

understand how the Franklin Roosevelt type of core-constituency-based Democratic Party must be rebuilt—just when our nation needs it the most. Since we have touched some crucial historical and other relevant features of the issue of farm-parity price, we are prepared to look at the political relations between farmers and labor as a paradigm for core-constituency organizing in general.

3.2 Farmers and labor

Since no later than the beginning of the Nineteenth Century, in addition to those among our republic's traditional foreign enemies such as Bentham's, Castlereagh's, and Palmerston's British monarchy and Prince Metternich's Holy Alliance, our nation has suffered the added burden of four leading internal enemies.

Three of these internal enemies has been the set of perennially treasonous, witting tools of the British monarchy's still presently continuing efforts to destroy our republic, and to assimilate us back under the British monarchy.²⁹ The first set of the three, is a powerful concert of families, known for their leading role in the treasonous affair of the 1814 "Hartford Convention," also known as those New England "blue bloods" who continue the legacy of the British East India Company's opium traders. The second, is a related Wall Street phenomenon. This was established through the creation of Aaron Burr's Bank of Manhattan as an instrument of the then head of the British Foreign Office, Burr's controller Jeremy Bentham. Burr, Martin van Buren, J.P. Morgan, and the traitorous August Belmont, typify that London-controlled Wall Street interest. Third, have been the Southern States' slave-owners and their racist lackeys, including, to the present day, both the tradition of Albert Pike's Ku Klux Klan and the matching Robert Penn Warren's and William Yandell Elliot's "Nashville Agrarians."

All three of those are notorious, from the aftermath of the treasonous 1814 "Hartford Convention" plot, through 1865, as those operating, under London's direction, to dismember the United States by aid of dividing the union between slave-owning and anti-slavery states. The latter was the policy of August Belmont's asset, General George McClellan, in McClellan's 1864 Democratic Party campaign for the U.S. Presidency.

The fourth enemy from within was of a more simple-minded variety. This fourth enemy is expressed by the failure, among even the majority among U.S. citizens, to resist being

played against one another, as usually unwitting types which former Secretary of State Henry A. Kissinger identified as corrupted by Thomas Hobbes' brutish recipe of "each in war against all."³⁰ This is Hobbes', Locke's, Adam Smith's, and Jeremy Bentham's so-called "hedonistic principle," the game of "king of the hill," otherwise describable as an "eat your neighbor policy." Thus, on the latter account, as President Lincoln would have said, most of our constituencies were fooled most of the time, too busy in greedy little feuds with other constituencies to be concerned about defending the nation either from deepening decay and spreading poverty, or from our republic's principal, traditional enemies within and without. This has been a general pattern, as typified by the referenced, sometimes pitting of farmers and trade-unionists against one another on the "consumerist" issue of farm-price parity.

The Democratic Party's foolish, self-defeating, "cheap labor" approach to farm-parity policy of recent decades, is paradigmatic. That disgusting practice exemplifies the way the Party has too often done itself in at the polls. Take as an example, the doctrine of "globalized" cheap labor which Vice-President Al Gore has pushed, under such labels as "re-inventing government." Take the way in which he used his anti-labor NAFTA campaigning, as a way of dragooning Mexican virtual slave-labor into serving as a lever for robbing many U.S. Democratic Party voters of decent employment.

What Vice-President Al Gore's illegitimate political baby, NAFTA,³¹ did to the U.S. industrial work-force, was an echo of what labor's, and the Democratic Party's foolish support of, or tolerance for anti-parity, cheap food postures, combined with other measures of so-called "deregulation," did to the American farmer. On the parity matter, I know; I was there when it happened.

The same populist variety of sickness seen in the division which even some in the Democratic Party's leadership fostered between farmers and labor, over farm parity, are expressed in similar ways in many places. This was the essential corruption of the "poverty program" introduced under President Lyndon Johnson, which turned, under the Nixon Administration's so-called "welfare reforms," into a campaign for squabbling over diminishing rations of available goodies, between what were classed as the differences between the poor and organized labor. The principle of "equal opportunity" was replaced by the cruelly farcical, Orwellian variation on

29. See Anton Chaitkin, *Treason in America*, 2nd ed. (Washington, D.C.: Executive Intelligence Review, 1999). Under the rubric of an expanded NAFTA, the rabidly anglophile crony of the Duke of Edinburgh and Prince Charles, and presumably anti-Princess Diana, Vice-President Al Gore, has publicly endorsed this policy of assimilation into that British Empire now known as the Queen's own British Commonwealth.

30. Henry Kissinger, bragging of his own role as an agent of influence of the British Foreign Office, acting behind the back of Presidents Richard Nixon and Gerald Ford. See his Chatham House address of May 10, 1982, in which he bragged of this, identifying himself and his co-thinkers as sharing the British monarchy's Hobbesian mind-set, in opposition to the American intellectual tradition of President Franklin Roosevelt et al. See, Henry A. Kissinger, "Reflections on a Partnership: British and American Attitudes to Postwar Foreign Policy" (London: Royal Institute of International Affairs, May 10, 1982).

31. I.e., conceived by a Republican mother.

Hobbes’ “each in war against all,” “some pigs are more equal than others.”

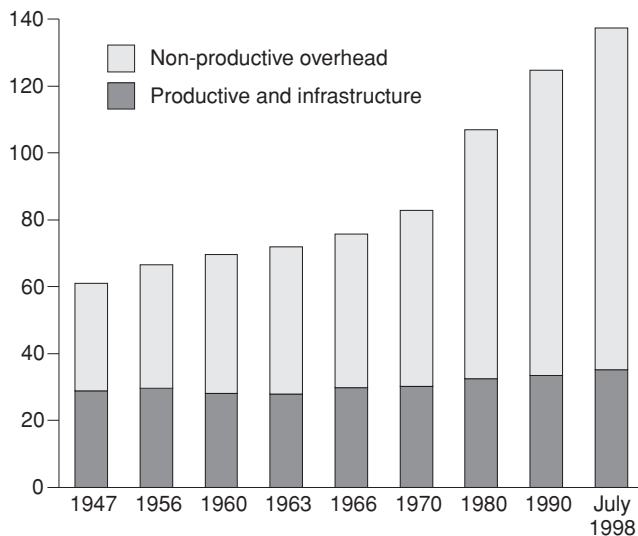
One overhears, with a sense of horror, the *sotto voce* voice of the Baby Boomer in the waiting-room: “She doesn’t understand how much of our inheritance this is costing us,” the voice says, referring to the aging parent’s mounting costs and expenses for health care. One’s thoughts turn simultaneously to the case of the Netherlands, where a form of legalized murder called “involuntary assisted suicide” is installed and functioning, and to memories of the similar Nazi “useless eaters” programs of the 1930s and later. One has heard of the voice of the fourth “enemy from within” our republic, the same voice which said, “I don’t care about farmers; I get my milk at the supermarket.”

The truthful solution for such fratricidal conflicts, reposes implicitly in the facts of a matter which economists describe as “the division of labor,” as Treasury Secretary Alexander Hamilton described this in his December 1791 Report to the U.S. Congress *On The Subject of Manufactures*, or, which Catholic thinkers have described otherwise as “solidarity.” Hamilton’s description of the functional interdependency, the mutual dependency of the promotion of manufactures and agriculture, or urban and rural life, has a prophetic quality when those pages are read from the vantage-point of hindsight today. Hamilton’s portrait can be rightly generalized, as “all useful people need each other to be there, and in good functioning condition.”

This goes for nations, as for the people within a nation. The functional interdependency of all those forms of labor which are to be defined as useful from the vantage-point of a science of physical economy, express a common interest in the simplest way. When we add to what we recognize as labor the production of those kinds of ideas which correspond to a growing stock of validatable physical and other principles, our notion of common interdependency, and therefore common interest, is expanded accordingly. Implicitly, on the latter account, the division of labor in such ideas extends, in terms of physical economy, and otherwise, to the reach of timeless eternity.

Contrary to the shrunken, uncultivated minds of some employers, and others, the nature of the true wage is not a payment for past labor, but, rather, like the expenditures on education of our future labor-force, a form of capital investment in the future of the economy, and therefore of the society. Like turning a wilderness into fertile farms, like investment in the new factory, in the better machine-tool, or in research and development, the necessary content of the wage is not what the employed person did last week, but what he, or she will be enabled to do, by today’s improvement in his education, experience, and working conditions, next year, and also in the next generation. The very idea of an operating profit should prompt attention to this elementary fact; the only true source of operating profit, moral equivalents of wage-gouging and kindred theft excepted, is those next period’s

FIGURE 3
U.S. labor force, 1947-98:
Non-productive overhead grows
 (millions of workers)



Source: Bureau of Labor Statistics, U.S. Department of Labor

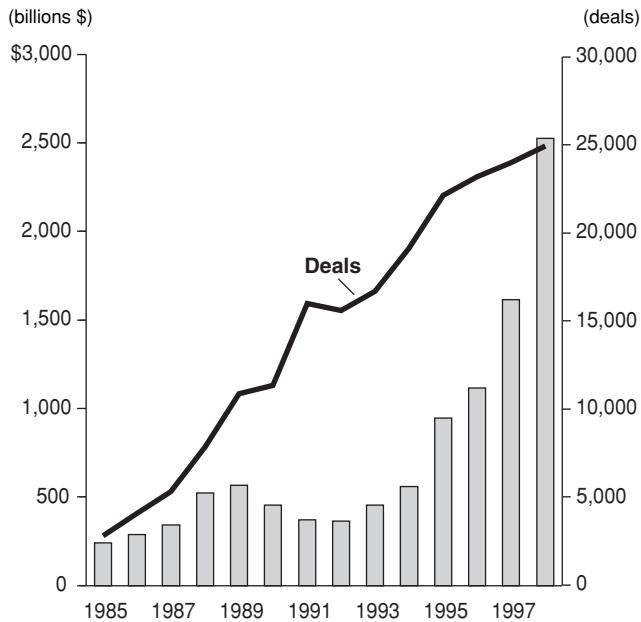
gains in net productivity which will be generated by improvements made during the past period’s physical-economic performance. Whoever does not grasp that point, has yet to assimilate the rudiments of a rational view of economic processes.

It is a fair guess, that the Adam Smith admirers among Republicans in today’s Congress, especially those of the far, far right variety, like the Mont Pelerin Society’s silly former Prime Minister Margaret Thatcher of Britain, and like the British monarchy’s failed “Frankenstein monster” experiment, Prime Minister Tony Blair, have yet to learn that simple, elementary lesson of economics competence. Really intelligent Republicans, and Democrats, for example, ought to know better.

One of the leading political obstacles to grasping such elementary economic facts, is that change in the social composition of the employed labor-force, which has shrunk the percentile of the labor-force employed in the production of physical goods, in favor of a shift into increase of the rations of both some greatly over-paid, but also very many greatly underpaid menial, often even parasitical forms of services employment. [Figure 3.] The reality of the economic experience of those engaged in the production of physical product, such as agriculture and capital-intensive forms of manufacturing, contributes to sanity about economic matters; employment in furtherance of menial services tends to foster greatly decreased sanity in opinions about economy among the popu-

FIGURE 4

Global mergers & acquisition announcements, 1985-98



Source: Securities Data Corp.

lation, relative to thirty years or so earlier. I do not intend to foster rosy illusions about our labor-force of thirty-odd years and more ago; I had none then, and I have none in retrospect now. I merely emphasize the catastrophic degree of the effects of a decline in relative economics sanity over the course of the recent three decades.

In the processes of physical production, the experience of the entrepreneurial management, the engineers, and employed operatives alike, and including the white-collar employees in the workshop's administration, was recognized as the processing of the materials and semi-finished product delivered by "our vendors" into the form of processed output "we" deliver to the next stage in the chain leading toward the point of ultimate consumption of the celebrated "final product." Our prevailing self-image, as a nation and a people, was of a highly productive agro-industrial economy. During the past thirty-odd years of growth of the lunatic myth of "post-industrial society," that has changed, tragically. We have become all too much, in too many ways, a "post-industrial economy;" that is the source of our poverty, our weariness of shrunken minds, as a nation, compared to thirty-odd years ago.

Look at the correlatives of the recent twenty years feeding-frenzy of mergers, acquisitions, and hostile takeovers. [Figure 4.] We have become an economy of Wall Street carpet-baggers, of cannibals. What is the result? Under the reign of those present-day "junk bond" and like carpet-baggers,

large segments of our labor-force and entire categories of still-essential productive capacity have been ripped out of our formerly highly productive economy, to the degree that the losses to our economy on that account become cumulatively irreplaceable. The chain-letter of mergers, acquisitions, and hostile takeovers, adds up—in North America, as in Europe—to a business community feeding its belly by eating its own arms and legs.³²

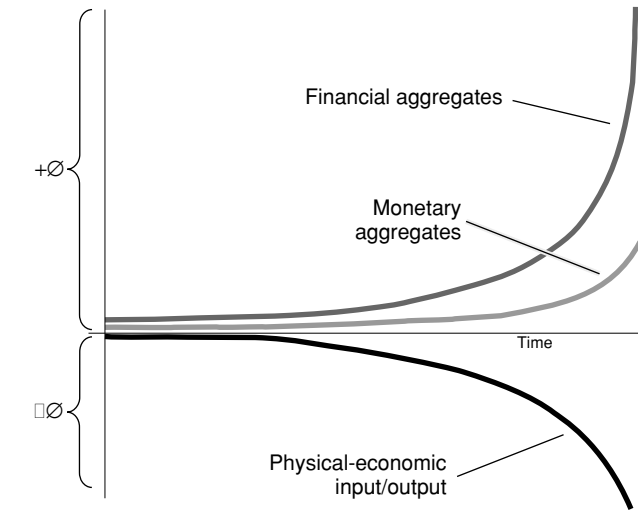
Consider the increase of the combined number of hours per week of combined work-hours and work-related commuting time, required to attempt, unsuccessfully, to maintain the same standard of living today, as thirty, twenty, ten, even five years ago. Look at, and discount that ration of even those marginal portions of household consumption which is currently, briefly, a merely temporary benefit to some household incomes. That latter is the portion of total household incomes which is a by-product of the U.S. Federal Reserve System's hyperinflationary pumping of money and credit into our bubble, and bubble-headed, economy. Part of the capital gains so generated in these speculative markets, shows up as payments on mutual-funds accounts or retail and other sales; from there, some portion of those capital gains, turned into credit, trickle down, in dribbles, into household consumption. So, as long as that spill-over from Wall Street's hyperinflation continues to dribble into some support for cheap-labor employment and other household income, there is a brief delay in seeing the underlying rate at which the effects of full-blown depression at the grass-roots levels are developing, in terms of today's and tomorrow's combined impact on levels in terms of retail sales, spread of unemployment, and household incomes.

Look at my "Triple Curve" diagram, which I first intro-

32. Free-wheeling epidemics of hostile takeovers of the "junk bond" variety, should never have been encouraged, or, in fact allowed. More restraints should have been put on all mergers and acquisitions which were conducted out of Wall Street's financier-rentier, rather than economic motives. There is a clear principle at issue in demanding such reforms in transfer of corporate ownership. The stockholder of the publicly held corporation is only one, and not the most important, of the interests whose implicit equity in a productive enterprise must enjoy legal protection. The firm as a producing entity, with roots in one or more local communities, and of the employees, in management and the labor-force as a whole, has important rights to be taken into account. Also, there is the interest of the nation, and therefore of the Federal state too, in providing protection to worth-while economic assets of the state and nation. If a company has a clear physical-economic motive for merging, being acquired, or moving its premises, we should desire that it enjoy the freedom to carry out that decision in a reasonable and orderly fashion, with a minimum of avoidable unpleasant side-effects experienced by those in the vicinity of such action. The authority of ownership ought to reside foremost in those who have the more responsible interest in the continued well-being of that enterprise and what it represents. What we should not encourage, is to continue the insane practices which ran rampant since about 1982, of allowing Wall Street and kindred financial speculators to treat solid, productive firms as if the people associated with productive enterprises, were merely shipments of cabbages, whose bills of lading could be sold freely many times over, en route from California to Chicago. Under conditions of trends in "globalization" current trends in this area are not what could be tolerated by responsible governments.

FIGURE 5

A typical collapse function



duced to public circulation in contributions to two conferences in which I participated, in Europe, during late 1995. [Figure 5.] This chart describes the most critical of the parameters for changes in the U.S. and world economy since a change in trends beginning about 1966-1967.

Three variable magnitudes are depicted, each measured per capita of population. The top-most, upsweeping curve represents financial aggregates, including what are called “derivatives.” The middle, more slowly upsweeping curve, corresponds to monetary aggregates, approximately equivalent to U.S. M-3. The lowest, down-sweeping curve, corresponds to physical market-basket magnitudes. The chart depicts the underlying trend in, chiefly the U.S.A., western Europe, and Japan economies, combined for the interval, to the present, beginning 1966-1967, a beginning-point intersecting the November 1967 devaluation of the British pound, and the ensuing IMF crisis-actions of March 1968, which prefaced the August 1971 break-up of the old Bretton Woods system. The right-hand side of the figure represents the presently ongoing, terminal phase of the present international monetary system, which began during October 1997. The nearly vertical rise of the top-most curve, “financial aggregates,” at the right-hand side of the figure, anticipates the hyperinflationary breakdown process, which erupted in August 1998, and has been ballooning since, bringing us now toward either the deepest economic depression of the Twentieth Century, or a global, or nearly global, Weimar-hyperinflationary disintegration of the U.S. Dollar, the British Pound, the Japanese Yen, and the virtually still-born Euro, during the near future—unless the type of new monetary and financial system which I have prescribed is pushed through during the immediate future.

What this figure represents, is not the coming together of three mutually independent, or semi-independent factors. The three magnitudes are integral elements of the same interconnected manifold. The following are the leading functional interconnections.

1. In its recent and present state, the globalized financial system’s continued existence depends, not on operating profits from already accelerating collapse in production of real wealth, but upon financial capital gains generated through increased leveraging of monetary flows into the financial system. These capital gains, even wishfully anticipated capital gains (as for the case of the lunatic skyrocketing of prices of worthless Internet stocks), are the principal source of financial profit in the system as a whole, and the basis for the leveraging of the continued expansion of financial aggregates. In short, the financial system as a whole represents, chiefly a financial bubble of the “John Law” type. Once the bubble ceases to bloat, it implodes. *Pop goes the weasel!*
2. The expansion of the monetary aggregates at rates needed to forestall collapse of the financial bubble, requires a flow of payments into the monetary institutions feeding the financial bubble’s leveraged growth. Since the real economy as a whole is operating at a net loss on physical-economic account, the increased rate of payments needed to sustain the monetary expansion, is obtained only by cannibalistic methods—austerity methods, against the real economy. This results, in turn, in an accelerating contraction of the real economy.

The recent, dramatic collapse of international trade, and of industrial and related employment in the U.S.A. and western Europe—and soon, still much deeper rates of collapse in international trade, and related employment levels, are reflections of such austerity-measures. Even the proposed action to “prime the pump” of a sagging economy with significantly increased military expenditures on behalf of the U.S. Republicans’ and Vice-President Gore’s “new cold war posture,” might put a blip on the curve, but will not change the fundamentals. Meanwhile, the rate of expansion of the financial bubble, and of the monetary flow to support the bubble’s continued existence, has reached a condition, such that any further attempt to keep the financial bubble alive, results in a shock-wave effect, like breaking the so-called “sound barrier.” The system is at about the point further efforts to keep the system alive can only go “boom!”

Unfortunately, as we have seen developments since mid-September 1998, there is no current sign of sanity on eco-

conomic policy, from either Wall Street or Washington. Wall Street and Washington, and most of western Europe and Japan, besides, are so far prepared to react as Germany and its foreign advisors pushed it to react during the period of the growth of the Weimar hyperinflationary bubble of 1921-1923, the bubble which first brought Adolf Hitler and his Nazis into a significant position in Germany's politics. To the present moment of writing, at least, the G-7 governments, and Federal Reserve Chairman Alan Greenspan have acted lately as desperate lunatics, in their decisions to go for a "temporary, crisis-management solution"—hyperinflation—since October 1998.

The global financial crisis is already vastly worsened in mid-January 1999, as a result of lunatic decisions made by the G-7, Alan Greenspan, et al. in October 1998; but, those desperadoes have, thus far, stubbornly refused to learn lessons from experience. Every present indication is, that those central bankers and governments, are prepared to react again, during the weeks ahead, as they behaved so insanely in October 1998. The results of such behavior by them, would be unimaginably worse than almost any of my readers could presently foresee. If the system does not simply blow apart as a result of such "bail-out" attempts, at the next turn, if they were able, the same G-7 et al. would almost certainly react to the next crisis, after the present one, with even greater lunacy than they showed in October 1998, or have shown so far, during early January 1999.

That is exactly the way great empires are toppled, like the poet's fabled Ozymandias, into the dust, when those doomed empires have decayed to the point that they have lost utterly the moral fitness to continue to survive. They do as they do, and destroy themselves, because their madness refuses to allow them even to imagine the possibility of life after the death of their presently doomed, global financial system.

That picture of the situation, brings us to the crucial point about organizing of core constituencies. This brings us to examining the broader implications posed by the division between farmers and some trade-union groups over the issue of farm-price parity.

In such a situation, our job, mine and the Democratic Party's in particular, is to adopt and conduct those policies which ensure that our republic and its people do survive, whatever happens to this present global financial and monetary system. The spirit and commitment with which President Franklin Roosevelt responded to Andrew Mellon's Great Depression, must be remembered and made our rallying-cry now.

The key to success is leadership. The majority of our population, the core constituencies notably, are willing to outlive even a depression much worse than that which President Coolidge and Andrew Mellon bequeathed to the 1930s. But, without political leaders who take the same kind of responsibility in economy, which qualified military leaders take

in perilous warfare, and without qualified leadership in general, our citizens generally, will not be able to mobilize themselves as the needed republican army for victory, against the forces of economic doom. As they rallied to President Roosevelt's leadership of "the forgotten man's" cause, during the 1930s and early 1940s, they are waiting now for new national and other supporting leaders to emerge, and for the echoing emergence of the kinds of organic leadership required for a time of crisis, among the local pores of the constituencies.

This lesson we should have learned already from the zooming upward of President Clinton's popularity—to as high as levels reported to be approaching 80%!—in response to increasing savage attacks from the London-directed cannibals of the U.S. congressional far, far right. Each time the President fights back against the onslaught, his popularity zooms upward immediately. Why? Not because the voters trust President Clinton, most do not; they react to their sense, that this President, with all his vacillations and his anti-labor toadying with his "Uriah Heep," Al Gore, is the last barrier to a takeover of the nation by the far, far right. An overwhelming majority of voters support Clinton essentially for the reason that they have an awful, and fully justified fear of the result *for them* should the President lose the fight.

Without even the degree of often vacillating leadership shown by the President thus far, his courage under fire represents a quality of leadership utterly lacking in such Principals Committee honchos as Defense Secretary William Cohen, General Henry H. Shelton, and Vice-President Al Gore. Look back to 1948. President Harry S Truman was never "much shakes," but his fighting posture in his whistle-stopping election-campaign of 1948, overwhelmed the sure-fire winner of that season, defeated Presidential candidate Tom Dewey—the grass was indeed very dewey, for those Republicans who cried copious tears of defeat, all the way home the next day. Truman was a terrible leader, but he showed the quality of leadership which rallied votes for his election from nooks and crannies which the narcissistic Dewey's campaign never believed would turn out. Similarly, it was the voice of CBS's Edward R. Murrow, on a celebrated television documentary, which started the avalanche leading to the crushing defeat of the far, far right of that time, the supposedly unbeatable team of Senator Joe McCarthy and "Dick" Morris's also slimy cousin, the notorious Roy Marcus Cohn. Without a rallying-point of leadership, even a vastly superior fighting force can not be rallied for victory over even a small well-organized minority-force, such as the impeachment faction in the Congress and mass media today.

Leadership comes in all shapes, sizes, and qualities, but in mobilizing a population for a cause under the stress of perceived crisis, nothing but leadership could avert defeat. Without even the degree of leadership which President Clinton has shown, despite the Democratic Party's predominantly soft-core—and soft Gore—leadership, the President would

already be finished, and, probably, this republic, too. Stop relying on the poll-cats of “Dick” Morris’s stripe; don’t wait for the vote, make the vote, through the quality of leadership for which the citizens are waiting to respond. To that, the core constituencies would respond, as they have shown in the recently skyrocketing popularity of this beleaguered President.

In a crisis of great depth and scale, victory depends absolutely on bringing the forces together, and holding them together. The factor of morale required for that, is rooted in some elementary considerations of morality. One can not have the core constituencies degraded to the moral obscenity characteristic of local “war lords,” each fighting the other,

It is in the relevant moments of perceived widespread crisis, of the type I have indicated here, that the population suddenly becomes receptive to radical changes in its opinion. . . . Any good change will occur in the form of a radically innovative discovery of principle, a discovery which musters from within the relevant strata of the population, the same kind of truth-seeking, creative change in outlook which we associate with a validatable form of discovery of new universal physical principle.

like bandits, over shrinking prospects of booty. To bring our constituency forces together as an effective force, those forces must trust one another. Empty propaganda, such as the typical sophistry of today’s pollster-crafted synthetic politician, will not, and can not do that job. Leadership begins on a deeper level than so-called “public opinion.” Leadership of the quality required is rooted in the kind of truthful leadership—truthful in the sense of Plato’s and the Apostle Paul’s use of *agapē*—which changes public opinion, even quickly and radically.

How could it be otherwise? If we have come to a time, when the prevailing assumptions of that time have consistently guided a nation toward self-imposed doom, then who is such a fool as to place any confidence in prevailing public opinion? The majority of the population knows this to be

the state of affairs, but they shrug their shoulders, “Who can change City Hall?” “Who is going to change established public opinion?” If one can not change prevailing public opinion, then the nation’s case is a hopeless one. Thus, leadership for a time of crisis such as this one, must meet two special qualifications: 1) It must demonstrate that popular opinion can be changed; 2) It must demonstrate that the proposed change in belief is rooted in truthfulness, and that the beliefs being overturned are shown, truthfully, to be false.

One of the most crucial truths which leadership must demonstrate, is that each and all of those core constituencies of a Democratic Party in the tradition of our nation’s experience with President Franklin Roosevelt’s leadership, do have a clear common interest. Typical of this common interest, is, that the mainstream among entrepreneurial farmers, of trade-unionists, of those so-called “ethnic minorities” most conspicuously typified by names of “African-American” and “Latin American,” do have a fundamental interest in common, a common interest which overrides all incidental differences. The folly of those farmers and trade-unionists, who permit themselves to be divided against one another by issues such as farm-price parity, is a crucial demonstration of that against which the more general, true common interest must be defended.

A note of caution must be supplied here. There are two problems to be addressed in the attempt to define a true “common interest,” as I have indicated such a need at this time. First, such an enterprise as I am outlining here and now, can not be accomplished at just any time, under just any circumstances. Second, most people who claim to have defined a “common interest” are simply not truthful, either because they do not wish to be truthful, or because they do not know how to do so.

Whenever the term “common interest” is kicked about, there is instant uproar from among those self-proclaimed champions of all the hypocritical virtues, the charlatans of the political and religious right, such as the notorious, toe-sucking pollster “Dick” Morris, and other carnival pitch-men. These swindlers roll their eyes up to heaven, announcing that it is they who are now about to announce the revelation of the one and only “common interest.” Some of these con-men use pollster’s charts. Others have a different con. From the polyphony of pitch-men’s voices rising from amid the tents, one hears the canon, “If we could only get ourselves together around. . . .”

There is one prevailing pedal-point underlying all of that cacophonous sort of pitch-man’s polyphony. Each among those would-be Phineas T. Barnums agrees, that to swindle a large mass of the people, “You’ve got to keep it down to earth, and simple. Yes, Ma’am, that is the way to the Egress.” A wicked, passing, perverse twinkle of frankness, if not exactly honesty, creeps into the pitch-man’s aside, as he tries out his imitation of the actor W.C. Fields. He qualifies with a wink,