the kind of perverse creature who, one could believe, would have found the satanic Heidegger sexually attractive; but, she was also a smart witch, if never an honest one, as the devil's disciples sometimes are.

Arendt's only discernible service to humanity is provoked by the hideous shamelessness of her typically existentialist perversity, the shamelessness with which she became an avowed follower of my legendary adversary, Immanuel Kant. An associate recently led my attention to an exceptionally relevant instance, first published in a 1946 edition of the periodical *Partisan Review*, where she, in her own perverse fashion, damned that proto-Nazi philosopher, Immanuel Kant, by praising him. She recognized Kant, quite accurately, as a true, if distant progenitor of the kind of irrationalist sophistries upon which Nazi ideological types such as Karl Jaspers, Martin Heidegger, and Jean-Paul Sartre had built the Twentieth-Century existentialism of the followers of Friedrich Nietzsche and Richard Wagner. Ironically, Arendt's praise of Kant as a proto-Nazi, was written in 1946, after she, born a Jew, had witnessed the Nazi experience, and the role of her former lover, Heidegger, as a leading Nazi philosopher, and his role as a persecutor of Jews at Freiburg University.¹⁸

17. Heidegger obtained a teaching post at Freiburg University, and became a leader of the Nazi student movement, from which position he had his professor, the phenomenologist Edmund Husserl, kicked out of the school.

As for Adorno, after the Nazis came to power, he attempted to get a job as music critic with the liberal *Voss'sche Zeitung*. Adorno's article (which appeared in *Die Musik*, Vol. 1934, p. 712 f.) heaped praise on a composition by Herbert Münzel, "Die Fahnen der Verfolgten," a musical setting for the poems of Hitler Youth leader Baldur von Schirach. Adorno said of Münzel's work that, "by choosing the poems of von Schirach, it is consciously marked as National Socialist." Adorno was not hired, but only because the Nazis shut down the publication. See, Rolf Wiggershaus, *Die Frankfurter Schule* (Munich: DTV, 1988, pp. 178-80.)

18. The following quotation from Arendt appeared in "What Is Existenz Philosophy?," *Partisan Review*, 1946, under the subhead "Kant's demolition of the Old World and Schelling's cry for a new one": "The unity of Being and thought presupposed the pre-established coincidence of essence and existence, that, namely, everything thinkable also exists and every existent, because it is knowable, must also be rational. This unity was destroyed by Kant, the true, if also clandestine, founder of the new philosophy: who has likewise remained till the present time its secret king. Kant's proof of the antinomy-structure of Reason, and his analysis of synthetic propositions which proves that in every proposition in which something is asserted about Reality we go beyond the concept (the *essentia*) of a given thing — had already robbed man of the ancient security in Being. Even Christianity had not attacked this security, but only reinterpreted it within "God's plan of salvation."

Arendt proceeds to show the development, out of this, of Existenz philosophy, whose true "modern" founder, Karl Jaspers, she assesses in the final section. To him she also attributes the conceptual groundwork that would later constitute the kernel of her own definition of "authoritarian" and "totalitarian":

"Jaspers holds that in philosophy every ontology claiming it can say what Being really is, in a Slipping-away into the absolutizing of particular categories of Being. The existential meaning of such Slipping-away would

Like her accomplice Adorno, she, apparently, never actually became formally a Nazi, and certainly did become a prominent anti-Nazi, in her own fashion. Yet, it would be a grave moral, as well as merely factual error, to object to our reporting the plain fact, that all her adult life, even after the Nazi experience, she represented, like her lover Heidegger, like Theodor Adorno, and the Jaspers she also admired, a variety of ideology which was of the same general existentialist species as Hitler's. Referring to the well-known kinships among Jaspers, Heidegger, and Martin Buber, should help to refresh our recollection on such connections. All of these varieties are just as evil, just as dangerous, or, given a chance, even more so, than Hitler's variety, although differing slightly among themselves on secondary, collateral features.¹⁹ Arendt's emphasis on her claimed debt to Kant, points directly toward the relevant point on this account.

Many relevant things could be said truthfully of Arendt and her sort. For our purposes here, it is sufficient to stress the point, that if you understand Hannah Arendt's professed devotion to Kant, you understand what is rotten in the economics and philosophy departments of most of the universities of European civilization today. In a time when foolish academics, and others, still praise Kant, or consider him no worse than a harmless fool, Arendt performed the exemplary, if perverse service of emphasizing what an evil, and dangerous creature Kant was, and still is, today. With one important qualification, which I supply below, there was not only some historical fallacy of composition, but also a kernel of truth in her claimed connection to Kant.

As Arendt stresses the crucial fact, with the writing and publication of his *Critiques*, former David Hume devotee Immanuel Kant devoted the concluding decades of his wretched life to denying the existence of both reason and morals (*Vernunft*). The fact that Kant had rejected certain aspects of Hume's argument, to argue the same essential conclusions of Hume from a scholastic, rather than a strictly empiricist standpoint, has fooled many careless academics, but not Heinrich Heine, into mistaking Kant for a rational person.

The simple, if awkwardly argued denial of reason, constitutes the entirety of Kant's *Critique of Pure Reason*. In his

be that such a philosophy robs Man of a freedom which can persist only as long as Man does not know what Being really is."

19. Had Germany not lost two world wars, it would be the British monarchy, rather than the Nazi regime, which would have gone down in today's popular opinion as typical of the most evil agencies of the past two or more centuries of world history. Certainly, as measured in death-tolls, and nakedly malicious monstrosities, the crimes for which the British monarchy might be put into a Nuremberg-style dock, outnumber in savagery and scope, even the crimes of the Hitler regime. Certainly, what the Duke of Edinburgh and his crony, and Nazi SS veteran Prince Bernhard, have done in promoting genocide against Africans and others, exceeds the magnitude of the Nuremberg crimes totalled by the Nazi regime. Popular expressions of righteous indignation are usually to be recognized by actually honest and intelligent people as expressing the most outrageous extremes of hypocrisy, and, often, even outright lying.

later *Critique of Practical Reason*, notably in the section devoted to “The Dialectic of Practical Reason,” he anticipates Dr. Sigmund Freud in denying any form of morality but “negation of the negation.” In the last of his series of *Critiques*, *The Critique of Judgment*, he lays the foundations for an axiomatically irrationalist, Romantic doctrine of *Volksgeist*, which provides the foundation for the post-1815 teachings of the two cronies G.W.F. Hegel and Karl Savigny, those two ranking among the cornerstones upon which the later development of Nazi ideology was founded.

Heinrich Heine was right to smell the embryo of something like Adolf Hitler, gestating in Kant’s womb. Knowing Heine, we must be certain that he would have recognized the evil in Arendt, as he had seen the same evil in Jacques Necker’s daughter, the notorious Madame de Staël.²⁰

If we were to overlook those relevant points which she evades discussing, she appears to argue a case, this with telling and well-focussed precision, that Kant’s denial of the existence of truth and reason, laid the foundations for what was, in fact, the rise of the kind of pro-Nazi existentialism typified by the influence of Jaspers and Heidegger in Hitler Germany, and also Heidegger’s rubbish-bin Voltaire, Jean-Paul Sartre. On this point, Arendt professed her admiration for Kant; on that narrower point of her scholarship, the witch was apparently right. It was the issues she carefully evaded by her fallacy of historical composition, which make her own case more interesting for us here.

Science versus Satan

All of my own discoveries in economic science, and in related work, depended upon my earlier commitment to refuting and rejecting that satanic principle of evil which Arendt rightly identifies, and embraces, as embedded, axiomatically, within the work of Kant. It is from that vantage-point, that the general failure of nearly all of the present century’s generally accepted academic economists, is best understood. To set the corner-stone for constructing this report, we shall now compare and contrast the standpoints of Arendt and Kant, and, on that basis, contrast the false opinion of today’s so-called leading economists and economic policy-shapers, to the most fundamental principles of modern science and Classical art. In this fashion, we shall expose the reasons why progress in economics as a science, halted after the work of Leibniz and Carnot, until my own discoveries of now nearly a half-century ago.

According to the accounts given by Luca Pacioli, Leonardo da Vinci, and Johannes Kepler, modern experimental Eu-

20. On Madame de Staël and Romanticism, see, for example, Heine’s *On the History of Religion and Philosophy in Germany*, in *Works of Prose*, by *Heinrich Heine*, Hermann Kester, ed., Ernst Basch, trans. (New York: L.B. Fischer, 1943).

ropean science takes its origin from works on scientific method by Cardinal Nicholas of Cusa, beginning his *De docta ignorantia*. Those accounts are corroborated by examination of the content of the work of these discoverers. Leibniz’s work, most notably, was premised on the work of these predecessors; this is most remarkable in the matter of Leibniz’s original discovery of a working form of the calculus, a calculus, based upon non-linearity in the infinitesimally small, which Leibniz derived from the specifications given by Kepler.

The root of this method, from Cusa through Leibniz, from Leonardo da Vinci through J.S. Bach, and beyond, is the method of Plato. This Leibniz emphasized in writing two Socratic dialogues, which he dedicated to the purpose of showing the application of Plato’s method to the epistemological issues of scientific discovery.²¹ While some persons who were otherwise known as advocates of the relatively sterile intellectual methods of Aristoteleanism and empiricism, have made marginal, even original contributions of some importance, the foundations of all modern scientific achievement are found in the Platonic method, both as expressed by Classical Greek sources, and by the revival of Plato’s method by Cusa, Pacioli, Leonardo, Kepler, Leibniz, et al.

Considering the fact, that all progress in lifting man from out of the bowels of feudalism, depends upon the fruits of the Fifteenth-Century revival of Platonic method, whence such spawn of Hell as an Arendt or the John von Neumann of “systems analysis” notoriety? The answer is supplied, if only implicitly, by Arendt; the difference between my point of view, on the one side, and that of Arendt, Hitler, George Soros, John Locke, and Heidegger’s Jean-Paul Sartre, on the other, is a fundamental, unbridgeable difference respecting the definition of individual human nature.²²

This difference in the conception of human nature, is the same difference, the principle of truth and justice (*agapē*), which Plato elaborates in Book II of his *The Republic*, as the differences among the dialogue’s principal characters there: Socrates, Thrasymachus, and Glaucon. The issue between Socrates and Thrasymachus, is the same difference which Professor Friedrich Freiherr von der Heydte stresses, in his

21. Gottfried Leibniz, “Dialog über die Verknüpfung zwischen Dingen und Worten,” *Leibniz: Hauptschriften zur Grundlegung der Philosophie*, Vol. I (Hamburg: Felix Meiner Verlag, 1966), and *Confessio Philosophi* (Frankfurt: Vittorio Klostermann, 1994).

22. See Leibniz on Locke, “New Essays on Human Understanding.” See P. Valenti on the Leibniz-Locke controversy, “The Anti-Newtonian Roots of the American Revolution,” *Executive Intelligence Review*, Dec. 1, 1995. The Hitler-like quality of evil in Locke is reflected in the adoption of Locke as the official philosophy of treasonous Jefferson Davis’ Confederacy: the notion of man as property. Locke is the antithesis of both the 1776 U.S. Declaration of Independence, and the Preamble for the 1789 U.S. Federal Constitution. Every U.S. patriot is the avowed enemy of Locke, or else he is no patriot, nor even decent person. Locke belongs in the same Hell with Arendt, Jean-Paul Sartre, and Adolf Hitler.

Die Geburtsstunde des souveränen Staates,²³ as the distinction between modern nation-state law, and, on the opposing side, the Thrasymachus-like principles of pre-nation-state, feudal-imperial law, the exact imitation of Thrasymachus taught by the evil John Locke, and practiced by our present-day, degenerated U.S. Department of Justice.

In contrast to the natural law defined by *The Republic*'s Socrates, the standpoint of Thrasymachus is explicitly the irrationalist kernel of that Romantic notion of law of Prussian state philosopher G.W.F. Hegel's defense of Prince Metternich's Carlsbad *Beschlüsse* [Decrees], and by the neo-Kantian Romantic school of law of Hegel's crony K. Savigny. The same rejection of the principle of truth is the central axiomatic feature of all of Kant's *Critiques*, a rejection of truthfulness which is asserted with utter shamelessness, in Kant's *Critique of Judgment*. That far, Arendt's praise of the kernel of irrationalism pervading Kant's *Critiques*, is soundly rooted in her defense of the tyrannical irrationalism of Thrasymachus—the tyranny of arbitrary opinion, against reason—which is characteristic of all modern neo-feudalists, the Romantics Kant, Hegel, Savigny included, and the present-day advocates of the form of neo-feudalism called “globalization” included. For her, truth is the enemy; truth is, for her, “authoritarian.” Hers is therefore a suitable doctrine for adoption by a witch in service to the father of lies.

We shall turn to the matter of human nature shortly. First, we must clear up an otherwise confusing, and distracting, point of difference between Kant and overtly satanic Arendt; if only on this one point, she resorts to a fallacy of historical composition, to misrepresent her debt to Kant as a more or less simple, academic sort of connection.

Kant's proposal for “perpetual peace,” is to be recognized as a forerunner of Bertrand Russell's, High Commissioner John J. McCloy's, and the Duke of Edinburgh's notions of “transparency,” “world religion,” and “globalization”: of “peace through world government.” Arendt opposes nation-state government, too, although not from the standpoint of the historical Kant, but, rather, from the standpoint of Brecht's “Pirate Jenny” and Friedrich Nietzsche's “Silenus.” She is the criminal law-breaker, not the pro-feudalist, neo-Aristotelean lawmaker such as the Romantics Kant, Hegel, and Savigny. Thus, Arendt adopts the irrationalist, neo-Aristotelean logic of feudal law-maker Kant, as license for her own role as inveterate, anti-social law-breaker. There lie her own and her lover Heidegger's special affinities for the same kind of rabid irrationalism expressed by the very worst among the Nazis, as expressed similarly by today's radical “ecologists.”

I repeat: the difference lies in the distinction between the same Thrasymachus as, on one occasion, playing the part of the mere criminal, and, on the next occasion, as a practitioner of the legalized crime of an overlord. That changeling Thrasymachus, is incarnated as a pack of wolves one day, and the

23. (Regensburg: Druck und Verlag Josef Habel, 1952).

lord's pack of hounds, the next; whatever his role, it is never actually a human one. Between overlord and criminal, there is but one point of difference. Both are predators, preying upon mankind: one as lord, the other as outlaw. It is simply a matter of who is in power, butchering from within the castle, and who is attacking from outside. Both are self-defined as irrational beasts, as Arendt, Jaspers, and Heidegger define themselves as feral criminals; whereas Kant, as a parody of *The Republic*'s Glaucon, represents philosophical irrationalism from a different social, political, and methodological standpoint, than Hannah “Silenus” Arendt.

Hold that thought in view for a moment longer; the distinction I make is a most substantial one. In Plato's *The Republic*, what is the systemic difference between the notions of law of, respectively, Thrasymachus and Glaucon? Is it not clear, that there is more of Glaucon's irrationalism, than Thrasymachus', in Kant, and more of Thrasymachus in Arendt? As Plato stresses, both Thrasymachus and Glaucon rely, ultimately, on the same occult principle of irrationalism; but, there is a difference between them. Arendt is right to find the common element of irrationalism linking Kant to his empiricist British friends; but, she oversimplifies the differences.

Put the same question in other terms. What, after all, is the difference between Arendt and such professed Hobbesians as the already fully bestialized, former U.S. Secretary of State Henry A. Kissinger?²⁴ Had everything said against reason, by Arendt, not been properly said, already, by Paolo Sarpi's Francis Bacon, Hobbes, and their followers John Locke and Bernard de Mandeville? Was Hobbes not already satanic enough? What purpose does Arendt serve by her special emphasis upon Kant?²⁵

The point of difference was pointed out by G.W.F. Hegel, who identified Kant as a neo-Aristotelean. (Why should he not? Hegel himself was a neo-Aristotelean, too.) Here lies the significance of Kant for Arendt. Kant's importance, in his time, for Arendt later, and for all of us today, is that he became

24. Kissinger so characterized himself, and the British people, in a public address at London's Chatham House, on May 10, 1982.

25. It is sufficient that it be noted here, that the destruction of Christianity, and also Judaism, were the principal immediate objectives of these existentialists, as of Prince Philip's World Wildlife Fund and “world religion” projects more recently. Heidegger's association with Tübingen University's “Liberation Theology,” and similar roles of Jaspers, and of Martin Buber (for Zionism), are notable. Notable is the fact, that Heidegger was by no means the originator of the influence of Nietzschean existentialism corrupting nominally Catholic circles in Germany; that current was already established at the beginning of the present century. Arendt's emphasis upon Kant is not exceptional; it is neo-Aristotelean influences within the churches, which were the flank exploited by those existentialists in their efforts to eradicate Christianity. The issue for these existentialist anti-Christians and anti-Semites, as for His Royal Anti-Christianness Prince Philip's World Wildlife Fund and “world religion” projects, is to eradicate that Mosaic conception of man's nature which defines men and women as made in the image of the Creator. There lies the explicitly satanic feature central to the existentialism of Jaspers, Heidegger, Arendt, Sartre, et al.

a convert, from empiricism, to neo-Aristoteleanism. He makes the same apology for irrationalism as the empiricists, such as Hobbes, but he makes it in an Aristotelean form. There lies his special influence, the special significance of his *Critiques*, the perniciousness of his influence, still today.

A summary of the relevant pages from modern history makes the distinctions clear. To understand the formal differences between “Dionysus” Arendt’s and “Apollo” Kant’s advocacies of irrationalism, one must situate those matters in their respectively different historical settings. I have given this account, frequently, in earlier published locations, but it must be said, to put Kant’s relevance for our discussion into focus, here.

Immediately following the sessions of the mid-Fifteenth-Century’s great ecumenical Council of Florence, the Venice-led feudalist factions of Europe launched a major counteroffensive against the work of that Council, and against the emergence of the first modern nation-state, Louis XI’s France, out of the radiating influence of that Council. The initial focus of the Venice-led attack was the targeting of Cardinal Nicholas of Cusa and his influence; this attack was steered by the neo-Aristoteleans of Padua, as typified by Pietro Pomponazzi and his student Cardinal Gasparo Contarini. Venice’s victory over the League of Cambrai, condemned all of Europe to a ferocious, Venice-led anti-Renaissance, to a virtual reign of inquisitional terror, imposed, first, by Padua’s Aristoteleans, and then by Paolo Sarpi’s Venice-spawned empiricists.

With the rise of the Anglo-Dutch monarchy to power, during the Eighteenth Century, the Enlightenment spawned by Sarpi’s and Abbot Antonio Conti’s empiricists, became the dominant political force within Europe, especially after those 1789-1815 events which transformed the leading nation of Europe, France, into a virtually British-occupied, third-rate power. The subsequent downfall of London’s sometime ally, Metternich’s Holy Alliance, established Anglo-Dutch empiricism as the intellectual force of evil to be beaten within Western civilization as a whole.

Originally, Immanuel Kant was apparently little more than a German-speaking British empiricist, a Leibniz-hating propagandist for David Hume. Over the course of the 1770s, Kant underwent a shift in loyalties; he distanced himself from the increasing emphasis upon British styles in “philosophical indifferentism” to be found in Hume’s evolving empiricism.²⁶ In this setting, Kant undertook a restatement of the same anti-Leibniz dogma which he had uttered ritually in his earlier incarnation as a British empiricist, but, as Hegel quips, this time from a neo-Aristotelean, rather than a simplistically empiricist standpoint. Thus, Kant became the founder of what became known as early Nineteenth-Century “German Critical Philosophy,” the environment of Kantian and neo-Kantian

26. This point is stated most clearly within Kant’s introduction to the first edition of his *Critique of Pure Reason*, and referenced with less precision in his *Prolegomena*.

Romanticism, in which the mind of Karl Marx, for example, was shaped.

During the late Nineteenth Century, various currents of outright satanism spread from Britain, onto the continent of Europe, finding a suitable habitat in those Vienna-Bayreuth connections which produced the influence of Richard Wagner, Ernst Mach, Anton Bruckner, Sigmund Freud, and the frankly satanic, Vienna theosophist’s publication, *Lucifer*. This was the environment which produced the Europe-

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wide cult of worship of the Emperor Tiberius as the anti-Christ, the theosophist revival of the Mithra cult, centered on the Alex Muenthe’s and Maxim Gorki’s Isle of Capri.²⁷ This part played by Capri was auxiliary to that played by old Venice, and by that nearby Duino castle of Torre e Tasso, where Rilke sojourned, and where mathematician Ludwig Boltzmann died mysteriously.

This epidemic of theosophical satanism among high-ranking influentials throughout Europe, is complementary to those Nineteenth-Century English devotees of Venice, at Oxford and Cambridge, whom we associate with the origins of the British Fabian Society, with the long reign of Edward VII in his roles of Prince of Wales and later King, and the emergence of the Round Table circles of Milner, MacKinder,

27. The coalition for victory assembled by Octavian, later Augustus Caesar, over the forces of Antony and Cleopatra, was negotiated with representatives of the Mithra cult at the Isle of Capri. In consequence, the Isle of Capri remained the personal property of whoever was Emperor of Rome, until about A.D. 500, when the Byzantine Roman Emperor transferred the title to a monastic order. According to archive records made available to me, the order for the execution of Jesus Christ was issued, from Capri, by the Emperor Tiberius to his personal representative, the husband of Tiberius’ ward, Pontius Pilate. Muenthe purchased the site of Tiberius’ palace, from which he established Capri as the world-capital of Satanism and homosexuality for the early Twentieth Century.

H.G. Wells, et al., as also the closely related circles of satanic figures such as Bertrand Russell and Aleister Crowley. This was a period, in which the ultra-decadent relics of Central Europe merged with high-ranking British degenerates, in seeking to bring about that kind of general, dionysiac destruction of the existing civilization which was demanded in the syphilitic rantings of Satan-worshipping philologist Friedrich Nietzsche.

The “Hitler Project,” to give the Nazi phenomenon its most aptly descriptive title, was of a pair with Georg Lukacs and such of his spiritual offspring of the “Frankfurt School” collation as Adorno and Arendt. All were, together with Britain’s Houston Stewart Chamberlain, of the same species as Oxford’s ultra-kookish John Ruskin, and Aleister Crowley. Once one has pointed out the essential common feature of the Hitler Project and the Frankfurt School, its foundations in dionysiac lust for destruction of the existing society, and the “Frankfurt School’s” influence in shaping the “march through the institutions of Germany” by the so-called “Sixty-Eighters,” one has begun, at least, to understand the use which Arendt chooses to make of old I. Kant.

Today, the significance of Arendt’s generation of “Frankfurt School” figures, is, that they provided the spores of a new cultural fungus which emerged during the post-World War II period, a new guise of satanism for the generation coming into adulthood during the 1960s and 1970s. This was the generation of university youth targetted for recruitment by the World Wildlife Fund of Britain’s Prince Philip and the Netherlands’ SS veteran, Prince Bernhard. As Prince Philip’s circles have explained, this so-called “ecological” initiative, like related projects for establishing a paganist “world religion,” was aimed at the destruction of civilization in the name of Satan herself, a.k.a. Gaea, Isis, Ishtar, Cybele, et al. Like the syphilitic Nietzsche, Arendt, Heidegger, et al., they, and such offspring of Philip’s World Wildlife Fund as the Club of Rome, were committed to going beyond everything Hitler visibly intended, to the total destruction of not only Judeo-Christian civilization, but everything which suggested civilized life, all in the satanic name of “nature.” For them, it was imperative to discredit the sterile formalism of Aristotle, almost as much as the creative genius represented by Plato.

Call the spawn of Prince Philip’s enterprise “the post-Nietzscheans.” This mephistophelean crew did not intend to reproduce a situation like that under Venice’s neo-Aristotelianism of the mid-Sixteenth Century feudal reaction, in which Aristotle was promoted as the philosopher of feudal conservatism, for the sake of defeating Plato’s influence. The American Revolution, and the world-wide impact of U.S. President Abraham Lincoln’s triumph over Lord Palmerston’s British Empire, had unleashed a mood of maddened desperation among the circles of Britain’s Palmerston-shaped Prince of Wales, later Edward VII. After the global impact of the industrial revolution launched from the U.S.A. during the 1861-1876 interval, Britain could not triumph over the

American Revolution within the framework of capitalism as Lord Shelburne, Jeremy Bentham, and Lord Palmerston had defined it. The enraged circles of the Prince of Wales and his followers, such as the satanic trio of H.G. Wells, Aleister Crowley, and Bertrand Russell, could be satisfied by nothing less than such satanic orgies of pure destruction as Britain’s launching of World War I, Hitler afterward, and the worse blight of today’s “New Age” after that.

For these enraged royal relics, and their lackeys, of the Babylonian, Roman, and Venetian oligarchical legacy, it was deemed necessary to tear up the roots, to destroy almost everything, in an effort to establish a modern science-fictioneer’s version of a global—perhaps even galactic—neo-feudalist, one-world empire. Britain’s orchestration of the processes leading into World War I, was the first step. The satanic moods spread among demoralized, enraged recruits to the so-called “Frankfurt School,” were, like the Nazis, typical of the next step toward chaos.

To understand the growth of Kant’s influence within the Germany of the Eighteenth-Century, empiricist “Enlightenment,” one must take into account the connection of pre-1783 France to Benjamin Franklin’s American Revolution, and must understand Kant of the 1780s and 1790s in light of the combined impacts of the American and French revolutions. To understand the actual Kant, one must see the contrasting situation, after Kant’s death, of Hegel and Savigny during the so-called “neo-Kantian period” following the Holy Alliance and the Metternichian Carlsbad decrees which defined Hegel as Prussia’s “state philosopher.” We must also take into account the entirely different, later, global circumstances of a period after the American victory of 1865, which shook, and threatened to totter London’s world: a new situation developed, followed by the change in the world resulting from the successful assassination of U.S. President McKinley by British agents, in 1901, followed by two World Wars and their nuclear-age sequel.

The Immanuel Kant of the *Critiques*, belongs to a specific period of history, a period with its own characteristics, a period of different characteristics than the pre-1776 period of Kant’s life and writings, and a period of different characteristics than that after 1815, that different than the world after 1865, that different than the world after that 1901 assassination of U.S. President McKinley, that different than the circumstances after 1918, and that different than the world after 1962-63.

Ideas can, and must be assessed in absolute, scientific terms, as they correspond, or fail to correspond, by crucial-experimental standards, to man’s relationship to nature in general terms. However, to account for the processes in which these same ideas are developed, or not developed, how they become popular, or not, and how they interact with social processes, we must pay close attention to the specific circumstances of the social processes within which the spread of, and reaction to such ideas are defined.

In absolute terms, considering any idea as it may reemerge in different historical settings, Kant was, and remains the evil irrationalist which Arendt admires him as being; but he was not a creature of Arendt's time. When she recognizes his irrationalism as a precedent which modern existentialists have adopted for their own purposes, she is correct. Beyond that point, her scholarship was wildly in error.

Kant's ideas were chosen and deployed by him, in his place and time, with the intent to influence the social and political circumstances which Kant imagined to exist, either during his life, or what he might have envisaged as his life's immediate aftermath. Thus, abstractly, academically Arendt may appear to be right about Kant's irrationalism, but he would have rejected the overtly satanic, Twentieth-Century standpoint which she attributes to him, retrospectively.

Kant would have rejected her view, doing so on the authority, admittedly not of reason, but as an affront to the arbitrary authority of what he regarded, with considerable emphasis on this point, as the custom of his time, of the historic specificity of that custom. On this point, Hegel's division of history into successive periods ordered by a "World-Spirit," and Savigny's notion of *Volksgeist*, are relevant references for any representative of the "German Critical Philosophy," reflections of the kind of occult irrationalism common to all of the Romantics of the late Eighteenth through mid-Nineteenth Centuries. From the standpoint of Romantics such as Kant and Hegel, Arendt belongs to a different time, expresses a *Volksgeist* of a different, nihilist age, the "New Age," an age of destructive perversion for its own sake.

Nonetheless, hers could not be popularly regarded as an unusual error among the classroom customs of these present, degenerate times of academic "speech codes," when perversion for its own sake runs amok. The revival of pro-Kantian apologetics during the post-1918 period, belongs not to Kantianism—the Age of Pisces, but to the age of satanism—the Age of Aquarius, to a time when Arendt dragged Kant's literary corpse out of that poor wretch's grave; it was her necromancy which called up his rotting old bones, to clatter them, to serve the cause of contemporary satanism. The satanism which Arendt and her co-thinkers impute to Kant, is nothing other than what they have chosen to attribute to his remains, when he is no longer in a position to protest.

Sometimes, it is indispensable to view a stubbornly fixed strain of culture in the man, as an entomologist might study the apparently instinctive, fixed "opinion-making" behavior of a species of bug. As a species, or variety, the bug-in-itself, such as the philosophy of Kant's *Critiques*, or of existentialists, resists those changes in its nature by means of which it might prosper as a type. This resistance to change—to healthy directions of self-development—constitutes its bug-likeness, the quality which sets it outside the domain of human nature.

The lesson to be learned from the fact that the possibility, that such poisonous sophistries as those of either a Kant or an Arendt, could be accepted as customary opinion among

widely influential strata, should remind us, that the biggest, worst, most self-destructive lies, are always those which have become accepted as customary opinion.

Again: Such a resistance to change of species-like axioms of behavior, should remind us, painfully, of the entomologist's experimental subject, the bug. It is always in the name of customary, or "popular" opinion, that nations and entire cultures perpetrate their worst crimes against humanity. Such

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bug-like cultures are eerily inhuman; they can not adapt to what is, for them, an alien reality; they prefer their pre-existing customs, even if these consign them to doom. A failed culture customarily blames its failures upon its toleration of beliefs and behaviors it considers alien to its custom; the ugly truth is, that it is a nation's thus bug-like adherence to its own pre-established, popular beliefs, not its unpopular ones, which condemns a society to a species-like kind of self-destruction.

The kind of existentialism which Arendt represents, is the worst, most pernicious form of popular opinion, under which the very worst crimes against humanity, are those actions most likely to be perpetrated. Remember, Nazism itself was nothing but a variant of the same type of existentialism which Arendt herself, like her sometime lover, and Nazi philosopher, Martin Heidegger, also represented. Remember, from comparing expressed public opinion in Germany, on the subject of Nazism, in 1932 and 1934, that popular opinion tells

us less about what a people believes is truthful, than what the typical citizen thinks it prudent to be overheard believing.

Admittedly, existentialism of the Nazi and “Frankfurt School” varieties, is one of the relatively extreme forms of moral degeneracy; nor, prior to Hitler’s appointment as Chancellor, was it prevailing belief in Germany. Yet, on account of the fact that it tends to exist only as an extreme and minority viewpoint, the spread of existentialism in Germany, during the 1920s and early 1930s, is all the more relevant as a subject of clinical investigation: it is the disease which spreads widely

These, Kantians or existentialists, are abnormal, defective cultural strains, which have suppressed in themselves those qualities for adaptation which distinguish the human species from the bug-in-itself. These are creatures which have chosen to reject what is rightly called “human nature,” the nature of a creature made in the image of the Creator.

only in its most virulent forms. Yet, on just this account, we may cite the hopeful fable: “It is an ill wind that blows nobody good.” It were better said by Leibniz: This is the best of all possible worlds, a world in which disgust for Voltaire may promote otherwise neglected virtues. The evil which Arendt represents, points our attention to the perniciousness with which the contemporary, prevailing tyranny of “Big Brother,” of public opinion, threatens the continued existence of civilization today. The stagnation and suppression of economic science by today’s New Age fads, may prompt the immune reaction which destroys the fads’ influence. The induced influence of expressed public opinion and matching bad taste, in Germany then, or the U.S.A. today, is an excellent, and most relevant case of a type of evil which may, with some help from us, bring about the conditions for its own doom.

The existentialist is, thus, like a species of bug, clinging hysterically to fixed patterns of ostensibly “instinctive” behavior; therein lies its vulnerability, *on condition that we exploit that vulnerability*. The Kantian is a higher form of life than existentialists such as Arendt, but also avows the same fatal, bug-like quality of irrationalism, of customary cognitive sterility. The same vulnerability inheres in today’s devotees of “post-industrial” utopia, of “free trade,” and “globalization.” These, Kantians or existentialists, are abnormal, defective cultural strains, which have suppressed in themselves

those qualities for adaptation which distinguish the human species from the bug-in-itself. These are creatures which have chosen to reject what is rightly called “human nature,” the nature of a creature made in the image of the Creator. Since they, although victims of such degraded customs, are, nonetheless human, they have qualities by means of which their culture might choose to survive in a better form; if they refuse that choice, the mechanisms of opinion which cause them to reject that choice, to rather cling to fatal habits of opinion-making, demonstrate that these habits are pathologies in the same sense as a cancer, or other ostensibly terminal disease of living tissue.

Science and human nature

The essence of physical science, is that the individual human being is distinguished from all other species, by those willfully developable qualities of creative mentation, which account for the generation of all validated discoveries of efficiently applicable physical principle, and also principles of Classical artistic composition. The human individual is not naturally bug-like, nor like any lower form of life; culturally decadent, or not, he represents no type of species but, at worst, a morally sick man.

This fact of actual human nature, has always been in direct, and irreconcilable opposition to any social order in which one set of persons, as oligarchs and their lackeys, hold, usually, a larger number of other people in the status of virtual human cattle. Once it is admitted to be a fact of natural law, that truth exists for man, only as mankind discovers, proves, and adopts principles by means of this creative mental faculty, then it should be clear, that no notion of social order *should* be tolerated which conflicts with that scientific proof of the universal nature of the human individual. Nonetheless, all persons who have chosen to be either oligarchs, or oligarchs’ lackeys, will abhor, and seek to suppress, as the London-directed, evil conspirators behind the short-lived U.S. Confederacy did, any body of practice which is viewed as a threat to the social relations premised upon holding some people as virtual human cattle.

As we have indicated, a moment ago, in referring to 1920s and 1930s existentialism as largely a superimposed belief: oligarchs and their lackeys can not establish durable tyrannies, merely by force applied from above. Such force will have a durable effect, only if it is tolerated by the corruption of the oppressed themselves.

In effect, durable tyrannies are those Orwellian tyrannies, in which the ruled put their rulers’ shackles on not only their own minds, but those of their neighbors, each morning upon arising. To induce a man to accept degradation to the status of a chicken or a cow, you must induce him to risk much to defend, as his imagined self-interest, that status and culture of which he believes to be the natural rights of such a chicken

or cow. A successful tyranny is one in which the culturally acquired instinct of induced popular opinion, impels the victim to defend the system of tyranny within which he lives; even in those same moments he complains of the behavior of the tyrant, he will demand, even forcefully, that his fellow-victim not disturb the arrangement with the oppressor. A successful tyranny is one the victim is loathe to escape, lest he might lose the hard-won real or imagined benefits he believes himself to have gained under the rules of that regime. The empiricists' notion of a democratic "social contract" typifies such cupidity of such victims.

These rules defining the tyrants' relatively successful, or unsuccessful manipulation of virtual human cattle, are not mere generalities. These reflect deep principles, scientific principles, underlying such pathetic behavior by such apparently willing victims. These considerations go to the heart of the topic we identified at the outset of this report.

Those considerations are of two types. First, they are derived directly from the fundamental principle of economic science itself. Second, they express the way in which a pathological misapplication of the principles of that science, whether by intent, or otherwise, may induce chicken-like or cow-like tendencies for submission among the relevant virtual human cattle. The way in which populations of prospective science-graduates are "brainwashed" by fear of losing their standing according to the rules of "generally accepted classroom mathematics," illustrates both types of considerations in a single case.

That said, now let us describe the science which provides us the alternative.

I have repeatedly stated the principled features of my discoveries, including repeated references supplied in recently published locations. Therefore, in this present instance, it were timely, sufficient, and would help the readers' concentration on the specific topic at hand here, to summarize, once again, the principled features of my discoveries in physical economy, and related principles of human nature, point by point.

1. The structure of conscious creative mentation

The architecture of the conscious thought of an individual's cognitively cultivated mind, may be defined summarily as follows.

a. The *primary* individual elements of such conscious thought are principles, such as validated individual physical principles. These principles are of two meaningfully distinguished types, physical principles and principles of Classical artistic composition in art, the latter defined as generated and interacting in the same type of manner as physical principles.

b. These principles form a multiply-connected, hypergeometric manifold, in the sense that Carl Gauss and Bernhard Riemann define such manifolds. Within such a manifold, each element interacts with other elements in the same way Johan-

nes Kepler defines the interactions among planetary orbits, as located *primarily* in the interactions among the entire array of orbits as such (rather than orbits being defined as products of action-at-a-distance among individual bodies within the system as a whole). I designate the presently *implicitly* known number of physical principles by the conventional symbolic number "n," and the corresponding number of principles of Classical artistic composition by the symbolic number "m." Combined, and interacting, these define a multiply-connected manifold, of implicitly Riemannian form, "n+m."

An apt choice of example of the form of action in such a manifold, is the type of motivic thorough-composition developed successively by Joseph Haydn, Wolfgang Mozart, Ludwig van Beethoven, et al., on the basis of those notions of well-tempered polyphony and counterpoint derived from the work of J.S. Bach. Bach's *A Musical Offering*, which provided Mozart the most crucial starting-point of reference for this method of motivic thorough-composition, is one benchmark for this development. The principles of inversion presented by Bach's *The Art of the Fugue*, as examined by Beethoven, represent another crucial benchmark for understanding this method of polyphonic composition. Crucial is, that all actually heard and otherwise implied voices in the composition, interact in the same sense Kepler defines the interactions among planetary orbits as such.

The same principled character of Classical artistic composition, is exhibited by Classical poetry, from which Classical musical composition is entirely derived, and in the thorough-composition of Classical Greek tragedy, and the tragedies developed by Shakespeare and Schiller in modern times.²⁸

2. The content of principles

The content of each principle in such a manifold, is provided by the mode in which validatable discoveries of universal principle are generated by the perfectly sovereign cognitive processes of the individual human mind. The definition of each principle is associated with three steps:

a. The existence, in reality, of an undeniable inconsistency, or incoherence, for which no formal solution exists in terms of previously established principles.²⁹

b. The generation of a tentative solution, a solution stated in the form of a discovered new principle, a mental act occurring only within the sovereign precincts of the individual's cognitive processes, a mental action which can not be communicated as information, but whose replication can be induced, with more or less great precision, within other sovereign individual minds.

28. The notable opposition to these views on music and tragedy is typified by the cases of the proto-Nazi existentialists Richard Wagner and Friedrich Nietzsche. Typical of Nietzsche's Romantic irrationalism, is his infantile assertion that music is rooted in the dance. On such matters of art, Nietzsche amuses himself by ridiculing Kant, but fears and hates Friedrich Schiller.

29. e.g., a Classical metaphor.

c. The rigorous experimental form of validation of the newly discovered principle.

The relevant act of discovery of a new principle, occurs through what is more easily recognized after the fact, as the “mental energy” of concentration, out of which the validated solution was generated (or, the discovery was reexperienced, as by a student). This “mental energy” is of the quality associated with the use of the Platonic form of the Classical Greek term *agapē*, as by Plato’s Socrates, in Book II of *The Republic*, and as by the Apostle Paul in *I Corinthians* 13. It is most fairly described as that *passion for truth and justice* associated with the experiencing of a discovery of validatable physical or Classical-artistic principle.³⁰

This quality of passion is associated with the Socratic method of Plato’s dialogues, and with the reflection of that same method in the Schiller-Humboldt policy of Classical-humanist modes of education. This quality of passion, *agapē*, is intrinsic to creative discovery of validated physical principle; it is the quality of passion which provides the substance of Classical artistic forms of composition and performance.³¹

This quality of passion, so defined, is the empirical actuality of the individual cognitive processes which sets the human individual absolutely apart from, and above all animal species. This is the elementary expression of what is rightly termed *human nature*, as distinguished from the nature of any and all animals.

3. Learning is not knowing

The act of knowing, as distinct from mere learning, occurs only in the form I have described for the act of validatable discovery of principle, above. In other words, we should condemn, as fraudulent, any program of education, which teaches “information,” rather than requiring the student to relive the experience of generating for what is, for that student, an original discovery of a new, validatable, physical or Classical-artistic type of principle.

Thus, in the Classical-humanist mode of education, the student learns virtually nothing other than reliving, within the sovereign processes of the student’s own cognitive processes, a large number of physical and artistic principles, one by one, using, in each instance, the three-step method of cognition which I have indicated above.

In this educational process, whether in classroom or private study, the student accumulates a justified sense of certainty (e.g., truthfulness) of a number of principles. This accumulation of principles forms a kind of lattice-work, reflecting thus the fact that every new principle acquired so, has been generated as a validatable solution for paradoxes posed in

30. In this Platonic usage, “justice” signifies a solution consistent with fostering the development of the truth-seeking cognitive powers of all human individuals.

31. Lyndon H. LaRouche, Jr., “The Substance of Morality,” *Executive Intelligence Review*, June 26, 1998.

respect to previously mastered principles. This functionally integrated “lattice-work” represents, then, the student’s *knowledge* at any point in the individual’s educational and related development.

That brings us to something of far more importance to be said on this matter. The experience of generating this lattice-work of cumulatively known principles, is the student’s growing intimacy with his, or her own creative mental processes. This experience has two types of features, each feature interacting with the other, both always interdependent.

a. The lattice is of the quality of a multiply-connected manifold, such that the entirety of that interacting, interdependent array is acting, as a unified intellectual force, on each problem to which it is summoned.³² The efficient connection among principles, which permits this lattice to function as a multiply-connected manifold, is established only through the generation of each known principle in a Classical-humanist or equivalent mode.

b. The principle of action, by means of which the solution to the paradox is generated, is not an object of the senses, and can neither be known as, nor represented as if it were an object of the senses. It is known only as a mental object, an object of the process of generating cognitive solutions (discoveries of principle) for well-defined paradoxes.³³ However, otherwise, this principle of creative mental action becomes better known, more reliable, through experience. The relevant quality of experience required for this effect, is the experience of expanding the lattice-work of principles through methods equivalent to the Classical-humanist mode of education.

This form of education is also to be regarded as moral education. “Moral” does not signify shibboleths, a list of “do’s” and “don’ts.” As the Apostle Paul condemns the Pharisaical moralists, in *I Corinthians* 13, moral instruction means nothing other than *agapē*: the quality of passion which drives one relentlessly to seek out truth and justice in all matters. “I

32. Contrary to a widespread delusion, neither “fractals” nor “random number theory” define the meaning of “non-linear.” The first approximation of the notion of true “non-linearity,” is found in the results of the attempt to map a spherical surface, for example, simply to a plane surface. The treatment of the so-called five Platonic solids by Plato’s Academy, is an example of this. Nicholas of Cusa’s definition of a circle as of a higher order of cardinality than irrational numbers, points to that same issue, as does the work on Platonic solids by such Cusa followers as Pacioli, Leonardo, and Kepler. The more general expression of “non-linearity” is associated with the Kepler-Leibniz-Gauss-Riemann hypergeometries of true multiply-connected manifolds, for which, in every case the characteristic action in the infinitesimally small is always non-linear. The latter is the fact which discredits axiomatically Augustin Cauchy’s limit theorem.

33. Physical reality is not located in the individual sense-perception as such, but, rather, in those changes in human mental behavior which result in the increase of mankind’s power over nature (e.g., reproducible potential relative population-density) per capita and per square kilometer of the Earth’s surface. It is the type of mental action which generates results in this direction which is the physical reality of cognitive experience, as distinct from the false notion of “physical reality” associated with Aristotelean or other merely contemplative views of individual sense-perceptions.

never claim to know anything, when I have merely learned it as ‘information,’ or by simple personal experience.” I must know it according to the standard of truthfulness and justice associated with validated cognitive knowledge of principle. That, and that alone, is moral education; only a Classical-humanist mode of education, is a moral education. Other forms of education, are immoral, since they are governed by no human principle of relentless commitment to scientific truthfulness.

4. The function of Classical artistic composition

Most people today are morally defective by virtue of their induced, moral and intellectual “littleness,” their selfishness, their lack of the equivalent of a Classical-humanist mode of education. In consequence of their ignorance, most people locate their idea of self-interest as did those Nineteenth-Century **wretches** called “Scottish moral philosophers,” such as David Hume and Adam Smith. In the words of the Smith thus self-described as morally degenerate:

“The administration of the great system of the universe . . . the care of the universal happiness of all rational and sensible beings, is the business of God and not of man. To man is allotted a much humbler department, but one much more suitable to the weakness of his powers, and to the narrowness of his comprehension: the care of his own happiness, of that of his family, his friends, his country. . . . But though we are . . . endowed with a very strong desire of those ends, it has been intrusted to the slow and uncertain determinations of our reason to find out the proper means of bringing them about. Nature has directed us to the greater part of these by *original and immediate instincts. Hunger, thirst, the passion which unites the two sexes, the love of pleasure, and the dread of pain, prompt us to apply these means for their own sakes, and without any consideration of their tendency to those beneficent ends which the great Director of nature intended to produce by them.*”³⁴

What Smith so describes, is a crude superstition, an echo of his predecessor, the satanic Bernard de Mandeville. Like Hume, Smith’s little man relies upon what he asserts to be an unknowable principle, a principle alleged to be producing wonderful effects by some means, and in some way inaccessible to his own comprehension. That means is known to him only as the “hedonistic principle” of Thomas Hobbes et al. Thus, Smith and all of his followers define themselves as lunatics, as superstitious, heathen worshippers of an occult

statistical principle. The same “hedonistic principle” is otherwise familiar from Thomas Hobbes, John Locke, from Mandeville’s *The Fable of the Bees*,³⁵ or from Jeremy Bentham’s *Introduction to the Principles of Morals and Legislation*.³⁶

The source of the influence of the wicked superstition of a Mandeville, an Adam Smith, a Friedrich von Hayek, or a Milton Friedman, lies within the personal moral depravity of the person who believes such trash as Smith’s. Such depraved, e.g., empiricist, belief, is motivated by passions of a quality directly opposite to *agapē*, by those piggish passions, such as those of Sir Henry A. Kissinger’s May 10, 1982 Chatham House address, rooted in the Hobbesian’s particular sense-impressions, rather than cognitive judgment. These are people whose motivating, morbid misconception of personal self-interest corresponds to nothing which is not essentially perverse and bestial.

This point is best demonstrated from the vantage-point of those principles of Classical-humanist education we have referenced above. The lattice-work of principles defined by such a method of education, defines the relationship between a student and an original discoverer, as implicitly a relationship located within what philosophers have defined as a simultaneity of eternity: the student lives in the discoverer’s time, and the original discoverer’s moment of creative thought lives still, and that efficiently, in the present time, through the student. Nothing occult is assumed; everything is comprehensible. Two crucial moral principles are illustrated by that example. First, our present relationship to past and future, exists in terms of our cognitive generation, and regeneration, of those ideas which correspond to validated discoveries of principle. Second, our personal, world-historical identity exists, morally, in our present, *cognitive* connection to both that past and that future.

How, then, should we view the person who defines his notion of personal self-interest, and corresponding motivation, as Smith prescribes? That person is a caricature of a human being, a rutting Yahoo, with the outward form of a human being, but the morals of a monkey masturbating publicly, in the cage at the zoo. Ah! But we are rebuked, “But, that is the way that man chooses, freely, to define his self-interest!” Who are we, to be so tasteless, as to question the opinion of a man who makes a monkey of himself?

We must see the moral implications of a Classical-humanist form of education from this standpoint. It is only through replicating the validatable discoveries of principle from the past, and defining our relationship to the future in that same perspective, that an individual has a conscious, efficient, and general relationship to both past and future members of humanity. Only through that kind of efficient and conscious

34. emphasis added. Adam Smith, *The Theory of Moral Sentiments*. The passage is as quoted in Lyndon H. LaRouche, Jr. and David P. Goldman, *The Ugly Truth About Milton Friedman* (New York: New Benjamin Franklin House, 1980), p. 107.

35. Bernard Mandeville, *The Fable of the Bees, or Private Vices, Public Benefits* (London: 1934, reprint of 1714 edition).

36. Jeremy Bentham, *Introduction to the Principles of Morals and Legislation* (Buffalo, N.Y.: Prometheus Books, 1988).

social relationship, can the individual define a rational notion of personal self-interest. Furthermore, it is only as the individual recognizes the essential social relations to be of this form, that that individual is capable of a sane definition of his, or her own identity. Otherwise, in functional terms, he or she is no better than a poor *Golem*, with no soul.

Here lies the essence of Classical artistic composition.

Our portrait of the individual human mind, locates the essence of the human personality within the sovereign bounds of those cognitive processes in which insights into validatable solutions for ontological paradoxes are generated. No direct communication, as by gestures, language, and so on, between such sovereign processes of one individual, and the same quality of sovereign processes of another, is possible. As the impending bankruptcy of the Internet's hyperinflated financial bubble, will soon illustrate that point, no cognitive, productive communication in the form of mere so-called "information" is possible.

Nonetheless, we can induce such a state of discovery of principle, which has occurred within our own mind, within another person's. We do this, by appropriate forms of prompting action, prompting the other person to undergo the same creative process we have experienced within our own mind. That Socratic type of prompting action is typified, by the polemical methods of Classical-humanist education.

Thus, the class of actions associated with the replication of the act of a validatable discovery of principle, is the most important, and the only distinctively human form of transaction among human individuals. Any behavior which is controllable by methods of drill and grill, or other mere learning, is not human in and of itself, although it might be, in some particular instances, a necessary auxiliary to an actually human form of action. Thus, the most essential relations among persons, are those which pertain to those modes of indirect communication effected by inducing replications of sovereign cognitive experiences, as we do in successful application of methods of Classical-humanist education. In general, we may say of this, that the power to prompt others to generate what are, for them, validatable discoveries of principle, is the only essentially human form of relationship, the form of relationship which pertains most directly to that human identity which is located, for each individual, within the set of relations pertaining to the simultaneity of eternity.

This special quality of relationship, among individuals' respectively sovereign cognitive processes, is an impassioned relationship. The passion is of that quality we have associated with *agapē*. This quality of passion is pivoted on those issues of truth and justice which pertain to principles, such as physical principles, but also the principles associated with Classical forms of artistic composition.

However, the passion involved is concerned with not merely the physical principles governing the individual's interaction with the universe. The primary concern is communicable insight into the workings of the minds of other human beings: in other words, artistic principles. The ability to con-

ceptualize such insights, within the sovereign cognitive processes of other individuals, and to provoke thus their intended effect, as communication of principled ideas, provides the essential integument among individual persons, without which mankind's physical relationship to the universe could not be an anti-entropic one.

The entirety of art, so viewed, depends absolutely upon an underlying and overriding commitment to truth and justice—motivation by the passion of *agapē*. Nothing false can be decently described as art; no form of artistic composition which is not governed pervasively by a commitment to say nothing which is not true *in principle* deserves the dignity of being treated as art.

5. History as science

A reflective study of Classical tragedy, as the tragedies of Aeschylus, Sophocles, Marlowe, Shakespeare, and Schiller best typify the medium, taken together,³⁷ shows us a direct connection between Classical artistic composition and history. Think of the mastery of the subject of history as a Classical art-form. Incorporate within the domain of this art-form, the subjects of physical science in general, and physical economy in particular.

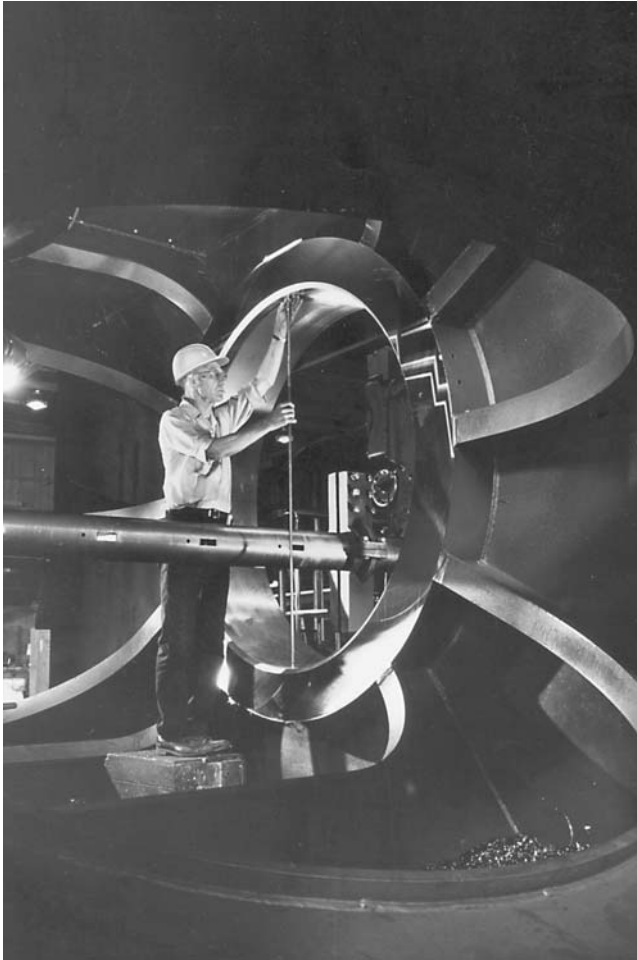
Putting these together in this multiply-connected way, we have all of the aspects of statecraft incorporated under history, and history subsumed by the notion of Classical artistic composition in general. So viewed, and so practiced, the competent mastery of the subject of history, is a product of Classical artistry, which is also science in the strictest meaning of the latter term.

6. The Machine-Tool Principle

For the modern science graduate, oriented to experience with both pedagogical and research experiments, the general idea of a machine-tool principle is perhaps a bit too obvious. As an integral part of his 1792-1794 revolution in warfare, Lazare Carnot introduced his principle of machine-tool design to forced-draft mass- and series-production of weaponry and other relevant impedimenta of warfare and its logistics. These principles were introduced into the U.S.A., beginning 1814, by collaborators of the circles of Carnot and Gaspard Monge. These principles were adopted as a central feature of the U.S. West Point Military Academy, and engineers educated by West Point established the foundations for what became the U.S. agro-industrial revolution of 1861-1876. Thus, the machine-tool industry was born, and given its initial development.

That U.S. industrial revolution, copied by Germany, Russia, Japan, and other nations, beginning the late 1870s, has been responsible for all of the leading economic achievements of modern industrial development.

37. And these also taken together with the Classical (satirical) comedy of a Euripides, Boccaccio, François Rabelais, Miguel Cervantes' *Don Quixote*, and Shakespeare.



A machinist checks the dimensions of a part for a walking dragline. "The principles of machine-tool design developed by Lazare Carnot, were introduced into the United States in 1814. Engineers trained in these principles at West Point Military Academy established the foundations for what became the U.S. agro-industrial revolution of 1861-1876. Thus, the machine-tool industry was born, and given its initial development."

From this simpler picture of the process, the connections involved are represented by three successive steps, these including the same process of discovery to which we referred earlier, here. First, there is the paradox which leads to the discovery of a (for example) new physical principle. Second, an apparatus must be designed which provides crucial-experimental tests of the validity of this assumed discovery. Thirdly, from the refined design of such a successful crucial-experimental apparatus, we adduce principles of application of the discovered principle, principles of application we call "technologies," applied to designs of products and productive processes.

In its broader terms, as Lazare Carnot first elaborated the principles of machine-tool design,³⁸ he revolutionized the no-

38. Lazare Carnot, "Essai sur les machines en général" (Essay on Machines in General), 1738. See Dino De Paoli's Nov. 21, 1998 address to a conference

tion of modern economy, picking up from where Leibniz's continuing work on the general principle of heat-powered machinery was interrupted, in effect, only by Leibniz's death. After Carnot, the notion of industrial progress in design of products and productive processes, must trace the origins and application of technological progress from a Classical-humanist approach to education (Carnot's Oratorian-shaped approach to the principles of education), through crucial-experimental proof of principle, through the refinement of the application of the principle according to considerations of design of heat-powered machines, and to the improved design of products and production processes.

Carnot's work carries the principles of the American System of political-economy beyond U.S. Treasury Secretary Alexander Hamilton's emphasis upon "artificial labor," to an implied set of inequalities governing policies for school-leaving age, levels of household culture, increasing roles of pedagogical and research laboratories and experiments, and the increasing weight of a machine-tool-design industry, as such, within the total division of labor within production, physical distribution, and basic economic infrastructure's development and maintenance.

After the successive work of Leibniz, Benjamin Franklin, Hamilton, and Carnot, in launching the industrial revolution, these principles of division of labor in education, research, machine-tool design, and output-ratios generally, are the foundation for any competent education of economists, engineers, and industrial management in the modern world.

When we turn our attention to some of the implications of such experimentation, matters are not quite so simple as a first glance at Carnot's work might suggest to the unwary. For our purposes here, we are obliged to focus on the apparent subtleties lurking behind what might seem the more obvious. We shall identify the nature of these deeper implications, now, and indicate their relevance for national economic policies, under the rubric of "anti-entropy," in the next-following section of this report.

To understand the underlying implications of Lazare Carnot's discovery and development of that machine-tool principle upon which the success of modern industrial economy depended absolutely, we must think of "energy" as Lazare and Sadi Carnot thought of "energy," not the reductionist hand-waving offered by Clausius, Grassmann, Kelvin, Rayleigh, et al., later during the Nineteenth Century. To define the mental framework within which the economist's under-

of the Schiller Institute at Bad Schwalbach, Germany, on Carnot's development of principles of machine-tool design, "Carnot's Theory of Technology as the Basis for Physical Economy" (to be published in a forthcoming issue of *EIR*). For a more refined insight into Carnot's work on machine-tool design, it is virtually indispensable to see the connections to Carnot's work on military fortification, as a generalization of the Leibnizian principle of "geometry of position" (i.e., *analysis situs*): Lazare Carnot, *De la défense des places fortes*, (Paris: Mme. DeCourcier, Libraire pour les mathématiques, 1812); the work was also translated into English in 1814 as, *Treatise on the Defense of Fortified Places*.

standing of the machine-tool principle must be situated, we must view the crucial, distinct contributions of both Lazare Carnot and of Carl Gauss from the standpoint of Kepler, as Leibniz's notion of the Kepler calculus, and of the related notions of *analysis situs*, bear on the distinct but complementary contributions of Lazare Carnot and Gauss.

For the scientifically literate popular reader, the best currently available pedagogical introduction to the point now to be made, is provided by a special, Summer 1998 issue of the quarterly *Fidelio*. That publication features the collaboration of Dr. Jonathan Tennenbaum and Bruce Director, "How Gauss Determined the Orbit of Ceres."³⁹ Here, we shall summarize the bearing upon the machine-tool principle, relying, for purposes of relative brevity, largely upon referring the reader to that pedagogical exercise for further background.

As we indicated here earlier, the distinctive ideas about geometry which emerged from among the best scientific minds of the Nineteenth Century, began with Classical Greek attention to the implications of attempting to map a spherical, or spheroidal surface simply to a plane surface. This problem was posed, from Classical Greek times, through the Nineteenth Century, by the functional interdependency between astrophysical and geodetic problems of mapping, including the interrelated problems of oceanic navigation. In Classical Greek times, the high-point of this line of investigation into geometry, was the subject of the five Platonic solids. It was at that point in the continuing investigation of such matters, with the launching of modern experimental physical science by Nicholas of Cusa, that modern science began. This standpoint in the work of Cusa, as explored further by such as Pacioli and Leonardo, brought science to the first effort to establish a general mathematical physics, the work of Johannes Kepler.

However, although all sensitive scientific thinkers recognized that the notion of geometry must not be based upon what the modern classroom often calls a Cartesian manifold, modern physics continued to be plagued by the generally accepted, superstitious classroom belief, belief in a merely conjectural, occult universe, in which elementary forms of action in space and time, moved, primitively, infinitely, and infinitesimally, in perfect straight-line action. It was not until Gauss follower Bernhard Riemann's restatement of the case for non-Euclidean geometry, in his 1854 habilitation dissertation, that arbitrary, axiomatically linear, notions of elementary space, time, and matter, were officially, sweepingly, and openly outlawed by a leading, influential scientific thinker.

Even today, most thinking about physical science, especially popularized opinions on these matters, clings to the Seventeenth-Century axiomatic superstitions of the Cartesians. The characteristic expression of such superstition, from

Newton through Euler, to modern charlatans such as Bertrand Russell, Norbert ("information theory") Wiener, and John ("systems analysis") von Neumann, is the so-called principle of Augustin Cauchy's "limit theorem," the occult presumption, as by Leonhard Euler, that physical action in the universe is axiomatically linear in the infinitesimally small. Virtually all generally taught classroom economics is premised, still today, upon those same barbaric superstitions. In most of today's university economics classrooms and business schools, the same Cartesian delusions of Isaac Newton, are worshipped as Dr. Samuel ("Samiel") Clarke's god, who, from time to time, winds up the universe.

In this immediate location, our attention is limited to one aspect of the contemporary problems caused by such Cartesian and related superstitions of the academic classroom: the issues bearing immediately on the economic principles immediately associated with the machine-tool principle and its application. As the reader will discover, we address this problem with emphasis on the importance of a recent, Earth-shaking policy declaration, delivered at Russia's famous Novosibirsk science-city, by China's President Jiang Zemin.

Kepler's discovery, that the orbit of Mars was elliptical, rather than circular, led him, and his follower Leibniz, to recognizing the general problem of adducing the non-constant trajectories of celestial bodies, from relatively infinitesimal observed intervals of those bodies' trajectories. This challenge defined the need for the development of what became Leibniz's calculus. This is the same challenge addressed by Gauss, in discovering that the orbit of Ceres was of the same characteristics which Kepler had already assigned to a missing planet of the Solar system, whose orbit lay between those of Mars and Jupiter.⁴⁰

The entire sweep of Kepler's work, through his *The New Astronomy*,⁴¹ was dominated by Kepler's recognition that there was a relationship between the ordering of the Solar system's orbits, and the internal ordering of the five Platonic solids as a series. This standpoint Kepler never abandoned, contrary to some commentators who have argued, groundlessly, that this standpoint was abandoned at a later point. This view of the Solar system as such a system, is underlined by two features of Kepler's later progress: 1) The emphasis upon the harmonic characteristics of the elliptical orbits, relative to a common Solar focus; 2) That Kepler himself did not fall into the fatal three-body paradox of Newton's effort to reinvent "Kepler's Three Laws" from the fallacious standpoint of Galileo's empiricist, "action at a distance" hoax. Kepler emphasized that the orbits of the planets interacted as orbits, not as trajectories determined by action-at-a-distance forces among individual orbiting bodies.

Thus, already, Kepler's astrophysics was based on that

40. Tennenbaum and Director, op. cit.

41. Johannes Kepler, *New Astronomy*, trans. by W.H. Donahue (Cambridge, U.K.: Cambridge University Press, 1992).

39. *Fidelio*, Summer 1998.

notion of a hypergeometric, multiply-connected manifold, of the type later developed, successively, by Gauss and Riemann. Leibniz's development of a calculus in which the infinitesimal interval of characteristic action of a trajectory is intrinsically one of non-constant curvature (i.e., axiomatically non-linear), is derived from examination of the implications of just such a Kepler-Gauss-Riemann development of hypergeometric, multiply-connected manifolds.⁴²

Since Lazare Carnot's treatment of the geometry of position, did not extend treatment of Leibniz's design for a calculus of the infinitesimally small interval of action, to the scope of Gauss's and Riemann's later work on *analysis situs*, Carnot's development of the machine-tool principle remains only an extremely fruitful approximation, until the considerations added by Gauss and Riemann are taken into account. To generalize the principles of machine-tool design to the degree needed for today's applications to physical economy in general, the Gauss-Riemann work on physical geometries of Keplerian multiply-connected manifolds, must be added.

21st Century Science & Technology and Germany's *Fusion* magazine have pursued an exemplary demonstration of the significance of what I have just said, in their presentation of the work of Gauss and his collaborator Wilhelm Weber on the subject of the Ampère angular electrodynamic force measured by Weber, and willfully ignored by Maxwell.⁴³ In connection with the point, on the principles of machine-tool design, which I have just emphasized, above, we must consider the fact that the angular force of Ampère et al., grew out

42. One must judge thus the merits of Abbot Antonio Conti's, Samuel Clarke's, and Isaac Newton's claim, that Newton had developed a calculus independently of, and prior to Leibniz. First, Newton never claimed to have discovered a method which has any similarity to a calculus of the characteristics just described, above. Second, the attempt to defend Newton's worthless claim, as against Leibniz, has always been based on the purely superstitious assumption of the empiricists, of Euler, of Cauchy's "limit theorem," et al., that an infinitesimal interval of a functional trajectory is either intrinsically linear, or may be treated as linear. It was Descartes enthusiast Antonio Conti's insistence that elementary action in the universe must be linear in the infinitesimally small, which was the hoax employed to argue that Newton's fiddling with simple infinite series formed the basis for a calculus. This was also the basis for the hoax concocted by the Newton follower Euler, later, in his attacks on Leibniz's calculus of non-constant curvatures. In any actual calculus, that of a hypergeometric (multiply-connected manifold) domain, such as the Kepler-Gauss Solar system, the characteristic interval of action of a trajectory is always of intrinsically non-constant curvature (i.e., categorically non-linear). This "non-linearity" is expressed as the specific curvature of an orbital physical-space-time trajectory, to such effect that, as Gauss showed for the orbit of Ceres, that curvature is specific to that orbital or kindred type of trajectory. Hence, from a relatively infinitesimal interval of such an orbit, the entire orbit can be adduced, as Gauss did for Ceres.

43. See Laurence Hecht, et al., "The Significance of the 1845 Gauss-Weber Correspondence," *21st Century Science & Technology*, Fall 1996; pp. 21-43; in *21st Century Science & Technology*, Spring 1997: Dr. Rémi Saumont, "The Battle Over the Laws of Electrodynamics" (pp. 53-60), and Dr. Jonathan Tennenbaum, "Demonstrating Gauss and Weber's Magnetometer" (pp. 61-62). See also Jonathan Tennenbaum, "Die elektrodynamische Revolution von Gauss und Weber," *Fusion*, Vol. 18, No. 1, 1997.

of Ampère's assumptions respecting the roots of electrodynamic action within the scale of the atomic domain, as Weber's crucial-experimental measurements later confirmed this. Ampère's work, like the pioneering work of Sadi Carnot on heat, is rooted in the Leibnizian, and explicitly anti-Newtonian methods of Lazare Carnot, Gaspard Monge, Legendre, et al., in opposition to the blundering Newtonian methods of Cauchy, Clausius, Grassmann, et al. on these same issues of defining the "work" characteristic of both machines and other expressions of crucial-experimental demonstrations of principle.

Now, use the Leibnizian definitions of energy and work employed by Carnot for his treatment of the principles of machine-tool design. This brings to the matter of anti-entropy.

7. The definition of 'anti-entropy'

The term "anti-entropy," was introduced by me, to counter the confusion caused by the unfortunate popularization of Norbert Wiener's fraudulent definition of the term "negentropy," and Wiener's association of that latter term with the nonsensical cabala of "information theory."

Using the terms "energy" and "work" in the same general sense associated with Lazare Carnot's approach to the definitions of design of machines, the rule-of-thumb definition of "anti-entropy," is the following. For general use, the term *anti-entropy* describes the characteristic function of a process, for which the increase of the relevant "energy of the system"/"work" per-capita and per-square-kilometer of the Earth's surface-area, results in a greater rate of increase of the relative "free energy" of that system, to such effect that the ratio of "free energy" to "energy of the system," does not fall, but usually tends to rise.

In physical-economic processes, a characteristically anti-entropic trajectory, is generated in only one way: through the application of improved technologies, which are themselves generated as by-products of validation of newly discovered principles of the universe. The simplest portrait of such a connection is obtained, by tracing the discovery of a new physical principle from its origin in Classical-humanist modes of education, through crucial-experimental validation of a discovered principle, through the application, as improved designs of physical products and physical productive processes, of technologies derived from refined versions of crucial-experimental designs.

The measure of success, or failure, of attempted such trajectories of economic development, is the anti-entropy of the productive process of that society taken as an indivisible whole.

The inputs of such a process (the relevant energy of the system) are measured in either physical units (never money, never money-prices), or, alternately, as rations of both the total labor-force and the total activity of households. All inputs are measured in three respects: 1) Their cost is measured in terms of the current cost of their replacement, that under

the *new* conditions of production produced by their consumption; 2) They are also measured, in totality, per capita and per square kilometer, as the levels of total material consumption corresponding to a specific potential relative population-density which that consumption supports for that society taken as an indivisible whole; 3) They are measured, comparatively, in terms of the ration of the total employment of productive labor required to supply the consumption-inputs demanded by the first two considerations.

All of these, and related measurements of cost of a required market-basket of society's total consumption, per capita and per square kilometer, are treated as implicit expressions of a function of anti-entropy. This consumption includes not only household consumption, and costs of production and physical distribution of produced goods, but also improvement and maintenance of all those forms of both "hard" and "social" basic economic infrastructure needed to support a specified level of potential relative population-density and associated anti-entropy. Levels of education required to maintain a rate of potential anti-entropy of the society, are included. So, is the level of investment in basic scientific research required to vector that potential rate of anti-entropy.

In defining such an anti-entropic function for a society as an indivisible whole, the machine-tool factor, and/or equivalent activity, is crucial. In first approximation, the machine-tool factor is approximated by being expressed in terms of the rate of scientific revolutions, as typified by the supercession of an n -fold manifold of physical principles, by an $n+1$ -fold manifold. Actually, it is what I have defined as the " $n+m$ "-fold manifold, which is determining. It is the " $n+m$ "-fold manifold which subsumes the potential machine-tool function within the economic process as a whole.

In practice, as President Franklin Roosevelt's military-agro-industrial mobilization for World War II illustrates the point, what is crucial, is the relative number of qualified scientists effectively mobilized around programs centered upon fundamental research, the number of persons employed as machine-tool and related operatives in machine-tool categories of research and development, and so on.

The essence of all valid forms of modern mathematical physical science, is the development of the ability to define the (relatively) infinitesimal interval of action which defines the trajectory of a process taken in the large. The Classical-Greek root of this notion of mathematical physical science, is the notion of the impossibility of simply mapping a spherical surface to a plane. All valid modern science is traced, on this specific account, from Cardinal Nicholas of Cusa's correction of Archimedes' theorems on quadrature, that the ratio of the circumference of a circular to its diameter, could not be expressed as what Archimedes regarded as an irrational magnitude. This discovery by Cusa, a central feature within his *De docta ignorantia*, is to be appreciated as expressing the axiomatic impossibility of simply mapping a spherical surface to a plane.

That further development within Kepler's development of the first comprehensive mathematical physics, Kepler's expanding appreciation of the implications of the fact that Mars orbit was one of non-constant curvature, established the foundations for all of the principal axiomatic accomplishments of modern mathematical physical science since Kepler. Thus, the characteristic differences expressed in infinitesimal intervals of action, between a spherical and a plane surface, are apprehended as the starting-point for the elaboration of the kind of mathematics required by modern physical science. After Kepler's appreciation of the orbit of Mars, it had to be understood as indispensable, to allow for all possible kinds of non-constant curvatures as the essential states encountered within physical space-time. As Leibniz apprehended the implications of Kepler's proposal for the development of a calculus of the type which Leibniz, alone, originated, no mathematical physical science could be accepted as competent, if it did not derive its mathematical apparatus in conformity with the difference in characteristic curvatures among different physical-space-time trajectories, as reflected in relevant, axiomatically non-linear, characteristic action expressed in infinitesimal intervals of that action.

This poses the question: This taken into account, what is the characteristic action which defines the anti-entropic physical-space-time trajectory of viable economic processes?

Thus, with that statement, all the sundry pieces of which this report has been composed, now come together as a single, indivisible conception. Now, the significance of the issues posed, for all of science, by the irrationalisms of Kant and Arendt, falls clearly into place. *The characteristic—characteristically anti-entropic quality of—non-linear action, of any viable economic process, is the anti-entropic action located within the interval defined by a single individual's generation, of a single, validated new principle of our universe.* It is the efficient relationship between that individual's sovereign cognitive action, and the increased power of the entire society in the universe, which is the essential definition of the science of physical economy. The kernel of that characteristic, determining relationship, is expressed in that Riemannian form of multiply-connected manifold, " $n+m$," we have identified above.

It is, therefore, the sovereign cognitive action of the individual mind, which expresses, as an infinitesimal, the elementary form of characteristic action determining the "curvature" of that physical-economic space-time. The typical such action is reflected in the multiply-connected interaction of such sovereign forms of individual cognitive processes.

It is not necessary to generate a calculated value for this typical such action; it is indispensable that one's comprehension of the physical-economic process be premised upon a comprehension of the nature of this multiply-connected interaction. It is indispensable that we appreciate the manner in which changes in this typical value are to be brought about, and employ measurements of a reasonably estimated relative



A steel factory in McKeesport, Pennsylvania is dynamited—a victim of the shift toward a “post-industrial society.” “The entire period, 1966-1998,” LaRouche writes, “has been one of ongoing, entropic demolition of the once-powerful and prosperous U.S. economy, a demolition which the counterfeiterers of the relevant reporting agencies persisted in reporting as ‘continuing strong growth in the economy.’”

rate of anti-entropy so effected.

This epistemological setting of the determination of functional trajectories of economic policy-shaping, is the kernel of my original discoveries in economic science. It was this breakthrough, respecting the determining role of epistemological considerations, which was necessary, at last, to reach the level at which economics becomes science.

From this vantage-point, one should be able to recognize two relevant points, that more or less immediately.

a. That there is a reciprocal relationship between the contemplative and linear standpoint of oligarchism, on the one side, and the types of axiomatic assumptions associated with Descartes and his empiricist followers in the anti-Kepler, anti-Leibniz faction of science.

b. Since what Leibniz defined as non-constant curvature in the infinitesimally small, is the characteristic feature of both physical processes in general, and physical-economic processes in particular, no one could tolerate

the empiricist and related contemplative views of physical-science matters, and also tolerate a competent approach to ascertaining the principled underlying features of physical-economic processes.

Thus, the toleration of neo-Aristotelean and empiricist mind-sets, is the efficient root of those habits of opinion-shaping which foster modern society’s worst economic catastrophes, such as the present one. “Thus, conscience [disguised as customary opinion] makes cowards of them all.”

As I cautioned those engaged in constructing estimates of U.S. economic performance, under the 1979-1983 operations preparing the *EIR Quarterly Economic Forecast*, the ups and downs of the relative anti-entropy of the economic process appear as determined by a kind of step-function. The changes in the national economy which correspond to such step-functions, reflect either an upgrading or downgrading of the relevant, estimable Riemannian manifold. That is to say, that either effective principles are being added to, or deducted from the effective functioning of that economy.

During 1979-1983, for example, the collapse of the U.S. economy, at real-economy rates, effectively, of two percent per year or more, reflected chiefly the impact of the structural changes in the U.S. economy implemented under the Trilateral Commission program carried out by the Carter Administration, as continued means of such degenerative measures as continued “deregulation,” Volcker measures, Garn-St Germain, Kemp-Roth, etc., during the first Reagan Administration. These structural changes complemented those begun during 1966-1967 under President Johnson, the continuing, disastrously devolutionary impact of 1971-1972 institution of a global “floating exchange-rate” monetary order, and the oil-price-hoax swindle of the mid-1970s.

The changes in the U.S. economy which occurred during the 1975-1983 interval, had the effect of one Riemannian “slab,” after the other, peeling off from the U.S. real economy, and dropping into oblivion. The entire period, 1966-1998, has been one of ongoing, entropic demolition of the once-powerful and prosperous U.S. economy, a demolition which the counterfeiterers of the relevant reporting agencies persisted in reporting as “continuing strong growth in the economy.” It is the cancer, not the healthy tissue, which has been doing the growing. “Free trade” and “globalization” have put the entire U.S. economy on the economic garbage-dump.

Thus, the typical anti-entropy (or, entropy) of the economic process, rooted in the “infinitesimal” Riemannian changes of the state of the sovereign cognitive processes of the individual, determines the relative physical-economic space-time curvature of the real economic process as a whole, just as Gauss’s measurements determined the asteroid orbits in the large. It is attention to what has been identified here as the relevant Riemannian function, which provides us the point of reference from which to define efficient and effective shaping of national and international economic policies.

8. What stopped Newton's clock?

Competent economic policy-shaping proceeds from emphasis upon two phases of the multiply-connected relations among the sovereign cognitive processes of the individual persons: 1) The fostering of the development, or the repression of those cognitive processes as such; 2) the fostering of the realization of scientific and related individual progress in the medium of economic and related social relations.

Neo-Aristoteleanism and empiricism typify the still-broader use of irrationalism as a policy for aborting the social and related effects of scientific and technological progress. Under a sane economic policy, the possibility of scientific and technological progress is a self-evident imperative for the shaping of economic and related policies. Under the forms of neo-Aristoteleanism and empiricism which are implemented in aid of keeping large rations of humanity in the condition of virtual human cattle, the very existence of willful scientific and related progress is either denied outrightly (as in empiricism), or is degraded to nothing less disgusting than a merely possible topic of cognitive, logical contemplation. Under the sway of existentialism, or the related satanic policies of Britain's Duke of Edinburgh and his World Wildlife Fund and "world religion" project, progress has been, since 1961, implicitly prohibited.

These same epistemological issues of policy-shaping are expressed in the guise of educational policies. The anti-Classical-humanist reforms of education, which were dictated by the Paris office of the OECD organization, under Dr. Alexander King, and the implementation of those OECD and "Frankfurt School" policies under the title of the so-called "Brandt reforms" in education in Germany, are typical. Also expressing the same pathologies in educational policies, are the Yahoo policies of education currently popular in the U.S.A., that education should become virtually optional, or limited to providing the student training for whatever menial form of employment has been chosen for that student, in advance.

Thus, we have the common connection of the otherwise dissimilar cases of Kant and Arendt. We have, to the same effect, the Yahoo policies of the leading mass-media of most of today's world, such as the *Washington Post*, the British Commonwealth's Hollinger and Murdoch chains, and the ongoing, abortive schemes for elevating the Internet to the role of George Orwell's fictional "Big Brother."

Similarly, we see the sundry proposals for economic policies which will degrade the children and grandchildren of today's young-adult populations into snarls of monkey-like, mass-rutting Yahoos. The anti-progress freaks' cry is out, and loud: "Stop government-sponsored basic scientific research! Stop public funding of space exploration! Eliminate large-scale public infrastructure programs! Establish international supervision to hold back all forms of technological progress presumptively. Legalize stupefaction of populations through allegedly 'harm-reducing' modes of free distribution of mind-

dulling substances!" (After all, what person could protest against the loss of the mind whose former presence it can no longer remember?)

Above all, today's would-be "Big Brother" proposes, "Ban truth and sanity alike, all in the holy name of 'democracy.'" The resulting reduction of the human mind to linearity, in its resulting, infinitesimal littleness, were better named "globulization," than "globalization." What has ruined the once-prosperous U.S.A.'s economy, is not only insane in its effects; its effects are determined by the insanity introduced to the mind of an increasing ration of our populations, as the case of the sodden Immanuel Kant and evil Hannah Arendt merely typify such forms of insanity.

It is by establishing stupidity, or even lunacy, as customary public opinion, that nations, even entire cultures, are induced to destroy themselves. Under such forms of democracy, the people become their own tyrant, and destroy themselves. So, Newton's clock stopped, as his mentor, "Samiel" Clarke, suggested it would.

What happened at Novosibirsk?

From the outbreak of that present, terminal phase of the planetary financial crisis, which erupted in October 1997, as I had forewarned it would, until late November 1998, the effective response from the so-called G-7 nations, has been collectively insane. Despite some interesting, scattered statements uttered by U.S. President Bill Clinton, the G-7 nations have done nothing that was not, in effect, worse than had they done nothing at all. By mid-1998, it became apparent to an increasing number of the leading forces in Asia, that "The Mantle of Heaven" had fallen away from not only pathetic Director Michel Camdessus's IMF, but also the governments of western Europe, the U.S.A., and Canada. Some of the influential passengers lost confidence in the leadership provided by the captain of the world's sinking economic *Titanic*; with each passing day, more nations are indicating their thoughts about jumping ship, as the hyperinflationary charade of the past weeks disgusts even some among those central bankers who launched this foolish prank.

So, it became evident, during recent weeks, that the role of leadership must pass from the G-7's to saner hands, probably to a group of Eurasia nations gathered in cooperation with initiatives radiating from the present government of China.⁴⁴ Thus, the most portentous political earthquake

44. Recent statements by LaRouche on China, Russia, and India include the following from *Executive Intelligence Review*: "Toward a New Bretton Woods" (March 27, 1998; text of a speech to an *EIR* seminar in Washington, D.C. on March 18); "Russia: A Coup from Above" (April 3, 1998); "There Is No Possible Bail-Out of the World Financial System" (April 24, from a radio interview with "EIR Talks," April 14, 1998); "Mathematics & Measurement: Science vs. Ideology" (Aug. 21, 1998); "LaRouche: We Must Provide Leadership" (Sept. 18; text of a speech delivered by audiotape to a conference

of the past half-century, the earth-shaking address delivered by China's President Jiang Zemin at Russia's famous science-city, Novosibirsk, came and passed, almost without notice in the mass-media of the self-doomed western Europe and U.S.A. The very fact that the President of China went there to deliver a keynote address was already of historic importance; the content of that address shook the heavens. A sullen mass-media of western Europe and the U.S.A. — otherwise better known as the customarily lying press — mumbled a few grumpy, geopolitical threats, but otherwise adhered strictly to the dictum: *Speak not of the rope in the house of the hanged!*

toady George Bush, had emerged from the ruins of blasted Panama and Iraq, as powers so greatly strengthened by those events, that they would continue to be the unchallengeable masters of the planet, for a long time yet to come. Nonetheless, with the developments in world financial markets since October 1997, that illusory image of unchallengeable Anglo-American power has, like the image of the fabled Cheshire Cat, faded considerably; the cat's smile is, indeed, at the point it might vanish suddenly, leaving an empty branch of the tree as sole reminder of the fact that it had once been there. The blundering and bungling of the governments of the G-7 nations, since mid-September of this year, have brought matters



Emperor Sans-dessous makes frosty retreat from early Russian winter

to the present point, that even the childish dreams of a spontaneous recovery in U.S. and western European financial markets, will soon end forever, as the full force of the now-onrushing phase of this crisis hits with increasing, terrible force, during the eight-week period of collapse immediately ahead.

The psychological turning-point came between President Clinton's Sept. 14, 1998 bold address to the New York Council on Foreign Relations, and the weak-kneed response on the same issues following the victory of the so-called "red-green coalition" in the Sept. 27 general election in Germany. In between those dates, the Sept. 23 collapse of

the Long-Term Capital Management (LTCM) bubble, and the onrushing fears of an impending Brazil crisis, appeared to have broken Clinton's will to launch serious initiatives addressing the causes of the global crisis.⁴⁵ Under what were fairly described as highly visible, and also hysterical pressures from Blair fanatic and U.S. Vice-President Al Gore, the President fell into what will probably turn out to be a temporary alliance with his enemy, Britain's now increasingly shaky, "Third Way" Prime Minister, Tony Blair.⁴⁶

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Until recently, especially after the abrupt, 1989-1991 collapse of the Soviet Union's power, it appeared to credulous observers, that Prime Minister Margaret Thatcher and her

45. Lyndon H. LaRouche, Jr., "Food, Not Money, Is the Crisis," *Executive Intelligence Review*, Nov. 13, 1998. Notably, the current, "red-green" German government, has been shaky since even before the government was actually installed, and appears to be growing shakier with each passing round of developments since. See Lyndon H. LaRouche, Jr., "Is Western Europe Doomed?" *Executive Intelligence Review*, Nov. 27, 1998.

46. Notably, the role of Gore and Blair in attempting to push the U.S. into Blair's screeching demands for an indefinite period of mass bombing of Iraq, followed by Gore's disgusting performance at the Kuala Lumpur APEC meeting, has cooled White House relations with Blair considerably, and

of the Schiller Institute in Reston, Virginia, on Sept. 5); "Time to Tell the Truth" (Oct. 16, 1998); and "Is Western Europe Doomed?" (Nov. 27, 1998).

Whatever President Clinton may do next, his evasion of the actual nature of the present global crisis, has done grave damage to his influence since the disastrous early October Washington, D.C. sessions of the G-7. There, the so-called “European,” supranational-government approach of Britain’s Tony Blair was, in effect, inserted into the mouth of President Clinton. In such matters, the President is the victim of self-inflicted wounds; sometimes, it is the failure to act, which may prove to be the politically fatal, self-inflicted wound. Whatever fears might have constrained the President from effective action, he should have feared the consequences of giving in to his fears more than any other threat to his Presidency, the U.S.A., or civilization.

Whatever the President’s reasons—the legendary Mini-ver Cheevy’s, Gore’s, or his own—his failure to respond in an appropriate and timely way, posed the question to the world at large: “If the U.S. President refuses to act with a responsible initiative, to shut down the system that is killing the world, who will?”

My associates and I have been faced with this question many times, during the U.S. Presidency’s flipping and flopping on unpostponable, life-death issues, during the recent years and months—especially since Spring 1996. My wife and I, among other collaborators, had made our views on this question clear, repeatedly, as I did once more in my *EIR* report: “Is Western Europe Doomed?”, and as I did in a Nov. 21, 1998 address to a Bad Schwalbach conference. My answer has been: the only possible alternative is a leadership initiative among a group of Asian nations, all centered around cooperation with China, and, hopefully, including Russia.

During recent weeks, not only China and Malaysia, but other important nations, outside of western Europe and the U.S.A., have taken a hopeful and serious attitude towards the new situation in Eurasia. The role of China’s government has been crucial in inspiring such more independent and optimistic changes in spirit and attitude. In this setting, President Jiang Zemin’s Nov. 24, 1998 address at Novosibirsk,⁴⁷ has the utmost strategic significance for those hopeful of an early alternative to the global breakdown crisis which President Clinton has been unwilling, so far, to face.

The recent and impending meetings among a group of nations, including China with Russia, China with Japan, and Russia with India, reflect the emergence of a crucial new potential for the planet as a whole. These developments are to be studied in light of two primary background considera-

may have doomed Vice-President Gore’s Year 2000 Presidential aspirations. Nonetheless, what happened between Sept. 23 and President Clinton’s pull-back from the Iraq bombing, has done tremendous damage to the President’s earlier position of authority among nations of Asia and elsewhere. See Mary Burdman, “Gore Bombs at APEC,” *Executive Intelligence Review*, Nov. 27, 1998.

47. See report and English translation of the text of address, under Mary Burdman, “Jiang in Russia: A Speech That Can Change History,” *Executive Intelligence Review*, Dec. 4, 1998.

tions, to both of which your attention will be devoted in this closing section of the report. Also noted, and also strategically relevant, but on the negative side, is the lack, so far, of any competent public reporting on these developments, from among the governments and leading mass media of western Europe and the United States.

Russia, China, and India typify the relatively most powerful among a group of nations long considered to be “outsiders” to the trans-Atlantic axis of world power, outside the Anglo-American-dominated, G-7 “Club.” As either “Communist” states, or “developing nations,” or both, these outsiders have been treated as “inferior” in morals and culture to the leading powers of so-called “Western civilization.” With the collapse of the Soviet Union, the myth was, that this development had “proven” beyond question the intrinsic superiority of the “free trade” to the “dirigistic” systems; besides, it was believed, that no one potential objector was powerful enough to contest the virtually dictatorial authority assumed by what it was believed that the Thatcher-Bush concert of Anglo-American world-ruling powers had established during developments of 1990-1991.

On this account, especially after 1989-1991, both the former associates of the Soviet Union and the so-called “developing nations” were, in fact, so much defeated by their own fears of Anglo-American invincibility, that they preferred to be unaware of the actual, in fact, waning of that supposed invincibility. As former India Prime Minister Jawaharlal Nehru points to this factor, in his autobiography, the British Raj did this with its India colony, the occupying powers relying less upon the forces at their disposal, than upon instilling a sense of inferiority in those whom they dominated and looted.⁴⁸ Then, with the October 1997 outbreak of the present, terminal phase of the global financial crisis, a deep and fundamental change was introduced to the situation. The disgraceful failure of the U.S.A. and western European governments, in face of the challenge presented by developments of the August-October 1998 interval, showed to the world that the supposed giant of the Atlantic Alliance still had a nasty fist, but was otherwise “a giant with a head of clay.” The growing sense of the political ineptitude of the governments of the Trans-Atlantic powers, prompted what was partly a psychological change, but a change with profound, epoch-making dimensions.

The essence of this recent change is captured by the content and implications of President Jiang Zemin’s Nov. 24 address at Novosibirsk. Neither President Clinton, nor any

48. In connection with India, North Americans and Europeans usually under-rate the crucial role of Bal Gangadhar Tilak, in breaking the Congress Party free from the British control which Annie Besant typified. Tilak did this by scholarly attacks on the British myth of India’s cultural inferiority at the myth’s most vulnerable point, by exploding the (in fact) baseless bit of imperial fiction, that modern civilization had originated with the work of Mesopotamian Semitic tribes.

other present head of state or government, or leading political party in western Europe or the U.S.A., would have been capable, either emotionally or intellectually, of even conceptualizing the implications of that Novosibirsk address. Indeed, the press and related reaction from official leaders of the Trans-Atlantic powers, presented a spectacle of ill-tempered, and very small-minded Lilliputians snarling and spitting at a giant Lemuel Gulliver. The contrast is between a China awakened, and moving forward as a young giant might, and, on the other side, a decadent, doomed, and morose collection of relics of dying Trans-Atlantic power succumbing to probably fatal, self-inflicted cultural wounds. The threat to these decadent Trans-Atlantic powers, does not come from Asia; it comes only from the fatal corruption which has, for the past thirty years, hitherto dominated, increasingly, the political parties and financial establishments of those decaying powers themselves.

Situate the apparent strategic issues so posed, and then reexamine the implications of Jiang Zemin's address in that light.

Listen to the speeches from the putatively leading spokesmen for the decaying Trans-Atlantic powers, for the decadent G-7, for example. Listen to the hysterical overtones of their petulant hissing and spitting. They say, in chorus, words to the effect: "You may think that you could change our minds. We are committed to the post-industrial world-order we are now consolidating. You will never reverse our established 'free trade' and 'globalization' policies. We have established these trends, and they are now irreversible." So, the Persian Emperor might have sent his dire warning to Alexander the Great: "We will meet you on the plains outside Arbela!" Such speeches, and they are routine from those quarters these days, call up images of famous King Canute railing against the wind and waves, images of Belshazzar's Feast. These governments and leading political parties of the Trans-Atlantic powers have surely gone utterly, suicidally mad!

China's efforts are not directed to conquering "the West." That is not the conflict. China's efforts are directed, plainly and simply, to surviving, despite the Trans-Atlantic powers' presently manifest commitment to mass economic and cultural suicide. The threats which the Hollinger and other British media direct against China, Malaysia, Russia, and other nations today, is: "Join our suicide-pact, or else we will kill you."

The policies which President Jiang Zemin has recently affirmed, to Russia and Japan, most notably, are policies designed to enable China and as many other nations as choose to do so, to join in cooperation for global survival of the onrushing imminent collapse of not only the financial systems, but also the physical economies of most, if not all of the nations and regions of this planet. China's corresponding, stated, and practiced foreign policy is fashioned on principally three most obvious components, all matched by a cohering domestic policy for China's internal development.

Looking from East to West, from the eastern port-terminal in China's Lianyungang, to Rotterdam, the policy is to develop a Trans-Eurasian Land-Bridge, a conduit of railways and correlated other infrastructural links, opening up the internal regions of Eurasia for an economic development which will be revolutionary in its economic impact for Eurasia as a whole. This is a revival of the proposal originally developed by the German-American economist Friedrich List.

This Eurasia Land-Bridge spine is complemented by the build-up of a proposed partnership among the nations immediately affected by the Land-Bridge program, from Japan to Rotterdam, and embracing the nations of most of Asia and continental Europe, all in a scheme of cooperation centered upon the leading economies of Asia, Japan, China, India, and Russia, with special consideration for the nations of South-east Asia.

The third key feature of the foreign economic and related policies brings the Novosibirsk address into sharper focus.

These leading facets of China's economic foreign policy, are matched by the commitment to elevate the entire population of China itself to a world standard by early during the coming century. Those combined and interdependent elements of China's foreign and domestic economic policy bring our attention now to the crucial concluding point of this report.

For reasons of economic science which have been stressed in this report, the successful realization of China's policies for economic cooperation with its prospective Land-Bridge partners, depends upon a massive mobilization of science-driver programs of machine-tool and related technological development. Given the scope of such needs among China and other nations of Asia as a whole, the success of the entire economic policy depends upon a science-driver and machine-tool mobilization on a scale and with an intensity never before undertaken on this planet. For this purpose, the former Soviet Union's scientific-military-industrial complex, as exemplified by Novosibirsk, is an indispensable component. This policy is the only hope for Russia; it defines an environment which is indispensable for India. It is presently, the only source of economic hope for the nearly smashed economy of western Europe. The entire world needs this policy, urgently; only such cooperation, of this intensity, on this scale, can reverse the plunge toward doom which has been unleashed upon us now, by the foolish choices of policy-directions adopted by the trans-Atlantic powers during the recent thirty-odd years.

President Jiang Zemin's Novosibirsk address, thus addresses every practical implication of the discussion of economic science featured in this report.

Economics must now, finally, become truly economic science. That economic science must be the policy of cooperation among the sovereign nation-states of this planet throughout the coming century.

Zepp-LaRouche in Mexico opens new strategic flank

by EIR Editors

The visit to Mexico early in December by Schiller Institute president Helga Zepp-LaRouche opened what her husband, Lyndon H. LaRouche, Jr., described as a new strategic flank against the Group of Seven “Club of Corpses,” “the giant with a head of clay.” By breaking the blackout in the Western Hemisphere concerning China’s recent initiatives to expand the Eurasian Land-Bridge program, Zepp-LaRouche has unleashed a storm of controversy in Mexico and beyond.

The Land-Bridge, an enormous project for infrastructure development, is indispensable for the recovery of the bankrupt world economy. In combination with the New Bretton Woods financial system which Lyndon LaRouche has proposed, it will destroy the power of the British-backed free-traders who are responsible for the financial breakdown crisis the world now faces.

From Nov. 28 to Dec. 7, Zepp-LaRouche visited Mexico City, Guadalajara, and Monterrey, addressing more than 1,000 Mexicans in five major public events, and meeting privately with representatives of the various institutions which form the backbone of the Mexican nation.

As *EIR* reported last week, she joined former Mexican President José López Portillo at a public forum in Mexico City on Dec. 1, at which the former President endorsed Lyndon LaRouche’s strategy for world recovery. “It is now necessary for the world to listen to the wise words of Lyndon LaRouche,” he said. “Let us hope, Doña Helga, that your husband can influence the government of the United States, so that the proposals which you so brilliantly have laid out to us, can, in some way, be realized, and with them, that peoples can express their uniqueness in the cultural realm, and in every possible aspect”

The next day, Mexico’s current President, Ernesto Zedillo, personally criticized López Portillo for suggesting that

Mexico has any alternative to IMF policies. Those who argue thus are just “those nostalgic for the past,” he said, in a speech in Querétaro. “In their day,” government spending “only served to subsidize an inefficient, corrupt, and shameful state sector. In exchange for this, when the population grew, the deficiencies in education, health, assistance to the countryside, increased . . . abundance never existed, and much less now. . . . Before, social justice was in speeches, not in deeds.”

Zedillo’s comments made banner headlines around the country. Several papers reported that the President was reacting to remarks made by López Portillo at “an address given by the economist Helga Zepp-LaRouche.”

Zepp-LaRouche responded, at a Guadalajara event, that it is very useful that a debate is now raging in Mexico, over what must be done. I did not come to Mexico to criticize the government of Mexico, she said, but to present a message of hope, to let Mexicans know that there is a new strategic configuration in the world, which opens the opportunity to defeat the globalization which is destroying nations. The crisis is so grave, I came to urge Mexicans to defend themselves, or their nation-state will disappear.

The Mexican-American connection

EIR Ibero-American Intelligence Director Dennis Small, asked in an “EIR Talks” radio interview on Dec. 10 for his evaluation of the significance of these developments, underlined the fact that López Portillo was President of Mexico from 1976 to 1982, “the last period in which Mexico actually experienced significant economic growth,” and that his policies were for oil-for-technology exchanges with the United States and other countries, to build a partnership for economic development. Not surprisingly, he got into a huge fight with

the International Monetary Fund, and in 1982, was one of the very few heads of state who had the courage to meet with Lyndon LaRouche while in office.

“He met with Lyndon and Helga LaRouche in 1982 in Mexico,” said Small, “and that reflected the quality of statesmanship which he demonstrated then, and which he demonstrated again in his joint appearance with Helga at a meeting on the Eurasian Land-Bridge at which Helga spoke—the keynote speaker at the Mexican Society for Geographics and Statistics—and after hearing her presentation, López Portillo not only shocked his audience, but set off a political earthquake in Mexico and around the world by announcing there that the world must listen to the wise words of Lyndon LaRouche, vis-à-vis the economic crisis.”

The attention given in Mexico to Zepp-LaRouche’s intervention, said Small, “is important far beyond Mexico. This is not simply that a country was listening to, and very seriously considering, the LaRouche option. I think this is of great importance for President Clinton, because Mexico has a famous expression: Mexicans always refer to the great difficulties of their acting in a fully sovereign fashion, because of what they call ‘problems of geography and history.’ Now, what that means is that they are next-door neighbors to the United States.

“And, although Mexico can, and must, adopt what measures it has to to defend its existence as a nation-state—and this is what Helga again told her interlocutors—by so defending itself, but by addressing this issue also to President Clinton, Mexico is in a privileged position of sorts, to help pull the President of the United States in the necessary direction, to save the world, and to save the United States. Clinton must come on board, must back up the China-Russia-India emerging alliance, because it is in the strategic interest of the United States. . . .

“So, for Clinton to see that a nation such as Mexico is actively considering the LaRouche option with that name, sends a very clear message to Washington, that there is another direction that the entire world can go in, and that it’s not hostile to the United States, but the U.S. must take the necessary steps itself in the direction indicated by Lyndon LaRouche, and by nobody else.

“So, the idea that Lyndon LaRouche must be named economic adviser to Clinton, also was taken with the utmost seriousness by the Mexican audiences. It comes as something perfectly natural; this is exactly what he should do.”

Documentation

Here is a selection of press coverage in Mexico and abroad, of Helga Zepp-LaRouche’s visit and the intervention of former President José López Portillo.

Hussein Al-Nadeem, “The New Silk Road: Economic Bridge Links Asia and Europe and Provokes American Concerns,” *Al-Arab International*, London, Dec. 9, 1998:

This Arabic daily published a press release from EIR News Service, titled “Silk Road Diplomacy Black-Out,” referring to President Jiang Zemin’s recent visit to Russia and Japan. The editors add the following characterization of Mrs. Zepp-LaRouche, with a report on her visit to Mexico:

“Helga Zepp-LaRouche is known among certain Asians as the ‘Silk Road Lady’ . . .

“*EIR’s Special Report* on the Silk Road includes a detailed section on the location of the Middle East on the Silk Road and the proposed projects for linking the Arab World and Africa to Asia and Europe. . . .

“Mrs. LaRouche had recently announced, at the annual conference of the Schiller Institute, that the Institute is working on an international campaign to lift the sanctions imposed on Iraq, and to rehabilitate Iraq’s industrial and human potentials to play its proper role in the development of the region on the basis of the Silk Road Plan. . . .

“Meanwhile, Mrs. LaRouche, in a press conference she held on Dec. 1 with the former President of Mexico José López Portillo, warned Europe and the United States that the next phase of the financial crisis will strike very soon. It will strike, not in Asia, Ibero-America, or Africa, but in Europe and the United States, in an historically unprecedented form. She demanded that China’s efforts be made use of in building a new world economic order based on cooperation between sovereign nation-states in building modern, productive economies, and to immediately abandon the current bankrupt system of manipulative speculation and gambling. President López Portillo, who was speaking in the Mexican Society of Geography and Statistics, lauded Mrs. and Mr. LaRouche’s role in fostering the sense of the importance of the independence of nations in economic policy-making without resorting to the advice and conditionalities of the IMF and the international financial institutions that make the crisis in the developing nations only deeper and the poor nations poorer. López Portillo said: ‘It is now necessary for the world to listen to the wise words. . . . Let us hope, Doña Helga, that your husband can influence the government of the United States, so that the proposals that you have laid out can be realized.’ ”

The *Al-Arab* report concluded: “President López Portillo, during his Presidency in the early 1980s supported ‘Operation Juárez,’ which was proposed by Lyndon LaRouche then, and is a similar plan to the New Silk Road in Ibero-America. Mr. López Portillo is also a supporter of the call for President Clinton to appoint Lyndon LaRouche as an economic adviser to the U.S. administration.”

Antonio Cerda Ardura, “Beast in Death Agony,” *Siempre, Mexico*, No. 2372, early December:

This widely read magazine published a two-page inter-

view with Helga Zepp-LaRouche, with its headline emphasizing the demise of the world economy. Opening with a lovely photograph of Zepp-LaRouche, the editors featured two blown-up, bold quotes: “This world financial crisis has no precedents in history, and is not a repeat of the crisis of 1929; but something far more severe,” read one, and the other: “William Clinton should call an emergency meeting of the major governments and declare that the current international financial system is unsalvageable and that it is necessary to create another. A new Bretton Woods is needed to put an end to this casino economy.”

Zepp-LaRouche is an “internationalist,” and “wife of U.S. politician Lyndon LaRouche (an ex-political prisoner in his country who argues that the British oligarchy is the principal cause of the current world economic chaos),” *Siempre* explains. She demands that President Clinton name her husband as his economic adviser, to assist in the reconstruction of the moribund world financial system, and she agrees with former Mexican President José López Portillo that a new Bretton Woods, a new, just economic order, is urgently needed.

The interview emphasizes the failure of the current monetary system, contrasting this to the hope offered by the Eurasian Land-Bridge and the new constellation of non-aligned sovereign nations.

In the concluding section, Zepp-LaRouche is asked what recommendations she can offer Mexico. Her answer is that, in the context of the reconstruction of the world economy, Mexico could have “an incredibly brilliant future,” and that it is “very sad what has occurred to Mexico with things like unemployment, which is very visible and manifest. One sees people in the streets cleaning windshields, and one realizes that poverty has taken a tremendous toll. Our economic experts have studied the effects of these neo-liberal policies on Mexico, and tell me that there is a de facto unemployment rate of 50% in real terms. What does one tell a child who is raised in this society? What future can he or she have? Therefore, I would wish for a new economic orientation and vision very soon, to transform Mexico into a prosperous nation.”

Jesús Castilleja, “Reject Scheme to Rescue the Banks,” *El Norte*, Mexico, Dec. 8, 1998:

Castilleja writes that “the German political figure” offered the case of Japan as the best example of why Mexico should not attempt to bail out its banks. Instead of sinking the economy into a depression as the Japanese government has done, by refusing to write off its unpayable debt, Zepp-LaRouche recommends that “the most reasonable thing to do would be what was attempted under the López Portillo government: join up with the Eurasian Land-Bridge, make oil-for-technology deals, and reactivate the real economy.”

El Norte continues: “The political leader said the only

way a government could have an improved budget would be by means of increasing the tax revenues of the government by investment in infrastructure, industry, and agriculture. ‘That is the only way,’ she stated.

“Zepp-LaRouche said that the reason for the fall in oil prices has to do with economic depression. World production is plummeting. . . . The world financial crisis is depressing the world’s physical economy, and there is no budget, including that of the Mexican government, which can succeed under such circumstances. She forecast that this situation would lead the country to the brink of ungovernability and eventually to what is happening in Russia, where the government had no money from taxes, and governments without money become irrelevant.

“Zepp-LaRouche said that the world financial system is on the verge of collapse, because the volume of purchases on the stock markets, above all in the United States, do not correspond to volumes in the real economy and are creating a bubble which is on the point of blowing.”

Julio Hernández López, *La Jornada*, Mexico City, Dec. 7, 1998. *Various Mexican newspapers, spanning the ideological gamut from right to left, published attacks on López Portillo after his presentation with Zepp-LaRouche. Exemplary of the hysteria, is the following note published by the political gossip columnist of this Zapatista-linked daily, under the subhead, “Another ‘LaRouchazo’ by JLP.”*

“José López Portillo has once again won a presence in the newspapers. . . . The former President . . . has received an unequivocal answer from the current President of Mexico, who reminded people of Don José’s failed dreams of abundance, in response to his previous criticisms of Zedillo’s economic management.

“Among the—many—peculiar circumstances that surround the former President, is his conversion to the doctrine of Lyndon LaRouche . . . a right-winger with a dark past, who has served on more than one occasion as an instrument of political destabilization and provocations. His representatives in Mexico lack political seriousness, and have frequently been described as agents of companies or of intelligence services.

“But Don José, at his advanced age, has become an assiduous promoter of LaRouchism. According to a press release from that movement’s offices, López Portillo was present at a conference in Mexico (City) addressed by Mrs. Helga Zepp-LaRouche, wife of the imprisoned [sic] leader. . . . In that meeting, López Portillo heard Doña Helga speak on the proposal of her husband Lyndon regarding the creation of the Eurasian Land-Bridge, which supposedly will be the only way to save us from imminent economic chaos. An emotional Don José, who had been invited to comment on her presentation, said, ‘It is now necessary for the world to hear the wise words of Lyndon LaRouche. . . .’ ”

Russia acts to recover from IMF disaster

by Konstantin Geoge

The policy revolution launched by the government of Prime Minister Yevgeni Primakov, ending Russia's ruinous subservience to the International Monetary Fund and Western creditors, scored two dramatic advances in the first seven days of December. It was a week that saw the retreat from Moscow of IMF Managing Director Michel Camdessus, and ended on Dec. 7 with the purge of the hard core of Presidential staff members representing financial oligarchic and monetarist interests intent on destabilizing Russia. Through these steps, Russia has turned another corner in its attempt to recover from the ravages of the past seven years of IMF shock therapy.

Camdessus had come to Moscow on Dec. 1 with the aim of forcing compliance with IMF terms, whereupon the Fund would release another tranche of its share of the so-called rescue package for Russia agreed to last summer. Instead, Camdessus left empty-handed on Dec. 2, after two days of talks with top officials including Primakov, First Deputy Prime Minister Yuri Maslyukov, and Central Bank head Viktor Gerashchenko.

The Russian "nyet" to IMF conditions was accompanied by a demand that the IMF reschedule the \$5.5 billion in debt that Russia owes, which falls due in 1999. This marked the first time in history that a state has demanded that the IMF reschedule its debt. The Russian demand carries the implicit threat that it won't pay, a possibility that has the financially fragile IMF frightened. (Of the roughly \$100 billion in outstanding IMF loans to states, \$19.58 billion is owed by Russia.)

The scene for the Camdessus mission was set on Nov. 28, when Primakov denounced IMF officials as "kids who've seen almost nothing in life." Even before the talks had begun, Primakov made it clear that no agreement would be forthcoming: "Don't measure the significance of Camdessus's visit by how much money he brought. He has come with a briefcase containing documents, not cash. You shouldn't think that the question of giving money to Russia will be solved now."

First Deputy Prime Minister Maslyukov, who is in charge of the economy, was even more blunt. Addressing the Federation Council (upper house of Parliament), hours before he was to meet with Camdessus on Dec. 2, Maslyukov said: "The

aim of the Russian state and government is a social orientation of the market economy. . . . This really scares IMF representatives and some parts of our society. The instrument of this reorientation will be civilized, state regulation of the market based on the experience of developed countries." On the same day, Russia stopped paying cash for Soviet-era debt, paying instead through new securities.

On Dec. 4, culminating a week of anti-IMF statements, State Duma (lower house of Parliament) Speaker Gennadi Seleznyov demanded that Russia "break off relations" with the IMF. "We have to get these shackles off Russia's legs," he said. Seleznyov warned that if Russia were to follow IMF demands, "we would first have to impose a dictatorship," because otherwise the ensuing "social upheaval could not be kept under control."

The Presidential purge

With the IMF under attack, on Dec. 4, the Kremlin Press Office announced that President Boris Yeltsin, who had been in a clinic since Nov. 22, would return to the Kremlin on Dec. 7. The next day, on the radio, Yeltsin spokesman Dmitri Yakushkin stated that Yeltsin could "return to work any time," though he refused to confirm the Dec. 7 date.

On Dec. 7, Yeltsin did return to the Kremlin, for a brief three hours, and fired his chief of staff, Valentin Yumashev, and three other Presidential staff members: First Deputy Chief of Administration Yuri Yarov, Mikhail Kommissar, and Yevgeni Savostianov. Technically, Yarov was not purged, but rather demoted, becoming Yeltsin's representative in the Federation Council. Yumashev was succeeded by Gen. Col. Nikolai Bordyuzha, a veteran of KGB counterintelligence and later of its personnel department. In 1995, Bordyuzha was sent into the Federal Border Service (till 1992, the Border Troops of the KGB), and in January 1998 he became commander of the Border Troops. Following the firings, Yeltsin returned to the clinic.

The purge removed the key links of the Kremlin network "owned" by one of Russia's top financial oligarchs, Boris Berezovsky. Equally, it consolidated the position of Prime Minister Primakov in the Presidential Administration, by installing a team led by Bordyuzha, drawn from the sections of the former KGB allied with Primakov. Bordyuzha had been brought into the center (after Primakov was made Prime Minister) on Sept. 14, when he was named Secretary of the Security Council. Bordyuzha will keep both posts, as Security Council Secretary and head of Presidential Administration, short-circuiting any attempts by the "subversives" to outflank the purge by getting a hold in the Security Council.

As for the subversives, billionaire (at least on paper) Berezovsky has been a key figure in attempts to destabilize the Primakov government, attempts which, if successful, would wreck Russia's last chance to avert chaos. During the autumn, his leading asset in the Kremlin, Yumashev, had exposed

himself as a subversive, by publicly stating his support for former Prime Minister Viktor Chernomyrdin as Russia's "next President." Yumashev and the others fired were often used to float stories that Yeltsin would "have to resign" for "health reasons," and thus force Russia to hold early elections. Of course, Yeltsin's health is anything but rosy, but the stam-pede to get a resignation has only one purpose: to topple the Primakov government through early elections, on the assumption that it would be too early for Primakov to build his own successful Presidential candidacy.

Thus, the expulsion of Berezovsky's network from the Kremlin will go a long way toward helping Russia create the political conditions to start its recovery from the crisis during the next months.

The purge also marked another battle in the war between the sections of the Russian Security Service (FSB) loyal to Primakov, who formerly headed the service (and, earlier, Russian Foreign Intelligence), versus sections of the former KGB tied to Berezovsky. The most recent visible eruption of this fight was the accusation by Berezovsky in November that the FSB was "trying to kill" him. In an attempt to add weight to the charges, Berezovsky recruited some FSB personnel to vouch for his statements that a "plot" had existed. The operation certainly did confirm that pro- and anti-Primakov factions exist in the FSB.

The profile of those fired and those installed as replacements in the Primakov-steered purge, sheds further light on the factional situation. In addition to the Bordyuzha appointment, the most important person fired was Yevgeni Savostianov, 46 (even in age, senior to the 40-year-old Yumashev), the former chief of the KGB and its FSB successor for the City of Moscow. Savostianov was removed as deputy chief of staff responsible for Presidential staff personnel and Presidential relations with security agencies. His replacement is Gen. Vladimir Makarov, who also had a career in KGB counterintelligence.

The Yeltsin decree also made the Tax Police and the Justice Ministry, along with the "force ministries" (Defense, FSB, and Interior), subordinate to the President. Yeltsin spokesman Yakushkin emphasized that the President's decision aimed to prevent "separate tendencies" and to "combat corruption." Bordyuzha stated that, "in a situation where political leaders and businessmen are murdered . . . and some people allow themselves to disobey the President's and government's orders . . . force structures have to play a larger role in the state leadership."

Figures representing a wide range of forces in Russia outside the comprador camp of IMF-allied monetarists, heartily endorsed the purge. Moscow Mayor Yuri Luzhkov, a leading contender for President in 2000, said during a visit to Bonn on Dec. 8 that he welcomed the firing of Yumashev and the others because they had "not worked effectively, were too political, and sometimes worked rather chaotically." Luzhkov

added that through the dismissals, the influence of Berezovsky would be heavily reduced inside the Kremlin: "This is quite likely, because the previous administration was very closely allied politically, and not only politically, with Berezovsky. I think that in this sense, it is a useful decision by the President." The dismissals were also hailed by Duma Speaker Seleznyov and Communist Party leader Gennadi Zyuganov.

Luzhkov also lashed out at the IMF while in Bonn, in an interview with *Newsweek*: "The International Monetary Fund has treated Russia like a small country that needs help. But Russia has a totally different system, and [IMF] recommendations about privatization and tight money were a mistake," he said.

Getting out of the morass

Purges alone cannot get a country out of crisis; economic policy measures are required. On Dec. 4, in the wake of Camdessus's retreat, Prime Minister Primakov addressed a Moscow conference of the Switzerland-based World Economic Forum (the organization which hosts the annual Davos meeting). First, Primakov took stock of the cumulative failure of IMF "reform" policies: "Unsuccessful reforms have given birth to an economy of distrust in Russia," he said. "The toughest consequences of the crisis and the most serious lesson we must draw does not concern the fall in production or the decline of the ruble exchange rate, but a total credibility gap, a crisis of confidence." He described a society twisted by mistrust, between creditors and debtors, between owners and managers, between the government and the population.

According to the Dec. 5 Indian daily *Hindustan Times*: "Mr. Primakov told the assembly of 200 global corporate and banking leaders that Russia's economic potential has been drained by massive capital flight, its banking system is in ruins, the government is almost incapable of effective action, and the people are running out of patience. Mr. Primakov puts the blame on his predecessors, who built a huge pyramid of government debt, encouraged the growth of a parasitical banking sector and fumbled the task of revitalizing Russian industry."

Primakov said that Russia must slash its dependence on imported goods, and protect and promote domestic manufacturing. He stressed that Russia must shift from being a mere raw materials exporter: "We shall not let the macro-economy be used for exporting energy resources and importing goods, including food. This model of the macro-economy does not correspond to the interests of national producers," he said. Primakov raised the prospect of an amnesty for those who had engaged in capital flight, which he estimated to be at \$15 billion per year, in order to attract capital back into Russia. "This is a paradoxical situation where Russia, which does not have means for development of its own economy, finances the development of others," he said.

Eco-fascists promote fake New Bretton Woods

by Our Special Correspondent

Over the past months, Lyndon LaRouche's program for a New Bretton Woods conference, which would put the bloated world financial system into bankruptcy reorganization and restart economic production on the basis of large-scale infrastructure projects, has received widespread international support, amidst a revolt against the policies of "globalization" and "free trade." Under such circumstances, it is not surprising that the British-centered international oligarchy, in an effort to neutralize LaRouche's influence, would mobilize certain forces to follow the lead of British Prime Minister Tony Blair, and echo the words "New Bretton Woods," while promoting a destructive agenda.

One of the more insidious efforts in this respect is "The Siena Declaration on the Crisis of Economic Globalization," published as an advertisement in the Nov. 20 *New York Times*. At first glance, the declaration appears quite sane. It charges that "economic globalization" has led to "an extreme volatility in global financial markets and great vulnerability for all nations and people." It pins the blame on supranational organizations that set "the rules of global trade and investment," including the World Trade Organization (WTO), the International Monetary Fund (IMF), the General Agreement on Tariffs and Trade (GATT), the North American Free Trade Agreement (NAFTA), the Maastricht Treaty, and the World Bank. The declaration gives support to the "serious corrective action," including capital controls and reining in currency speculation, taken by Malaysia, India, China, and other countries.

But on closer examination, matters begin to look quite suspect. The Siena Declaration historically locates the source of the plague of globalization in the original Bretton Woods conference of 1944. This is tantamount to holding U.S. President Franklin D. Roosevelt in large part to blame for today's maladies, and ignores the fact that the original Bretton Woods accords provided a viable basis for economic growth internationally, until the mid-1960s "paradigm shift" toward "post-industrial," "ecologist" policies and the Aug. 15, 1971 "free floating exchange rates."

Having damned the original 1944 conference, the Siena Declaration, paradoxically, calls for a "new Bretton Woods-type international conference," but one that sounds more like a Tower of Babel than an event to take emergency measures

to prevent world depression. Their "new Bretton Woods conference" would include not only "representatives of nation-states, bankers, and industry," but also "an equal number of citizen organizations from every country to design economic models" that "place human, social and ecological values above economic values." There is no program offered for global reconstruction, once the ravages of globalization are done away with.

The listed endorsers of the Siena Declaration include leading figures in the international green ecology movement, from groups like the Rainforest Action Network, the London-based Gaia Foundation, and the International Society for Ecological Economics. *EIR* has learned that the name "Siena Declaration" derives from the fact that it was drawn up at a September 1998 meeting in the home, in Siena, Italy, of Britain's Edward ("Teddy") Goldsmith, one of the creators and leaders of "ecologism."

Echoes of Prince Philip and Pol Pot

The Siena Declaration was prepared by the board of directors and committee on global finance of the San Francisco-based International Forum on Globalization (IFG); Goldsmith is one of the board members. The IFG was created in January 1994, in reaction to the passage of NAFTA, and the conclusion of the Uruguay Round of the GATT agreement. It claims to represent 40 organizations in 19 countries.

In January 1995, it produced a "mission statement," asserting that "the IFG advocates equitable, democratic and ecologically sustainable economies." It combined attacks on GATT, the WTO, and the "structural adjustment programs of the IMF and World Bank," with a grab-bag of ecologist policies aimed at achieving "a far more diversified, locally controlled, community-based economics." Toward this end, the mission statement called for "abandonment of the paradigm of unlimited economic growth—which is blind to ecological limits and seeks to maximize consumption and material throughput." This, of course, establishes a false equation between globalization and economic growth, whereas in fact globalization has led to a contraction of real, physical economic growth around the world during the past three decades. Other clauses called for "recognition of the rights and sovereignty of indigenous peoples," an open invitation to the break-up of existing sovereign nation-states; "encouragement of biodiversity," a code phrase for reducing the human species to equality with plant and animal species; and "development of autonomous, regional, and local cycles of production and consumption based primarily on renewable resources of energy and raw materials." The mission statement also propagandized about the alleged dangers of "ozone depletion" and "global warming."

The director of the IFG, Jerry Mander, works out of the San Francisco offices of the Foundation for Deep Ecology,

the brainchild of, and which is bankrolled by, American multi-millionaire Douglas Tompkins. The phrase "Deep Ecology" is taken from the writings of Norwegian kook-ecologist Arne Naess, who has written that the world population should be reduced to 500 million to 2 billion people. Sources report that Tompkins is "very keen on Arne Naess." The foundation has provided funding for Earth First! eco-terrorist David Foreman, who has welcomed the emergence of the AIDS virus as a means to reduce world population. That is an echo of Britain's Prince Philip, the World Wide Fund for Nature (WWF) head who, in 1986, proclaimed that he would like to be reincarnated as a deadly virus, to reduce the world's population. An echo of the British Royal Consort is otherwise found in Tompkins's funding of "ecological parks" in South America.

Goldsmith shares Prince Philip's worldview. His brother, the late Sir James Goldsmith, was an Anglo-French multi-billionaire who poured substantial sums of money into ecologism (including WWF projects) and into bogus campaigns against globalization and free trade. Sir James set up the Goldsmith Foundation which, today, is one of the funders of the Gaia Foundation. Some three decades back, Teddy founded London's *The Ecologist* magazine. In that publication, in the 1970s, his advocacy of Gaia (Mother Earth) worship and deindustrialization went so far, as to include praise for the "back to the land" policies of mass-murderer Pol Pot of Cambodia.

In a Dec. 7 discussion, Goldsmith forecast, almost certainly correctly, that there is a 90% likelihood that the global economy will collapse during 1999. His hope is that this will open an opportunity to "re-create local economies," but he sees that as unlikely. Rather, he foresees a new era of "total chaos, breakdown of central power, and warlordism." In his twisted illogic, this outcome is preferable to the continued existence of the globalized economy, since the latter is causing "global warming," and thereby leading to "the extinction of the human race."

'Transport infrastructure is evil'

The editorial board of *The Ecologist* comprises the board of an organization in Britain called the International Society for Ecology and Culture (ISEC). ISEC director Helene Norberg-Hodge is also a board member of IFG, and professes to have been the "driving force" behind the creation of the IFG in 1994. In a recent discussion, Norberg-Hodge launched into what seemed to be a cogent attack on NAFTA, GATT, and related globalization institutions. Then, she suddenly gave as an example of her view of the problem, "the subsidizing of transport infrastructure," because "expansion of transport infrastructure" undermines the tax base, hurts local communities, and abets globalization. She ranted that there is a "demonstrable, mad investment in infrastructure" taking place around the world. Asked if the China-led Eurasian Land-Bridge project were an example of what she was against, she responded, "Absolutely!" In the next breath,

she attacked the building of bridges linking Sweden, Denmark, and Norway; plans for connecting Spain and North Africa; and the already completed Channel Tunnel between Britain and France.

The ISEC released a report in October of this year, "Small Is Beautiful, Big Is Subsidized," which attacks transport infrastructure projects, and singles out the continental railway system in the United States. "Railway building in the U.S. began in the 1820s," and soon became part of the project to "subdue and civilize the untamed wilderness," the report notes. Then comes the real objection, indicating, once again, that the British hate the followers of President Abraham Lincoln: "Immediately following the Civil War, the Federal government officially embraced the idea of connecting the eastern and western halves of the continent by rail, and put vast resources at the command of the corporations that would construct the line."

This polemic is carried to its logical conclusion, as the ISEC report expresses the wish that the United States as a nation no longer exist! "Many people today believe things would be far better if the nation were divided into much smaller entities," it says.

The report also attacks "Trans-European Nets" (TENs), or the "Delors Plan" infrastructure program for Europe. This was drawn up by the European Commission under the EC presidency of France's Jacques Delors, and mandates an array of rail and road projects criss-crossing Europe. The report characterizes TENs as a plot to help build up supranational structures, favorable to multinational corporations, in Europe. A chart identifies the planned projects it finds most objectionable. Several of those listed are for high-speed rail links. The argument is, that high-speed rail destroys localities, because the trains only stop in bigger cities.

Following this, there is a laundry list of infrastructure projects objected to, in South America, China, India, Laos, and Nepal. Special animus is directed toward China's Three Gorges Dam project. One relevant chapter is entitled, "Expanding Infrastructure: The Road to Nowhere."

One of the contributors to the ISEC report is David Korten, of the People-Centered Development Forum in the United States, who is a signer of the Siena Declaration. Korten's 1995 book, *When Corporations Rule the World* (one of the funders of which was the Foundation for Deep Ecology), is somewhat of a bible for ecologist "anti-globalizers." In that book, Korten, former Ford Foundation operative, constantly recites the mantra of "local community control," as his alternative to globalization. As *EIR* stressed in a review of Korten's book (*EIR*, Aug. 15, 1997), "local community control" is a classic proto-fascist program, the application of which would be every bit as bad, if not worse, than globalization is now. The LaRouche movement, since its inception, has been in a bitter conflict with programs funded by the Ford Foundation and like agencies, for "local community control."

Uproar in U.K. over 'Mandy's' romps in Rio

by Mark Burdman

During a debate on the Queen's Speech in the British Parliament the week of Nov. 23, more than a few eyebrows were raised when Conservative Party leader William Hague suddenly started speaking about "Lord Mandelson of Rio." The reference was to British Trade and Industry Secretary Peter Mandelson, one of Prime Minister Tony Blair's confidants and spin-doctors. Mandelson is no Lord, although he may be considered a queen of a different sort than Her Majesty Queen Elizabeth II, which is where Hague's reference to Rio comes in.

Hague was advertising, in his own sly way, the latest sex scandal to hit the Blair government. This has been provoked by a *Punch* magazine exposé dated Nov. 21, focussing on Mandelson's five-day visit to Brazil last July, under the title "Everything You Always Wanted To Know About Mandelson . . . But Were Afraid To Ask." At the time a Minister without Portfolio, Mandelson was in Brazil, at taxpayers' expense, to meet Blair favorite President (Sir) Hernando Enrique Cardoso and other Brazilian prominents, and to promote the Portuguese version of Blair's book, *New Britain: My Vision for a Young Country*. But, as *Punch's* investigative team uncovered, Mandelson spent his nights having "a guided tour of Rio's sleaziest gay haunts," and engaged in other "extra-curricular activities" hardly becoming to a government minister. According to *Punch*, what Mandelson "got up to on that occasion reflects as well on Britain as the behavior of one of our more unruly football fans."

The exposé was written in anticipation of Mandelson's second visit to Brazil this year, scheduled for Nov. 29-Dec. 3; the magazine suggested that Mandelson was eager to return to Rio because of his extensive homosexual connections there. That visit has been cancelled. Spokesmen at the Department of Trade and Industry insist that the cancellation has nothing to do with the *Punch* story.

Hitting at Mandelson, hits at the core of the Blair power structure. After Blair, he is the second most powerful figure in the government, and was a key architect of the so-called "New Labour" that would abandon the Labour Party's traditional constituencies, primarily in the trade unions. A Nov. 1 London *Observer* feature hyped him as the fourth most influential figure in the U.K. He is occasionally touted as a possible successor to Blair. Mandelson has built up contacts in Germany, Spain, and other countries, where he promotes

the Blair "Third Way" ideology. His latest exploits reaffirm suspicions that the Third Way refers to a sexual position.

The Mandelson scandal comes only weeks after the resignation of Welsh Secretary Ron Davies, following a series of bizarre escapades on the night of Oct. 26 that clearly involved homosexual activity. That affair was compared, in the British press, to the 1963 Profumo affair, which resulted in the downfall of the Harold Macmillan government (see *EIR*, Nov. 20, 1998).

At the center of a powerful gay clique

Punch based its findings on information from a "close-knit circle" of British gay expatriates living in Rio de Janeiro. According to one source, Mandelson—or "Mandy," as the magazine refers to him—"felt his way round the many gay bars that the city has to offer. He seemed determined to have a wild time." He spent his first night visiting Le Boy nightclub, outside Rio. Writes *Punch*: "The main attractions of Le Boy include nonstop male strip shows, and, at weekends, there is a bizarre act involving men having live sex in huge glass fish tanks. There is also a darkened back room at the club, where couples can go to 'pleasure each other.'"

The account continues: "After a couple of hours of loud techno music in the company of lithe young boys, the man tipped by some to be a future Prime Minister of Britain decided it was time to move on. Last call that night was a notorious gay car called Encontras, which is known throughout the [gay] community as a place where the majority of male hustlers are under 20. It is also renowned as a bar where customers' drinks are frequently spiked, so that hustlers can rob and beat their potential 'clients' in nearby alleyways."

An accompanying piece, titled "Mandy's Mates," reports that Blair's close associate is at the center of an "influential network" of gay political activists and media men, who are vital to Blair's New Labour machine. "Mandy yields to no one as the nation's greatest networker," it writes. "And in Westminster's gay community, he reigns supreme. This puts him at the center of a powerful clique of spin doctors who hold some of the most important media posts in the New Labour establishment. . . . Now gays are playing a key role in the operation of the government and the [Labour] Party."

One among the broader network of what *Punch* calls "Peter's friends," is Mark Bolland, Prince Charles's deputy private secretary. Bolland "is close to Mandelson, and it is no coincidence that Mandy was the only cabinet minister to attend Prince Charles's 50th birthday party at Highgrove" in mid-November. After reviewing some of Mandy's buddies in the U.K.'s Press Complaints Commission and at BBC, *Punch* concludes: "With a support system like this, it is no surprise to hear that our more excitable commentators are already tipping Mandelson as a possible successor to Blair."

The exposé would indicate that forces in the U.K. are determined that that will not happen, and that the tenure of the Blair team in power will not be a long one.

France's Dumas may be on his way out

by Claire Dupont

According to all available information, the judges investigating Roland Dumas, the president of France's Constitutional Council, will conclude their investigation and turn in their findings to the Prosecutor of the Republic before the year's end. The decision of Judges Laurence Vichniewsky and Eva Joly could provide an elegant way out of public life for this corrupt figure, who holds sensitive dossiers on enough other politicians, to blow up France's Fifth Republic. The Prosecutor of the Republic will then have three months to respond. The judges can counter his decision, however, and the Paris daily *Le Figaro* reports that Vichniewsky and Joly "seem to have the firm intention to send the former head of diplomacy to the criminal court," arguing that there is a "weighty array of evidence" to substantiate the charges against Dumas of "complicity and of covering up abuses" and corruption.

The investigation of Dumas goes back to the arrest on Nov. 7, 1997 of his former lover, Christine Deviers-Joncour, as a result of an investigation into dirty dealings by the national oil company, Elf Aquitaine. Deviers-Joncour had been employed by Elf as a "liaison" to the Foreign Ministry, at the time that Dumas was Foreign Minister. The remuneration she received went far beyond the worth of her services to the company: a monthly salary of 40,000 francs, and an Elf credit card on which she charged FF 1.5 million between 1990 and 1993, mainly for *haute couture* clothes. Deviers-Joncours obviously had even greater sources of income, since she paid for a FF 1.7 million apartment in a well-to-do area of Paris, complete with an Aubuisson antique tapestry worth an estimated FF 450,000.

The investigation of Dumas specifically concerned possible payoffs that he might have gotten from the sales by Thomson CSF, a French electronics and weapons company, of six frigates to Taiwan in 1991. During the investigations, Deviers-Joncour confessed to receiving FF 46 million from Elf Aquitaine for having served as the middleman in the deal. Both the late President François Mitterrand and Dumas are on record as having been against the deal in the beginning, fearing retaliation from the mainland Chinese authorities. So, Thomson CSF hired several networks of intermediaries, including from Elf, to break the deadlock, from both the Chinese

and French government sides: The deal went through. The suspicion is, that Dumas was corrupted by Deviers-Joncour, and that he was the real beneficiary of her Paris luxury apartment and of the FF 46 million commission.

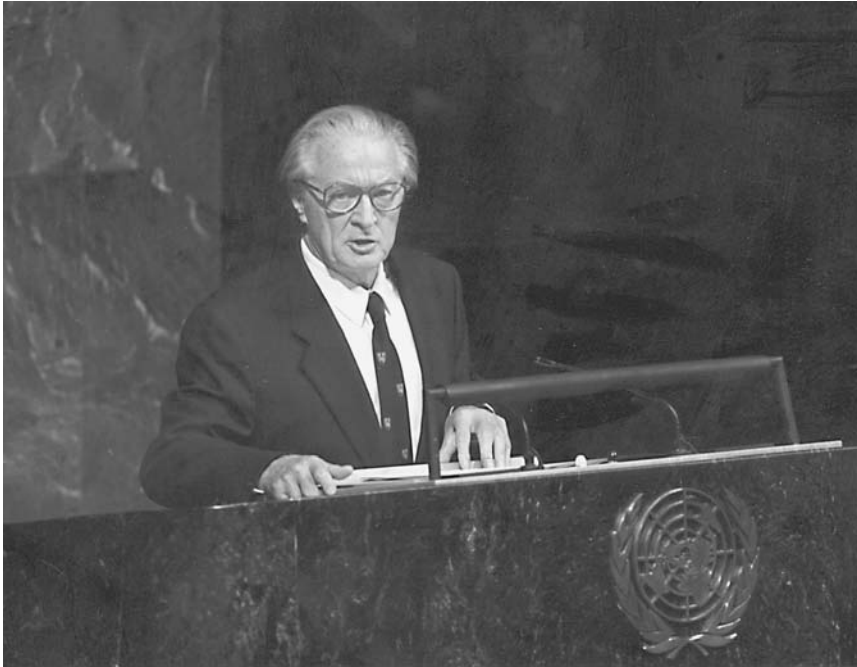
Money-laundering and tax fraud

On April 9, 1998, the judges launched a search of Dumas's offices and home, and soon afterward, placed him under official investigation; he was forced him to to put up a FF 5 million bond and forbidden to travel to any financial or offshore haven. During investigations into Dumas's financial affairs, Vichniewsky and Joly discovered that he had laundered, during precisely that period, more than FF 9 million in cash into his bank accounts, illegal money which also constitutes tax fraud, because it was never declared. Among the most shocking revelations to French citizens, whose living standards dwindled throughout the entire 14-year Mitterrand regime, was that Deviers-Joncour had used her Elf credit card to buy Dumas a pair of hand-made boots at Berlutti's, which cost more than FF 10,000!

Under normal circumstances, Dumas would have resigned a long time ago as president of the Constitutional Council. Leaked by the judges, some national newspapers, including *Le Monde* and *Libération*, have been featuring these revelations on their front pages for months. Not only has Dumas's reputation been left in shambles, but he is not even able to carry out some of his functions on the Council—for example, he could not attend a Council meeting held in Switzerland, since he is forbidden to travel to any tax havens.

But, since the beginning of the scandal, Dumas has refused to resign. The only reason he has remained on the Constitutional Council, is the support he enjoys from French President Jacques Chirac, and from the other politicians under attack by the French counterparts of Italy's "Mani Pulite" ("Clean Hands") judges. Just a few days after the opening of the official investigation, Chirac received Dumas at the Elysée Presidential Palace, and insisted that Dumas be presumed innocent until proven guilty; Chirac has not wavered from this line, despite the fact that practically every political party, including Dumas's confrères in the Socialist Party, is asking for Dumas's resignation.

Most outrageous, was Dumas's participation in the recent festivities for the inauguration of a statue of Winston Churchill in Paris on Nov. 11. Mrs. Xavière Tiberi, whose husband, Jean Tiberi, replaced Chirac as Mayor of Paris, proudly led Dumas to the official reviewing stand for the celebrations. Only one day before, the Constitutional Council, presided over by Dumas, had ruled against a vote fraud complaint by the Socialists' mayoral candidate, Line Cohen-Solal, against the neo-Gaullist Tiberi. Cohen-Solal presented evidence that Tiberi had fraudulently registered on the election rolls many of his friends who do not live in his district, in



Roland Dumas, then Foreign Minister of France, addressing the United Nations in 1991.

President Valéry Giscard d'Estaing (UDF) appealed to Chirac to intervene and clear up the mess. Among the most vocal were the younger Socialist deputies, who came into the National Assembly with Prime Minister Lionel Jospin's moralizing majority: Arnaud de Montebourg addressed Dumas in *Le Monde* on Nov. 12, "Leave If You Are Still a Socialist." Christophe Caresche told *Libération* on Nov. 13, that for Dumas to stay on "is no good." Vincent Peillon added that, thinking back to all the errors of the Mitterrand era, "politically, our interest is to strongly state our point." Finally, Jean Christophe Cambadellis, a close friend of Jospin, publicly suggested that Dumas take a leave of absence as president of the Council until his case is cleared up. Following these calls, massive pressure has been brought to bear on the Constitutional Council, which, is known to be divided on the issue.

order to increase his votes.

Chirac and the neo-Gaullist RPR party are supporting Dumas because the judges have let it be known that Mitterrand's former Interior Minister, Charles Pasqua (RPR), and Chirac are next on their target list. Indeed, during the first coalition government in 1986, between Mitterrand's and Chirac's parties, both decided to share in the booty of Elf's dirty money. Were the judges to lay their hands on documents proving that liaison, particularly the strong tie between then-Interior Minister Pasqua and Foreign Minister Dumas, the entire French state could be brought down.

Calls for resignation begin

So far, Chirac's defense of the presumption of innocence for Dumas had been accepted by all; but now, the appearance of a book by Deviers-Joncour, *Whore for the Republic*, in which she attempts to whitewash Dumas, has had the exact opposite effect. Deviers-Joncour tries to take full responsibility for the case, blaming herself for playing Mata-Hari for Elf Aquitaine and claiming that Dumas never fell for her game and remained uncorrupted.

The book so disgusted the entire political spectrum, that a chorus of senior political leaders began to demand Dumas's resignation. Alain Peyrefitte, former Justice Minister, called upon other members of the Constitutional Council to go on strike and refuse to work under Dumas's Presidency. He was echoed by Socialist Party chairman François Hollande, who also called on the Constitutional Council members to take leave of their responsibilities vis-à-vis Dumas. And, former

It is in this context that Judges Joly and Vichniewsky will turn in their findings to the Prosecutor. Even though the stench of the case is stronger than if all of Rabelais's Gargantuan elephants had defecated all over Paris, the judges have not been able to establish a formal connection between the money received by Deviers-Joncour and Dumas, with the exception of restaurant receipts and the infamous Berlutti boots. Nevertheless, the judges are letting it be known that they will be sending Dumas before a criminal court, based on a broad array of coherent evidence indicating corruption. Dumas's lawyers have, for their part, let it be known that, were Dumas to be sent before such a court, he would still not resign, but would "take leave from the Institution of the Montpensier St. [the Council], for several months."

Currently, the chances are that Dumas will be shoved out of the picture, with his reputation destroyed, but without having to face severe criminal charges. Even though his case has been forwarded to the tax authorities, the statute of limitations has expired on the money-laundering charges. In the tax case, in all likelihood, he will get a slap on the wrist for crimes which, for anybody else, would lead to prison.

Such is the French *nomenklatura*, a small club where the happy few protect each other against anything deemed foreign to the system. We should not forget that it is this *nomenklatura* running the Constitutional Court, which bankrupted Presidential candidate Jacques Cheminade, a friend of Lyndon LaRouche, by refusing, under false pretenses, to reimburse his Presidential campaign expenses as required by law.

London's Great Lakes wars bring death to Burundians

by Linda de Hoyos

"Large-scale killings of unarmed civilians, primarily by government forces, have continued throughout 1998" in Burundi, Amnesty International alleges in a report released in November. The report confirms that the modus operandi of the regime of Pierre Buyoya, who came to power in a military coup in July 1996, continues unabated: mass killings of civilians, detentions, and disappearances of any suspected political opponents, and forced relocation of civilians to camps, where they are left without means of subsistence and subject to death by disease, starvation, or killings by the military.

These charges have long been aired by the major opponent to the Buyoya regime, the National Council for the Defense of Democracy (CNDD), led by Leonard Nyangoma, who was Interior Minister under the murdered elected President in Burundi, Melchior Ndayaye. In March 1998, Human Rights Watch published a report, "Proxy Targets: Civilians in the War in Burundi," which documented the forced relocation policy of the government, which stands in violation of Article 4 of the Geneva Convention.

No fanfare in English-language press

Although most reports of such prestigious human rights organizations as Human Rights Watch and Amnesty International receive major international press attention, in the case of Burundi, there is no fanfare, particularly in the English-speaking press.

The reason? Buyoya, who has somehow earned the characterization of "moderate Tutsi," is an ally of London's "new breed" of leaders in Africa, specifically of Paul Kagame in Rwanda, and of Yoweri Museveni in Uganda. According to multiple reports, Burundian soldiers are now operating inside the Democratic Republic of Congo, which Rwanda and Uganda invaded on Aug. 2. *Agence Missionnaire Misna* (Misna Missionary Agency) reported that 89 Burundian soldiers were killed fighting with Ugandan and Rwandan troops in defense of the town of Moba in the Congo.

Although Museveni is known to be a sponsoring friend of Buyoya's Tutsi rival, predecessor in the Presidency, and cousin, Jean-Baptiste Bagaza, such intramural competition appears to have been put aside, as Uganda, Rwanda, and Burundi "get down to business" to hive off the mineral-rich regions of eastern Congo for themselves and their backers in

the British Commonwealth extraction companies that have brought them to power.

In Burundi, the military, which is 100% controlled by the Tutsi group, has dominated Burundi nearly continuously since independence through a series of militarist governments, the last of which was led by Buyoya. In 1993, Buyoya agreed to the holding of elections. In June of that year, Ndayaye became the first elected and first Hutu President in Burundi. In October 1993, in an attempted coup directed by Buyoya, Ndayaye was murdered. Despite the fact that the winning Frodebu party nominally continued to hold the government, the Tutsi military embarked on a campaign of assassination against Hutu elected officials, and the slaughter of Hutu civilians, which massacres were decried during 1995-96 by U.S. Ambassador to Burundi Robert Kreuger.

The military's relentless campaigns forced the creation of the National Council for the Defense of Democracy by Leonard Nyangoma, which organized for the armed defense of the population. Now, although the CNDD has split into two groups, the armed resistance is knocking at the doors of the capital, Bujumbura, with the fiercest fighting now taking place in the province of Rural Bujumbura.

As a consequence, it is likely that the embargo placed on Burundi by neighboring regimes, including Uganda, after Buyoya's 1996 coup, is likely to be lifted, as has been demanded by the European Union and the United States. The lifting will presumably permit Buyoya to act more effectively against the Congo and against the CNDD and other armed groups at home.

Civilians chased like rabbits

The Human Rights Watch report on Buyoya's reign of terror and murder against the civilian population went unnoticed in March of this year. In the intervening time, Amnesty International documents, the killings have continued under the shroud of silence.

As the Amnesty report states in the outset: "Amnesty International has received numerous reports of killings from the southern provinces of Makamba and Bururi, and from the province of Rural Bujumbura. The majority of killings have taken place in areas of armed conflict, making access to and verification of information particularly difficult. However,

several clear patterns emerge.

“Most killings by government soldiers of Hutu civilians appear to take place in reprisal for insurgent activity or killings of soldiers or Tutsi civilians by Hutu-dominated armed opposition groups. . . . In some instances, it appears that soldiers were alerted by the local population to the presence of armed opposition groups, but were unable or unwilling to engage in direct combat and resorted instead to reprisal attacks on civilians after the combatants had left.”

Amnesty notes that while the military has killed “hundreds of civilians,” the armed insurgent groups have killed “scores” of civilians—some in attacks on camps of displaced Tutsis.

Most recently, on Nov. 11, the military murdered up to 178 civilians in a village in the hills south of Bujumbura, according to press accounts, in one of the largest massacres ever reported. The killings followed an attack in the area, which is only 22 miles south of the capital, by the insurgent groups.

The *modus operandi* is not only to kill civilians, but also to burn houses and seize whatever valuables the military can find—making it impossible for survivors to resume normal life. The killings were escalated in January of this year, after a successful raid by the Forces for the Defense of Democracy on the Bujumbura airport.

On Jan. 7, the military killed 22 civilians, including at least three young children, in the area of Kirekura and Maramvya in Rural Bujumbura. Another 72 people were killed, including at least 10 children under the age of 10, in Isale commune between Feb. 22 and March 30, “when they failed, or refused to be moved to a site at Rushubi, as soldiers cleared the civilian population from the area.”

In the same time frame, on Jan. 6-7 in Bururi, in southern Burundi, up to 100 people were killed. Then, on Feb. 20, “at least 100 people who had been regrouped at a military post in the area because of fighting between government soldiers and insurgents in the locality were allowed by the soldiers at the post to return to their fields to harvest crops. However, when they went to the fields, they were shot by soldiers who had accompanied them.”

Concentration camps

Since February 1996, even before Buyoya took power, the Burundian military has carried out a policy of the removal of the civilian population from areas of fighting. The idea is to dry up the “sea of support” in which the armed groups subsist. By early 1997, upwards of 500,000 people—nearly 10% of the population—were incarcerated in such camps. According to Amnesty International, the number remains approximately the same, although the areas of incarceration have shifted.

As one non-governmental organization worker in Burundi described the camps in the Human Rights Watch report of March: “Hutus are officially protected from rebels by the

army in those camps; in reality, they are prisoners. They are very like concentration camps. [People] cannot leave them, because, if so, they are shot; they have no land to work in, no clean clothing, they have nothing. Scabies and hunger are present in every regroupment camp. Furthermore, there is a dysentery epidemic all over the country.”

Another aid worker likened the camps to the concentration camps of the Holocaust. “All that is lacking is the gas chamber. You watch as members of the family slowly die off, one by one, from tuberculosis, malaria, dysentery, starvation.”

Amnesty International confirms that the conditions of the camps have not improved. “Conditions in the camps continue to be appalling with high levels of disease and malnutrition. Thousands of people are reported to be severely malnourished, in some cases literally starving mainly as a result of their confinement in the camps. In May 1998, the government spokesperson and Minister of Communication denied on Rwandese radio reports by humanitarian organizations that 10 people were dying each day in regroupment camps in Bumbana and Musigati communes. . . . A number of refugees recently interviewed by local organizations in Bubanza province said that they could not tend their crops because they feared that if they were found in the evacuated area they would be shot by soldiers as suspected combatants. While some are able to get small jobs which enable them to buy some food, the majority are believed to be suffering from serious malnutrition, and other life-threatening diseases such as tuberculosis and malaria, which are prevalent in the camps. Many recent refugees arriving in Tanzania from southern Burundi are severely malnourished. Some have claimed that this is because they have been confined to camps near military posts for weeks and months in poor conditions and without access to adequate food.”

Amnesty also reports that, as in the war in Bosnia, “many cases of rape by government soldiers are reported to have taken place in or near regroupment camps, or during counter-insurgency operations. According to some sources, in the month of March 1998 alone, hundreds of women and young girls, including children under the age of 10, were raped in regroupment camps in Bubanza.”

But in Burundi, such atrocities have been carried out unnoticed by the international community, with nary a word of protest to the Buyoya regime from anyone. Without action from the United States in particular—without a change in policy from the United States, away from its current war posture to that of actual peace—the nightmare in Burundi can be expected to continue. Its prolongation is testimony to the criminal insanity of the policy being imposed on the entire Great Lakes region from London, Paris, and their subordinates in Washington: the imposition of a minority militarist force as a marcher-lord against populations who must be cleared out of the way to make way for the new colonialism of raw materials looting of Africa.

War on the police

George Soros's stooges, aided by an assault against law enforcement, are leading the charge for drug legalization.

On Nov. 22-25, the first International Conference on Drugs and Young People was held in Melbourne, attended by 650 delegates from Australia, New Zealand, the United States, the U.K., Sweden, Asia, Africa, and the Pacific Islands. Lead speakers, including federal Sen. Natasha Stott Despoja of the Australia Democrats and Mike Moore, Health Minister for the Australian Capital Territory (A.C.T., the area around the federal capital of Canberra), almost unanimously called for the adoption of the "harm minimization" strategy designed by George Soros, the mega-speculator and Daddy Warbucks of the worldwide drive to legalize marijuana, cocaine, heroin, and other deadly drugs, as a "solution" to the burgeoning drug trade in Australia, and globally.

The conference was the latest in an unending stream of conferences, seminars, studies, and calls by politicians downunder, to rip up traditional law enforcement methods, and surrender to the drug cartels and their pro-legalization allies in the banks, casinos, and other establishment money-laundering institutions. All of this activity has been financed either by Soros himself, whose chief Australian representative is Mike Moore; by establishment firms such as Rio Tinto; or by the Australian Drug Foundation, a front for the nation's major banks, which profit from the more than AUS \$7 billion laundered annually through the banking system (see *EIR*, June 12, 1998). But, more than anything else, what has energized the call for legalization, has been the soaring crime rates and numbers of drug-related deaths, *which are the direct re-*

sult of dismantling the nation's federal and state police forces.

No one disputes the extent of the problem: A UN report last year found that Australia had one of the highest per-capita consumption rates of marijuana in the world; the nation's heroin problem has been regularly described as "worse than Great Britain's" (which has exploded due to back-door forms of legalization), and has resulted in more than 600 deaths from heroin overdoses last year alone; and crime rates across the country have soared. George Pell, the Catholic Archbishop of Melbourne, recently described the drug/crime plague in the country as being of "epidemic proportions."

Federal and state governments would of course meet such an emergency by strengthening police forces, beginning by stepping up funding, right? Wrong! From the federal government on down, they have done the opposite, by slashing funding and sanctioning attacks on police and customs forces, including disbanding the two most effective state anti-drug units in the country.

In March 1998, with one eye on the approaching federal elections, Liberal Party Prime Minister John Howard responded to the furor over the explosion in drugs and related crime by announcing a new AUS \$187 million "Tough on Drugs" campaign, reversing his government's previous support for a "heroin trial" in the A.C.T., in which that government proposed to set up "safe injecting rooms." Howard's new-found enthusiasm for fighting drugs was belied by the fact that, since the Department of Public Health formally adopted it in 1986, the govern-

ment's official position on drugs has been "harm minimization," and by the fact that his government had ruthlessly slashed funding for the Customs Department and the Australian Federal Police (AFP) since it came to power in early 1996—to the point that both have been almost driven out of existence.

The Customs Department, for example, in 1997-98 seized a minuscule 38.7 kilograms of cannabis, compared to 24,546 kg in 1996-97; and, it has the resources to examine only three of every 10,000 cargo containers entering the country. Customs' staff union spokesman Stuart Bell charged in October that the number of ship searches had been slashed because of "dramatic staff cuts," and that the "new" federal anti-drug money replaced only *one-third* of the funds previously cut by Howard. The AFP, meanwhile, lost 185 agents last year, and is losing 13 more each month, with two AFP regions covering the Northern Region (the Northern Territory and Queensland) and the Southern Region (Victoria and South Australia) set to disband by year's end. Australian Federal Police Association spokesman Craig Shannon summed up the AFP's situation as "just about bankrupt," yet the government plans to cut another \$50 million from AFP funds!

Meanwhile, fraudulent anti-corruption investigations during the past two years have dismantled the Western Australian and New South Wales anti-drug squads (whose effectiveness was legendary), and slashed police numbers, while the pro-legalization government of Victoria has also slashed its police force. Predictably, drug usage has exploded, as have other crime rates, including a 90% rise in bank robberies in New South Wales, and a 35% rise in street robberies in Victoria, often by junkies wielding blood-filled syringes.

International Intelligence

'Times of India' urges broad diplomatic policy

India should practice "multipolar" diplomacy, with delegations to China, Russia, the Persian Gulf, and other regions, said a commentary in the Dec. 1 issue of the *Times of India*. New Delhi has concentrated too much on dialogue with the United States, it said. Rather, the government needs to fly Prime Minister Atal Behari Vajpayee's special adviser, Jaswant Singh, to Beijing as well as Berlin, Paris, and Tokyo, and to send other envoys to the Gulf states, Pretoria, and Moscow. The *Times* nominated President K.R. Narayanan for the special job of China diplomacy, since he had a successful and long post as ambassador to Beijing.

The daily also asserted that economic diplomacy needs to be fused to the political. A step-up in contacts with countries that show a better appreciation of India's strategic dilemma will generate pressures elsewhere for a reappraisal of hard-line strategies toward New Delhi. In this, France and the Gulf states play a role: Paris is the only major Western capital to have actively expressed its sympathy with some elements of India's defense doctrine; and, the Gulf states, including Iran, need to be the focus of sustained efforts at setting up joint ventures, especially in petrochemicals.

Long isolation for Cambodia nearing its end

With the successful confirmation of Hun Sen as sole Prime Minister of Cambodia on Nov. 30, and the convening of the National Assembly under Prince Norodom Ranariddh's leadership, Cambodia hopes to reclaim its seat at the United Nations, kept vacant since September 1997. On Dec. 4, the UN credentials committee drafted a memo accepting Cambodia's claim. Cambodia also has strong support from Vietnam, Japan, and Malaysia to assume membership in the Association of Southeast Asian Nations, during the Hanoi heads of state meeting on Dec. 15-16. Further, Vietnam has invited Hun Sen to Hanoi for a state visit on Dec. 13-14, during which a meeting has been arranged between him and Chinese Vice President Hu Jintao.

Domestically, eight top Khmer Rouge commanders and about 5,000 men surrendered to the Phnom Penh government in a ceremony broadcast nationally on Dec. 5. Khem Nuon, who negotiated on behalf of the Khmer Rouge soldiers, read a statement, asking for his men to be reintegrated into the Royal Cambodian Armed Forces. Not included in the deal are the three remaining senior Khmer Rouge leaders, Ta Mok, Khieu Samphan, and Nuon Chea, who are still at large and who would be the main target of any genocide tribunal. Khem Nuon commented that the rank and file have broken with them and they are now "retired." A facilitator in this latest surrender is the ubiquitous *Far Eastern Economic Review* correspondent Nate Thayer, whose life ambition seems to be to profit from the Khmer Rouge.

Earlier in the week, the two top royalist collaborators of Ta Mok and company, Fun-cinpec (Prince Ranariddh's party) Generals Nhiek Bunh Chhay and Serey Kosal, also surrendered, and were given royal amnesties. Gen. Nhiek Bunh Chhay and Gen. Serey Kosal both joined forces with the Khmer Rouge in O'Smach after their aborted July 1997 coup against Hun Sen.

Indonesia sets general, Presidential elections

Indonesia has set general elections for June 7, 1999 and the Presidential election for Aug. 29. Parliament speaker Harmoko told reporters on Dec. 3. Student demonstrators, meanwhile, continued with protests near the Presidential palace and offices on Dec. 2-3, demanding a corruption probe of former President Suharto. On Dec. 3, after 1,500 students converged on the Presidential offices, a delegation was invited to meet with President B.J. Habibie's military secretary, Vice Air Marshal Budi Santoso, and Presidential aide Erman Rajagujuk.

On Dec. 1, the Forestry Minister issued the results of his investigation, saying that the Suharto family has laid claim to at least 9 million hectares of forestry areas, larger than the island of Java.

In other developments, former Suharto government members—Vice President Gen. Try Sutrisno, Defense Minister Edi Sudradjat, Environment Minister Sarwono Ku-

sumaatmaja, and Youth and Sports Minister Hayono Isman—announced on Dec. 3 that they will resign from the Golkar party, and create a new party on Dec. 15, allegedly because of the failure of Golkar to apologize for its errors in allowing Suharto to centralize power.

Eritrea boots out London's Sudanese 'democrats'

Newspapers in Sudan are reporting that Eritrea has asked the London-hatched National Democratic Alliance (NDA) to leave the capital, Asmara. Under the auspices of Qatar, Eritrea and Sudan have made progress in restoring relations between them. In December 1995, Eritrea summarily broke relations with Sudan, and then, under the direction of Baroness Caroline Cox, hosted a conference of the northern opposition groups to the Khartoum government, which groups founded the coalition of the National Democratic Alliance.

The Eritrean government, whose leader, Isaias Afwerki, is among what London has called the "new breed" of African leaders, then handed the Sudan embassy in Asmara over to the NDA. Now, however, Afwerki wants to ease pressures on his western border in order to concentrate on the war against Ethiopia, and has withdrawn support from the NDA.

In a speech on Nov. 21, Sudanese President Omar al-Bashir had praised the Qatar mediation efforts, noting that "this step frightened the [NDA] opposition," adding that "Ethiopia had shut the door in their face following the restoration of good relations with Sudan."

The NDA is now appealing to the UN to intervene and end the 15-year civil war. The letter has been endorsed by Sadig el-Mahdi, now in Cairo. Although the letter slanders the Khartoum government as "terrorist" and "criminal," the NDA—which had earlier vowed to take Khartoum through an uprising, and then militarily from Eritrea and Ethiopia—has apparently decided that the military option is a failure. The letter likely reflects pressures on the NDA from Egypt, and from the fact that Sudan has mended fences with the regimes in Ethiopia and Eritrea.

Why expose Gore's record now?

by Lyndon H. LaRouche, Jr.

December 9, 1998

He is as dumb and poisonous as a Gila Monster, as slimy-tailed and mean-spirited as a 'possum, as greedy as a backwoods loan-shark; he is an Armand Hammer protégé, with connections, disloyalties, and morals to match. You know how that good old Tennessee boy can get, when he doesn't get his way! There are some who might suggest, that if some relevant Baptist minister had held young Al Gore, Jr. under for just another three minutes, the baptism might have succeeded in making a Christian of even that "New Age" heathen fanatic. Our bi-polar Vice-President has a record as long as your arm. The question which will be asked of me, is, why did I wait so long to speak publicly of the matter in these terms?

In life in general, especially in history-making matters of state, there are some true facts, like your cousin Butch's smelly feet, Mathilda's insufferably bad breath, or Al Gore's ethics, which we avoid mentioning, unless absolutely necessary. But, then, if there comes a time when the survival of nations, even of civilizations, demands it, the unpleasant truths must be told, plainly, in timely fashion, with pungency and force.

How will you react, for example, to the curious coincidence, that one of my own and President Clinton's loudest enemies, Conrad Black's Hollinger Corporation, has said pretty much the same thing about Gore, in the Nov. 1, 1998 edition of its flagship publication, the London *Daily Telegraph*? How will you react to learning the additional, hard evidence, which the *Telegraph* did not report, which shows, that Vice-President Al Gore has deep, long-standing, close connections to a wide assortment of some of the most savage among President Bill Clinton's most impassioned, and nastiest, Zionist far-right-wing and other political and personal enemies, the recently retired Newt Gingrich and Conrad

Black notably included. Ask yourself: Why would my own and Clinton's perfervid enemies at the London *Telegraph*, ruin their otherwise nearly perfect publishing record, by, for once, telling the insider's truth about anyone, even Gore?

The time to speak out, came on the day, in Kuala Lumpur, when Vice-President Gore made an ass of the United States government, before the entire world. Admittedly, with his infantile Bozo-the-Clown act at that recent APEC meeting, he created a scandal which has ruined forever his chances of becoming President of the United States; but, that is only the surface of the crucial national-security problem he created by his behavior.

The gut of the Gore issue, is that this is no ordinary strategic crisis. By acting as he has done, repeatedly, in the worsening world crisis which erupted this Autumn, in the midst of the most awesome, global financial and monetary crisis in modern history, Gore's foolish actions, like the treachery of the Confederacy's Jefferson Davis, crossed the bloody line. He went beyond his usual, childish foolishness, and crossed that line, which defines where U.S. national-security ends, and intolerable conduct begins.

In the present world crisis, in face of the terrible crisis to hit during the coming eight weeks, U.S. national security demands that very plain words be spoken, without the usual double-talking, boardroom etiquette. The man whom the very-well-informed *Telegraph* reporter aptly described as "President-in-Impatient-Waiting" Gore, has crossed the line. After what he has done, even those who have otherwise tended to be sympathetic to him, or, at least tolerant, at the *Telegraph*, the *New York Times*, and elsewhere, have written Gore off publicly as a man who crossed a line, the type of defective personality which could never be allowed to become President.

As a result, President Clinton's ability to deal with the multiple threats, both to his Presidency and to the nation,



Vice President Gore and President Clinton at a 1995 press conference to announce "Project XL," to reform the environmental regulatory system. "You know how I get, when I don't get my way," one can almost hear Gore, the corn-ball Napoleon, muttering.

depends upon his acting now to put his Vice-President under apparent foreign-policy wraps, for the duration of the presently onrushing global financial crisis. I shall, first, sum up the nature of the crisis which prompts me to present this report on what is fairly labelled "The Gore Problem." After that, I shall summarize the broader strategic issues of foreign policy involved. In conclusion, I shall summarize the Gore problem as such.

1. The breaking world crisis

During the coming eight weeks or so immediately ahead, most of the world, including the U.S.A., will have been plunged into a deep economic depression, far deeper, far more menacing than what the U.S.A. experienced under President Herbert Hoover. There is no guesswork in that forecast; the present figures, showing that that is what is now about to strike, are easily accessed, and correspond precisely to the warning I first presented, in the form of my now well-known "Triple Curve," in the closing weeks of 1995. [See **Figure 1** in our *Feature*—ed.]

That "Triple Curve" was presented to illustrate the crux of my long-range economic forecast issued in mid-1994: to show how and why the world economy was then approaching entry into the terminal phase of that long spiral of financial collapse which had been set into motion, initially, by the August 1971 launching of the now-doomed "floating exchange-rate" monetary system, the present IMF system.

During the Summer of 1997, I announced that we must expect the world to actually enter that terminal phase of the world financial crisis not later than mid-October of that year. It happened exactly as I warned it would. Now, the crucial

financial, monetary, and hard-commodity-trade figures, for the period April 1998 to the present date, show, that the world's financial system, in its present form, will reach an end-point, of either a drop into a world depression, or a hyper-inflationary blow-out, during as early as the eight or so weeks ahead.

There is nothing miraculous about my ability to forecast with such degrees of precision. The world's financial and economic situation has recently entered a boundary-layer, somewhat like reaching supersonic speed. Look at three sets of figures which demonstrate that fact most simply. First, look at the lunatic rates of growth of U.S. M1, M2, and M3 over the past twelve months. Second, look at the rates of collapse in hard-commodity trade among nations during the same period. Third, see the causal connection among both those two sets of figures. Compare that with the temporary, wholly artificial growth in leading financial indicators. What these three sets of figures tell anyone who is not a complete dunce in the ABCs of economic facts, is that the system is now in the process of "going off all charts."

Since early October 1998, the G-7 central-banking systems have been virtually printing money (for example, U.S. M2) at rates of acceleration which must be compared with the final phase of Weimar Germany's hyperinflationary blow-out, during Summer 1923. This lunatic action by the G-7 central bankers, has been accompanied by the outbreak, during recent weeks, of the wildest, international, desperation-driven merger-mania in modern history; this has also been accompanied by the steepest rates of collapse of key sectors of hard-commodity production and world trade, and of raw materials prices, in post-war history.

All of this means, that the so-called “Keynesian alternative,” as proposed by international “Third Way” freaks such as Britain’s Prime Minister Tony Blair, is finished, as of about now. The critical “triple relationship”—the combination of up-zooming monetary expansion, hyperinflationary financial speculation, and down-zooming rates of collapse of hard-commodity production and trade—has now been reached, at which any further attempt to “save the system” by monetarist pump-priming methods, will now cause a virtually immediate blow-out of the very system which the “born-again Keynesian” clowns, such as Britain’s Tony Blair, propose to bail out. We have now, already entered the boundary layer which defines the end of the world financial system as we have known it since August 1971.

So, there are now only three options from which to choose. No matter which option you choose, what will erupt in the world economy beginning the coming period of approximately eight weeks, will be a shattering break-down of the world’s financial system in its present form. The first option, is a straight-forward chain-reaction collapse, bringing on a much steeper, and deeper depression than that during the early 1930s. The second option, the very temporary alternative, is a slightly later “Keynesian blow-out” of a Weimar-hyperinflation-style financial bubble. The third option, is my specifications for the emergency implementation of drastic and sudden measures, which I have named as a “New Bretton Woods System.” The latter measures include a sudden return to capital controls, exchange controls, approximately fixed parities of currencies, and measures of protectionism and financial regulation, echoing the pre-1958 period of the old Bretton Woods system. There now exist no other alternatives than these three.

Therefore, that third option is the only policy which corresponds with the vital foreign policy and other national security interests of the United States. This means scrapping the programs inherited from the “New Age” freaks of the old Gore-Gingrich Congressional Clearinghouse on the Future. It means scrapping “free trade.” It means scrapping “globalization.” In brief, Gore’s fanatically stubborn policies and the U.S. nation can no longer co-exist, as practice, on the same planet.

Otherwise, the alternative to that third, non-Gore option, is the “dog’s dinner” recently referenced by U.S. Treasury Secretary Robert Rubin. Then, the weeks ahead are times to say, “Boys, the party is over. You better call it a day and go home, if you still have a place you could call home.”

That is what I mean by issues of “national security.” Without a national and international political-economic arrangement which replaces the present, hopelessly bankrupt present international financial and monetary system, there will be no future U.S.A. much beyond the end the present century.

2. Two views of U.S. foreign policy

My duty here, is to identify, and defend two rather different, but overlapping views of the foreign-policy side of U.S.

national security. The first, is the view of foreign policy implicit in our good-hearted, but often temporizing President Bill Clinton’s not always successful foreign-policy efforts. The second, is my own view, which substantially coincides with the thrust of President Clinton’s often frustrated, and often bungled intentions, but which, on the other hand, also features my unique expertise in areas, notably economics, in which the President has shown essentially no competence. For our purposes here, it is essential that both the coincidence, and distinction between those two views be made clear.

Apart from his now loudly proclaimed, official standing as our republic’s First Sinner, President Clinton, with all his tendency for shilly-shallying, and other personal shortcomings, has been a decent man with decent personal political impulses on a large range of issues. We have had worse Presidents, often much worse. On the good side, from early in his administration, the central thrust of President Clinton’s foreign policy has pivoted on three nations: Germany, Russia, and China. A certain streak of his inclination for personal decency, in contrast to Gore’s blinkered ambitions, has been crucial in shaping the President’s expressed policy-orientations in these and kindred areas of policy.

The President had rightly chosen Germany as the desired U.S. partner of choice in spearheading improved economic relations among the U.S.A., continental western Europe generally, and Russia. That view of the natural, three-way economic partnership among the U.S.A., Germany, and Russia, echoes what had been the policy of all the greatest statesmen of Germany and Russia, and of the pre-McKinley-assassination U.S.A., since the global strategic diplomacy of Benjamin Franklin and John Quincy Adams. If the President has had reason to be disappointed with the net performance of his dinner partner, the now-former German Chancellor Helmut Kohl, Kohl’s relevant short-coming was that he was acting often as the victim of the murderous evil which the Thatcher-Mitterrand-Bush-Gorbachev gang shoved upon both Germany and Russia, during 1989-1992, before Clinton came on watch.

The President has been committed to the economic recovery of Russia, a commitment unfortunately colored in performance by the President’s ignorance of the ABCs of economics. His Russia policy has been a record of good intentions almost fatally blemished by the President’s blindness to the effects of Gore’s pro-mafia policies and connections; Gore’s influence is the chief single cause for the catastrophic failures of Clinton administration Russia policy during the past five years since the September 1993 shoot-out at the Russian parliament.

The President’s relations with the government of China have been, on balance, the one area in which Clinton has so far achieved great, if only qualified personal success. This will continue, if deference to the disastrous meddling of Al Gore and Gore-controlled political advisors does not ruin China policy, as it ruined Clinton’s Russia policy. Today, the success of the U.S. President’s strategic cooperation with China, is

the cornerstone of any viable U.S. foreign policy. It is also the last chance to salvage some durable net good, at last, from the two terms to which President Clinton has been elected.

The possibility of success in any other areas of the world depends on U.S. success in its dealings with the cornerstone partners Germany, Russia, and China. That does not mean policies based exclusively on these three partners alone; it means the building of the broader economic-policy partnership which depends upon bringing together these three as the seed-crystal of a planet-wide, new system of economic cooperation. India is a major partner for both Russia and China, and Japan for Russia, China, and Southeast Asia, for example. The survival of Germany and Russia, and, indeed, all of Clinton's foreign-policy options, now depend absolutely on the pivotal success of Clinton's crucial partner, China.

Admittedly, President Clinton has shown no understanding of any of the essentials of the relevant economic policies, in these or other areas of foreign policy. Nonetheless, his thrust toward finding a fruitful relationship with a group of nations associated with these three, and other nations, is correct, and corresponds to the most vital national-security interests of the U.S.A.: our nation's most urgent, life-or-death foreign-policy interests. In fact, unless those interests are defended, the United States itself will not exist as a viable economy and nation much beyond the end of this closing century.

By intention, there is no reason to doubt that President Clinton intends to serve such interests. Serving interests, however, is like fighting war; it is necessary to command both those competencies which are indispensable for victory, and the will to act accordingly.

Our nation's and your family's personal lives depend, unconditionally, upon your rallying, as a citizen should, to the defense of those foreign-policy interests.

Thus, on this point, and in this way, his foreign-policy efforts, and his continued role as President, must be supported unconditionally by all U.S. patriots. Neither Democratic Leadership Council Dr. Jekylls nor Republican Mr. Hydes must be allowed to put our nation into jeopardy with any more treasonous, anti-constitutional, British-parliamentary-style tricks, of the sort spewing out of the mouth of the world's worst pornographer and sleaze-ball in general, Kenneth Starr.¹

That much said, if we relied upon President Clinton's policy-making alone, the United States would not survive much beyond the close of this present century. Either we add to his efforts, exactly those policies which I have specified, or the U.S. will not survive many years to come — as a nation. This brings us to the second view of U.S. foreign-policy interests, my view of the same matters. This is a view of those interests on which even the mere survival of the U.S.A. now depends absolutely.

1. It should be suggested, that those deviant Democrats and lynch-mob Republicans debating which way to skin the President, might join together to create a crooked law-firm, to be known as Heckel, Jekyll, and Hyde.

3. The crucial policy-issues

The axiomatic foreign-policy interest of the United States, is to defend what President Abraham Lincoln once described as that form of government "of the people, by the people, and for the people," established by our Leibnizian 1776 Declaration of Independence and 1789 Preamble of our Federal Constitution, a form of government, then unique on this planet, for which so many Americans gave their lives in the great struggle for freedom conducted under his command. It is important to stress, that on this account Lincoln was a knowledgeable follower of the greatest architects of the foreign policy of the United States, Benjamin Franklin and our greatest Secretary of State and one of our greatest Presidents, John Quincy Adams.

As I have avowed repeatedly, these United States are the great exception among all modern nations. This nation was the creation of the best minds of all European civilization, built here by Europeans, at a time when oligarchical rule over Europe could not be broken within Europe itself. Never, to this date, with the near exception of President Charles de Gaulle's Fifth Republic in France, has any state in Europe achieved a true republic. Only poor parliamentary approximations of a republic have been achieved there, to the present day. The combined former power of Europe's landed aristocracy, as under Metternich, and vast financier-oligarchical power, as of London, has made concessions to demands for democracy, but a true republic has yet to be achieved there.

Wise U.S. patriots have never scorned Europe on this account. We know that it was the best ideas of Europe, on which all the good achievements of the U.S. were built. Rather than scorn Europe for its failure to free itself from the grip of financier-oligarchical overlordship, we support Europe's efforts to achieve a more perfect freedom. We consider the right of all peoples to their own perfectly sovereign form of nation-state, as not only their moral right; we also recognize that it is our vital interest that all nations achieve that right in full. The informed foreign policy of the U.S. is to build a world based upon the principle of the modern perfectly sovereign nation-state, and upon the principle of mutually advantageous cooperation among such states.

The notion of rights which has informed all of the greatest statesmen of our republic, is premised on a specific view of the nature of each man and woman as made in the image of the Creator, as a creature set absolutely apart from, and above all others, and so distinguished by that power of reason, by means of which valid discoveries of physical principle and other notions of a similar quality of truthfulness, are generated within the appropriately educated mind of the individual person. The growth of the population and improvement of the material and demographic conditions of life of nations and their individual members, attests to the superiority of the form of modern European civilization which emerged from the Fifteenth-Century Renaissance, over all of those oligarchical forms of ancient and feudal society earlier. It is upon the perception of this progress in the condition of life of the individual member of society, that the notions of natural law and

foreign policy of our republic are rightly defined.

Simple pure democracy among pigs or 'possums, would never transform them into human beings. It is the increase of the per capita power of the human individual mind over nature, which expresses the distinction of man from beast, and the moral distinction between moral human beings, and beast-like predators such as George Soros.

In these considerations lie both the coincidence and the difference between President Clinton's political practice and my own. The President often shows himself a good-hearted person, but has not yet succeeded in honing his impulses into the form our domestic and foreign affairs require. Compassion for the human individual is an absolute requirement of a President, law-maker, or judge; but, the compassion must be efficiently expressed. It can not be efficiently expressed under conditions shaped by policies such as "post-industrial" utopianism, "free trade," and "globalization." The state is responsible for generating and maintaining policies and conditions under which morally required results are actually made available to each nation, and to each person, as the Preamble of our Federal Constitution was intended to be read.

There, the President and I have often agreed; there we have sometimes differed. We have often agreed in spirit; we have often differed respecting the means actually required to meet effectively the domestic and foreign-policy requirements of our government. If he could bring himself to adopt the appropriate economic policies, I believe the differences would wane.

The United States' government has it within its present reach, to catalyze the bringing into being of a new world order among many perfectly sovereign nation-states. The monstrous failure of the post-1971 world monetary order, forces us to consider sweeping changes, changes expressed as new forms of economic cooperation among sovereign nations. We are challenged to establish now, the post-colonial order which President Franklin Roosevelt had intended to bring into being at the close of World War II. The principal means for doing this now, are given to us by those nations which were abandoned to second-class status by the death of President Franklin Roosevelt; these latter include the leading "outsider" nations of the present world financial system, in particular, of Central and South America, Africa, and Eurasia. Cooperation among the U.S.A., Russia, China, India, and others, could very well provide the seed-crystal of the needed just new order of economic relations among perfectly sovereign nation-states.

If these our United States evade that great opportunity now, we shall almost certainly be sent to spend some pedagogical years in Hell, until we have learned to respond in better fashion to what are plainly the Creator's present, and impatient intentions.

4. Gore in himself

Turn now to the Kantian problem, the subject of Al Gore-in-himself.

Given the implications of what I must now say, it is I, not

my collaborators, who must assume personal responsibility, as I do here, for publicizing the national security and related strategic implications of the truth about Al Gore.

A few curious inconsistencies in Gore's behavior and connections must now be examined and cleared up. Tearing away the fraudulent "Mr. Clean" hoax which had been spread by earlier editions of the mass media, reveals an Al "thick and dumb" Gore better described as among the currently more notable sleaze-balls of the past quarter-century. That is just the beginning; it becomes much worse.

Begin with a brief look at one of the many, dog-like carpet-soiling travesties on Gore's record.

With the Nov. 1, 1998 *Telegraph* clipping in hand, let us now travel to Moscow, Russia, where Al Gore's personal connections to Soviet officialdom were established, no later than 1988, by the same Armand Hammer who launched Al Gore's political career, and had also helped promote the rise to power of two Soviet General Secretaries, Yuri Andropov and Mikhail Gorbachev.

In today's post-Thatcher-Bush Russia, there are two leading U.S.-based, sleaze-ball connections. One is to George Bush's International Republican Institute, which launched and maintained the political power of the so-called "Russian Mafia." The other U.S. connection to that same Mafia, is the perennial greed-ball, Vice-President Al Gore. Why, then, is the *Telegraph*, a known backer of the much-rumored year 2000 Bush Presidential campaign, attacking Bush's nominal mafia rival Al Gore? The facts are not quite so simple as popular opinion might wish.

In fact, the chances of Texas Gov. George W. Bush's winning the year 2000 U.S. Presidential nomination have depended, until now, upon guarantees that Al Gore, with support from the deviant Democrats' Democratic Leadership Council, will win the Democratic nomination. Any non-Gore Democratic campaign based on reviving the FDR tradition, could win a year 2000 election against 1932-Hoover-lookalike Bush. In other words, Gingrich's Republican cronies had been boosting Gore (while savaging President Clinton) in order to sink Gore, too, in the end.

However, in Russia, where a very poor quality of political intelligence, and some post-Soviet ideological blindness, on the actual dynamics of the internal U.S. situation, dominate most leading circles, the Gore connections are spreading the fairy tale, that the only way Bush can be defeated, is that Gore wins sufficient political support, from Russia and elsewhere, for a Gore victory in the year 2000 U.S. elections. In fact, a Gore victory in the Democratic primaries, is the one thing which might have virtually ensured a Bush victory in the year 2000 general election, just as the shambles of the 1988 Democratic Party's campaign locked in Bush's election as President! Worse, if international policy-making, right now, were to be based on the delusion that the only relevant choices are between a Bush and Gore victory for 2000, you might as well write off most of the human race for the foreseeable future.

Read the November 1, 1998 *Telegraph* article on Gore as a sign of what the Bush supporters' press campaign against Gore would come to look like—if Gore's candidacy is not scrapped. Either way—Gore actually nominated as a rival for Bush, or Gore chased out like a yelping whipped hound before the convention—Bush supporters shovelling tons of scandals into the international mass media, will make a globalized laughing-stock of Gore's fraudulent claims of being the "Mr. Clean" of U.S. politics. Come 2000, there would not be a backwoods in Tennessee remote enough for Al Gore to hide from relentless ridicule, as the exposed "political sleaze-ball of the century." For these, and other reasons, "Gore for 2000" is a born loser—and, you know how that Tennessee boy can get, if he doesn't get his way.

Admittedly, apart from his bi-polar outbursts of rage, and the sleaze, Gore, politically, is essentially a nothing; but, so is a gaping hole in the bottom of a boat. The problem is, to make that fact clear now, while the potential damage of his candidacy can still be corrected.

The issue is not the fact that Gore's policies are usually bad ones. Al Gore has had bad policies longer than he has been a candidate for political office. The fact that he has, or has had bad policies, is not the reason I raise the Al Gore problem as I have done here. Nor am I proposing to impeach him. Many politicians have bad policies, but often, with help of facts and reason, we are able to change their opinions. Not so with Gore: I am simply insisting that, from this point onward, Gore should assume none other than his strictly defined constitutional duties as Vice-President, and should not be considered a virtual "co-President," nor a serious candidate for election as President. Let him, in the course of time, retire quietly to enjoy his favorite indoor sport: counting his money. That is not really a drastic, or unfair proposal, all facts considered.

The problem I address here, is not merely that Al Gore has just burned the bridges to his Presidential aspirations behind him. The issue is the way in which he has burned his bridges; the issue is what that bridge-burning tells us about the character of the man. His disgusting display of bi-polar infantilism in his behavior at the Kuala Lumpur APEC meeting, is only the most visibly dramatic of a number of actions which requires that he be left out of the shaping of economic, social, and foreign policy from here on out.

The immediate issue is not that Gore has bad policies in most areas; that has always been a problem with him. The immediate issue is, that he has dug in his heels in such a way, that he has demonstrated his intent to wreck any Clinton policy which does not please the bi-polar Mr. Al Gore. It is not his bad policies which are the immediate issue; our government is filled with elected and other officials who have bad policies. The issue is, to coin a phrase, that he is the dog who has made up his mind to refuse to be house-broken any longer; therefore, he should be kept off the living room carpet. Under stress, Gore has reverted to type. He has become the old boy who warns you, "You know how I get, when I don't get my way."

As we have seen over the course of the recent years, as soon as Gore sniffs power in his reach, he drops his "Uriah Heep" act, and grabs for power for the sake of power, power for its own sake. He reacts with rage—the pure and simple bi-polar rage of a corn-ball Napoleon—against whom-ever he sees as "getting in his way." See his connections to super-grifter George Soros, for example; see his unmasked lunatic rage displayed against the enemy of his crony Soros, Prime Minister Mahathir, at Kuala Lumpur. That is only the best known of numerous examples of Gore's corn-ball Napoleon style. That brutish sort of mind-set must never be allowed to occupy the position of our republic's Commander in Chief.

Gore himself underscored another reason that he is clearly mentally and morally unfit to play the part of U.S. President, or virtual "co-President." In his lunatic rant against the Prime Minister Mahathir who had insulted Gore's crony Soros, Gore presented his own mentally and morally twisted definition of "democracy," as "billions" of gambling transactions placed daily on the electronic croupier-tables of the world's financial gambling establishment! Gore's moral arithmetic should remind any literate person of the perversity of those Confederate slave-owners who employed John Locke's defense of slavery, in the name of an allegedly democratic natural right to own one's property.

Gore shows thus the same type of mind as that of the Soros who used part of his own ill-gotten gains to promote legalized drug-trafficking, or those Dutch, who in the footsteps of the Nazis, argue in defense of the legalized "involuntarily assisted suicide" being practiced on a mass scale in the Netherlands today. Al "Thrasymachus" Gore showed himself so, once more, of that twisted, profoundly immoral twist of mind which threatens his victim self-righteously, "You know how I get, when I don't get my way."

This combination of Gore's lunatic rages, and sheer moral perversity, and the disastrous effects of those policies he supports during those explosive rage-fits, are an intolerable security-risk for this nation. This very bad chemistry, of lunatic passion and wild-eyed policy-obsessions, require that "the Gore Problem" be now generally recognized for what it is. The national-security interests of the U.S. require nothing less.

The onrushing disintegration of the world's financial system, makes certain immediate, drastic changes in U.S. foreign and economic policies an absolute imperative. All of those changes which must be made, more or less immediately, are changes which the crowd of "advisors" around Gore will never tolerate. This issue is a life-or-death question for our nation. Given Gore's manifest disposition for fits of impassioned, bi-polar irrationality, the most vital national-security interests of the nation demand that he be relieved of the means to continue to sabotage and obstruct those policy deliberations which must now be ongoing among our nation's political leadership.

Nothing special need be done. It is sufficient to have a clear understanding of the problem this represents, and to act calmly, but firmly, accordingly.

Who is the Vice President, really?

by Anton Chaitkin

If Bill Clinton is assassinated, or impeached, Albert Gore, Jr. will become the U.S. President. Given such a possibility, it is astonishing that Vice President Gore's personal identity and actual political background are unknown, except perhaps to a handful of his political intimates. This report is the first serious effort to get behind party politics and address the now very urgent question — who is Al Gore?

A visit to the local library will reveal that (aside from juvenile literature) only one Gore biography exists: the campaign puffery entitled *Al Gore, Jr., His Life and Career*. The reader might be startled to discover that that sole biography was written by a career FBI official, Henderson "Hank" Hillin, the leader of a political-police task force with whom Gore worked as an undercover police spy and operative in the 1970s.

Since that is the only account of Gore's life that has made it into print, Bill Clinton was induced to write a short preface to its 1992 edition. The book jacket declares that author Hillin "talked to sources available only to an ex-FBI agent"; but Hillin admitted candidly to this reporter, "I don't really know anything about Al Gore." His book about election campaigns and family life was simply a way for the secret police to certify Gore as "clean."

Thus, all the public knew about the Vice President elected in 1992 was the set of opinions put forth in Gore's own 1992 book, *Earth in the Balance*, an environmentalist tirade against mankind's aspirations for progress. What lay behind those opinions?

Gore, now a heartbeat away from the Presidency, had come through an 18-year public career as reporter and police agent, Congressman and Senator, a Democrat in the service of an aristocracy of Dark Ages fanatics who used their friends in both political parties to end the "American dream" — which they viewed as dangerous and out of control. Leaders in government, labor, industry, and civil rights who stuck to the old idea of progress had to be smashed; and, as brainwasher Willis Harman put it, Americans must be forced to accept a new "paradigm," a world without hope for the future.

The Gore and Gingrich revolution

When Al Gore, Jr. took his seat in Congress in 1977, he joined the newly established Congressional Clearinghouse on

the Future. With his global connections — largely through his father's slavish relation to the "Red Millionaire," Armand Hammer (see accompanying article) — Gore soon became the group's leader and public spokesman. In this endeavor, his fervent supporter and closest friend was Republican Newt Gingrich, who entered Congress in 1979.

The looney futurist Alvin Toffler refers to the twins, Gore and Gingrich, as "the two leading futurists in American political life."¹ Toffler says, "Gingrich and Gore knew that this was a revolutionary situation. If you assume that the changes society is undergoing are extensions of the old industrial order, you're totally wrong, and they got that. Both of them understood . . . that the old rules and old games no longer work; that the changes we're living through are humongous, qualitative, and transformative."

A paperback called *The Future Agenda* was issued in November 1982, by the Congressional Clearinghouse and the companion Gore-led group, Congressional Institute for the Future. In the introduction, Gore warned that "the accelerating pace of change constitutes an awesome challenge to representative democracy. . . . Solutions that once were viewed as 'tried and true' seem useless — perhaps the assumptions on which they were originally based are no longer valid. . . ."

"A futures perspectives can lead to larger frames of reference. . . ."

"There are, however, powerful institutional incentives in the Congress to adopt a short time horizon. . . ."

"The Congressional Clearinghouse on the Future was created to provide structured opportunities for Members of Congress to . . . consider a longer-term perspective. . . ."

"The *Future Agenda* is a new initiative intended to adapt futures analysis to the rigid committee framework . . . [and] is designed to make it easier for futurists and others . . . to interact with the most relevant institutions within the Congress . . . [to] encourage greater participation in government by futurists. . . ."

"Now that the crucial importance of 'anticipatory democracy' has become so clear, we must find ways to involve American citizens in the process of national foresight. This *Future Agenda* is intended to help serve that purpose."

[signed] "Albert Gore, Jr., Congressman, 6th District of Tennessee; Chairman, Congressional Clearinghouse on the Future."

What did Gore mean by "the crucial importance of 'anticipatory democracy'?"

The cult of 'anticipatory democracy'

Alvin Toffler, who would be brought in repeatedly to speak to the Congressional Clearinghouse, coined the term "anticipatory democracy" in his 1970 book, *Future Shock*. As Toffler explained it in his 1975 thriller, *The Eco-Spasm Report*, it meant the thought process that could force submis-

1. *Wired* magazine, December 1995.

sion to a One World government of technocrats and futurists. A single global commission would control all raw materials and all employment; nation-states would disappear in favor of transnational, local, and regional groups.

Following the shocks of the oil hoax or “energy crisis,” and President Nixon’s forced resignation in the Watergate scandal, Toffler and others demanded that Congress adopt the futurists’ agenda. His Ad Hoc Committee on Anticipatory Democracy, including Newt Gingrich—then a college teacher—issued a 1975 book-length manifesto, wherein Toffler declared the Constitution and the American republic “obsolete.” He asked for “recognition that our political institutions and processes, the mechanics of representative government, the entire apparatus of ‘democracy’ as we know it—including voting, elections, parties, parliaments and the like—are expressions not of some undying mystical human commitment to freedom but of the spread of industrial civilization. . . .

“As the industrial way of life spread, representative government . . . spread with it. . . .

“This era is now screeching to a halt. . . . Simply put, the political technology of the industrial age is no longer appropriate technology for the new civilization taking form around us. Our politics are obsolete.”

Gore’s Congressional Clearinghouse sold the “revolution” according to the Club of Rome, a nightmare group of bankers, cartel owners, and Soviet strategists unified around the demand for global governance, enforcement of lower living standards, and drastic population cuts.

What’s Next?, monthly newsletter of the Congressional Clearinghouse on the Future for May 1980, under the headline “Club of Rome,” raised the problem that “access to cheap and plentiful oil and gas has had an immense influence in shaping U.S. . . . lifestyles . . . and industrial development. What choices do people have [i.e., in light of supposed shortages of these resources] that could lead to a more satisfying future[?]”

Gore’s Clearinghouse answered, “The Human Side of the Energy Transition, a conference sponsored by the U.S. Association for the Club of Rome, focused on what [society is] doing to cope with the energy transition. [Speeches included] The Restructuring of America, . . . Economic Impact of Alternative Energy Paths, . . . Creating Political Will, . . . Lester Brown on Running on Empty: The Future of the Automobile in an Oil-Short World. . . . For a complete list of speakers contact the Club of Rome. . . .” In another article, Gore’s newsletter declared that “information technologies” must be understood with respect to problems “identified by Willis Harman,” the New Age guru, avoiding the “industrial era paradigm which is responsible for the failures.”

Spooks at work

EIR has obtained a behind-the-scenes picture of Gore’s operations from review of original documents and from in-

terviews with Clearinghouse officials and Gore’s former aides.

The Congressional Clearinghouse was founded in 1976 by officials working with Toffler and the Club of Rome, including Rep. Charlie Rose (D-N.C.) and Sen. Claiborne Pell (D-R.I.). Pell was a Club of Rome member, and a close personal associate of Armand Hammer and of Hammer’s purchased man, Albert Gore, Sr., the former Senator.

During 1977, Pell and Rose brought in Stanford Research Institute men, to conduct insane performances of “remote viewing” for Congressmen and military and other government officials. Unfortunately, their proposal that psychics sitting in the Pentagon basement could spy on the Soviet Union by mental telepathy did in fact become an official U.S. program. A Clearinghouse staffer—a futurist who has “predicted” that Gore will be President—told *EIR* that Al Gore, Jr. eagerly participated in these psychic sessions, and had a “very open mind on the subject.”

Gore chaired the Congressional Clearinghouse from 1979 to 1983, and stayed on its board after he entered the Senate. At first, Congressmen who were members of this New Age caucus paid for the Clearinghouse out of their various Congressional office budgets. But Gore, as chairman, created the Congressional Institute for the Future, based outside Congress and thus able to be financed by corporations and foundations supporting the futurists’ destruction of labor and civil rights. The trick was that the Institute and Clearinghouse had the same staff.

A staff member told *EIR* that Gore arranged for the Congressional Institute to be established “over lunch with John Heinz,” the wealthy Pennsylvania Senator linked to the Rockefellers.

Gore’s Institute still exists, now based at George Mason University’s Public Policy Institute—a front group for Margaret Thatcher’s radical free-marketers and the bankers’ Mont Pelerin Society. The Congressional Institute for the Future’s current executive director, J. Thomas Hennessey, specializes in “reinventing government”—that is, the union-busting and austerity program for which Vice President Gore is the chief spokesman.

Another spinoff from Gore’s Future groups is Global Legislators for a Balanced Economy (GLOBE), of which Gore was also the American chief executive. GLOBE held a March 1998 conference in Geneva, entitled “Policing the Global Economy.” There U.K. trade warrior Sir Leon Brittan spoke for “global governance” in police functions against environmentally dangerous national sovereignty, pleasing GLOBE-International’s British president, Tom Spencer.

When Gore’s Clearinghouse brought the undead European feudalists of the Club of Rome into Congress, they were already discredited and could not effectively function except in private. The Club, founded in 1968, had released the infamous *Limits to Growth* report in 1972, based on Jay Forrester’s cabalistic computer model entitled “World.” The Club

and its *Limits* were widely exposed—notably by the LaRouche movement—as a cultural terrorism that sought to exterminate the poor and colored peoples of the earth.

Though Al Gore had to be careful about openly identifying with the mother organization, a Clearinghouse staff member told *EIR* that Gore went repeatedly to report on his work to meetings of the U.S. Association for the Club of Rome. Anne W. Cheatham, the Clearinghouse director under chairman Gore up through 1982, was herself a member of the U.S. Association for the secretive group.

In 1997, Club of Rome leaders including James Botkin arranged with Vice President Gore for the fascist Club to stage a conference in Washington under official U.S. sponsorship, on the topic “Multimedia and Society.” As part of the arrangements, Botkin told his associates, the Vice President would chair the conference. The event took place at the Smithsonian Institution, but Gore did not show up for this public role.

On April 22, 1992, Britain’s Prince Charles told the Bruntland Commission, “If the developing world strives to achieve living standards based on the same levels of consumption as the developed world, [it] could lead to catastrophic outcomes for the global environment.”

Gore echoed the British Prince’s racist strictures against Third World development, in his 1992 book, *Earth in the Balance*. Our readers in Asia and elsewhere may now be closer to understanding for whom Gore was speaking, when he asserted that the high living standards in the advanced countries already menace the environment, and it is thus fortunate for Nature that the Third World is powerless and impoverished.

“Any child born into the hugely consumptionist way of life so common in the industrial world,” Gore wrote, “will have an impact on the environment that is, on average, many times more destructive than that of a child born in the developing world.” But, Gore warns, “the absolute numbers are staggering” for populations and their growth in the poor countries, such as Kenya, Egypt, and Nigeria. Gore says that countries such as these have been disastrously turned away from “their traditional patterns of living”; that such disasters will multiply if an underdeveloped nation is allowed to have access to such “inappropriate” and powerful technology as nuclear energy. They must be prevented from posing a danger through their national power and their numbers.

How Gore became famous

Al Gore’s biographer, FBI agent Hank Hillin, told *EIR* that, through family ties, he has known the Vice President since Gore was four years old. Hillin said that following the Watergate scandal, the FBI was retooled away from fighting terrorism or drugs; its prime target was now “corruption” among political, labor, and civil rights leaders. Hillin led the Tennessee FBI office covert attack against those uncoopera-

tive with the new paradigm.²

Al Gore, Jr. joined this witch-hunt in the following way. He was hired (1971-76) as a reporter for the Nashville *Tennessean*, on the police beat, despite Gore’s reputed peculiar smoking habits. *Tennessean* publisher John Seigenthaler worked closely with Hillin’s covert operations. Seigenthaler, like Hillin, had earlier served in the U.S. Justice Department on the crusade to “get” Teamsters Union President Jimmy Hoffa. A third partner was Nashville attorney James Neal—

2. In 1988, Black Caucus chairman Rep. Mervyn Dymally transmitted to Congress an affidavit sworn by FBI agent Hirsch Friedman, on the longtime FBI policy called Operation Fruehmenschen (German for “primitive man”). Friedman testified that it was “the routine investigation without probable cause of prominent elected and appointed black officials . . . throughout the United States. It was explained to me that the basis for this . . . policy was the assumption by the FBI that black officials were intellectually and socially incapable of governing major governmental organizations and institutions.”

Al Gore: The most corrupt man never elected President

Vice President Albert Gore, Jr. may go down in the history books as the most corrupt politician never to be elected U.S. President. Gore’s list of leading fundraisers reads like a who’s who of the late Meyer Lansky’s National Crime Syndicate’s inventory of front-men; and, as the son of the late Sen. Albert Gore, Sr.—of Armand Hammer infamy—Al, Jr. has made it his personal crusade to cover up billions of dollars in political thievery by some of Russia’s most well-known “reformers.” Furthermore, there is growing evidence that the Vice President has established a close link to mega-swindler George Soros, the biggest bank-roller of the worldwide movement to legalize drugs.

Perhaps the biggest skeleton in Gore’s fundraising closet is that of Howard Glicken, a Florida precious metals dealer whose company, Metalbanc, was prosecuted as part of the Drug Enforcement Administration’s “Operation Polar Cap” in November 1991 for laundering the drug proceeds of the Medellín Cartel. Glicken avoided a long jail sentence by striking a deal with prosecutors that sent his partner, Harry Falk, to prison for 27 years. On May 5, 1997, Falk told the *Wall Street Journal* that Glicken had used Metalbanc to launder funds into Gore’s 1988 unsuccessful Presidential campaign.

Glicken tools around Coral Gables, Florida in a pair of Jaguars bearing the license plates “Gore-1” and “Gore-2.” Gore’s chief Florida fundraiser since 1987, Glicken recently pled guilty to campaign money-laundering, and was ordered to pay an \$80,000 fine and put in 500 hours

who is today the unpaid private attorney of Vice President Gore. Neal prosecuted Hoffa in celebrated trials, which were diverted from Hoffa's Detroit to Nashville, because the Seigenthaler clique controlled the turf there.

Gore, Jr. first became famous in 1974, when he and his boss Seigenthaler cooked up a sting against Morris Haddox, a black City Council member and a thorn in the side of the Nashville establishment. A few months previous to the Gore covert attack, Haddox had declared that it was the practice for the police to allow dope dealing and prostitution to run completely unchecked in the black community, and he vowed to block consideration of other legislative matters until the City Council took up a reform of this criminal malfeasance.

Though only a reporter with a private newspaper, Gore personally arranged with Hillin's partners in the Tennessee Bureau of Investigation (TBI) to set up a radio transmitter on

the person of a stooge, who was furnished with money to ensnare Councilman Haddox. When Haddox was indicted for bribery, sting-artist Gore's sideburned face appeared exultantly in the *Tennessean*.

Rallies supporting Haddox were held in black churches. A statewide black political convention unanimously condemned Gore and Seigenthaler for the frame-up. The *Tennessean* (Feb. 11, 1974) quoted James Mock, denouncing those "playwrights who set up their scenario in the black community and had Mr. Haddox play it out." They were "attacking the whole political structure of our black community."

Haddox was acquitted by a jury angry at the frame-up; but Gore's printed smears drove Haddox out of political life. Only recently, two decades later, has Haddox come back into the Nashville council, Gore's attack having faded from public memory.

In a subsequent political campaign, Gore was criticized

of community service. He avoided jail time, once again, by "helping Federal prosecutors investigate public corruption in Miami," according to a recent *Washington Post* account.

Gore's 1988 national campaign fundraising effort was headed by another "businessman" with alleged ties to organized crime, Maryland real estate millionaire Nate Landow. Landow was drawn into Democratic Party fundraising by the "prince of thieves," Robert Strauss, on the eve of Jimmy Carter's 1976 Presidential campaign. Landow had high hopes of being named ambassador to the Netherlands, as a payoff for his money-raising wizardry. But his prospects of a diplomatic career were scotched as soon as the FBI began its background checks.

It seems that Landow's rags-to-riches success in the Washington-Maryland real estate bonanza of the early 1970s had drawn him into several business deals with the Lansky and Gambino syndicates. In the early 1970s, Landow invested in a Florida masonry company backed by the Gambino family loan-shark Anthony Plate. Later in the 1970s, Landow hired Joe Nesline, Lansky's point-man in the nation's capital, as a "consultant" on a casino-building project in Atlantic City, New Jersey. In January 1978, Nesline's home was raided by the FBI, and documents were seized that identified Landow as one of his partners in D.C.-area construction projects. Landow was interrogated by the FBI but never charged with any crimes.

Gore's New York Presidential fundraising effort in 1988 was headed by Noach Dear, a former New York City Councilman from the Borough Park section of Brooklyn, who was part of the inner circle of Jewish Defense League founder and terrorist Rabbi Meir Kahane. Dear tapped into a rich vein of right-wing Jewish cash for Gore's ill-conceived 1988 Presidential bid, but wound up helping to sink

Gore in New York's primary elections, by tying him to New York's Mayor Ed Koch, at a moment when Koch was being assailed by the city's African-American community for a series of racist remarks and actions.

Those 1988 gaffes did not prompt Gore to distance himself from his Likudnik money man. In fact, Dear has accompanied the Vice President on several trips to Israel, introducing him to Prime Minister Benjamin Netanyahu, and to the Mayors of Judea and Sumeria. Dear's close ties to Gore did not stop him from launching into public tirades against First Lady Hillary Rodham Clinton, following her comments on the right of Palestinians to have their own sovereign nation. On May 22, 1998, Dear penned a signed editorial in the *Jewish Press*, a right-wing New York City weekly, demanding the release of convicted Israeli spy Jonathan Jay Pollard.

Viktor's gold

On Nov. 23, 1998, the *New York Times* revealed that Gore's affinity for dirty-money handlers extends overseas. In 1995, when the Central Intelligence Agency developed "highly credible evidence" that Russia's Prime Minister, Viktor Chernomyrdin, was parlaying his government post into a personal fortune in payoffs and theft of Russia's national oil patrimony, Gore told the Agency in no uncertain terms: Don't go there. According to the *Times*, Gore sent the report back to the CIA "with a barnyard epithet" handwritten across the top of the cover page. The CIA had provided Gore, who has headed the administration's official diplomatic channels to Moscow since 1993, with similar evidence of corruption by the International Monetary Fund's Russian "wunderkind," Anatoli Chubais, with similar results.—*Jeffrey Steinberg*

for boasting that he had risen to fame by singlehandedly bringing Haddox down. Gore then admitted that others had helped.

At about the same time as the Haddox sting, Hillin's FBI and the state TBI tried to bring down Tennessee's lieutenant governor, John S. Wilder, an old-style advocate of industrial progress. A bill was pending in the state legislature, openly supported by Wilder, to permit coal-mining operations by a certain company. Suddenly a representative of the company offered a half-million dollars to Lieutenant Governor Wilder's son, to be their lobbyist. After the son turned this down, a less suspicious business associate of his accepted it, and was immediately arrested by the Hillin team. The frame-up was so obvious that no indictment was successfully brought against Wilder, who is still lieutenant governor today.

These shenanigans were disturbed by the election of Democrat Ray Blanton to the governorship. Blanton opposed the bluebloods' deindustrialization and police-state schemes, even seeking to inquire into the frame-up of James Earl Ray in the murder of Martin Luther King, Jr.

From the moment Governor Blanton took office, Hillin, Seigenthaler, and their forces went into action. "I was assigned to bring him down," Hillin told *EIR*. The resultant outrageous four-year witch-hunt against an innocent man is recorded in the pages of Hillin's first book, *FBI Codename TENNPAR*. Blanton was finally hauled off to prison three days before the end of his term (he was replaced in office by Anglophile blueblood Lamar Alexander, whom Blanton had originally defeated for the governorship).

Though most of the Blanton charges were later reversed, this Hillin-Seigenthaler crusade made Hillin famous. His 1985 *TENNPAR* book was followed by *Al Gore, Jr., His Life and Career* (1987), written to promote Gore's Presidential campaign.

Gestapo prosecutions, in tandem with arranged press smears, now became standard political warfare in America, bringing us to the present national crisis.

A star player on Hillin's team, as celebrated in *TENNPAR*, was the KKK-style Memphis Federal prosecutor Hickman Ewing. Soon after wrapping up the Blanton case, Ewing began a smear and prosecution campaign against Memphis's black Congressman Harold Ford, that lasted ten years. Despite Ewing's totalitarian tricks with courts and juries, Ford was finally acquitted. Ewing went on to serve as the lead operative in Kenneth Starr's assault against President Clinton.

Publisher-spook Seigenthaler arranged for his employee Al Gore to run for a Congressional seat that opened up in 1976. Just after Gore went to Washington, the Justice Department began its "Abscam" targetting of old-paradigm Congressmen, such as the pro-labor Sen. Harrison Williams (D-N.J.). In 1982, the Republican-led Senate hired James Neal—longtime personal attorney to Al Gore and operations partner to Hank Hillin—as general counsel for the Select

Committee on Undercover Operations, to justify the use of felons in the entrapment of undesirable political leaders.

Hammer, Peretz, and power

Around this time, Congressman Gore was poised to graduate from a local Tennessee reputation, to real international notice.

A member of the House Intelligence committee, Gore followed the lead of his father's employer, Armand Hammer, and Hammer's Club of Rome and Pugwash colleagues, working to squelch any revival of America's strategic scientific and military progress.

Gore wrote "The Fork in the Road," calling for eliminating U.S. counterforce weapons, for the *New Republic* (May 3, 1982). Publisher Marty Peretz, a neo-conservative Zionist lobby fanatic, was Gore's closest adviser, and remains so today. The article, designed as a global signal piece, ran with Peretz's editorial box entitled "A Moscow Nibble?" Peretz disclosed that key Soviet leaders had already familiarized themselves with the work of the otherwise obscure Congressman, and they wished to make "the Gore proposal" the basis for future U.S.-Soviet arms control negotiations.

From then on, Gore was designated the Democratic Party's Congressional point-man, in cooperation with the Bush and Kissinger Republicans, on freezing U.S. nuclear and strategic development.

Gore made a bid for the Presidency in 1988. Armand Hammer's chief of staff, Richard D. Jacobs, told *EIR* that "we mobilized everything we had to move fundraising for Gore's 1988 campaign. . . . Hammer really liked Al Gore, Jr." It was also Hammer, Jacobs revealed, who flew Gore to the Soviet Union around that time, for Gore's most important political trip to that country.

Hammer's personal director of European operations, British secret intelligence officer Sir Ranulph Twistleton-Wyckeham-Fiennes, told *EIR* that around this time he encountered Al Gore, Jr. at a fundraising event for the United World Colleges, a joint project of Armand Hammer and Prince Charles. (Sir Ranulph is known as Prince Charles's favorite adventurer.)

Despite Hammer's help, Gore bombed in 1988. He had to close his campaign down just before Hank Hillin's book was rushed into print to boost him.

When Gore won re-election to the Senate in 1990, Hillin was elected sheriff of Nashville—through the Federal "corruption" prosecution of his opponent, the popular incumbent. Gore's campaign manager and Senate staffer, Eugene "Chip" Forrester, Jr., then became chief of staff for Sheriff Hillin.

Forrester told *EIR* that he himself, like Gore, is a "fiscal conservative and social liberal." A radical free-trade advocate and ecology leader among Nashville bluebloods, he said he would like to help run a Gore 2000 Presidential campaign. Asked whether Gore's popular base is not too narrow, Forrester said no, that "most people think like I do on these subjects."

Gore, Armand Hammer, and a one-world order

by Scott Thompson

Throughout his life, the late Sen. Albert Gore, Sr., father of the current U.S. Vice President, was dedicated to the “One World” outlook of the evil Bertrand Russell, Dr. Leo “Strangelove” Szilard, Henry Kissinger, et al., who sought to use the threat of thermonuclear holocaust to destroy the sovereignty of the nation-state republic. Not only did the late Soviet agent of influence Armand Hammer buy Gore, Sr. by no later than 1950; but Gore, Sr. played an integral role in the Pugwash Conference, founded in a compact between Lord Russell and Soviet General Secretary Nikita Khrushchov to block U.S. development and deployment of effective ballistic missile defense (BMD), knowing full well that it was Soviet military doctrine to develop such defensive systems using “exotic technologies.” It was Gore, Sr. who led the fight against the 1969 deployment of a first-generation anti-ballistic missile (ABM) system, and he continued this campaign through the treasonous 1972 ABM Treaty negotiated by Dr. Kissinger, and thence to the fight against Lyndon H. LaRouche’s proposal for what would later be adopted by President Ronald Reagan as the Strategic Defense Initiative (SDI), in March 1983.

As shown by his semi-autobiographical book, *The Eye of the Storm* (1970), Gore, Sr. was convinced that the world ought to be divided among three “spheres of influence,” namely the United States, the U.S.S.R., and Mao Zedong’s China, with each of these “empires” (as Lord Russell called them) holding near nuclear parity with one another. Gore and the rest of this One World crowd insisted that the military doctrine of the United States ought to be “sufficient deterrent”—a concept of Mutually Assured Destruction (MAD) that held the entire world hostage to thermonuclear blackmail.

Armand Hammer, the controller

Documents in *EIR*’s possession from the Federal Bureau of Investigation, State Department Security and Intelligence, and the Military Intelligence Division, cross-gridded with reliable published sources, first-hand testimony, and Sen. Albert Gore, Sr.’s private papers, confirm that he was “in the back pocket” of Armand Hammer.

One recent account of this is by Neal Lyndon, who wrote both Dr. Hammer’s second autobiography (published in the United States under the title *Hammer*), while serving on Ham-

mer’s staff, and also the article “How Mr. Clean Got His Hands Dirty,” published by the *Sunday Telegraph* of London on Nov. 1, 1998. Lyndon, who had travelled around the world for years with Armand Hammer and Gore, Sr., wrote:

“Al Gore Junior, the Mr. Clean of American politics, is the President-in-Impatient Waiting of the United States. Barring a disaster or disgrace, he will be the Democratic candidate in 2000 and stands fair to win the election and occupy the Oval Office. If Bill Clinton resigns or is impeached, Al Gore could become the most powerful man in the world at any time over the next two years.

“One who would have derived almost as much pleasure as Gore himself was Armand Hammer. Hammer, who died in 1990 aged 92, was one of the century’s most sinister figures. Kremlin papers released after the collapse of the U.S.S.R. and exhaustively researched by Ed Epstein in his book *Dossier* prove that, from the Bolshevik Revolution of 1917 to the fall of the Berlin Wall, Hammer was a lifelong ‘agent of influence’ of the Soviet Politburo and an accomplice of every Russian leader from Lenin to Gorbachov. . . .

“Hammer owned Al Gore Sr. Hammer kept Gore, as he liked to say, ‘in my back pocket.’ When he said this, Hammer would touch his wallet and chuckle.

“Throughout the whole of his life, Al Gore Sr. and his family depended on pay-outs, kick-backs, and subventions from Hammer. Like his father before him, Al Gore Jr.’s political career was lavishly sponsored by Hammer from the moment it began until Hammer died, only two years before Gore joined Clinton in the 1992 race for the White House. . . .

“The few people in the world who know about their close involvement have always been dryly amused by Gore’s Mr. Clean reputation, a reputation only recently called into question over allegations of Gore’s illicit fund-raising activities in the Presidential election of 1996. . . .

“Hammer enjoyed and exploited outright ownership of Al Sr.’s political career—as Congressman and later Senator of Tennessee—and even insinuated himself ineradicably into the Gores’ family life. He sent the Gores an expensive piece of antique silver every Christmas.

“Hammer’s first ruse for hooking Al Sr. was, in the early 1950s, to make him a partner in a cattle-breeding business that Hammer ran in New Jersey. As an officer of the company, Gore could be paid large sums without any provable political association; and the cattle business provided Gore with an income far greater than his political earnings. . . .

“However, Hammer never gave anybody a bean without demanding a payback. In return for his . . . money, he required Gore to represent his interests in the political world. Gore obediently did his master’s bidding. In the 1950s, Gore used his influence to quash an FBI investigation and a hearing of the House Un-American Affairs Committee into Hammer’s dealings with the Soviet Union. Later, Gore defended Hammer on the floor of the Senate against allegations of bribery in obtaining government contracts (allegations that later

proved to be true).

“It was Al Gore Sr. who obtained U.S. Government clearance for Hammer to visit the U.S.S.R. in 1961, at a time when the Cold War was close to thermonuclear meltdown and U.S. citizens were forbidden entrance to Moscow. This trip was Hammer’s first return for 30 years to the country where he had made his first millions in the 1920s. . . . Soon after Hammer’s return from Moscow, where he met Khrushchov, it was Al Gore Sr. who outlandishly proposed that Hammer should act as an intermediary between America and Russia in the event of another emergency in Berlin.

“In the 1960s, Al Sr. took up a position of permanent residence in Hammer’s wallet. As head of the powerful Senate Foreign Relations Committee, Gore used his influence on the U.S. Ambassador to Libya to arrange a meeting between Hammer and King Idris. That meeting transformed the position of Occidental Petroleum, making it one of the biggest oil companies in the world and Hammer one of the world’s most prominent entrepreneurs.

“At a cost of at least \$5 million, Hammer bribed the old King and some of his ministers to give him a concession on a vast Libyan oil field that would ultimately produce 800,000 barrels of crude a day (worth \$20 million a day or almost \$7.5 billion a year). Al Gore Sr. was at Hammer’s side on the day he paraded King Idris up a red carpet laid on the desert to open the new field. Gore’s reward was to receive from Hammer guaranteed financial security and luxury for the rest of Hammer’s life.”

These charges are substantiated in some 2,000 pages that *EIR* has collected from the government documents, eyewitness anecdotal accounts, and over 900 pages of Gore, Sr.’s papers from the Gore Research Center in Murfreesboro, Tennessee. Among those Gore Congressional papers, after Hammer substantially handed over his Shadow Isle Farm to Gore, Sr.’s care at his farm in Carthage, Tennessee, Gore provided annual reports to Hammer, accompanied by large checks for Hammer’s cut in the partnership, as well as thank-you notes for the gifts of extremely valuable silver. In at least one of these reports, Gore, Sr. states that the prize Aberdeen Black Angus calves received “double their value” at auction, which seems to corroborate reports from high-level political sources in Tennessee that the way Gore, Sr. collected bribes, was by having someone buy his cattle at inflated prices.

Cross-gridding Edward Jay Epstein’s book, *Dossier: The Secret History of Armand Hammer*, with the 685 pages of the FBI main file on Hammer that have been released under the Freedom of Information Act (FOIA), demonstrates that when Hammer first bought Gore, Sr. in 1950 through the cattle partnership, Hammer was in a fight with FBI Director J. Edgar Hoover, who had instituted his third investigation of Hammer since 1921 for subversion and Soviet espionage. This coincided with Hammer’s effort to obtain a U.S. Army Ordnance plant in West Virginia, which had produced ammonia during World War II for explosives, and to expand the plant to produce ammonia fertilizer for export to the Soviet Union,

through secret contracts worked out with representatives of Amtorg, the Soviet trading agency. Apparently, Hammer, who already had several Congressmen in his “back pocket”—e.g., Sen. Styles Bridges and Rep. Emanuel Celler, who was then chairman of the House Judiciary Committee, with oversight on the FBI—thought he needed even more Congressional clout to stop Hoover’s warfare, so he bought Gore, Sr.

Also, from Senator Gore’s own papers, there is full corroboration that it was he who introduced Hammer to a reluctant President John F. Kennedy in early 1961, obtaining permission for Hammer to say that he represented the United States in meetings with Khrushchov, Deputy Premier Anastas Mikoyan, and so forth, during a trip to the U.S.S.R. (It was during this trip that Hammer, bearing letters of introduction from Sen. Al Gore, Sr., stopped in Libya and first got the idea that his new firm, Occidental Petroleum, might find lucrative pickings in the oil rush that had just begun.) And, Sen. Al Gore, Sr. even went so far as to forward a memo from Armand Hammer entitled, “A Memorandum on the Berlin Problem,” to Kennedy’s Assistant Secretary of State for European Affairs Foy D. Kohler on Aug. 16, 1961, suggesting that, since Hammer’s earlier meeting with Khrushchov, if there were another Berlin crisis, Armand Hammer could resolve it.

President Richard Nixon and Vice-President Spiro Agnew made the “ultra-liberal” Sen. Al Gore, Sr. their “target number one” (as Senator Gore put it), in their “Southern Strategy” for the 1970 mid-term elections, to break the solid Democratic hold in the South. This resulted in the defeat of Gore, Sr. for a fourth term. But Hammer continued to use the former Senator’s services, and actually increased his payoff.

As Lyndon writes, and a Gore Research Center *curriculum vitae* tends to corroborate, in 1972, Hammer hired Gore, Sr. to be chairman of the board of the Island Creek Coal Co. in Lexington, Kentucky (the nation’s third-largest coal producer, which Hammer had purchased through his Libyan oil stock windfall). Gore, Sr. held that position until August 1983. At the same time, he was made a director and executive vice-president of Occidental Petroleum Corp. at a starting salary of \$500,000. Even after Gore, Sr. went into semi-retirement in 1983, he was paid \$750,000 a year as an Occidental board member, until his death on Dec. 4, 1998.

‘Atomic Gore’

As Gore, Sr. reports in *The Eye of the Storm*, he held several positions that put him in a role of helping to shape U.S. nuclear policy. Gore Research Center director Jim Neal reports that Gore, Sr. had, as a junior member of the House of Representatives, been picked by President Franklin Delano Roosevelt to be one of five Congressmen who secretly secured the funds to build the gaseous diffusion plant at Oak Ridge, Tennessee, which used Tennessee Valley Authority power to produce the enriched uranium in building the first atomic bombs. Gore gained this privilege through the services of his mentor, the most ambiguous Bernard Baruch. Yet, he never once protested the use of the U.S. atomic bombs on Hiroshima and Nagasaki

by President Harry S Truman, which was a crime against humanity, since Japan was already prepared to surrender.

Shortly after this, Gore, Sr. reports that he was made acting chairman of the subcommittee that had oversight on the Atomic Energy Commission. And, during the Korean War, according to articles at the Gore Research Center, Gore, who had gone to Nevada to witness a test atomic bomb dropped from an aircraft, proposed creating a zone across the Koreas that would be “dehumanized” or “sterilized” through massive, indiscriminate atomic bombing. It was at this time that Al Gore, Sr. earned the nickname “Atomic Gore.”

Gore might have been reading from the script of Lord Bertrand Russell and Dr. Leo Szilard, who argued that, while the United States had an atomic monopoly, that leverage should be used either by the United States or through the United Nations to impose a “One World” *Pax Americana*. However, as Lyndon LaRouche documented in his strategic study, “The Wells of Doom” (*EIR*, Dec. 19, 1997), Russell et al. also argued that, once the Soviet Union had developed a comparable capability, it would be necessary to form a global condominium with two-and-a-half or three empires. This is precisely the position that Sen. Albert Gore, Sr. came to hold by the time he wrote *The Eye of the Storm*, during his 1970 election campaign. The development of the world’s nations would be held in check, by three empires wielding the threat of thermonuclear holocaust under the MAD doctrine.

In 1969, as chairman of the Senate Foreign Relations Committee Subcommittee on Arms Control, International Law and Organizations, Gore, Sr. led the fight against deployment of the first generation Safeguard ABM system, since such an approach would ultimately have ended the “One World” rule by thermonuclear terror. Gore Research Center documents show that, in order to lead this fight, Gore, Sr. turned to “experts” associated with the Pugwash Conference, founded at a 1954 meeting of Parliamentarians for World Government. At that meeting, four Soviet scientists appeared for the first time in the West, through the connivance of Russell, Khrushchov, and a “manifesto” that Szilard had wrested from a dying Albert Einstein. Among those Pugwash members and associates whom Gore, Sr. lined up to fight Dr. Edward Teller (“The Father of the H-Bomb”), were: Dr. Jerome Wiesner, provost of MIT; Dr. Szilard’s sidekick in the Einstein “manifesto” caper, Dr. Eugene Wigner, then at Princeton University; Dr. Wolfgang Panofsky, then director of the Stanford Linear Accelerator Center; Dr. Carl Kaysen of Princeton; Dr. Hans A. Bethe; Dr. George Kistiakowsky of Harvard University; Dr. George Rathgens, then at MIT; and, others. Also adding support was the *Bulletin of the Atomic Scientists*, which had published all the speeches of Pugwash founder Russell, as well as Szilard’s speech on “How I Came to Love the Bomb.”

Senator Gore, supported by four other Senators, saw to it that the testimony of these so-called “experts” was televised to the nation. At the end of the hearings, the Senate voted 50-50 on the question of Safeguard ABM deployment, and Vice-President Agnew broke the tie in favor of deploying it. Gore,

Sr.’s unwillingness to perfect the means to protect U.S. citizens from a Soviet first strike became a major issue in the 1970 campaign, when Gore was ousted from the Senate.

After losing his re-election bid, Gore, Sr. became president of an enterprise based in Washington, D.C. known as the Council for a Liveable World, which was founded by Dr. Szilard in 1962 before the Cuban missile crisis, for the sole purpose of stopping BMD development. Gore, Sr. remained council president until 1972, when he took up his lucrative position with Armand Hammer, just as Henry Kissinger was putting the final touches on the ABM Treaty, which effectively halted all research in “exotic technologies” for BMD in the United States, while permitting the Soviets to continue their program.

The Kissinger crew

Gore, Sr., according to correspondence on file at the Gore Research Center, had known Henry Kissinger since about 1954, soon after Kissinger was brought in by Anglophile McGeorge Bundy to write *Nuclear Weapons and Foreign Policy*, which enshrined MAD, theater-limited nuclear war, and other Russellite one-world schemes. Correspondence exists between Gore and Kissinger showing that the Senator had invited Kissinger to hold a seminar in the 1950s on Capitol Hill.

According to Dr. George Rathgens, several of the Pugwash-affiliated scientists formed a “kitchen cabinet” advising Kissinger, when he was Nixon’s National Security Adviser. Rathgens was with Pugwash for decades, and has been a board member of the Council for a Liveable World since the 1960s. Moreover, Kissinger, also a Pugwash member, had worked closely with a group of Pugwashers whose American co-chairman was Dr. Paul Doty of Harvard, and in which Gore, Sr.’s witness Dr. Wolfgang Panofsky played a prominent role. It was through this group, meeting with Soviet scientists, that the plans for the treasonous 1972 ABM Treaty were hashed out.

In a recent interview, Rathgens, who had taken part in the 1969 anti-ABM hearings sponsored by Senator Gore and who is today general secretary of the Pugwash Conference, said that he had helped Albert Gore, Jr., while he was a member of the House, to perfect the Midgetman Missile proposal, which was adopted in 1983 by the Scowcroft Commission and Kissinger. Rathgens said that Pugwash assisted the Gore-Chernomyrdin Task Force, meeting in Russia to try to stop the alleged proliferation of fissionable material and nuclear weapons technical knowledge to Iran and Iraq.

However, by the mid-1970s Pugwash was largely discredited. According to Edward Epstein in *Dossier*, at one point Armand Hammer stepped in to take over various major oil and gas deals with the Soviet Union that Pugwash’s main funder, Cyrus Eaton, had been involved with. In 1976, while Gore, Sr. was in Hammer’s employ, the multi-millionaire founded the Armand Hammer Conference on Peace and Human Rights, based on Oslo, Norway, which held annual meetings with Soviet bloc scientists, along the same lines as the Pugwash Conference.

Hyde leads lame duck Congress in insurrection

by Edward Spannaus

As the world careens into financial and economic collapse, Rep. Henry Hyde's (R-Ill.) "lame duck" House Judiciary Committee is in the process of illegally and unconstitutionally ramming Articles of Impeachment against President Clinton through the lame duck Congress. If Hyde and his cronies succeed in getting impeachment voted up by the full House on Dec. 17-18, the nation will be facing a trial in the Senate which could disrupt and paralyze the entire United States government for—experts say—a minimum of four to six months, and perhaps as long as a year.

The House Judiciary Committee hearings which began on Dec. 8, and culminated in the approval of Articles of Impeachment on Dec. 11, were a total travesty, with the outcome a foregone conclusion from the beginning. And to make it worse, the White House is compounding the problem by making the potentially fatal error of defensively playing along with the charade, rather than forthrightly attacking it as the unconstitutional farce it actually is.

Even as the President's lawyers were commencing two days of presentation of witnesses and arguments against impeachment, Hyde's "Hezbollah" faction on the Judiciary Committee were already drawing up the Articles of Impeachment against the President. It was clear that Hyde's Holy Warriors were not about to be dissuaded from their crusade to bring down the President—either by the facts, or by arguments about constitutional law. Indeed, the draft Articles of Impeachment were released and circulated even as one of the President's lawyers was still making his presentation to the committee.

Hyde and his Holy Warriors are determined to push through an impeachment which will not only permanently weaken the Presidency, but which will virtually paralyze the

United States government during a time of unprecedented financial and economic crisis. This, despite the fact that the November elections showed, and every other indication confirms, that the vast majority of the American population is opposed to impeachment, and is sick and tired of the whole mess.

The truth is, that it is Henry Hyde and his fellow Republicans on the Judiciary Committee who are guilty of abuse of power and gross misconduct in office. What they are doing is tantamount to treason—as shown by Majority Counsel David Schippers's vile and traitorous attack on the President on Dec. 10. If Hyde were an official of the Executive or Judicial branch, he would be impeachable for his offenses against the nation and the Constitution. But there is a constitutional remedy: Hyde can be, and should be, expelled from the House, as is provided for in the U.S. Constitution, Article I, Sec. 5. ("Each House may . . . with the Concurrence of two thirds, expel a Member.")

Rigged hearings

Rep. William Delahunt (D-Mass.) offered this characterization of the process, during his opening statement in the mark-up hearing which began the evening of Dec. 10: "I would like to ask each of you to imagine you've been summoned to defend yourself in court. You don't know what you're charged with because there's no indictment. The prosecutor has spent four years investigating your financial dealings. But when you get to the courtroom, he only wants to talk about sexual indiscretions. He sends the jury a 445-page report telling just his side of the story and releases thousands of pages of secret grand jury testimony to the public. He calls none of the witnesses quoted in his report,

so you can't challenge their accuracy. In fact, he calls only one witness, himself. Then it turns out that he's never even met your chief accuser. The judge allows new charges to be raised in the midst of the trial, but then drops them. He warns that you will be convicted if you do not offer a defense, then when you do so, he tells you not to hide behind legal technicalities."

From the outset, many of the Democrats identified various elements of the rigged nature of the proceedings: that there has been no specification of the actual charges being made against the President, that the burden of proof was improperly being put on the President to prove his innocence, and of course that the Judiciary Committee's "verdict" was already predetermined.

For example, during the opening session on Dec. 8, Rep. Martin Meehan (D-Mass.) suggested to the expert witnesses that it was probably frustrating for them to testify before the committee, "because it is a foregone conclusion that the majority of the members of this committee, on Saturday, will take the incredibly historic step of voting Articles of Impeachment to impeach this President.

"And there is not a constitutional case that any of you can provide before this committee that would change that; there isn't a historical precedent that any member of this distinguished body testifying before the committee [could cite] that could change that."

Meehan was absolutely correct. As the hearings proceeded, there were only the rarest of occasions when a few Republicans appeared to have given any consideration whatsoever to what the panelists were saying. If they had, the whole impeachment proceeding would have been shut down on the spot.

For example, on Dec. 9, a panel of five former Federal prosecutors, from both Republican and Democratic administrations, unanimously agreed that neither they, nor any responsible Federal prosecutor, would bring a case on perjury or obstruction of justice based on the circumstances of President Clinton's testimony in the Paula Jones case. They also told the committee that Federal prosecutors "do not use the criminal process in connection with civil litigation involving private parties." One of the witnesses pointed out that under such circumstances, "prosecutors are justifiably concerned about the appearance that government is taking the side of one private party against another"—which is, of course, exactly what independent counsel Kenneth Starr intentionally did in the Paula Jones case.

One of the panelists, Ronald Noble, who served in the Reagan-Bush Justice Department, and then in the Treasury Department during the Clinton administration, explicitly raised the issue of the "perjury trap" which Starr had set up against the President, using a government informant.

The biggest bombshell was the declaration by Yale University law professor Bruce Ackerman, that the current, lame duck Congress does not have the constitutional power to vote

up articles of impeachment which would carry over into the next session of Congress, which begins on Jan. 3. "As a constitutional matter, the House of Representatives is not a continuing body," Ackerman said. "When the 105th House dies on Jan. 3, all its unfinished business dies with it.

"I don't question the raw constitutional power of the current lame duck House to vote on a bill of impeachment, but I do respectfully submit that the Constitution treats a lame duck bill of impeachment in precisely the same way it treats any other House bill that remains pending in the Senate on Jan. 3," Ackerman said. "Like all other bills, a lame duck bill of impeachment loses its constitutional force with the death of the House that passed it."

Hyde's treason

The formal impeachment hearings opened on Dec. 10, with presentations by the Minority and Majority counsels for the committee. Chief Minority (Democratic) Counsel Abbe Lowell told the committee that it does not have the constitutional grounds for impeaching the President. He warned the committee that a House vote for impeachment would *require* that the Senate begin a trial, and that, unlike the House proceedings, "all Senators would be involved to have to hear the real testimony of all the real witnesses—not a summary from a prosecutor."

Lowell then, quite effectively "called" to the stand the testimony of Monica Lewinsky, Betty Currie, Vernon Jordan, Linda Tripp, and President Clinton; and Lowell proceeded to demolish the accusations being presented by the committee Republicans—using the testimony of Starr's own witnesses.

Lowell also confronted Hyde with his own words in 1987, in which Hyde counselled Oliver North that lying was laudable—if for the right cause. Lowell quoted Hyde saying during the 1987 Iran-Contra hearings:

"It seems too simplistic to condemn all lying. In the murkier greyness of the real world, choices often have to be made. All of us at some time confront conflicts between rights and duties, between choices that are evil and less evil. And one hardly exhausts moral imagination by labeling every untruth and every deception an outrage."

In contrast to Lowell's factual and reasoned presentation, Hyde's hand-picked chief counsel, David Schippers, gave a vile, raving, sarcastic personal attack on the President. In what can only be described as treasonous behavior, Schippers repeatedly told the world that the President of the United States cannot be trusted by anybody, including other world leaders. Schippers accused the President of having a "complete disregard for the concept of the truth."

"Can you imagine dealing with such a person in any important matter?" Schippers asked. "You would never know his secret mental reservations or the unspoken redefinition of words." Near the end of his diatribe, Schippers made the following declaration—assuredly giving aid and comfort to the enemies of the United States:

“Moreover, the President is a spokesman for the government of the people of the United States concerning both domestic and foreign matters. His honesty and integrity, therefore, directly influence the credibility of this country. When, as here, that spokesman is guilty of a continuing pattern of lies, misleading statements and deceits over a long period of time, the believability of any of his pronouncements is seriously called into question. Indeed, how can anyone, in or out of our country, any longer believe anything he says? And what does this do to the confidence in the honor and integrity of the United States?”

‘Wake up, America!’

Following these presentations, the House Judiciary Committee proceeded to hear opening statements by each of the 37 members of the committee. The ranking Democrat on the committee, John Conyers of Michigan, noted:

“We stand poised on the edge of a constitutional cliff, staring into the void below into which we have jumped only twice before in our history. Some encourage us to take this fateful leap, but I fear that we are about to inflict irreparable damage on our nation if we do.”

Many of the Democrats warned of the serious conse-

quences which would arise from an impeachment and a Senate trial—an effective government shutdown for many months, and long-term, permanent damage to the institution of the Presidency and the U.S. Constitution.

Rep. Bobby Scott (D-Va.), who has championed the cause of due process in the committee, charged that the Republicans are “engaged in an unprecedented, substantive and procedural abuse of Congress’s impeachment powers.”

Rep. Zoe Lofgren (D-Calif.) warned of the “legislative tyranny” being exercised by the Republicans.

The most dramatic clarion call came from Rep. Robert Wexler (D-Fla.), who declared that the committee process “has been a sham from the beginning.”

“Wake up, America! They are about to impeach our President,” Wexler warned. “They are about to reverse two national elections. They are about to discard your votes. They are about to exercise a Congressional power that has been used only twice before in our nation’s history. . . . Wake up, America! Our government is about to shut down. The public’s business will grind to a halt. The Senate, the Supreme Court, and the House of Representatives will all be hostage to a process that never should have been triggered in the first place.”

‘History will condemn you for cravenness’

From the testimony of Sean Wilentz, Professor of History at Princeton University, to the House Judiciary Committee, Dec. 8, 1998:

I wish to defend the institution of the Presidency, the Constitution, and the rule of law from what I see as the attacks upon them that have accompanied the continuing inquiry into the President’s misconduct. In time, we will learn how much these attacks have been calculated, and how much they have been unwitting. Either way, they are extremely dangerous. It is no exaggeration to say that upon this impeachment inquiry, as upon all Presidential impeachment inquiries, hinges the fate of our American political institutions. It is that important. As a historian, it is clear to me that the impeachment of President Clinton would do greater damage—great damage to those institutions and to the rule of law, much greater damage than the crimes of which President Clinton has been accused. More important, it is clear to me that any representative who votes in favor of impeachment, but who is not absolutely convinced that the President may have committed impeachable offenses—not merely crimes or misdemeanors, but high crimes or misdemeanors—will be fairly accused

of gross dereliction of duty and earn the condemnation of history. . . .

I strongly believe that the weight of the evidence runs counter to impeachment. What each of you on the committee and your fellow members of the House must decide, each for him or herself, is whether the actual facts alleged against the President—the actual facts and not the sonorous formal charges—truly rise to the level of impeachable offenses. If you believe they do rise to that level, you will vote for impeachment and take your risk at going down in history with the zealots and the fanatics. If you understand that the charges do not rise to the level of impeachment, or if you are at all unsure, and yet you vote in favor of impeachment anyway for some other reason, history will track you down and condemn you for your cravenness. . . .

You may decide as a body to go through with impeachment, disregarding the letter as well as the spirit of the Constitution, defying the deliberate judgment of the people, whom you are supposed to represent, and in some cases, deciding to do so out of anger and expedience. But if you decide to do this, you will have done far more to subvert respect for the Framers, for representative government, and for the rule of law, than any crime that has been alleged against President Clinton. And your reputations will be darkened for as long as there are Americans who can tell the difference between the rule of law and the rule of politics.

National News

Clinton: Patients' rights are a 'top priority'

According to a Dec. 2 press release from Senate Minority Leader Tom Daschle (S.D.), President Clinton announced his determination "to make passage of a comprehensive patients' bill of rights a top priority in the next Congress," shortly after meeting with Daschle, other Senate Democrats, and Vice President Gore. "We must give the American people the peace of mind that comes from knowing that when they fall ill, they will be treated as people, not dollar signs on a ledger," he said.

Clinton stressed that his administration has sought to enforce patients' rights for those enrolled in Federally funded health plans, and has passed new Federal rules for treatment of emergency-room patients, even before patients ask for insurance authorization. He added, "We have gone to the Supreme Court, to help clear the way for patients who have been harmed by health plans' decisions, to seek justice under the law." He urged, "Now, its time has come, for Congress to do its part to give all Americans the protections of the patients' bill of rights. . . . We will make this not a Democratic issue or a Republican issue, but an American issue. . . . Thirty days ago the American people gave all of us our marching orders."

AFSCME union leaders face racketeering probe

At least 30, mostly African-American, leaders of the American Federation of State, County, and Municipal Employees (AFSCME) District Council 37 in New York City face indictment in a Racketeering Influenced and Corrupt Organizations (RICO) investigation being run by Manhattan District Attorney Robert Morgenthau. Morgenthau teamed up with "reformers" in the union, and convinced lower-level union officers to cooperate with Morgenthau's investigation. While the investigation has been the subject of quiet memos on union websites for a month, it hit the front page of the *New York Post* on Dec. 4. A week earlier, the *Wall Street Journal* ran a lead editorial praising the witch-hunt.

AFSCME officials have made no public statements, other than to say that they are conducting their own investigation. The probe charges the union with rigging elections and stealing millions of dollars from its members. DC 37 President Stanley Hill, whose hard-hitting interviews with this news service denounced workfare as slave labor, has been forced to step down.

Workfare, cheap labor policies spark protests

Twenty-eight people were arrested in Boston, on Nov. 30, while protesting at Gov. Paul Celluci's office against the cutoff of welfare funds to 5,000 people. Dec. 1 marked the end of 24 months of cash benefits allowed under the new law in any 60-month period, and able-bodied recipients with children over two years old were cut off welfare on that date. Catholic Charities, the largest private social agency in the state, is bracing for people looking for food and shelter. The state's homeless shelters are already full.

Unionists also demonstrated against Wal-Mart's cheap-labor policies in Kansas City, Little Rock, St. Louis, and Washington, D.C. on Nov. 30. AFL-CIO President John Sweeney announced a nationwide boycott of Wal-Mart and Sams Clubs, at a Bentonville, Arkansas, protest. "When Wal-Mart moves into a neighborhood, wages are driven down so low, that full-time workers have trouble feeding their families without food stamps."

Lawyer compares Pollard to embattled Clinton

In what can only be classified as "From the Chutzpah Files," the attorney for Israeli spy Jonathan Pollard wrote to President Clinton, comparing the prosecution of his client to the British-orchestrated attack against the U.S. Presidency. Larry Dub has written to Clinton, on his client's behalf, asking that Pollard, who is serving a life sentence in U.S. prison for espionage, be given a chance to present evidence to the President, as he considers the request by Israeli Prime Minister Benjamin Netanyahu for clemency for Pollard. Clinton has given Defense Secretary

William Cohen, Secretary of State Madeleine Albright, CIA director George Tenet, and Attorney General Janet Reno until Jan. 11 to make recommendations on whether to free Pollard.

Dub wrote: "Just as your attorneys are now appropriately demanding the right to see the material being prepared for impeachment in order to allow you to mount an adequate defense, elementary justice and a sense of fair play dictate that the same opportunity must be afforded to Jonathan Pollard to answer his accusers." Dub claimed that Clinton was relying exclusively on the opinion of people "whose public opposition to my client's release has been rife with slander, false allegations and gross distortion of the facts."

Dub then charged, "Mr. President, as you well know, under Tenet the CIA has initiated a witch-hunt to rid the agency of Jews holding security clearances." Recently, vocal partisans of Pollard—most of them from what U.S. intelligence calls the "X Committee" that ran Pollard's operations—have mobilized against Tenet and the CIA.

Commerce Secretary makes visit to Nigeria

"This is a pivotal time for Nigeria," said U.S. Commerce Secretary William Daley, on Dec. 6, during a brief stop in the Nigerian capital of Abuja, one day after local elections took place. Daley is on a tour of Africa, following up President Clinton's visit earlier this year.

"The world is watching and the world is waiting for Nigeria to emerge as a trusted trading partner. Progress over the last several months has been very promising," said Daley, who is the most senior U.S. representative to visit this country since 1993. Nigeria's trade with the United States is significant: It is the largest African oil exporter to the United States, and an important buyer of U.S. wheat.

On the elections, Daley said that the large voter turnout "was a clear sign that Nigerians want to join the world family of nations, doing business with one another every day of the year." Although his visit was brief, he said that "perhaps in the not too distant future, we will have an extended visit to seal our business ties and walk together on a path of peace and prosperity."

Re-inventing corruption

The smashing defeat for the prosecution in the case of former Agriculture Secretary Mike Espy, should be the first blow to defeating the whole wave of “anti-corruption” prosecutions which are being wielded by the world’s most corrupt financiers and politicians. That goes for everything from the system of special prosecutors in the United States, to the efforts of international bodies such as Transparency International, who are seeking to topple governments around the world.

Independent counsel Donald Smaltz’s prosecution of Espy, which went on for four years at a cost of \$17 million, resulted in an acquittal on Dec. 2. While that’s good news, there is a sense in which Smaltz and his backers actually achieved their objectives nonetheless. They succeeded in getting Espy out of office, intimidated dozens of people, and, in their own words, “sent a message” of terror to many others.

From the beginning, it was clear that the independent counsel was making farcical charges. The petty “gratuities” which Espy had received were acknowledged to have resulted in no *quid pro quo* — and the first African-American Agriculture Secretary was widely known for a hard stance against predatory agri-business cartels. But, as an article by David Grann in the Feb. 2, 1998 issue of the *New Republic* pointed out, the Smaltz prosecution was taking to its logical extreme the new theory of “anti-corruption” politics. Under this theory, politicians “use the law not as a means of justice but as a means of destroying one another,” and that Smaltz “has redefined corruption in a way that would turn most lawmakers into lawbreakers overnight.”

According to this theory, all “cronyism,” in fact all friendship, between a lawmaker and a constituent, becomes definable as a crime. Politics itself is criminalized, as even cups of coffee, or slices of cheesecake, are redefined as “illegal gratuities.”

Whereas politics used to be the art of improving conditions for one’s country and constituency, such

improvement might now be considered a “conflict of interest,” should these “public corruption” laws be applied as they are being today.

The ever-self-righteous Smaltz, who is in the same league as Kenneth Starr, went so far as to brag about the fact that he was using this case as a means of political destruction. Speaking after he lost the Espy trial, Smaltz said (according to the *New York Times*): “The actual indictment of a public official may in fact be as great a deterrent as a conviction of that official.”

Since when is a frivolous prosecution supposed to be used as a deterrent? One is reminded of the arguments on the floor of the Congress last August around the McDade-Murtha Citizens Protection Act, which was intended to prevent prosecutions undertaken for political, and financial, destruction. Had that bill been in effect, it is clear that the Smaltz prosecution, and many others, including that of Lyndon LaRouche and President Bill Clinton, would subject the prosecutors to severe penalties for breaking the law.

Nor should we overlook the application of this legal “theory” on the international scale. Under the aegis of Transparency International, which works with George Soros’s money and the collaboration of the International Monetary Fund and the World Bank, mostly small nations are now routinely attacked for adopting policies that will benefit their populations. Such patriotic, popular actions are re-labelled “corruption” or “cronyism,” in the interest of destroying the government, and opening the nations up for looting by foreign financial interests.

This trend began in a big way in the mid-1970s, coinciding, not accidentally, with the Carter administration’s thrust toward eliminating technological progress, and government responsibility to its constituencies. It has been frighteningly successful in the labor, business, and political arena, and is now reaching to the very top, as in the prosecution of the President of the United States. The corrupt have become the prosecutors — and it’s about time they were stopped.

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Thu.—10 p.m.; Sat.—12 Noon
- MINNEAPOLIS—MTN Ch. 32
Wednesdays—8:30 p.m.
- MINNEAPOLIS (NW burbs)
NW Community TV Ch. 35
Thursdays—10 p.m.
Fri.: 4 a.m., 10 a.m., 4 p.m.
- NEW ULM—Paragon Ch. 12
Fridays—7 p.m.
- PROCTOR/HERMANTOWN
Ch. 12; Tue.: between 5 pm & 1 am
- ST. LOUIS PARK—Ch. 33
Friday through Monday
3 p.m., 11 p.m., 7 a.m.
- ST. PAUL—Ch. 33; Sun.—10 p.m.
- ST. PAUL (NE burbs)*
Suburban Community Ch. 15

MISSOURI

- ST. LOUIS—Ch. 22
Wednesdays—5 p.m.

NEVADA

- CARSON CITY—Ch. 10
Fri., 10 pm; Sat., 3 pm

RENO/SPARKS

- M-ONE Ch. 30; TCI Ch. 16
Wednesdays—5 p.m.

NEW JERSEY

- MONTVALE/MAHWAH—Ch. 27
Wednesdays—5:30 p.m.

NEW YORK

- AMSTERDAM—TCI Ch. 16
Fridays—7 p.m.
- BROOKHAVEN (E. Suffolk)
Cablevision Ch. 1/99
Wednesdays—9:30 p.m.
- BROOKLYN—BCAT
Time/Warner Ch. 35
Cablevision Ch. 68
Sundays—9 a.m.
- CORTLANDT/PEEKSKILL
MediaOne Ch. 32/6
Wednesdays—3 p.m.
- HUDSON VALLEY—Ch. 6
2nd Sun. monthly—1:30 p.m.
- ILION—T/W Ch. 10
Saturdays—12:30 p.m.
- IRONDEQUOIT—Ch. 15
Mon. & Thurs.—7 p.m.
- ITHACA—Pegasys Ch. 57
Mon.—8 pm; Thu.—9:30 pm
Saturdays—4 p.m.
- JOHNSTOWN—Ch. 7
Tuesdays—4 p.m.
- MANHATTAN—MNN Ch. 34*
Sun., Dec. 27—9 a.m.
Sun., Jan. 10, 24—9 a.m.
- NASSAU—Ch. 80
Wednesdays—7 p.m.
- OSSINING—Ch. 19/16
Wednesdays—3 p.m.
- POUGHKEEPSIE—Ch. 28
1st & 2nd Fridays—4 p.m.
- RIVERHEAD—Peconic Ch. 27
Thursdays—12 Midnight
- ROCHESTER—GRC Ch. 15
Fri.—11 p.m.; Sun.—11 a.m.
- ROCKLAND—T/W Ch. 27
Wednesdays—5:30 p.m.
- SCHENECTADY—SACC Ch. 16
Tuesdays—10 p.m.
- STATEN ISL.—CTV Ch. 24
Wed.—11 p.m.; Sat.—8 a.m.
- SUFFOLK, L.I.—Ch. 25
2nd & 4th Mondays—10 p.m.
- SYRACUSE—T/W Ch. 3
Fridays—4 p.m.
- SYRACUSE (burbs)
T/W Ch. 12—Sat.: 9 p.m.
- UTICA—Harron Ch. 3
Thursdays—6 p.m.
- WATERTOWN—T/W Ch. 2
Tue.: between Noon & 5 p.m.
- WEBSTER—WCA-TV Ch. 12
Wednesdays—8:30 p.m.
- WEST SENECA—Ch. 68
Thursdays—10:30 p.m.

YONKERS—Ch. 37

- Saturdays—3:30 p.m.
- YORKTOWN—Ch. 34
Thursdays—3 p.m.

NORTH DAKOTA

- BISMARCK—Ch. 12; Thu.—6 p.m.

OHIO

- COLUMBUS—Ch. 21
Dec. 20: 5:30 p.m.
Dec. 17 & 24: 12:30 p.m.
- OBERLIN—Ch. 9; Tue.—7 p.m.

OREGON

- CORVALLIS/ALBANY
Public Access Ch. 99
Tuesdays—1 p.m.
- PORTLAND—Access
Tuesdays—6 p.m. (Ch. 27)
Thursdays—3 p.m. (Ch. 33)

TEXAS

- AUSTIN—ACT Ch. 10*
- EL PASO—Paragon Ch. 15
Wednesdays—5 p.m.
- HOUSTON—Access Houston
Mon., Dec. 21: 5-7 p.m.
Wed., Dec. 23: 5-6 p.m.
Sat., Dec. 26: 6-7 p.m.
Mon., Dec. 28: 8-9 p.m.
Wed., Dec. 30: 3-6 p.m.

UTAH

- GLENWOOD, Etc.—SCAT-TV
Channels 26, 29, 37, 38, 98
Sundays—about 9 p.m.

VIRGINIA

- ARLINGTON—ACT Ch. 33
Sun.—1 pm; Mon.—6:30 pm
Wednesdays—12 Noon
- CHESTERFIELD—Ch. 6
Tuesdays—5 p.m.
- FAIRFAX—FCAC Ch. 10
Tuesdays—12 Noon
Thu.—7 p.m.; Sat.—10 a.m.
- LOUDOUN—Cablevision Ch. 59
Thursdays—7:30 p.m. & 10 p.m.
- ROANOKE COUNTY—Cox Ch. 9
Thursdays—2 p.m.

WASHINGTON

- KING COUNTY—Ch. 29
Mondays—9:30 a.m.
- SPOKANE—Cox Ch. 25
Wednesdays—6 p.m.
- TRI-CITIES—TCI Ch. 13
Mon.—12 Noon; Wed.—6 p.m.
Thursdays—8:30 p.m.

WISCONSIN

- KENOSHA—T/W Ch. 21
Mondays—1:30 p.m.
- OSHKOSH—Ch. 10; Fri.—11 p.m.
- WAUSAU—Marcus Ch. 10
Fri.—10 p.m.; Sat.—5:30 p.m.

WYOMING

- GILLETTE—Ch. 36; Thu.—5 p.m.

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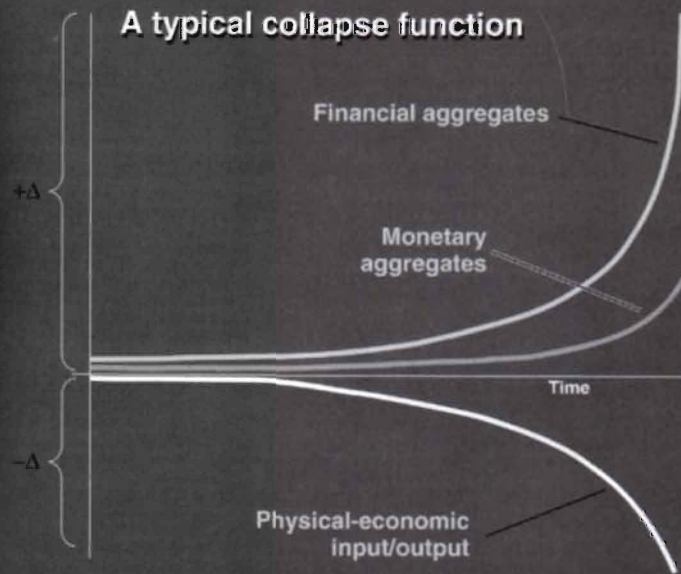
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Lyndon H. LaRouche, Jr. and LaRouche's "triple curve" schematic

While Others Have Ignored Reality



A recent trading day at the New York Stock Exchange.

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—Lyndon LaRouche, Nov. 1, 1996

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