# **EIR Economics**

# Buzzards pick the remains of U.S. high technology

by Chris White

A newly released report from the Council on Competitiveness threatens the last remaining U.S. world class technological leadership capabilities, and proposes the fascist reorganization of U.S. technology under National Security Council control, in directing the emergence of corporativist forms of government-industry cooperation. Targeted for destruction are "national prestige projects," like the shards of the space program and a large fraction of the nation's 726 federally financed laboratories, "which do not focus on supporting the commercial requirements of technology."

The report is a dramatic example of administration "mind warfare" programs. Ballyhooed in the press as an analysis of how the United States is falling behind competitively in the areas of technological advance required for the 21st century, and a perspective on how to reverse the decline, the report is actually the opposite.

Its contents might be better characterized as a bird's eye view of U.S. technology. Just bear in mind that the bird in question is a scavenging buzzard, and what it is looking at, is a poor creature on its last legs, lost in the desert.

# The establishment's phony 'reformers'

The Council on Competitiveness has been touted over the last years as an agency which proposes how to turn around the disasters of especially the Reagan years. It has produced a series of reports, like the 1988 "Picking Up the Pieces" and another called "Japanese Technology Policy: What's the Secret?"

Don't believe it. The people puffed as representing an alternative to the lunacy of the Reagan years just happen to be those who are primarily responsible for causing those lunacies in the first place. And, further back, beyond the last 10 years, the same crowd is responsible for pretty much everything that's gone wacky.

Who are they? On the Executive Board you'll find repre-

sentatives of Motorola Inc., the AFL-CIO, IBM, Ford Motor Co., Harvard University, and Wells Fargo Bank. The general membership includes Xerox Corp., Bechtel Corp., the Cabot Corp., Aetna Life, Chevron, the American Stock Exchange, the Blackstone Group of Peter Petersen, Exxon, General Electric, American Express, Eastman Kodak, and so on. This is the same bunch which regularly signs on to every document drafted in the search for a so-called "national consensus." The affiliates include the Aspen Institute, the Brookings Institution, and the Conference Board. All this, pulled together under the chairmanship of Adm. Bobby Inman, former chief of the National Security Agency, former deputy director of the CIA, the pac-man emeritus of U.S. high tech today.

In short, a cross-section of the establishment, representing the usurious anti-technology view which has dominated since the period of the Kennedy assassination. This is the crowd which wrecked the auto industry, beginning with the early 1970s Clean Air Act's setting of emissions standards and shift to lead-free gasoline, and which also wrecked defense and aerospace, by insisting during the 1970s on "off-the-shelf" technology, no new investment. Then they oversaw the destruction of the country's nuclear industry, after the sabotage at Three Mile Island, and the killing of the Strategic Defense Initiative. Now they are moving in for the kill again, and this time the country as a whole is in their sights.

These reports don't get put together the way the press claims. A group of people from Ford, Exxon, and Harvard don't actually sit around and say, "What should we do about this problem?" The word comes down from the Bush White House. Someone says, "Here's what the President wants to do, here's what he wants to hear." So, where the report says, "The President should . . ." or, "The President is uniquely positioned to . . ." this is actually marching orders from the

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White House to drum up support among the mickeys.

What happens if the President is insane, and what he wants to hear is insane? Then, what you get is an insane policy. That is what the Council on Competitiveness has produced.

### Bush vs. LaRouche

Situate this from the standpoint of a sane approach to political-economy, that of Lyndon LaRouche. Generalized revolutions in scientific knowledge, and the technological assimilation of such knowledge, are the basis for human existence. Man has proven his superiority to lower species, by willfully changing the conditions of his existence. This is reflected in the increase of potential relative population density, the number of people who can be supported per unit of cultivated and improved land. Since the Pleistocene, man has increased this potential by three orders of magnitude, from tens of millions of people to billions, and has the means, or can create the means, to increase further to tens and hundreds of billions.

This capacity is what makes man human. It is not what a white race supremacist like George Bush wants to hear, and therefore it is not what the flunkeys are ordered to produce. From this standpoint, they are not really talking about technology at all, as witness their hostility toward the only exemplar of a successful technological program in the last generation or more, the Kennedy Moon shot. Their criteria for judging technology are not based on what is required to improve the conditions for the reproduction and existence of the human species. For them, "to promote technologies . . . research and development must be closely tied to the market." Reproduction of human society is thrown out; market maintenance of debt structures is in. This is the classic, antihuman policy associated with the Nazi system and its twin, the Marxist collectivist system. Outlawed, the necessary freedom of the individual to contribute to the progress of the species as a whole, replaced by collectivized rule by decree.

### **Destruction of aerospace**

The report embraces this anti-human bestiality in two ways. In the case of the National Aeronautics and Space Administration, their recommendation is to "reallocate resources at NASA labs to emphasize basic and applied research and technology validation of technical disciplines that are important to commercial aircraft." This is how aerospace was destroyed in the 1970s, with the emphasis on "off-the-shelf" technology. It is the opposite to the approach which governed the Moon shot. Were we developing a "market" on Earth for Moon rocks? Yet the Apollo Program created whole markets which had never previously existed, and would never have existed if left in the hands of the market. The same approach is taken to the national labs. There are 726 of these, with a combined budget of about \$20 billion. Their present focus is energy, defense, and health. "They do not focus on

supporting the commercial requirements of technology," the report says. Therefore they should be closed, or consolidated, their funding scaled back in favor of university research, dictated by the market.

The second absurdity is related to the ideological insanity about the market. The council profiles technologies in which the U.S. is strong, competitive, or weak. Technologies where the U.S. is strong are, for the rapporteurs, those in which no heavy capital investment is required, where projects can be initiated by individuals, and are strongly supported by U.S. government investment in areas such as defense and environmental controls. Areas of weakness include those which lack sufficient private or public investment, which have high capital needs and low capital investment, which require extensive investment for an extensive period of time, and which have an extensive manufacturing focus.

The aerospace industry can highlight this again. Airline deregulation helped crush aerospace, yet this crowd doesn't say, "get rid of deregulation." They say, open up NASA to commercial aerospace, and use NASA funds for such purposes. "For example," they assert, "NASA's wind tunnels and simulators are critical to the competitiveness of the U.S. commercial aerospace industry and represent part of the nation's technology infrastructure which should be fully maintained." Or, spend the money differently. "Although the U.S. government spent around \$150 million on robotic research, most of this was to develop a robotic arm for the space station, which has very little application to industrial needs."

## Magic of the marketplace

What this comes down to, is that the phrase "relevant to the market" actually means protecting the accumulated structures of debt built up during the last generation or more of looting against the population and economy. The report profiles sources of such loot, and how the process might be administered: "If federal budget pressures do not permit additional spending for generic industrial technology programs, then other federal technology programs should be redirected or phased in more slowly to free up the necessary resources." The national labs, with their \$20 billion budget, NASA with its \$12 billion, and the National Institutes of Health with \$7 billion are the principal targets identified, where funds might be "redirected" under the market-based criteria of relevance and applications. This is effectively to propose privatizing federal basic science and research in order to subsidize the R&D programs of bankrupt corporations.

The structure envisioned runs from the President and National Security Council, through a proposed merger, or coordination, between offices in the departments of Commerce and Defense responsible for technology, to new partnerships between government and industry, made possible by Justice Department elimination of anti-trust laws. So much for the magic of the marketplace.

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