# Political Economy

# American rearmament potential: why a 'quick fix' won't work

by Lyndon H. LaRouche, Jr., Contributing Editor

Democratic Presidential candidate Lyndon Hermyle LaRouche, Jr., this week issued the following comment ridiculing the new rearmament proposal of the Republican's 1980 draft platform.

"The Republican Party's latest rearmament proposal has about the same merit as Sears Roebuck's rushing a mail-order of deck chairs to the sinking oceanliner *Titanic*. I owe it to my Republican friends, and the general public, to expose the way in which this particular bit of nonsense made its way into the 1980 platform.

"There is no doubt of the parentage of this rearmament proposal. When a red-eyed, green-haired boy is born to a brown-eyed, brunette-haired mother, the list of probable fathers is shortened considerably.

"The idea behind this proposal was first cooked up by former Republican candidate George Bush's Team B. The Team B scheme was patched up, in a rush job sponsored by the Hoover Institution. The conception was inserted into the sleeping body of the Republican Party by the four-man foreign policy team of Governor Ronald Reagan's advisors, Henry A. Kissinger, William Casey, Richard Allen, and William Van Cleave.

"The choice of the absurd 'guns instead of butter' military proposal was made by the same group of foreign policy advisors who forced a dumping of Governor Ronald Reagan's diplomatic recognition of Taiwan. The 'quick fix' approach to military policy is part and parcel of the lunatic perception of Communist China as a credible military force against the Soviet Union.

## How the 'quick fix' came about

"The crowd which created the 'quick fix' recipe began with the same set of facts as every other wellinformed military analyst. Over the course of the past two decades, the relative strength of United States forces has fallen consistently in comparison to Soviet forces. Except for an aging thermonuclear-deterrent capability, the United States is qualitatively inferior in deployable performance to every Soviet category, in our army, navy, and air force.

"The F-15, for example, is represented as impressive on paper—but what percentage of those planes can be deployed without spare parts and with the service of technically illiterate maintenance forces? Even the much-reduced navy flotilla of ships in commission can not be fully deployed, because of a growing lack of qualified ship's complements.

"This decay of U.S. military capabilities is well-known to be the outcome of three principal factors.

"The first cause of the collapse of U.S. military capabilities was Robert S. McNamara's introduction of 'cost-benefit analysis,' an incompetent budgeting method which bases allocations against critical investment in inherently high-risk research and development programs.

"The second cause of the collapse was the 1967 decision to phase out rapidly NASA and related ongoing advanced research and development efforts.

"The third cause of the collapse of military capabilities is the collapse of the civilian industrial economy and tax base as a direct result of post-1967 monetary policies, combined with the effects of the 'post-industrial society' policy on both the civilian and military aspects of the economy.

# Accelerating since 1967

"The trend in this direction has accelerated more or less continuously since 1967. The Soviet economy has not only sustained a modest but significant real economic growth where real U.S. economic growth has been sliding downhill, but the Soviets have built up a massive commitment to education, not only in research and development, but in public education of the citizen-

EIR July 29, 1980 Special Report 27

ry generally. This has enabled the Soviets to pursue a policy of achieving war-winning strategic capabilities aided by the self-imposed decline of the United States under the influence of the Environmental Protection Act, the Carter 'energy policy', and related doctrines imposed upon the United States by the growing influence of the 'neo-Malthusian' Club of Rome.

"During the recent years, especially since 1972, Pentagon budgets have been outright fraud, and increasingly so from year to year. The all-volunteer army scheme of Professor Milton Friedman, the collapsing navy, and the practice of buying new planes without adequate stocks of spare parts or qualified maintenance crews are examples of the efforts to keep a show of capabilities in width on paper, covering up both the fact that paper capabilities must be discounted by about 75 percent to arrive at effective capability, and that in all categories, the U.S. military is a generation or more behind comparable Soviet capabilities.

"To understand the thinking of the authors of the 'quick fix' proposals, one must recognize that there are two ways of approaching analysis of comparable U.S.-Soviet capabilities. One method, that used by the authors of the 'quick fix' gimmickry, looks at military capabilities only in terms of width of first-line combat capabilities, using preexisting standards for assessing quality of military capabilities. The other, rejected by the authors of the 'quick fix,' is the correct approach.

### Their blunders

"There are two fundamental blunders in the thinking of the 'quick fix' advocates. First, they ignore entirely the decisive issue of depth of capabilities, focusing only upon width of first-line capabilities. They have copied the Nazi 'blitzkrieg' approach to a deficiency of depth. Second, they have ignored the second aspect of depth over time, qualitative changes in technology now approaching deployment by Soviet forces. On both points, the proposals of the 'quick fix' crowd are based on technologies established during the 1960s—such as the B-1 bomber and addition of improvements in targeting capabilities to basic systems of early-to-middle 1960s vintage.

"The correct approach is based on uprooting both the McNamara 'cost-benefit' policies and dumping the 'post-industrial society' in favor of resuming rapid, high-technology, capital-intensive, energy-intensive growth of the civilian industrial economy. The basis for development of parity in military capabilities is provided by high rates of scientific progress, translated into science-oriented general education and social values, and into rapid retooling and expansion of all *civilian* production in terms of high-technology, capital-intensive, energy-intensive modes of production. This growth

of the civilian economy provides the indispensable baseline for sustainable development of in-depth military capabilities.

"The 'quick fix' crowd was not ignorant of the correct approach. Why, then, did they refuse to choose that option? The quick fix nonsense came about because the boys tried to devise a way of correcting defects in military capabilities which would not require overthrowing the Carter administration's commitment to a combination of Friedmanite austerity policies plus Club of Rome-style 'post-industrial society' policies.

# The German precedent

"The precedent for this problem is the case of 1932-1933 Germany. Under conditions of world depression, 1932 Germany had the choice of developing markets for exports of capital goods, which then meant the Soviet economy as a market, or going for Adolf Hitler. General von Schleicher represented the first option—a genuine solution. Adolf Hitler the second. Although Hitler's original sponsor, Nazi Economics Minister Hjalmar Schacht, was moved out because of Schacht's opposition to the extremism of Goering's 'guns instead of butter' policy, Goering's policies were an inevitable outgrowth of the monetary and autarky policies imposed by Schacht.

"This time, continental Western Europe, led by France's President Giscard d'Estaing and Germany's Chancellor Helmut Schmidt, has chosen the von Schleicher sort of alternative. They have made East-West trade the basis for comprehensive political, economic, and military agreements needed to promote the development of the Southern hemisphere as a self-expanding politically secure market for self-expanding volumes of capital goods exports.

"The Carter administration, plus the Republican platform's foreign policy proposals, have denounced the policies of Europe, and have supported the Club of Rome's proposal for depopulation of developing nations—through 'natural causes' such as famine and epidemic, together with reliance on the illusory 'Chinese hordes' of Peking as the basis of a transpacific anti-Moscow axis.

"The authors of the 'quick fix' are counting upon a collection of absurd assumptions.

"(1) That the danger of intercontinental nuclear warfare is limited to 'first strike' against ICBM capabilities: that all other warfare will be limited to theater engagements of nuclear-augmented regional warfare. This doctrine is nonsense.

"(2) That the Soviet Union, as well as the Warsaw Pact generally, can be subjected to successive waves of internal destabilization (Poland, Romania, Soviet Muslim populations) without triggering Soviet in-depth

28 Special Report EIR July 29, 1980

military reactions against the sponsors of such enterprises.

"(3) That in this geopolitical configuration, the sneaking of nuclear warhead and modern missile capabilities into Communist China can be conducted without Soviet preemptive response, developing Communist China as an adequate acceptable military complement to U.S.A., ASEAN, Japan forces.

"To this end, they propose a 'guns instead of butter' retooling of portions of the collapsed civilian industrial sector of the U.S.A., to patch up holes in the presently tattered, paper-thin military capabilities in width.

# The factor of ideology

"Although the principal line of postwar control over U.S. policy-making has been our nominal colonial masters, the Anglo-Canadian financier interests, it is too simple and misleading to assume that our policy blunders have been purely and simply British-created. This word of caution is properly underlined by referring to key statements delivered by the late Lord Louis Mountbatten before his death, warning against the lunacy of the China policy. One British faction, typified by the Mont Pelerin Society's Sir Keith Joseph, Mrs. Margaret Thatcher's industries minister and her controller, is committed to the lunatic policies of the Carter administration and Henry A. Kissinger's crowd. Other leading elements of the British 'Old Guard' are horrified by the sort of lunatics Brzezinski and Kissinger represent.

"The needed clarification is symptomized by looking at the four-man team now dictating Governor Ronald Reagan's foreign policy: Henry A. Kissinger, William Casey, Richard Allen, and William Van Cleave. The common denominator is Georgetown University's Center for Strategic and International Studies (CSIS). The foreign powers who control Georgetown University are not, as some suppose, the Vatican. The foreign controller of Georgetown University is a cabal of the fruitiest feudal aristocrats of Europe.

"The oldest element in this collection is the Genoacentered Italian 'black nobility.' This 'black nobility' was the creator of and is completely intermarried with the Hapsburg aristocracy of the old Austro-Hungarian Empire. Both are represented in contemporary Germany by the old Bavarian Wittelsbach oligarchy.

"These crazed, Dracula-like aristocratic exiles from Austria, Hungary, Romania, the Balkans are the authentic kooks of central Europe. They are gathered in such feudalist cult institutions as the Hapsburg Order of the Golden Fleece, the Hapsburg-sponsored eugenics and feudalism cult the Pan-European Union, and the international political-intelligence arm of the Eastern European branch of the feudalist Hospitaller Order, the

same Mont Pelerin Society which features Sir Keith Joseph, Friedrich von Hayek, and Professor Milton Friedman. This crowd created and still has ownership of the old Romanian branch of today's Mossad, the gang behind the Begin government and such terrorist forces as the Jewish Defense League—as opposing factions of Zionists have repeatedly and correctly emphasized.

### The British connection

"These central European kooks intersect British factions not only through such channels as Sir Keith Joseph, but, more significantly, control the psychological-warfare branch of British intelligence, centered in the London Tavistock Institute. This crowd intersects the Bronfman interests in Canada, and such notorious figures as Roy Cohn in the United States. It is the crowd tied most closely to the illegal drug traffic's conduiting of hundreds of billions of dollars into such channels as U.S. real estate speculation.

"It is relevant that Henry A. Kissinger was promoted into U.S. policy-making circles after receiving indoctrination and training by the London Tavistock Institute. It is also notable that the 'Russian studies' institutions into which Bronfman-sponsored Zbigniew Brzezinski was promoted are all branches of the London Tavistock Institute.

"It is this crowd of kooks which sponsored the 'China card' policy. This gang of crazed feudalist ideologues, dreaming of a resurrection of the old Holy Alliance, regard Communist China as a dedicated ally against the spread of industrial technology. Hence, the frequent religious pilgrimages of these kooks to the 'old China' shrine of Maoism in Peking.

"There is no objective basis for assuming that Communist China could achieve a level of acceptable qualities of military capability against the Soviet Union. Moscow will simply crush Peking's capabilities at a moment of its choosing, challenging Washington to accept this as the only alternative to the launching of intercontinental thermonuclear war within less than half an hour.

"In fact, Peking does not intend to be drawn into such a venture. Peking's strategic policy is: 'Let the foreign devils destroy one another.' Washington is not using Peking; Peking is playing its Kissinger card. Peking is prepared to accept a significant penalty under conditions of war between Moscow and Washington, but only on conditions that Peking believes it will emerge hegemonic over a ruined U.S.A. and Soviet Union.

"Reagan should have honored his earlier commitment to reestablish full diplomatic recognition of Taiwan."

EIR July 29, 1980 Special Report 29