

position which enable us to understand social processes. And by this means, we have been able, as a species, to rise above the 3 million or so potential of a higher ape, to over 6 billion people today. *No monkey could do that.* So, let's not make a monkey of man.

Therefore, the essential motive of good economy, and good statecraft, is not to get rich. The motive is, in the first instance, to solve problems, to overcome shortages. But the *basic* motive, of any creative person, and any good statesman, is the nature of man: What does a human being require? A human being requires *to be, and to know he or she is, something distinct from, and above the beast. A human being needs to be human.* To be human, is to express the difference, between the baboon and the man.

Technological progress, economic progress, is essential for our existence, to meet our responsibilities. But it's not a duty: It's something better than a duty. It's something which gives to the person who *participates* in this work, a sense of being human, a sense of being a spiritual being, of expressing that which makes him a spiritual being, which makes him *happy*.

So, it is not a guilt-ridden person, working, in order to earn a living. It's attacking the job with joy, because it's what makes him feel good, about being human. He enjoys the idea, of inspiring a child to think in those ways. He enjoys transforming people around him from ugly pessimists, who act like baboons—or Schwarzeneggers—and inspiring them to see themselves as human. This is expressed by the enjoyment of great Classical art, for example.

And, to me, that's the essence of the matter: To get man with a sense of immortality, a spiritual immortality, in the sense that what we do, in our generation, honors our ancestors, fulfills their dreams, and transmits a better future to our descendants, defines us as a spiritual person. For example, we study the work of Archimedes. We relive the discoveries of Archimedes, today. Archimedes becomes a living person, for us, because we have relived his discovery. We have relived his mind's processes, in making that discovery. The same with every other great discovery. Every great work of art: to understand a Classical Greek statue, and the genius of that, is to experience the artist who created it. To see all the great works of man, is to experience the mind of the person who created that work of art. And to see, in the immortality we sense—in experiencing the interior of their mind, of persons long deceased, and their works—we see our own goal, to achieve, and realize, and earn our own immortality, by becoming that kind of a person, to someone a thousand years from now. And, that sense, imbued in a child, will give us a society of adults which will not tolerate what we're doing to ourselves as a world, today.

Yes, the practical task is necessary. But, it must be imbued with a moral motive: a sense of what the difference is between a man and a beast.

Thank you.

LaRouche in Italy

The Man Behind The 'Beast-Man'

Lyndon LaRouche spoke to a meeting of supporters in Milan on Oct. 12. These remarks were followed by another two hours of dialogue on the subjects that he outlined.

As you probably know, there was recently an election in the state of California. It was a recall election, a rather fraudulent form of election, which due to the credit of the Democratic Party, elected a Republican as Governor. What they elected was a Nazi. That's the only fair description of the actor, our dear friend, Arnie Schwarzenegger. This man is a personality—you don't have to go by his credentials, of his parentage and so forth, but by his personality itself: You are looking at a figure that will remind you of Adolf Hitler and Mussolini. You don't need secret evidence to prove that he's a Nazi, you have to simply observe the evidence *he* presents, in his manner, in his conduct of his behavior, his past, and what he says. If this man were to represent a trend in U.S. politics, you could forget civilization.

Now he's essentially a protégé of a very bad fellow that you know—George Shultz—who is rather famous in U.S. politics, since 1970-71.

Who Broke Up Roosevelt's Bretton Woods?

Go back to 1971-72, to understand what we're dealing with. During the post-war period, from 1945 into, in the United States, about 1966: In the Americas, in Europe, in Japan, and elsewhere, we experienced a general economic recovery from the conditions of war. The source of this recovery was President Franklin Roosevelt, who had not only pulled the United States out of depression, but by using American methods—that is, the American political tradition methods—had created, in 1944, what became known as the Bretton Woods system. And, contrary to certain mythology, John Maynard Keynes had nothing to do with it.

The United States, at the end of the war, was actually the only world power, and the U.S. dollar was the great world monetary power; the gold-reserve-based dollar. This U.S. dollar, and U.S. power, was used to create a recovery system in much of the world. This continued in the United States, and in Britain, into about the middle of the 1960s. About 1969, the European aspect of the recovery began to dwindle; you would probably recall, in Italy, that 1969 was the last year of an energetic trend of general recovery. For example, if the recovery had continued at the rate of the 1960s into, say, 1980,

the character and condition of Italy, economically, would have been revolutionized. For example, the Mezzogiorno would have begun to be revolutionized, from the spill-over of the general development in Europe, and Italy itself, at that time.

But it stopped. It collapsed in 1971-72. And George Shultz was part of it. George Shultz, at that time, was a key, controlling, behind-the-scenes figure in the Nixon Administration. He, George Shultz, Henry Kissinger, and Paul Volcker induced the President of the United States to do what was done on Aug. 15, 1971. In the following year, at the Azores Conference, George Shultz took the lead, for the United States, in destroying the Bretton Woods system.

Sub-Saharan Africa has never recovered from that decision, to the present day. The progress which had occurred in Central and South America began to be reversed. Between 1972 and 1976, when the IMF conditionalities were imposed upon Italy, there was a general trend of decline in Europe. And, by 1981, with extensive deregulation, not only in the United States, but spreading throughout the world, a general catastrophe was in process globally. In this process, George Shultz, who will return to us as a subject at a later point in this report, has played a key role all along.

But, what went wrong? Why is it, that Europe and the United States, the Americas generally, and other parts of the world, had recovered successfully from the effects of depression and war, from 1945-46 on—but then, suddenly, we have collapsed since. Now, we have various people called “economists,” whom I sometimes call “idiots,” who have theories of business cycles. I insist that “business cycles” do not exist. What exists are intelligent policies by people in governments, and unintelligent policies by people in governments. And, as I explained to some of our friends in Switzerland, in a thing I addressed this past week, I’ll explain it here, again. Look at the history of Europe since the 1780s: This is a necessary way of understanding human behavior over centuries. Because, what we’re looking at here—the world went through various kinds of idiocies, as I’ll explain, since the French Revolution. But, despite all that, we recovered from a world depression, with Roosevelt, in the post-war period.

The Crises of the 1960s

Now, since we had such a successful recovery, from 1945-46 into the middle or late 1960s, why did we stop doing that? Let’s look at, first of all, the more immediate cause for this turn, and then look for the deeper cause. The immediate cause for the change was a—that is, we had this great success in the post-war period; suddenly, beginning the 1960s, we went through a series of crises. Three were most significant: The first was the Missile Crisis of 1962. This terrified the world, in which, in Europe and in the United States, in particular, masses of people were convinced that they might be exterminated; and this went on for a period of some days. The culture of the Americas and Europe has never recovered from the

effect of that. Secondly, we had the assassination of President Kennedy, the next year; the assassination which was never satisfactorily explained; in fact, the investigation was prevented. Then, we had the entry of the United States into the official war in Indochina.

The politics of the world changed. Optimism died. Especially among young people entering college age. The majority of people entering the age of university *went crazy*. They were infused, and were induced to be infused with hatred of technological progress. They fled from the existing culture. They couldn’t stand what was happening in their brains, so they drugged themselves into insensibility. They were filled with hatred against the culture which had spawned them.

And their influence—the college-age group, that is, the ones that went into universities, became increasingly influential. And, their influence changed the direction of the culture. They began to influence, more and more, changes in culture, which have destroyed our economy and our society.

More and more, Europe passed over from a commitment to a productive form of society, to a consumer society, which has become, in a sense, a “pleasure society.” This reminds you of the decay of Rome after the Second Punic War—where, instead of Rome producing its wealth, it began to steal its wealth from other parts of the world. From a productive population, it became a less productive population, living on bread and circuses. Most of that generation, which is now in their fifties or early sixties, *lives* on bread and circuses.

1971-72 was crucial: Under that change in system, the Anglo-American interests began dictating the values of currencies in various countries. What would happen is: The London market would organize a run against some national currency; it happened to Italy in 1975-76. An artificial crisis in the lira and credit system was induced from London. And Italy, in that period, was put under IMF conditionalities. I remember it very well. I was here at the time, and discussed it with people in the government, at that time.

This happened in many countries. This happened especially in so-called “developing countries”—the countries, for example, of South and Central America. We got the countries, from the poorest parts of the world, to work as virtual slaves for us. Look at the post-1982 history of Mexico: A virtually destroyed country, which had once been a proud, patriotic, and progressive country. Look at Argentina. Look what is threatened in Brazil. Look at what has happened to Colombia. Look at what’s happened to Peru, to Ecuador, to Bolivia. Look at what has happened in Africa, which is the worst case.

So, we, especially the upper 20% of income brackets of the United States, and Britain, and elsewhere, began to live on the virtual slave labor of people in poorer countries, which we increasingly looted and impoverished. We began to loot the agricultural production in our own countries. We shut down the industries. We turned our proud skilled labor, increasingly, into unemployed or marginally employed. We drove the lower 80% of family-income brackets out of poli-

tics, essentially. Except we allowed them—like the proletariat of Rome, with the show of bread and circuses—to become forces which disrupted politics, but not as a constructive force *in* politics. We concentrated power in a section of the upper 20% of family-income brackets. They became largely corrupted. Corrupted by idea of a “consumer society,” a “pleasure society.” We were waiting for the arrival of the Emperor Nero. Like Rome.

The American Tradition vs. Synarchism

This is what the crisis is. We have destroyed our own civilization, by will, by the kind of measures I’ve described. There was no need for any of this. There was no economic need; there was no “business cycle” need, for doing this. We lost sight of the principles of morals and culture which we had turned to in 1945-46 to try to rebuild the world.

Now, go back to 1789: In the middle of the 18th Century, there had been a great Renaissance in Europe. It centered, essentially, in Germany, at that time; it was not the first Renaissance in modern Europe. The first occurred here in Italy, in the 15th Century. The second occurred after the Treaty of Westphalia, around the influence of Cardinal Mazarin, and then Colbert, in France. This happened to occur in Germany: It was called the “Classical humanist culture.” But it spread throughout Europe very rapidly, during the last half of the century.

Now, the greatest intellects of Europe in that period, focussed upon the English-speaking colonies in North America, because Europe had given up hope of developing, from within Europe, the kind of nation-state concept which had arisen in the latter part of the 15th Century out of Italy. So, these intellectuals in Europe of that period, saw in the North American English-speaking colonies, the possibility of building a republic, which could then become a model for spreading republics of a similar type, back into Europe.

Benjamin Franklin, of what became the United States, was the leading figure, sponsored from Europe, to build this kind of movement, inside what became the United States. With the help of European intellectuals, the United States was able to emerge as a republic. It was the first modern republic, consistently based on a Constitution derived from natural law—as natural law had been defined, first, by the 15th-Century Renaissance, in this way; and in a second degree, by the Treaty of Westphalia, of 1648.

Then, the crisis came: In 1789, at the time that the Federal U.S. Constitution was adopted, a crisis occurred in France. At that point of crisis, Bailly and Lafayette, among others, led the leading political class of France to form a constitution—a constitution which was modeled in significant degree upon the U.S. Federal Constitution; which was intended to convert the French monarchy into a republic, a monarchical republic—and offered the King of France this constitution, as a way of solving the crisis of France at that time.

Then came July 14, 1789, and history was sent backwards: What happened is, the British East India Company, led by

Lord Shelburne of London, organized the French Revolution. And the instrument which had been developed by the British to cause this revolution, was a freemasonic cult, which had based itself, actually, in Lyons. This was known as the Martinists. It included famous names, like Cagliostro and Mesmer, and a gentleman of Savoy, called Joseph de Maistre. These instruments were the organizers, under British direction, of the French Revolution, the Jacobin Terror, and the ascent to power of Napoleon Bonaparte.

Now you begin to get close to what Arnie Schwarzenegger is.

The key leaders of the Jacobin Terror are fairly described as “Beast-men.” This is what we think of, when we think of the Phrygian Cult of Dionysos, of ancient times. This is what Nietzsche represents, with his concept of the Superman, the Beast-man. These are characters, who have a quality we rightly call “Satanic.” And Arnold Schwarzenegger is of that type: A Satanic quality, the man who lives to be evil, who thinks of himself *as* evil; who intends to subject the world to evil, by means so ugly, crimes so horrible, that nobody else thinks they could do it. Adolf Hitler was precisely just such a personality: A synthetic figure, chosen for his qualities, as such a synthetic figure, turned into a Satanic figure of destruction. This was key to the Martinists. Joseph de Maistre was the one who described this most precisely in the Martinist tradition: this creation of the synthetic personality who has Satanic qualities.

Now, who controlled the Martinists? Who created Hitler? Who created Arnold Schwarzenegger, as if out of mud? It was this tradition of Joseph de Maistre, controlled by *private banking interests*—private banking interests, who saw the creation of republics as a threat to their power.

Usury vs. the Common Good

And this brings us to the problems faced by Minister Tremonti, in Italy. The peculiarity of the design of the U.S. republic was the assumption that no one had the right to create money, except sovereign governments. The object was to free Europe and European civilization from the Venetian banking tradition; in other words, a system in which a financial aristocracy, as a concert of action, would control society. For example, the case of the Dark Age of the 14th Century, created by Venice, with this great bankruptcy which occurred then—which destroyed *one-third*, at least, of the population of Europe.

The first real step in freeing Europe from this kind of pestilence came in the 15th Century, which in a sense was a reaction to the 14th-Century Dark Age. This was the re-creation of the Vatican, through the outcome of the various councils. This was the great ecumenical Council of Florence. Out of this came developments in France, as a result of the work of Jeanne d’Arc: The conception that a government has no right to exist, except as it is efficiently committed to the common good, and there must be no power of government higher than a state committed, efficiently, to the common good: That



“What they elected was a Nazi. That’s the only fair description of the actor, our dear friend, Arnie Schwarzenegger. This man is a personality—you don’t have to go by his credentials, of his parentage and so forth, but by his personality itself: You are looking at a figure that will remind you of Adolf Hitler and Mussolini. Now he’s essentially a protégé of a very bad fellow that you know—George Shultz [left]—who is rather famous in U.S. politics, since 1970-71.”

is, whenever there is a crisis in society, government must act, efficiently, for the common good. The human existence is superior to the animal, it is sacred, and that must be protected, at all costs.

This was the law, under Louis XI of France. This was the attempt of Henry VII’s England. And this was the tradition, on which the United States’ Constitution was designed.

But, we see, repeatedly in history since then, in great crises, financial crises, there’s a conflict between the common good and the interests of the bankers. The evil does not lie in banking; banking is necessary and useful. What is evil, is usury. And therefore, those kinds of banking interests, which depend upon usury for their power, are threatened by the very idea of the existence of a modern state, in which the state is given the authority to *defend the common good, in all situations of adversity*. The United States was created to become an instrument of that type, by Europeans, with the intention of bringing that idea of the state, back into Europe.

In the 1780s the great threat came from France. If you look at the history of Europe, between 1776 and 1789, you find that the idea of the American Revolution was the most popular among all the freedom-lovers of Europe. A section in France was only typified by the young Lafayette; was typical of this mood throughout Europe. So, France was the great threat [to the oligarchy], and the opponent of France was the British monarchy, particularly the Anglo-Dutch liberal forces associated with the British monarchy.

So therefore—in a French financial crisis which was orchestrated from London—forces led by Bailly, the scientists, and Lafayette, moved for a constitution of the type that was being adopted in the United States. So, the British agents struck. Philippe Égalité was an agent of Lord Shelburne of Britain. Jacques Necker, a Swiss from Lausanne, was an agent of Lord Shelburne. Danton and Marat were British-trained

agents, deployed from London. The entire Jacobin Terror was deployed from London. Napoleon Bonaparte was put into power, through the Martinists, from London. Oh, sure! He was a predator on Europe. Sure, the British, in the end, tried to destroy him! But, his purpose was—for which he was deployed—was to destroy continental Europe, from the inside.

The Restoration monarchy in France, in 1815, was British-appointed, through the Duke of Wellington, who was the occupying agent. The 1848 Revolution in Europe was run from London by Lord Palmerston. Napoleon III was another Napoleon, and so forth and so on.

So, what we have is a history, including two world wars and the long Soviet/Anglo-American conflict.

Cultural Optimism and Pessimism: 1945

Human beings are naturally good. Look at humanity, as a whole: If man were an ape, for example, as I’ve often said, the potential population of man on this planet would never have exceeded several million individuals. Today, we have reportedly over 6 billion people living on this planet. Three decimal orders of magnitude above the possibility of an ape. We’ve had great evils happen to man, but man has repeatedly come up, and survived, and recovered from this evil. Mankind is intrinsically a good species. But, we run our own species, in a sense: Therefore, it is our obligation to find ways in which to run our affairs, to let the goodness that flows from man, by his nature, come forth.

How do you stop man from being good? You have to have some agency, to somehow destroy the effect of his goodness. What agency? We could call it evil: It’s constantly intervening, like what happened in 1789; like what happened in 1339 with the beginning of the Dark Age in Europe; with all these things, these wars, these terrible plagues, political plagues: We call this, as human beings, we call this “Satanic”—a “Sa-

tanic influence.” And, we identify certain things, which are works which coincide with that kind of Satanic influence. An unleashing of bestiality—a terror like the Jacobin Terror, like the French Revolution’s Jacobin Terror, like Hitler’s terror—transforms a people into behaving like beasts. And, that’s what’s happened, repeatedly.

We’ve built progressive societies, in which things became better—then, something goes wrong. It “goes to Hell,” so to speak. And why? Because something beastly erupts, as if from the soil, to terrify people into acting like beasts and into thinking like beasts. And that is what Arnie Schwarzenegger is.

And, who is Shultz? Shultz—who was key, as I indicated, in 1971-72 in bringing down the monetary system—belongs to a long tradition which I just described to you, the tradition of the Martinists. The Martinists became known later, in the 19th Century, as the Synarchists. About the time of the Versailles Conference at the end of World War I, they became known as the Synarchist International. The Synarchist International caused all of the fascist dictatorships in Europe during the period from 1922 through 1945.

The Synarchist International, at the time that Roosevelt was weak, in the Summer of 1944 after the invasion through Normandy, came back toward power. They could not completely come back to power, because the inertia of the recovery from the Depression, the end of the war, had produced a spirit of optimism in the world, which wanted to cling to some of the benefits that the Roosevelt victory represented.

Since I’m a somewhat older person, but have been blessed with a certain amount of longevity, and power and energy—I can tell you exactly what my experience is, of this process: I was born in 1922, and I saw the people around me in that time were very bad people! They were decadent! Monstrously decadent! Then, they were punished for their decadence by a Great Depression. And then along came Roosevelt, and gave them some optimism. They behaved somewhat better. They weren’t free of all the corruption they’d had earlier, but they became somewhat better. I even began to respect them, and like them!

But, then we went through the war: Up until 1944, we were optimistic. After the end of the war, the terror bombing of 1945, culminating in that stupid, unnecessary, and evil nuclear bombing of Hiroshima and Nagasaki, I can tell you that about 90% of my fellow Americans began to turn into pigs. Because the image of betrayal—a betrayal of the cause for which we believed we had fought and built in the wartime period—with the sheer horror of being induced to delight in the dropping of two nuclear weapons on the civilian populations of Hiroshima and Nagasaki, produced a great cultural pessimism in the United States. We became rather evil. And, Europe had to pretend to be grateful. We were subjected to horror, of the prospect of nuclear war, between the Soviet system and the Anglo-Americans. This was crystallized with the events of 1962, in which, I can tell you, an entire generation—the generation that’s now in their fifties—was largely decadent, as a result of this.

George Shultz and the Cheney Faction

Now, we’ve come to another point, in which Italy figures: The injustice, the cruelty, the insanity, of the present world economic collapse—the need to struggle to defend people against the effect of this economic collapse—has produced, among my friends in Italy, an initiative which is quite positive. You know, Italy has some of the best, most moral politicians of any nation of the world, but it doesn’t seem to be able to get a party powerful enough to suit the qualities of those politicians! Take the case of the New Bretton Woods resolution: What country in the world, has supported me on the question of the New Bretton Woods resolution? Whatever weakness the Berlusconi government has, what Minister Tremonti has done is very useful—the Tremonti Plan.

So, the tendency, in various parts of the world, is the aspiration—as in India, as in some cases in China, as in South Korea, as now in Russia—in many parts of the world, the sense of this onrushing Great Depression, this great deprivation and cruelty; there’s an initiative from peoples, a desire for peoples to do something to create a new world order which is more just, which frees us of these kinds of evils.

The nation which has the influence in world affairs to bring nations together, to make the necessary monetary and related reforms, is the United States. Therefore, the effort is—by the Synarchist heirs, the heirs of the Martinists—to turn the United States into a fascist state, to become the leading predator on all mankind.

My job is to prevent that from happening. There are people who are willing to do that, to prevent that. One should not be pessimistic about this: We can win. We can defeat this evil. There’s an increasing number of people in relatively influential positions of power in the United States, who are now joining with me in the cause of defeating this. The enemy in the United States, however, is also powerful.

The center of that power, inside the United States today, is George Shultz: George Shultz, in 1996, pulled Condoleezza Rice, under his sponsorship, to form a future government. George Shultz also pulled together, with Condoleezza Rice, a group of people who are called the “neo-conservatives,” typified by Richard Perle, *and* the appointment of Dick Cheney as the Vice Presidential candidate. This crowd, under Shultz’s leadership—with Dick Cheney as his key man—and the neo-conservatives around them, are the people who are a threat from inside the United States, to the United States itself, and the world today.

What do they do? California is the largest and most important state, politically, in the United States. They organized a fraud called the Recall election. To recall the governor, who had just been elected the year before. The thing was fraudulent. But, they had already planned to use this actor, Arnie Schwarzenegger, as their candidate.

Now, Schwarzenegger is the son of a Nazi, an Austrian Nazi. His father was in a gendarmerie operation of the Wehrmacht, in World War II, operating behind Russian lines to eliminate undesirable people. Whether the father, Gustav,

induced the son, Arnie, to think in Nazi terms specifically, is not certain. He certainly impressed a character upon the son, which conforms to the Nazi model. This fellow was brought into the United States, given citizenship, and groomed to play a political role, the same way that Hitler was groomed by certain people in Germany to become a political figure. They gave him certain films to perform in, of which the “Terminator” series is typical: These films capitalized upon certain morally degenerate features of Arnie’s character. And also, groomed him for a political role like that you see in the Terminator! What they’re doing, is introducing a Beast-man type into this California case, and trying to use this success of Arnie in California, to shape the politics of the Republican Party for the coming year’s election.

Fighting Shultz’s California Beast-Man

I recognized the danger. So, my campaign, which is actually second in terms of popularity in the United States, intervened as soon as this Recall election was put into process, to try to stop the thing. We came close to success: When we moved into the case, the election of Schwarzenegger was a foregone conclusion. We temporarily stopped the chances of a Schwarzenegger victory. And young fellows, like Quincy here, were part of that process. We deployed effectively, in things that surprised these fellows into turning the situation around.

At a certain point, former President Clinton was moving toward supporting my efforts. Then—I think under his wife’s influence—he backed down. But, that’s a story in itself I won’t go into. But then, at a certain point, other things happened, and Clinton backed down, and every other part of the Democratic Party leadership and every other candidate, either did not intervene—in this crucial election for the Presidential campaign for next year—or they went over to the wrong side. Now all of my rivals for the Presidential nomination, including the party leadership, are now discredited. Everybody in the United States is politically informed; leading circles in Europe, who are better informed, are also realizing that Arnie Schwarzenegger *has to be stopped*. Some people are influenced by misleading press that Schwarzenegger is a popular man. He’s not a popular man: He’s a Beast-man! And any sympathy toward him, from Europe or elsewhere, for his election is a *terrible* mistake for those who showed that sympathy.

And, since this is a sequential translation, I will bring this to a close at this point, because I’m sure there are many ideas and questions that you have to raise.

I will say: The situation is not bad, because we’re fighting. But as in fighting a war, when you have to fight a war—of any kind—on this scale, it’s always dangerous; and nothing is certain, but you try to win. In this case, we have the possibility of winning, but no guarantee. And, I’m relying upon our good Italian politicians to help the process. We must think internationally; we must cooperate; we must build a mood in the world, an optimistic mood, for positive measures to put this thing behind us. I think we’ll win—but I can’t guarantee it.

To Vicenza Businessmen: Start by Ignoring Money

Lyndon LaRouche spoke to a meeting of the ISIES, a think-tank of the Chamber of Commerce in Vicenza, Italy, on Oct. 11.

What I shall present, in sequential translation, is a subject, which is—briefly—a subject of some importance to this region, in particular, of Italy, in what I foresee as a coming period of world history. And, I want to emphasize the importance of the future role, of the entrepreneurships of agriculture and industry in Northern Italy, as a leading factor in a world opportunity which is emerging now. I shall focus on a particular aspect of this matter, which is little understood, but I think important to be put on the record.

It is a fact of the matter, which is quite relevant for this time, that sometimes men’s greatest accomplishments come after a catastrophe. People become comfortable with making mistakes, habitual mistakes over a long period of time, a generation or two. They call these mistakes “our culture,” “our way of life.” “We refuse to consider any change.”

Then, the catastrophe descends. And finally, people awaken to the fact that they are people, and they must discover solutions for this catastrophe. Thus, for example, the greatest period of modern history began in Italy in the 15th Century, after a 14th-Century catastrophe.

Now, briefly, the catastrophe is this: In the post-war period—World War II post-war period—there was a great process of reconstruction, which benefitted Europe, among others. There were many bad features of this reconstruction, but overall, from the standpoint of economics, it worked. Then, suddenly, after the Missile Crisis of 1962, the Kennedy assassination, and the launching of the Indochina War, things began to go bad. The effect of these terrifying events—of several days of fear that civilization would be wiped out by nuclear warfare; the Kennedy assassination, unsolved murder of a beloved President; and the Indochina War—terrified a generation then approaching or entering adulthood. And, among part of the generation then entering university age, there was a reaction: a reaction against the technological, producer-oriented society which had existed up to that time. We had the emergence of a so-called “post-industrial,” or “consumer society,” or “pleasure society,” which dominates us up to this time, in Europe and in the Americas.

And the culture has been destroyed. For example, this is what the “Triple Curve” represents, that I have here [see Figures on p. 23]. This is just a pedagogical approximation of what actually happened, and it’s simpler, sometimes, to use a pedagogical explanation than the actual figures.

Now, if we measure an economy properly, we start by