

## **The Policy for Physical-Economic Reporting**

by Lyndon H. LaRouche, Jr.

### **Prefatory**

The following, formal restatement of the internal economic policy of our association and its publications, was initially prompted by the need to promote a timely eradication of certain residual, slovenly, often politically opportunistic habits which have continued to creep into our international association's practice, even since the time, two decades ago, I, rather gently, but firmly expelled London School of Economics matriculant David P. Goldman from our economics staff. I did that then, because of the persistence of his opportunistic moral corruption, and dubious, duplicitously conducted dalliances, in the economic and related departments of our work.

I had hoped, at that time, that my needed actions then, would be taken as a warning against similar wrong-doing in times to come.

Unfortunately, the aftertaste of that case of David P. Goldman, and of similar problems during the 1977-1984 interval, has lingered up to the present time. This has been typically expressed in the form of those opportunistic habits of thought which are typical of the Americas' and Europe's now ageing "Baby-Boomer" generation, producing fads such as the northern Virginia environment's morally corrupting "Winstar mania" of 1999-2000. That type of pathological behavior in the matter of economics, which had been the originally intended target of an internal report to my associates, is a habit, rampant in the cultures, university campuses, and editorial boards of Europe and the Americas, against which I have continued to fight to defend the economic, related editorial work, and political orientation of our association with (happily) significant, but imperfect success, up to the present instant. The problem addressed so, is, in principle, the same continuing, widespread, offending tendency, among professionals, business managements, and governments, exhibited on a more or less global scale by the world crisis zooming in on us all today.

## Annual Raw Steel Output in the Five Top Steel Producing States, 1973 vs. 2003



*The incredible shrinking physical economy of the United States: steel production.*

For example: In later years, the Goldman to which I referred here, changed his political sex, so to speak, more than a decade ago, and since then enjoys the company of his fascist cronies (the self-proclaimed “neo-conservatives”). I was not surprised by that turn in his career. The manifest decay in his moral outlook, which had prompted me to move him out of the economics sector, was already a warning of the direction he would take, if he did not mend his ways. Sometimes, even in the course of ordinary business, as some seasoned employers and security specialists will tell us—as in his case—what appeared, at first, to be simply an employee’s opportunistic turn toward intellectual sloppiness and later technical incompetence, often reflects the more serious, underlying actuality of a decadence in personal morality, as well.

However, in assembling my thoughts for what had been intended to be an internal memorandum on the subject of the continuing, endemic reflection of similar problems of sloppiness in some quarters of our work, I realized that, with some amplifications, the same argument for brightening the quality of our economics work, would serve a broader purpose, for a wider political audience, in the U.S.A. and abroad. So, I present it to a general readership here.

It should surprise no thinking person, that there is a certain congruence between the errors of economic analysis, merely typified in the worst case by the charlatanism of David P. Goldman and his neo-conservative accomplice Laurent Murawiec, and a certain sloppiness in the business management which “the Baby-Boomer instinct” tends to promote in the day to day management of the practical business affairs of even some among my associates, as well as business and governments generally, today. The contributing systemic features of the shop-worn stodginess in some nooks of the business management of our own association, are included in the implied focus

of corrective attention in this report; but, the problem so addressed is, as I have already said here, one of much, much wider significance in government, academia, and business in the larger world. Therefore, I have judged this matter to be a topic of general, international relevance, which should be aired before a larger audience.

The kernel of the point which I develop in this report, is the significance and character of the connection between the allocation of resources within an organization with a strategic quality of external political mission, such as my own, and the internal management of that organization itself.

The persistently recurring errors of management which I have been obliged, repeatedly, to point out to certain of even my leading associates, have a specific generational character, rooted centrally in the “Baby-Boomer” cultural heritage of those presently in their fifties or early sixties, which is to say the same generation of “Baby Boomers” which presently inhabits, or, if you might prefer, infests, the leading positions of management in government, private business, and academic life generally.

The distinct quality of potentially fatal economic error of mismanagement characteristic of that “Baby Boomer” generation, is an error which can, and must be precisely pin-pointed. Properly assessed, it is not only a precise kind of hysterical mental disorder, but one so definable, in a precise and profoundly scientific way, as an expression of a functional disorder which, when it is rightly recognized as a form of mental illness, opens doors of insight leading us toward recognition of ways to reach otherwise unavailable potential for progress of the general human condition today.

In this instance, I mean, by pointing to “opportunistic” behavior also found among some of my associates, to expose a widespread tendency there to adapt to what should be con-



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sidered as certain actual, or merely imagined, alien standards for academic or journalistic and kindred notions of "professionalism." The opportunist apology for "temporarily" neglecting reflections on those scientific principles upon which our work is premised, becomes, then: "Maybe, then, when we have won them over to thinking of us a part of their club, they will begin to take our argument seriously." That was Goldman's most commonly used sophistry back then. When challenged on that point, he swallowed, and then defended the sophistry itself; and, thus he became, in the course of time, what Brillat-Savarin and Ludwig Feuerbach proposed: Sooner or later, you become what you have swallowed. In the feral realm of the predatory form of contemporary European and U.S. "middle class" society which the neo-conservative Goldman inhabits today, what one becomes, is, often, a matter of who eats whom.

Inevitably, in the cases in which our writer or editor happened to fall for a moment into that lure of opportunism on subject-matters of economic or related character, that person's report never quite got to the point of identifying the axiomatic issues underlying his, or her assigned putative subject-matter; those assigned issues which distinguished my virtually perfect record in long-range economic and related forecasting, as contrasted, almost consistently, to the axiomatic failures of the opposing professional opinion. Too often, our own writers and editors were disoriented by what was intended to be the sly suggestion, from the other end of the telephone: "You people have interesting ideas; but, you have to learn to express them in ways which will be accepted by . . ." *That is the corruption; if such advice from strangers—especially the stranger breed of strangers—is taken to heart, the thing which must be said, will never find a way to be said by those who have been duped by such counsel.*

The lingering after-effects of prevalent such forms of induced editorial or related expressions of opportunism on the decision-making processes of both public and private institu-

tions today, represent a presently intolerable threat to civilization. Under the influence of such opportunism, the urgently needed truth, upon which the existence of civilization now depends, would never be actually said in time to rescue humanity from the presently onrushing threat of a plunge into a planetary new dark age. The actual entry into such a new dark age were now likely, unless we say what needs to be said, in the way my successful forecasting shows that truth must be formulated—formulated in a way which must tend to provoke consternation among the ranks of "conventional economics doctrine."

So, under the circumstances of the presently onrushing, global breakdown-crisis of the world's present monetary-financial system, that progress which my colleagues' have achieved in published work, so far, is, too often, still far from good enough to meet the standard which my own work has set as a target. To be exact: With rare exceptions, much of their work does not yet meet the standard which I assigned to it in my repeated specifications for an applied science of physical economy. This deadly shortfall is never more clearly expressed than in some of the all too conventional, sometimes even apolitical methods for internal practice of business management within our own association. That shortfall must be corrected now.

One associate with the protesting, raised eyebrow, will react to this present report of mine with, "But, we . . . !" Yes! Admittedly, when the reader gets to the bottom of the page of the returned examination, a reflection of the right test-question species of answer is sometimes indicated there. Even then: The problem is in the way that writer gets to the bottom of his page; he appears to reach his assigned destination, as a student might pick the right choice from a multiple-choice questionnaire, but by a route which is not actually available to anyone within the real universe. When I challenge one of them, he often defends this by apologies such as, "I know that we say . . . , but . . ."

Thus, the time has come that I must be, urgently, more demanding. The shoemaker's children need their shoes repaired again. The situation is this:

## The Role of The Cheney Case

We are the best in the world at what we do, but we are, nonetheless, far from satisfied with the quality of our work so far. For example, we, together with our growing roster of collaborators have put Prime Minister Tony Blair's accomplice, U.S. Vice-President Dick Cheney, on the proverbial political ropes, when most critics from among leading U.S. and foreign political circles had exposed themselves as having, not only wrongly, but foolishly ridiculed my intention to expose his frauds, when they described it as my contemptibly ridiculous waste of effort. Even being the best at what we do, by being leaders in that way, we thereby incur the special responsibility of leadership that implies. So, now, with that relatively minor success under our belts, we must move on from that important, but relatively marginal fact, to the much more important task of inducing relevant powers to join me in rescuing an otherwise presently doomed world economy.

The world has now entered the terminal phase of that presently doomed "floating exchange-rate" monetary-financial order which was introduced in 1971-1972, introduced chiefly by the influence of George Shultz and his accomplices of President Richard Nixon's crew. This notoriety includes Shultz's notably key, destructive role at the 1972 Azores monetary conference. The changes in U.S. policy, over the interval of the Nixon, Ford, and Carter administrations—including the monstrously destructive role of Paul Volcker and Volcker's incredible successor, Alan "Bubbles" Greenspan—have now brought the world as a whole into a state of affairs in which no monetary order even remotely resembling the present "floating exchange-rate" system, could continue to exist longer than a very short time ahead. The world's present international monetary-financial system, including its central banking systems, is now worse than hopelessly bankrupt, and must be put into a Franklin Roosevelt-style reorganization-in-bankruptcy by governments, or else the world's plunge into a new dark age were unavoidable.

Dumping Cheney was only one of the beginnings of the greater task now before us. Any effort merely to reform, or adjust the present international monetary-financial system, short of returning to Franklin Roosevelt's Bretton Woods design, would inevitably accomplish nothing more during the months immediately ahead, than making the world's situation gravely worse, by postponing the needed remedies, than it is already doomed to become. The issue facing the U.S.A. and the world today, is no less than a millennial one. Unless the fundamental changes I have set forth are made, now, there is no hope for the continued existence of a recognizable present form of civilization during the immediate generations yet to come. Any objection to my statement to that effect, must be recognized as essentially a childish tantrum, as onrushing



*"Dumping Cheney is only one of the beginnings of the greater task now before us." LaRouche Youth Movement street theater rally near the White House on July 13, as Republican calls for dumping Dick were multiplying, the fruit of LaRouche's 20-month-long drive for Cheney's ouster.*

world history will soon demonstrate that fact with undeniable effects.

The crux of the matter to be considered in defining the larger context of this report on the principles of business management for an association such as my own, is that there is no longer any sane reason for hope of avoiding a rather immediate plunge of the entire world into a prolonged "new dark age," unless the present monetary-financial system is replaced, abruptly and comprehensively, by the return to something like that which U.S. President Franklin Roosevelt intended in his direction of the design for the post-war fixed-exchange-rate system of economic protectionism. That onrush of a threatened, rather immediate plunge into a general, global economic breakdown-crisis, affecting every facet of personal life in the Americas and Europe, among other places, is the only political subject worth discussing among serious people, in any setting today. There is no other subject-matter of discussion, including the little matter of some faulty business management logic which I must repeatedly correct among some of my associates, which is not subsumed, in fact,

by the onrush of that debacle.

The alleged political impediments to such change, such as the difficulties referenced by opponents of such an immediate reform, are not acceptable, nor even sane excuses for failing to institute such a reform immediately, now. You will either save the patient's—the physical economies'—life immediately, or you will not save it at all. There is no sane discussion of anything, which is not situated implicitly in that challenge.

My work as, on the record, the world's consistently most successful long-range economic forecaster of the recent period of approximately forty years, plays a crucial role on behalf of the urgently needed effort to re-establish such a world system today, one modelled on President Franklin Roosevelt's global reforms, including the reforms which Roosevelt's "Judas Iscariot," President Truman, abruptly aborted. My unique successes as a forecaster embody the proof of the need to make the reforms I have proposed, and to do it now.

Despite the Truman Administration's early and frequent, extensive wrecking of Franklin Roosevelt's design for the post-war world, the world's conditions—including the situation of the presently self-wrecked U.S. national economy, and the relations among the Americas, western Europe, Japan, et al.—changed significantly for the better, during the time (1946-63) of U.S.-led reconstruction of those and related parts of a war-torn world from the prevalent conditions of 1944-1945. We changed somewhat for the better during 1946-1964, but, then, later, mostly for the worse, during 1964-2004 to date.

Despite those changes, both up and downward, the principles of what Alexander Hamilton identified as "The American System of political-economy" are an expression of the U.S. Constitutions of 1776 and 1789, an expression of principles whose repeatedly proven validity has survived all foreign and domestic assaults on their reputations so far. These constitutional principles, rooted in well-defined natural law, have established a presently proven record as the only actual national constitution of the world which has remained in force since 1789. To summarize that point: the American System of political-economy expresses the only set of principles of political-economy which have not been repeatedly shown to have been wretchedly incompetent, as this fact has been exposed repeatedly, on a world scale, over the interval 1776-2004.

It had been the original intention of many of the leading European admirers of our republic's initial, post-1763 struggle for freedom from the tyranny of the British East India Company's new empire, to see the establishment of our independence as a spark to promote the cause of freedom and progress of peoples in Europe, as throughout the Americas. The British orchestration of the French Revolution of 1789-1814, has created a situation, up to the present day, under which the imperial forces associated with the British Empire have succeeded in playing the situation on the continent of Europe, and elsewhere, in such a way as to ensure that no power from continental Europe would bring the global tyr-

anny of the Anglo-Dutch Liberal form of financier-oligarchical imperialism to an end.

Nonetheless, still today, despite the fact that Theodore Roosevelt and Woodrow Wilson combined forces to impose the anti-constitutional, London-designed Federal Reserve System upon the U.S.A., the legacy of the original Declaration of Independence and Federal Constitution with its governing Preamble, has never been efficiently uprooted from the nature of our people and their institutions. So, today, even despite the corruption which the Federal Reserve System typifies, we remain, by nature, a people rooted culturally, "organically," in the many successive generations of our anti-British-imperial, American System of political-economy.

## The American vs. the British System

In contrast, the monetary-financial political systems of western and central Europe, are, still today, axiomatically expressions of that neo-Venetian-oligarchical, Anglo-Dutch Liberal imperialist system, built around an interlocking nest of "independent central banking systems." That European system is, when contrasted with the American System, essentially the British system: the neo-Venetian, Anglo-Dutch Liberal form of financier-oligarchical imperialism.

The world is presently gripped by the onrush of the terminal phase of that British system of Venetian-style, financier-oligarchical imperialism—a world which, at the present moment, is lodged within the homicidal grip of that imperial Anglo-Dutch Liberal system by virtue of the present state of the floating-exchange-rate IMF system. This system is the locus of the present threat of the imminent doom of civilized life on this planet, for generations yet to come. Only if the American System of political-economy comes out of its enforced cocoon-like status, and does so by reasserting the American System legacy of Franklin Roosevelt, is there any credible hope of avoiding the relatively immediate plunge of the planet into a generations-long new dark age. The American System of political-economy must be asserted—during the moment of relative strategic advantage presented as the hopeless bankruptcy of the present incarnation of the British imperial system—an American System asserted to the included effect of saving Europe and the Americas, by bringing the international monetary system under the principles of that System.

The system to which the intellectual opportunists, even some erring fellows among us, are inclined to adapt for the sake of being accepted socially by their interlocutors, is now doomed. To the extent we consent to a continuation of that intellectual softness among us, we, like the rest of it all, were doomed to enjoy the onrushing arrival at the point of descent into a planetary new dark age. *Only as we burst free of all such opportunistic inclinations, and present the economic case as I have defined it, as a matter of physical economy, rather than an interpretation of the physical economy from the standpoint of monetary-financial considerations, will the*



*The Bretton Woods Conference called by FDR in 1944. "It were prudent to copy . . . certain among the principled features which distinguished the pre-Nixon, fixed-exchange-rate, protectionist system of President Franklin Roosevelt's design, from both that earlier British imperial gold standard which reigned until 1931, and the present, tragically failed, 1971-2004 floating-exchange-rate system."*

*U.S. survive the presently onrushing storm.* When the planet is melting, that planet provides no hidey-hole in which to be secure against global developments.

Lately, my U.S. political association has performed what our enemies, and also some friends, have seen as some virtual political miracles, which, in some cases, I was able to push through over the reluctance of most of our leading and other associates. Our people are good horses, but some of them do not perform well without a relentless coachman.

The situation is, that the U.S. model, as might be best understood on principle by the example of great Presidents such as Abraham Lincoln and Franklin Roosevelt, is the benchmark of preference for the great changes which must now be introduced to the world, if a civilized state of existence is to persist during the generations immediately ahead of us now. This is the only available model of reference for freeing the world from the imperialist system of "globalization," and rescuing the world's system of sovereign nation-state economies from that state of self-doomed wreckage which is the immediately inevitable outcome of failure to reverse the decisions introduced by Shultz et al. beginning 1971-72.

To some degree, it were prudent to copy, more or less exactly, certain among the principled features which distinguished the pre-Nixon, fixed-exchange-rate, protectionist system of President Franklin Roosevelt's design, from both that earlier British imperial gold standard which reigned until 1931, and the present, tragically failed, 1971-2004 floating-exchange-rate system. We must act quickly. In such a situation of great urgency, we must rely, as much as possible, on simply reviving those precedents in international law, re-

specting economic relations, such as the 1648 Treaty of Westphalia, which were undermined under the corrosive influence of circles including relevant U.S. malefactors typified by such as Arthur Burns, John J. McCloy, and George Shultz.

Without those changes I have just indicated afresh, the world would be plunged soon into a prolonged new dark age. However, in copying certain proven precedents for the sudden reforms which are urgently needed today, we must take into account the difference between the principle of international law represented by those precedents, and the changed conditions to which we intend to apply those principles. As the allegory worthy of this occasion, let us say: There is a certain difference between the original human design for the wheel, and the designed application of that same principle to modern economy. The crucial purpose of this present statement of our current policy respecting economic reporting, is that we must understand the difference between a mere classroom-like description of a principle's application, and the ontological actuality of the current practice of the principle itself.

Formally, what I have just said is a true description of the choices presented for our attention. However, there is also a much deeper, commonplace psychological problem, which we must also address here. Objectively, the choices before U.S. institutions (among others) can be clearly described along the lines of the preceding opening remarks. However, that brings us to a deeper, more stubborn challenge: How were it possible to educate not only leading institutions, but also the population in general; to rid the population of those deeply rooted beliefs in the erroneous kinds of adopted principles, such as the dogma of "free trade," and blind faith in ordinary

financial accounting practices, which have led them to the self-inflicted doom which threatens the nations of the Americas and Europe, among others, today? *What is wrong with those people's minds? How can they be cured of that popular mental illness?*

What I include, to that purpose, in the following pages, often incorporates material which I have addressed frequently in locations published earlier. Much of this is therefore already familiar to a large ration of my associates. Therefore, why repeat it, as I do here? Obviously, as will become clearer as the reading proceeds here, many of those associates have forgotten those lessons in the course of their role in the practice of the management of our association and of its policy-shaping processes. They have, in many relevant instances, allowed mediocrity to replace reason, in the course of reducing their memory of these materials to more or less empty rituals.

I close this foreword with a qualifying observation on my use of reference to crucial historical and scientific elements to which I make crucial references during the course of the following three sections of this report. Essentially, since I have covered all of these points in depth in writings published during the recent three decades, it is not necessary to burden this present location with extensive footnotes respecting those matters. The primary audience for this present report, is already responsible, in a certain manner of speaking for that knowledge; others, have access to websites and other available sources of our earlier treatment of those matters, either by me, or the members of our association more broadly.

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## 1. The Lunatic Games Which Baby Boomers Play

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The all-too-frequent instances of incompetent management of our own internal economic and related affairs with which I have had to deal, all center chiefly around one specific element of mental illness which my associates now in their fifties or early sixties usually share with the rest of that same generation, in Europe as in the Americas. The influence of that mental aberration, as expressed by cases of mismanagement of our own internal affairs which I have uncovered from time to time, quite lawfully echoes the same axiomatic element of disorder in the same persons' blunders in both economic forecasting and strategic assessments of the current national and world situations.

This is not only an internal problem of our association. It is a pathological element of behaviorism which was introduced into our work by the generation from which my associates of that pedigree have been drawn. Therefore, it were in the general interest that I share my reflections on this matter with the relevant elements of the general public, as also those of my associates standing in the need of prayer.

As I shall identify and then elaborate on this point, there is one crucial element of assumption in that pathological behavior, which is the crucial feature of this problem. I proceed now accordingly.

As I have emphasized repeatedly, the characteristic moral flaw in the economic and related behavior of Americans and western Europeans between approximately the ages of fifty and sixty-three years today, is chiefly a reflection of a cultural paradigm-shift which was consolidated in the aftermath of a series of shocking changes in cultural outlook, changes which center around the impact of the Cuba missile-crisis of 1962 and the subsequent assassination of U.S. President John F. Kennedy. The eruption of the so-called "rock-drug-sex youth-counterculture" among those often referenced as "the Sixty-Eighters," was shaped by a confluence of the moral corruption spread by the Congress for Cultural Freedom with the terrible shocks centered upon the succession of the 1962 missiles-crisis and the launching of the official U.S. war in Indo-China.

Despite the resistance to that induced cultural degeneration from among a leading minority of that generation's output from some leading universities of that time, the rise of that tainted element of that generation into leading positions of political, economic, and cultural authority in today's leading institutions, has conditioned even most of those of that same generation who had been opponents of the worst freakishness of the Sixty-Eighter generation, to submit today to the accomplished fact that the induced cultural paradigm-shift has now become the determining consensus, the current cultural matrix, to which even former dissenters tend to submit, that in the name of "being realistic."

In earlier generations, among the leaders of science-driven technological progress in closely held enterprises, any competent consultants' study of the behavior of management of the better such enterprises would emphasize three key factors in the outlook of management. 1.) How do we, as an association, actually earn real income *physically*, by means of our physical contribution to society as a whole? 2.) How do we get the financial income needed to sustain the process of actually earning that income. 3.) How must we regulate the way in which we spend that income according to the principle by which we actually earn it morally? The "Baby-Boomer" generation tends to be not merely ignorant of the first factor, but is usually militantly ignorant, and therefore often howls like a pack of enraged banshees, if its representatives are confronted directly by the fact of their generation's typical fallacy of composition on economic-management matters, their omission of consideration of the first principle of economics: *How do we actually earn, physically and morally, the real income needed?*

Typical of this common point of combined moral and economic degeneration of the "Baby-Boomer" stratum, is the nearly quarter-century trend in the U.S.A. and western Europe, most notably, toward substituting employment of cheap labor from poorer countries, for production (and employ-



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ment) in the U.S.A. and western Europe. Producing wealth is less and less fashionable, and, more and more, even much less than fashionable, in opinion shared among the Baby Boomers of Europe and North America; getting what one wishes cheaply, without regard for the welfare of the producer, has become the characteristic moral decadence of the upper twenty percentiles of family-income brackets, especially what used to be classed as "white collar" brackets, in most functional categories of principal mode of employment, in the U.S.A. and western Europe, as also elsewhere.

That shift to an hostile attitude, or merely indifference toward the generation of physical forms of wealth in a physical mode, is the moral factor of economic decadence which grips the U.S.A. and much of Europe increasingly today. Although the currently onrushing breakdown-crisis of the world's present monetary-financial system usually attracts attention to the financial processes, it is the change in characteristics of physical behavior within the present world system, which is the root of the currently onrushing disaster. The getting and spending of nominal money-wealth, including the sheer lunacy of treating financial derivatives as fungible, is more emphatically a symptom of the underlying problem than the origin of the problem. Thus, the emphasis on balancing the nation's financial budget today, is often conclusive evidence of the proponent's unbalanced state of mind.

Typical of that source of the moral degeneration of the "Baby-Boomer" generation's quality of reign over society today, is the introduction of the neo-Luddite, psychopatho-

logical cult of "post-industrial society," which was introduced, as an active policy, into an increasingly foolish Europe and North America during the middle through late 1960s.

### **The Spread of the Green Death**

As I recall from some decades past, among the popular alcoholic beverages then distributed in the U.S. State of Minnesota and its vicinity, was a malt liquor popularly known as "the Green Death." Usually, that stuff did not actually kill the victim, but often produced an awesome effect on the incautious consumer, an effect which gave it the reputation associated with that nickname. Today, in Europe and elsewhere, there is another "Green Death" which is designed to actually kill entire legions of the presently living generations. It is a form of mass-insanity, comparable to the case of Europe's late Fourteenth-Century Flagellant hordes, which is popularly known currently as "ecology," or "environmentalism." It is currently killing on a scale which is tantamount to intentional genocide.

As the case of the Laxenberg, Austria-based International Institute for Applied Systems Analysis (IIASA) shows, the spread of the influence of this cult of "ecology," from the Cambridge, England nests of "systems analysis," was a leading active factor of induced political hysteria, in accelerating the self-destruction of the former Soviet Union and associated Comecon.

This latter, pathological phenomenon of "The Green Death," in mass behavior today, is a leading by-product of



the brainwashing of the populations of the U.S.A. and Europe by methods typified by the work of the Allen Dulles-led faction of the U.S. Central Intelligence Agency under the banner of the Congress for Cultural Freedom (CCF). The combination of the Fabian ideology of the cult associated with Bertrand Russell's destructive programs for science and culture, with the pro-Satanic qualities of the existentialism associated with the so-called "Frankfurt School" of Horkheimer, Adorno, Arendt, et al., was used, chiefly under the banner of that CCF, to outlaw the notion of truth in science, culture, and politics.

So, the authority attributed to the actual or merely alleged popularity of some body of opinion, produced today's habitually reckless disregard for truth, which has, increasingly, replaced the role of a rigorously definable truthfulness in the functions of law, government, and the teaching and practice of science and art.

The spread of this lunatic cult of "ecology" has done more than any other single factor, to make a wreckage of, most notably, today's Germany, to such effect that Germany can not be pulled back from its present lurching at the brink of self-inflicted doom, unless the "Green" factor were rudely overridden, for the sake of both physical and mental health in that nation's political life.

Yet, the most significant social expression of this "Baby-Boomer"-associated trend, is to be recognized in the patterns of change in mass entertainment. Europe and the Americas are rotting away in a cesspool of mass entertainment of a quantity and quality which echoes the "bread and circuses" of ancient, decadent imperial Rome. Even what passes for residual niches of Classical art, have become little more than waxwork museums, in which the parts are played by adult people playing the escapist game of "doll house"; games played with no sense of an historically specific political relevance to the actuality of history-shaping, currently breaking present or past events, or of past creations in the unfolding of artistic achievement. The childish prescribed rules of the doll house are invoked as the arbitrary premises for moral judgment on the reality of past and present developments.

The role of "games" as a substitute for production of real changes in a specific time and place in a real universe, lends the flavor of an opium-soaked, existentialist's dream-fantasy to art, history, and science alike. "If I win this game, I will be successful," is the hallmark of a culture which has turned, in flight from a reality which displeases it, into fantasies whose effect on the real world is the doom of the dreamer. Faced with evidence that his, or her actions are self-destructive, the dreamer screams in defiance of reality: "You are wrong! You will see that we in this doll-house world of fantasy, have agreed to believe unshakeably in what we are doing! If you try to interfere, we shall stage a tantrum, with such howling, shrieking, and cascading threats of violence, as Adolf Hitler was wont to do, like Vice-President Cheney, which will cause you to avoid offending us in that way ever again!"

These intellectually degrading influences of neo-Roman-

ticism, which were already acting upon the children and adolescents of the 1950s, took a crystallized form among those who first entered adulthood in the aftermath of such shocking events as the 1962 missiles crisis, the unsolved murder of President Kennedy, and the launching of the U.S. official war in Indo-China. Thus, the mass brainwashing of a leading portion of the U.S. and European population's children, up to the point of the shocking events of 1962-1964, prepared the youthful victims' tender, suggestible minds to bring a pro-Nietzschean "transvaluation of values" as a leading characteristic of the generation which came to be known as "The 68ers." That is the generation, now in its fifties or early sixties, which reigns, their minds dwelling in "doll house" modes of escape from seeing the frightening real world; this mental illness reigns, in most political, economic, and related other mass-institutions of opinion-shaping in Europe and the Americas today.

This is the environment in which the discussions by, and about the economists, reigns today. Taking into account the general observations I have summarized above, look on stage, to where today's customary views toward economy are to be seen. As Britain's Jonathan Swift would agree, this means the playing of foolish games, including expressions such as mass gambling and pro-homicidal computer games, which more and more of globally extended European society plays.

It is chiefly from this historical vantage-point, that we are able to diagnose the weeds of that mental illness, on the subject of economy, which I am still compelled to seek to uproot from the ranks of even my own associates today.

## **The Games Foolish Economists Play**

The moral and intellectual degeneration of the practice of political-economy, as that corruption is usually taught and practiced in American, European, and other universities today, reflects two successive phases of moral degeneration of academic and related thought in higher education. The difference between these two, was reflected in a raging debate among U.S. economists, during the 1950s, between Harvard economist Wassily Leontief and what Leontief dubbed "the ivory tower" school, the latter headed, during the 1950s, by Tjalling Koopmans and his "Operations Research" circles.

Near the close of the 1950s, I intervened in the debate still raging. Although I had already defined my criticism of the linear methods associated with Leontief's work in the domain of national-income accounting, Leontief was sane; the "ivory tower" fanatics who followed Bertrand Russell's clones Norbert Wiener and John von Neumann, clearly were not sane. That was the difference. I have maintained my emphasis on that distinction throughout my work during subsequent decades. While there is a serious error of method in the work of Leontief and kindred opponents of the radical empiricists of the "ivory tower" faction, Leontief et al. have been travelling in the real world, but in need of a better map. Today, with the rise of the "post-industrial" utopianism of Zbigniew Brzezinski et al. during the post-Kennedy 1960s, lunacy prevails,

while the generation now in power enforces that lunacy as the prevalent dogma of their generation, the currently reigning generation.

The usually recommended, but foolish approach to discussion of the subject of political-economy and related matters, is to seek to present one's facts and argument within terms of reference—the opportunist's approach, the traditional sophist's approach—which your discussion-partner, or audience, might be expected to accept as the currently recommended “doll house” game to be played. The argument for this presently prevalent, morally corrupt practice, runs along the following lines: if you wish to convince people, which is to say, “make friends and influence people,” you must frame your argument in terms they will accept. Actually, to the degree you might succeed, thus, in persuading people, in discussion of economic and related matters today, both you and your audience are behaving in a way which is functionally insane. So, the bankrupted gambler returning home late, from work, on pay-day evening, explained to the members of his family: “I played the game, and we are all now doomed!”

To grab a handhold for insight into the psycho-social mechanisms by which modern generations of Americans have been brainwashed to that effect, consider the following example.

Some of you older English-speaking bozos were suckered into that practice by reading author Dale Carnegie's once best-selling text in “sophistry for dummies,” *How to Win Friends and Influence People*, or by attending sessions of the Dale Carnegie Institute. Others were mentally and morally corrupted to the same effect, by the typical public-school or university classroom of the recent generations' experience. In nearly every course of instruction to which you were subjected, usually including childhood rearing in the typical family household, church, and neighborhood, you were subjected to a similar kind of brainwashing, as was typified, in my generation, by the standard secondary-school geometry classroom, or something even worse introduced later under the rubric of “the new math.” The brainwashing which was done to destroy the minds of the youth, either in the standard class in Euclidean geometry, or the worse “new math,” shared certain essential features with the Dale Carnegie cult's doctrine; the difference between the two cases is that the Dale Carnegie cult's argument was a much more blatantly irrational echo of traditional forms of obviously irrational methods of sophistry, as practiced upon the dupes brainwashed by the ancient Delphi cult of the Pythian Apollo.

In those classrooms and related examples, such as the



*“Producing wealth is less and less fashionable, and, more and more, even much less than fashionable, in opinion shared among the Baby Boomers of Europe and North America; getting what one wishes cheaply, without regard for the welfare of the producer.” Child labor for food exports in Pakistan.*

intrinsic irrationality of the radically empiricist mathematics, and mathematical-physics dogmas widely accepted today, the lunacy of widely adopted axiomatic opinion has been masked by the adoption of the arbitrary definitions, axioms, and postulates of a system such as that of Aristotle, or the simpler, more degenerate arguments adopted by the celebrated, self-confessed hoaxster, Sir Isaac Newton. Thus, we have to consider not only the Aristoteleanism of standard Euclidean geometry, but, more recently, the neo-Aristotelean hoax copied from the medieval irrationalist William of Ockham: the empiricism of Paolo Sarpi, Galileo Galilei, Francis Bacon, Thomas Hobbes, René Descartes, John Locke, Bernard Mandeville, François Quesnay, Adam Smith, Jeremy Bentham, and the neo-Aristotelean version of a slightly revised empiricism associated with Immanuel Kant.

During and following the 1789-1815 transformation within European culture introduced by the succession of the French Revolution, the pioneer imperial fascism of Napoleon Bonaparte, the monstrosously perverse role of Castlereagh and Metternich in the Congress of Vienna, and G.W.F. Hegel's codification of the Napoleonic experience as his fascist doctrine of history and the state, a new, more radical form of empiricism began to emerge, a convergence of what was known as the Positivism of Comte et al., with the existentialism of Schopenhauer, Nietzsche and kindred predecessors of Adolf Hitler, Martin Heidegger, et al. The current of logical positivism produced the radical empiricism of the most evil creature ever to slither across more than half of the Twentieth Century, that author of the doctrine of “world government brought about through the use of the terror induced by use of nuclear weapons,” Bertrand Russell. Russell, the intellectual

den mother of the decadent fanatics Norbert Wiener and John von Neumann, emerged, especially following 1942-1945, spewing a form of anti-scientific lunacy way beyond empiricism.

At this point, we must shift gears. We must situate those forms of insanity which are axiomatic features of currently prevalent doctrines of political-economy and accounting, by seeing them as within their historically determined origins. We must see this as a process of successive transformations of cultures, since a point in ancient Greek civilization prior to the outbreak of the Peloponnesian War. We must focus on the considerations which led to a decline in the quality of European culture, a turn which was characteristic of the period between the outbreak of that war and the death of Plato.

All of the most significant of the foolish games which have been popularly played in European culture since that time, including the follies of current world economic and accounting practices, can be competently understood only by taking two interdependent factors of all of the history of European civilization to date into account. There factors are, first, the introduction of the fraudulent, reductionist notions of physical scientific method typified by such predecessors of the modern empiricists, positivists, and existentialists, as the Eleatics, Aristotle, and Euclid, and, second, the social basis for the motives behind the cultivation of that reductionist mentality. Those two sets of axiomatic errors, are the historical root in susceptibility to all of the lunatic games which Baby Boomers play today.

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## 2. The Oligarchical Roots of the Disease

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Our subject in this chapter of this report, is the nature of those usually controlling, cultural characteristics of behavior which are typified by the particular way in which they are transmitted across successive generations. This chapter will thus prepare the ground for the subject of the report's concluding chapter: the willfully alterable form of transmissible characteristics of economic behavior.

The persistence of the pathological syndrome which I have merely typified by reference to the tragic case of David P. Goldman, can not be competently assessed without insight into the way in which various types of psychopathological behavior, and their radiated influence, have been transmitted through the continuities of fairly well known phases of European culture, from generation to generation, over spans of as much as 5,000 years. Indeed, as Bal Gangadhar Tilak and other experts in those matters have pointed to the span of the Vedic-Sanskrit culture, as provably between not less than six to eight thousands years, the transmission of culture in ways independent of fixed genetic heritages, goes even deep into the last great ice age. Only by looking at the relevant patholog-

ical syndrome within the context of such a relatively more accessible part of the historical process, can the nature of transmission of culture, and also the transmission of mental disease among the some among the participants in that culture, be efficiently addressed.

Mankind, like the beasts, is mortal in his incarnation, but, unlike the beasts, immortal by virtue of the cognitive powers of the objective, personal existence of the human individual, the power to generate, receive and impart those qualities of ideas, such as discoveries of universal physical principles, which continue to have a life before, and after that of the author of that discovery, or of its transmission, has died. This immortality has a negative aspect, in the respect that bad ideas also have a kind of conditional immortality as trans-generational artefacts. So, human society is an ongoing accumulation of the quality of ideas of principle—man-generated cognitive ideas, ideas which do not exist as a type among the higher apes, or other lower species. This is the meaning of culture, which exists only among human beings. There is the build-up of valid ideas of scientific and Classical-artistic principle, usually over many, many generations, and their transmission into generations yet to come. There are also anti-ideas, corrupting and destructive habits of the mind, which are also transmitted, and so embedded in the habits of a nation and culture.

We can clean up much of the mess bequeathed to us by earlier generations, by discovering, and adopting the corrective—cognitively revolutionary—principles through which some of the burdensome rubbish is discarded in large chunks. The fact remains, that the individual case is always an expression of, a product of an historical process reaching back many generations, such as back to ancient Greece, and elsewhere, earlier. It is the characteristics of that long-wave process, which should always be the initial point of reference for any scrutiny of the systemic features of the behavior of a current population, or portion of that population. The individual will exist, but it exists within the context of an enveloping, long-range, broadly reaching culture.

It were therefore an incompetence tantamount to idiocy, to treat a tragic case like that of David P. Goldman as he were merely some object dumped into existence as a blank slate, a slate on which a capricious experience has written this or that. In every individual, by virtue of family nurture in childhood and adolescence, and, a far stronger influence, that of the culture which he or she inhabits, centuries of accumulated heaps of goodness, and also stinking rubbish, may be imposed on the new individual during the first decades of life, and beyond that. All moral and other intellectual sickness of individual human behavior, and of society for the most part, too, are sicknesses of the culture, a culture reaching, for better or worse, over many generations.

Most of human behavior, in known history to date, has been regulated by certain arbitrary assumptions of belief which are usually either unsuspected by the believer, or which



*The 1950 founding of the Congress for Cultural Freedom, a crucial part of recycling fascist networks of World War II into western intelligence operations, but also, the foundation for the 1960s counterculture, including an ecology movement of “Greenies” deeply hostile to the productive economy and to the raising of physical standards of living in poor nations. Germany’s Economics Minister today, Renate Künast (right, with a human vegetable) is typical of such ’68er Greenies.*

have appeared to him only in the shadowy form of what are treated by that victim as if they were “self-evident” definitions, axioms, and postulates, like such assumptions of a Euclidean or Cartesian geometry. For this reason, as I have made this point in several pedagogical seminars on this topic, nearly all cultures, or so-called “sub-cultures” encountered still today, present us with the spectacle of a human individual behaving like a fish habituated to life within a fishbowl. The “bowl” within which the will of the victim is held captive—until the bowl is broken—is defined by a container; that container is a set of what are actually arbitrary beliefs of a type functionally akin to the controlling role of the “self-evident definitions, axioms, and postulates” of a Euclidean geometry.

The ideas which are received, retained, and introduced by the individual, or the contemporary society, are of two principal types. The first class of types represents, variously scientific valid and invalid, notions of universal principles, such as the set of fictitious axiomatic principles and definitions of a Euclidean geometry. The second class of types, represents those ideas which are treated as deductive, or analogous decisions made on the basis of implied belief in underlying principles associated with the first class of types. Most arguments respecting policy in today’s societies, treat the latter types as variable ideas, and the former as relatively fixed. Many of those relatively fixed ideas, as comparable to the allegedly self-evident definitions, axioms, and postulates of a Euclidean geometry, are ideas of whose origin in belief the individual believer usually is not conscious, and even to the degree he might become conscious of those origins, he usually prefers to accept them as if in blind faith. As to the existence of those higher principles, of the first type, themselves, he is either not conscious most of the time, or not at all. It is ideas of the first type, the class of seemingly fixed, axiomatic assumptions, which are the proper choice of primary subject for inquiry into the characteristic features of the defective behavior of, for example, subject Goldman.

That set of distinctions, and the implications of examining such matters, is the approach being taken here toward the conclusion to be reached at the close of this report.

According to what some feeble souls might regard fearfully as the secrets of European civilization’s knowledge of what is rightly termed “natural law” and its practice, the essential conflict *within all globally extended European civilization*, to the present day, is what is known to the fearless and witting as the following.

Once we have taken into account the essential fact of European civilization’s principal intellectual debt to the Egypt of the Great Pyramids of Giza, the high points of the specifically European civilization are to be traced chiefly from the pre-Aristotelean, Classical Greece of Thales, Solon, Pythagoras, and Plato, and includes the powerful, enduring coincidence of Christian theology with that of Plato’s Greece (e.g., Plato’s *Phaedo*), and the revival and resurgence of Classical Greece’s best through the mediation of that Fifteenth-Century, Florence-centered Classical Renaissance. The highest level of epistemological competence and clarity in European civilization, was achieved prior to the death of Plato, after which European culture as a whole underwent a general degeneration in the leading features of its culture, until Europe’s upward-turning, Fifteenth-Century Classical Renaissance was launched by a Christian Europe, a Christian Europe which became the adopted adversary of the pro-Satanic Grand Inquisitor Tomás de Torquemada.

Throughout that span, from Solon, Thales, Pythagoras, and Plato, through the modern Classical culture of Cardinal Nicholas of Cusa, Johannes Kepler, and Gottfried Leibniz, the great issues of civilization have centered, in fact, functionally, around the conflict famously expressed by the *Prometheus Bound*, the first part of Aeschylus’ most important drama, his *Prometheus* trilogy. The issue of that drama is the Satanic tyrant’s, the Olympian Zeus’ prohibition against transmission of knowledge of the laws of Creation to a mankind which



*The opponent against which much of LaRouche's discoveries in economics were generated, was what he calls the "post-modernist genre" of imperialist economics, the radical empiricism of such as Norbert Wiener (left) and John von Neumann, which completely substituted "information" for discovery, and "communication" for the development of the physical economy.*

Moses and Christianity, for example, have defined as a creature made uniquely in the likeness of the universe's true ruler, the foe of Zeus which is known, thus, as the Creator.

That issue, so defined, is the central feature of all European civilization, from the time of Solon, Thales, Pythagoras, and Plato, to the present day. The problem already identified as the subject of this report, is an implicitly subsumed feature of that greater drama which is implicit in *Prometheus Bound*. Until the significance of the argument of that drama is understood, and the importance of that understanding as a benchmark for mapping the actual history of European civilization since Aeschylus wrote it, it were nearly impossible to achieve a coherently efficient insight into both modern European civilization and the associated implications of pathological phenomena including that which is merely typified by the referenced case of David P. Goldman.

The underlying task which I have set out to clarify in this present chapter of this report, is the tasks of, first, of pointing to the origin of the systematic features of contemporary European civilization's present, mortal crisis, and, then, tracing out the lineaments of the present case of corruption identified at the outset here, systematically, within that set of terms of reference.

## **Zeus As Satan**

The villain of *Prometheus Bound* is the Olympian Zeus, whose messenger is also known, in principle, as the Mephistopheles of Christopher Marlowe's *Dr. Faustus*, and also as the Satanic figure admired by the Martinist freemasonry's Count Joseph de Maistre, Grand Inquisitor Tomás de Torquemada. That Torquemada is also the Grand Inquisitor of Fyodor Dostoevsky's *The Brothers Karamazov*. This is the issue

of evil which confronts us whenever we meet the influence of the ancient Eleatics, Sophists, Aristotle, and the modern empiricists, Cartesians, Kantians, Hegelians, positivists, and existentialists. It is the same evil, in the tradition of the mass-murderous anti-Semite Torquemada, expressed by the crimes of Adolf Hitler. This is the same issue of evil which we confront as the pervasive feature of the Anglo-Dutch Liberalism of Thomas Huxley, his H.G. Wells, Bertrand Russell, and their contemporary liberal imperialist followers in the post-modernist genre of such as Norbert Wiener and John von Neumann.

This set of historically defined issues is the context in which the clinical topic introduced at the beginning of this report must be situated for a competently practicable understanding. I proceed now with a summary of the crucially relevant highlights of that history. When that has been done, in turn, in the next chapter, I shall then apply the historical-epistemological considerations identified here to the practical side of management within a modern economy.

Within the span of subsequent time traced since about the close of the Eighth Century, B.C., the span of specifically European history is traced by reference to the emergence of the Classical tradition of Solon, Thales, the Pythagoreans, and Plato, which occurred amid that tradition's conflict with the chief adversary of Classical culture: the combined legacy of Babylon and kindred cultures then associated with the tyrannical imperial power of the land-based Achaemenid empire, and with the financier-oligarchical maritime power, Tyre. That Tyre was the precursor of that later, imperial new Tyre of the Adriatic, the Venice whose roster of bastard progeny features that Anglo-Dutch Liberalism of the British East India Company's new Roman empire, an empire led during

the late Eighteenth Century by Lord Shelburne's collection of such consummate misanthropes as Adam Smith, Edward Gibbon, and Jeremy Bentham.

For our uses here, I restate that genealogy of historical facts as the continuing conflict between Classical humanism and oligarchism.

During that period of ancient European history preceding, accompanying and immediately following Greece's Peloponnesian War, the intent by the oligarchical interest was to eradicate the Classical humanist culture of the relevant Greeks. This oligarchical interest was centered in a proposal to combine the territory from the eastern border of the Achaemenid empire to the Atlantic, within a single oligarchical system of cooperating empires. This was known in that time as, variously, "The Persian Model," or, generically, "the oligarchical model." This was the model around which the Roman Empire was built, later, and also, still later, the *ultramontane* system coordinated through the financier-oligarchy of Venice. That is the same model, of oligarchism, at issue in Aeschylus' *Prometheus Bound*.

The success of this "oligarchical model" project, was delayed for about two centuries by the impact of an alliance between that Academy at Athens which had been led by the then recently deceased Plato, and the son and opponent of Philip of Macedon, that dedicated enemy of Aristotle, and target of Aristotle's homicidal impulses, known as Alexander the Great. However, with the close of Rome's Second Punic War, and the onrush of Rome's wars against the Greek colonies of southern Italy and against Greece itself—the circumstances marked by the deaths of Archimedes of Syracuse and the Cyrenaic representative of the Athens Academy, Eratosthenes of Alexandria—Rome unleashed the process of creating the long-intended oligarchical imperial system, this time under the reign of imperial Rome. Later, with the decline of the Byzantine Empire about A.D. 1000, the oligarchical system fell under the *ultramontanist* alliance of the rising power of the Venice financier oligarchy with the system of Norman chivalry.

It was the temporary collapse of that Venice-led imperial system during the self-inflicted New Dark Ages of the mid-Fourteenth Century, which created the opening for the, long overdue, fresh eruption of the opposing force of Classical humanism, the eruption which was expressed as the Fifteenth-Century, Florence-centered Classical Renaissance. With this eruption, the first modern nation-states, Louis XI's France, followed by Henry VII's England, emerged as the founding of the modern European nation-state, and, therefore that birth of modern European civilization of sovereign nation-states, a civilization whose emergence had been long delayed by the forces of the Venetian-Norman *ultramontane* system.

Unfortunately, during the closing decades of that Fifteenth Century, by the aid of a strategy premised upon an opportunistic, temporary understanding between Venice and the Ottoman empire, Venice's oligarchy recovered sufficiently to strike back, as typified by the unleashing of the pro-

Satanic man-beast of Grand Inquisitor Tomás de Torquemada in Spain, the unleashing of the mad dogs of Habsburg alliance of Austria and Spain upon a division of the formerly cooperating nations of Europe: a division which was engineered by the role of such Venetian agents as Francesco Zorzi and Gasparo Contarini, in the orchestration of religious controversies used to set the nations of Europe against one another's throats over the interval A.D. 1511-1648.

During the decades following Venice's virtual defeat by the 1648 Treaty of Westphalia, Venice shifted its strategy to increasing reliance on an adopted and cultivated clone of itself, the imperial, Anglo-Dutch Liberal financier-oligarchy of the maritime regions of northern Europe. The emergence of this Anglo-Dutch Liberal system of hostility to the existence of the modern European form of nation-state, has been the principal cause of all major warfare, and related conflict, in Europe since that time.

As I have elaborated this earlier, within relevant sundry published reports, such as the series on the subject of the "beast-man" phenomenon, the combination of France's dubious Louis XIV and the Anglo-Dutch outgrowths of Venice's financier-oligarchical system, plunged Europe into a series of wars and related nightmares from which the British East India Company emerged, with the relevant Paris Treaty of 1763, as the presumptive new world Roman empire in progress. The only significant, continuing challenger to that Anglo-Dutch imperial hegemony, since then to the present time, has been the American Revolution of 1776-1789 and its continuing potential in the world at large today.

## The Culture of Human Cattle

Look at the root of the typical failures of today's professional practice of economics, to which I have pointed above, seeing those failures as expressions of the continued treatment of classes of persons as human cattle, in even modern European history, as today. Then, trace the root of that behavior in modern society to its origins in that ancient and medieval practice of the doctrine of the Olympian Zeus which is reflected as the central issue of Aeschylus' *Prometheus Bound*.

To those ends, focus now upon the functionally determined, systemic connection between the Satanic doctrine of the Olympian Zeus and the way in which both a widespread, corrupted form of mathematical-physics teaching, and the customs of practiced political-economy, by governments and others, reflect the same specific, Satanic impulse against humanity which that Zeus expresses against Aeschylus' Prometheus.

The Fifteenth-Century Renaissance's role in bringing forth the modern sovereign form of nation-state, represented the systematic effort to uproot those oligarchical forms of organization of society which had traditionally reduced the majority of the persons of any city-state, kingdom, or empire, to the status of those of either hunted or herded human cattle, as this was typified by the condition of life of the helots of Sparta.



*"From the vantage-point of physical science, the absolute line of separation of man from beast, is expressed by the ability of the individual human mind to discover an experimentally validated universal physical principle." California members of the LaRouche Youth Movement in a pedagogical on light reflection and refraction.*

This same oligarchical policy was applied to the education of freed slaves in the U.S.A., after the close of the Civil War. This policy of northern liberal reformers, which was a wicked direct attack upon the contrary policy of Frederick Douglass, was to greatly inhibit the education of the children of the freed slaves, and their descendants, thus condemning them to the menial occupations of herded human cattle, slaves upgraded to the status of serfs.

Thus, the majority of the former slaves, and most among their descendants, have been left, by the lingering effect of continuing that cultural policy of "tracking" as a tradition of practice, even still today, as nominally more or less free in their bodies (when not imprisoned). But, for the most part, our citizens of African descent are still condemned, as if to a de facto heritage of an induced semi-literate sub-culture of virtual human cattle. The frequent result is an induced state of mind, in which many of those victims themselves defend by their antipathies to the policies of Frederick Douglass. This antipathy to Douglass' commitment to Classical humanist education, is fostered by their oppressors to foster the victim's allegedly natural cultural preferences: the shackles of the mind which the virtual slave puts daily upon himself.

The popular delusion among many, which is fostered by their lack of even elementary competence in the ABCs of economics, is the false belief that the U.S.A. profited, as a national economy, from the labor of slaves. This is, for example, the incompetence of the racist, who believes in marginalizing the labor of the poor inside the U.S.A., or, as those fools who supported NAFTA did. The populist delusion of these fools has been, that looting the bodies of slaves, or people in neighboring countries, is a precious advantage for those in the U.S. who, in fact, are about to lose more and more of their

farms, factories, and pensions as a result of the effects of NAFTA in increasing the relative poverty of people in our own lower income brackets.

The world's leading economist of the mid-Nineteenth Century, Henry C. Carey, already exploded that myth, in his famous documentation of the evidence, his 1858 *The Slave Trade: Domestic and Foreign*.

The *British* did profit richly from slavery in the U.S.A.; the *New England and Manhattan financier allies of the British monarchy* also profited; but the U.S. economy itself, including the vast majority of non-slaves, was looted by the effects of slavery. Under President Abraham Lincoln's leadership, and following that, through 1876, the economic power of the U.S.A., which had been aborted by the slavery-interests of both the United Kingdom and the southern sectional slaveholder interest, was unleashed. Our nation and its people did not profit from slavery, but they profited from the ending of slavery under the leadership of President Lincoln, whereas we had been made poor by tolerating the British imposition of the institutions of slavery and so-called "free trade" upon the United States.

Thus, the revival of the British-protected, Nineteenth-Century Spanish monarchy's trafficking in African slaves into the Mediterranean and the U.S.A., was profitable for the British; but, the primary motive for cooking up this scheme, was not that margin of profit which London obtained, *incidentally*, from its control over the international cotton trade.

The primary purpose of that British policy, especially from the 1820s on, was to destroy that U.S. republic which London not merely hated, but regarded as the greatest potential flanking threat to London's imperial power over the nations of continental Eurasia. The British intention was to di-

vide the U.S.A. of that time among squabbling baronies, just as British agent August Belmont's Democratic Party Presidential nominee for 1864, General George B. McClellan had, earlier, failed to exploit an obtained crucial victory over the forces of Robert E. Lee because McClellan was one of those Union generals who were for a peaceful division among the states, who preferred to bargain with the Confederacy, rather than defeat it. That division would have Balkanized the continent, and eliminated the further threat to London's empire from the U.S.A., while preserving and expanding slavery under the virtual British puppet, the Confederate States of America.

Only U.S. citizens living with shackles on their minds today, have any objection to President Lincoln's war-time policies.

The subversion, and temporary takeovers of control of the U.S.A. by the U.S. accomplices, and also sometime rivals of the Anglo-Dutch Liberal system, remains still the pivotal issue which points to the presently looming, potential end of the Liberal imperial system of financier-oligarchical rule. Hence, these considerations must be included among the long-ranging historical implications of the need to break the power of that combination represented by those presently controlling both the Bush-Cheney Administration and also the political machinery of the Democratic Party's present National Committee leadership. Only the imminence of the great, global monetary-financial crises, would create the opportunity to bring about the needed change within the U.S.A. itself. *Only the emergence of a U.S. leader who is committed to seize that opportunity as a Franklin Roosevelt would have done, would define the weeks and months immediately ahead as a turning-point in world history for generations yet to come. Otherwise, the United States, and the people in it, were virtually doomed to a prolonged sojourn in a certain kind of Hell, by the events to follow the November 2004 general election.*

## Aristotle's Evil Work

The work of Aristotle and of the empiricist followers of Venice's tyrant Paolo Sarpi, was crafted with the same intent as the use of slavery under the code of Lycurgan Sparta and the Spanish, Portuguese, French, and Anglo-Dutch slave-traffickers of the Sixteenth through Nineteenth centuries. The intention is exactly the same as that of the Olympian Zeus of Aeschylus' *Prometheus Bound*. All related attacks on the heroic role of Prometheus, from ancient through present times, are reflections of the influence of that same pro-Satanic principle of evil typified by the Zeus of *Prometheus Bound*. Aristotle provided a system of sophistry which has been commonly used in a more or less explicit defense of the conduct of that evil oligarchical tyrant Zeus.

Prior to the training of Aristotle at Demosthenes' school of rhetoric, the most effective of the principal means by which that degradation of masses of populations into a self-inflicted cultural status as human cattle is accomplished, is typified by the sophistry associated with the model influences of the cult

of the Pythian Apollo at Delphi. The discrediting of the Eleatics, the Sophists, and the Delphi cult, by Plato, created the setting in which the formalist systems of Aristotle and empiricism have been developed and deployed as the model new weapons used in European civilization in the war against reason, in defense of the intention of Delphi, the Eleatics, and the Sophists. This report of mine brings the pro-Satanic implications of the doctrines of Aristotle and the empiricists into its needed special point of focus.

Meanwhile, even prior to the work of Socrates and Plato, the same issue, as posed by Aeschylus' *Prometheus Bound*, reveals itself as the key to what was to become the judicial murder of Socrates. That murder was done by that faction of the Sophists known then as that democratic Party of Athens, a party which may be recognized today as the forerunners of the U.S. Democratic National Committee's political herders of human cattle. I point to the examples of the foolish Terry McAuliffe and Robert ("Bob") Shrum, the latter the crooked man who stole a crooked sixpence (the California recall election) by means of a crooked style.

The case to be considered here, comes down to the point, that there are two ways in which to turn human populations into human cattle. These are typified by the systemic victims of Americans of African descent, before and after President Abraham Lincoln's Emancipation Proclamation. One is to shackle, imprison the victims, and herd them under conditions tantamount to physically enforced slavery. The slyer method, employed by post-Lincoln Liberal reformers, is to induce the victims to place the shackles of their mind upon themselves, as the current leadership of the Democratic National Committee and its accomplices have done.

In ancient Athens after the work of Socrates and Plato, ordinary shackles were discredited, although never abandoned as political instruments of government. The Romans, who experienced some difficulties in managing their acquired Greek and other slaves, were assisted in dealing with the difficulty, by their rediscovery of what had become, generally, the lost works of Aristotle. The Roman conquerors put Aristotle's advice to work for them, in their combat against the superior culture of defeated Classical Greece, and against any Christianity but the captive pantheonic version of their own choice and making, in such exemplary ways as Claudius Ptolemy's fraudulent rewriting of astronomy. Ptolemy had concocted a fraudulent work which sought to discredit the discoveries made four approximately four centuries earlier by Aristarchus. and, even earlier, by the Pythagoreans. Aristotle's method was superseded by the development and propaganda of a vulgarized version of Aristotle, concocted and spread by Venice's Paolo Sarpi and his household lackey and plagiarist, Galileo Galilei. Later, English, Dutch, and French empiricism were superseded by a still more radically degenerate system, a system known by the alternate names of "logical positivism," or the "radical empiricism" of Bertrand Russell and such among his post-modernist intellectual offspring as Norbert Wiener and John von Neumann. The method of them



all, from the Eleatics, to the followers of the Eleatics known as the Sophists, through Aristotle and beyond, has been the following. The method of putting de-humanizing shackles on the human mind, as expressed by all of these systems, is the method of *formal ontological reductionism*, which I have described, summarily, as the systemic architecture of an induced “fishbowl mentality.”

That is the form of the shackles of the mind which the thus self-enslaved great majority of the people of the U.S.A. have continued to put upon themselves, especially during these most recent four decades. Such is the culture, and fate of those who have chosen to be human cattle. The epistemologist’s study of the way in which Aristotle’s method of enslaving the mind was employed, as a new disguise for achieving the intention of the then-discredited method of the Sophists, is the most crucial of the studies which must be conducted in the effort to free the members of European civilization from the system of brainwashing which rules and ruins the world today.

Since the work of the one-time tyrant of Venice, Paolo Sarpi, Sarpi’s system of “Aristoteleanism for dummies,” otherwise known as the empiricism of Sarpi, his household lackey Galileo Galilei, Sarpi’s English asset Sir Francis Bacon, and Galileo’s pupil Thomas Hobbes, has been the primary mode from which subsidiary branches of the same method of mass-brainwashing, such as Kantianism, positivism, and existentialism, have been derived. The essential, common characteristic of these philosophically reductionist modes of pseudo-reasoning, is their sometimes asserted, but always implicitly present ruling assumption, that man is merely another form of animal life.

Under these systems, religious belief is relegated to the assumption of the existence of a parallel, but separate universe, where we might expect to find the little green men, casting crooked dice from under the floorboards of history, who determine thus the destiny of living men and women capriciously, as the pro-Satanist Bernard Mandeville, the feudal ideologue François Quesnay, and the plagiarist of Quesnay, Adam Smith, defined the “under the floorboards” doctrine variously captioned under “laissez-faire” or “free trade.”

## What Is Science?

From the vantage-point of physical science, the absolute line of separation of man from beast, is expressed by the ability of the individual human mind to discover an experimentally validated universal physical principle. Although the principles which man has discovered in that way so far, are each and all known to be efficient universal physical principles whose existence antedates mankind’s discovery of them, our use of those discoveries to change the physical universe around us, changes man’s relationship to the universe. This principle of change is reflected by man’s ability to increase our living species’ potential relative population-density by more than four decimal orders of magnitude above the level

which might have been inferred, for any time on this planet, for any of the species of higher apes.

This capacity of generating and transmitting such discoveries across the spans of successive generations, defines the individual member of the human species as implicitly immortal. When men and women are prevented from exercising that uniquely human capacity of the individual and society, man is being reduced to the condition of a beast.

As I outline the argument for fundamental scientific progress in the closing chapter of this report, the distinction of the human species from the beasts is expressed in the most elementary way by the ability of the individual human mind to hypothesize, as Plato defines *hypothesis* in his Socratic dialogues.

The act of hypothesizing is typified in the simplest type of instance, by the discovery of a stubbornly systemic anomaly in man’s sense-perceptual experience. This shows that some agency not directly observable with our senses, is acting to produce an effect which can not be accounted for by simply observable cause-effect connections among sense-perceived experiences. Once we accept the notion that the cause of this anomaly might be just that, an agency operating from beyond our powers of direct perception, our opinion on the subject of the reality of sense-perception should be changed from the naive view that the real world is what the senses plainly show us. We now realize that the world of sense-perception is a world of shadows cast by a real world; the task of gaining knowledge then becomes working to discover the real world which is casting the shadows we recognize as sense-perceptions. From that standpoint, any mental image of the real world causing the shadows serves us as an hypothesis.

Sense-perceptions are reactions to stimulation of certain organs of our mortal, living body. What we perceive, is not the action of the real world on our sense-organs. What we perceive is the biological sense-apparatus’ reaction to the stimulus. Even the reality of the reaction itself, is never self-evident, as ordinary sensory illusions illustrate that point. Sense-perception requires verification by methods akin to the same methods of experimental tests which are employed for verification of scientific hypotheses.

Once an hypothesis has been defined, a further step is required. Having created an hypothetical image of the way in which relations are being ordered, in a realm beyond our direct powers of perception, ordered to produce the effects seen as sense-perception, how can we determine whether our hypothesis is a fantasy or not? Can we, then, design an experiment, in which the object is to show whether or not we can control the shadows in a way which corresponds to our hypothetical notion of the way in which the relevant features of the unseen, hypothetical world are lawfully operating? This, for example, is what is done routinely with modern nuclear and sub-nuclear microphysics. We can see nothing there, directly, but we are able, nonetheless, to control the effects of the unseen world on the observed one.

This method of hypothesis is known to European culture



*"The most fundamental principles of economic science will be found, buried within the implications of that compared pair of cases, of the true geniuses Bach (left) and Kepler (statue at Weil der Stadt). To understand economics competently, anyone must, first, go through an experience similar to that lightning-like stroke of truly creative recognition which I recognize in the referenced features of the work of Kepler and Bach."*

since the time of the pre-Aristotelean Classical Greeks, such as the Pythagoreans and Thales. The Greeks derived their use of the principle of hypothesis, as defined by Plato, from study of the products of Egypt's long history of astronomy, a history whose crucial, intermediate benchmark is the astrophysical design of the great pyramids of Giza. The geometry which these Greeks employed was not the ivory-tower geometry which has been attributed to Euclid since the time of Plato's adversary Aristotle and his successors; it was a *physical geometry*, as this is typified by the Classical Pythagorean problem of physically doubling the cube by means of purely geometric construction. All of the successful leading accomplishments of modern European physical science, as typified by the work of Cardinal Nicholas of Cusa, Luca Pacioli, Leonardo da Vinci, and their followers Johannes Kepler and his follower Gottfried Leibniz, are an echo of the tradition passed down from the notion of "powers" which occupies the central position in the scientific method of the Classical pre-Aristotelean Greeks.

The requirement for an experimental demonstration that an hypothesis is an existing, efficient principle of ongoing action in the universe which casts the shadows of its presence upon our sense perceptions, is that knowledge of this hypothesis is proven to be a power of the individual human mind over the unseen universe, by virtue of the efficiency of the changes which command of that principle is enabled to enforce, reliably, upon the visible domain.

Such an hypothesis, once proven so, does not stand alone. There are many unseen powers (universal physical principles) out there, beyond the shadow-world of sense-perception. We can not rely merely upon discovering a single experimentally

validatable hypothesis; we must construct an hypothesis which corresponds to what is presently knowable as the efficient interaction of all of the unseen powers "out there." We must hypothesize the hypotheses to this effect. It does not stop there. Unless we adopt the notion of a fixed universe, we must hypothesize the way which the universe corresponding to an higher hypothesis is undergoing continuing development according to some higher principle, as Plato relies upon this most famously in his *Timaeus* dialogue.

Men and women can look up to the skies, as the relevant ancient Egyptian astronomers did before the Greeks they educated, and see the Creator. The poor beast can not; he or she can see only man as the surrogate for his Creator, and can be quite angry with his mortal master on this account, when that master does not obey what the beast considers to be the rules which that master himself has set for them. As that seminal genius of the Renaissance, Cardinal Nicholas of Cusa, observed, as man participates in God, so the beasts participate in man.

The function of the individual is the transmission of the fruits of the process of hypothesizing, by individuals, laterally, in his or her own time, but across successive living generations of mankind: by reliving each actual act of discovery from the past, and affording the future the means of the same quality of access to his own original work. The acquisition and development of the powers so acquired, is the source of that transformation in man's relationship to the universe on which the progress of the condition of mankind depends, the only means by which mankind's continued existence could be assured over the long range of coming developments of and within our Solar system.

Can men and women endowed with such wonderful powers, be treated as cattle? To be reduced to the role of being hunted or herded, as animals are? Or, could men and women made practically conscious of the human individual's special role in the universe, by virtue of these creative powers, accept submission to being treated as such cattle by their society? Could we, as men or women, tolerate our fellow humans being treated as cattle? Where is our conscience?

## Then, Came the Renaissance

From the decline of Classical Greece's leading role in the continued progress of emergent European civilization, from the interval between the launching of the Peloponnesian War, the judicial murder of Socrates, and the death of Plato, until the Fifteenth-Century European Classical Renaissance, most of mankind was subjugated, chiefly, to an *ultramontane* form of imperialism, as typified by the emergence of the Roman Empire and its medieval successor, the alliance centered upon Venice's imperial financier oligarchy and the Norman chivalry. The Florence-centered eruption of the Italian Renaissance of Classical Greek principles, over the Latin, unleashed an economic revolution in Europe. The realization of the long struggle against the *ultramontane* system, as had been led by the Augustinian tradition, by Abelard of Paris, Frederick II Hohenstaufen, and Dante Alighieri, came in the Renaissance's fostering of the first modern nation-states, Louis XI's France and Henry VII's England.

The significance of this Renaissance establishment of those two model modern sovereign nation-states, established the principle of the Christian Apostle Paul's *I Corinthians* 13 as the implicit fundamental law of the nation: the Platonic principle of *agapē*, as translated into the doctrine of law expressed in the 1776 U.S. Declaration of Independence as Leibniz's anti-Locke principle of "the pursuit of happiness," and as the ruling principle of law of the entire U.S. Federal Constitution, its *Preamble*. The principle was the promotion of the self-development of the distinctively human creative powers of the individual. This was the right to invent, to innovate, and, above all else, to discover new universal physical principles of the universe: to do that which the evil Zeus of *Prometheus Bound* forbid that mankind be permitted to do. All of the achievements of the globally extended influence of modern European civilization since, have been premised upon that principle of fundamental scientific and related progress.

As I have restated earlier, the emergence of this new institution, the modern nation-state based on such republican principles, provoked a violent reaction from among the remnants of the failed *ultramontane* system. These were, most notably, Venice's financier oligarchy and its chivalric assets in various places; these hateful defenders of the ultramontane legacy included Inquisition-ridden, late Fifteenth-Century Spain. Earlier here, I emphasized the military and related strategic features of that pro-feudal, Venice-led reaction. The more durable of the evil effects produced by that reaction, was

the campaign to destroy the human mind: first, by reviving Aristotle; second, by introducing the simplified version of Aristotle, empiricism; and, later, such outgrowths of empiricism as positivism, existentialism, and the explicit counter-culture launched by the British imperialist Fabian Society and its U.S.-sponsored outgrowth, the counter-cultural Congress for Cultural Freedom.

The common feature of all of these modern reactionary programs, has been the suppression, and also the destruction of those characteristics of the individual human mind, from which the kind of progress represented by the modern sovereign form of nation-state have sprung. The root of these schemes is to be found in Aristotle's writing on the subject of politics, and in his putrid *Nicomachean Ethics*. The practical political motive behind those corrupt philosophical exertions, has been the campaign to stifle those creative powers associated with the discovery and practical realization of universal physical principles. The practical political motive is to suppress recognition of the evidence which shows that human beings are not animals who must therefore accept the condition of being human cattle.

The introduction of the reductionist dogmas of the Eleatics, Sophists, and Aristoteleans, was deployed in ancient Greece, to attempt to crush the scientific method of developing knowledge, the method typified by the work of the Pythagoreans. The characteristic feature of this fraud by the pro-oligarchical forces of Aristoteleans and their like, was to substitute fanciful sets of definitions, axioms, and postulates for the notions of *powers* as *intentions*. The characteristic feature of those reductionist hoaxes, is the prohibition of resort to those methods of hypothesis which are associated with the pre-Aristotelean, Classical Greek notion of *powers* (Gr: *dynamis*).

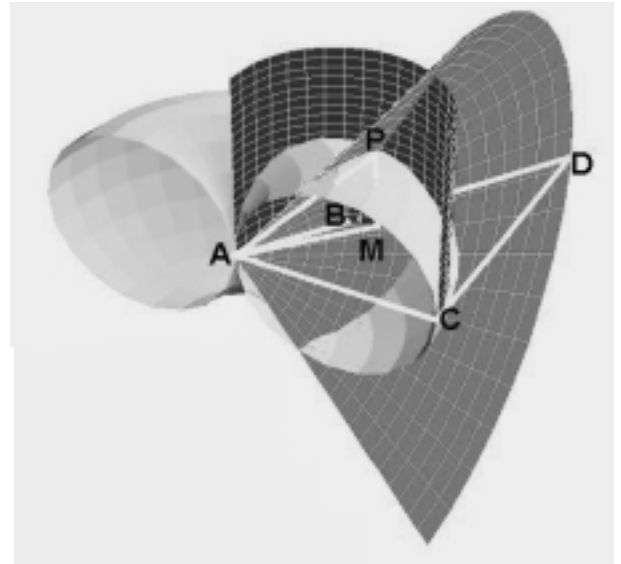
As I have pointed out at an earlier point in this report, it was a high-ranking representative of Venice's intelligence service, Francesco Zorzi, who deployed to Henry VIII's Tudor England, where he operated, under the recorded name of "Giorgi" as marriage-counsellor to that suggestible king. Through the playing upon the impatient lusting of that king for the tease Anne Boleyn, and with the help of Venetian agents such as Thomas Cromwell and putative Plantagenet heir Cardinal Pole to the English throne, the Venetians prompted the king to behead Sir Thomas More, the king's most able counsellor, and to launch a schismatic enterprise in needless warfare, a schism which contributed greatly to burying all of Europe in religious and related warfare over the interval 1511-1648. At the same time, this same Zorzi launched a published attack on the work of Cardinal Nicholas of Cusa's *De Docta Ignorantia*, one of the seminal scientific works of the Renaissance, and campaigned for the enthronement of Aristotle as an ideological weapon deployed in the effort to destroy the work of the Renaissance, and to thus return Europe to the *ultramontane* system under Venice and its Norman allies.

During the closing decades of that same century, a new



*Archytas' solution to the Delian paradox typifies the work of pre-Euclidean, physical, constructive geometry. Here, members of the LaRouche Youth Movement have built a pedagogical device to demonstrate his solution, which creates a cone, a torus, and a cylinder in order to find the geometric means between two magnitudes—AC and AB in the drawing.*

## Archytas' Construction for Doubling of the Cube



tyrant emerged in Venice, Paolo Sarpi, who, in concert with his household lackey Galileo Galilei, created the dogma of empiricism as a more radically reductionist system than that of Aristotle. Despite efforts to reintroduce Aristotle's role as the leading enemy of scientific thought during subsequent times, empiricism, as typified by the work of Descartes and Newton, has continued to be the foundation of all important efforts to corrupt or even virtually eliminate scientific methods from civilization.

Ever since Zorzi's role in England, the principle weapon used by the financier-oligarchical interest, in the attempt to castrate scientific fertility within the populations at large, has been the combination of an Aristotle revived as an adversary of the Fifteenth-Century Renaissance's founding of the modern sovereign nation-state, and the bumptious successor and rival of Aristotle's modern influence, empiricism.

In all of these reductionist systems, the method employed for mass-brainwashing of scientists and others has been the crafting of what I have described, in various published locations, as a "fishbowl mentality." The trick used has been to induce the victims of this conditioning-process to adopt a certain set of allegedly "self-evident" definitions, axioms, and postulates, or the like, as the basis for any socially tolerated argument on virtually any subject. This may be an echo of the Eleatic system which was ridiculed by Plato in the *Parmenides* dialogue. It might be the Sophist system whose reputation was also wrecked by Plato's dialogues. It may be the empiricist "principles" of Sarpi, Galileo (e.g., "action at a distance"), Descartes, Newton, and so on. Or, it may be simply: "In today's accepted accounting practice, we always. . . ." That soup-stock may then be enriched by such shibboleths as Jonathan Edwards': "That nasty tyrant, God, despises you, but, if

you sign this contract here tonight, he will provide you utterly despicable creatures with riches and pleasures in your mortal life, but, in any case, your secured admission to a soup-kitchen he has provided for your comfort on cold nights, after you are dead."

By inducing a leading stratum of the population to insist on the strict enforcement of those special rules of mental behavior, the tyrant creates a fish-bowl mentality, through which to prompt his dupes to turn away from any idea which lies outside the bounds of the prescribed set of *a priori*, self-evident rules of the game.

So, for example, Lagrange responded to young Gauss' devastating exposure of Lagrange's folly on The Fundamental Theorem of Algebra, Lagrange protested, saying, in effect: "You cheated. You went outside the rules. You used geometry!" Every pompous academic crackpot who has ridiculed Gauss, or Gauss's teacher Kästner, on this account, has relied on imitating, or referring to the kernel of that childish complaint by Lagrange.

The issue of the quarrel between Gauss, on the one side, and Euler, Lagrange, et al, on the other, was, precisely, that competent mathematics had been nothing but the understanding of the nature of mathematical physics. In pre-Aristotelean Classical Greek culture, mathematical physics was "spherics": the application of Egyptian astronomy's approach to Astronomy from the vantage-point of reference to a spherical geometry of physical action. The Classic case of the Pythagorean Archytas' report of the construction of the geometric means for doubling of the cube to Plato, at Tarentum, is the model way of representing the significance of Pythagorean spherics to the modern classroom. As in the instance of the original discovery of a universal physical principle of gravita-

tion, by Kepler (i.e., as detailed in his 1609 *The New Astronomy*), it is anomalies, as defined in terms of the system of spherics, as opposed to the pro-Aristotelean first books of Euclid, which require discovery of efficient universal principles operating from behind the ken of simple sense-perception. The same method represented by Archytas' solution for geometric construction of the doubling of the cube, is reflected in Kepler's discoveries.

In contrast to that, all of the learned academic idiocies practiced in the name of mathematical physics, are based upon a combination of two lunatic assumptions. One, that the universe is a Cartesian manifold. The other, that all of this might be replaced by Bertrand Russell's failed scheme for deriving all science from his ultra-reductionist view of the simple counting numbers. By insisting that all science must be confined within a "fishbowl" defined by those confining, *a priori*, "self-evident" assumptions, more minds are destroyed than actually educated in schools and universities, to the present day.

The purpose of all this, was to castrate the minds of the populations of, especially, modern European civilization. If the dupes of such brainwashing can be induced to seek in sense-perception, the location of those universal physical principles for which sense-perception offers only shadows, then the organization of society around the conception of the difference between man and beast, can be prevented, or made vulnerable to the Phrygian anarchy of lunatic mobs, as this has been done to most of the people of the U.S.A. and Europe today.

When a people has no reasonable comprehension of the intrinsic difference between man and beast, then how shall it muster itself to defend that of whose existence it does not know? When the worship of the Creator of the universe is replaced by rituals at a carnival side-shows, such as those of our lunatic "fundamentalists" today, how can those victims know that they are made, man and woman, in the likeness of the Creator? They become, like most of our political leaders today, virtual Hamlets, who fear their own uncertainty about immortality so much, that they would hasten their own deaths, as in some equivalent of flight forward, in the most foolish manner, in order to silence their fearful doubts. As for the mass of people so misled, they become virtually the miserable, rutting yahoos of Jonathan Swift's allegorical representation of the early Eighteenth-Century United Kingdom. They become human cattle, to be herded, or to be hunted.

That people, so stupefied, will go to their death in chains, after, first, putting the shackles of their minds upon themselves.

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### 3. The Intention To Create Wealth

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Some planted enemy agents aside, the principal cause of economic performance-lapses which I have discovered in leaders in my international association, is that they, today,

are chiefly "Baby Boomers," representatives of a generation, from the Americas and Europe, who entered leading and other universities during the middle to late 1960s. It is the predominant tendency of the members of that generation, to view matters of management of income and expenditure simplistically, as, in principle, reducible to the so-called "practical standard" of what is regarded as "conventional financial accounting and budgeting." With U.S. Federal Reserve Chairman Alan Greenspan's introduction of legalized gambling side-bets as a substitute for production, a change in the character of the economy was institutionalized by him following the 1987 U.S. stock-market crash, in "conventional" economy and accounting. Today, that change in conventional practice includes much which would have been frankly, and rightly considered clinical insanity, or even, and that justly, "criminality," prior to the 1979 appoint of Greenspan's predecessor or, "predatorcessor," Paul Volcker, as U.S. Federal Reserve Chairman. The result of that polluted form of economic inculturation tends to be economic death by suffocation, or, to use the more appropriate technical term, *technological attrition*.

Although I have a record of performance, as being the world's presently leading expert in the science of physical economy, very few among my associates from among that "Baby Boomer" generation, have ever actually understood *emotionally* the mathematical-physical form of expression of the essentially underlying principle of a successful modern economy. Their problem is chiefly emotional, rather than formal. (When they are challenged on this point, the *wrong* emotion often pours out, even profusely, from the mind and that mouth, from which, for the moment, reason has retreated.)

As a matter of contrast, I do have an efficient comprehension in such professional matters, an advantage partly due to the fact that I represent an earlier generation, which was still productive-technology-oriented: more significantly, because I am also the original discoverer of the principled nature of those relevant connections between science and political economy which had been bequeathed to our time as the unfinished work of the founder of the science of physical economy, Gottfried Leibniz.

The relative failures of management performance of which I have often had reason to complain among most of my associates, are not so much due to their lack of diligence in mathematical-physics matters as such. They are, on the average, far above the typical members of their generation in intellect, and usually embody that self-sacrificing devotion to mission which is found among very, very few of that generation today; but, unfortunately, at the same time, most of them have become merely another set of victims—self-esteeming "underdogs," waiting for scraps to be thrown to them. They have become mostly obedient victims of the peculiar pathologies of a generation which came into adulthood during the middle to late 1960s. Their faults, insofar as they exist, are the symptoms of the common pathologies of their generation. Despite all wishful disclaimers from across the Atlantic, the



*"There is no financial security for any U.S. citizens, except as the Federal government, by new policies, under new laws akin to those associated with President Franklin Roosevelt (above), may overturn radically what had been lately considered, until now, as irreversible popular opinion. . . . But for a new FDR on the scene, anyone who promises such financial security in personal affairs, or business, to anyone, now, is a babbling fool, or a liar."*

problem is parallel, and virtually identical, or even worse, in western Europe.

The problem must be seen and understood as being, functionally, a mass phenomenon. By that, I mean that we can not understand the source of the problem competently by studying each individual, case by case, and then totaling the scores for each classified relative sub-type of personality. The dominant cultural characteristics of the population taken as an entirety, must be adduced; it is the relationship of the individual, or small group, to that entirety, which usually prevails. Therefore, attention must be focussed upon the way in which the characteristics of the reigning current of the society as a whole, govern the way in which the individual or small group responds to, interacts with, the characteristic trends in the society as a whole. The problems to which I refer here are the characteristic problems of this Trans-Atlantic generation taken as a whole.

In such a case as that, Friedrich Schiller's conception of the role of the superior quality of the special individual to the people of his or her time, is the applicable consideration. That individual must act upon behalf of the people of his time, rather than acting primarily as a reflection of their currently prevalent mores.

We live now in a time when celebrities, as in the field of mass entertainment, are chiefly freaks, rather than accomplished thinkers and artists. The Congress of Cultural Freedom, as the "Beast Man III" report issued by my U.S. Presi-

dential campaign points to the crucial relevant points, has done much to shape, or, better said, misshape that generation. This generation, currently typified by persons in their fifties or early sixties, with its Orwellian counter-cultural dogma of mediocrity as a substitute for reason; today's "Baby-Boomer" culture, has virtually outlawed, as if by collective will, the type which, had been, in earlier generations, the morally best of the qualified true leaders of a national culture.

In the Phrygian atmosphere produced by the Congress for Cultural Freedom's mass-brainwashing, our society's qualified leading individuals tend to be shunned simply because they refuse to behave as the prevalence of Orwellian mediocrities demands. Consequently, today's frightened individual, even one among the best of his or her generation in many ways, often reacts to the fear of that lynch-mob-like rampage of a fanatically mediocre culture, by seeking a hermit-like niche, a cocoon in which to hide from the attention and wrath of our contempo-

rary Phrygian mobs.

Relative to their parents' and grandparents' generations, that Baby Boomers' emotionally driven, irrational lack of comprehension of economic processes, has a specific quality. It is, said again, a by-product of the effects of the influence of the U.S.A. CIA-directed Congress for Cultural Freedom, whose destructive cultural influence intersected the shock of such of such effects as the 1962 missiles-crisis, the assassination of U.S. President John F. Kennedy, the launching of the U.S. official war in Indo-China, and the impact of that bug-like pestilence spewed from Britain, known as "The Beatles."

Thus, to summarize that point: the effect of the mass cultural-paradigm shift expressed by the students entering U.S. and European universities during the middle to late 1960s, is a mass phenomenon among the generation, currently in their fifties or early sixties, whose representatives occupy most of the leading positions of influence in society today. It is a generation well represented in the leading stratum of my political association; it is the currently reigning generation, in nearly every institution, on both sides of the Atlantic today.

It is this those of this generation typified by the upper twenty percentile of income-brackets, today's so-called "sub-urban" factor, which has led, often viciously, in adopting the ruinous new, and increasingly cruel economic and related policies introduced to the U.S. under the 1968-1981 reign of William Yandell Elliott-trained U.S. National Security Advisors Henry A. Kissinger and Zbigniew Brzezinski.

Technically, the inability of such typical members of that generation to grasp the essentials of the practice of economic management, is rooted as a factor in the policy-shaping of our society which is fairly labeled, clinically, as a commonplace variety of a factor of psycho-sexual impotence often associated with obsessiveness about pleasure-seeking sensual effects. It is a form of impotence often expressed as indifference to the ruinous cruelty their policies wreak upon the poor of our own and foreign nations. The problem was not typical, if admittedly not uncommon among persons in management positions during earlier generations; but, in today's Baby-Boomer generation, especially the upper, "suburban" twenty percentile of family income-brackets, it is the prevalent economic culture. It is expressed as a form of such psycho-sexual impotence paralleled, greatly reenforced, and symptomized most dramatically by the spread of the fanatical, Dionysiac irrationalism of the so-called "ecology movement," by the spread of indifference, even among harsh critics of the "ecology hysteria," to the cruelty of the ruinous, broader effects of that Phrygian nightmare.

The most important aspect of that dysfunctional mental behavior respecting economy, can be identified in the following way.

## Economy, Art and Science

For the purposes implicitly emphasized throughout this report, I shall now emphasize the pathology expressed as the inability to locate the connection between the mathematical forms of economic processes, and those certain higher qualities of human individual capacity for passion, which are otherwise expressed, and exemplified by the most able performers of great Classical musical compositions. I emphasize insights into such matters which had been made accessible to mathematical physics by the specific accomplishments of Bernhard Riemann.

I now identify the connection just indicated, and then elaborate the way in which it is expressed in economic practice.

A Classical musical composition, which is to say one coherent with the higher conceptions of polyphony introduced and developed by J.S. Bach, has nothing in common with the work of the sausage-maker of monotonous, and not very nice sounds, Jean Philippe Rameau. On the contrary, in the case of an authentic Classical composition in the legacy of Bach, the composition as a whole is a single *thought-object*, in the Herbart-Riemann sense of use of the German term *Geistesmasse*. The composition is defined as a unified process of (elementarily) a single conception of (primarily) contrapuntal development, from beginning to close of its performance. Not the simple schoolbook notion of counterpoint, but a much higher one.

The practice of such art is located primarily in the development of the natural qualities of the human singing voice according to the standard of vocal polyphony corresponding to the Florentine *bel canto* method of singing-voice training

and maintenance. Music is generated by contrapuntal relations among different singing-voice species defined according to the point of reference provided by Florentine *bel canto* discipline. Instrumental music is properly generated and performed by the mind of the performer who imposes a mental image of the relevant *bel canto* singing-voice quality on the behavior of the instrument. All acceptable Classical musical composition and performance has these defining qualities.

The specific characteristic of Classical musical composition and performance, is the process of development accomplished through a sufficiently deep understanding of counterpoint from the point of reference provided by J.S. Bach. This discipline frees music from reliance upon arbitrary sensual effects, such as the scoring in of fire sirens, barking dogs, or the vanity of so-called "passage work." The complex of cross-voice relations so rallied provides the means for giving substance to a driving intention, called the process of development, through which each Classical composition satisfying such requirements of composition and performance, becomes a unique, indivisible single idea, of the quality of unique existence which Herbart and Riemann reference by their use of the German term *Geistesmasse*.

Thus, the competent performer of such a composition must control his performance under the uninterrupted motivation supplied by that thought-object. In instrumental performances, this is best illustrated by the relatively rare cases of a performance of one of Beethoven's late quartets which meets the standard of this performance requirement for one of those quartets. Taking those quartets, including the Grosse Fugue (Op. 133) as a unit-collection, these quartets encompass the highest level of achievement by Bach, and something qualitatively more besides.

That set of quartets can be adopted as a pedagogical unit, for demonstrating more powerfully the principle, that the idealized image of the perfectly *bel canto* form of human singing-voice, as existing primarily in the mind of the composer and performer of such works, is the substance of the medium of Classical musical composition. The reality does not lie in the sound heard by the ear, or the musical sex-maniac, but the true musical idea, heard only in the mind even of a great, but greatly deafened composer, heard, as Bernhard Riemann would understand, in the complex domain.

My investigations into this matter, have shown that the production of such excellent performances by certain among the most notable performers, such as the late Wilhelm Furtwängler so cruelly hated by pro-Nazi, sometime CIA Director Allen Dulles' Congress for Cultural Freedom, involves the performer's unconscious awareness of principles, to which Furtwängler alluded sometimes as "playing between the notes," which he, or she nonetheless takes implicitly into account. Such a quality of performance is in itself, proof that they have developed the ability to perform in ways which meet the subtler technical requirements of the composition as a unified process expressed a single idea. Simply, to the extent that the performer's mind is acting under the guidance of



*Presumptive Democratic Presidential nominee Sen. John Kerry has completely rejected the FDR legacy for dealing with the economy, while “me-tooing” Cheney/Bush on the Iraq war. “If that quality of political leadership of the U.S.A. which Kerry only reflects in a currently pathetic way, is not changed radically during the very near future, there will soon be no U.S.A. as we have known it earlier during our lifetimes.”*

the singleness of effect of the intended composition as an indivisible unit, the performer’s mind is dissatisfied by results which deviate from the intended effect, and “tries again,” with the determination not to deviate, as if into side-ditches, from the conceived objective of the composition as a whole. The mind of such a performer “sees” the articulation toward which he or she is aiming, even when he or she could not give a formula for it, or a name for it. Here, “between the notes,” lies the essence of musical creativity.

The classical example of the same principle from the pages of modern physical science, is the uniqueness of Johannes Kepler’s consummately Platonic musical discovery of the principle of gravitation. Kepler recognized, from the anomalous characteristics of the Solar orbits (e.g., the elliptical pathway: “equal areas = equal times”), that the Solar system was controlled by a principle which was operating from “outside” the bounds of any of the assumed principles of regularity employed by any then currently accepted astronomy, such as those from the rabid Aristotelean Claudius Ptolemy through Copernicus and Tycho Brahe. Kepler, delivering a devastating refutation of both Ptolemy and the method of Aristotle, developed the foundations of modern astronomy, prior to the foolish work of plagiarists of his findings on gravity, such as Galileo and Isaac Newton, but before the essential principles of an infinitesimal differential calculus had been developed by Leibniz and Bernoulli, and before the comprehension for

elliptical functions and general principles of physical curvature, by Gauss, Riemann, et al.

To combine the two examples, music and astronomy: Kepler anticipated the necessary discoveries by such among his successors, as the accomplished musicians know how to perform the late Beethoven quartets without knowing the formal-mathematical-like implications of the principles which they have in fact mastered in performance.

This combination illustrates the essential principle of my original discovery of the deep physical principle underlying any competent notion of a science of physical economy. It is a discovery which I made, during the late 1940s and very early 1950s, by recognizing something, as by a stroke of insight which struck like lightning. With the help of Percy Shelley and some others, I saw suddenly, as if in a single glance, the deep principles of irony, of Classical poetry, prose style, and punctuation, which are implicitly outlawed by the *New York Times* style book or the maudlin preciosities of the fashionably decadent varieties of sundry literary “reviews.” The most fundamental principles of economic science will be found, buried within the implications of that compared pair of cases, of the true geniuses Bach and Kepler. To understand economics competently, anyone must, first, go through an experience similar to that lightning-like stroke of truly creative recognition which I recognize in the referenced features of the work of Kepler and Bach.

In the case of our youth movement organization, and also other pedagogical programs, I have introduced the task of undergoing the experience of the pedagogical stroke of lightning represented by the challenge of Carl Gauss’s 1799 exposure of the fraud permeating the representation of the notion of the Fundamental Theorem of Algebra by the empiricist fanatics Euler, Lagrange, et al., an exposure of the fraud by Euler, which implicitly wiped away any favorable reputation of the pagan god which Euler worshiped, black magic specialist Sir Isaac Newton.

As Kepler’s uniquely original act of discovery of a *universal physical principle* of universal gravitation reflects this, all universal physical principles are actually discovered only as an object existing “outside” the framework of the relevant physical-mathematical scheme in which their appearance is initially expressed as a relevant stubborn anomaly of that system. This is the kind of anomaly expressed by the Pythagorean school’s recognition of the paradoxical implications of doubling a line upon itself, doubling a square by construction, Archytas’ constructive solution for the doubling of the cube, and the implications of the work of Theaetetus, Plato, et al., in defining the deep ontological implications of the uniqueness of the so-called “Five Platonic Solids.”

The crucial principle, which the fanatical “fundamentalist true believers” in empiricism, such as Euler and Lagrange, refused to accept, is shown with the relatively greatest combination of simplicity and adequacy, by Archytas’ solution for the doubling of the cube by construction. In this solution, two geometric actions, not directly visible to the sense of the cube





*"That Roosevelt," the earlier U.S. President Theodore Roosevelt (above), "steered the United States' policies, over the relevant interval 1901-1919, away from our patriotic tradition, into such imitations of the British imperial system and into such policies as the ramming through of the Federal Reserve Act."*

as such, define the solution, which can then be constructed, geometrically, accordingly. This case is an elementary demonstration of the principle whose physical existence Euler denied, a phenomenon which he mislabeled "imaginary numbers." Archytas' proof is, in fact, an excellent example of the actual, physical existence of what Gauss and Riemann, among others, defined as the complex domain of a mathematical physics free of the "ivory tower" baggage of an abstract, merely formal mathematics.

On the surface of that case, it would appear to the careless pedagogue, for example, that this matter between Gauss and Euler, et al., was an outgrowth of the study of cubic roots by Cardano. In fact, the way in which this treatment of the Cardan problem was addressed in the Eighteenth Century, was conditioned by the revolution in mathematical physics accomplished by Kepler. It was Kepler's specification of the need that "future mathematicians" develop a mathematics of the infinitesimal calculus and a mastery of the subtle implications of elliptical functions, which posed the challenge which had led Leibniz to his unique discovery of an infinitesimal differential calculus and the related notion of a catenary-cued, universal physical principle of least action and also to his related notions of natural logarithmic functions. Euler, who was both a Leibniz-hating empiricist and fanatical devotee of the cult of Isaac Newton, had joined with fellow-Voltairean d'Alembert and others, in the attempt to defame Leibniz's work in every way possible. In that fit of enthusiasm, Euler, then stationed as the enemy of the circles of Lessing and Moses Mendelssohn at Berlin, trumpeted his fraudulent use of the ripely misleading term "imaginary numbers."

The same kind of hoax underlies all of the generally ac-

cepted doctrines of economy against which I have contended over many decades. It is significant to the point being argued here, that, in principle, this began with my rejection of the idea of a Euclidean geometry on the day of my first classroom exposure to that stuff. The idea of an abstract geometry, separate from physically efficient action, was already morally abhorrent to me at that time. My commitment to the notion that a true geometry must be a physical geometry then, led me soon after that, to my attachment to Leibniz and rejection of Kant, and, more than a decade later, to my rejection of Norbert Wiener's "information theory" hoax, as that, in turn, led over the ensuing 1948-1953 interval to my original discoveries in a science of physical economy.

### **Passion: The Quality of Intention**

As Kepler treats the matter of universal gravitation, the key to physical science is the principle of *intention*, as he defines it in this connection. This is the crux of the entirety of the argument outlined in this report so far.

What Kepler proved, in fact, was the falseness of the notion that the idea of laws of the universe must be limited to passive faith in the observed regularity of action. In this Kepler was making the same argument which Philo of Alexandria, the friend of the Christian Apostle Peter, had made against the toleration of Aristotle by Judaism. Philo's argument is pedagogically beautiful.

Aristotle, Philo's argument goes, insists, in effect, that God is dead. Implicitly, Aristotle's method argues, pervasively, that once God had created the universe with a fixed set of laws, thus creating a perfect universe, God himself could not interfere with that Perfection! Thus, insofar as monotheistic religion accepts the argument by Aristotle, God's active existence is chiefly relegated to events outside the universe in which we live, excepting cases in which specific interventions were presumably prescribed in the fixed design of the universe, prior to the moment of its creation as Perfection.

Relative to Aristotle, Kepler is thus arguing the following summary points, in effect. First, that the universe is an ongoing process of creation, as under that hypothesizing of the higher hypothesis expressed by Plato's *Timaeus*. This means that the Creator is an active agent in *the continuing process of creating the universe*. In Judaism, this means, as was recently emphasized to me by a relevant sage, that the timing of the arrival of the Messiah is not written in some eternal contract with mankind, but is an event which would occur only when the Creator decided to make such an intrusion. For physical science, this means, as it did for Kepler, that the observed, anomalous motion governed by the principle of universal gravitation, is a representation of the continuing, active intervention of the Creator according to the Creator's intention. God does not, awaken, sleepily, on certain occasions, to "wind up the universe," as poor foolish Newton proposed; the Creator is actually always on the job, running it all of the time. That latter point made by Kepler, would have really frightened the poor black-magic specialist Newton, if he had ever

actually read that work of Kepler which he so wretchedly attempted to plagiarize. (The story is that some necromancer managed to reach Isaac Newton in the after-life. Being a modern character, the necromancer asked the shady Newton, "What are you doing now?" to which Newton is reported to have replied, "Cooking." Apparently, God was not pleased with brother Newton.)

For Kepler, in particular, all discovered laws of the universe are intentions. The practice of science by man is accomplished by expressing those discovered intentions of the Creator as man's practical intentions, man's *passions*. In other words, *the passion to make it happen*.

The pathetic Aristotelean, or empiricist, chooses, instead, to see science as providing a road map to a pre-fixed domain, with the same connotations for which Philo blamed Aristotle.

Put the same point another way. If one sees a scientific principle as a merely an explaining of nature, then the function of science is limited to predicting what are presumed to be inevitable consequences of a certain action taken under specific circumstances. The victim of such a delusion has adopted Aristotle's point of view. He does not see himself as an instrument of the Creator who intends to use him to carry out a specific task of changing the universe. He does not see the Promethean principle as the essence of any efficient morality. He senses no moral obligation to express impassioned intent by taking continuing action to bring about lawfully determined forms of changes in the ordering of events. He is psycho-sexually impotent, and therefore hides behind following the rules toward what he foresees as their predicted effects. He does not worship God; in his actual practice, he worships Aristotle, or something even worse.

The relationship of physical science to economy is to be defined for knowledge, and practice, according to the rejection of the implications of the dogmas of such as Aristotle, the empiricists, and the Aristotelean empiricist of Kant's exercises in psycho-sexual impotence, his infamous series of *Critiques*.

Now, let us show what that means, concretely, for the moments now immediately ahead for the Americas and Europe alike.

## Running, or Ruining a Business?

Now, against the indispensable background which has been summarized in this report up to this point, we come to the core of the immediate argument to be delivered: What is the mental state of the individual who is qualified to lead the management of a national economy, or, a business, or, an enterprise such as my own, under the circumstances defined by the onrushing, terminal collapse of the world's present, 1964-2004 system? What is the challenge which inevitable developments of the immediate future now present such that individual?

There are three principal topics to be introduced at this point, on the basis of the historical background supplied above.

First, we have entered a time in which money, as it has been considered by prevalent popular opinion during, most emphatically, the recent four decades, is about to vanish as dramatically as the German *Reichsmark* vanished at the close of 1923 hyperinflation. The fate of money, in pocket, in savings, in insurance funds, and so forth, is now in jeopardy. Who will come out of the onrushing monetary-financial holocaust financially alive, is very much in doubt. There is no financial security for any U.S. citizens, except as the Federal government, by new policies, under new laws akin to those associated with President Franklin Roosevelt, may overturn radically what had been lately considered, until now, as irreversible popular opinion. Otherwise, but for a new FDR on the scene, anyone who promises such financial security in personal affairs, or business, to anyone, now, is a babbling fool, or a liar. Survival today is a terribly serious national, not merely personal, nor local, political question.

In other words, when a monetary-financial system has entered a crash-phase, all local relations involving money are changed by the sudden instability of *all relations* within the bounds of that system. *Under that condition, there are no local solutions*; that is the period into which you, personally, your family, your community, your state, your nation, and the world as a whole, is now plunging. The only solution is to introduce a radical change into the system. A radical change is now inevitable for the immediate future. Your habits of the past quarter-century or more, are now out the window. There is about to be a very, very radical change in the world of both money and real economy. Either we make the change, or the enemy will make that change which produces a nightmare for you beyond your imagination. The change will now come suddenly, one way or the other. *The proverbial party of the past forty years is now over!*

As I shall explain here, the nearest relevant precedent for that aspect of the immediately imminent situation, is to be found in certain leading features of the way in which the predators of post-World War I Versailles orchestrated the fall of what they knew to be the already hopelessly bankrupt British gold standard. That British system was one whose life the relevant predators of Versailles intended to sustain, *up to a point* which proved to be the coincidence of four factors: a.) the 1931 establishment of the Basel, Switzerland-based Bank for International Settlements, b.) the 1931 founding of a new, largely Netherlands-based, financial cartel to carry over the financial claims of the Versailles creditors against Germany, c.) the 1931 removal of the British gold standard; and, d.) the 1933 installation of Adolf Hitler as dictator of Germany through an operation coordinated by the Bank for International Settlements' principal Germany representative, the London Bank of England-created Hjalmar Schacht.

The situation which the people and government of the U.S.A., in particular, actually face today, is a reality to which both the incumbent administration and both the leadership of the Democratic National Committee and the Kerry campaign are hysterically indifferent. If that quality of political leader-

ship of the U.S.A. which Kerry only reflects in a currently pathetic way, is not changed radically during the very near future, there will soon be no U.S.A. as we have known it earlier during our lifetimes.

A scheme for your unspeakably miserable future is already afoot. It is a scheme orchestrated by a syndicate of international financier interests, which represents, as reflected by the “Bilderberg group” now, the descendants of the same Synarchist International-associated, financier interests who came out on top in the shake-out, under the pre-President Franklin Roosevelt state of the U.S. economy, the same crowd who gave the world the fascist Mussolini, Hitler, Franco, and other fascist horrors of 1922-1945 continental Europe. This is the crowd behind the Versailles international financial/monetary system of 1918-1933. The essential difference between what happened during 1918-March 1933 and today, is that the “bang” of the presently onrushing, global monetary-financial breakdown-crisis, is several “Richter Scale” orders of magnitude greater than that of the 1918-1933 interval.

That parallel, and the solution for that type of crisis, can not be represented in a sane way by any known monetary and related theory currently taught in universities, or debated in barrooms, cocktail lounges, or backyard barbecues.

These types of collapse of once absolutely powerful entire monetary-financial systems, have occurred several times in well-studied aspects of the history of European civilization. In the course of the breakdown-crisis of any such system, there is a momentary or longer period of transition, from one, old, shattered monetary-financial system, into a new one which has shucked off most of the financial assets which had been associated with the failed system. That is about to happen now. In that interim which occurs between the collapse of a preceding monetary-financial system, and the emergence of the new, there is a transitional phase-shift in the system as a whole, during which economic values can be understood and managed solely from the standpoint of physical economy, rather than the preceding, failed monetary-financial system. That is where we stand, world-wide, today. I shall return to that subject, physical economy, at the appropriate place in this concluding chapter of my report. Such a break in continuity of money, and of valuation of monetary and financial assets, will now soon occur. That is absolutely assured. The questions are: In which direction will the break take us? What are the alternatives? What are the available routes of safe transition? And how long will they take, to get across the bridge from the presently failed world monetary-financial system, and what should, one may hope, replace it?

I continue with my listing of the three listed categorical points.

The second of the three topics is the role of physical economy, especially in a transitional period of crisis such as that about to explode world-wide today. How must we define growth, especially under the kinds of conditions to which I have just referred? What must be understood about the distinction between short-term, and long-term growth?

The third, crucial topic is that subject to which I have given transitional emphasis, from time to time, during the preceding pages of this report. What is the quality of state of mind of the truly successful entrepreneur, which distinguishes him, or her, from that “trampling herd” of professional underdogs, whose welfare depends upon his, or her role of leadership: a role of leadership as expressed by the make-or-break decisions which must be made only by a competent management of a closely held agricultural or industrial enterprise, a large infrastructural investment, or the kind of leadership we lack presently in the White House and the approved circles of the Democratic National Committee. We need the kind of leadership we have not seen in decades, which I hope this report will help, directly, or, more likely, indirectly, to provoke from within a state or national government gripped in crisis. What distinguishes the character, and the performance of such a leader of the society’s business, from that underdog mentality which our putatively leading presidential and vice-presidential candidates represent at the moment that I write this report?

Now, to address those three topics in that order.

## **What Happened at Versailles?**

Here are some tough facts, which you were not taught in public schools or university, but on which your family’s future life may depend today.

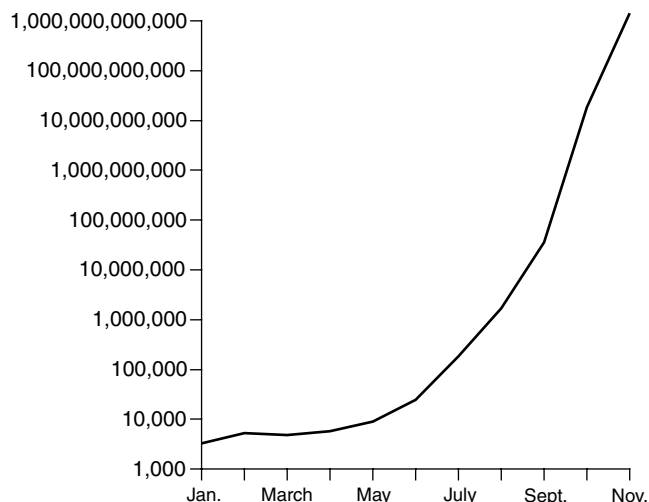
What became known as World War I was chiefly the work of a then-recently deceased Emperor of the British Empire, Prince of Wales and then King Edward VII, he with his “liberal imperialist” Fabian Society and its appendages. The purpose of that war was to virtually destroy, as in the “Seven Years War,” earlier, those continental powers of Eurasia which might be tempted to continue their established tendency to orient to that American System of political-economy which had emerged as a world power through the victory of President Abraham Lincoln over the British puppet, the Confederate States of America. One of the most notable of the names given to these newly flavored strategies introduced by Edward VII’s entourage, was “geopolitics.”

Through the successful assassination of U.S. President William McKinley, Theodore Roosevelt, the British asset who had been reared in the tradition of the Confederacy by his treasonous uncle, James D. Bulloch, became President. That Roosevelt, together with Ku Klux Klan enthusiast Woodrow Wilson, steered the U.S.’s policies, over the relevant interval 1901-1919, away from our patriotic tradition, into such imitations of the British imperial system and into such policies as the ramming through of the Federal Reserve Act which had been introduced to the U.S.A. through an agent of Edward VII’s interest, Jacob Schiff.

The long-range policy of the relevant currents around the British monarchy at that time, was to draw a United States corrupted at the top, into the role of a virtual member of a renamed British Empire, which became known later as the British Commonwealth.

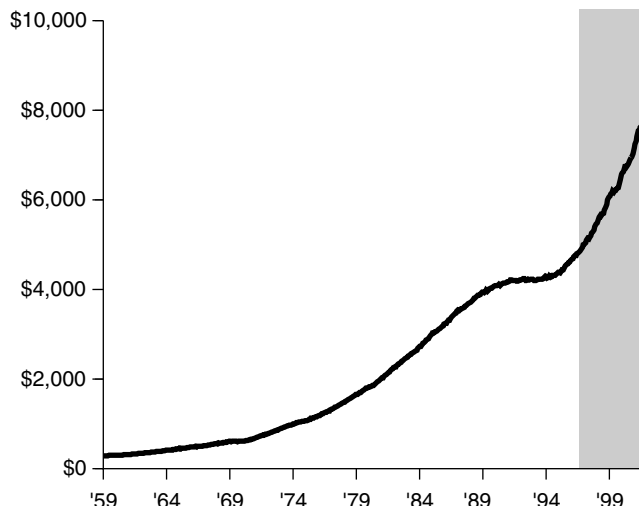
## Weimar Hyperinflation in 1923: Wholesale Prices (1913 = 1)

(logarithmic scale)



## Monetary Aggregates: U.S. Money Supply (M3), 1959-2001

(\$ Billions)



Source: Federal Reserve

*Hyperinflation in Weimar Germany (left); hyperinflation in the United States money supply today (right). “This is what we are facing today: something much bigger than 1918-1933, but representing the same general principles.”*

The British launching of World War I depended upon assurance that the United States would not only have been weaned from its earlier affinities for German culture, but would have been brainwashed into the sort of sloppy sentimentality toward all lovely things British, which we associate with the U.S. tradition of the treasonous Hartford Convention. Without the assent of, and logistical support by the U.S.A., and without the actual, “last-minute” entry of U.S. military forces into the war, the Kaiser’s Germany would have emerged as the final victor in that horrible, prolonged war.

The original British strategic plans for World War II were different. During the period of King Edward VIII, Britain’s original, geopolitical intention was to keep the U.S.A. out of the planned war among continental European powers. Britain’s initial strategy was to keep the United States out of the war, lest the U.S.A. emerge as a contender of British intentions for post-war, “geopolitical” domination over Eurasia. Initially, the Anglo-French strategy was to have the Wehrmacht strike first against the Soviet forces, and, then, when mired in Russia’s strategic depths, the western allies would fall upon Hitler’s rear.

This changed with the Hitler-Stalin pact, which resulted in the Wehrmacht’s strike westward first, against the Synarchism-rotted territory and military forces of the establishment of France. It was developments in that direction which prompted the ouster of King Edward VIII on the pretext of the Mrs. Simpson affair. The crucial turning-point which de-

termined the ultimate outcome of the war, was Britain’s War Minister Winston Churchill’s use of the crisis-situation on the beaches at Dunkirk, to squelch the pro-Hitler affinities among leading British circles around the deposed Edward VIII, and force through the U.S.A.-British alliance against Hitler—an alliance whose intent, in Churchill’s eyes, was principally to secure the continued existence of the British empire. Not only had the British oligarchy had few objections to most of the policies of Hitler, many of which they applauded, or treated uncomfortably as unavoidable under the circumstances; it was the British establishment, as represented by the Bank of England’s Montagu Norman, who—with support from circles of the New York City financier establishment, such as Norman’s partners at Brown Brothers, Harriman—had refunded the Nazi Party for the purpose of bringing Hitler to power. In London, the change from this backing of Hitler was motivated by the prospect of turning the British Empire over to a continental upstart like Hitler. This, not Hitler’s crimes on the continent and elsewhere, apparently stirred the patriotic whimsies of the British Establishment, but, actually, the motive was Britain’s imperial commitment since 1763.

The point which must be emphasized, to avoid any misunderstanding of the deep roots of the present situation today, is that there has been what I describe in the following lines here as the continuing, centuries-long, long-range strategic outlook of the Anglo-Dutch Liberal imperialist faction, which

first secured its imperialist status, then on behalf of the British East India Company, with the 1763 Treaty of Paris.

Since that time, during the remaining years, 1763-1805, under the leadership of Lord Shelburne and his crew, the intent of the new British empire of that time was, as Shelburne's Edward Gibbon had emphasized, to establish London as the capital of a new Roman empire which would never fall. For Shelburne, et al., the success of the just-concluded (1763) "Seven Years War" which London had successfully orchestrated upon the continent of Europe, was the model for ensuring that no continental power, nor upstarts among the colonies in the Americas, would ever succeed in becoming the base for a plausible threat to the continuation of that empire.

From the close of the Nineteenth Century, until the present time, that continuing policy has adapted itself to the notion of a continuing "geopolitical" grand strategy of the financier oligarchy associated with what had once been Montagu Norman's Bank of England.

This imperial policy has been continued in sundry forms, each chosen as an adaptation of a continuing long-term policy to the changing conditions of the relatively medium term. Both so-called "world wars" of the Twentieth Century, are examples of that consequences of that continuing policy as carried into practice.

Now, bring our attention back to the way in which the history of 1918-1933 was shaped by that long-standing British imperial policy.

The principal victory achieved by Britain at post-World War I Versailles, was its use of the wobble-headed racist, President Woodrow Wilson, to bring about the adoption of a factually absurd doctrine, that Germany had sole guilty responsibility for the preceding war. This fraudulent resolution was nonetheless adopted at Versailles in the name of Wilson, but, actually effected through Wilson's Secretary of State, Robert Lansing, who, despite his legitimate contempt for the maudlin babblings of his President, was the author of the hard-boiled, pro-banker resolution on Germany's exclusive war-guilt. That was the setting of the stage for the events of 1929-1933, and the model adopted by some, still today, as the approach to dealing with the presently onrushing collapse of the present world monetary-financial system.

To appreciate the relevant great ironies of Versailles, we must take into account the grand deception wreaked by John Maynard Keynes, in his hypocritical denunciation of the Versailles agreements, in his *The Economic Consequences of the Peace*. Remember, that Keynes' first publication of his *General Theory*, was that book's appearance, in German, in Berlin, in the preface of which Keynes praised the German Nazi system of that time, as the place most likely to adopt Keynes' proposed system. Keynes was very much on the inside of the business around the Bank of England's Montagu Norman, the chief patron of Hjalmar Schacht, and a central figure in bringing Adolf Hitler into power in Germany. Nonetheless, what Keynes said about the financial-economic-mon-

etary arrangements coming out of the Versailles process, was factually true, if much, much less than candid (our typical shrewd, but evil, international financier figures, like Alan "Bubbles" Greenspan presenting his forecast as testimony to the Congress, tend to that sort of intentionally deceptive, Delphic variety of gallows humor, which mimics Pythia's infamous advice to Croesus).

To understand the events from 1918 through 1933 in a way which is directly relevant to understanding the wild-eyed foolishness shown so far by presumptive Democratic Presidential nominee John Kerry, we must define two, coordinated tracks of developments over the 1918-1933 interval. The one was, as Keynes warned, the inevitable doom of the Versailles monetary system. The other was the correlated intentions of a consort of international financier oligarchs, known then as the Synarchist International, including Venice's Volpi di Misurata and Montagu Norman, which put into place all of the fascist regimes installed in continental Europe over the interval 1922-1945. The functional relationship, and interdependency among those two lines of operations then, is crucial for understanding the situation which confronts the people of the U.S.A. and Europe immediately, today. The same guys who brought us Hitler and World War II, are still, in the person of their biological and other heirs, in the same kind of business, once again, today.

The process of 1918-1933 was just that, a process of strategically orchestrated, successive maneuvers, all with a certain end-result, including something like Hitler, in view. It is important to trace out the critical phase-shifts through which events were marched to the ominous result in Berlin, of Jan. 30, 1933.

On the one side, the Versailles system temporarily propped up the British gold standard through the use of the war-reparations debt assigned to Germany, to prop up the bankrupt nations of France and Britain. This subsidy of France and Britain, in turn, secured the debts of those nations to Manhattan bankers associated with names such as Morgan, Mellon, du Pont, Harriman, et al., the group allied to that Democratic Party adversary of Franklin Roosevelt, National Chairman Raskob, who is mimicked by those who have savagely opposed my candidacy today! This, then, was the group which was later to back Britain's Montagu Norman in putting Hitler into power in January 1933, partly done through Norman's business partner, Brown Brothers, Harriman. They all knew, already then, that Germany, physically, could not possibly sustain this reparations demand.

So, we had the 1923 hyperinflation in Germany, which was used to break the economic back of the German economic opposition to what was to emerge as Nazi power, by enabling a waiting cartel of financial vultures, sitting in nearby Netherlands and elsewhere, waiting to take the opportunity created by the Dawes Plan, to sweep in to buy up control of financial-industrial interests which became tools of the sundry operations deployed by relevant alien powers in Germany from

## Pennsylvania Counties At or Above the Hill-Burton Standard for Hospital Beds, 1970 vs. 2001



*A real economic measure: the shrinking of hospital bed availability shown here in Pennsylvania over 30 years. The Hill-Burton Act of 1946 set standards for hospital beds of various types per thousand people. In most U.S. counties, hospital coverage has fallen below even the minimum end of the Hill-Burton range.*

that point on. This operation was also the occasion for the launching of the first stage of Hitler's march to become dictator. The U.S.-backed Dawes Plan did that. The later Young Plan, which ostensibly failed of its stated purpose, actually succeeded in what certain Synarchist International financier circles intended, including putting Hitler into power in Germany.

As I have noted earlier here, the constitution of the Bank for International Settlements as an outgrowth of Young Plan negotiations, and the coordinated abandonment of the British gold standard by London, set the stage for the consolidation of a vast financier cartel, which—not the Nazis as such—was the cabal of the not-quite-hidden proprietors of a vast sum of financial claims which became the core of the phoenix-like birth of the power of the Synarchist International in post-war Europe from 1945 on. James Stewart Martin's 1950 *All Honorable Men*, and my discussions with relevant on-the-spot officials whose first-hand knowledge dated, inclusively, from the day after President Franklin Roosevelt died, merely reflect, in part, still today, the way in which much of the relevant political and financial power of the present moment was rescued from the scrutiny of the relevant Nazi-hunters, to be a leading financier oligarchical power on our crisis-racked planet today.

The financier oligarchy of Europe, together with much of that spilling over into the U.S.A. today, as now, is predominantly an Anglo-Dutch Liberal extension of the old Venetian financier-oligarchy. It controls Europe's governments, often from above, through the charmingly misleading title of "independent central banking systems," which might better be called the roosts of the carrion crows. Through the ability of these syndicates, most of the time, to control the policy-shaping of governments under conditions of financial-monetary crisis, a concert of such institutions is able to deal with a

crisis like that of 1918-31, or a far worse world crisis today, by measures which amount to wiping vast masses of financial and related assets from the books, and creating new financial and monetary assets which are now concentrated, not miraculously, in the hands of those financier oligarchical interests which are insiders of the cartel.

This can work two ways, as President Franklin Roosevelt only scratched the surface of this potential. If the power lies, in fact, with the sovereign governments; rather than the governments playing the role of being lackeys of the financier cartel—as most of the governments of Europe and the U.S.A. itself are doing presently—the modern nation-state republics can act promptly to put the bankrupt financial-monetary system into reorganization in bankruptcy. That urgently needed, emergency form of remedial action is done, as President Franklin Roosevelt employed the highest constitutional principle of promotion of the general welfare, to ensure the sovereignty of its people and their institutions, and the welfare of posterity. Simply by putting the so-called "independent" central banking systems into government receivership for reorganization in bankruptcy, and creating state credit fungible against the creation of solid long-term assets, a group of nations can bring the crisis under control, and launch a rather immediate pattern of general, long-term growth.

In any case, either way, there is a sharp break, a discontinuity in the institutions of the monetary-financial process. If the needed break is properly executed, this discontinuity becomes the transition from a failed to a feasible system of economy. Under good leadership, money comes back into existence, more or less promptly; the essential functions of daily life are continued without significant interruptions, and, as under President Franklin Roosevelt, a new generation can look toward its future with a sigh of relief, and with refreshed optimism about life in general.

This is what we are facing today: something much bigger than 1918-1933, but representing the same general principles.

The most unfortunate, literally tragic factor in our nation's situation today, is represented by those powerful financier-political forces who have feared me the most over the period since my 1971 New York debate with Keynesian Professor Abba Lerner; they feared me, as a potential danger to the interests of that Synarchist International, whose tools, such as Professor Sidney Hook, insisted that I might be a potential threat, but would not be allowed to be an actual threat to his masters' special interests. For that reason, I have been defamed by massive campaigns of lies, several times faced assassination by instruments of our government, and have been fraudulently imprisoned by the worst, long-sustained fraudulent campaign by our Department of Justice in its known history.

The Democratic National Committee's Terry McAuliffe's observed pattern of behavior indicates that he is, for reasons not yet clear to me, rather stupid—a dull-witted, if obedient flunky, a lackey of a voice not his own; where his notable Leporello, Robert Shrum, is essentially a thug, an utterly unprincipled political hit-man. However, what those two are doing is known, and is supported, because the Synarchist variety of financier interests, including those behind the rigging of Arnold Schwarzenegger's ascent to the Governorship of California, still consider me today, as very much what Sidney Hook and his masters feared at the close of 1971. I know the game, and, as the New York Council on Foreign Relations' William Bundy once said to a reporter interviewing him on the subject of my role in pushing what became the SDI, that terrifies them.

I am prepared to act in defense of civilization against this danger, insofar as the institutions and the citizens of the U.S.A. discover the good sense to support my efforts. Of my apparent rivals for such chores, it must be said that the sawdust has apparently nearly run out of the dummies.

The situation of the U.S.A. today is terrible, ominous, but not yet hopeless. Events of the recent two years, have demonstrated that among those associated with the in-depth circles of our Presidential system, and like circles of patriots within the Congress, the United States has a repository of the best leadership, for the world's presently urgent mission, which is available in the world today. These are the people who, as if shoulder to shoulder, over the course of the recent two years, have put the neo-conservative controllers of the current puppet-like President on the ropes. These typify the patriots on which a Presidential candidate like me would chiefly rely to conduct a government under conditions such as those of the present crisis. The problem is, that the bearers of the certain kind of personal political cowardice which presently, habitually pervades the lower eighty percentiles of the family-income households of our nations, have yet to find the courage to stand up on their hind legs and rally to candidates, such as myself, who are actually qualified, by knowledge,

skills, and dedication, to do the job which a President must do under the present special conditions of world crisis.

## **A Transition to Physical Economy**

What my associates and I are doing now, is the following.

Developments, both inside the U.S.A. and around the world, have reached the point that financial forecasting no longer has any practical significance for serious economists: only a fool would attempt to refuel the tanks of a sunken oil tanker, or a demolished automobile. The present world financial-monetary system—the so-called “IMF System”—is finished. The exact date of the official certification of “the crash” remains undecided; but, we have now entered the period of “trans-sonic”-like turbulence, which signals the end of the system in its present form. The early disintegration of the present world system, is now a foregone conclusion for anyone who knows the situation; it is doomed beyond doubt, either one way or another. No intelligent, well-informed person cares any longer about what Federal Reserve Chairman Alan “Bubbles” Greenspan does, or does not say, or does or does not do. The result now in the terminal phase of its progress, is already a foregone conclusion. The Titanic is sinking, and intelligent people are not going to hang around betting on the exact time it will go under. The smart advice is: “Take your money out of those markets, and run! Or, spend it for something that will do some good in bringing a new financial-monetary and economic system into existence as soon as possible.” Since our nation, and those of Europe, are already bankrupt, since the system is bankrupt, every one of you is already bankrupt, directly, or implicitly, in one, more or less obvious way, or another; but, some, those more likely to survive the storm than most, are those who are not also insane.

That party is over, except for the assorted drunks trying to struggle to their feet amid the morning dew of the lawns and sidewalks outside.

The practical question is, therefore, the following. Since it is impossible to fix the existing monetary-financial system in its present terminal condition, at least, not by any means which leave that presently bankrupt system operating under current rules and conventions in force, on what do we focus our attention? The answer is: the physical economy, those values which remain values in a viable, operating economy, whatever the situation with money might become.

This means we put our efforts behind employment in productive work, which produces either needed forms and quantities of useful physical goods, or services on which life, care of persons, and operation of the society as a society continue to depend.

We must concentrate a lot on long-term, low-cost, implicitly fungible forms of issuance of created Federal credit, to fund rebuilding and expanding the nation's basic economic infrastructure. This means creating and maintaining the capacity for generation and distribution of reliable sources of power at stable and reasonable costs. This means building up

our water-management network for its multipurpose functions in certain low-cost-per-ton forms of bulk transport, in agriculture, in human and animal needs, and in maintaining a stable water-balance in our environment over more and more of the territory of the U.S.A., including vast underdeveloped regions. This means a strong emphasis on mass transportation, as distinct from highway transport, for improved efficiency, and for the vast economic advantages of mass transport over highway transport. This means rehabilitating our cities, including a reversal of the excessive shift, the highly costly and outrageously wasteful, per capita, shift into "suburbanization," making the cities once again what they are potentially, as the most efficient engines for family life—when they are clean and safe. It means rebuilding the health-care capacity we have lost to the predatory financial sharks of the HMO law's system. It means, the development of basic economic infrastructure as the indispensable precondition for successful agricultural and industrial production.

It also means bringing regions of the world such as the U.S.A., Canada, Europe, and so on, up in the level of technological development and scientific progress per capita, so as to return high-grade productive employment functions to the populations of those formerly-industrialized nations of the world.

These are not monetary-financial requirements; they are physical requirements. The use of money is properly merely a means of social exchange needed to facilitate the trade and production of these physically necessary things.

So, let us take the map of the U.S.A., starting with the 1926 aftermath of World War I: approximately the present span of my lifetime. For a first pass, take that map at five-year intervals, or better, two-year intervals. Use readily available computer technology, using available, relevant data, to construct a lapsed-time map of processes of change in the location and employment of the population over the interval from 1926 (when U.S. railway-building peaked) to the present day. This takes us from mid-point in the generation which went to war in World War I, which was hit hard by the Coolidge-Hoover Depression, through the life's experience of the World War II generation, the following Baby-Boomer generation, and the emerging new young adult generation of today.

Examine that approximately eighty-year span in a selection of layers.

The first layer is population. Where is it located, noting the difference between urban and rural concentrations, and distinguishing the principal activities associated with production of physical goods, as agriculture and manufacturing, in these areas. Note the life-expectancy, and age-group composition of the population, and distinguish unemployed from employed.

Next, take capital formation in basic economic infrastructure.

Next take agriculture and manufacturing.

Correlate these with fluctuations in physical standard of

living.

Correlate these with levels and categories of educational qualifications, and health-care functions.

Among the included results of the construction of such lapsed-time images, the rise and fall of the U.S. economy become dramatically clear, especially the accelerating collapse since the 1970s.

Those and related types of lapsed-time images afford a dramatic image of what has gone wrong with the U.S. economy (and U.S. policy-shaping) over the 1964-68 interval, and how that attrition has been accelerated since 1971-72. It also sends a plain message, warning us what, in general, needs to be done to fix the mess. That is the basis for making policy, both for government operations, and for the promotion of credit and other assistance for private investment.

Now, note, that money and price were never used in constructing those lapse-time images. Yet, relative economic values were nonetheless shown clearly, without the usual fakery to which we have become accustomed from official government and Federal Reserve reports, especially since 1983. We can, therefore, set U.S. policy for building up the economy in a similar way. Then, if we have established a fixed-exchange-rate, protectionist monetary-tax policy, and build in measures of fair-trade regulation, we can translate physical objectives and their requirements into monetary-financial forms.

One of the great problems in attempting to educate the U.S. population to recognize reality today, is that so much has been done to brainwash the population to thinking in monetarist, rather than physical-economic terms. They think of the physical economy, on which their life depends, as something which must be delivered as a result of a monetary policy; in reality, things are the other way around. Now, since the money-system is in the process of blowing out, we are forced to look at national needs in terms of our physical requirements, and the geographic distribution of those physical requirements, rather than the hocus-pocus of what is intrinsically fraudulent financial reporting. We must bring the U.S. population, in its own self-defense and interests of its mental health, to look at the history, present situation, and future of our economy in physical terms.

That is what my associates and I are pledged to do now. That brings our report to its concluding feature, the matter of intention. The issues of profit and entrepreneurship are to be found addressed there, in the immediately following, concluding portion of this report.

## **What Accountants Do Not Understand**

For reasons which I have been in the process of developing from the outset of this report, *two closely related topics, science and the intentional function of entrepreneurship*, have been reserved for this concluding portion of the report as a whole. The other matters addressed above are, so to speak, the jig-saw-puzzle pieces; once these have been put on display, the intentional functions of science and entrepreneur-



ship must do the rest.

The following is not necessarily true of the particular accountant as a person in personal private life, but it is true of the practice of his trade: "There is nothing personal here; I am just doing my job." There speaks the motive for the crime of negligence for which the accountant is often used as a willing or unwitting accomplice by corrupt managements, and in other, related ways. The rules of accounting are, in and of themselves, morally corrupt, and also corrupting of those who rely too much on them!

The essence of the practice of the accountant, with his acceptance of the bookkeeping mentality which custom has dictated to the members of his profession, is that his method of practice is, in itself, ignorant of the essential difference between a man and a beast; he is just "Good Soldier Schweik," sweeping, and sweeping, and sweeping the barracks floor. The same is to be said, with much greater emphasis, of the usual fully culpable economist of today. The accountant may actually write the report, which serves as the basis for the order which puts the people into the furnaces; it is the contemporary economists in the tradition of the British Haileybury School of the British Foreign Office's Jeremy Bentham, Adam Smith, Thomas Malthus, et al., especially those of today in the tradition of John von Neumann and his morally demented kind, who design and prescribe the policies for the use of those furnaces of so-called "fiscal austerity" today, where senior citizens, and others are being effectively mass-murdered, at accelerating rates, by the Nazi-like adherents of HMO and kindred, morally degenerate policies of practice today.

Management of a firm, or a national economy, or an international monetary-financial system, must be the profession of a human being who, as the Classical poet Goethe, in one of his better periods, makes the point so elegantly in the "Prometheus" soliloquy from his *Grosskopta*, despises the Olympian Zeus and his fellow gods "As I do."

The typical, standard practice of the accountant or business executive who deserves the wrath which Goethe expressed in composing that soliloquy, would protest: "But I am only doing my job," like the dog depositing a certain something on the sidewalk, or a Dick Cheney expostulating *ex cathedra* on the floor of the Senate. For human beings, we, and also our dogs, set a higher standard of required performance, as the dog looks accusing at its owner: "You didn't feed me yet!" Tell the all too typically kennel-worthy varieties of accountants, politicians, and business executives: We must insist: "For men and women we must set a higher standard of human performance than for dogs."

The accountant, and the referenced sort of economist, treats men and women as merely human cattle. It is the specific acts, which might be interpreted by the accountant as like a specific act of a beast-like creature, on which accounting, the practice of the prevalent, decadent sort of today's economists, or the present-day social theories of business management,

are focussed, to the exclusion of that quality of activity which defines the person as essentially human. The role of personal creativity, in the sense of fundamental discoveries of universal physical principle, is treated as a kind of accident, which may or may not be tolerable within the framework of a well-managed business enterprise. More cruel, in the longer term, is the scientist who plays a part like that of "The Professor" from *The Blue Angel*, when he defends the reputation of that disgusting, morally stupefied black-magic fan, Isaac Newton who wrote: "*Hypotheses non fingo*," the Newton whose only known motion presented in his function as a member of the English Parliament, was the scientific achievement of proposing: *Please open the window* (or, was what he actually said might have been the more consistently Newtonian proposition: *Please cause the window to be opened*).

*The principle of hypothesis*, as defined by Plato's dialogues, marks the behavioral difference in species between man and mere beast. It is also the secret of competent business management, as it is of the work of physical science, and Classical artistry. That is the principle which is typified by the process of discovery displayed in relatively intimate detail, in Kepler's *The New Astronomy*. That quality of experimentally verified hypothesis, is the quality of *intention* which distinguishes a human form of scientific method from the practice of such pathetic routines as the Newtonism and the like of the empiricists, the practice of financial accounting, and defective forms of business management. Without the intention to create a new good which has not existed in the reports of the accountants, there is no competence in business management, science, or leadership by governments. The executive whose statement on policy depends upon literal attention to the report of the accountants, is a walking potential menace to the existence of his firm, or the government by which he is employed.

Kepler's God moves the planets by an efficient *intention* which we perceive as a universal physical law. Man increases the human species' power to exist, and to forestall the attrition inherent in "zero technological growth," by that intention which is expressed as the application of the continuing power of the personal human will to activate a discovered universal physical principle by *intention*. This notion of intention is identical with that Pythagorean notion of *powers* (Greek: *dynamis*), which the neo-Sophist Aristotle sought to replace by the term "energy." *Power*, or *intention* as employed by Kepler, is a continuing willful act upon the universe; "energy" is merely an effect, a measure of the depth of a footprint left in the path by the passing of some creature.

The notion of science associated with the Aristotle of Philo's polemical attack, is *abracadabra*: Invoke the name and its ritual, and magical powers will respond as by sympathetic magic, or the rites of black magic which festooned the interior of Newton's chest full of scientific papers which was opened to the public by Maynard Keynes. Newton was a thing which could not be admired by the once-great Georg Cantor,

until after poor Cantor had been driven insane by manipulations associated with the cronies of Bertrand Russell.

So, the incompetent business executive points with alarm to the statistics prepared by his accountant, or some passing economist, and shouts: "This refutes all objections! This is the lesson we must follow!" Unfortunately, the pattern of statistical information to which this bellowing stentor of a bookkeeping mentality points, is a pattern which points toward the self-inflicted, oncoming doom of that enterprise. The lesson which should have been learned, was that the governing intention of practice of that management had drifted into the direction of a compulsive commitment to self-inflicted doom. What the data actually showed was the fallacy of the data, that it did not measure what needed to be shown. The error lay in the negligence of the principles which the bellowing bookkeeper mentality was obsessively devoted to overlooking. So, the battle of Leuthen was lost by the superior numbers of the Austrians, because Frederick the Great, being no bookkeeper mentality, recognized what Charles of Lorraine did not, and acted upon that discovery with the appropriate form of intention-driven continuing action.

The fool is the one who, having adopted the idea of following a certain system, acts like a damned Aristotelean, or worse, trying to beat anyone to death who refuses to adhere strictly to that "boss's" adopted system. This is the most common cause of disastrous types of mismanagement which I have seen in business and related matters generally, and in all instances of the unnecessary management incompetence among key executives in my own international association.

Look at scientific progress in economy as an example of another way of stating what I have just said.

The scientist discovers a principle, an experimentally valid principle which functions in his, or her mind as Kepler defines his adoption of the willful impulse recognized in the Creator's ongoing intention expressed as universal gravitation. That imitation of the discovered aspect of the working of the Creator's mind, the Creator's intention, is now adopted by the discovery, such as a Kepler, Leibniz, or Riemann, as the discoverer's intention framed in the image of the manifest quality of the Creator's expressed intention.

It is not a matter of a single such intention. Competent economic management is expressed by a mind—echoing Kepler's, for example, or Plato's, for example—which, rather than focussing upon a single hypothesis, is focussed on that higher hypothesis expressed by a continuing generation of such hypotheses, and their ongoing application to the practice of the discoverer's enterprise. In the practice of successful business, or national economy, for example, the relevant intention, so defined, may be found in the management's wisdom in employing a professionally dedicated scientific discoverer, and building the business's operations around the process of the passion for a continuing, endless process of applied scientific progress which is the driving force of that enterprise, or nation, or human society in general. It is in



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this creative intention that the true secrets of all economic progress, and durable generation of true profit of firms and national economies, are located.

It is a nation driven by such a science-driver principle of economy, which is the only truly profitable national-economy. It is the enterprise which participates in such a mission-orientation as the basis for its policy, which is the only enterprise qualified to survive in the long run.

The typical failure of a formerly successful enterprise, nation or firm, is the result of the passing, or other retirement of the leading figure who had created the enterprise, and the replacement of that figure by either absentee ownership, or a boss who is the victim of his own "bookkeeping mentality." Or, the same thing, the absentee ownership of a stockholders' corporation. Thus, it has been the closely held enterprises (e.g., the Germany *Mittelstand*) directed by impassioned creative minds, relying upon the progress fostered by creative minds with which they are associated, which is the well-spring of success in modern national economy.

Consequently, the worst performance among my associates is from those who not only lack my creative powers and disposition, but who out of envy, think that they have mastered all of the tricks of bookkeeping, and the like, by which to run the enterprise in a way different than I had built it up. This, by the way, is among the important reasons that only a foolish United States would not choose me as its President for this time of crisis.

*For most of his adult life to date, David P. Goldman has sought fame. Now, he has succeeded; he bears the name of a disgusting disease.*