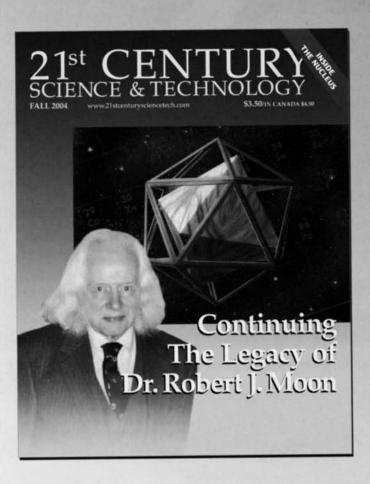


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Toward a New Westphalia Treaty: The Coming Eurasian World



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From the Associate Editor

Imagine yourself for a moment to be a head of state of a Eurasian nation, viewing the world at this brief interval before the inauguration of the next American President. You have heard Lyndon LaRouche's repeated calls for a new Treaty of Westphalia, based on a community of perfectly sovereign nation-states, each striving, according to its own cultural standards and aspirations, to enhance the general welfare. Looking at the Bush Administration's march toward fascism in economic policy and imperialism in foreign affairs; looking at the fact that European governments are going in pretty much the same direction; watching the collapse of the dollar, which is wiping out all your foreign currency reserves, upon which you had counted to modernize your country and raise living standards—what would you conclude?

Our report on Russian President Putin's Asian diplomacy shows the ongoing attempts at creation of a "survivors' bloc" of Eurasian nations. But these are essentially rearguard actions, doomed to fail, if certain axiomatic belief-structures are not changed—in the United States, Europe, and Asia.

The profound epistemological issues involved in such a transformation are the subject of LaRouche's *Feature* study, "Toward a Second Treaty of Westphalia: The Coming Eurasian World." He argues that despite the degradation of U.S. and European societies over the past 35 years (especially), there remains a crucial conception of man, embedded in extended European civilization, which provides the key to a solution. Asian cultures, on the other hand, "tend to brush aside those special issues which are most crucial for achieving a functionally effective understanding." It is by bridging this cultural gap in an effective way, that we can bring about the necessary global renaissance.

That poses to the American people the challenge of getting our own house in order. LaRouche's two flanking moves in this preinauguration period are spelled out in this issue: the fight to stop Bush's privatization of Social Security dead in its tracks; and to bring to justice those responsible for *voter suppression*—in violation of the 1965 Voting Rights Act—during the Nov. 2 election.

LaRouche will discuss these and other issues in a webcast address from Washington on Jan. 5, from 1:00-5:00 p.m Eastern Time.

Susan Welsh

EIRContents

Cover This Week

Indian Vice President Shri Bhairon Singh Shekhawat meets with Russian President Vladimir Putin, in New Delhi on Dec. 4, 2004.



4 Toward a Second Treaty of Westphalia: The Coming Eurasian World

By Lyndon H. LaRouche, Jr. "With the present systemic breakdown of that imperial, Anglo-Dutch Liberal system of finance which has dominated the planet increasingly since the February 10, 1763 Treaty of Paris, only an appropriate new system, replacing that Liberal system, could prevent the rapid descent of the planet as a whole into a new dark age. Therefore, we must now quickly craft and adopt a new system of relations among all of the leading sovereign nation-states of this planet, a treaty coherent with the principles of the 1648 peace Treaty of Westphalia. This requires a fresh view of the relations between peoples of respectively European and Asian cultures. Responsible people must now push forward, urgently, with the discussions needed to define the outlines of the needed direction of agreements needed."

Economics

46 Privatize and Povertize: Bush's Lies on Social Security Could Cost Americans Trillions

President Bush has already proven himself a liar, in his repeated campaign promises that he would "not touch the benefits of America's retirees." The Wall Street drive to grab Social Security is in high gear, and was endorsed by the President at a Dec. 6 meeting with Congressmen.

49 Bush's Chile Model: Take Their Pensions and Run!

The privatized pension system introduced in Chile in 1981 is a complete failure. More than half of those belonging to the system today will not qualify for even the minimum pension of \$110 per month, which the state guarantees. That's 3.3 million people out of a labor force of 6 million. This is the "golden" future that Bush is offering Americans.

51 Privatizing Social Security Is 'Enron II'

The Enron swindle involved several tens of billions of dollars, but "Enron II" is far, far bigger, since U.S. Social Security is the world's biggest cash flow.

55 European Labor Rejects 'Frankenstein' Directive

The European Commission's "Bolkestein Directive" spells radical deregulation and privatization, which labor has denounced as imposing "the law of the jungle."

International

56 Eurasian Nations Counter U.S. 'Unipolar' Insanity

Russian President Putin, who visited India on Dec. 3-5, is reacting to the strategic and financial-monetary lunacy from Washington, by reaching out to other Eurasian powers. His Indian and Chinese counterparts are moving with him, as the core of a "survivors' bloc," around which other nations can rally.

60 First National Conference of Yemen's Youth Union: Youth Are Key to Future

LaRouche representatives attended a conference in Sana'a, Yemen, which was hosted by President Ali Abdullah Saleh.

64 From Arabia Felix To Modern Yemen

Yemen's rich sense of national identity stretches back over 3,000 years, at least.

National

66 Conyers Takes the Point Against Voter Suppression

Rep. John Conyers (D-Mich.), addressing a packed meeting on Capitol Hill, vowed that Democratic members of the House Judiciary Committee will go to Ohio to hold hearings on voter disenfranchisement and irregularities in the Nov. 2 election. The LaRouche Youth Movement intervened during the question period, to underline the core issue of civil rights violation underlying the voter suppression that occurred in many states on Election Day.

68 AIPAC Raid Spotlights Escalating Spy Wars

There's more to the FBI raid on the American Israel Public Affairs Committee than meets the eye, as the investigation dates back to the early months of the Bush Administration in 2001, and involves a large cast of characters and a range of suspected illegal activities.

70 Torture-Report Leaks Point to Rumsfeld, Cambone, and Boykin

New disclosures totally undercut Defense Secretary Rumsfeld's contention that the torture abuses were the work of a handful of "bad apples" among low-level troops. The "bad apples" are actually to be found at the highest branches of the Pentagon.

Editorial

72 The Hamiltonian Solution

Corrections: In last week's issue, the Table of Contents was misdated. It should have read Volume 31, Number 48, Dec. 10, 2004.

In the Nov. 26 *EIR*, the transcript of the interview with Lyndon LaRouche on Angel Radio in the Philippines misspelled the name of the interviewer, Butch Valdes.

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EIR Feature

TOWARD A SECOND TREATY OF WESTPHALIA

The Coming Eurasian World

by Lyndon H. LaRouche, Jr.

November 29, 2004

First, let us speak of tragedy.

Let such caricatures of poor King Canute as President George W. Bush, Jr., howl their denials, while they can still be heard. Let him shriek in futile rage against those thunderous winds of chaos which were already hurling themselves against the increasingly bankrupt national financial systems of the world. That chaos, now excited to the greater turbulence caused by the desperate antics of such poor, enraged fools as he, now descends with its own, added, uncontrollable fury upon our hapless, present world monetary-financial system. So, now, just a few weeks following our modern Canute's recent claims of electoral victory, the oncoming waves of a great storm of global breakdown crisis are striking on the gates of the governments of the world, and are already pounding the hoaxster's illusion of Bush's economic recovery to shreds. The terminal breakdown-crisis of the 1971-2004 world monetary system is thus now fully under way.

In that Classical definition of tragedy which takes its origin from ancient Greece, but contrary to the incompetent, Romantic doctrines usually taught in university courses on the subject of drama, a tragedy does not represent a calamity whose primary cause is an error by the current leadership of a society. Rather, both the selection of, and the relevant failures by that leadership are determined by the systemic features of the culture and institutions within which both that selection of leadership, and the forces acting upon its behavior are operating. Such is the U.S. situation today.¹

Look at the folly of the Peloponnesian war, and learn. As Plato understood, and showed in his dialogues, this was not the mistake of a leader, but of the way in which the behavior of leadership, from Pericles through Thrasymachus, and the Sophists of the Democratic Party of Athens, was governed by the ruling moral degeneracy permeating the leading institutions of the population of Athens during that span of decades. So, it is with the tragic forces which have controlled the step-by-step descent of the U.S.A. and western and central Europe into self-inflicted doom over, especially, the recent four decades. The people whose institutions arranged the selection of the nation's leaders, prefer to blame the leaders, as Romantics do, for the ills of society; they evade the question: Why they did prefer not to choose, or to develop better ones?

So, in the current case of the Bush Administration, the origin of the present crisis is less a product of that Administration, than those U.S.A. institutional forces, including the Democratic Party as much as the Republican, which have shaped the selection and behavior of the leadership and poli-

system of belief inhering in that culture at that time. In such a systemic crisis, the need is for a leader who acts in a kind of defiance of the prevalent culture of his, or her society at that time, an efficient defiance which breaks the mold of tragedy, as President Franklin Roosevelt did when he replaced the tragic figure of President Herbert Hoover. In the typical tragedy, the failed leader has given into the culture's influence on him; it is that culture itself, combined with his want of the capacity to defy that culture's built-in imperatives, which is the culprit. Shakespeare's Hamlet and Schiller's Don Carlos and Wallenstein are examples of this, Schiller's for reason of the historical depth of his compositions. Romantics and their doctrines, of course, reject this, and seek the fault in the leader as such, rather than the culture which he represents all too well. Thus, the fact that President George W. Bush, Jr. is a virtual puppet of the cultural current he represents, is his fault. The failure of the people and related institutions of the U.S. to ensure the selection of a qualified candidate, rather than this President, is the tragedy.

^{1.} Poor or bad quality of leadership does play a role, of course. However, systemic crises of the quality which a Classical tragedy takes as its subject, fall into the category of what I have described, pedagogically, as "fishbowl" syndromes, in which the leading figures of a tragedy are controlled by a



"Like fabled King Canute," writes LaRouche, "U.S. President George W. Bush, Jr., has more the character of a piece of noxious flotsam floating on the flood waters of doom, than the true cause of the crisis in which he plays the part of the official First Fool."

cies and practices of both government and also private institutions during a more immediate period of four decades. Much of the blame for this dates from wrongheaded changes in direction of U.S. policy-making outlook already under way since the regrettable selection of Senator Harry S Truman as a Democratic Party Vice-Presidential candidate in the Summer of 1944.

In an existential crisis, such as the present world situation, which has those or similar attributes of a threatened general breakdown of the system, the danger comes chiefly from the leadership which fails to break with the pre-established policy-shaping trends, the failure to break in the way President Franklin Roosevelt did in his 1932 election-campaign, and in the turnabout in U.S. policy which he introduced beginning his first hours in the Administration. Like fabled King Canute, U.S. President George W. Bush, Jr., has more the character of a piece of noxious flotsam floating on the flood waters of doom, than the true cause of the crisis in which he plays the part of the official First Fool.

The great leader for a time of crisis is one *whose selection* breaks the rules, those rotten rules which are the relevant expression of the relevant, essential corruption. For that reason, society has tolerated only a relatively few truly great leaders for more than a short time. For example, as in the case of President Charles de Gaulle of France's Fifth Republic after 1963, the way in which bad governments recur or are maintained, is that the relevant leading institutions of society kill or otherwise eliminate capable leaders, even one such as de Gaulle who saved his nation in a time of existential crisis, when his rivals could not; but, who go against the whims of the representatives of the currently leading body of opinion,

and are then, first undermined, and, later, ousted by aid of a corrupted majority of popular opinion. As Solon of Athens wrote, such expressions of popular opinion are the true root of Classical tragedy.

It is a virtual rule, that a corrupt popular opinion turns quickly against the leader who rescues that people from the consequences of its own popular follies. So, the French ingratitude to de Gaulle might remind one of a celebrated apostle of France's Nineteenth-Century decadence, who wrote insightfully of the beggar, who attacked savagely the first person who offered the beggar alms.

Traditionally fickle, so-called "democratic" popular opinion sometimes treats the wrong-doers of its nation almost as savagely as it might express ingratitude toward its heroes. In this present state of crisis, nothing that the Bush Administration might have thought were to be its triumphant schemes for the months ahead, will go as planned. Anyone who assumes that Bush's intentions will be carried out as planned, is as much a fool as the doomed Bush himself.

It is typical of that paragon of gutter hypocrisy, Bush, that he is mobilizing now for what he solemnly swore, repeatedly, during the recent televised campaign debates, that he would never do, "privatize Social Security." He is as evil and stupid as a Gila monster, as he moves to reward the poor dupes who voted for him, by sadistically increasing the proportionate tax burdens on those poor, and looting their small pensions, while gleefully cutting the taxes on his friends, the rich, especially the legendary "filthy rich" of such as Enron and Halliburton notoriety.

That folly of his Administration will generate countervailing consequences, probably even the fools' uncalculated



French President Charles de Gaulle (left) with German Chancellor Konrad Adenauer, in 1961. De Gaulle, like all great leaders in a time of crisis, broke the rules in order to save his nation. He was later ousted by a corrupted majority of popular opinion.

ones, like those which soon embraced the five great fools of 1914, the German Kaiser, the Austrian Kaiser, the Russian Czar, and the chauvinism of the British and French populations. So, the spirit of the plagues of ancient Egypt is already descending upon its lawful prey, that modern gutter-Pharaoh's realm.

Nonetheless, in this stormy moment, nothing is settled, except the fact that the greatest monetary-financial crisis in modern history is already buffeting the world. In one way or another, this crisis is already threatening the Bush Administration with an early, self-inflicted doom. Meanwhile, what the actual outcome of this rising tumult might be, remains to be decided: by us, if we can find the will to do so.

Look at what faces the U.S. population in particular.

The Prospect Before You

This storm does not mean that this assault on the rulers of the system by the fabulous *Erinyes*, is necessarily aimed intentionally at you personally. Nor is this crisis of our contemporary planetary civilization, necessarily a final one. At least for this moment, the hatred which this Bush Administration has harvested from around the world, during the just less than four years of its reign, has destroyed that great political capital which our republic had once enjoyed in many parts of the world. In this and kindred ways, the regime of this petty, lunatic, and madly wicked tyrant, Bush, like that of England's Richard III, or the Emperor Nero before him, has crafted the instrument of cruelty which could turn about to destroy his reign.

Nonetheless, today, amid this mounting tumult, there are

still some remaining options for rescuing civilization—and, for you too; but, only on the condition that we accept, quickly, the reality that we could not save both civilization and also that succubus which is the presently collapsing, liberals' monetary-financial system.

So, a system which has dominated the world's monetary-financial affairs since February 1763, that Anglo-Dutch Liberal model of monetary-financial system which created the present U.S. Bush regime, has reached the point of its own extreme decay. And we of the U.S.A. are presently trapped within the British (i.e., Anglo-Dutch Liberal imperialist) cultural vessel on which we have booked this forty-year journey toward Hell. This forty-year process has now reached the point, that neither that system, nor anything resembling it, could be saved, on either side of the Atlantic. It is as if sheeted Adam Smith, with lantern and spade, is walking toward the

potter's field where his spiritual remains will be buried, soon, by the action of his own invisible hand. The rest of us, unfortunately, have already reached the stage at which the options for beginning to save our civilization will be diminishing rapidly, unless we begin to make, now, the relevant, drastic reforms we should have made decades ago.

It need not have turned out for us so badly as it has happened so far.

Had the victory of U.S. Democratic Presidential candidate John Kerry been announced on November 3, 2004, crucial discussions on the subject of this onrushing crisis would have begun between Senator Kerry's representatives and relevant figures of leading Eurasian nations. The mere fact, that such discussions were occurring, would have encouraged governments to adopt stop-gap measures which would minimize the risk, pending the coming U.S. January Presidential inauguration. Now, the incumbent Bush Administration's hysterical determination to proceed with new economic and related measures, measures more insane than those it had already introduced prior to November 2nd, creates a situation in which what had been the pending collapse of the system has now been triggered, and much worse is coming on, at an accelerating rate.

Indeed, Kerry could have had a clear victory in this election, had his Democratic Party not spent the months leading up to the Labor Day holiday doing as much as might be conceivable to throw the victory away before the campaign actually began. It was the same tragic cultural outlook of the Democratic Party organization which had already thrown away the 2000 Presidential election, which cheated the Party

5 Feature EIR December 17, 2004

of the opportunity for a clear victory in November 2004. Having tasted the reputation for the apparent fresh defeat, the yet-to-to-redeemed elements of the Party often cover up for their own past errors by taking the view that the blame for the reported outcome was simply that the result had been inevitable, in any case, all along. They are saying, in effect: "Let's go back to those traditional ways" in which they lost election after Federal election, since the Great Gingrich Raid of November 1994. That pattern of resistance to needed change in outlook, is the systemic stuff of tragedy.

There are solutions; but, do not deceive yourself into imagining that I am proposing that we could simply turn back the clock to the better times of European civilization's earlier decades as easily as simply reversing the relevant worst policy-decisions of the recent four decades. You can not relight the candle you have just burned up. It is time for some of us to come together to address the new kinds of deeper challenges facing us now in our future, as not only a nation, but as a world civilization. We must assemble quickly, to study the coincidence of this crisis with other, onrushing changes which also have the character of planet-wide social-political upheavals of tectonic implications.

With the present systemic breakdown of that imperial, Anglo-Dutch Liberal system of finance which has dominated the planet increasingly since the February 10, 1763 Treaty of Paris, only an appropriate new system, replacing that Liberal system, could prevent the rapid descent of the planet as a whole into a new dark age. Therefore, we must now quickly craft and adopt a new system of relations among all of the leading sovereign nation-states of this planet, a treaty coherent with the principles of the 1648 peace Treaty of Westphalia. This requires a fresh view of the relations between peoples of, respectively, European and Asian cultures. Responsible people must now push forward, urgently, with the discussions needed to define the outlines of the needed direction of agreements.

In my writings on related matters, as published internationally over decades, I have presented the rudiments of those needed changes which are required, specifically, by Europe and the Americas. Those proposed remedies remain valid as the most appropriate model for the situation confronting those parts of the world today. However, there is also a still larger, problematic aspect to the present situation, an aspect beyond the confines of European tradition as usually defined. That is the aspect which I now address: the required, emerging new quality of relationships among the cultures of European and Asian origins.

One of the subjects which should occupy a leading place on that agenda, is the matter of the new long-term trends which have recently come to prominence, respecting the pressures for profound changes in the relationship between what had been defined by that relatively hegemonic role of that modern European culture, which emerged from the Italy-centered Fifteenth-Century Renaissance, on the one side, and, on

the other side, the recent, seemingly explosive rise of the population of the nations of South and East Asia, as also Africa. [See **Figure 1.**] That is the purpose of this report.

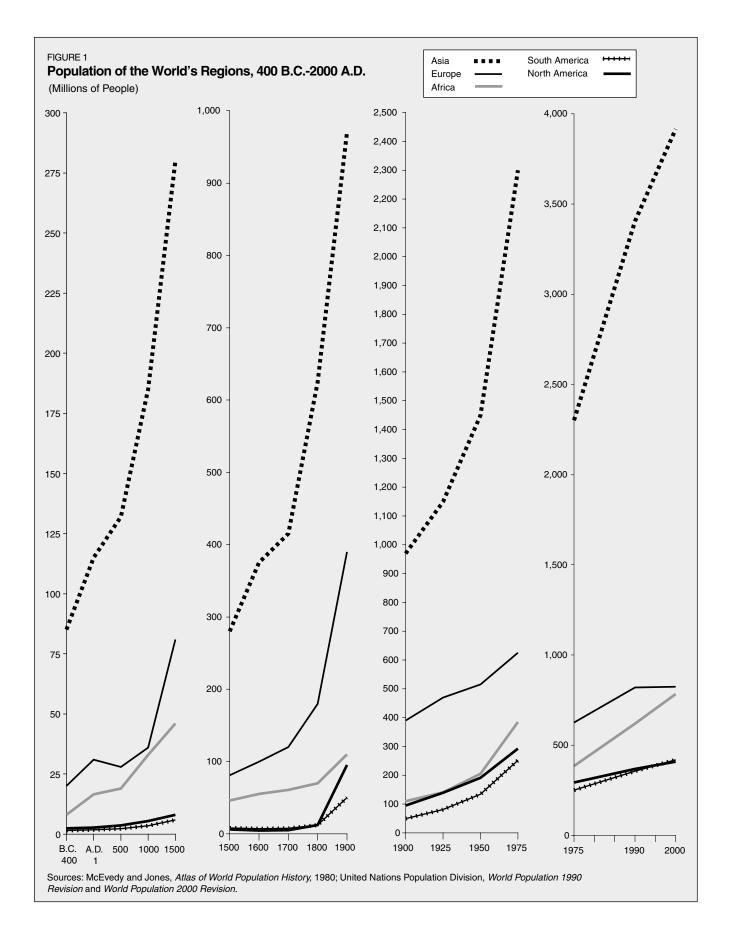
In the following pages, I shall now proceed by, first, defining the concept of culture as this applies to the form of globally extended European civilization which began in ancient Greece. Then, second, proceeding from the basis of the matters of principle treated in the first of the following sections of this report, I shall argue the case for an equitable global treaty arrangement among both nations based upon European civilization and the Asian and other cultures which represent the remaining cultures of the planet.

1. Culture Unfolds in Long Waves

The shared function of the author, director, and players of a Classical tragedy, is to bring on stage the essential feature of either a part of a specific time and place in actual history, or a legendary past: to bring it on the stage in such a fashion that the member of the audience, seated perhaps in the balcony of that theater, relives that actual history, as a personal experience within his, or her own mind. The member of the audience must be assisted, but also challenged into putting himself, or herself, amid, even above, the highest level of the crucial decision-making of the actual, historically determined cultural realities of that re-created time and place. That member of the audience must get inside both the actually leading historical figures of that drama, and the culture of that time and place as well. That experience, so awakened within the tissues of the living mind of the individual member of the audience, is the transformation of an ordinary citizen, come in from the streets, into an impassioned statesman of that moment.

A great Classical tragedy is composed, and performed as a Platonic dialogue, such that the audience for that performance is placed, as in the intellectual balcony, overlooking that history on stage. From that higher vantage-point, the audience is challenged to see the interactions of the figures on stage from a higher vantage-point than virtually any of the depicted characters themselves. This Platonic requirement of the composition and performance of Classical tragedy, as noted by Plato himself on the subject of the failures of the tragedians, corresponds to what Friedrich Schiller defined as the vantage-point of *The Sublime*.

That view of the matter of the performance in the theater is comparable to the position of the qualified management consultant, for whom the interplay among the members of the client organization is the subject-matter of the professional's concern. He or she observes and judges from a higher standpoint of overview than any among the principals or others of the subject enterprise. As in my own personal experience of that fact, it was usually the case, that the problem actually to be solved was the problem which the existing management was certain did not exist; the client management's inability to



8 Feature EIR December 17, 2004

solve the problem by its own independent means, was that its own behavior was not the subject it was inclined to address from a higher standpoint. The success of the consultation depended upon the clientele's willingness to adopt that higher vantage-point from which, then, it could recognize and thus overcome the failing in itself. So, the idealized patron in the balcony of the theater for performance of Classical tragedy, is challenged to discover the equivalent of the scientific principle which accounts for the failure of all of the combined parties depicted on stage, as by means of the method employed by Plato in composing a Socratic dialogue. That is *The Sublime*.

The players portray the action on the stage of real life. The author and players must reveal the *system* which controls the unfolding action, the system which controls the parts played, but which the individual participant in the real-life experience fails to recognize.

Classical tragedy, so composed, so performed, is thus the model for imparting a true sense for history in both the ordinary citizens, or adolescents, and others. The pages of the historian's book, the historian's lecture before the audience, must aim for, and accomplish that same effect: to bring the essence of real history, in the time and place it actually occurred, back into life within the mind of the audience, and of the historian, too.

Such Classical drama, so composed and delivered, is the properly mandatory foundation for the education of all of the actually qualified future citizens of a republic.

So, that said, now assume a seat in the amphitheater of Classical Athens. The second part of Aeschylus's Prometheus Trilogy, *Prometheus Bound*, is about to go on stage.

Since the morning after the death of U.S. President Frank-lin Roosevelt, this planet had been living in the kind of world-order that President neither intended, nor would have tolerated, had he lived to prevent what was set into motion under his successor. As his role behind the 1944 crafting of the postwar Bretton Woods, fixed-exchange-rate system attests, that President Roosevelt acted as a true statesman must, with a view of the long-term consequences of even short-term policy-decisions. He acted according to a specifically American way of patriotic thinking harking back to the precedent of his ancestor, Alexander Hamilton's ally, New York banker Isaac Roosevelt. Roosevelt intended the kinds of changes in the post-war order of the world which would have avoided the greatest part of the specific kind of willful evil which the world has suffered since his untimely death.

In the background of Franklin Roosevelt's Presidency, against the background of the funeral procession that sadden-

ing day, hear the voice of President Abraham Lincoln's Gettysburg Address, and then, in Ford's Theater, hear the shot by the traitor and enemy spy which brought about President Lincoln's most untimely death. Weep then, quietly and solemnly, for what our people have suffered on those accounts, still today. Think of the grave destiny with which our civilization is now threatened, now today.

Look now at Aeschylus's Prometheus Trilogy, as it could have been performed in an untaintedly Classical mode just a few years before his death (circa 456 B.C.), which is to say, about the time of the birth of Socrates (circa 469 B.C.) and a generation prior to the birth of Plato (circa 427 B.C.). Looking at that view from the past as a spectator actually seated in a theater of the present, see the following connections.

In the known history of the past, as, unfortunately, in the U.S.A. and Europe today, the widely accepted opinion of governments and their populations usually depends on sets of habituated, presumably axiomatic assumptions, to such effect that nearly all of the people living within that culture behave in a way which should remind us of pet goldfish swimming within an accustomed bowl. The victims of such traditions are therefore usually unprepared to cope with a world existing beyond the bounds of those adopted assumptions. They remain content to live with those assumptions, until the time the fishbowl, so to speak, is smashed by events unforeseen in the custom of its inhabitants.

So, with rare exceptions, the most significant, but usually poorly sensed forces of history, proceed in long waves, even very long waves. The improved art of statecraft which our world needs for the present, and for the times before us, must return, away from the ruinous accumulation of present-day habits, to that kind of longer view which informed the crafters of our republic and its original Declaration of Independence and Constitution. This we must do both for the nations which are the professed heirs of European civilization, and for the others, as for ourselves alone.

That much said, now let us rejoin the performance of the second part of Aeschylus's Prometheus Trilogy, *Prometheus Bound*.

The gist of the tragic obstacle to be overcome by the dupes of the Olympian Zeus, is the following.

As long as the people who have accepted a certain culture are able to ignore the difference between the real world and the imaginary world, such as that of Zeus's realm, which their culture causes them to imagine to exist, they are satisfied to behave in a way which corresponds to the mistaken beliefs which that culture impels them to adopt. Meanwhile, the point is approaching now (if, indeed, it has not already virtually

While always smaller than Asia in total population, European civilization displayed stronger increases in potential population density during the Renaissance and Industrial Revolution epochs, shown in the first two sections of the graph. The more recent generations show "profound changes in the relationship between what had been defined by that relatively hegemonic role of that modern European culture, which emerged from the Italy-centered Fifteenth-Century Renaissance, on the one side, and, on the other side, the recent, seemingly explosive rise of the population of the nations of South and East Asia, as also Africa," LaRouche writes.

arrived), at which the discrepancy between reality and what their adopted cultures have impelled them to believe, will seem, suddenly, to explode in their faces.²

At that moment of crisis, they are astonished, at first, that what they have believed that "experience" taught them in the short run no longer works under present conditions. They are mistaken in even that opinion; actually, it never really worked in the sense they had assumed that it did; but, they are now experiencing the pain of paying for the mistake of maintaining their presently habituated opinions far too long. It was those former opinions which did not work. It was those widely accepted versions of adaptation to so-called "conventional," or "popular" opinions, which had been wrong all that time.

Sometimes the habituated illusions of a culture come and go within a lifetime. Sometimes, they persist over several generations, or longer. Most of what historians and economists have regarded as important cycles, have their origin, in large degree, in the fallacies embedded in the practiced beliefs of those who have shared that margin of popular error. The result is that, ultimately, the margin of deviation of a society's culture from reality, reaches a point that that discrepancy between belief and consequence can no longer be overlooked.

For that reason, often, as now, a wave of development which has been unfolding, but underrated, even usually unsuspected, unfolding over the greater part of a millennium, or even much longer, becomes suddenly, as during the period beginning the neo-Jacobin "Gingrich Revolution" of the 1994 U.S. Congressional election, the insistent, virtually decisive, global political issue of the present moment.³ It were as if the



Newt "Robespierre" Gingrich and fellow Conservative Revolutionaries on Capitol Hill, Jan. 11, 1995.

fishbowl had been smashed by external forces. Belief in the habits of thought associated with the hegemony of the 1763-2004 Anglo-Dutch Liberal system, is an example of the kind of delusion which leads an entire culture into the risk of the kind of systemic breakdown of that culture which could now go so far as to plunge much of this planet into what is described as a new dark age.

That is a fair mental image of the type of pathological state of mind of the typical European, or others, which has led our civilization into the present systemic crisis. A foolish system, most notably that of the recent four decades of Congress for Cultural Freedom-led degeneration of European culture, is now being overtaken by events tantamount to the smashing of the relevant, habituated popular cultural fishbowls. Those pathological states of mind are to be seen from the Classical standpoint of Aeschylus's Prometheus, as the adoption of "what they say," as a disguise for: "I am thinking in the way which Zeus demands that I think, if I do not wish to get the same treatment which Prometheus has received."

Consider the following, very brief summary of those general principles of history which underlie, and make comprehensible the kind of shocking, tectonic-like transition which, like the 1994-1995 neo-conservative—e.g., fascist—revolution of Newt "Robespierre" Gingrich, had, seemingly suddenly, overtaken the long-term trends of politics in the world in general, especially the people of the U.S.A. and Europe, during the most recent ten years. We must begin our summary of that and related contemporary cases, with a glimpse into the leading features of more than 2,500 years of European history since Thales, Pythagoras, and Solon of Athens. Only in that approach, can we make clear the patterns of historical "cycles" which have governed the evolution of European civi-

^{2.} The French Revolution of 1789, and the Russian Revolution of 1917, are prime examples of this. From 1763-1776 on, the conditions leading toward the French Revolution, even some of the crucial details of the preparations, from 1783 onward, under Britain's Lord Shelburne, for orchestrating the French Revolution of July 14, 1789 and beyond, were clear to any alert observer of the roles of the circles of Philippe Egalité, Jacques Necker, and the Martinist freemasonic order. Similarly, V.I. Lenin was relatively unique in recognizing the clear evidence pointing to his voluntarist's keen foresight into the way in which the launching of a general war in Europe must lead to the fall of the Czar, the failure of the Russian would-be successors of the Czar, and the opportunity for what became the October Revolution. Similarly, the 1922-1945 reign of fascism in Europe, and the general war would have been foreseen by any literate adult person whose mind had not been blocked by a delusory attachment to the generally accepted assumptions of a then-popularized fishbowl mentality.

^{3.} The Gingrich "inaugural," "Contract on America" tirade of January 20, 1995.

lization up to the present time.

So, as historian Friedrich Schiller taught, and as I shall emphasize the relevant evidence here, no one could really understand the presently onrushing crisis of world civilization today, without an integrated conception of the principal processes which have governed both the good and bad features of the unfolding development of European culture since the time of Thales, Solon, Pythagoras, and Plato.

It is not until we study history for the purpose of discovering those principles which shape the way in which relatively short periods, of merely a few hundred years or so, are organized as subsumed phases of longer, millennia-long processes, that the mind is focussed in a way it is prepared to cope, intellectually, with the kinds of sudden, radical changes in circumstance and cultural trends which are sweeping down on the sundry parts of the world, and the world as a whole, just now.

Notably, for example, the influence of the Congress for Cultural Freedom, as typified by existentialist circles of depraved creatures such as Herbert Marcuse, Theodor Adorno, and Hannah Arendt, by banning a principle of truth from culture, repeated the same fatal error of Sophism which lured Athens into its ruin through the Peloponnesian War. The substitution of "democracy" for truth, which was the essence of Sophism, then and now, deprives the person who shares that ideological disorder, of the capacity to comprehend the longwave processes of history which we must recognize if we are to control the effect of our short-term decisions on the destiny of our culture. Precisely this error of the Sophists and their intellectual cousins, led the Athens of Pericles into its selfinflicted ruin. It is this same error, as typified by the pernicious, quasi-Dionysian, pro-counterculture dogma of the post-war Congress for Cultural Freedom, which is largely responsible for the success with which the self-inflicted ruin of Europe and the Americas has been foisted upon those victims today.

In statecraft, as in physical science, the primary challenge and responsibility, is the thinker's ability, and willingness, to adopt an emotionally driven sense of moral responsibility for the long-term effects on future society, of the choices we make in the short term of the here and now. Competent statecraft requires that we not make the potentially fatal mistake of even many figures who are otherwise gifted and well-meaning; we must not permit strategy (i.e., policy) to be driven by tactics, as does an otherwise able commander in battles who wins the day, but loses the war.⁴

Then, once we have accepted that requirement, we must, as I shall also show here, now match that view of an integrated, millennial process of European civilization against the challenge of building a secure future for our planet, through new forms of relationship with what are broadly classed as Asian culture. Now, after thousands of years, precisely that challenge now faces us all, as never, in comparable degree, in history before this time. I continue with that point of reference in view of the horizon of the kind of development which is the pivotal point of this report.

What Is Liberal Imperialism?

Had Roosevelt lived, the U.S.A.'s power would have moved the post-war world toward freeing the planet from the vestiges of the Anglo-Dutch Liberals' colonial-imperialist system. The establishment of a planetary treaty system, under Franklin Roosevelt's Bretton Woods system, among economically progressive sovereign nation-states, would have launched a wave of development among peoples who had been formerly subject to the overreach of colonialist powers.

With the death of President Roosevelt, his successor, President Harry "Harriman" Truman, joined those same Anglo-Dutch-led Liberal-imperialist powers against which our great battle for freedom, against fascism, had been fought; Truman and his accomplices of the post-Roosevelt interval, and went over, for a time, to the other side, as participants in a bloody suppression of that freedom of those "colonialized" peoples whom Roosevelt had intended to free with aid of American technology.

Now, the form of the Liberal imperialist system⁵ of a

^{4.} An example is the case of the qualified professional U.S. military commanders sent to fight an anti-Constitutional, unjustified war in Iraq, a so-called "war without an exit strategy," in which the U.S. forces are dying now, ultimately to lose. So, in Indo-China, U.S. forces won the battles, but ultimately, inevitably, lost the war. The highest expression of strategy in military affairs, is, as General Douglas MacArthur did often in the Pacific, to win the war without fighting unnecessary battles, thus even causing the potential adversary to praise the ultimate outcome.

^{5.} The proper noun, "Liberal," refers to the mode of systemic exclusion of a notion of truth, a modern form of Sophistry, which was crafted by the followers of Venice's Paolo Sarpi, the founder of modern empiricism. (Hence, exclusion of a principle of truth, is characteristic of Liberalism.) Sarpi's relevant followers include his own house lackey Galileo Galilei, England's Francis Bacon and Thomas Hobbes, and such founders of Eighteenth-Century Anglo-Dutch and French Liberalism as John Locke, Bernard Mandeville, François Quesnay, David Hume, Voltaire, d'Alembert, and Lord Shelburne's lackeys Adam Smith, Edward Gibbon, and Jeremy Bentham. The term Liberalism is interchangeable with terms such as "The Eighteenth-Century French and English Enlightenment," The Eighteenth-Century "Venetian Party," as that term were still the true name of the adopted policy of practice of the Fabian faction of the United Kingdom's Tony Blair government, "Liberal Imperialism," and of that system of indifference to a principle of truth, Kantianism. Each and all of these predecessors of the Blair government signify, precisely, the Anglo-Dutch Liberal Imperialism established on behalf of the British East India Company at the February 1763 Treaty of Paris. The American System of political-economy, as defined by U.S. Treasury Secretary Alexander Hamilton, et al., has been the truthful counter to philosophical Liberalism since the roots of the American Revolution in that February 1763 Treaty of Paris which established the British East India Company as our nation's principal adversary, an empire of the form of Liberal Imperialism. The term "imperialist," as illustrated by British Liberal Imperialism today, signifies an attempted revival of the medieval "ultramontane" system, under which the Venetian financier oligarchy, allied with the Norman chivalry, ran the anti-nation-state system which collapsed upon itself in the Fourteenth-Century New Dark Age.



Venice's Paolo Sarpi launched the cult of empiricism, the modern form of Sophistry.

half-century ago and earlier, has been superseded by a more radically vicious version, the presently operating scheme, under predatory financier-oligarchical institutions such as the post-1971 International Monetary Fund and World Bank, for the eradication of the sovereignties of all of the nations of this planet: globalization. The latter is a scheme, rooted in a modern, empiricist/existentialist guise, of the same method of Sophistry which brought down Greek civilization in the Peloponnesian War, a scheme designed for modern times by the influential British strategic utopian, H.G. Wells, in his 1928 *The Open Conspiracy*. That latter scheme is the special, utopian variant of that Liberal imperial system, which has emerged in the guise of "globalization" during the recent four decades, especially since the great monetary-system changes of 1971-1981.

This Liberal imperialist form of utopian scheme is what is presently crashing, of its own weight, around the world's ears. This presently onrushing disintegration of the world's present Liberal system, the present monetary-financial system, has thrust the world into the challenge of issues which had been more easily solved sixty years ago, had Roosevelt's post-war intentions been carried out. This has presented us with the great European-Asian cultural crisis of today. That is a crisis of today, which is the outgrowth of a crucial long-

term feature of the challenge erupting from the doom we have brought upon ourselves by turning away from President Franklin Roosevelt's intentions, nearly sixty years ago.

There are deep and ancient principles involved in this long wave of developments leading to the present moment, developments which, with their sometimes profound implications, must be considered as follows:

Consider the following, relevant lesson from ancient Classical Greece.

In his *Timaeus* dialogue, Plato writes of the Egyptians' accounts of the earlier existence of humanity on this planet, a view of a series of long waves of history, each punctuated by the outcome of a series of monstrously destructive dark ages. In support of that view, we can fairly estimate the possible existence of a human species as a species which is, functionally, absolutely distinct from and superior to the great apes, the human species, which has existed on this planet for perhaps as long as two millions years. For example, we know with certainty, of some great natural crises in the conditions for human habitation on this planet. Among these are the series of shock effects associated with the process of melting of the preceding great glaciation over much of the Planet's Northern Hemisphere, as the levels of the oceans rose, over an interval which began about 20,000 years ago today, by a net amount of between 300-400 feet, to the present, temporarily relatively fixed levels of recent millennia which have been known to us, during the recent six millennia, as our European custom has named fairly as recorded history.6

As Plato emphasized there, the long waves of the existence of mankind, present us with great calamities of nature we had been unable to master at that time, but, also, terrible, man-created dark ages, such as the ominous crisis coming down on world society at this moment, a crisis which society has inflicted willfully upon itself. Neither natural nor manmade dark ages, like those of the past, will determine our future irreversibly. Superior powers available for mankind's use, exist, powers which are expressed in long waves of development of mankind. These are the types of powers which science enables us to know as having transcended great calamities of the past. These powers work to the effect of demonstrating that there is an underlying principle of development, through which something immortal from ancient peoples lives on in the world of today.

We know, thus, of something of much greater, and immediate practical importance for society today, than these powers as such. The close study of the way in which language has developed certain functional qualities specific to the functions of Classical physical science and methods of Classical artistic composition, points, as India's Tilak did, and scholars at Pune

12 Feature EIR December 17, 2004

^{6.} With an intervening great flooding-phase of the melt, as Plato reports, about 10,000 B.C. Note recent studies of sites of habitation in the Black Sea dated from the flooding which transformed that sea from a fresh-water lake to a salt sea. These conform to the estimate given by Plato.

after him, too, toward well-developed features of what might be classed as the pre-historic roles of the principles of physical science and Classical non-plastic artistic composition of language-cultures.⁷ It is in the transmission of knowledge of powers, by means of language-cultures developed to that effect, that the discoveries of today may acquire an immortal influence on the condition of future society. Such modern studies of the role of such factors as Classical irony in the characteristics of the use of a language, imply a means of human cultural development, by successive cultures, over spans of not only tens of thousands, but even hundreds of thousands of years.⁸

Thus, as mankind develops culturally, our species develops the ability to master more and more of even those threatened natural catastrophes which could not have been overcome willfully in earlier centuries or millennia. Cycles do not recur simply; cycles continue to appear, but, as man's cumulative power over nature increases, the possibility of willfully controlling the fate of society in face of threats from so-called natural catastrophes, is improved.⁹

Such progress calls our attention to certain evidence relevant to that point. It shows us, for example, a certain uniqueness of the development of what historian Friedrich Schiller recognized as a distinct species of European culture traced through the ancient mortal conflict between the conflicting conceptions of man's nature, which separates the outlook of Solon of Athens from the wicked code of Lycurgus's Sparta. Schiller's point in his celebrated Jena lectures, is not only validated, but is of pivotal importance for the subject of this present report.¹⁰

In this reflection, one awesome point is outstanding. History obliges us to trace the decline of Greek culture from its acme, doing this from the standpoint represented by Plato and his Pythagorean and related predecessors, a decline which persisted with some outstanding particular exceptions, such as the work of Aristarchus, Eratosthenes, and Archimedes, until the rebirth of Classical Greek culture's treasures, during Europe's Fifteenth-Century, Italy-pivotted Renaissance.

Thus, the history of European civilization itself warns those who have come to know the principles of the modern scientific method of Nicholas of Cusa and Johannes Kepler, that the study of the principled characteristics of relatively distinct civilizations, can not be adduced by limiting attention to the evidence of a mere century, nor even hundreds of years; the characteristics of European civilization, as if in cycles, are expressed in thousands, or, as Tilak argued, traceable back even tens of thousands, of years.

The pivotal point of all of the essential argument presented in these pages, is that all human culture has a common basis in the essential distinction of the member of the human species from all other known forms of mortal life. Within these bounds, as I shall show here, the term "European civilization" has a scientifically precise, specific meaning.

It is a fortunate convenience for us, in discussing the relevant matters of this report today, that the development of the concept of the Noösphere, by Russian biogeochemist Vladimir Vernadsky, is a crucial instance of a direct return of the work of a leading modern scientist to the explicit standpoint of the pre-Aristotelean method in Classical Greek science, the standpoint of *Sphaerics*, of the time of Thales, Solon, Pythagoras, Plato, et al.

This point is of crucial importance for discussing the central issue of this report as a whole. The connection of Vernadsky to both the modern Bernhard Riemann and the ancient Plato, is bridged by the circles associated with the role of the founder of modern European experimental science, Cardinal Nicholas of Cusa. As we shall see, more clearly, in a later portion of this report, this connection provides a strategy for approaching the need for the kinds of treaty arrangements among respectively sovereign European and Asian cultures which will do for global politics today, what the 1648 Treaty of Westphalia did for ending approximately a century and a half, from 1492 through 1648, of religious warfare in Europe.¹¹

Promethean Man

The crucial challenge of an attempted European-Asian pact, even as might be presented to those relatively very few of us who are closest to the desired understanding, even among those of us inside European civilization, is not only that Asian cultures generally lack any philosophical grounding in the actually scientific, historically specific principles upon which the concept of the modern sovereign nation-state depends absolutely. The principle of the sovereign nation-state republic can not be reborn from a Xerox machine, or built under the guidance of stolen secret diagrams; it must be grown up from a living seed, as any other living organism.

The knowledge of that principle must be developed within each existing national culture, that from the universal principle common to all human nature. That principle appears as like a seed of the discovery of universal knowledge which exists within each member of a national language-culture.

Bal Gangadhar Tilak, Orion (1893) and The Arctic Home in the Vedas (1903).

^{8.} This is no exaggeration, no wild guess. Scientist Vladimir Vernadsky's treatment of the Noösphere points to the principled issue involved. Cf. Lyndon H. LaRouche, Jr., *The Economics of the Noösphere* (Washington, D.C.: EIR News Service, 2001). See the discussion of this below.

^{9.} Note that this complements, in Leibniz's categorically infinitesimal calculus, the catenary-cued principle of universal physical least action.

^{10.} Schiller's inaugural lecture at Jena University, "What Is, and to What End Do We Study, Universal History?" delivered on May 26-27, 1789, is reprinted in *Friedrich Schiller: Poet of Freedom*, Vol. II (Washington, D.C.: Schiller Institute, 1988).

^{11.} Cf. Cardinal Nicholas of Cusa, *De Pace Fidei*, in *Toward a New Council of Florence: 'On the Peace of Faith' and Other Works by Nicolaus of Cusa*, William F. Wertz, Jr., trans. (Washington, D.C.: Schiller Institute, 1993).

The development of this seed, within the process of that culture, is the only true basis for the principle of national sovereignty, the only true basis for the modern sovereign form of nation-state republic.

As can be demonstrated by observing the leading press of European nations, the conscious understanding of the relevant implications of the modern European state found among even leading intellectual circles inside European culture today, falls way below the standard which must be met to reach an effective understanding, even a level of understanding below the standard of political-philosophical literacy expressed by the disputes of the Eighteenth and Nineteenth Centuries. The inherent sophistry of empiricism, or, worse, positivism and existentialism, is largely responsible for the present-day cultural decay within globally extended European culture generally. The recent four decades' degeneration of the level of quality of intellectual life in Europe and the Americas, on this account, must be fairly described as a monstrous exercise in galloping cultural illiteracy.

However, despite all that, literate and semi-literate cultures inside European civilization are accustomed to the effects of the notion of the sovereign nation-state republic, even if they do not understand that notion's premises in natural law; whereas, those of Asian cultures tend to brush aside those special issues which are most crucial for achieving a functionally effective understanding.

Therefore, to reach the kind of treaty agreement among nations which is needed by the world at large, and that under conditions of today's crisis, we must provide the representatives of Asian cultures with a view, made understandable to them, in their terms, of the innermost principles of the crucial, best features of the historical experience of the struggle, since Solon of Athens, to establish that form of modern European sovereign nation-state republic first achieved, in fair approximation, under France's Louis XI and England's Henry VII. [See **Figure 2.**]

That said, the most efficient approach to that task is to present the Asian intellectual leader with a shockingly clear statement on the interrelated subjects of monotheism and Promethean man. In all branches of valid modes of scientific inquiry, including statecraft, it is only through a relentless presentation of a true paradox, as in a Platonic dialogue, that the individual human mind can be prompted to generate a true conception of principle, either physical-scientific principle, or a principle of the type associated with both Classical forms of artistic composition and principles of statecraft as a derivative of the notion of such Classical forms of principles of artistic composition. What is needed at this point in history, is a European-Eurasian treaty agreement based on principle. It is the relevant meaning of principle itself, principle in the scientific sense, which must be taken into account, for this purpose.

The root-concept on which that monotheistic humanist tradition characteristic of the emergence of modern European civilization from medievalism is based, had been given such names as "the Prometheus Principle" since ancient Greece. This name references, most commonly, the circulation of the great Prometheus Trilogy of the Athens Classical tragedian Aeschylus. As I have emphasized here earlier, this Trilogy is best known to modern civilization by reference to the surviving model part of that trilogy, *Prometheus Bound*. It is in that *Prometheus Bound* that the most crucial issue of all European civilization confronts us in what is, implicitly, the most shocking and meaningful way. It must also shock the conscience of the leading representatives of Asian culture, if the desired foundations for a treaty-agreement are to be recognized on both sides.

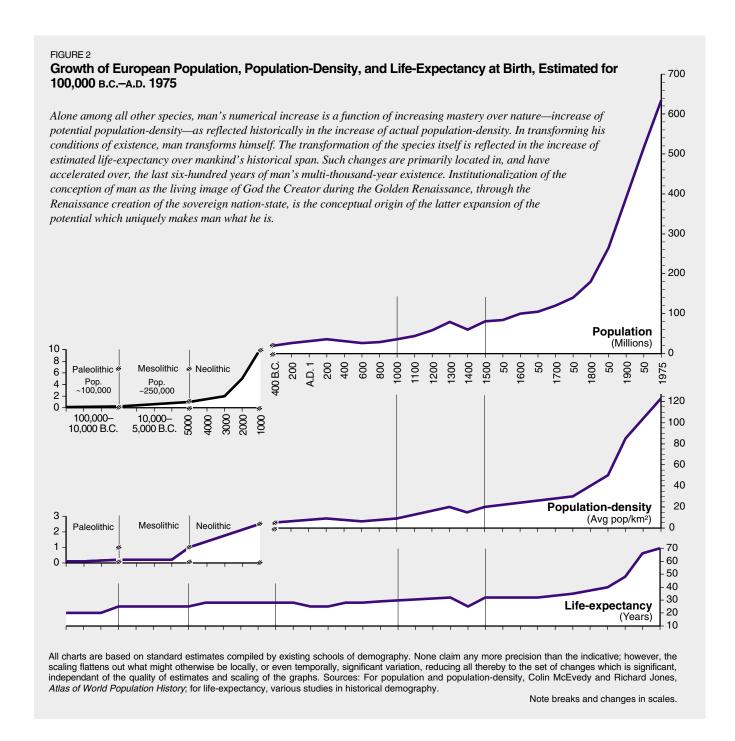
Agreements apparently reached by means of compromising differences of principle, may appear to be the least abrasive form of negotiation, but, in the end, it is always the way in which to produce an agreement which is the most worthless in the long run: because, that approach, like attempting to compose an ecumenical drafting of a Christian Cannibal's Cookbook, evades what continue to be the ominous conflicts in principle, rather than actually resolving them.

For example, the charge was made by the fascist-like Sophists (that irrationalist Democratic Party of Athens which perpetrated the judicial murder of Socrates), that Socrates denied the gods. This charge is a typical expression of the issue posed by the Prometheus Principle of Aeschylus's Trilogy. The Roman Empire's bloody mass-murder against the Christians, from the Emperor Nero through the early part of the reign of Diocletian, is, similarly, a typical expression of what is often named as the "pagan," or the pro-pantheonic, oligarchical principle, which is characteristic of those we must come to abhor as the chief pollutant in European culture, the virtually existentialist, philosophically reductionist tradition of Greece's sophist and kindred factions. 12

That much said on this immediate point, that as a matter of indispensable preliminaries, so far, let us now proceed.

The Classical humanist argument (e.g., the Christian humanist argument) is that the individual member of the human

^{12.} Since this report is focussed upon the subject of a system of fraternal relations among, most notably, European and Asian cultures, the working definition of "Christian" here must be precise, and rigorously defined. Therefore, when I employ the term "Christian" throughout this present and other published writings, I mean a body of belief and practice formed around such bare essentials as an informed, humanistic reading of the first chapter of Genesis, and the content of the New Testament, especially the Gospel of John and the Epistles of Paul, all as read from the vantage-point in method represented by John and Paul, the method associated with a vantage-point typified by the method of Plato's Timaeus and other dialogues. By "Christian," I mean the body of persons who either explicitly share those beliefs as defined by the Classical method employed by John and Paul, or who have accepted the effect of those beliefs in the shaping of their own beliefs and practice. Those who lack a competent knowledge of the principles of epistemology, would often describe my argument here as methodologically "idealistic," thus reflecting the tell-tale influence of radically reductionist method upon their opinions. The physical domain of Platonic method is identical with the notion of a mathematical-physical complex domain as defined in modern scientific usages by exemplars such as Carl Gauss and Bernhard Riemann.



species, is absolutely distinguished from the beasts by virtue of the innate power to discover and transmit efficient knowledge of universal physical principles, such as Johannes Kepler's unique discovery of the principle of universal gravitation. The power of the individual human mind to discover and transmit experimentally validatable, efficient knowledge of universal physical principles, is the experimental expres-

sion of this crucial distinction of man from beast. On account of this capacity for efficient knowledge of universal physical principles, man is properly distinguished, essentially, from the beasts as "made in the image of the Creator," a single universal Creator who is, as Philo of Alexandria, among notable others, including Christians, argued against the Aristoteleans of his time, a God who is a living, efficiently active, and immortal presence, and a universal power for endlessly continuing change, in the universe, then as now.

This reciprocal concept of the respective natures and rela-

^{13.} Not to be confused with the "push me/beat me/pull me" notions of Cartesian and related dogmas.

tionship between the Creator and the human individual, is both the essence of the best of European culture, and the only premise within European culture which makes possible a durable, ecumenical agreement among European and Asian cultures (for example), the only premise which affords Asian cultures a treaty which they could rightly trust.

The denial of the existence of this quality of man and his Creator, is expressed as the Pantheonic, or oligarchical principle. This was the same oligarchical principle which the contemporary opponents of Socrates and Plato, for example, associated with the Babylonian, or Persian Model, the oligarchical model on which the founding of the later imperial Roman Empire was notoriously based. The evil pantheon of the gods of Zeus's Olympus, Zeus as the veritable Satan of Aeschylus's Prometheus Trilogy, is typical of the oligarchical model.¹⁴

Although the first modern nation-states came into existence during the Fifteenth Century, the characteristic distinction of that Classical tradition of European civilization, which is traced from the typical influence of the Pythagoreans, Thales, Solon, and Plato, is the commitment, from the start, to the establishment of the constitutional republic, such as that defined by the 1776 U.S. Declaration of Independence and overriding authority expressed as the 1787-1789 Preamble of the U.S. Federal Constitution. ¹⁵ Although this goal had

14. The awful aftermath of the Peloponnesian War, prompted the search for a new empire modelled upon that of the Mesopotamian empires, an empire combining the reaches of Greek, Egyptian, and Middle Eastern cultures. This attempt was "judoed" by the followers of Plato in the Academy of Athens, who associated themselves with the cause of Philip of Macedon's son and Aristotle's adversary, Alexander, resulting in the dissolution of the Achaemenid empire, and the temporary domination of the eastern Mediterranean by a Hellenistic culture, which was dominated culturally, in turn, by a Classical Greek legacy of the Platonic Academy of Athens and Cyrenaica (e.g., that of Eratosthenes) now centered in Ptolemaic Egypt. The establishment of the "new Persian Empire," thus came about through an agreement between Octavian (later Augustus Caesar) and the priests of the Mithra cult, struck on the Isle of Capri, subsequently the sacred possession of the Caesars, until approximately A.D. 500. The cult of Mithra's support of Octavian, against Antony and Cleopatra, settled the issue of who would run that "new Persian Empire" which the Christians identified as "The Whore of Babylon." None of these can be considered as "accidental," or as depicting some spontaneous decay within the culture of Athens. The culture of a people, as the most advanced current of Greek culture, that of Thales, Solon, and the Pythagoreans, was systemically corrupted by that culture's enemies, as by the Eleatics, Sophists, et al., after which the Greeks did the rest to themselves.

15. The defining principle of law on which the Benjamin Franklin-led, 1776 founding of the U.S. republic was premised, was the rejection of the principle of Anglo-Dutch Liberalism which is central to John Locke's *Essays on Human Understanding*. The mobilization of the preparations for U.S. independence, which was prompted as a reaction against the 1763 Treaty of Paris founding the British East India Company's British Empire, was centered around the international figure of Benjamin Franklin, and featured the leading influence of Leibniz's denunciation of Locke in his own *New Essays on Human Understanding*. Thus, the relevant passage from Leibniz was featured as the central affirmative principle of universal natural law stated in the Declaration of Independence: the right to "the pursuit of happiness," rather than the Lockean principle of "property" (e.g., "shareholder value") upon

been but rarely realized, even briefly, in the course of European history since Solon of Athens, the intention to establish the sovereign republic as the highest body of law of a nation, existed and persisted from that ancient time until the present. This historical perspective for the development and maintenance of a system of sovereign nation-state republics, expresses the characteristic distinction, and achievement of European civilization.

The entirety of what is fairly described as European civilization, is a long struggle, especially within European cultures, to bring about the establishment of that sovereign nationstate republic which replaces the heritage of such wicked influences as those of the Olympian Zeus, the replacement of the idea of the rule over man and his universe by a reigning immortal oligarchy, by a system of a form of sovereign nationstates based on the notion of the human individual as set absolutely apart from, and above the beasts. This is a human individual made as a creative intellect in the likeness of, and servant of a single living Creator, and held responsible, by that Creator, for the ordering of, and rule over the improvement of the universe which mankind inhabits. In other words, the crucial issue of all European culture is expressed by the resistance of the human hero, Prometheus, against the evil oligarchy typified by the Olympian Zeus.

Thus, this principle of the sovereign republic bears the burden of one qualification, the burden of natural law as implicitly defined by Plato's set of dialogues. This brings our attention back to the specific matters posed by use of the term "Promethean man."

The conflict between the Olympian Zeus of Aeschylus's Trilogy and Prometheus, is the charge that Prometheus supplied the people with the knowledge of the use of fire.

Empiricism: Zeus as Satan

The issue is that oligarchy's passion, whether as the image of Zeus's fantastic Olympus, or modern European reductionist philosophies such as empiricism or the ranting of the followers of Bertrand Russell and the existentialists, who deny that man has the power to discover and employ those universal physical principles, which are experimentally demonstrable to be universal physical principles, but which can not be known directly by means of bare sense-perception. That issue is otherwise expressed in statecraft, by the repressive struggle, by the living oligarchy, to halt the commitment of modern civilization to those forms of scientific progress which increase man's power, per capita, over the universe we inhabit:

which the practice of slavery was premised. This was restated as the fundamental constitutional law of the Federal republic as the Preamble of the 1787-1789 Constitution. This principle of natural law (the same "common good" for which Louis XI's France and Henry VII's England were established) is the fundamental point of difference between the Constitutional law of the U.S.A. and that of western and central European states today. Under the U.S. Constitution, the existence of an independent central banking system, the hallmark of the Venetian system, is, in principle, outlawed.

to impose an oppressive system, contrary to man's nature, in which scientific-technological progress by mankind is banned as evil, as the pagan Olympian Zeus of the Aeschylus Trilogy condemned Prometheus, on that precise issue.

In forbidding man the knowledge of universal physical principles, such as the principle of fire and its use, Zeus condemned mankind to live as a beast, not a creature made in the image of the Creator. That is, precisely, the Satanic principle. Modern empiricism does the same thing in a slightly different way, but with the same ultimate result, as we have seen in the recent four decades of collapse of European civilization under the anti-science, "back to nature" cults, a kind of "social disease"—"the syphilis of the counterculture"—which took over more and more of the young-adult populations, beginning the second half of the 1960s.

The intent of the cult of empiricism launched by Venice's Paolo Sarpi, to this effect, was shown, fully naked, by the cultcircles of Bertrand Russell and such followers as his devoted acolytes Norbert Wiener and John von Neumann. By arguing that all scientific knowledge could be derived from a brutishly arithmetic notion of algebraic functions, Russell sought, with plainly expressed intent, to halt the progress of science, by banning the method by means of which discoveries of experimentally valid universal physical principles could be replicated by students and others.¹⁶

This was not, however, original to Russell; it was the standard dogma of the Seventeenth and Eighteenth Centuries' Anglo-Dutch Liberal cult, and the foundation for the Physiocratic hoax which Adam Smith plagiarized from the work of France's François Quesnay and Turgot. The particular significance of Quesnay on this account, is that he insists frankly on the argument that the farmers of the feudal landlord's estate are of the same rank as herded cattle. This assumption is the essential part of Adam Smith's doctrine of "free trade," but was also the essential argument in Smith's 1759 publication, *The Theory of the Moral Sentiments*, as also the social doctrine of Galileo Galilei's student Thomas Hobbes.

This repression of the knowledgeable participation in scientific and related progress by the great mass of the poorer people, is the force for evil which confronts us as new threats of fascism inside European civilization today, and presently serves as the political motive for so-called "pro-environmentalist" changes in global civilization, which would, by their

very nature, unleash, at this time, the greatest known holocaust in all human existence, the reduction of the human population from over six billions persons to a beastly rabble of less than a half-billions, mostly depraved, short-lived persons, subsisting in ways suggestive of troops of baboons.

This contemporary perversion of practiced European culture expresses the doctrine of the Olympian Zeus. This is the doctrine of modern empiricism. This was the issue underlying Carl Gauss's 1799 doctoral dissertation's attack on the vicious error of the empiricists d'Alembert, Euler, Lagrange, et al., on the issue of the Fundamental Theorem of Algebra, and also of Gauss's suppression, out of fear of persecution, of his own contributions to the discovery of an anti-Euclidean geometry (rather than a non-Euclidean one such as that of Lobachevsky and Janos Bolyai).

Man is distinguished from, and above the beasts by reason. By reason, we signify the power to discover universal physical principles, as no beast can replicate this. This is a correlative of the argument to the same effect by Vernadsky's defining the experimental proof of principle of the existence of the Noösphere: that the human mind is capable of knowing and acting upon the power to make categorical changes in the ordering of the universe, beyond what is possible with the bounds, respectively, of the abiotic domain and the Biosphere.

Thus man is, at once, a mortal being, as animals are; but, man also performs a function in the universe which is higher than that of any form of mortal life, the creative power associated experimentally with the effects of the Noösphere. This creative power, generated by the human identity of a single person, is transmitted as a power, as an effect to others and to future generations. It is the efficient transfer of knowledge of this universal quality, across time, to future generations, which, rather than the mortal flesh, is the primary subject of the human personal identity. This is the immortal soul of Plato's Phaedo and Moses Mendelssohn's Phaedon. This human identity is the proper subject of social relations, the only competent basis for the notion of society, and the principle from which the requirement of a form of society known as a sovereign nation-state committed to the promotion of the general welfare of mankind, is derived.

Thus, the issue posed by Prometheus is the same as that of the intention of the *Republic* expressed by Solon of Athens and the combined work of Plato's dialogues. This has been the great achievement of the Fifteenth-Century birth of the still-imperilled, modern European nation-state republic: a form of society efficiently committed to the conscious participation of all of the people in the ordering of, and enjoyment of scientific and cultural progress of the general human condition. Without comprehension of the Prometheus issue in those terms of reference, there could not be a clear intention of principle on which to found a treaty-organization efficiently dedicated to the aims of community of modern sovereign nation-states.

^{16.} This was the issue which prompted the circles of Russell, including John von Neumann, to destroy scientist Kurt Gödel personally, on account of Gödel's 1931 *On Formally Undecidable Propositions of* Principia Mathematica *and Related Systems*, in *Kurt Gödel Collected Works*, Vol. I (New York: Solomon Fefermann, 1986), pp. 144-195. Gödel's thesis is notable among those scientific works which aimed successfully at discrediting such radical positivist hoaxes as Norbert Wiener's doctrine of Information Theory and the von Neumann-Morgenstern hoax published as *Theory of Games and Economic Behavior*. MIT's RLE is among the notable cult-centers of these offshoots of Russell's radically irrationalist dogma.

2. The Nation-States of the U.S.A. & Europe

Now it is time to make clear the functionally elementary differences between modern European and Asian cultures.

Modern European civilization began with changes typified, and also largely shaped, by the writings of the Fifteenth-Century Cardinal Nicholas of Cusa, writings which, among their other leading effects, launched the Portuguese and Spanish explorations of the Americas and of the eastbound Indian Ocean route from the South Atlantic, around the southern tip of Africa, but, more fundamentally, revived the work of such as Dante Alighieri and Petrarca in a manner and degree which established the foundations for building the long-sought efforts, since Alcuin and Charlemagne, for the actual establishment of what became the modern European sovereign nation-state.

Cusa's Concordantia Catholica provided the crucial starting-point for all of this, through the influence of that work on the councils, concluding on the great ecumenical Council of Florence of both the western and eastern European churches. Cusa, who played a crucial contributing role in the preparations for that Council of Florence itself, was also the founder of the modern experimental science of Luca Pacioli, Leonardo da Vinci, and Johannes Kepler, beginning his *De* Docta Ignorantia. His writings were directly responsible for launching the great transoceanic explorations of the close of that century, and were the specific inspiration for Christopher Columbus's successful transit of the Atlantic, aided by consultations with, and a map produced by, Cusa's collaborator Paolo del Pozzo Toscanelli, a map made possible by the earlier discoveries of the Platonic Academy's Eratosthenes, such as his measuring the great circle of the Earth.

These Renaissance developments took place in the aftermath of the terrible New Dark Age of the previous century. These achievements expressed the revolutionary Fifteenth-Century turn of European civilization to the launching of a true Renaissance of civilization, away from the reductionist and obscurantist standpoint of medieval Aristoteleanism and the like, to the rebirth of the shattered institution of the Christian church from the ashes of medieval, Romantic ultramontanism, and the rekindling of the light of science and statecraft on the foundations of the work of Plato. These developments broke Europe free from both the dark legacies of the two Roman Empires, and from medieval Venetian-Norman ultramontane tyranny and its evil, Romanesque Crusades. That Renaissance accomplished this benefit by launching the resumption of the Platonic tradition of Classical scientific practice, and a return to the Platonic, Christian principle of agapē (the common good). It was on the basis of this work, in which Cusa played a leading role, that the preconditions for that century's founding of the first true nation-states were subsequently established, successively, in Louis XI's France and Henry VII's England.

The crucial feature of these Fifteenth-Century changes was not only the repudiation of the traditional division of society between rulers and masses of virtual human cattle; it was the assumption of the positive responsibility for the common good by the modern state, as typified by Louis XI's France. It was the adoption of the responsibility, by the sovereign state, to develop the economy in ways expressed as the adoption of the state's responsibility for the systematic promotion of the raising of the productive powers of labor, as France's development under Louis XI typifies this change. Henry VII's England continued that policy of emphasis upon technological and related general improvement of the productive powers of labor, thus breaking a long tradition, as from the decrees of the Roman Emperor Diocletian, of imposing virtual zero technological growth on the general economic practice of the population. This kind of break from what has been sometimes described by the morally ugly euphemism of "traditional society," is a crucial feature of the qualitative change which marks the emergence of modern European civilization from the brutish aftermath of Europe's Fourteenth-Century New Dark Age.

Although this Fifteenth-Century and ensuing developments mark the emergence of modern European civilization, it is also clear that the basis for this change is rooted in approximately two millennia of the internal struggles and development of European civilization, since no later than the lifetime and work of Thales, Solon, and Pythagoras. Despite the setbacks in European history since then, European civilization embodies a transmission and development of culture which is a continuing process of development, at least in the crucial sense of the transmission of culture over successive generations of the development of language-cultures. Thus, the emergence of modern European civilization in Europe's Fifteenth-Century Renaissance, is an expression of a developmental cultural process which is now continuing over more than 2,500 years to this present date, with roots of that development in other cultures also reaching back much, much further, as the implications of the astronomical (e.g., Sphaerics) design of the great pyramids of Egypt attest.

Moreover, although there is class/caste form of poverty in European culture, that of a type which must be associated with the notion of a class of people held in the status of "human cattle," the failure of modern European civilization's role so far, has been that we have yet to act in ways needed to assist the world as a whole to break through that traditional cultural barrier extant within Asian cultures generally. This problem, typical of the Iberian Americas, Africa, and Asia, is a distinction which is not merely a quantitative one, but shows itself in contemporary life to be the result of an unresolved susceptibility, a result expressed as a qualitative, caste-like distinction in cultural type. The great mass of poverty in those leading nations of Asia, for which no clear remedy is yet in view, must touch the conscience of the world. The problems of



A World Bank labor-intensive coal-mining project in Digwadih, India. "The great mass of poverty in those leading nations of Asia, for which no clear remedy is yet in view, must touch the conscience of the world."

China and India today, when considered in light of the actual progress which has occurred within those nations, are typical of the unresolved, dreamy challenge for which no adequate solution has been actually in reach until now. Under a continuation of the trends of the recent four decades of this planet's history, that challenge would never, never be solved, despite all wishful projections of a better future much heard from those and other parts of the world today.

To understand the cause of such afflictions in Asia, look, for example, within the U.S.A., where we have, still today, two, large-scale, well-defined caste-like distinctions existing within large rations of the population as a whole. One, among a large portion of the descendants of former African slaves. A second, among Spanish-speaking populations bearing the caste-like scars of a heritage of a Spanish system of peonage long imposed upon the indigenous population of Mexico and other places. Although we also have a heritage of Frederick Douglass and many others more or less like him, we have left a broad mass of our people, still today, bearing the scars of a self-inflicted tradition of caste-like cultural "inferiority."

It is this type of problem, as it occurs inside the U.S.A., or on other continents, which is something of which society everywhere must be cured, to establish a culture of true citizenship among the generality of the people of a national culture. Such a fault, which does occur as a blemish on contemporary European civilization, is the nature of the systemic inequity which persists, by aid of the cheap labor policies of globalization, as a widespread characteristic of Asian culture as such today. It is the development of nations to the effect of overcoming this cruel inequity suffered by relatively very large rations of the population, which is the symptomatic

expression of the challenge to the human conscience of the need for Asian development today.

The conditions against which I complain exist in both Asian and European cultures. Yet, although the history of each area has its specific characteristics, the continuation of this kind of problem, in each relevant part of the world, is a reflection of the continuing evils in the present global system whose characteristics are currently expressed, actually as a trend in motion since 1964-1967, by the post-1971 IMF/World Bank system.

All of us who have had relevant experience of this in Asia (for example), share our knowledge of what we mean by our expression of concern on this account. To see the way in which relatively very large rations of the populations in various parts of the world are forced to live, from generation to generation, is something a civilized conscience can not accept as to be taken in

stride. Instant solutions may not be available, but the adoption of efficiently shaped goals by those of us who think by the measure of successive generations, is nonetheless imperative. The improvements we can provide the living, are painfully modest, but what we could and must promise their posterity must be made real for foreseeable times to come. We are a species of immortal beings, on which account we can be patient where the mere beasts are not. Being immortal beings, we can draw satisfaction from our descendants' achievements, but, that does not mean that those achievements must not be real enough, not merely consoling illusions, not mere slogans: that we may justly take satisfaction from them while we are still living, today. It were immoral to promise the future pensions which present greed is presently reaching to steal—in both the U.S.A. and Europe, among other locations.

As I have pointed out earlier in this report, the period from 1492, with impassioned anti-semite and Grand Inquisitor Tomás de Torquemada's expulsion of the Jews from Spain (the precedent for the action of Adolf Hitler),¹⁷ until the 1648 Treaty of Westphalia, the struggle to establish a system of modern sovereign nation-states in Europe, was drowned in a Venetian-orchestrated orgy of religious warfare, warfare aimed to butcher and eradicate the work of the ecumenical Council of Florence and the existence of the modern sover-

^{17.} I have frequently dated the period of religious warfare to the defeat, by betrayal, of the anti-Venice League of Cambrai, which actually set religious warfare as such into motion. However, the impassioned policy for such killing-waves in pre-Treaty of Westphalia Europe, was actually set by the act of 1492, expelling the Jews from Spain in a way which we must see echoed in Hitler's expulsion and mass-murder of German Jews (in particular).

eign nation-state. Thus, the survival of the idea of the nationstate nominally committed to the common good specified by the 1648 Treaty of Westphalia, ¹⁸ represented a revolution in civilization as a whole, the resuscitation of the modern sovereign nation-state following its attempted suffocation, by religious wars, over a period of a century and a half.

Against that general background, of past and present on this planet, the struggle within globally extended European civilization since the great ecumenical Council of Florence, especially since Venice's strategically motivated orchestration of the Ottoman conquest of Constantinople, has been a great struggle between the forces of the modern sovereign nation-state republic and the reactionary forces of Venice and its outgrowths in the effort, led by the usurious Venetian financier oligarchy, to crush the modern sovereign nationstate in favor of some rebirth of the global reign of a new Roman (e.g., Babylonian) empire. This was the result typified by the British Empire set into motion by that watershed event known as the February 10, 1763 Treaty of Paris, established by the Eighteenth-Century, Anglo-Dutch Venetian Party. That empire's intended design is that described by the utopian doctrine of Lord Shelburne's lackey Gibbon.

The history of the world since 1763, has been essentially a great struggle between those forces which, on the one side, have been committed to the establishment and prosperity of a system of respectively sovereign nation-state republics, as best typified by the creation of the U.S. republic, and those, on the other side, such as the consummately evil Bertrand Russell, determined to crush the sovereign nation-state out of existence. All of the wars and related afflictions which this planet has suffered since 1492 have been chiefly a reflection of that great modern struggle between good and evil.

However, none of this could be competently understood, unless we adopt the long view of that development of the European civilization which began with what I have indicated as the relevant developments in ancient Greece. Thus, Solon's letter rebuking his fellow-citizens, serves as a bench-mark for the birth of the idea of the republic as realized in the 1776 U.S. Declaration of Independence and 1787-1789 Federal Constitution. Solon's "letter" is the identifiable beginning of a coherent process, called European civilization, a process defined as a struggle between, on the one side, the forces dedicated to bringing a true republic, consistent with Solon's stated intention, into being, and, on the opposing side, forces which were determined to prevent the existence of such a form of society. Hence, historian Friedrich Schiller's emphasis, in his Jena lectures, on the conflict between the doctrines of Lycurgus's Sparta and Solon's Athens.¹⁹

The Italy-centered, Fifteenth-Century Renaissance, which gave us the escape from a long nightmare, into modern

civilization, was a product of a struggle to that end which had been the entire preceding sweep of European history. This Renaissance was a crucial turning-point in the entirety of world history. This produced a new form of society, but one which carried within it the ongoing tumult of all of the accumulated elements of the seeds of dissonance which have been experienced since the Fifteenth-Century developments, but also a form of society whose emergence has changed the history of the world in an absolute way, a change which could not be reversed without plunging all of our planet into a deep and prolonged, new dark age.

In point of fact, the recent decades' developments in Asia, typified by India and China, are not an alternative to European civilization. These nations are an integral part of the present, Anglo-Dutch-Liberal-dominated world system, and, as I shall indicate in the course of this report, could not continue to exist presently as stable nations outside the framework of a muchneeded great, global reform of modern European civilization. In point of fact, all parts of the world today, are, for the moment, at least, subsidiaries of a single global monetary-financial system, to the included effect that the relative prices of both real and fictitious objects in trade are an integral, subsidiary part of that monetary-financial system.

In the case of the actualization of the presently onrushing general monetary-financial blow-out, all of the sundry elements of a complexly integrated world system, including the most notable nations of Asia, would be plunged into chaos in a way most nearly resembling the plunge of Fourteenth-Century Europe into its notorious New Dark Age.

What prevents most among what were presumably well-informed circles of finance and government, from seeing this fact, is that they are gripped, hysterically, by the fearful delusion that a crash of the type which is now onrushing simply would never happen. In fact, unless certain radical changes of the type I would propose were taken, the crash deemed unthinkable by most today will happen, very soon.

The U.S.A. versus the Empire

As I have emphasized here earlier, the combination of the religious wars of 1492-1648, the rise of the Anglo-Dutch Liberal system, and the French Revolution and its aftermath, has, so far, prevented the emergence of a durable form of true sovereign nation-state in Europe. For a time, since the events of July 14, 1789, the repercussions of the developments broke France's close ties to the U.S.A.,²⁰ and drove formerly sane and brilliant U.S. patriots such as Thomas Jefferson and Dol-

^{18.} Cf. Cardinal Nicholas of Cusa, De Pace Fidei, op. cit.

^{19.} Op. cit.

^{20.} The Bastille affair was organized, and armed by Benjamin Franklin's long-standing arch-enemy and London asset, Philippe Egalité, as an election rally on behalf of British agent Jacques Necker's candidacy for Prime Minister of France. This was the first major action taken to effect a break between France and its U.S. ally of the Revolutionary War period, an action directed more immediately against the Marquis de Lafayette and the scientist Sylvain Bailly.

ly's James Madison into a state of confusion. Through the revolution of 1848, the U.S.A. itself struggled to avoid falling into a role of partisanship, one way or the other, on the issues of the quarrel between the British system and the Habsburg-dominated Europe and the world.²¹ The fall of Metternich, and the mutual ruin of the nations of western and central Europe by two World Wars, ensured the relatively increased global supremacy of British monetary-financial system, except for a period of clear U.S. supremacy, from the beginning of World War II into the self-inflicted decline of U.S. leadership which has been ongoing over the recent forty years. Thus, Europe today, is still dominated by the relics of a parliamentary system of government, all under the overlordship of a Venetian Party's financier-oligarchical system.

During this interval, from the beginning of the struggle for an independent U.S. republic, which developed rapidly during the decade following the establishment of the British Empire at the 1763 Treaty of Paris, there has been a continuing, ultimately mortal struggle, between the U.S. republic, on the one side, and our republic's principal mortal adversaries, the Anglo-Dutch Liberal imperialists and Britain's sometime leading European rival, and ally against the U.S. republic, the already-declining Habsburg imperial power of the early Nineteenth Century. Since the London-directed siege of the Paris Bastille, on July 14, 1789, until President Abraham Lincoln's victories of 1863-65, the U.S. was largely cut off from the support it had enjoyed during the period of our national struggle for freedom from British imperial power.

London's later deployment of its French puppet, Napoleon III, and a Habsburg, as tools of an attempted British flanking operation in Lord Palmerston's support of London's Confederate forces, during the later phase of the U.S. Civil War of 1861-65, typifies the continuing alliance of the antination-state forces of Europe against the existence of the U.S.A. and its influence. This changed for the better during the period from the defeat of the Confederacy throughout the period preceding Theodore Roosevelt's accession to the U.S. Presidency. The hatred of President Franklin Roosevelt by the British government and its U.S. financier-based assets,

despite the two powers' war-time alliance against Hitler, is congruent with the fact that, as U.S. General Billy Mitchell alluded to this during his famous court-martial hearing, Japan's naval attack of 1941 on Pearl Harbor, was a project which the U.S. military, prior to the Pearl Harbor attack, had filed at the time under secret U.S. war plans "Red" and "Orange," an attack which had been planned by Britain and Japan, as an option, during the period of the 1920s Naval Power negotiations. The forces representing the oligarchical tradition within Europe, are a continuing source of often feverish irrational anti-Americanism today, even sometimes from surprising circles.

With the U.S. defeat of London's Confederacy asset, British imperial policy had shifted away from further attempts at direct or covert military operations against the U.S., to a policy of Anglo-Dutch Liberal subversion. The hatred of the U.S.A. by the Fabian Liberal Imperialist faction associated with H. G. Wells and Bertrand Russell, was the more extreme expression of this British hatred against the United States. The relatively more cautious approach to subversion was through connections with Liberal channels to influential anglophile financier-oligarchical circles inside the U.S., such as those associated with the "kindergarten" of Harvard Universitybased Nashville Agrarian William Yandell Elliott, with the objective of assimilating a tamed and corrupted U.S.A. into a British Commonwealth. The witticism, that the U.S.A. and the U.K. are two nations divided against one another by a common language, is actually quite apt (a common language facilitates the practice of exchange of insults and trade in espionage between two rival powers).

To sum up the crucial point to be made here: From the beginning of the 1763-1789 American struggle for independence from its British imperial oppressors, modern European civilization has been chiefly divided within by two leading, opposing forces of modern European civilization: the U.S. commitment to a system of respectively sovereign nation-state republics, versus the imperial impulses and objectives of that Venetian Party represented by the Anglo-Dutch Liberal system of financier-oligarchical rule.

Of these two opposing forces, the American System of political-economy was always the superior system, morally and physically, a system conceived in the service of political freedom of the individual. This was made clear by the victory of the President Abraham Lincoln-led U.S.A. over London's Confederacy pawn. During the interval 1861-1876, the interval concluding with the U.S. Philadelphia Centennial Exposition, the U.S. emerged as the world's leading nation-state economy, rivalled only by the combined imperial resources of the British monarchy.

As a consequence of this, from 1877 onward, leading nations of Eurasia, such as Germany, Russia, and Japan, in addition to other states of the Americas, adopted crucially distinguishing, industrial and other features of the American System of Franklin, Hamilton, the Careys, and Friedrich List.

^{21.} Contrary to the myth-making of even senior U.S. historians who ought to have known better, the developments of 1789-1814 in Europe had a devastating degree of disorienting effect on what had been the core of the U.S. leadership which had been crafted by Benjamin Franklin. President John Adams was disoriented by a hoax, a book called The Roots of the Conspiracy, by a British spy, Sir John Robison, while Abigail Adams, the President's wife, became a destructive influence in her ranting against President George Washington's closest collaborator, Alexander Hamilton. Jefferson went the other way, toward the French revolutionaries. President Washington's farewell warning against foreign entanglements was not intended as a policy for all time, but referenced specifically the situation in Europe at that time, and the disorientation of formerly clear-headed patriots such as Jefferson, Adams, and Madison. It was the emergence of the Whigs, around Henry Clay, Monroe, and the increasing leadership role of John Quincy Adams, which laid the foundations for the important achievements of the U.S.A. during a period of now nearly two centuries.

It was to crush the upsurge of modern economies developing in emulation of the American model, that the British monarchy of Edward VII organized what became the fratricidal "Great War" of 1914-1917: a war cast in the image of the Seven Years' War by aid of which Britain had triumphed in February 1763. Foolish Presidents Theodore Roosevelt and Ku Klux Klan fanatic Woodrow Wilson, whose passions were molded in fond recollections of the Confederacy, drew us into that war from which prudent patriotic U.S. traditions would have withheld support, a U.S. error which laid the foundations for the strategic menaces to which we have either been subjected, or have subjected ourselves, since.

Similarly, during the 1920s and early 1930s, the curiously prevalent tendency on the side of the relevant British schemers, was to keep the U.S.A. out of their plans for the coming new world war in Europe, for fear that the powerful U.S. economy might take over domination of Europe, displacing British imperial interests. This changed significantly only when London perceived Stalin's diplomatic maneuvers to encourage Russia's most immediate mortal enemy, Hitler's Germany, to choose to strike westward first, rather than eastward; on that thought, Edward VIII was ceremoniously dumped, and the British began more and more, especially after Chamberlain's performance at Munich, to see the Nazi development as strategically more immediately worrying than a period of U.S. hegemony, although some, who need not be listed here, preferred a pact with Hitler—or was it, perhaps, Hermann Göring—as late as May 1940.

The point to be emphasized here, is that, underneath expressed sentimentalities of Europeans toward Americans and vice versa, the outward similarities of the forms of economy which Asia might see in Europe and the U.S.A. are largely superficial, and the differences exist in a very significant manner and degree. Nonetheless, despite the opposite constitutional intentions of the U.S. and British systems, recent and contemporary circumstances have produced the effect of blending the immiscible into a frothy pudding, a so-called Anglo-American expression of the Anglo-Dutch Liberal system.

Now, to the degree that the Anglo-American utopian adversaries of the Franklin Roosevelt tradition, have secured temporary domination over transatlantic strategic and monetary-financial power, including inside the U.S.A. itself, the world system is dominated by the instrumentalities of a morally and economically degenerating Anglo-American financier-oligarchical cabal of Anglo-Dutch Liberalism, which has, most emphatically, presided over four decades of presently terminal decadence of its increasingly globalized world system, its virtual empire in fact.

It is of urgent importance to note here, that the only chance for the U.S. to escape a general collapse of the U.S. itself, would be to shift its national strategic perspective now, to establishing a new world monetary-financial system with global objectives akin to those which President Franklin Roo-

President Franklin D. Roosevelt. The dramatic and necessary changes required today, to a perspective in line with FDR's global objectives, will only be possible when the fact of the current imminent danger is frankly perceived by relevant leading circles.



sevelt had intended, as planetary perspectives, for the immediate post-war period. Such a dramatic change could occur, of course, only under the most extraordinary pressures from events, only when it were clear to the relevant leading circles that a shift to an echo of a Franklin Roosevelt perspective for the world at large is the only real alternative to a hopeless sort of general global breakdown crisis of the economy of the planet as a whole. Those imminent conditions for solving the crisis presently exist objectively, but it were necessary that that ominous fact of that imminent danger be frankly perceived subjectively.

The common feature of this present global system, as it has developed since the 1971-1972 break from the post-war fixed-exchange-rate, regulated monetary system, to a floating-exchange-rate, largely deregulated system, is the supremacy of the present, predatory form of monetary-financial system itself. However, underneath that latter umbrella of the presently largely "globalized" world system as a whole, there are important, historically determined, principled varieties of functional differences among what far too many statesmen and others mistakenly interpret as the apparently converging systems of which the world system as a whole is comprised.

The complications which arise in attempting to explain the present world system, or its parts, from the standpoint of monetary-financial evidence, are that these respectively different systems of which the world's system is composed, have influenced the evolution of one another in several manners and degrees. This mixing is partly real, but, also, in the final analysis, deceptive.

For example, all European systems of modern nationstates, including those of the Americas, do, in fact, stem from a common root in the Fifteenth-Century Renaissance establishment of a new kind of institution, the sovereign nationstate republic which is either committed to, or pretends to be committed to the common good (e.g., general welfare). Philosophically, the U.S. patriot has no essential quarrel with France's Louis XI, or England's Henry VII and Sir Thomas More, or William Shakespeare. (With Henry VIII, things begin to be complicated, and with Francis Bacon and Thomas Hobbes, much worse.)

The principal differentiation is between the British system and the American System of political-economy, derived essentially from the combined legacy of the U.S. Declaration of Independence and original Federal Constitution, a U.S. which was founded as a truly sovereign nation-state republic. This U.S. system is distinguished from European systems, which are forms of parliamentary systems of merely nominal independence, systems which have been reformed to conform to the overreaching requirements of the usurious overlordship of a global system of so-called independent central banking systems, an overlordship centered in the City of London.

However, despite transatlantic differences which are often as much axiomatic as sentimental, North America and Europe have affected one another such that each part of that combined system has been developed in ways such that each has affected the shaping of many of the internal characteristics of the other. It is urgent that it be recognized, that these systemic, apparent similarities lie essentially in the physical-economic conditions, as distinct from, and largely opposed to the constitutional underpinnings of the respective monetary-financial systems.

The essential difference between the European and U.S.A. system is constitutional, a difference in principle. The principal other differences are reflections of the fact that the U.S. economic system is premised on what is termed the American System of political-economy, which, despite its presently continuing corruption by the Federal Reserve System, presumes constitutional national sovereignty over its monetary-financial system, whereas the European systems (excluding discussion of the Soviet system here) have a Venetian financier-oligarchical heritage, expressed today as subordination of government to the power of so-called independent central banking systems, systems which are essentially masks for predatory private financier-oligarchical interests.

For example, even despite such traditional differences in political culture, post-1945 Germany adapted with such superior efficiency, relative to other European nations, to its economic reconstruction under precedents taken from the experience of the Franklin Roosevelt Administration. There are important elements of the American System of political-economy such as the still lingering role of the Kreditanstalt für Wiederaufbau today. The most notable difference between the existing European systems and the American System, is that President Franklin Roosevelt reacted to the Depression by putting the banking system through reorganization, which saved the American system of government, whereas the financier oligarchy of 1920-1945 Europe put the governments

through forms of reorganization which converged upon fascism.²²

Today, it is neither necessary, nor desirable that European states repeat the awful consequences of their earlier, pre-1945 submission to the private financier interests' central banking systems. Were they to refuse to submit now, as they should, the chances of saving both those nations, and civilization generally, would be greatly improved. If they do not refuse, then that tradition will die with the nation which refused to make the needed change in doctrine.

Thus, in summary of this point, the U.S. political establishment of (especially) the recent four decades, and the extreme right-wing utopians, have been of that disposition since the death of Franklin Roosevelt, the U.S. financial-political establishment has been definitely oriented to sharing an imperial form of world power with the British imperial establishment. Globalization is the current form of expression of that decadent intention.

3. The Differences Between Europe and Asia

Once we have taken those cited and related varieties of complications into account, the most essential points of systemic distinctions, and similarities between the American and European systems of economy, are to be recognized by lifting the monetary-financial carpeting, to see the floorboards of non-monetary, physical economy underneath. Once the monetary-financial wrappings are put aside, certain crucial similarities of principle and practice shared by the American and western and central European economies shine forth. Then, the remaining systemic differences between the Hamiltonian American System of political-economy and Liberal-dominated European systems, are chiefly reflections of the superimposition of forms of monetary-financial systems which are based upon submission to that Venetian principle expressed by so-called "independent" central banking systems. The similarities, to which I shall give attention later in this present report, reflect the physical-economic processes upon which

^{22.} Franklin Roosevelt's early- through middle-1930s adversaries, in the financier-oligarchical circles of both London and New York, had been ready to jump into bed with Mussolini, first, and then Hermann Göring's Hitler, even as late as May 1940. They had, in fact, put Mussolini and Hitler into power. Roosevelt's success depended upon his bitter political adversary, Winston Churchill, who represented those in Britain who would have preferred Hitler, but would not allow Hitler to gobble up the British Empire. Even then, had a Hitler hoping for a deal with his British aristocratic admirers, not held back the Wehrmacht tanks at Dunkirk, the war as a whole would have taken a different character. The original Anglo-French plan had been to have Hitler strike east, first, and, then, once Germany's forces were mired there, strike Germany from the west, as Walter Lippmann proposed, "expertly" after the fact. Stalin's sense of this intention, prompted the Hitler-Stalin Pact and Hitler's consequent strike west first.

the Venetian principle had been superimposed through the Anglo-Dutch Liberal's control over the dominant elements of the world's monetary-financial systems.

Later in this chapter of the report, I shall describe certain of those features of the European system and its most important complications from the standpoint of a science of physical economy, rather than drowning in the intellectual quicksand of attempting to explain a physical economy from an axiomatically monetary-financial standpoint.

Yet, the same discarding of the monetary-financial wrappings from the typical Asian economy, exposes, more clearly than before, the essential, systemic differences between both the American System and European economies, on the one side, and Asian economies on the other. That said, I now proceed accordingly. Several seemingly distinct features of that set of differences between European and Asian economies are now each being treated separately by me here, in order to show how these points, when combined as they actually interact, come together for a single, combined effect.

The roots of the Venetian system, whose proximate origins are ancient Rome, can be traced much further than that, by objective archeological studies, to as far back as the ruinous, predatory practice of usury in ancient Mesopotamia, where those practices led, repeatedly, to the collapse of the "bow tenure" agricultural system of lower Mesopotamia, practices also associated with the influence of the international "loan-sharking" attributed to the Delphi Apollo cult.²³

Although the exploration of pre-European origins of the ideas of South, Southeast, and East Asia, must take into ac-

count influences dating from a time prior to significant medieval and modern European influences existing in those parts of the planet, the overwhelming evidence respecting relevant modern influences, shows that the dominant impact of relevance for the economies of modern Asia and Africa today, has been the impact of the spread of the Venetian model of financial practices, by the European colonizers, into the modern establishment of the Iberian and Anglo-Dutch Liberal colonization in those regions. There are obvious specifically Asian cultural factors in shaping the way populations of these regions adapted to the impact of the European colonizers, but the effects of the modern financial practices introduced to those areas during the recent five centuries, the effects to which local cultures reacted, are, still today, predominantly the effects of the role of Anglo-Dutch Liberal usury, and its pathological, physiocratic mentality, as the triumphant successor to the Portuguese and Spanish.

When we look at the known history of European civilization from the vantage-point of my original contributions to a science of physical economy, the following is clear.

In the case of the emergence of modern European civilization, our attention is focussed on an impulse for development, most readily traced from ancient Egypt's influence on the founding of a distinct, Classical current in Greek civilization, an impulse for development which ultimately emerged as an integral feature of the Fifteenth-Century establishment of the modern European nation-state. In the contrasted case of Asian culture as experienced today, we are dealing, most prominently, as I shall explain at relevant places in this chapter of the report, with effects of a case of rape perpetrated by the likes of the pirates of Venice.

In the struggle for progress which is principally internal to modern European civilization, the vector of struggle has been the effort of modern European physical economy to throw off the yoke of the ancient, predatory Venetian usurer, to throw off the yoke of the ancient Roman empires and their Venetian-Norman, medieval successor. In the instance of today's Asian cultures, the yearning for independence from the contemporary Venetian Party's yoke of (presently) predatory IMF/World Bank usury, impels cultures of Asia to seek to acquire the means of modern physical economy (e.g., nuclear power) as weapons for breaking the chains of Venery.

As Leibniz or Bernhard Riemann might wish to say, in comment on the distinction I have just emphasized: although "agro-industrial development" is "agro-industrial development," whether in transatlantic European cultures, or Asian cultures, in comparing the two cases, we are confronted with a proposition in Analysis Situs. The same words, "agro-industrial development," applicable to both situations, have

24 Feature EIR December 17, 2004

^{23.} Archeological studies of the revived use of clay tablets in trade between Mesopotamia and the pre-dark-age, iron-weapons culture of the Hittites, gives us insight into what is initially the astonishing modernity of financial practices dating from 1600-1400 B.C. A study of the site of the Delphi Temple affords mute testimony to the connection between the Apollo cult and the ancient "loan-sharking" in the Mediterranean which played a crucial part in the processes leading into and from the Peloponnesian War and its sequelae. In turn, archeological studies bearing upon the calculable extent of so-called "Harrapan" culture during the period of a wetter climate, and a time when continental coastlines were more extended, ocean levels lower, and with cities which now remain as fossils on ancient, now-sunken coastlines, force us to abandon the quaint delusions of Nineteenth-Century British diggers making a mess of mountains of precious archeological relics (e.g., cuneiform tablets), in their zeal to become the first to turn up the exact street address for Abraham in Ur. The connection, referenced by Herodotus, between the Dravidian-language-group maritime culture which settled Sumer, and other parts of what we call the "Near East," must be studied more carefully before drawing definite conclusions about the origins of usury and other matters of ancient lower Mesopotamian practices. My own original discoveries in the field of a science of physical economy, date from work of the 1948-1953 interval. However, in the effort to test those discoveries' application to the study of prehistoric and related cultures, I concentrated considerable attention on the obvious role of transoceanic cultures in the development of riparian cultures during the period after the great melt of the last glaciation of much of the Northern Hemisphere's land-mass. Later work showed that close study of ancient systems of astronomy, including, notably, Egypt and ancient China, is of crucial importance for achieving a deeper understanding of the roots of sundry streams of Asian cultures. Appropriate references, touching on this, will appear in portions of the text below.

^{24.} See *G.W. Leibniz: Philosophical Papers and Letters*, Leroy E. Loemker, ed. (Dodrecht: Kluwer Academic Publishers, 1989), pp. 248-262. Bernhard Riemann, *Theorie der Abel'schen Functionen*, in *Riemanns gesammelte mathematische Werke*, H. Weber, ed. (New York: Dover Reprint edition, 1953) pp. 88-144.



The German-designed Transrapid maglev train in Shanghai, China. "The most successful forms of European technology of economic development arrive in Asia as very much an immigrant into a land which is not quite certain as to whether you, the European, should really be welcomed, or not."

an essentially different functional significance in each application. My emphasis on the relevance of Analysis Situs is, as I shall show, unignorably crucial for understanding the actual, functional relationship between Transatlantic and Asian/African cultures today. One, the economic development of modern European civilization, comes from that culture; the other, modern economic development in Asia, for example, and also the lack of it, has been introduced to the culture chiefly from outside, without any competent consideration of the ironies of this crucial problem in Analysis Situs.

In my sometimes off-and-on experience with Asian culture since 1945-46, one can not step from the U.S.A., or Europe, inside the proverbial doorway of Asia, without being confronted with a powerfully emotional sense of the difference between those two situations, from reflections on discussions with one's conversation-partner there. In Asia, even among persons with what might be termed a "strong" basis in European knowledge, there is a difference which only a dull-witted product of European culture could overlook.

The best way to locate the source of the uneasiness a sensible person of European culture experiences, each time he or she steps freshly into an Asian cultural setting, is to bring the discussion to matters bearing upon the technological side of modern industrial and related development of any Asian economy considered as a whole. The most successful forms of European technology of economic development arrive in Asia as very much an immigrant into a land which is not quite certain as to whether you, the European, should really be welcomed, or not.²⁵

I am sensitive to that, but I have long since ceased to worry myself about it in my dealings with the matter. My approach to the matter is to proceed from a higher vantage-point than either European or Asian culture, to seek to stand on the platform of what I foresee as the necessary emergence of a specifically Eurasian culture, the culture we must build up, shall we say, "a planetary culture," through efforts premised on an understanding of the fact that that must be our mission. That is the viewpoint which I hope I will be able to put across, at least in a preliminary way, in the course of this report.

We shall return to that matter at the appropriate point in this report. Now, in order to clarify the problem in *Analysis Situs* referred to just above, we must take a detour. Before we return to that point, we must first continue by returning our attention, for a time, to the American System, its impact on world development, and its crucial advantage over Europe.

The European Roots

The principled advantage of the American System is fairly summed up as follows:

The modern sovereign nation-state was born in Europe out of a long history of opposition to the oligarchical dogma of the Olympian Zeus, an opposition which is, most emphatically, a heritage of the current of such opposition expressed at Athens. That is the opposition which is associated most closely with Solon, Socrates, and Plato, which promoted that aspect of the human individual, the human immortal soul, which uniquely distinguishes man from ape.

This heritage, which is embraced by such Christian Apostles as, most notably, John and Paul, and also, otherwise, by Philo of Alexandria and others, locates the human identity, the immortal soul of the human individual, as Socrates and Plato define it, in those creative powers of the individual human mind, the power of Socratic-Platonic hypothesis, which are categorically absent in the beasts. These are the immortal creative powers which we associate with that specific conception of science which we trace, in European culture, from the ancient Pythagorean's adoption of the Egyptian standard of *Sphaerics* (i.e., science as derived by Egypt from the foundations of discoveries in the field of physical astronomy) and of an anti-reductionist conception of music, such as that of J.S. Bach, as opposed to the pathetic, empiricist triviality of a Rameau.

The Renaissance's freeing of the mass of the population from the status, in practice, of human herded or hunted cattle, as by the teaching and related practice of the Classical Greek humanists, caused revolutionary advances in the productive powers of labor in modern Europe, as the effect of the application of those powers may be measured, physically, in terms of per-capita output per square kilometer of territory of a certain relative quality (hence, *potential relative population-density*). These powers are those which the Classical Greeks, such as the Pythagoreans, associate with that modern definition of a universal physical principle which is typified by Johannes Kepler's uniquely original discovery of a universal

^{25.} As he advised U.S. President John F. Kennedy, General of the Armies Douglas MacArthur understood this, strategically and otherwise. Robert McNamara and his fellow wild-eyed, rapacious utopians, clearly did not, and still do not today.

physical principle of gravitation. Today, these measurements or powers, as distinct from mere mathematical formulas, are best defined afresh, as I shall indicate in this report, in terms of Vernadsky's Riemannian definition of the Noösphere.

These measurements, as understood by the methods of Sphaerics adopted by the Pythagoreans, are key to the advantage of modern European science and its physical economy, over alternate forms of society. Considered physically, that is without taking money itself into account, they account for the great physical advantage of modern European civilization, as in the U.S.A. and leading nations of Europe, over other cultures, as this can be measured both per capita and per square kilometer.

The advantage of modern European culture, has been, essentially, that the promotion of the freedom and education of the individual, especially when combined with promotion of the Classical European modes of scientific and technological progress, and of Classical culture, increases the developed creative potential of the individual. A society which is organized to promote and employ that increase of the promotion and realization of the creative potential of virtually all of its members, has a necessary advantage, by a large margin, over a society which has a contrary, or simply different policy of practice. This method, as typified by the work of the Platonic Academy of Athens, through Eratosthenes and beyond, was the great advantage in method of modern European culture over what are typical as so-called ancient or medieval forms of European society.

Thus, the fall of the U.S.A., in particular, from the level it achieved and maintained over the 1933-1964 interval, was chiefly a result of a negation of those factors of both U.S. policy and cultural development which had been the essential drivers of the nation's role as the world's leading producer society, with the relatively highest standard of living. It was through the realized effect of the counterculture launched under the auspices of the Congress for Cultural Freedom, that the youth entering leading universities from the mid-1960s onward, degenerated morally and intellectually in ways merely typified in the extreme by "the rock-drug-sex youthcounterculture." This latter form of corruption of the so-called "Baby Boomer" generation, in both North America and Europe, led into the political transformation of those cultures into an increasingly parasitical character as a decadent culture of "bread and circuses," an "entertainment society," mimicking the decadence of Rome, following the Second Punic War, into a predatory parasite, with a culture of "bread and circuses" at home. The ration and extent of mass countercultural "entertainment," including gambling manias, in the U.S.A. and western Europe, is typical of the way in which moral degeneration leads into the kind of disastrous economic degeneration which the U.S.A. and Europe are enjoying today.

The pre-1964 advantage of European culture's long sweep, was rooted in what Plato's dialogues define as that principle of *hypothesis* which is the correlative of the Classi-

cal Greek notion of *powers*, which was so foolishly and crudely rejected by empiricists Francis Bacon's and Thomas Hobbes' contempt for Classical irony of a Shakespeare. This is the folly also expressed by black magic specialist Isaac Newton's silly "Hypotheses non fingo," as by the Bertrand Russell who, with his devotees such as Norbert Wiener and John von Neumann, made a vast, intellectually sterile, abiotic system out of denying the existence of that function in the human individual which distinguishes man from the ape: the denial, by all such fools, of what Vernadsky termed the Noösphere.

All of the actual relative achievements in the development of European civilization, have been products of the development of that faculty, the principle of hypothesis, the noëtic power which sets man above such self-professed apes as Thomas Huxley, Frederick Engels, and the empiricists, positivists, and existentialists, as also the ancient Greek reductionists.

Thus, the essential historical problem impeding the long sweep of the development of modern European society as we have known it, has been the suppression of the individual's power of successful hypothesizing, a suppression accomplished in more or less the way typified by French Liberal empiricist, and probable *Fronde* sympathizer, François Quesnay's bestial argument in support of a principle of black magic he named *laissez-faire*.

As the U.S.'s Frederick Douglass emphasized, the most direct way in which to be able to herd people as human cattle, is to suppress their right to hypothesize in the mode illustrated by Plato's dialogues. Induce people to limit their behavior to those of their faculties which efficiently approximate the mentality of herded cattle, and you oblige them to behave, and to see themselves as a kind of dumb cattle. You can not free a slave, or a victim of the habit of slavery, without freeing him from the effects of a cattle-prod-like conditioning, such as conditioning never to be caught behaving as anything better than human cattle. This brutalization of many Americans of African descent was enforced in continuing effects today by such means as the U.S. Southern slaveholder clique's declaration of a slave's literacy as in itself a capital offense, and, later, after Emancipation, by Liberal policies of education intended to avoid encouraging a descendant of slavery to aspire to rise above his or her assigned, menial station in life. (In today's U.S.A., the same kind of effect is secured, still, in other ways. The relevant form of functional cognitive illiteracy is rationalized, as under President George W. Bush, Jr., as "their culture.")

It was to the extent that modern European culture practiced the use of its Classical advantage, that it leaped ahead of those non-European cultures which did not make this shift in social and economic policies of practice. This can be illustrated handily by comparing the estimated, average relative physical productivities, per capita and per square kilometer, for Europe, with those for, for example, India and China.

Compare life, thus, in Europe, for example, from the census of Charlemagne through the Fourteenth Century, with that of the area of India and China during comparable times. Then study the shift, comparing Europe with the area of today's India and China, in fairly estimatable relative values of productivity per capita and per square kilometer, over the interval 1400-1964. Then, look back to the demographic and related decline of, first, Imperial Rome in the West, and, after that, in Byzantium.

Admittedly, we did not even begin to actually free the people generally from the status of human cattle, until the emergence of modern European culture in the Fifteenth-Century Renaissance; but, we intended to realize that goal; and, that intention, wherever it persisted, made the difference in the character of European culture as a whole. It is as if to say, that a single person in a culture, by being and acting so, may supply a characteristic which becomes part of that culture as a whole, even a redeeming part of a culture which might be predominantly brutish in every other way. It is as if to think, that for the sake of the existence and work of a single good man, God might withhold terrible, just punishment from an entire erring people.

We who fought, sometimes as lonely individuals, when others were too frightened to do so, for the morally necessary supremacy of the Classical human conception of man, as distinct from, and above other creatures, maintained that tradition over millennia. The goal has lived because so many among us have put their mortal lives at stake, such as the modern Reverend Martin Luther King, or, like Jeanne d'Arc, were burned alive at the stake, for that mission in service of future mankind. Indeed, her dedication to her mission, was the inspiration which stirred the conscience of the Council of the Church, and which inspired France to gain its freedom from the Norman oppressor. We have fought so, often at greater or relatively less risk, to keep that principle alive within civilization. This immortal commitment, sanctified by the sacrifices, which many of so many generations have made on its behalf, has preserved this principle as a characteristic of European civilization. It not only makes the difference today; the continued existence of civilization now depends upon that legacy, absolutely.

So, we of the U.S.A., today, most of whom have done little lately as individuals for us to brag about, are still a special nation among nations, because of what the heroes who have sometimes led us, and those others who worked, or have often sacrificed, have done, to provide the world as a whole today, the unique gift which our republic represents, a republic by aid of which this planet might be saved from the presently onrushing menace of a prolonged dark age.

To preserve that principle embedded in the intention of our U.S. Declaration of Independence and the Preamble and Presidential system of our original Constitution, we have endured much evil. As I have already said above: Typical of the malicious opposition which we have had to fight, in defense

of the Classical humanist principle, is the case of the Physiocratic dogma of France's Dr. François Quesnay, an explicit adversary of the Classical humanist principle, and implicitly an evil one.

Quesnay's argument for *laissez-faire* (which the similarly depraved Adam Smith plagiarized as "free trade") is premised on two leading assumptions. First, the superstition, that the profit of the estate is caused by magical properties attributable to the landlord's title, rather than the labor of the workers on that estate. ²⁶ Second, that the function of the workers is comparable to that of milk cows, whom one must feed sufficiently that they live and breed to produce meat and milk, but are permitted no other moral claim to a share of the income. Otherwise, the income of society is attributed to the proprietors' ownership and exploitation of pre-existing natural resources; the notion that man contributes qualitatively to maintaining and increasing such resources by human labor, is rejected.

This physiocratic delusion, of Quesnay, Turgot, and the Adam Smith who plagiarized them both, is the underlying assumption of both current fads of "environmentalism," globalization, and virtual slave-labor practices of the IMF/World Bank-dominated international monetary-financial system today. As the physical economy of the Americas and Europe, in particular, is being looted into a state of net negative physical growth at home, the world's financier oligarchs of today are occupied by an obsession with grabbing control over natural resources, such as petroleum and other mineral resources, as a basis for world rule for generations—or, better said, "degenerations"—to come. The great financial-derivatives speculation in grabbing such natural resources, and the accelerating rate of inflation in those commodities resulting from that pyramided financial speculation in titles to such assets, is not only a characteristic of recent trends in world markets, but is, in fact, a symptom, and, also, a leading contributing cause of the global system's presently onrushing early collapse.

Why, Only in Our United States

To identify the crucial point as simply as possible, as I have already implied, the germ of the idea of creating our United States was already implied in the thinking of the martyred Sir Thomas More, whose judicial murder, already, in and of itself, made a strong case for setting the founding of a durable form of republic on the opposite side of the Atlantic, a case so defined by the manner of his untimely, and most unjust death at the order of an insane monarch manipulated

^{26.} If one thinks Quesnay and Smith to be already more than bad enough, the arch-liberal Bernard Mandeville, of *The Fable of the Bees* notoriety, the satanic figure worshipped by von Hayek's and Milton Friedman's Mont Pelerin Society, is frankly disgusting. The rabidly Gnostic Mandeville insists upon what might be called "The Enron Principle," that good in the large is a derivative of wickedness in the small, that great riches of the few come from much stealing from many little people. The promotion of gambling as a substitute for productive industry, is an example of this disgusting dogma.



"The germ of the idea of creating the United States was already implied in the thinking of the martyred Sir Thomas More, whose judicial murder, already, in and of itself, made a strong case for setting the founding of a durable form of republic on the opposite side of the Atlantic."

by a pack of Venetian scoundrels.²⁷ Indeed, there were most probably similar thoughts by Miles Standish nearly a century later, and that, certainly, was the line of thinking of the leaders of the founding and development of that Massachusetts Bay Colony which was to become the seed-kernel for the creation of our U.S.A.

In effect, during the interval 1763-66, Benjamin Franklin and his circles returned to the implied American concern of Sir Thomas More. The question posed from the mid-Seven-

teenth-Century onwards, was, implicitly: Was it necessary for Americans to go so far in resisting the recently spawned British Empire, as to think of a war-like break, to independence, from that cruel empire? The answer, as experience affirmed that view, was that not only was the revolutionary independence of the English colonies in North America justified, as the U.S. Declaration of Independence avows; it was necessary for the sake of the liberation of Europe's nations from the ultimately fatal corruption of which Europe could not otherwise cure itself. The creation of our new republic must be the adoption of the best from Europe, but the best freed from the fatal corruption of the existing, institutionalized culture of Europe.

This was implicitly the same corroborating observation made by Friedrich Schiller in viewing the horrors of the French Revolution: A great historic opportunity had been lost, because the moment had found a people morally too small-minded to seize that long-awaited opportunity when it had been presented. What should have happened in France in 1789, was realized by the role of the U.S.A. under President Franklin Roosevelt. Roosevelt led in freeing a Europe which had brought the blight of the Jacobin Terror and Napoleon upon itself earlier, and fascism more recently, through its own continuing cultural-political corruption, its failure to have broken with the quasi-feudal cultural legacy of the Anglo-Dutch Liberal and some even earlier traditions, such as the Habsburg legacy.

Today, the same logic says: "We must free our U.S.A. from its present seizure by the infection of a fatal corruption like that which afflicted Europe in the two so-called 'world wars' and rise of fascism in the past, that we might, once again, take that action which would save our republic from its own present lunacy, while also saving Europe from its own present folly."

Today, even what a European view may see as the massive corruption of the virtually self-bankrupted U.S.A., has not changed that question in any essential way. As I have emphasized repeatedly earlier in this present report, Europe may see the corruption of today's U.S.A., but Europe is not prepared to assume the responsibility for the specific kind of measures through which it might tend to assume the kind of leadership role which the history of the U.S. requires it to play in the world today.

For example: At this moment of writing, there are, in fact, two strategic polarities of the planet which will play a dominant, virtually decisive role in determining the direction which world history may take at the present juncture. One is typified by the attack on Social Security, by the present Bush Administration, from inside the U.S.A. This is an issue which is echoed in similar institutional forms in western Europe, and in similar ways throughout Central and South America. The outcome of this fight over the privatization of Social Security will tend to determine whether a U.S. under President George W. Bush goes fascist, or not, and

28 Feature EIR December 17, 2004

^{27.} E.g., Francesco Zorzi (a.k.a. Giorgi), putative chief of the Venice intelligence service, and posted to England to operate under the cover of a marriage counsellor to King Henry; Cardinal Pole, Plantagenet pretender to the throne of England, and Venice agent; Thomas Cromwell, Venice-trained agent. The first implication of that operation, was to incite a quarrel between the Spanish Hapsburgs and England, with a Spain which had already chosen France as the principal target of its murderous feuding. In the end, the operation played into the hands of what was to become, later in that century, the new virtual tyrant of Venice, "new party" head Paolo Sarpi, who personally prepared the way for the 1618-1648 Thirty Years' War, and thus orchestrated the foundations of the Anglo-Dutch Liberal Venetian Party's emergence as what became Shelburne lackey Gibbon's new, Anglo-Dutch Liberal model for a Roman Empire. Shades of the Democratic Party of Athens, et al. (i.e., the Sophists) in the Peloponnesian War.

that soon. The other polarity is the keystone role of Russia in the Eurasia context as a whole, as this is typified by the network of collaboration centered around the nest of Russia-India-China treaty relations. It is the intersection of these two global polarities, which will define the phase-spaces in which all other significant issues of the planet as a whole are resolved strategically.

For example: The likelihood is that President George W. Bush could lose his mad dash for early privatization of Social Security. It is the single issue on the table now which would be most likely to sink Bush politically in the quickest time. If the U.S.A. were to go in that direction, this would mean the rapid spread of already-suppurating tendencies for austerity-cum-fascist regimes throughout much of the world. If, as is at least likely, Bush is defeated on this, a positive turn in the strategic situation becomes possible, as distinct from the immediate alternative, in which the political health of the U.S., and therefore the planet, is doubtful.

For example: The state of mind around the Bush Presidency at this time, is that an alarming ration of voters do say "Yes!" to the test question: "Do you accept George Bush as your personal Lord and Savior?" In this setting, with such a healthy quality of support for the Bush Presidency and the role of pro-fascist, lunatic circles within the Democratic Party, around Zbigniew Brzezinski, on a strategic collision-course over the Ukraine election and related matters, the corresponding shift in the strategic posture of Russia's President V. Putin, especially the strategic emphasis on a Eurasian cooperation bloc centered around cooperation among Russia, India, and China, is the pivotal counter to the Bush Administration's global posture. Any matter which does not fold into that U.S.-Russia complex, is either of marginal relevance, or is being misdefined by lack of a competent strategic focus.

This Washington-Moscow pivot of the presently rising tempo of global strategic confrontation and related developments, affirms, despite the decadence of the U.S. political and economic institutions, the continuing crucial role of the U.S. in determining the options for survival or breakdown of present world civilization.

That said, as a matter of needed qualification of the argument, resume the development of the historical point.

That, as observed from the parapet of the experience of modern European history, takes us now to the most profound of the questions posed by consideration of the crisis of Asian culture today. The subject now, therefore, is the nature and indispensable role of national sovereignty.

Throwing out the rubbish is an essential part of progress. The expression, "Go someplace else to get a fresh start," often expresses a drunk's, perhaps George W. Bush, Jr.'s ("I have been thrown out of far better joints than this one!") or other neurotic's flight from reality; but, sometimes it reflects a profound truth. Such was the intent, as expressed by Cardinal Nicholas of Cusa, behind the launching of the great voyages of discovery which, among not-unintended effects, produced

the U.S.A.

The typical neurotic problem of cultures, as much as individual persons, is that the individual's, or nation's collective mind is usually like a fishbowl. Thoughts swim within a fishbowl-like container, whose walls are composed of a blend of real, and false assumptions which exert axiomatic authority over the opinions of the inmate. Therefore, the actions of the subject persons are limited to moving among the available destinations located within the confinement of that ideological fishbowl.

When the Venetian resurgence against the great ecumenical Council of Florence, used the flanking strategy of promoting the Ottoman conquest of Constantinople as the leading initiative for an attempt to destroy the Fifteenth-Century Renaissance, Cusa had responded with his proposal for transoceanic, globe-spanning voyages of exploration, to seek new partners abroad for the global intention of the great ecumenical mission of the Renaissance effort. There were several profound principles expressed in this way; one, which seems to have passed through the Renaissance mind of Sir Thomas More, is most relevant for consideration as a general principle of global strategy for today.

As I have just emphasized, the process leading into the creation of the U.S. Federal Constitutional republic, has two unique features:

First, as the case of Cusa's, and also Sir Thomas More's role in launching the program which led into the creation of the U.S. illustrates the point: The idea of developing an extension, in foreign continents, of the best features of a European civilization conceived by the Italy-centered Renaissance, was not a scheme for abandoning the troublesome Europe of that time, but part of a program for outflanking the problems of Europe, by developing the external leverage of new fraternal relations developed in places which were at a convenient distance from Europe at that time.

Second, as typified by the role of leadership, typified by the Winthrops and the Mathers, the early explorers and settlers of North America found in that awesomely difficult wilderness, an excellent place from which to build up an extension of the best features of European culture, a place which could develop relatively free of those existing, stubbornly tragic features of Europe's life and customs up to that time. This place, especially a North America relatively free of the lunacy which the Habsburg gang had left as a legacy to the South, offered an opportunity for action which might overcome the deadly cultural sicknesses which persisted inside Europe as baggage carried forward from the past. As my late friend and historian H. Graham Lowry emphasized in his How the Nation Was Won,28 the Winthrop family which founded the Massachusetts Bay Colony, especially prior to 1688-1689, represented precisely those qualities of leader-

^{28.} Washington, D.C.: Executive Intelligence Review, 1987.

ship which Sir Thomas More would have admired for such a project.

From the Seventeenth-Century beginning of the development of what later became the U.S.A., there was no significant intention among the American colonists to break with the British monarchy itself. The leaders among the colonists understood that their principal enemy in England was what William of Orange and his Anglo-Dutch India Company represented. The colonists found themselves in a quarrel with the Liberal Parliament of Walpole and his successors, but hoped, as the leadership role of Benjamin Franklin expresses this most clearly, that the English monarch might keep the paws of William of Orange's and Marlborough's Venetian Party off the autonomous subjects of the King in North America. It was as the English monarchs themselves showed themselves, more and more, to be creatures of the Venetian Party's India Company, that the Americans were driven reluctantly to see the break as unavoidable.

The same pattern showed itself in the case of U.S. relations with Eighteenth-Century France, as a tragic element in the role of the Marquis de Lafayette's conflict between loyalties to his cause and his King, shows this. So, President George Washington understood, and warned against further search for "entangling alliances" in the Europe of that time.

So, back in Europe, not only in England, but in general, the relevant leaders there understood quite clearly that the chief immediate threat to any attempt to better European life came from the predatory, Venice-centered financier oligarchy which had led Europe into the nightmare of the Fourteenth-Century New Dark Age, a time in which half of the parishes of Europe virtually evaporated, and there had been a net loss of population of an estimated one-third of the total population. In 1648, as the great peace Treaty of Westphalia finally brought to an end a period of religious persecutions and wars unleashed beginning 1492, and once the emerging power of the new Venetian Party, the Anglo-Dutch Liberal power, was pushing Europe into another round of the kinds of troubles which Venice had represented since about A.D. 1000, the idea arose of using the Americas, particularly North America, as a base from which efforts to outflank the newly emerging menace might be prepared and launched by people who had settled in North America from Europe.

The successive waves of migration, from Europe into North America, the U.S.A. most emphatically, expressed a corresponding principle. The masses fled the apparently hopelessly stubborn corruption of Europe, not because they sought to break with the mother-culture with which they had been reared, but because they saw an otherwise poor future for the good products of their culture in Europe itself.

Behind all this, there is a deeper principle, to which we shall return after preparing the ground for that by focussing, now, on some essential points about what Alexander Hamilton and others of that and later times called "the American System."

'The American System'

In the midst of what became known as the Seven Years' War, the British East India Company had set into motion, and orchestrated operations intended to undermine, and ultimately to destroy all among the rival powers of continental Europe, the Company's most feared, and therefore most hated target, was a growing network from among the greatest thinkers of Europe at that time, a network which extended to the leading North American scientist and political figure of that time, Benjamin Franklin.

Among the pivotal European influences targetted by the Anglo-Dutch Liberal's transatlantic project was one Abraham Kästner, a leading follower of Gottfried Leibniz, a leading mathematician in the field of Leibniz's work, a defender of the work of Johann Sebastian Bach, and a person of special political influence among the circles of the Classical humanist culture, such as the circles of Gotthold Lessing and Moses Mendelssohn, arising in Germany at that time. Through this and related channels, relevant works of Leibniz, including his attack on John Locke in Leibniz's *New Essays on Human Understanding*, exerted a profound influence on shaping the world-outlook and philosophy of law of the founding of the U.S.A.

Among these European connections targetted by the London-centered Liberal gang, were the circles around Franklin which had adopted Leibniz's anti-Locke principle, the pursuit of happiness, as the central positive Constitutional principle of the 1776 U.S. Declaration of Independence. In this context, Leibniz's science of physical economy became the scientific basis for what U.S. Treasury Secretary Alexander Hamilton was to identify prominently as the *American System of political-economy*.

Leibniz's science of physical economy, which he developed over the interval 1671-1716, represented the original discovery of a science of physical economy, the first and only form of an actual science of economics developed in Europe up to that time. No competent understanding of any of the leading problems of culture identified here so far, could be defined and addressed in a way which matches the requirements of physical science, on any different basis than Leibniz's founding of economic science in his work on this subject during that interval. What is called "economics" in most universities and related professional institutions today, is essentially methods of accounting, methods which have no connection whatsoever with a body of science in the sense of the use of the term "physical science."

For example, since 1971-1972, the U.S. economy has been operating under a doctrine which is named by some of its leading authors as a policy of "controlled disintegration of the economy." The radically inflationary interest-rate shock introduced, in October-November 1979, by newly appointed Federal Reserve Chairman Paul Volcker, is an example of this policy promulgated by the followers of Carter Administration National Security Advisor Zbigniew Brzezinski as the long-

FIGURE 3a

LaRouche's Typical Collapse Function

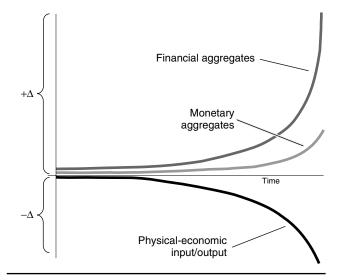
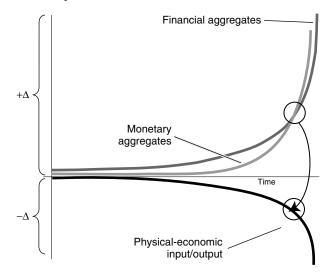


FIGURE 3b

The Collapse Reaches a Critical Point Of Instability



LaRouche's "triple curve" heuristic diagrams show the cannibalization of the physical economy, by the hyperbolic growth of monetary and financial aggregates. In the figure on the right, the growth of monetary aggregates overtakes financial aggregates, leading to hyperinflation—a situation we are beginning to see today.

range program of the Brzezinski-led Trilateral Commission. In principle, that had also been the pre-Carter Administration policy of a Nixon Administration group headed by George Shultz, Paul Volcker, and Henry A. Kissinger. In physical terms, the U.S. economy has been collapsing consistently over the interval 1971-2004; however, thanks to the combined kind graces of inflation and of the flagrantly fraudulent reporting of statistics by the Federal Reserve System and certain Federal government agencies, your average American dupe came to believe, falsely, that the economy has been growing, despite a few set-backs here and there, a deluded belief which has been continued during most of this period.

All the while, as my Triple Curve pedagogies [Figure 3] have illustrated this fact consistently, since their first general publication in 1996, the U.S. physical economy not only did plunge into what I had forecast as a deep stock-market crash, in October 1987, from whose permanent effects it never recovered structurally; but, the consistent trend since that crash, as before, has been an accelerating expansion of monetary and financial circulation, with, also, an accelerating decline in net physical output per capita. Meanwhile, the majority of a credulous upper twenty percentile of the population, reads most glowing reports of the rate of expansion of monetary-supply and selected financial market indices, and seems not to recognize the consistent collapse of the rates of net national physical output per capita and per square kilometer.

For example, an international monetary-financial crisis was already in progress during 1995-1996, but the govern-

ments and money-managers, combined, were able to dump the burden of the 1997 collapse, with George Soros's help, on the Asian markets, and to dump the burden of the ensuing August-September 1998 crisis on the speculative market in Russian GKO bonds, all as a result of a wild-eyed swindle of about everyone, including themselves, by a bevy of leading hedge-fund speculators.

Two observations are to be made on account of that and comparable examples.

First, although the use of monetary-financial trickery is a tactic which has often succeeded in postponing the appearance in monetary-financial markets, of a collapse already underway in the physical (real) economy, the conditioning of relevant leading governmental and other institutions into reading financial accounting reports, rather than seeing physical facts of the real situation, allows governments and others to use inflation as a mask to postpone the public recognition of even a severe economic decline which has already occurred, to postpone that recognition for a period of years or longer after the collapse has already occurred in the physical base of the economy.

Second, there are the combined factors of the accelerating trend toward globalization, and the lowering of the level of sanity of the population, through the shift from a producer economy to a debt-as-money, pleasure-seekers' economy. This tactic uses the misleading "wealth effect" of a "plastic" credit-economy in promoting the loss of net savings in a bank, the loss of conditions of stable currency to cost-of-living cor-

relations, to promote a thus-deluded general population's tendency to mistake short-term, high-premium debt-slavery for a satisfying level of income. That prolonged swindle, over a generation, has produced two adult generations of our post-World War II population, who, increasingly, have lost their connection to our population's former practical sense of the functional connection among production, income, debt, and consumption.

Even before that recent three decades or so of a rising epidemic of mass-insanity took over, what was usually mistaken by misled popular opinion for "economics," was, and remains a branch of accounting, not science. What is peddled, in universities and elsewhere, under the label of economics, was developed by the British East India Company after the U.S. Declaration of Independence was adopted, and was developed at that time, and later, as the British financier oligarchy's effort to develop a doctrine of political-economy intended to block out international attention to the Leibnizbased American System of political-economy. Liberals' London turned to the circles of Lord Shelburne's Jeremy Bentham to organize the British East India Company's Haileybury school's program in political economy, from which all of what may be termed fairly "the usual suspects" of British political-economy, as taught still today, are derived.

I have treated the issues posed by this contrast in locations published earlier. Here, in this present report, I confine our attention to those points which are of essential relevance to, firstly, the contrasts among American System physical-economy and European monetarist systems, and secondly, the root of the relevant cultural differences between American and European culture, on the one side, and Asian culture, on the other. On this account, in order to place the needed, correct emphasis on physical economy, rather than intrinsically deceptive monetary-financial "wealth effects," I have situated the arguments for that American System which was derived from Leibniz's discovery of a science of physical economy against the backdrop of Vernadsky's notion of the Noösphere.

Admittedly, the names and trick accessories of the currently taught doctrines change, as Wall Street finance's reform of automobile marketing imitated the design-change policies of New York's Seventh Avenue garment district. Today's new fashions in economics doctrine should remind us of a half-naked skeleton draped in scanty rags, marching—to a bony, rhythmical clack, clack, clack—down the Milan fashion-parade line-up today. Essentially, in both cases, there has been relatively minimal improvement, if any, either in function, or in taste. Give us our factories back, and feed and clothe those poor, starving, shivering girls, now that Winter is coming on!

In their attempts to defame and undermine that pro-Leibnizian American System of political-economy which we associate with the names of Franklin, Alexander Hamilton, the Careys, Frederick List, Abraham Lincoln, and President Franklin Roosevelt today, the Anglo-Dutch Liberal gang proceeded with their knowledge, from the inside of their culture itself, that the American System of political-economy was the greatest imaginable long-term threat to Lord Shelburne's plan for a global, new Roman Empire based in London. So, they proceeded against Franklin and the American System, just as those Liberals had defamed what they feared as the work of Leibniz, because they knew it was absolutely superior to, and a danger to the authority of empiricism.

The Liberals' preferred tactical method is, to destroy whatever it fears to be superior to its system, by, first, fraudulently defaming that target, as those Liberals have spent more time and energy, especially during the recent thirty years, in continuing fraudulent defamations against me personally than any other living intellectual figure they have targetted on this planet. Those Liberals never waste much effort in prolonged defaming of what they do not recognize as both dangerously truthful and deadly to their special strategic interests. In short, they lie Liberally, sometimes, very Liberally.

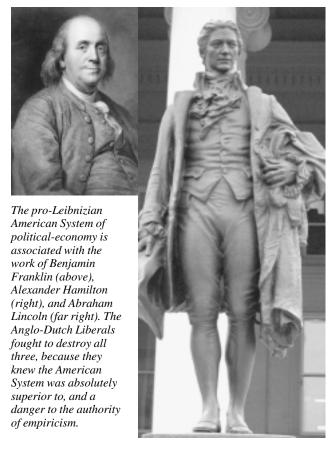
The entirety of the Anglo-Dutch Liberal system in statecraft in general, and economy in particular, was and remains a vast hoax, a hoax now in the process of crashing down around the world's ears, including those of the legendary British Twiggy's successors, the poor, shivering, superskinny girls in Milan today.

To rescue this present civilization from its threatened self-inflicted doom, the standpoint from which a competent modern science will address physical science, Classical culture, and political-economy, all in a common way, is that ancient Classical Greek scientific method associated with, as I have already emphasized earlier in this report, the pre-Aristotle scientific conceptions and methods of Thales, the Pythagoreans, and Plato. From this ancient standpoint, on which the launching of modern European experimental science was premised, science expressed in a unified way the conception of the special nature of the human being, as distinct from and absolutely superior to all other known forms of living beings.

What I have just said appears to put the emphasis on physical values. It does in large degree, but the functional aspects of authentically Classical forms of artistic composition, are also physical, as I shall emphasize that important point, in passing, in this present report.

The greatest enemy of global civilization today, is not so much the Anglo-Dutch Liberal system of economy itself, as the misleading ideology, respecting the nature of science in particular, and truth in general, which had been induced in official and popular currents of opinion as a part of the process of "brainwashing" society into accepting the so-called "philosophy" of Big Brother's Liberal system. Therefore, it is to that root of the corruption, as in science and related areas, that we must now turn our attention on the subject of the relationship between science and culture.

The central theme of this ancient, and modern physical science, is the conception of *powers*, as the Pythagoreans and others adopted this conception from the methods of Egyptian physical astronomy, known as *Sphaerics*. This conception is replicated in a unique and exemplary way for astronomy, by





the work of the ancient Aristarchus and Eratosthenes, and the discovery of universal gravitation by the Johannes Kepler from whose pioneering work all competent modern physical science was either derived or otherwise inspired.

Kepler's work, premised, as he insisted, on the guidance of predecessors such as Cardinal Nicholas of Cusa, Luca Pacioli, and Leonardo da Vinci, was the foundation for all competent modern physical astronomy, and for the offshoots of his work in astronomy such as the original discovery of a universal infinitesimal calculus by Leibniz, and the mastery of the implications of elliptical functions by Carl Gauss, Bernhard Riemann, and others. What is called the elementarily geometric method of Kepler's discovery of universal gravitation, and is also the way in which Leibniz derived a calculus and the related universal principle of physical least action, is perfectly consistent with the notion of *Sphaerics* as known from the work of those relevant pre-Aristotle Greek scientists such as Thales, the Pythagoreans, and Plato.

The universal physical principles consistent with both the ancient and modern conceptions of Sphaerics are termed *powers*, in English-language usage. But, the methods of those scientists are not consistent with the empiricist notions of algebraic types of representation of that misleading mathematical form of expression of the principles of physics prescribed in the work of Galileo, and the Newtonians such as d'Alembert, Euler, Lagrange, Cauchy, Clausius,

Helmholtz, et al.

With the return by Vernadsky, in his work on the Noösphere, fully to the Classical, geometric method of the Classical, pre-Aristotle Greek scientists in the Pythagorean-Platonic tradition, we have today, in implications of Vernadsky's work, the desired "common language" of the type of experimental method required for addressing more efficiently those issues of economy and culture posed in this present report.

As I shall emphasize, this notion of powers is applicable not only to subject-matters associatable with the domain of physical science, but also those aspects of social processes which are apothe-

osized in the form of principles of Classical artistic composition. Such are the minimum scientific requirements for sorting out the three categories of global, economy-significant cultural problems addressed in this report.

For example, consider the following summary of that point, this time from the vantage-point of the cultural implications of the Alexander Hamilton definition of the principles of development under the American System of political-economy. As in this present report, I premise the argument upon the presentation of a notion of a universal physical principle, as such a principle must be properly defined from the stand-point of the Classical notion of *powers*. I interpolate a fresh restatement of the definition of powers as applied to this purpose. At this point, I provide the reader a glossary of some of the most essential concepts which form an indispensable part of the vocabulary of economic management practice in general, and of the government of a progressive form of sovereign nation-state republic most emphatically. I begin with the concept of "power."

Define 'Power'

The notion of a *power*, as associated with the method of the Pythagoreans and Plato, is inseparable from the notion of the difference between a higher ape and a human being. The distinctions and their immediate implications may be summarized as follows.

The notion of a *power*, in the sense that the Pythagoreans, for example, employ that term as a by-product of the practice of astronomy (e.g., Sphaerics), expresses a peculiarity of that behavioral potential of the developable human being which sets man apart from, and absolutely above the higher apes. That concept of *power* is defined, briefly, in the following

Our sense-perceptions are not a direct representation of the reality we are experiencing. Our sense-organs are part of our biological apparatus, which present to our living, cognitive system, that apparatus's reaction to stimulus by the real world. It is those reactions which our sense-organs report, rather than the real world, which stimulate us initially. The basis for what the socially developed individual mind regards as sense-perceptions, is, at best, at its best, the mind's reading of an effect on our biological sense-organs' encounter with the world around us. We are, thus, given, not an answer, but, rather, a question which we must solve. In other words, what we consider our sense-perceptions of the world outside our skins, and the pain and pleasure within, are shadows which reality casts upon our merely mortal, biological sense-appa-

As Plato illustrates this point in his *Republic*, and the Apostle Paul in *I Corinthians* 13, what we think we have seen are comparable to the shadows which a firelight might cast on the irregular surface of the wall of the interior of a cave.

To know the real world around us, we must take another step, lest we mistake sense-perceptions for that which has prompted the sense-perception, lest we mistake the footprint for the foot. We must discover, by the aid of the same methods used to discover truth in experimental physical science, what the objects are which have cast those shadows.

This search for the real meaning hidden behind those shadows which we call sense-perceptions, leads human beings to two distinctly different types of discoveries, as follows.

The first type of problem is: Once we have been born, we must begin to make sense of that stream of sense-perceptions which seems to pour in from the world around the infant. Gradually, by aid of coordinating the streams of evidence supplied by the senses, the infant's mind transforms those streams into a world of perceived sensory objects. These sensory objects are then "seen" by the mind in the form of a product of that complex process of "digestion" of sensory streams. In this form, they are actual mental objects, objects which the mind creates in the individual's effort to gain control over the sensory world around him.

For example, the healthy mind of the infant does not simply see the parent as a kind of mathematical image projected on a digital computer's screen. The infant takes the combined experience obtained through the work of all of the senses, to distinguish objects which the child comes to identify with what he, or she later names as a functional relationship of that child to "mother," "father," and so on. In the case of the sanely functioning mind, the solution is not simply a product of each isolated type of repeated experience. It is the whole universe of the experience of the child's mind which is operating in each and all particular matters. In the sane child, the image of the parent as the parent might appear in any, and every situation, is inseparable from that idea of the parent, an idea of a relationship defined in terms of not merely sense-experience, but the values associated with the sense of relationship to the object, in which the sense of the relationship is primary, and the subject, and the related experiences predicates. One comes to know not only the idea of mother, but to associate that idea with a name which is used by people to address, or to refer to that mother.

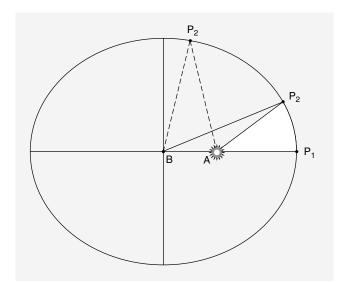
However, with human individuals, rather than, for example, great apes, there is another aspect to this business of perceiving functional relationships among objects synthesized from streams of sensations. The human mind is also able to discover another class of objects, a class of objects which includes what we call "universal physical principles."

The only part of the class of mental objects we should refer to as "universal physical principles" which we need consider for the aims of this report on the challenge of Eurasian culture, are mental objects, objects which do not occur as sense-objects, mental objects which physical science puts into the class of the universal physical principles defined by methods of crucial experiments.²⁹ This class of principles is typified by the experimental methods employed by Johannes Kepler to prove his uniquely original discovery of a principle of universal gravitation. [See Figure 4, and animations at www.larouchepac.com.] They are also objects of the type which empiricists class, falsely, as mathematically "imaginary," which appear in that process of a continuous process in constructive geometry which Plato's friend, the ancient Archytas, used to solve the problem of doubling a cube by a continuous process of purely geometric construction. [See Figure 5, and animations at www.larouchepac.com.]

The processes by which discoveries of universal physical principles are generated, are of a qualitatively (i.e., absolutely) higher order of species than the processes of perception-conception which appear in the animals. They are of the class which Vernadsky associates with the distinction of the Noösphere from the Biosphere. The point being developed

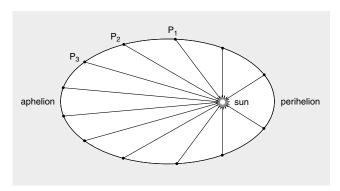
^{29.} By this time, some of the readers of this report will have found themselves confronted by a lurking question to which I can give effective answer only at a slightly later point in this report as a whole. If, as we must insist, the cognitive behavior of the human mind, which Riemann and others have associated with a special significance for the German term Geistesmasse, poses the question: How can a merely living specimen of the Biosphere actually know concepts which lie within the Noösphere? Obviously, we do not know the latter concepts as products of the same biology applicable to non-human living beings; they exist in fact, in that of us which belongs within the domain of the Noösphere, and in terms of the shadows which the Noösphere casts upon the Biosphere, the effects produced by the function of the Noösphere upon the lower realm, the Biosphere. We know that which casts the shadows, by the effect which it casts. That understanding, and functional approach, is, in fact, the essence of the Platonic dialectical method. Only the human mind can understand the noëtic processes of the human mind.

FIGURE 4a



Kepler's elliptical orbit hypothesis. Here, length P₂B is not constant, but constantly changing at a changing rate. What lawful process now underlies the generation of swept-out areas?

FIGURE 4b



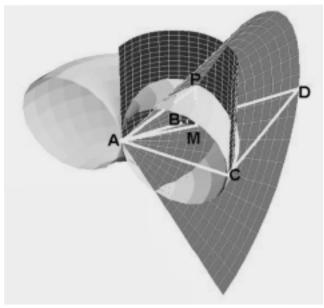
Kepler's constraint for motion on an elliptical orbit. The ratios of elapsed times are proportional to the ratios of swept-out areas. In equal time intervals, therefore, the areas of the curvilinear sectors swept out by the planet, will be equal—even though the curvilinear distances traversed on the orbit are constantly changing. In the region about perihelion, nearest the sun, the planet moves fastest, covering the greatest orbital distance; whereas, at aphelion, farthest from the sun, it moves most slowly, covering the least distance. This constraint is known as Kepler's "area law," later referred to as his "Second Law."

here on that account, requires a brief historical survey of the following bench-marks of relevant scientific progress from ancient to modern times.

This class of principles which we know today as universal physical principles of experimental methods, became known to the ancient Greek science of such figures as Thales, the

FIGURE 5

Archytas' Construction for Doubling of the Cube





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.

Pythagoreans, Plato, the Aristarchus of Samos who proved experimentally, more than a century after the death of Plato, that the Earth orbits the Sun, and the Eratosthenes who measured the circumference of the Earth, prior to 200 B.C., by comparing the shadows cast by sunlight at two proximate points, on a North-South line, in Egypt. Eratosthenes, who also measured the distance from Alexandria, Egypt, to Rome, Italy, by "deep well" astronomical methods, was a leading member of Plato's Academy of Athens, although he spent most of his adult life as a leading figure of the Egypt of his

EIR December 17, 2004 Feature 35

time. The same Eratosthenes was the correspondent of the famous Archimedes of Syracuse.

Another figure from ancient Greece, the Pythagorean Archytas of Tarentum, a friend and collaborator of Plato, is known in science for, among other things, as I have reported above, the method for an exact doubling of the cube by no means other than purely geometric construction. This case, of Archytas's doubling of the cube, has exceptional importance for defining the directly internal connection between the ancient Greek experimental science developed on the basis of original discoveries datable to earlier than the construction of the great pyramids of Giza in Egypt, which occurred about 5,000 years ago.

The study of Archytas's doubling of the cube, and of the notable attempts by other ancients, became a focus of attention during the first half of Sixteenth-Century modern Europe, by Italian mathematicians Cardano, et al. The attempt to give algebraic values for the geometric construction presented the mathematicians with what some Eighteenth-Century Leibniz-haters regarded as "impossible," or "imaginary" numbers. The error of leading Eighteenth-Century European mathematicians, most notably d'Alembert, Euler, and Lagrange, on the subject of these "imaginary" numbers which had been presented earlier by Cardano et al., prompted Gauss's revolutionary refutation of the empiricist methods of d'Alembert, Euler, and Lagrange (and, also, implicitly, Cauchy and others later), in Gauss's 1799 doctoral dissertation, which featured Gauss's first definition of The Fundamental Theorem of Algebra.

The importance of pointing to these ancient-to-modern connections here, is that Gauss's devastating attack on the blunders in scientific method by Euler et al., led to the reaffirmation of Gottfried Leibniz's principle of the infinitesimal calculus, or what is otherwise known as Leibniz's universal principle of physical least action. The treatment of problems of the class so clarified by Gauss, and by notables such as Abel, Dirichlet, and Riemann, solved, at least in a very large degree, the most important of the fundamental problems of modern physical science, and, therefore, also modern economy. The subject of this series of progressive developments, was the necessary physical meaning of the notion of the complex domain.

For the reasons respecting the limitations of simple senseperception which I broadly indicated above, those objects which are properly classed as uniquely, experimentally defined universal physical principles, such as Kepler's discovery of universal gravitation, Leibniz's discovery of the deeper physical significance of the catenary function, and the related matter of natural logarithms, belong to a class of physically efficient universal physical principles, principles whose existence is not directly accessible by the senses. Thus, in experimental physical science, we encounter the existence of experimentally undeniable such universal physical principles, for which no direct, sensory representation is mathematically possible. That is the physical significance, as opposed to all attempted Cartesian treatments, of the mathematical complex domain for all functions which are experimentally real.

These reflections, by the greatest anti-reductionist European scientists of the Seventeenth through Nineteenth Centuries, culminated in what is most efficiently recognized as a Riemannian anti-Euclidean, rather than a merely non-Euclidean, physical geometry. That is the mathematical physics on which a realization of the objectives of Vladimir I. Vernadsky's treatments of the subjects of the Biosphere and Noösphere depends. Vernadsky's recasting of the problem of what he defines as the Noösphere, is the most appropriate standpoint for discussion and development of my discoveries and related work in the field of the Leibnizian science of applied physical economy.

Reflection on the historical development in science which I have just so summarized here, takes us directly to the proper understanding of the meaning of powers in Egyptian and pre-Aristotle Classical ancient Greek physical science. It is the same meaning of powers, which distinguishes the actual discovery of universal gravitation, by Johannes Kepler, from the push me-beat me-pull me doctrines of empiricists such as Galileo and the Cartesian current generally. Kepler showed, for the relationship between the orbits of Mars and Earth, that the cause of the motion of the planet could not be defined by any continuous algebraic function, since the motion along the elliptical pathway was predetermined by three distinct gross factors: the continuously non-uniform motion of the planet in its pre-assigned orbital pathway, the singularity expressed by the illusory apparent back-looping within the Mars orbit, relative to an Earth observer, and the fact that the rate of orbiting always conformed to a principle of "equal areas, equal times" relative to the area swept as a sector defined relative to the Sun's position at one of the two foci of the elliptical orbit. Kepler's more fully developed treatment of the principle of gravitation in the Solar System was given a more crucial proof by the way in which Gauss later proved the Keplerian orbit for elements of an exploded planet formerly lying between the orbits of Mars and Jupiter, for the asteroid Ceres.

This brings us to a crucial point about astronomy and other physical science which is an essential principle of any competent science of physical economy. That point is, that, for Kepler, universal gravitation, as expressed by the orbit of a planet, was an *intention* of the Creator, not a mathematical formula in reductionist kinematics. Kepler, like Leibniz after him, was thus echoing the precedent of an ancient Egyptian astronomy, dating from a time prior to the construction of the great pyramids of Giza, and that in a stunningly insightful way. The full meaning of this point could not be grasped by modern European science until the appearance of that 1854 habilitation dissertation which presented the world the essential basis for an anti-Euclidean physical geometry, "On the Hypotheses Which Underlie

Geometry."³⁰ Riemann eliminated all of the formal definitions, axioms, and postulates of any formal Euclidean or non-Euclidean geometry at a single stroke. Without that, it would not have been possible for modern classroom teaching of mathematical physics to have provided students with a competent understanding of what the Pythagoreans signified by the notion of *powers*, or Kepler's introduction of the notion of *intention*, rather than the reductionist's mathematical formulas, as the necessary usage of the term "universal physical principle."

A universal physical principle, as the English translation of Kepler employs the term "intention," is the quality of idea which displaces all notions of a-prioristic definitions, axioms, and postulates from the practice of physical science. It is only as we ban all such reductionists' assumptions, as Riemann carries forward the thrust of the preceding work in this direction, of such as Cusa, Leonardo, Kepler, Leibniz, and, most immediately Gauss's notion of general physical principles of curvature, as Riemann does in the opening two paragraphs of his 1854 habilitation dissertation, that it becomes possible to express the Classical Egyptian-Pythagorean-Platonic conception of powers forward into that notion's appropriate expression in modern science in general, and in a science of physical economy in particular.³¹

Vernadsky: Three Intentions

The universalist scientific mind of Russian-Ukrainian scientist V.I. Vernadsky, the former student of the great Mendeleyev, and, among numerous other original accomplishments, the author of Soviet nuclear fission technology, returned Russia's (and Ukraine's) science to the founding principles of the Classical, pre-Aristotle science of Thales, the Pythagoreans, and Plato, in his experimentally rigorous discovery of the common principle of what are named the Biosphere and Noösphere.³²

Vernadsky, trained, like his one-time Professor Mendeleyev, as a physical chemist in the same Russian tradition traced, via Peter the Great, to Saxony's Freiberg Academy,

began his attention to the Biosphere from the work of the circles of France's Louis Pasteur et al. Unlike Ludwig Boltzmann's Erwin Schrödinger, who bungled the matter with a reductionist's attempt to explain "life" as a matter of aperiodic crystallization, ³³ Vernadsky redefined the universe in terms of the method of Bernhard Riemann, as composing a domain generated by three distinct, multiply-connected principles: the abiotic, the living, and the *noëtic* (the creative principle expressed as the distinction of the human mind from that of all lower forms of life).

In other words, Vernadsky's crucial-experimentalist methods of laboratory investigations, defined the universe as composed of the interaction among three general types of universal physical principles, of which two are the successively higher-ranking principles of life and human (and God's) creative reason: hence man defined, apart from the beasts, as in the likeness of the Creator. Thus, for Vernadsky, et al., these three, thus ordered by the strictest standards of experimental physics, as multiply-connected, universal physical principles: an explicitly Riemannian universe.

As if to prevent an ingenue's wild-eyed rush into lunatic forms of mysticism, Vernadsky presented such a view of the ongoing developmental process of organization of the physical universe on the proverbial "solid ground" of the evidence of the process of formation, accumulation, and functioning of fossils.³⁴

Thus, our planet's personal history is written largely in the shifting composition of the combined growth of three classes of fossils. First, materials which have been developed by "inorganic" processes since the Earth's original material

EIR December 17, 2004 Feature 37

^{30.} Bernhard Riemann, Über die Hypothesen, welche der Geometrie zu Grunde liegen, in Bernhard Riemanns gesammelte mathematische Werke (New York: Dover Publications reprint edition, 1953), pp. 272-287.

^{31.} For the scientist, in particular, it is important that my argument on this point here be adopted as the intention of the famous aphorism of Heraclitus, as this is reflected, notably, in Plato's attack on the Eleatics, in the *Parmenides* dialogue. This should also be recognized as Riemann's intention in his usage of "hypotheses," as congruent with the referenced special use of "intention" in my argument on the significance of *powers* here. It is also the underlying implication of the attack on the theology of Aristotle by Philo of Alexandria. It is the rebuke to the famous aphorism uttered by Goethe's Mephistopheles in Auerbach's cellar: "In the beginning was the act." In truth, as in Riemannian anti-Euclidean physical geometry, "In the beginning is the intention," the continually creative form known to the Pythagoreans as "power." This is the essentially underlying principle of the science of physical economy, as Leibniz intended, and as I do, as Vernadsky did.

^{32.} Cf. Lyndon H. LaRouche, Jr., The Economics of the Noösphere, op. cit.

^{33.} Erwin Schrödinger, *What Is Life?* (Cambridge: Cambridge University Press, 1992 reprint edition).

^{34.} This is the setting for demonstration of the superior capability of the present-day Russian and other scientists who continue the legacy of Vernadsky, for providing the world as a whole with essential methods of work, for creating the policies needed for successful long-term management of the world's natural mineral resources. To leave such elements of global policy-shaping to those who have failed to recognize the implications of the Mendeleyev-Vernadsky legacy's grasp of the notion of the Noösphere would surely lead toward a global catastrophe for the human species generally. As I emphasized to relevant elements of the U.S. Reagan Administration, and others, in my proposal for what became President Reagan's Strategic Defense Initiative of March 23, 1983, it would be a tragic mistake, still today, to assess Russia's scientific capabilities from the standpoint of the wretched performance of the Soviet civilian economy. The Soviet system's Marxist ideology, especially what soon proved to be its so-called "objective," but ultimately fatal, reductionists' antipathy toward the "idealistic" methods of Plato, wrecked the performance of the Soviet economy, but Russia's most competent scientists, who, by definition, are Platonic idealists in their methods of work, were often even seemingly "instinctively" superior, given their conditions of work, to scientific methods then, and still, popular in universities of Europe and the U.S.A. In physical science and economics, the refusal to grasp the relevance of Gauss's 1799 attack on the incompetence of d'Alembert, Euler, and Lagrange, is proof in principle that the present-day academic in question was mugged by "brainwashers" on the way to pick up his degree.

was spun out of the irradiated plasma of the younger Sun, and the material "fractionally distilled" into the Earth's orbit condensed, as Gauss indicated this must have occurred within a Keplerian Solar system, into the planet Earth and its Moon. Second, materials accumulated as fossils of life, including oceans and atmosphere. Third, materials accumulated as products of the action of the human mind, rather than as fossils of living processes.

The commonplace inability of even many well-trained scientists today, to understand the plain intentions of the most accomplished scientists of known history, as I experienced this crippling intellectual fault among even some talented scientists then associated with my celebrated Fusion Energy Foundation of the 1970s and 1980s, could be traced to the oftentimes hysterical defense of the incompetent, but widely taught assumptions of empiricist/positivist dogmas, such as those of Euler, Lagrange, Cauchy, et al., taught as preconditions for certification of scientists in doctoral and other university programs still today. The nature of that shortcoming among them was made clear in comparing the outstanding achievements of some among these scientists, as experimentalists, compared with the sometimes even pathetic attempts at explaining their experimental accomplishments at the mathematics blackboard.

Such behavior among scientists crippled by those induced formalists' habits, was, obviously, nonetheless a more dignified folly than the sheer babbling insanity of the typical leading economists and their like today, particularly the present generation of economists responsible for the lunatic babble which has shaped U.S. economic policy of practice over more than forty years to date. The latter, such as the virtual "wind-up-toy"-like devotees of Siena's Mundell, are clearly more lunatic, more purely, and dangerously stupefied, and thus virtually more brain-dead intellectually, than the most intellectually sterile of nose-picking minds among Soviet economists of the Plekhanov-Kautsky-Bukharin "objective theory of history" school.

To nail down the absolutely crucial point in the argument I am making here, consider the case of Heraclitus. Could Heraclitus have said that? If so, what could he have meant? Is our answer to those questions merely supposition, or is there some available method by which we might show that the statement, as understood by Plato, is of the unique validity we would properly assign to the experimentally validatable, reported discovery of a universal physical principle. (My relevant motto is: Never make a bold assertion of a contentious point on a matter of principle, unless you are already prepared to ambush the objection of the "usual suspects" among your would-be "critics.")

On the subject of the answer to that question concerning Heraclitus, we have two essential starting-points for proof that Heraclitus might have said that; that, in any case, what is attributed to him conforms to Plato's exposure of the incompetence of the Eleatic school of Parmenides, et al.; and that Plato's defense of the aphoristic statement attributed to Heraclitus conforms precisely to the arguments and experimental successes of the Pythagorean school.

Notably, as a matter of cross-reference, Plato's view of the relevance of Heraclitus's argument conforms to the later attack on the epistemological incompetence of Aristotle's theology by Philo of Alexandria.³⁵ The point in all relevant cases, is that Creation of the universe is a continuing process, not the finished effect which the fraudulent Aristotelean method of Claudius Ptolemy proposes. A universal physical principle is not a mathematical projection of the generation of a mathematically precalculated, completed effect within an a-prioristic Aristotelean-Euclidean domain; it is a constantly, universally acting, continuing action of change, as shown by Kepler's discovery of universal gravitation.

It is from this standpoint, that the assumptions underlying the American System of political-economy must be understood and implemented, now on a global scale.

Physical Economy As Such

A competently scientific insight into economy, is derived from an original, primary emphasis on physical economy, without consideration of money or its derivatives as an included functional factor taken into consideration. It is to be emphasized, in opposition to all of the customary nonsense taught in academic courses and textbooks on economy, that, contrary to the babbling insanity of von Neumann's and Morgenstern's *The Theory of Games & Economic Behavior*, ³⁶ for example, there is no self-evident function of money, there is no self-evident sort of definitional treatment of money to be found in the real universe, but only in the effects produced as symptoms of the unreality of certain troubled, or even very, very sick minds.

The original American System of political-economy, was based principally upon the influence of Leibniz upon leading circles around the scientist-statesman Benjamin Franklin who, among other things, actually organized the foundations of the Industrial Revolution in mid-Eighteenth-Century England.

The relevant problem which the historian, the late H. Graham Lowry reported to me, during a visit to me by him and his wife in 1983, was that, although we had a mass of evidence showing the influence of Leibniz on the development of the leading American thought which laid the foundations for the American Revolution and our original economic system, we had yet to pin down the original link to leading circles in

38 Feature EIR December 17, 2004

^{35.} Some theologians suffering from a defective education in scientific method, would object to my argument here as containing an implicitly "Gnostic" presumption. That would be an error of the type attributable to indoctrination of some theologians in the actually Gnostic dogma of the reductionists, theologians who implicitly uphold the actual Gnostic dogma by locating the Creator outside the real universe, as the targets of Philo's attack do.

^{36. 3}rd edition, (Princeton: Princeton University Press, 1953)

North America, a link which must be located during the reign of England's Queen Anne and the vast Leibniz network which existed also in the British Isles, as also on the continent of Europe at that time. His book presents the researches which led him to the discovery of the most crucial part of the answer to that problem.³⁷ Subsequent historical researches, including those within the continent of Europe, have greatly amplified our present knowledge of the details of these connections.

The popular, variously fraudulent or simply ignorant opinion about the Eighteenth-Century foundations of American Constitutional thought, is based on the childish assumption that the roots of North American thought are to be found in a virtual exclusion of anything but the ideological product of the Anglo-Dutch Liberal ideologies of the late Seventeenth and Eighteenth Centuries. That same foolish mistake has been reinforced by the populist and Marxist currents of the mid-Nineteenth through Twentieth Centuries, which trace the birth of British Liberal political-economy almost to the doorstep of Abraham's house in Ur, or, more likely, the Tower of Babel.

Thus, the arrogant ass, and Bertrand Russell acolyte von Neumann traces the birth of economy back to the solitary speculations of Daniel Defoe's fictional Robinson Crusoe, who is fancied as creating the original act of trade by meeting a castaway named "Friday" on their solitary island. Marx, trained at the British Museum under the British Foreign Office's Urquhart, the corresponding coordinator of Lord Palmerston's network of recruits to Giuseppe Mazzini's Young Europe network, was nurtured in nothing so much as the dogmas produced by the sundry inmates of Jeremy Bentham's British East India Company Haileybury School. Marxist economics was never anything but a branch of the British Foreign Office's product, the teaching faithfully followed by a mass of those so-called Marxists and others, who, unlike the exceptional Rosa Luxemburg, had no significant knowledge of any form of economy existing outside the bounds of British political theology.

So, aided by the Cambridge systems analysis pack, still in the halls and latrines of academia today, the world of ideas outside the mythical ideological conflict between British conservatives and the British left is assumed simply not to exist—except for privileged circles who may chuckle knowingly about this popular foolishness out of hearing of the so-called mainstream press. The mythical wars of "right versus left" are the proverbial Alpha and Omega of what passes, in public latrines and elsewhere, for conventional political and economic wisdom. Not to disturb the credulities of the locals, so to speak. What is generally taught and believed about modern economy in most academic and political circles of the world today, is approximately on the same level of intellectual product as the worst popular science-fiction trash. As the 2000

collapse of the United States' "IT bubble" should have reminded people who ought to have known better beforehand, a society whose university-educated types respect the views on economy of John von Neumann and his dupes could not be considered entirely sane.

So, to speak kindly, the imbecility of the current Bush Administration on the subject of economy (among many other matters) can not be blamed entirely upon the inmates of that peculiar institution. Taking into account the fact that good products of all kinds have been driven from the shelves of the principal markets, the product which public opinion appears to prefer, nonetheless does attest somewhat to the current mental condition of that public itself.

The idea that money "earns" a gain for the real economy by, so to speak, just sitting there, is an example of the kind of sheer delusion by which popular belief has conspired to bankrupt what was once the world's leading, and proudest producer society, the U.S.A. That delusion goes with the rumor that organized crime is what brings improvements to the local economy which it loots.

The fact is that the most intellectual species of higher ape, left without man on our planet, could never have achieved a current living population of more than several millions at any time during the periods of oscillating ice ages during the past two millions years or so. Curiously, there are more than six billions living persons counted on this planet today. Why was the Earth's human population no more than about ten percent of that level back during the Fourteenth Century? Because the level of practiced technology did not permit a significantly higher level back during a century when the population of Europe collapsed by a net amount of about thirty percent during that century's New Dark Age. The difference between ape and man is the human mind's creative powers, those powers expressed by what Vernadsky defined as the Noösphere: not money, saved, invested, or otherwise.

In fact, the need for the role of money arises out of the fact, that the creative powers of the human species are concentrated, as perfectly sovereign, noëtic powers of the individual human mind. There is no creative intelligence floating around in the cracks between people, nor can it be extracted from digital computers. Nor does money function essentially as a means of trade among people. The most essential function of money in modern society is the formation of medium- to long-term physical-capital investments in the improvement of the productive powers of labor of society as a whole.

Know-it-alls who are ignorant of the ABCs of real economy, think "capital" means financial capital. Real capital is physical capital, which must be defined in meaning by standards of measure which do not directly involve the notion of money.

For example, as I have insisted in sundry other published locations, if the U.S.A. is to resume a long-neglected useful function for the world at large, a mission orientation which the U.S. would have adopted at the close of the last great war,

39

^{37.} Op. cit.

but for the untimely death of President Franklin Roosevelt, we must now take into account the pressing needs of the population of regions such as Asia for a chiefly postponed, rapid influence of technological improvements in both the circumstances of life and means of production to lift the masses of Asia, within not less than two generations (e.g., fifty years) up to a truly self-sustaining level. This requires the mobilization of resources on the front-end of scientific and technological progress from around the world as a whole, including Europe, the Americas, and Asia generally.

Much of this contribution must be supplied from the U.S.A. and Europe. This requires the adoption of a mission-orientation for the culture of Europe and North America, which must include the specification that we require a labor-force which reaches the level of competence of a scientific or comparable profession by about the age of twenty-five; a quarter-century. This translates as a twenty-five year investment in the future productive powers of the U.S. population.

All important capital cycles, are, in fact, cycles of the lifetime of physical-capital improvements, cycles for physical capital which must be measured as ratios of the physical lifetime of that investment to the quarter-century, for example, required to produce a qualified U.S. scientist or equivalent professional today.

The sane notion of profit and its function, is therefore to be derived from the rate of increase of gain in productivity of nations and their labor-forces through scientific and technological progress, including the effects of investment in the postponed consumption represented by physical-capital investments in basic economic infrastructure, and particular enterprises.

These relations are most readily defined by proceeding from the standpoint of Vernadsky's conception of physical economy, or, what may be otherwise defined as a neo-Leibnizian approach to physical economy. There is nothing in Leibniz's net work on the subject of economy, which does not anticipate the implications of Vernadsky's thought for the world of today. There is, therefore, no inconsistency between Vernadsky's approach to economy and that of U.S. Treasury Secretary Alexander Hamilton's 1791 Report to the U.S. Congress *On the Subject of Manufactures*. Junk the hoaxster and plagiarist Adam Smith, junk the evil Jeremy Bentham and his crew. Send Karl Marx back to school to learn real economics, for a change. The connection of Leibniz to Vernadsky, defined in respect to the notion of physical economy, is the happy future of our world.

We must manage this planet, and, more and more, our Solar System as well. We must attend to the ratio of increase of abiotic fossils to the mass of the planet as a whole. We must attend to the improvement of the ratio of the fossils and active portion of the Biosphere to the planet as a whole, and to the abiotic fossil domain. We must increase, more rapidly than all the rest, the fossil products of the Noösphere.

To this end, we must regulate the creation and circulation of money, as the protectionist tradition of the U.S.A. has been

the root of all periods of great improvement in the productive powers of labor of the U.S.A. economy as a whole. What President Franklin Roosevelt and his Administration did, in protectionist measures to save the U.S. from the collapse which a reelection of Hoover would have assured, were not innovations contrary to our original Federal Constitution, but changes, partly improvisations required by emergency, of a type which should have been the common practice of our republic from its birth, the intention of the original Constitution, had we had the circumstances and will to do that under the aversive conditions imposed upon us by the menacing lunacy which took over Europe from July 1789 on.

Money is an idiot which attracts idiots more than anyone else. Therefore, money must be regulated, so that it serves the mission, of promoting needed forms of *physical-capital formation*, physical improvement in the productive powers of labor through technological progress, and high rates of physical-economic growth, especially in the increase of the productive powers of labor through scientific and cultural advances. The idea of the lending of money as a source of "natural profit" of an economy is usury, a dangerous mental illness whose spread must be prevented by the only agency which should ever be permitted to create money, the government of a sovereign republic.

4. Bringing Asia Into the System

Consider the great obstacle to global remedies which the behavior of Anglo-Dutch Liberalism has built up within Asia, over recent centuries. I mean, most emphatically, the imposition upon Asia, among other places, of disregard for the difference between man and human cattle, a disregard which is characteristic of the empiricist and derived philosophical world-outlooks.

Although the modern science and technology which European civilization did, admittedly, introduce to subjugated regions of Asia and Africa (for example), were a source of means for great improvements in the productive powers of labor, and related potential improvements in life-expectancy in affected places, even where such opportunities were provided, these putative benefits had more often the character of an externally imposed, rather than self-developed improvement in the relevant national cultures.

My subject here, in this conclusion of my report, toward which I have been leading until now, is the urgency of promoting among both Asians and non-Asians alike, an informed sense of those means of self-development needed to establish the kind of understanding needed for a permanent community of fruitful cooperation among what we may distinguish today as the natural successor to the intent of the 1648 Treaty of Westphalia: a community of sovereign nations dedicated to promote, each, the advantage of the other.

In the awful alternative to that urgently needed reform by treaty agreement among sovereigns, if the modern tradition



China's Shenzhou spacecraft after its return from an unmanned test in 1999.

of the empiricists were continued, the doom of planetary civilization were now assured, given circumstances exemplified by the lunatic obscenity of those Bush Administration policies which are already ongoing in Iraq and aimed for other targetted areas.

Given, the arguments on the matter of European civilization and its own historically defined internal problems, how shall we then understand the problems which European civilization has fostered, in one way or another in Asia, for example? How can we bring nations together for durable long-term treaty-agreements of the needed kind, if we have not established the common principle upon which the possibility of such agreements depends?

The answer some Europeans and others would offer, in response to that question, might be the following.

The disgusting feature of most of the expressions of purported good intentions toward the relevant regions of Asia and Africa today, is that what has been extended to the populations of this regions, has been the tradition of what some less insightful critics of that history might describe as the training of the relatively few in the qualifications for being colonial house-servants of the Anglo-Dutch Liberal empire. Those critics would probably argue, that, only rarely, does an Asian or African observer perceive some sense of what might be called the secrets of the rise of European civilization to its leading, but lately declining role as, not merely a world physical power, but also that role of a leading world cultural power which was abused by the colonial

powers to achieve their presently continuing imperial status of overlordship.

Those, or similar criticisms of colonial and kindred past practice toward Asia and Africa, might be well-meaning, but the critics would argue differently if they could be truthful to themselves about themselves, and about the history of their own cultures.

The fact is, that, lately, especially during the past four decades, what the Anglo-Dutch and related powers have done to Asia is largely an imitation, in effect, of what we, in Europe and the U.S.A., in particular, have done to the generation which is occupying most of the leading positions of power in our own nations, the generation of young adults we ruined culturally, in Europe and the Americas, during the recent forty years. The worst things we have done to the cultures of Asia today, are the things we, in Europe and the Americas, have done, at the same time, to ourselves.

The problem is, that the Anglo-Dutch Liberal interests never had a policy of affording the people of Asia, for example, access to the kinds of knowledge and experience on which the greatest achievements of European culture had depended, the kind of knowledge and experience which I have emphasized in the preceding sections of this report.

The death of President Franklin Roosevelt, now that the threat of a German fascist empire had been eliminated, gave the Anglo-Dutch Liberal component of Trans-Atlantic oligarchical power the opportunity, to rid themselves, as rapidly as possible of their most deadly ancient enemy, the American System rooted in the great Classical tradition of Solon of Athens, et al. With the aid of a state of terror, led by the accomplices of Winston Churchill and President Harry S Truman, instruments of Satanic decadence, such as the Congress for Cultural Freedom, were used to break the will of the majority of the people of the U.S.A., as I personally observed this first-hand as it was happening. The same was done, by the same existentialist cult in Europe, both against the Classical cultural tradition in Europe, and to corrupt the anti-Communist opposition in the Soviet Union and the portions of eastern Europe occupied by Soviet forces.

Consider the relevance of the influence of the satanic Bertrand Russell, in his dual capacity as the principal proponent of world government through the terror of so-called preventive nuclear warfare, and. at the same time, the corruption of morals and science by the spread of anti-Classical dogma in forms such as the work of Norbert Wiener and John von Neumann. Consider the left-wing version of existentialist fascism associated with Berthold Brecht, Theodor Adorno, Hannah Arendt, Herbert Marcuse, et al. The image of the self-destruction of the economy and morals of transatlantic post-1946 culture is typified, summarily, by the putrid smell of the spread of the existentialist, implicitly Brechtian cult of Regie Theater in Germany, combined with assistance from the evil roles of Arthur Burns and High Commissioner John J. McClov.

From 1945 on, it was the intent of the Anglo-Dutch Lib-

EIR December 17, 2004 Feature 41

eral establishment to destroy what the U.S.A. under the leadership of Franklin, Washington, Hamilton, Lincoln, and Roosevelt had represented. Its intent then was to destroy the U.S.A. and what it represented internationally, by, first, destroying this legacy in the U.S.A. itself. The generation born after the close of the war, the generation which marched into universities during the middle through late 1960s, were designed, by help of instruments of influence such as the Congress for Cultural Freedom, to induce the U.S.A. and western Europe to destroy their own culture and morals, as the indispensable prerequisite for establishing that new guise of Anglo-Dutch Liberal imperialism identified as "globalization" today.

Thus, the cultural problem of Asia today, is not what the U.S.A. and imperial Britain are taking away from Asia. The cultural problem of Asia, is, chiefly, Asia's imitation of what the U.S.A. and Britain have done to themselves, especially over the course of the recent forty years.

That is the truth about the character and effects of the culture which the Anglo-Dutch Liberal establishment is intent upon imposing upon Asia and also Africa today.

There are also, long-standing cultural problems which have been added to the effects of the more recent efforts to effect the combined self-destruction of the cultures of the world as a whole.

The generic expression of that problem is to be found in the matters which have been emphasized in the course of the preceding sections of this report: that a simply super-imposed culture, whatever its presumably offsetting benefits, is a tragedy. It is a policy of practice which is contrary to the essential nature of the human species. It is policy rooted not only in the predicates of the morally and formally-intellectually defective empiricist way of reductionist thinking. It is evil, in and of itself; it is evil which engenders evil.

Therefore, the thesis to be pursued now is this: Imposition of standards of cultural sanity, is not tyranny, is not the cause of the problems of Asia today. The chief source of corruption in Asia culture today, is the attempt to rival the present forms of cultural decadence prevalent in European culture's leading circles of today. This kind of corruption of Asian culture, combined with the hatred engendered through the grievances caused by European abuses, tends to prevent the cultures of Asia and Africa from discovering the deeper roots of their present problem within Asian, or African culture itself. On this account, Asian patriots must study the history of European civilization more carefully, to see what universal principles are demonstrated, for both European and Asian cultures today, by tracing the internal struggles between right and wrong, in European history, down to the epistemological roots of that conflict. This must be done for the purpose, that Asia might not repeat, in its own way, the kind of folly which sent ancient Classical Greece down to its own self-inflicted

As to certain, actually rather irrelevant criticisms of the

culture of the U.S. and Europe from Asia: There is nothing wrong, but quite the contrary, in certain imposed changes in culture of a people. Such as the outlawing of cannibalism, the outlawing of crimes against the Jews such as the tradition of Grand Inquisitor Tomás de Torquemada as maintained by Adolf Hitler's attempted genocide against the Jews, or the outlawing of the death-penalty in contemporary civilized forms of society. If the culture so modified were evil, or even simply defective, that aspect of the intention were justified. However, the moral judgment to be passed upon what is done in service of that avowed intention, depends not on the intent as such, but upon the way in which the change is brought about. What the British did in India, is an example of the problem. What Palmerston, Bertrand Russell, et al. did to China, is an example of the crime.

There is nothing arbitrary in the set of rules which I have thus just stated or implied. In the matter of change, what is crucial is the morality of the choice of method by which an otherwise justifiable goal is attained. The correct method for improvement of a culture, is the Socratic method of Plato, et al. The use of any contrary method, except as the prevention of a crime such as Torquemada's, is itself a crime.

Some things are, indeed, universally true, or as universally true as what is absolutely true for a certain time and place in the history of mankind as a whole. The crucial thing is to recognize, and respond to the distinctions to be taken into account. How can one propose to enforce the principle of truth, if knowledge of the truth is prevented, as under the doctrines of law practiced inside the U.S.A. today? How can there be knowledge of the truth, when the practice of truth as policy and law is evaded? How can there be honesty in a culture which practices the moral relativism of the typical modern academic cultural anthropologist? For example, cannibalism is simply wrong, and cannabis-ism is not much better. Mass murder through the effects of the influence of irrationalist "environmentalist" cults, is a crime of willful mass murder. Murder in the name of God is still Satanism, however devout the practice.

What, therefore, these points considered, should we signify by "the consent of the governed?" Simplistic popular rules of so-called "right and wrong" are a practice of the cruel ignorance of barbarians. What, better than such traditionalist forms of moralizing populist rubbish, should be what we could rightly signify as "the adequately informed consent of the governed"? There, in the term "adequately informed," the challenge of Asia today comes to the fore. The principles of scientific discovery which I have stressed in the foregoing chapters have been intended to prepare us, now, for looking at remedies for the plight of Asia's future prospects today.

The Difference Within European Culture

The empiricists' attempts to define European culture, European habits, and so on, as if statistically, are to be brushed aside as obvious sophistry. Man is a creature whose cultures

have always been in internal conflict. The truth of the matter of any culture as a whole, lies in recognizing the difference between what has been true, and what has been false in the contested policies of the conflicted factional currents of that culture, as Schiller's contrast of the legacy of Solon to that of Lycurgus illustrates the point for the case of ancient Greece and its legacy for modern times. Thus, the attacks on "European culture" by some Asians, are a sophistry as absurd, and as corrupting as anything encountered from "the West."

The best achievement of European culture has been the impact of a discovery of that conscious implementation of that principle of hypothesis made famous through the dialogues of Plato. A focus of attention on the obstacles to such a view of that matter from Asia, is the pivotal positive issue of concern in this report. That lack of a clear perspective on this question, is the greatest single obstacle today, in the urgently needed attempt to establish the management of the planet by a concert of sovereign nation-states which, together, represents a true, rather than arbitrary Eurasian cultural paradigm.

Another way of defining the approach to be taken to that end, is a closer examination of the relationship between Russia and India. Russia's character has been its development as an exemplary development of an Eurasian culture. For this reason, although relations between India and Russia are not always easy ones, the Eurasian character specific to India itself, has made the prospect of a cooperation among Eurasian nations which is built around the keystone of Russia-India-China cooperation, for me the obvious pivotal goal of an informed U.S.A. self-interest in foreign policy, since the 1970s, a goal which has gained greatly in importance, in my estimation, since the period of U.S. President Clinton's tenure. Now, we have entered a time when the saving of the economy of western and central Europe depends pivotally upon long-term economic cooperation between continental European economy and a Russia-India-China-pivotted Eurasian concert. When we consider the shortfalls and advantages distributed among the prospective partners to such longterm economic collaboration, the successful establishment of a network of long-term treaty-agreements based upon a Eurasian perspective is of the utmost urgency.

The realization of such hopes, requires a radical shift in Europe and the U.S.A., the former hotbeds of science-driven technological progress, back to their proper long-term, actually vitally self-interest roles as the principal engine of the benefits of global scientific and technological progress for the planet as a whole. However, presuming that we are able to use the presently onrushing general collapse of the present world monetary-financial system, to establish a new arrangement not inconsistent with the best features of the 1944-1964 Bretton Woods system, the challenge will be to develop within Asian nations a growing habit of emulating the best examples of Classical scientific and cultural progress from the history of European civilization, especially the role of such scientific and cultural progress unleashed by Europe's

Fifteenth-Century Renaissance: the legacy of Cusa, Leonardo, Kepler, Leibniz, Gauss, Riemann, and Vernadsky.

That challenge should focus attention by Asians on the issues which I have emphasized in the earlier chapters of this report. This means, for example, freeing India's culture from the grip of corrupting softness toward the imperial design, which is embedded in all of the sundry elements of the Fabian schemes associated with the names of H.G. Wells and Bertrand Russell. The tendency for vacillation between oriental mysticism and radical forms of reductionism in science, is typical of the cultural influence which had tended to constrict the ration of qualified scientific thinkers, qualified in physical science, rather than formal mathematics, among the educated strata of Asia. The special importance of this factor in Asia during the recent nearly sixty years in general, and the recent forty years more emphatically, is that this lack of a broadly developed Classical, anti-reductionist culture of science in Asia intersects the moral and intellectual degeneration of European ideas and practices in science and culture during the recent forty years.

Thus, Asia has lacked the spirit of competition with European scientific progress, that, in significant part, because of the willful drying out of the well-springs of a Classical scientific and artistic culture in Europe and the Americas themselves, during these recent four decades, most emphatically. The want of the Asian's sense of the need to compete in these domains which are no longer regarded seriously in the practice of the U.S.A. and Europe itself, dulls the sensibilities among Asians, by implying that competition requires they should match European and U.S. performance, under conditions in which the relevant European standards have been degenerating catastrophically.

The consequence of a certain dullness respecting this ugly correlation of trends, is that we are producing a vast expansion of the population of Asia, but failing to absorb the great majority of that population in the forms of cultural development needed to assure the survival of those nations during the generation immediately ahead. This deadly infection has been accompanied by a "get rich" fanaticism spread among relevant strata of educated Asians, a kind of "get rich" obsession which has always been, in history, the hallmark, as in the U.S.A. of the recent three decades, of a culture moving toward the brink of a self-induced physical as much as moral collapse.

In short, the issues of creativity which I have emphasized in the preceding chapters, point to the most deadly of the threats, including self-inflicted, immediate threats, to the nations of Asia today.

Probably, Bal Gangadhar Tilak, for example, would have understood me.

The 'Orion' Concept

The moral degeneracy of English language morals from the high standard typified by the work of Sir Thomas More and William Shakespeare, can be dated in a most relevant

EIR December 17, 2004 Feature 43

way from the influence of the Venetian Party empiricists as expressed through the roles of Sir Francis Bacon and Thomas Hobbes. What prompted Bacon's circles to drive Shakespeare from the stage, to make way for silly buffoons, was the same hatred against the practice of Classical irony and metaphor which was expressed by that student of Galileo, Bacon's beloved Thomas Hobbes.

One of the most impressive demonstrations of the relevant point to be made on account of English style in Venetian depravity was Tilak's argument, as in his 1893 Orion, respecting the oral transmission of essentially accurate data respecting the Vernal Equinox, in the constellation of Orion, of more than four millennia earlier, conveyed largely by the oral transmission of certain Vedic hymns into modern Sanskrit practice. Virtually no modern editor could ordinarily show either the competence, or even the desire to transmit an accurate account of the actual intent of a passage from even an address delivered yesterday!

It was made clear to me, as by relevant scholars at Pune, that my suspicions as to the source of this Vedic achievement were correct. The answer to the obvious question posed thus, is already available to us from knowledge of the practice of actually Classical forms of modern English (for example) poetry, from a somewhat broader view of the scope of the matter, than was presented by William Empson in his writings on the subject of types of ambiguity. Had Empson amplified his studies to take into account the implications of J.S. Bach's development and employment of well-tempering as such,³⁸ he would have reached conclusions akin to those I shared with Pune scholars on the matter of the remarkable fidelity in the transmission of these Vedic hymns to modern times.

The damnable fraud of Hobbes and his followers is exemplary of the reasons, rooted in empiricism, for the failure of the ability to use language for conveying actual ideas in relevant parts of the putatively educated populations of Europe and the Americas today.

All competent development and transmission of true knowledge can occur only in the mode associated with an attempt at a perfected mastery of the set of Plato's Socratic dialogues. The examination of these dialogues against the background of Thales, fragments of Heraclitus, Solon, and the Pythagoreans such as Archytas, must be seen as touching the same point which is crucially implicit in Empson's attempted treatments of the subject of irony. That exercise must be complemented by the study of the implications of the welltempered performance, at C=256, of Bach's choral works. The best efforts of that vanishing tribe, the Classical artists of the Classical stage, is of great importance in the process of educating young people to the level of mastering the implications of Classical ambiguity as a matter of their own independent knowledge.

This feature, of the role of Classical irony in poetry. music, and drama, expresses the same principle met in the original discovery of experimentally validated universal physical principles, as I have stressed this point in the preceding chapters. It turns our attention back to Tilak's study of the implications of certain Vedic hymns.

Although the ration of the total population in European cultures which has expressed this approach, which I have emphasized in the preceding chapters, has never been more than a tiny fraction of the total population, the role of that tiny fraction has been the crucial margin of difference which led, over many rocky roads and through deadly swamps, into the greatest achievements of modern Classical European scientific and artistic culture; it is that minority which has contributed its indispensable role in setting the pace for the progress and relative power achieved by the Classical modes in European civilization.

Look at this again, this time from the standpoint of a much higher English authority than Empson, Percy Shelley's In **Defence of Poetry.** There are periods in the history of peoples during which there is an extraordinary increase of the power of imparting and receiving profound and impassioned conceptions respecting man and nature. This phenomenon, as I have been able to study it closely in the course of my teaching activities, work with leading scientists, and otherwise, has been driving force of progress for all European civilization since Europe's emergence under the patronage of the most knowledgeable circles of ancient Egypt, the circles which undoubtedly included the Moses of Moseses.

By aid of my own experience in those climates of my work, it is made obvious to me, that the role of the equivalent of Classical irony, as I have summarily identified that here, is the driving force of progress of cultures, from within cultures. In particular, if we focus on the internal history of the development of European physical science in a Classical mode, over the recent 2,500 and longer years of fairly documented relevant elements of history, we see how Classical forms of ambiguity define the self-development of an entire culture, through the impact of the Classical poets and kindred thinkers of that culture. We see that as this is typified by the best modes and works in poetry, or the similar role of the Platonic form of dialogue in physical science.

What occurs, as I have seen thus often, even at close quarters, in the course of my lifetime, the evolution of the collective mind of an entire culture, is driven by the spark of the interventions into the entire society, through the veil of ambiguity, by a relatively few geniuses, and by those young people who replicate experience of discovery by geniuses in their own early self-development through young adulthood.

The crucial point to be emphasized here, is that the myth of the textbook must be rejected as false. The idea of learning, as if "to repeat after me," the outward form of a

^{38.} As the LaRouche Youth Movement has encountered the depth of Bach's method in its work seeking to master the conceptual requirements, of ideas, for the performance, in the mandatory bel canto mode, of even a single work, Bach's Jesu, meine Freude motet.

discovery, must be ejected from educational and related practices. The individual must re-experience the actual act of discovery, or rediscovery of ideas in the sense that the collected Socratic dialogues of Plato are a map of the only competent mode of general and specialized education, alike. The people of a culture can develop only by avoiding the practice of mere imitation of what is copied from other cultures. What a national culture knows, is what is known through the act of experiencing, or re-experiencing original discoveries of principle in the domains of physical science and Classical culture.

The great, distinguishing accomplishment of European culture, since ancient Greece, has been the cumulative impact of this factor of Classical culture. In all the ebbs and flows of European culture since Solon of Athens wrote his rebuke to the citizens of his state, the continuity of the process of transmission and development was never broken. Witness the clinical behavior of the internal history of European Christianity as a demonstration of that point.

From the beginning of Christianity, as expressed within continental European culture since the mission of the Apostle Peter to Italy, and Paul to Greece and Italy, Christianity has represented, in its essentials, a mode in which that Classical culture of Greece associated with Socrates, Plato, and their relevant forerunners, has been continued to the present day. Inevitably, this aspect of Christianity was treated from the beginning, with the crucifixion of Christ by Tiberius's titular son-in-law Pontius Pilate, as the greatest kind of threat to imperial Rome. Inevitably, the methods of state-sponsored corruption were added to mass-murderous persecution as a Roman commitment to wiping out the actuality of the content of the Apostolic Christianity associated with the Classical Greek implications of the works of the Apostles John and Paul.

The corruption of Christianity through sundry varieties of cults and what-not was cumulatively prodigious. Nonetheless, it survived, and with it, and with the aid of Classical culture transmitted by currents in Judaism and Islam, as in the pre-1492 Iberian peninsula, the essentials of the Greek Classical legacy survived to achieve its resurgence in the Fifteenth-Century, Italy-centered Renaissance.

The transformation of the principal traditional non-Latin languages of Europe, as typified by Dante Alighieri's rescue of Italian from the prison of captor Latin, was associated with a rebirth of these languages into a literate form which was crafted to facilitate the resurgence of the methods of Classical thought. Thus, modern Europe, and, with it, the modern concept of the sovereign nation-state republic, was born during the Fifteenth-Century Renaissance, and that half-suffocated infant resuscitated by the 1648 Treaty of Westphalia.

Thus, despite all else, Classical scientific and related culture has been preserved, and developed further, by a never broken skein of development in the history of European culture since ancient Greece.

In contrast, the manner in European colonization was conducted, from Iberia, and then the Anglo-Dutch mode, was intended to prevent the subjugated peoples of the colonization from being the intellectual masters of their own fate, as was the ban on literacy of slaves in the pre-Lincoln U.S.A. proslavery states. Although elements of European science, for example, were exported into the Anglo-Dutch regions of European colonization, the basis for the development of that scientific, and related knowledge of principle was effectively suppressed, to the effect that the assimilation of science and related knowledge was not experienced as an integral part of the processes of the cultural development of those captive peoples.

Thus, for example, even the very idea of the sovereign nation-state was adopted as a mimicry, rather than as comprehension of the principle from which the European conception of the modern sovereign nation-state republic had been generated. Compare the processes leading into the Fifteenth-Century European Renaissance, when the first modern nation-states, Louis XI's France and Henry VII's England, were established

Therefore, in the preceding chapters of this report, I have placed my emphasis on precisely those historically determined differences in the experience of European and Asian cultures. We can not desire to craft some magic recipe for the needed immediate collaboration among Asian and European cultures' states. We must proceed more modestly, using our defense of the principle of national sovereignty as a precaution against attempting to go too far in imposing some arbitrary form of sameness upon peoples.

We must recognize that no people can be functionally sovereign in respect of responsibility for their own peoples' beliefs, except they be perfectly sovereign in their national affairs. This essential function of this sovereignty must be recognized as cultural in essence. To govern themselves, a people must share a common basis in knowledge, which means the development of a national culture in the sense I have defined culture implicitly here. Relations among such states must be in the principled form of a Platonic Socratic dialogue concerning ideas. There are principles of commonality which unite nations in common purpose, but that commonality must be forged in the development of ideas, by national cultures, in dialogue with national cultures.

The principles which stand out as requisite common objectives are chiefly those, such as principles of the science of physical economy, on which I have placed emphasis in the preceding chapters of this report. Any attempt to hasten to what might be premature agreements on other matters, is to be avoided. The process of development of mission-oriented cooperation among the cultures of this planet, must be seen as a continuing process, over generations yet to come. Rather than hastening to the wrong destination, let us learn to enjoy the leisure of journey itself, that to the mutual satisfaction of us all.

EIR December 17, 2004 Feature 45

EXEconomics

PRIVATIZE AND POVERTIZE

Bush's Lies on Social Security Could Cost Americans Trillions

by Paul Gallagher

Starting with a Dec. 6 meeting with Congressmen, President George W. Bush began a drive to privatize and loot some or all of the \$125 trillion which American workers are scheduled to contribute to Social Security over the next 70 years, proving himself a liar in his repeated campaign promises that he would "not touch the benefits of America's retirees." Reports from the meeting show that the unfortunate President insists on pushing all or most of those payroll contributions into private individual retirement accounts, destined to fill up Wall Street sinkholes, just like the recent years' disappearing 401k private retirement pensions which Americans now ruefully call their "201ks."

Cheney and Bush plan to make the announced Dec. 15-16 "White House economic summit" into a stealing summit, by ignoring the dollar's collapse, and focussing instead on Social Security privatization and new tax cuts for corporations and the wealthy.

Compounding his campaign lies that he would not loot Social Security benefits, Bush now peddles an even bigger falsehood: that Social Security is bankrupt. Press spokesman Scott McClellan, at the Dec. 6 White House briefing, repeatedly told the press a completely irresponsible whopper, that the Social Security fund will be \$10 trillion in deficit at some indefinite future epoch "if we do nothing." There is not the most remote basis for this "straw man" claim—an asteroid will hit the Earth first—except that if it's believed, anything Bush does to wreck Social Security looks good by comparison.

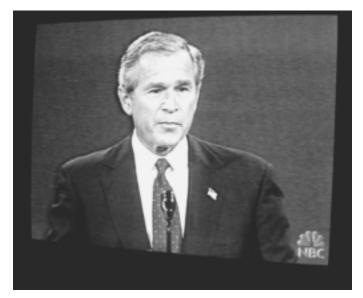
McClellan did not bat an eye when reporters referred to Bush's plan as "privatization," the same term Dick Cheney and Commerce Secretary Don Evans heatedly denied on Oct. 19 after John Kerry nailed the President on it. And McClellan announced at the briefing, that while diverting the Social Security payroll contributions of "younger workers" into private Wall Street-managed accounts, the Bush Administration intends to have the Treasury borrow the money to pay current and near-future retirees—on Wall Street!

That borrowing bubble could run to \$4.7 trillion over the next 20 years or so—according to one estimate by the White House Council of Economic Advisors (CEA)—adding \$150-200 billion a year to Federal borrowing, and running up the U.S. debt/GDP ratio by 23 percentage points. But in fact, the scheme, if enacted, could collapse and "povertize" the Social Security system entirely, as in Bush's great model, Chile, where half of all retirees now get only welfare-level payments.

Compare this radical Wall Street gambling scheme with Bush's standard, much-repeated claims during the campaign; for example, on Oct. 19, in Florida: "In a new term, we'll take the next step toward building an ownership society by strengthening Social Security. Now, let me remind you of something that took place in the 2000 campaign. They said in those political ads that if George W. gets elected, our seniors will not get their Social Security checks. You might remember those ads. I want you to remind your friends and neighbors they got their checks. Nobody is going to take away the checks of those who are now on Social Security. And Baby Boomers like me, we're in pretty good shape when it comes to Social Security."

Bush's lies and his policy on Social Security—as on economic matters more broadly—are an incompetent disaster.

President Franklin Roosevelt's Social Security program is often called—even by some of those who want to do away with it—the most successful government program in human





The Tempe, Arizona Presidential debate was one of dozens of occasions on which President Bush lied about his intention to loot the Social Security fund for Wall Street. Not so accidentally, J. Kenneth Blackwell (right), Ohio chief of elections (and of Bush's campaign) who oversaw vote suppression throughout that state to re-elect Bush, was active in developing the Social Security privatization schemes Bush is now openly pushing.

history. Guided by the General Welfare principle of the United States Constitution, FDR created a universal retirement *insurance* policy—not a *speculative investment* plan—at very modest cost, one which will soon have worked with great success for a century, despite illegal looting of the Trust Fund for decades to pay for general Federal budget deficits—more than \$500 billion looted this way on George W. Bush's watch.

Now, an alliance of neo-conservative forces who hate everything FDR stood for and did, is claiming the mission of "strengthening" his Social Security program! "They came to bury Social Security, not to save it," as *New York Times* columnist Paul Krugman observed on Dec. 7, after the White House meeting. Wall Street simply wants that money, the flow of workers' contributions totalling half a trillion dollars a year, to burn up in speculation.

The center of the Wall Street conspiracy Bush is now lying for, is the Project on Social Security Privatization and "Social Security Choice" task force of the Cato Institute, a radical-right government-hating "think-tank" pushing elimination-by-privatization of Social Security since 1995. Cato's wreck-Social-Security team includes José Piñero, architect of the Chile privatization; Mont Pelerin Society no-government ideologue and Nobel Prize winner Gary Becker; and Michael Tanner, who wrote Cato's "6.2% Solution," which means diverting the *entire* 6.2% worker's Social Security payroll tax into a personal stock-and-bond account. Cato's scheme, after a few trial years of such "choice," then would make the private accounts *mandatory*, in place of Social Security, for workers born after 1954.

And who else should show up in Cato's down-with-Social-Security task force? J. Kenneth Blackwell, Ohio's now-

notorious Secretary of State, Bush campaign chairman, *and* elections chief, who oversaw large-scale vote suppression in Ohio's minority districts in particular, to assist Bush's thustainted victory in that state. Blackwell's "angle" is to lure Black elected officials on the idea that Black Americans, with a five-years-shorter life expectancy, get less out of Social Security than whites, and need a private account instead to leave to their children. The idea is discredited by the decline or loss of Americans' *401ks* and IRAs in the Enron, etc. and NASDAQ debacles; but Bush invited several Democrats of the Congressional Black Caucus to his Dec. 6 meeting with Congressmen.

Reports from that meeting were that the White House was pushing a payroll-tax diversion of at least 4%. Bush and CEA head Gregory Mankiw insisted on borrowing—as opposed to any increase of tax rates or taxable income—to meet the trillions in payments to early 21st-Century retirees that would go missing right away in such a scheme—what are euphemistically called "the transition costs."

This debt-balloon strategy showed the "taxation is against my religion" lunacy of the President. McClellan hammered away at this at the Dec. 6 briefing, after announcing the megaborrowing scheme: "I think you should go back and look at the President's principles. The President's principles are very clear. . . . There are some that have different ideas from us. We want to talk to them about those ideas, but the President's principles are very clear and he remains firmly committed to those principles, and one of those principles is not increasing taxes. . . . The President's principles have been spelled out publicly. Members know what those principles are."

The multi-trillion Federal borrowing strategy reportedly made many of the Congressmen—Republicans included—

EIR December 17, 2004 Economics 47

somewhat seasick. After all, they are supposed to be practicing "strict fiscal responsibility" since Election Day. The *Los Angeles Times* reported that House enforcer Tom DeLay would rather not try "strengthening" Social Security right away on these terms, especially since Republicans know they have no credibility at all on the matter.

Kerry Nailed Bush

In the third Presidential debate, in Arizona on Oct. 13, Sen. John Kerry responded to Bush's denial that he would loot Social Security, by citing some of the crucial evidence that Bush was for a disastrous privatization of the system, as is now clear. Moderator Robert Schieffer of CBS-TV asked Bush, "The critics are saying [private accounts are] going to mean finding \$1 trillion over the next ten years to continue paying benefits as those accounts are being set up. So where do you get the money?"

Bush: First, let me make sure that every senior listening today understands that when we're talking about reforming Social Security, that they'll still get their checks. . . . There is a problem for our youngsters, a real problem. And if we don't act today, the problem will be valued in the trillions. And so I think we need to think differently. We'll honor our commitment to our seniors. But for our children and our grandchildren, we need to have a different strategy. . . .

I believe that younger workers ought to be allowed to take some of their own money and put it in a personal savings account, because I understand that they need to get better rates of return than the rates of return being given in the current Social Security trust. And the compounding rate of interest effect will make it more likely that the Social Security system is solvent for our children and our grandchildren. . . .

And we're of course going to have to consider the costs. But I want to warn my fellow citizens: The cost of doing nothing, the cost of saying the current system is OK, far exceeds the costs of trying to make sure we save the system for our children.

Schieffer: Senator Kerry?

Kerry: You just heard the President say that young people ought to be able to take money out of Social Security and put it in their own accounts. Now, my fellow Americans, that's an invitation to disaster.

The CBO said very clearly that if you were to adopt the President's plan, there would be a \$2 trillion hole in Social Security, because today's workers pay in to the system for today's retirees. And the CBO said—that's the Congressional Budget Office; it's bipartisan—they said that there would have to be a cut in benefits of 25-40%.

Now, the President has never explained to America, ever—hasn't done it tonight—where does the transitional money, that \$2 trillion, come from?

A few days later, when a *New York Times Magazine* article by Ron Suskind revealed that President Bush had told top Republican fundraisers he'd "move quickly" to privatize Social Security after the election, Kerry pressed the issue. An Oct. 18 CNN online article reported, "Democratic presidential nominee John Kerry seized on a report Sunday that President Bush would seek to quickly privatize Social Security in a second term. Kerry insisted such a move would be 'a disaster for America's middle class.'

"Bush 'has never used the word privatization,' a Republican campaign official said, accusing Kerry of trying to 'scare seniors.'... Commerce Secretary Don Evans argued the Kerry campaign was misrepresenting the facts.... Asked [if] Bush's plan could cost \$2 trillion, Evans replied, 'They don't know that. I mean, that's just a number, you know, they're drawing out of the air.'"

Speaking on CNN's Late Edition on Oct. 17, Republican National Committee chair Ed Gillespie also insisted that Bush "never said that" he would privatize Social Security.

LaRouche: Is This the Idiocy You Voted For?

Immediately after the election, Bush has proved that Kerry's charges and Suskind's revelation were true; Bush was lying, and wants to fully privatize Social Security, with disastrous consequences. At this point, the President's small obsessions about a domestic-policy legacy—"the ownership society"—directly intersect and worsen the collapse of the U.S. dollar which he so serenely ignores. The Dec. 15 "economic summit" will be a turning-point in that downward plunge.

Former Democratic Presidential candidate Lyndon LaRouche said on Dec. 5, that if the flow of Social Security contributions from current young workers is diverted, as Bush plans to do-on a compulsory basis-then the government does not have the money to meet the Social Security needs currently. What Bush is proposing to do, is to take the money that is supposed to go to the Social Security Trust Fund, and divert it to private investment sharks. That means that some Social Security contributions immediately won't be there, and Social Security checks won't be paid, Bush's claims to the contrary. Didn't Americans learn anything, LaRouche asked, from the massive 401k losses when the IT bubble wiped out "private retirement funds"? (One-third of older Americans with 401k retirement accounts told a recent survey that they did not know when they could retire, due to the losses of their pension funds.)

LaRouche called Bush's Wall Street diversion stealing; and making it compulsory, as the Bush plan would do, will cause a catastrophe for those counting on Social Security, and for the whole economy. Measuring the magnitude of this pension theft against Bush's statements—not once, but dozens of times—denying that he would ever do precisely what he is now doing to loot the Social Security of the nation, people are going to say, "I didn't vote for *that*; I didn't vote for such a thing!" LaRouche concluded. And the Republicans are very worried about that kind of reaction.

Bush's Chile Model: Take Their Pensions and Run!

by Cynthia R. Rush

Almost 25 years ago, in 1981, the free-market ideologues directing the economic policy of Gen. Augusto Pinochet's military junta in Chile—most of them trained at the University of Chicago in the fascist quackery preached by Milton Friedman and Friedrich von Hayek—privatized that country's Social Security system. Today, Chile is George W. Bush's model for Social Security privatization. Chile took \$22 billion deposited in the government-run Social Security fund and handed it over to 18 private investment funds, known as AFPs (Pension Fund Administrators).

The chief architect of Chile's privatization scheme was Harvard-trained economist José Piñera, a longtime member of the Cato Institute's Project for Social Security Privatization, who is cited frequently by President Bush. Piñera has travelled the world to convince, especially, developing sector and Eastern European nations of the benevolence of Chile's pension and free-trade model.

Through a splashy multimillion-dollar propaganda campaign, Piñera and Gen. Pinochet's "Chicago Boys" told Chilean workers the same thing that Bush is telling Americans today. The large number of funds (run by banks, insurance companies, and other financial vultures) would offer workers an array of "choices" on how and where to invest their money, without government looking over their shoulders. They promised workers a high rate of return and a secure future.

Those who agreed to leave the old U.S.-style "pay as you go" Social Security system and join the new privatized one would experience nothing short of earthly paradise, the privateers vowed. All they would have to do is allow a mandatory 12.5% of their monthly paycheck to be deducted and deposited into the AFP of their choice, from which it would be "wisely" invested. Unlike the old system, employers would make no contribution at all.

One million Chilean workers did switch to the new system in 1981. They were offered incentives and rewards, including an initial wage increase.

It Doesn't Work

Earthly paradise? In a Dec. 9 conversation with *EIR*, Manuel Riesco, a board member of the private Center for Alternative National Economic Studies (CENDA), put it this way: This has been a quarter-century experiment and the results are uncontestable. "The system doesn't work!"

Reiterating what CENDA stated in its January 2004 report, "Chile: Basis for a Reform of the Pension System," Riesco said there is a *consensus* today among "everyone"—the government, AFP administrators, trade union leaders, think-tanks, and even the World Bank (which recently published a report on the subject)—that the system is a complete failure. More than half of the people belonging to the system today *will not qualify for even the minimum pension* of \$110, which the state guarantees. That's 3.3 million people out of a labor force of 6 million. One government study concluded that the number not qualifying for the minimum pension is as high as two-thirds of all affiliates. This has been the case even in years when the rate of return on the AFP investments was 10%, a rate no fund is likely to see again anytime soon.

As CENDA documents, this is because contributors have not been able to make the required 240 monthly payments into a private fund over a 20-year period. Many low-wage earners registered with the private system evade the mandatory monthly payments by underreporting their income, assuming that the minimum pension will yield *more* than whatever their retirement accounts offer. A majority of participants only make an average of two to three monthly payments a year.

In 1973, 77.7% of the labor force was covered by the government's Social Security system. Today, the old system and the privatized system *combined* cover only 60% of the labor force; 40% have no coverage at all. Only a tiny fraction of those who contribute to the private system will get pensions that allow them to live decently.

Those who don't qualify for the minimum pension may withdraw whatever meager funds have accumulated in their individual accounts, and must apply for the state's special welfare pension, about \$50 a month. But not all of the country's poorest citizens can be assured even of those small grants, as only 300,000 are available. Chile's unemployment is 10%; and the 26% of the labor force employed in the "informal economy"—off the books—can hardly make voluntary contributions to any pension fund.

Stealing by Any Other Name...

The truth is that Chile's private pension system is a gigantic Enron-style swindle. The financial sharks who set it up never intended it to be anything other than a mechanism to loot the workforce and the economy, while they and their allied financial predators reaped huge profits. This is true in every country where the Chile pension model has been imposed—Argentina, Peru, and Bolivia, to name a few. The same foreign banks that have bought up 42% of Ibero-America's banking sector—chief among them Spain's Banco Santander, Banco Bilbao Vizcaya Argentaria (BBVA), and the U.S. Citibank—control a whopping 59% of its pension funds today.

Piñera is explicit in stating that his pension model has nothing to do with the principle of the general welfare, embedded in the U.S. Social Security system founded by Franklin

EIR December 17, 2004 Economics 49

Roosevelt. In an article in the Dec. 1 *New York Times*, Piñera insisted that the crucial issue is the link between "personal effort and reward": Who wants "risky government promises" when they can have "property rights"? What better for workers than cheering "stock market surges, rather than resenting them"?

Property rights? It was the AFPs that "took almost all the money and left the state to pay almost all the pensions, which resulted in a gigantic expenditure," CENDA states in its January 2004 report. Today, the Chilean state is left with the responsibility of covering the private system's unfunded liabilities, to the tune of 7% of Gross Domestic Product—\$5.5 billion—more than it spends on health and education combined. In 2000, the government spent 41.5% of all of its social expenditures to cover the private pension system's deficit.

The government must also cover the cost of the old system, to which the Armed Forces and the police still belong, together with half of public-sector employees. Workers who switched to the new system were granted interest-bearing "recognition bonds" corresponding to what they had accrued in the old system. When those workers retire, they are entitled to cash in those bonds, on which the government is also obligated to pay.

But the AFPs are feeling no pain. They charge gigantic commissions for their services, making the system unbelievably costly. A May 2002 report by the United Nations Development Fund (UNDP) in conjunction with Chilean experts, found that the AFPs charge commissions on the order of \$500 million annually. Between 1981 and December 2000, commissions totalled \$6.2 billion. The Superintendent of Pension Fund Administrators (SAFP) estimated that as of March 2002, some 25-32% of each mandatory deduction went to payment of commissions!

According to the same report, AFPs had an average profit rate of 33.8% in 2001; and in 2002, under conditions of economic recession, that rate reached 50.1%—with one of the largest funds attaining a profit of 209.8%! Chilean law professor Juan Gumucio aptly remarked that AFP managers "make more money than drug traffickers selling white powder."

CENDA concludes that the country's privatized pension system is the "most protected industry in Chile's history, created by those who criticized our earlier protection of industry." The Chicago Boys weren't averse to protectionism if they were the beneficiaries.

Predators, Inc.

In "An Obituary for London's Chilean Economic Model," published in its July 21, 1995 edition, *EIR* demonstrated that the much-vaunted Chilean "economic miracle" was based on a barbaric gutting of the physical economy and a six-fold growth of a speculative debt bubble over a 20-year period. The radical free-marketeers who took over the direction of

economic policy in 1976, carried out a stunning dismantling of anything in the country remotely connected to sovereign state control of economic processes or real production, at the same time imposing draconian austerity.

The looting intensified after the 1982 financial crisis and banking blowout, with an accelerated deregulation of the economy—privatization of state-sector companies, firings of public sector workers, and 70% wage cuts for those who remained. Funds for health and education were dramatically cut. Tariffs were lowered to encourage "competition," depriving industry of any protection. As a prelude to the pension privatization, the reforms which Piñera imposed as Labor Minister from 1978-81, including abolishing the minimum wage, smashed Chile's once-strong organized labor movement.

It was this brutal austerity, enforced by a military dictatorship, which produced the "high savings rate" which supposedly proves the success of the Chilean "miracle." The \$22 billion appropriated by the financial buzzards in 1981, became a general slush fund to keep the debt bubble afloat, or prop up any other part of the "miracle" that needed backup.

Where did the money go? By 1994, according to The Century Foundation, more than half of the AFPs were incurring losses. In 1995, about two-thirds of what was then a \$25 billion pension fund was invested in highly speculative paper linked to the international derivatives bubble. In September 1995, the funds lost \$1.5 billion of their total value, and had negative real returns of 2.5% for that year. A study by a Chilean brokerage firm, CB Capitales, found that the real rate of return in the individual accounts has averaged only 5.1% since 1982.

Today, 33% of AFP funds, which total \$36 billion, are invested in government debt which, under current conditions of a dollar collapse and global financial upheaval, can hardly be called stable. At least 12% of the funds may be invested overseas, likely to end up in shaky derivatives markets. The rest goes into unstable mortgage securities, bank deposits, or corporate debt.

The Enron-style thievery and corruption embedded in the Chilean pension model is reflected in the fact that at least two dozen former members of Pinochet's cabinet have at one time or another ended up as directors of AFPs. Instead of 18 AFPs, today there are only 7, constituting a virtual cartel that wields enormous financial and political power.

The above-cited UNDP report points out, for example, that the AFPs exercise significant political control over the companies whose stock they purchase. Exemplary are the state-owned energy companies which the Chicago crowd privatized. Having purchased those companies' stock, the AFPs were often able to select their directors, who then went on "to create a true empire in the [energy] sector, which extended to Argentina, Brazil, and Colombia, allowing them to control a significant portion of electricity generation and distribution in Latin America."

Privatizing Social Security Is 'Enron II'

by Richard Freeman

The failed Chile model of Social Security privatization, which has cost Chilean retirees their pensions for 25 years, is none-theless the model which the insane George W. Bush insisted, at the APEC summit Nov. 19-21 in Santiago, Chile, is a "great example" to be rammed through immediately in the United States

Bush's manic determination to push this swindle shows that he is utterly crazy. Lyndon LaRouche has called the Social Security privatization an "Enron II, 100 times bigger than [the original] Enron, brought to you by the same people who brought you Enron," as he told a Vermont radio station Dec. 9. Ken Lay's Houston-based electricity broker and derivatives trading company, Enron, was the largest contributor to the Bush 2000 Presidential election campaign. It bankrupted the state of California by manipulating the deregulated electricity price up 50-fold; cashed out on billions of paper profits produced by "creative accounting"; and destroyed its employees' retirement fund by investing it in Enron stock, leaving 401k retirement accounts with worthless assets.

"Enron II," the privatization of Social Security, involves much greater "creative accounting," much bigger Goebbelsstyle lies, and infinitely higher stakes. Enron involved several tens of billions of dollars, but "Enron II" is far, far larger. According to the projections of the Congressional Budget Office (CBO) in its supplemental tables, \$255 trillion (in current dollars) will flow into the Social Security Trust Fund over the next 75 years: half from worker payroll taxes, and half from employer matching sums. This is the world's largest cash flow. The banks' accountants and lawyers have done the math. Under current law, Wall Street and City of London financiers cannot get their hands on a dime of this money. In Chile's privatized system, by contrast, fund financial managers take one-fourth of paid-in payroll taxes.

The bankers and Bush have lied that the Social Security Trust Fund will be bankrupt in the near future. The Trust Fund, set up by President Franklin Roosevelt, is easily solvent for the next several decades, and with a few small changes, can be eminently solvent into the 22nd Century. It is the bankers and their financial-monetary system that is bankrupt.

Therefore, the bankers propose to change the law to privatize the system, in order to get as much as possible of the workers' half of the cash flow taken out of the Trust Fund, and siphoned into private Individual Accounts (IA) which financial houses will manage. The Wall Street bankers will

take huge fees off the top, as their Spanish and "Chicago" brethren do in Chile, and will plow the remainder of this huge flow into the bankrupt stock market, and the bond market, to prop them up.

But, for reasons which will become clear, two problems arise. To divert this magnitude of money out of the existing Social Security Trust Fund, the benefits of those still enrolled in the existing system must be cut. On Nov. 1, speaking in Ohio, one day before the election, a manic Bush lied, "I'll always keep the promise of Social Security for our seniors." But Bush knew, or should have known, that he was lying. On Dec. 1, 2001, Bush's hand-picked commission, the President's Commission to Strengthen Social Security (CSSS) had released its draft plan to privatize Social Security. Included within it was a proposal, seemingly arcane, to change the indexing of Social Security benefits from the rate of growth of wages, to the rate of growth of the Consumer Price Index. This pivotal change will, quite deliberately, lower retirees' Social Security benefits. On July 21, 2004, the CBO released its evaluation of the Bush CSSS privatization plan. It found that this indexation change would trigger cuts in benefits by 25%-40%.

Smoking Gun

Within the past week, the Bush lie took a body blow. On Dec. 9, Steven Goss, the chief actuary of the U.S. Social Security Administration, admitted to the *Oregonian* newspaper, that this indexing change hidden within privatization, would slash \$18 trillion over 75 years from the current law's benefits (in so-called constant 2004 dollars; in current dollars, the cut would be more than twice as large).

An second, associated problem is that the cost to cover the *transition* from the traditional system to privatization—to cover the loss in worker Social Security taxes under the traditional system, which would now be diverted out to private IAs—is huge. Even the cuts in retirees' planned benefits, the result of to the built-in change in the type of indexation, would be insufficient to cover that gap. Therefore, new bonds would have to be issued by the Treasury to cover the cost of the revenue gap for paying benefits—though reduced—to those still enrolled in the traditional Social Security system.

On Dec. 6, Bush's press spokesman Scott McClellan stated publicly that the Bush Administration proposes the Treasury issue *transition bonds*, upon adoption of privatization, to pay for the transition cost from the traditional system to a "private system." He would not give figures. Rep. John Spratt (D-S.C.) places the transition bonds at \$3 trillion in new debt. Tom Giovanetti, president of the Institute for Policy Innovation, which pushes privatization schemes, said on Dec. 8 that the Institute proposes issuing more than \$5 trillion in straight-out debt for this purpose.

Thus, under so-called "privatization," the banks would be positioned to rip off trillions in new Individual Accounts, while the U.S. government would have to issue and *be respon-*

EIR December 17, 2004 Economics 51

sible for up to \$5 trillion (or more) in new debt, to be paid off almost exclusively from general tax revenues, which should normally pay for infrastructure, health care, education, and so on.

This is quite some privatization.

What happens when the stock market bubble pops, by an amount even greater than the 30% market fall that followed the puncture of the IT market bubble in March 2000? The worker who was lured or pressured to leave the traditional Social Security System will suffer three strikes: His projected benefits will already have been cut by the high fees that the firm managing his IA account charges, and by the negative change in the type of indexation of his benefits; if stocks collapse, the benefits are substantially gone—just like a 401k.

Bush's insanity in driving for privatization not only is dangerous—because privatization cannot be done within Constitutional government, but could only be imposed on America through fascism—but also sets Bush up for the fall. LaRouche observed Dec. 7: "Bush has made the fatal mistake of his political life by deciding to privatize Social Security. By doing this he has been caught as a liar. He is discredited. He will crack under the pressure he will bring upon himself. This is an issue not only in the United States, but also internationally. It is the issue that will bring him down."

The extent of Bush's proposed change in the Social Security system can be measured against what Social Security now is. Expressing the intention of the General Welfare clause, in a June 8, 1934, message to Congress, President Franklin Roosevelt promoted a "national social insurance system," to protect against "misfortunes which cannot be wholly eliminated in this man-made world of ours." Roosevelt said: "These three great objectives—the security of the home, the security of livelihood and the security of social insurance—are, it seems to me, a minimum of the promise that we can offer to the American people. They constitute a right which belongs to every individual and everyone willing to work. They are the essential fulfillment of measures already taken toward relief, recovery, and reconstruction."

Prior to the Social Security Act, any public assistance for the elderly that did exist was criminally inadequate. Individuals could survive upon retirement only if they were wealthy, or supported by their children. In August 1935, the support for Social Security in the Congress was overwhelming: The House of Representatives passed the Act by a vote of 372-33; the Senate by 77-6. President Roosevelt immediately signed it into law.

Under Social Security, each worker contributes 6.2% of the first \$87,900 of his or her wages, to the Social Security Trust fund; his employer contributes the same amount; the total equals 12.4% of the worker's salary. The Trust Fund is actually called the Old Age, Survivors, and Disability Insurance (OASDI). Each worker contributes to the retirement benefits of those who are retired; when this worker retires, the next generation of the labor force contributes to his retirement benefit.

Social Security has proved its indispensability. More than 47 million Americans receive Social Security: 36 million retirees, 5 million of their widowed spouses, and 6 million disabled. About two-thirds of Social Security beneficiaries—32 million people—receive 50% or more of their income from Social Security. For approximately 20% of the elderly, Social Security is their sole income.

What Makes George Lie

There is a special psychotic lying that is characteristic of George W. Bush, and it manifested itself in Bush's persistent falsehoods, before the election, that he would not privatize Social Security, and the deceitful statement he made in the third Presidential debate in Tempe, Arizona, on Oct. 13: "Let me make sure that every senior listening today, understands that when we're talking about reforming Social Security, that they'll get their check." Senator Kerry immediately rejoined that the check they would receive would be considerably smaller, and cited the study by the Congressional Budget Office. Because of its central importance in understanding that Bush has known for more than three years that he would cut benefits if re-elected, we look of the history of this matter.

In early 2001, Bush formed a commission to advocate privatization, which he called the President's Commission to Strengthen Social Security, co-chaired by Richard Parsons, the head of AOL, and the late former Senator and British Empire-worshipper, Daniel Patrick Moynihan. The 16 Commissioners all supported some form of privatization before joining. The Commission issued its final tome-like report in December 2001, supporting privatization.

The most famous of the three models contained in the report was Plan 2, or Model 2. This Plan 2 proposed a major change from the prevailing practice of Social Security since Roosevelt founded it. That practice is that each year, a Social Security recipient's monthly checks are increased by an index tied to the average national wage increase. The reasoning behind this, is that the retiree's benefits should correspond in some relationship to the wage level prevailing in the economy. The Model 2 of the CSSS proposed, instead, to increase the recipient's Social Security check by an index tied to the Consumer Price Index (CPI). The monetarists have "revised" this CPI repeatedly over years, so that it vastly understates inflation. The financiers on the Bush Commission knew, that when compounded over 75 years, the benefit increase tied to the CPI, would be only about half of that under the current Social Security law. The intention was, explicitly, back in 2001, to cut benefits.

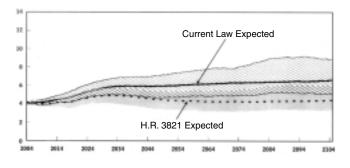
On July 21, 2004, the CBO released its "Long-Term analysis of Plan 2 of the President's Commission to Strength Social Security," which brought to the surface this scam. **Figure 1** shows the scheduled mean retirement benefits, expressed as a percentage of GDP, of the current Social Security System, versus the mean benefits of the President Commission's Plan 2; the gap widens.

Table 1 shows the gap in the annual Social Security recip-

FIGURE 1

Potential Retirement Benefits as % of GDP, Social Security Law vs. Privatization Plan

(% of GDP)



Source: Congressional Budget Office.

TABLE 1
Retirement Benefits for Middle 20% of Income
Earners, Social Security Law vs. Typical
Privatization Plan*

(\$ Annual Benefits)

Retirees Born In	Under Social Security	Under Privatization	Cut
1940-49	14,900	13,900	6.6%
1950-59	15,200	13,000	15%
1960-60	15,500	13,200	15%
1970-79	17,700	14,200	20%
1980-89	19,700	16,200	18%

*Legislation H.R. 3821 of Rep. James Kolbe (R-Ariz.), analyzed and scored by bi-partisan Congressional Budget Office.
Source: Congressional Budget Office.

ient's benefits. Notice that for those born in 1950, that is, those who will retire in 2015 at age 65, who are in the middle fifth of the population by income, the gap between the traditional system's annual scheduled benefits and those under the Bush plan is 15%, and the gap grows. A person in the middle income group born in 2000 (not shown in the Table), who will retire in 2065—and for whom participation in privatization will be *mandatory* under Bush's plan, were it to become law—will suffer a 45% cut in benefits. Bush told the Big Lie.

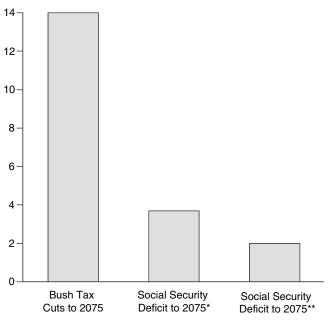
Another circulating lie is that the Social Security Trust Fund is, or soon will be bankrupt. As a much-alive Mark Twain once said, "The recent reports of my death are greatly exaggerated." The privatizers would like to see the Trust Fund's death, so they proclaim it.

The Trust Fund is currently following a plan that builds up an increasing surplus until 2019. In 2019, the Trust Fund will use the incoming Social Security tax funds, and begin to

FIGURE 2

Bush Makes Far Bigger Budget Hole With Tax Cuts, Than Any Social Security Deficit, 2001-75

(\$ Trillions)



*Social Security Trustees 2004 Estimate

**Congressional Budget Office 2004 Estimate

Source: House Budget Committee, Center for Budget and Policy Priorities.

draw down a small portion of the surplus to pay out retirees' benefits. The Board of Trustees of the Social Security Trust Fund projects that the Trust Fund will draw down the last of its surplus, and thus become insolvent, in 2042; the CBO says 2052.

That provides between one and one-half and two generations to solve this question, in one of several simple ways. One is to increase the upper limit of income against which the Social Security tax is applied; the current limit of \$87,900 could be doubled. This would put more of the cost of paying the Social Security Trust Fund on the wealthy. There are other methods, such as fundamental reforms of the economy.

According to reports, the CBO and the Board of Trustees of the Social Security Trust Fund project that over the next 75 years, the Trust Fund will run a constant dollar deficit of \$2 trillion and \$3.7 trillion, respectively (these are the sums they project would be needed to keep the Trust Fund solvent). **Figure 2** shows that during this same 75-year period, the Bush tax cuts, were they made permanent as Bush proposes, would create \$14.2 trillion in revenue shortfalls, three to five times the Trust Fund problem. Repealing the tax cuts which benefit the wealthy, would more than close the Social Security shortfall, and finance infrastructure.

EIR December 17, 2004 Economics 53

Then there is the money "borrowed"—taken illegally—from the Social Security Trust to cover the immense U.S. general revenue budget deficits. More than \$500 billion was looted during George W. Bush's term alone. The illegal borrowing should cease immediately, and the recovery of the funds could be undertaken by a series of moves, that could include the doubling of the limit of income for Social Security taxation.

The Privatizers

The privatizers are a nasty coven, with George Shultz in the forefront. Shultz formed the Vulcans group in 1999, which shaped the personnel and ideas for candidate George W. and his incoming Administration, including attaching Shultz protégé Condoleezza Rice to Bush. (Some say Shultz vulcanized Bush's mind.) Shultz was also a force behind Arnold Schwarzenegger and the Enron swindle, and he has been deeply involved in the push for Social Security privatization. In 1998, the Republican House Policy Committee, chaired by conservative ideologue Rep. Chris Cox (R-Calif.), organized a "Social Security Working Group," to lead the push for privatization. George Shultz was on that board.

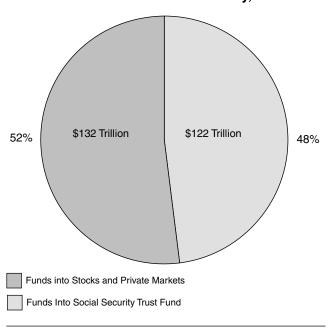
Shultz is a leader of the monetarist University of Chicago School—the Chicago Boys—led by Milton Friedman. In the 1970s, they installed fascist Augusto Pinochet as dictator of Chile in a military coup, and then imposed Social Security privatization in 1981. In an Oct. 2, 2000 interview with the Public Broadcasting System, Shultz advanced the Chile experiment: "So a Chicago School-like economy gradually evolved in Chile. It worked. They had the only decent economy in South America in the mid-'80s and on."

The other key institution is the Washington, D.C.-based Cato Institute, and its Project for Strengthening Social Security. This Cato project has been co-chaired by Jose Piñera, who, as Chile's labor and Social Security Minister for 1978-80, created the nightmare of Chile's privatized Social Security system; and Bill Shipman, who represented the Boston "Vault" forces for decades, as an officer of State Street Bank. A key board member of Cato's project is Shultz's buddy Arnold Harberger, one of the "Chicago Boys" who ran the Pinochet dictatorship and Social Security privatization.

Most of the top layers of Wall Street pump funds into the Cato Project: JP Morgan Chase, American Express, Morgan Stanley, Max Greenberg's AIG insurance company, Fidelity Group of mutual funds, and others. They also participate in drafting the bills that circulate in Congress to privatize Social Security. Most of these banks employ accountants and lawyers to figure out how much they can steal from Social Security.

According to data from the CBO's tables, during the next 75 years, \$255 trillion will flow into the Social Security Trust Fund from employees' and employers' Social Security contributions. The workers' portion of this nest egg is \$127.5 trillion. The greediest section of Wall Street, represented by Cato

Wall Street Privatization Plans Would Loot Up to 48% of Flows into Social Security, 2005-2079



Source: EIR; Congressional Budget Office data.

and its clone, the Institute for Policy Innovation, calls for putting no limit on how much a worker could contribute to his Individual Account. An Institute spokesman said on Dec. 8 that its plan would translate into workers diverting 6% of the 6.2% that they would normally pay into the Social Security Trust Fund, into private IA accounts, managed by Wall Street. That would mean, as **Figure 3** shows, that Wall Street would get its hands on \$122 trillion.

The system will blow out, one way or another, long before that date is reached. But this golden nest egg dances before the bankers' eyes.

Resistance

Senate Minority Leader Senator Harry Reid (D-Nev.) stated on NBC's *Meet the Press* show Dec. 5 that, "The most successful social program in the history of the world is being hijacked by Wall Street. . . . We as Democrats . . . are not going to let Wall Street hijack Social Security. It won't happen. They are trying to destroy Social Security by giving this money to the fat cats on Wall Street, and I think it's wrong." In rapid succession, Senators Jon Corzine (D-N.J.), Lincoln Chafee (R-R.I.), and Robert Matsui (D-Calif.) and Congressmen Earl Pomeroy (D-Md.) and Rick Fazio (D-Ore.) blasted Social Security privatization.

With LaRouche leading the fight, Bush's crazy push for privatization can be the means to humble him.

54 Economics EIR December 17, 2004

European Labor Rejects 'Frankenstein' Directive

by Rainer Apel

In late November, a number of labor unions from several European countries staged protest actions against the European Union Commission and its "Bolkestein Directive" for radical deregulation and privatization. Three thousand members of the European Federation of Building and Food Workers, and the European Federation of Public Service Unions, marched in Brussels on Nov. 25, under the banner, "Bolkestein Equals Frankenstein," and charged the EU Commission with proposing "death to the European social model," by imposing "the law of the jungle."

Named after its initiator, former EU Commissioner for Competition Frits Bolkestein, the directive is part of a package of deregulation and privatization measures, which is supposed to make the European Union the "most competitive and efficient economic bloc of the world" by 2010. First proposed officially in January 2004, the Bolkestein Directive has now entered the decisive round of negotiations, and the EU's official timetable calls for its passage by Spring 2005. Bolkestein himself quit the Commission post several weeks ago, but his directive is on the agenda of the new Commission that took office in mid-November.

Dock Workers Protest

Labor resistance broke out with coordinated warning strikes on Nov. 19, by dock workers in Germany, Denmark, Netherlands, Britain, France, and Greece, lasting for several hours. This was in particular to protest against the directive's plan to abandon existing guidelines for loading and unloading cargo at ports, which currently include strict rules as to what is acceptable to dock workers in terms of working time, working conditions, and health standards. The Bolkestein Directive would authorize owners of ships to have their own crews do the unloading and loading, rather than longshoremen. That is a particularly obnoxious demand, as crews on many, if not most, freighters are not even trained properly as seamen, much less for the work of operating cranes and like equivalent at port. Already now, there is a huge gray area involving working standards for crews of ships which are not registered in Europe, and whose owners do not feel obliged to ensure the minimal standards that are mandated by law in Europe. After this day of action in numerous ports of Europe, representatives of dock workers from all EU member countries met in Brussels on Nov. 22, to map out more protests and strikes.

The issue of deregulation was also addressed on Nov. 23, by the French road transport association OTRE, which had 700 trucks from all parts of France converging on Paris. The protest was mainly against diesel fuel-price inflation, but also against the European Commission's call for more transport sector deregulation, which would abandon protective national standards and legalize dumping practices by non-French companies.

Driving Down Wages

On Nov. 24, the German construction workers union warned that it was considering protests and warning strikes against another aspect of the Bolkestein Directive, which would legalize driving down wages on construction sites to the level of the lowest wage paid anywhere in the European Union.

For example, if Polish workers worked in Germany at 10% of the wage usually paid to German workers, this could be declared "legal" in Poland, without any German institution being able to legally oppose it, as is possible now. Next to the docks, the construction sector is the one with the biggest violations of existing labor legislation. Labor unions have been fighting an uphill battle for years, against practices coming very close to those that would become legal under the Bolkestein formula. In many cases, construction workers from non-German countries have not even been paid their meager wages in the range of 20-30% of what a German worker would receive, because the entrepreneur would stay outside the territory of Germany, and could therefore not be held responsible, as Portuguese, Czech, or Spanish authorities would not feel an obligation, under their less stringent legislation, to intervene on the case.

The Nov. 25 Brussels demonstration, mentioned above, underlined that the consequences of the Bolkestein Directive would be "lower pay, longer working hours," and that "health, education, culture, and other resources would be treated just like material commodities." "Degradation of employee rights" would go along with "disruption of the employment market in Europe," the protesters charged, warning that the Bolkestein Directive was a "threat to the survival of high-quality public services." Particularly egregious, the workers said, is the planned "reform" of health services, which would "ultimately mean the end of any public health service worthy of the name."

The Brussels demonstrators presented a statement saying: "We cannot accept an ultra-liberal Europe that is fully subjected to the laws of the market, where employees are regarded as merchandise, and where restructuring, dismissals, and decentralization are the order of the day."

"We also demand high-quality public services accessible to everyone, and consequently a framework directive for services of general interest," the statement said, making reference to the fact that "public and private services are not equal," as alleged by the advocates of free trade.

EIR December 17, 2004 Economics 55

ERInternational

Eurasian Nations Counter U.S. 'Unipolar' Insanity

by Mary Burdman

"India is our strategically privileged partner," Russian President Vladimir Putin said at his joint press conference with Indian Prime Minister Dr. Manmohan Singh in New Delhi on Dec. 3, the first day of his three-day state visit to India. Putin began by saying: "I would like to note that this visit to New Delhi is a special visit, and we attach great importance to it." Its great importance recalls Putin's breakthrough "Strategic Triangle" diplomacy of December 2002, when he went to China and then directly to India, and the three nations set out coherent initiatives to deal with the critical security and economic issues all faced. This time, Putin and Singh took the unusual measure of stressing the importance of cooperation among Russia, India, and China in their summit's Joint Declaration.

Since 1998, when financial crises in Asia, Ibero-America, Russia, and the United States nearly crashed the whole system, a "survivors' bloc" has emerged of nations which, as Lyndon LaRouche then described them, are not willing to go down with the wreckage of the U.S. dollar system. Were George W. Bush not in the White House right now, the United States would be leading the "survivors' bloc." Until sanity can be imposed on Washington, the three Eurasian giants, Russia, China, and India, are doing what they can. It was in December 1998, that then-Russian Prime Minister Yevgeny Primakov, visiting India, publicly proposed the "Strategic Triangle."

The unhindered collapse of the U.S. dollar, and the neoconservatives' determination to turn Iraq and other strategic regions of Eurasia into wastelands, are aimed at the vital interests of Russia and China, and put those of India and Europe in grave danger. The "democracy" circus in Kiev is just the latest foray. President Putin is reacting, and his Indian and Chinese counterparts are moving with him, as the core of the survivors' bloc, around which other nations can rally.

Multipolar Cooperation

In New Delhi, Putin greeted the new Indian goverment by expressing his "pleasure that we have made sure that the policy for developing strategic partnership between Russia and India is not subject to the political situation. Without any exaggeration, I can say that we have a full mutual understanding on the entire agenda discussed." The core of the agenda is multipolar cooperation to deal with the scourges of terrorism and war. The same day, Putin also noted the importance of cooperation among Russia, India, and China, in his speech to the Jawaharlal Nehru Memorial Foundation, where he also starkly warned of the consequences of trying to impose a "dictatorship in international affairs."

The Joint Declaration emphasizes that Russian-Indian cooperation "strengthens stability in Asia and the world as a whole." It states: "The sides note with satisfaction that trilateral meetings at the Foreign Ministers' level of India, China, and Russia have been taking place regularly. These meetings have been useful in promoting understanding and exploring areas of possible cooperation at a trilateral and at an international level. The trilateral meetings have also reflected a strong concern against terrorism anywhere and in any form. The sides expressed their conviction in favor of progressive increase in trilateral cooperation, which could also result in social and economic development amongst the three countries."

The Indian newspaper *The Pioneer* reports that the Prime Ministers of the three nations will meet in the first half of 2005 at Lake Baikal in Russia. High-level scholars from the three nations have been meeting regularly for several years, and the Foreign Ministers launched their annual meetings in September 2002.

Just before Putin's visit to India, Manmohan Singh had his first meeting as Prime Minister with his Chinese counterpart,



Russian President Putin (left) with Indian Defense Minister Pranab Mukherjee, in New Delhi on Dec. 4. In an earlier visit with Indian leaders, Putin quoted Mahatma Gandhi: "If we want to be a success, 'we ought not to re-enact history, but create history anew.' That is what we intend to do, as we make and carry out future-oriented plans."

Wen Jiabao, at the summit of the Association of Southeast Asian Nations (ASEAN) in Vientiane, Laos on Nov. 30. Wen Jiabao is to visit India in March 2005, and told Singh that this trip is "the most important event on my agenda next year. . . . I hope this will send a positive signal throughout the world. . . . The handshake between you and me will catch the attention of the whole world."

In an interview with the Russian paper *Kommersant* published a few days later, Dr. Singh, asked about the "creation of the 'Great-5'" (Russia, China, India, South Africa, Brazil), responded: "We have a system of continuous dialogues among the heads of the Ministries of External Affairs of India, China, and Russia. There is also a dialogue forum, IBSA, that unites India, Brazil, and South Africa. Today we should pay more attention to development of those mechanisms, as each of them is only at its preliminary stage."

No Dictatorship

President Putin went to India prepared to address the issue of the unipolar onslaught from Washington and London. Just before his visit, he told Amit Baru of *The Hindu* in an exclusive written interview, that "there can be no 'double standards' in the fight against terrorism; otherwise, this struggle would become ineffective or meaningless. . . . Russia and India both have a common understanding of this fundamental principle. However, not all of our partners demonstrate understanding of such seemingly apparent facts." In what he himself called a "stiff comment," Putin denounced the ability of A. Zakaev, a leader of the Chechen terrorists, "to travel freely across European countries. The U.S. authorities gave safe haven to another envoy of terrorists—I. Akhmadov. . . . Such steps undermine the unity and mutual trust of the participants

of the anti-terrorist front.... However, somebody influenced by stereotypes or—which is particularly dangerous—hoping to get questionable political dividends, prefers to turn a blind eye to apparent facts."

While warmly praising George Bush, Putin warned that the developments in "Iraq have once again proved that unilateral actions are counterproductive. I will be frank: In my talks with many foreign leaders I used to hear the following question: 'If global affairs are to be dealt with according to the "Iraqi model," how can we guarantee our countries' security and sovereignty?' We have repeatedly called our American partners' attention to this reality."

At the Nehru Foundation, Putin was even more forceful. It seems, he said, "extremely dangerous to attempt to reshape God-created, multi-faceted, diverse modern civilization according to the barracks principles of a unipolar world. The more insistent the authors and advocates of this idea are, the more mankind will confront dangerous imbalances in economic and social development." In a direct counter to the neo-cons, he said: "Dictatorship, especially dictatorship in international affairs, does not solve and has never solved such problems, even if that dictatorship is packaged in the pretty wrapping of pseudo-democratic phraseology; even then, it will be unable to solve systemic problems. On the contrary, it will only aggravate them."

Putin's charges were sharp enough to draw a response from Washington. Bush's spokesman retorted on Dec. 5 that the American President "believes the world must work together in a spirit of cooperation, not creating poles."

Putin then gave some important proposals, including Russia's "proactive role" in fostering Eurasian cooperation in the Community of Independent States (CIS), Eurasec, and the

EIR December 17, 2004 International 57

Eurasia: Main Routes and Selected Secondary Routes of the Eurasian Land-Bridge



The Eurasian Land-Bridge—corridors of development from the Atlantic to the Pacific, as conceptually outlined by Lyndon LaRouche—provides the strategic framework for the success of the growing cooperation among the "survivors' bloc" of nations led by Russia, India, and China, to counter terrorism, promote regional stability, and boost cooperation in space, defense, energy, and trade.

Shanghai Cooperation Organization, and with the European Union and ASEAN. "We also believe that non-bloc interaction among Russia, India, and China can make a crucial contribution to global stability and progress," he said. "Our business cooperation is capable of becoming an important factor in the socio-economic development of each of our countries." He described the potential of Eurasian infrastructure projects, particularly the fact that "Russia, India, and Iran are implementing the genuinely strategic North-South international transport corridor project. It will have a significant impact on transportation between Europe, South Asia, and the Persian Gulf. This route may become a landmark in the economic and integration architecture of the vast Eurasian region."

Of real importance to India was Putin's strong support for India's role at the United Nations. "If we are talking of the expansion of the UN Security Council according to regional principle, then of course, in our opinion, India is undoubtedly candidate number one," he said. Statements he made on not weakening the power of the Security Council members' veto, were misinterpreted by the press as opposition to India's getting full status, which Putin took care to clarify later, saying,

"We are fully supportive of India's claim and it should get all the rights of a permanent member, including the power to veto." India supported Russia's entry into the World Trade Organization.

Strategic Defense

Russian Defense Minister Sergei Ivanov was in New Delhi three days before Putin's arrival, to offer India a strategic defense partnership. "We are prepared to transfer high-tech frontier technology to India in a strategic tie-up based on a new pattern of defense cooperation," Ivanov said Dec. 1, after an hour-long one-to-one meeting with his Indian counterpart, Pranab Mukherjee. The time has come, said Ivanov, to change the pattern of defense cooperation, to transcend the current buyer-seller relationship and take it to levels of frontier technology. (Russia is already the primary source of advanced Indian military equipment.) Before he left Moscow Nov. 30, Ivanov said that the two sides "are going to embark on cooperation in advanced technologies for use in space in the next few years." These are for "any purposes, they may be peaceful or not so peaceful. . . . I

58 International EIR December 17, 2004

would rather say the civilian and military cooperation involving space would become a thrust area of bilateral interaction." The Indian Chief of the Air Staff, Air Chief Marshal S. Krishnaswamy, had said last year that India had begun developing space-based weapon platforms.

Ivanov was adamant, however, that the two sides must come to an Intellectual Property Rights agreement to control transfer of highly advanced military technologies to third countries. "We will find it difficult to move forward in highend defense technologies without an agreement on the protection of intellectual property," he said. "This is becoming something of a problem." India has had the draft Russian defense secrecy agreement for two years. "We will not hand over technologies for nothing," Ivanov said. "Russia is not the Soviet Union."

There are indications that these issues are being resolved. Putin announced in New Delhi Dec. 4 after his talks with Defense Minister Mukherjee, that the two sides' "substantial two-day talks have virtually removed all problems in our military-technical cooperation; no problems which might hinder our movement forward, exist at this stage." Prime Minister Singh told the press that "the common principles on this issue have already been determined, and all intellectual property rights will be protected in all future agreements." Putin responded that "we can and must solve this problem in three to four months."

Ivanov then said that the military agreements went far beyond equipment, to "joint efforts in the military sphere, including settlement in the seats of tension such as Afghanistan, the Middle East, and Iraq. . . . We have big plans for the future and have discussed all of them during the visits."

The two nations signed the planned agreements for cooperation in space, and for India to participate in joint development and use of the Russian global navigation satellite system (GLONASS) for peaceful purposes, although military use is not excluded. GLONASS is the only rival to the American GPS (Global Positioning System), until the European Galileo program is launched.

'Unique Cooperation'

"The cooperation between India and Russia in joint research and production of advanced military technologies is unique," one of Russia's highest-level India scholars told *EIR* Dec. 7. "I have heard reports that even the Russian Army itself does not have some of the advanced equipment to be jointly produced with India. This cooperation will help Russia's own technological and economic development." Among other things, the effort to outfit and provide new military equipment for the aircraft carrier *Admiral Gorshkov*, will give work to 23,000 Russians. The existing level of trade between the two nations is "not enough"; the military-technical cooperation "is a step forward" in joint relations.

India's military cooperation with France, the United

States, and Israel, is "no competition" to its cooperation with Russia, the scholar said. Israel is producing some "spare parts" for Russian aircraft, but this is not a joint project; it is "not very special," although some Western analysts play this up, she said.

Energy

The other strategic front is energy. Putin had told *The Hindu* that he is "looking forward to new, major progress in Russian-Indian cooperation," which includes energy, oil, and gas projects. Since India has to import 73% of its oil, "Russia, being a long-term and traditional partner of India, is prepared to contribute to enhancing energy stability of the developing Indian economy, to the development of its fuel and energy sector."

Before the Singh-Putin meeting Dec. 3, Indian Oil Minister M.S. Ayar said that "after India declared its independence, the U.S.S.R. was a guarantor of India's territorial integrity. Now Russia can provide energy security for our country." In Bangalore, India's "high-tech city," on Dec. 4, Putin told Indian business leaders that "Russia is prepared to make a contribution to ensuring the energy stability of the growing Indian economy, which is in need of energy." These include gas and oil projects in the Bay of Bengal, Assam, Sakhalin, and elsewhere. India has already invested \$1.7 billion in the Sakhalin-1 project, and was offered participation in Sakhalin-3 and in Siberian and Caspian oil projects. The two sides are now constructing the \$2.6 billion Kudankulam nuclear power plant in Tamil Nadu. Russia will also provide India with large amounts of liquefied natural gas, in tankers, at "very favorable rates." The Gas Authority of India (GAIL) signed agreements with Gazprom and Stroitansgaz.

Putin noted that the two nations' volume of trade turnover, only \$2 billion so far this year, is far too small, and dominated by raw materials. Trade infrastructure, including essential credit and financial agreements, will be improved, he said. These will include investing part of India's rupee-ruble debt, left over from the Soviet era, in joint enterprises in Russia and India. This, he admitted, had been blocked over the past two years by the Russian Finance Ministry. With the improvement of the Russian budget, there is now "the most convenient opportunity to begin joint work," Putin said. He called for these funds to be invested "in the most attractive areas of the Indian economy," which include high-tech and nuclear power projects.

In New Delhi in December 2002, Putin and his wife Lyudmila paid their respects to Mahatma Gandhi at his stone memorial on the Yamuna River. At the state banquet afterwards, Putin quoted Gandhi: "If we want to be a success, 'we ought not to re-enact history, but create history anew.' That is what we intend to do, as we make and carry out future-oriented plans." This potential for the survivors' bloc nations exists today. The main task, is to get the United States on board.

EIR December 17, 2004 International 59

First National Conference of Yemen's Youth Union: Youth Are Key to Future

by Our Special Correspondent

Although Yemen is an ancient land, it is also a very young country, whose two parts, divided by foreign occupation, were unified only in 1990. The problems which the government of President Ali Abdullah Saleh has faced, since unification, are many, and awesome.

Yemen today is a nation of over 20 million people, living on a land area of about 530,000 square kilometers, roughly twice the size of the state of Wyoming. The country is relatively poor, with an agricultural sector hindered by lack of adequate water resources. Transportation and energy infrastructure, which have been significantly developed over the recent period—with 10,000 km of new roads having been built since unification—still require upgrading and expansion, especially in rural areas. Oil production, which began in the 1990s, runs about 438,500 barrels per day. Unemployment is estimated at 35%, and the majority of those who are employed, work in agriculture and husbandry. About 25% of the labor force of 5.79 million, are engaged in the service sector, industry, and trade. An estimated 15.7% of the population live below the poverty level. The country has a foreign debt of \$6 billion, and has been subjected to International Monetary Fund "structural adjustment programs"—that is, budget-cutting and austerity.

Yemen's population is very young: Some 51% are under 18 years of age, and the median age is 16.5 years. Given a present population growth rate of 3.5%, this trend will be maintained.

Clearly, then, the key to developing Yemen is its youth. And the government has demonstrated a keen awareness of this fact, by focusing on providing institutional support for the younger generation. These youth are the grandsons and granddaughters of the revolutionaries of 1962, and are self-conscious of this fact.

LaRouche Representatives in Sana'a

A delegation of LaRouche representatives had the opportunity to experience these exciting developments during a visit to Yemen, from Nov. 27 to Dec. 4 (see box). The occasion was the first national conference of the Yemen Youth General Union, in the capital city, Sana'a. The YYGU was founded in January 2003, as the country's first unified youth movement. Before 1990, there had been two separate youth movements, attached to the leading parties of the two states, the Socialist

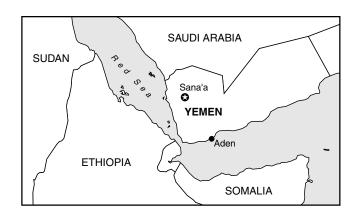
Party in the south and the General People's Congress Party in the north. Following participation in the 2001 world festival of youth in Algeria, a preparatory committee set about creating a unified, Yemen-wide youth movement, dedicated to solving the problems of youth in the country overall.

In setting up the organization, the founders encountered problems with Islamist parties, which were opposed to the idea of having women participate. The YYGU insisted that women be given equal opportunities, and make up 30% of the membership—a very high ratio for Yemen's extremely conservative society. The slogan of the organization calls for unity of intellectual thought and views, and for youth to act to help achieve comprehensive development for the entire country. Since its founding, branches have been established throughout the nation, and 400 delegates from these branches participated in the Sana'a conference.

The conference was sponsored at the highest level, by President Ali Abdullah Saleh, who spoke at the opening session, and it was addressed in the following days by a number of ministers of the government. The priority placed on developing youth was shown in the method and level of organization of the conference.

President Saleh minced no words in his speech. Speaking on the anniversary of the final withdrawal of the British (Nov. 20, 1967), he hailed the achievements of the revolution, and of the recently consolidated national unity. He referred to forces opposed to unity as "some who are diseased," and said they need to by "cured—cured by youth."

The two main problems he addressed, were poverty and



60 International EIR December 17, 2004



The First National Conference of the Yeman Youth General Union took place in Sana'a, the capital city of Yemen, on Nov. 27 to Dec. 4. From left: Saleh al-Sanady, LaRouche Youth Movement member Daniel Buchmann, and translator.

terrorism, phenomena which he said were intimately linked. Referring to a trip he had recently made to Europe, Saleh reported that the governments of Germany and Italy had assessed Yemen's anti-terrorist campaign very positively, and similarly its progress in implementing true democracy. One important achievement he cited, was Yemen's universal suffrage for all citizens over the age of 18, including women, who also have the right to run for political office—a happy anomaly for the Arabian peninsula, and for many other Arab countries in the region.

The point the President drove home was that, without economic development, terrorism would find fertile soil in which to grow; therefore, he thanked those countries in Europe, and also the United States, for economic assistance, which has led to the construction of schools and hospitals. Lashing out against his critics, he said he had not gone abroad—as some had claimed—to get "money," but "to bring back development." In fact, during his visit to Germany, Saleh signed a memorandum of understanding for the construction of a 680-megawatt power station in Sana'a, to be built, most likely, by Siemens. Furthermore, on the same trip, Minister of Planning and International Cooperation Ahmad Mohammad Sofan signed an agreement for financial cooperation with German Minister for Economic Cooperation and Development Heidi Wieczorek-Zeul; under the agreement, Germany will grant Yemen 31 million euros, earmarked for urgently needed water projects.

The President underlined the crucial role which youth have to play in developing Yemen. First, he told them that they should extend the duration of their conference, from the planned three days, to five, in order to make the most of the opportunity to learn, and to discuss important matters. He

pledged that he would send more experts to the conference over succeeding days, to educate the group. He also put forward a challenge to youth, to serve the needs of their country. Polemicizing against those who want to go abroad, he said students should complete their studies in Yemen, unless they are pursuing studies in areas which are not offered in the country's educational institutions. Those who do study abroad, he said, should return to Yemen, to give the benefit of their education to the country's development. Joking about people who seek political favors to study abroad, he told his ministers (many of whom were present) that, were they to find an order authorized by the President for a student to go abroad, they should ignore it.

Yemen's Fight Against Terrorism

The themes introduced by President Saleh were elaborated by other government representatives. Interior Minister Dr. Rashad al-

Alimi addressed the role of youth in national security, and described the government's successes in dealing with the problem of terrorism. Yemen has been severely affected by terrorism, in two ways: International terrorist attacks on Yemeni national territory, like those against the American ship the U.S.S. Cole in 2000 and against the French tanker Limburg in 2002, scared off foreign investors in the port of Aden, and put Yemen on the list of countries harboring terrorists. "Yemen was considered number two after Afghanistan," he noted. And an indigenous insurgency, led by the Islamist Hussein al-Houthi, had been involved in bloody confrontations with Yemeni troops over this past Summer. Al-Alimi explained to the students that the government's approach had been one of dialogue. Regarding elements linked to al-Qaeda, he distinguished between those Arabs and Muslims who had gone to Afghanistan in the late 1970s and early 1980s, to fight alongside the Afghan resistance, and those who became terrorist operatives in al-Qaeda. Of suspects arrested in Yemen, those with no relation to al-Qaeda, and those who had committed no crimes, have been released, whereas those involved in al-Qaeda were jailed.

As regards the al-Houthi insurgency, President Saleh had sent a delegation to the Islamist leader one week after fighting broke out, but "Houthi refused all mediation efforts by parliamentarians, Muslim scholars, and government officials to surrender peacefully," al-Alimi reported at the time. The insurgency was therefore put down by force.

But the remaining followers and sympathizers of the insurgent had to be dealt with. The government organized a rehabilitation course for imams of 350 mosques in Yemen, attended by scholars from Yemen as well as Al-Azhar in Egypt. Yemeni preachers, several ministers, including al-

EIR December 17, 2004 International 61

LaRouche Message to Yemen

A delegation representing the Civil Rights Movement Solidarity (BüSo) in Germany and the LaRouche Youth Movement (LYM) visited Yemen Nov. 27-Dec. 4, on the invitation of the Yemen Youth General Union, which is the youth organization of the ruling General People's Congress Party. The delegation, led by Muriel Mirak-Weissbach of the EIR editorial board and BüSo, included LYM representative Daniel Buchmann and Saleh al-Sanady, a Yemeni student from Berlin working with the LYM.

The delegation was received for discussions by Prime Minister Dr. Abd al-Qadir Ba Jamal, Foreign Minister Abdul Karim al-Eryani, former Prime Minister and current political advisor of the President, Dr. A.A. el-Eryani, Secretary General Assistant for Political and Foreign Relations of the General People's Congress, Dr. Ahmed Mohamed al-Asbahi, and President of the Yemen Youth General Union, Moammar al-Eryani. All meetings and sessions of the conference were covered widely in the Yemeni press, and members of the delegation were interviewed by Yemeni radio and television, and press.

Mirak-Weissbach delivered a short message of greetings from Lyndon LaRouche and the LYM, to the first session of the Yemen Youth General Union's national conference, in the presence of the President of Yemen, H.E. Ali Abdullah Saleh, who opened the conference. The message read as follows:

Salamalaikum! Mr. President, Excellencies, Ladies and Gentlemen, Members of the Yemen Youth General Union:

It is a great honor to address this conference.

I want to bring you the greetings of Mr. Lyndon

LaRouche, from the United States, and the worldwide LaRouche Youth Movement.

We are living in a time of great historic upheavals. The dollar-based monetary system is collapsing. This can lead to a general breakdown of the world economy and the danger of new wars, as we have seen in recent years. Or, it can lead to the creation of a new system, based on equality of all nations, and economic cooperation and development, as the basis for world peace.

Whether or not the crisis will lead to tragedy, or to a new, just world economic order, will depend on the quality of political and moral leadership we have.

This is not just an economic crisis, but an existential crisis for all of mankind. It is a crisis which is the result of a moral-cultural crisis, especially in the West. Therefore, it is all the more urgent that we revive the best traditions, in the West, the Arab world, and other cultures, in a true dialogue of civilizations.

It is extremely important that your President, His Excellency Mr. Ali Abdullah Saleh, has engaged actively on the international level, for such a cultural dialogue. In Yemen, which I am visiting for the first time, your President has displayed leadership, by confronting social and political challenges, with the method of dialogue and in the spirit of reconciliation. It is wonderful for me, and my delegation, to experience democracy in Yemen, and to learn about the exciting political direction of your homeland. Your President has devoted great attention to promoting the development of youth, as a driving force in social progress.

If the youth take up the responsibility for the dialogue of cultures, if they revive the greatest traditions of universal history, then the current crisis can be overcome, and a new moral culture can prevail.

I wish your important conference full success. *Shukran* [Thank you].

Alimi, and President Saleh addressed the imams, urging them to shun extremism and protect youth from al-Houthi's ideology. Al-Alimi described the cultish practices of al-Houthi, who used to gather youths three times a week, in candlelit sessions, and tell them that he was the Mahdi, the Shi'ite imam of the Ninth Century A.D., who is expected to return. Al-Houthi also took his followers to cemeteries, apparently to communicate with the dead. Interior Ministesr al-Alimi said, without further specification, that al-Houthi had been financed from "outside the country."

Al-Alimi concluded by listing the security challenges still facing Yemen: the illegal weapons trade and the "culture of weapons" in the country; and the illegal drug-trafficking, both of which are connected to the difficulties of monitoring a 2,400-km coastline. In a lively discussion with the youth delegates, al-Alimi announced the establishment in Sana'a of a police school for young women, and invited participants to visit it.

The Economic Issue Is Primary

Foreign Minister Abdul Karim al-Eryani, in his remarks to the conference, stressed the importance of dialogue as a method to seek the truth. In this context, he welcomed the presence of the LaRouche representatives, and expressed the hope that future conferences would have guests from other Arab countries. He told the young people attending, that they should not think of what was being presented as "information," something they could get from the Internet, but should

62 International EIR December 17, 2004

think instead that, in the course of the dialogue process of the conference, they would change the way they thought. He challenged them to fight for the knowledge of what is true and what is false, what is right and what is wrong.

The other issue he presented was the economic crisis. Pointing to the dollar crisis, he elaborated on the negative effects the plunge of the dollar has had on world trade, and the impact it will have on the international financial system. In this context, he polemicized against those who examine such monetary developments from a strictly financial standpoint, without considering the effects on the real, physical economy. In solving problems, he declared, the economic issue is primary. Specifically, regarding Yemen, which is "looking for a new world system," the priority is to work cooperatively with other nations in regionally defined development projects. "If you make your neighbor richer, you will become richer," he said. This, he added, is also the only way, ultimately, to solve the problem of terrorism: "Economic development must be part of an international effort against terrorism," since a security or military approach alone will not succeed. In this context, he emphasized that the solutions to the Palestinian and Iraqi crises can only be solved with this approach, and with the end of occupation.

Dialogue of Civilizations

An exciting dialogue unfolded in the conference, as members of the LaRouche delegation went to the podium, to give their views of the strategic situation, and the method used to change history. Daniel Buchmann, who was introduced by Saleh al-Sanady, represented the LaRouche Youth Movement, stating that its mission was to change politics. In the face of economic collapse and the consequent danger of war, he said, Lyndon LaRouche is pulling together the forces to build a new system, based on the precedents of Franklin Delano Roosevelt's New Deal program and Bretton Woods system. Otherwise, a new dark age threatens, he said.

Buchmann argued the need for a cultural paradigm-shift, away from the culture which brought this crisis on. Here he explained what the paradigm-shift had been in the West, something foreign to a Yemeni audience, which has not experienced the rock-drug-sex counterculture, the environmentalist insanity, deindustrialization propaganda, or the like. Thus, when the youth heard about how the culture of progress of the 1960s in Europe and the U.S., had been destroyed, and replaced by a culture of decadence, of bread and circuses, they were shocked.

Buchmann went on to explain how the LYM is fighting to reverse this cultural decadence: Sketching the history of the LYM, he emphasized that its primary task is to educate the population, to develop the human mind. He elaborated the idea that what is presented as American policy today, is actually a violation of the true American heritage, and illustrated this by reading from the Declaration of Independence. The noble ideas expressed therein elicited spontaneous ap-



LaRouche Youth Movement member Daniel Buchmann with Yemeni youth at the First National Conference of Yemen Youth General Union.

plause from the young delegates. He concluded by saying that, with such a cultural heritage, the LYM has the means and the right to tell the U.S. to stop its imperialist policies.

The following day, Dec. 1, in the morning session, which was attended by several political figures as well as the students, Muriel Mirak-Weissbach delivered a speech on the strategic situation following the U.S. Presidential election. She showed why the apparent re-election of Bush-Cheney had to be called into question, and explained how the U.S. electoral system works. Quoting LaRouche's assessment that the situation would remain in flux until Jan. 20, she said that even if Bush-Cheney were to be inaugurated, they could end up like Nixon—disgraced and out of office—as a result of investigations into Cheney's corrupt dealings, and charges of voter suppression.

Turning to the two crises facing the next President—the economic breakdown crisis, symptomized by the dollar crash, and the strategic crises around Iraq and Israel/Palestine—she outlined LaRouche's New Bretton Woods approach, and the LaRouche Doctrine for Southwest Asia, as being the way out. Final remarks by Mirak-Weissbach on the dialogue of civilizations highlighted key moments in Islamic and Western Christian civilization, which must be revived for practice today, if Classical culture is to be saved, and morality returned to society.

A wide-ranging discussion followed, in which the Yemeni youth wanted to understand better the political process in the United States. One girl wanted to know why there is such an anti-Arab, anti-Islamic bias in America; another asked what the difference in the campaign was between Bush and John Kerry, since Kerry had not only pledged to continue the war on terrorism, but had actually singled out Yemen as a target. Another wanted to understand the Electoral College system better.

The response of the Yemeni youth showed once more that universal ideas can be grasped no matter what the cultural

EIR December 17, 2004 International 63

setting, precisely because the human mind is universal. And the eagerness the youth displayed to learn more about the LaRouche movement, to read, discuss, and circulate these ideas in Yemen, is indicative of the dynamic of a true dialogue of civilizations.

From Arabia Felix To Modern Yemen

by Muriel Mirak-Weissbach

In late 1990, when the U.S. government of the senior George Bush was preparing to go to war against Iraq, there were a handful of countries which resisted the drive. Jordan, the Palestinians, Sudan, and Yemen were those few which, despite massive arm-twisting, bribery, and outright blackmail at the United Nations, refused to capitulate to a war policy they considered wrong. All these forces were severely punished for what was considered insubordination; their citizens, who had found employment in many of the rich Gulf countries, like Saudi Arabia and Kuwait, were sent back home. Hundreds of thousands flooded into Jordan, and an estimated 850,000 Yemeni workers were expelled from the neighboring Saudi kingdom.

The question rises: How could a relatively weak country like Yemen, with relatively small oil reserves and no strategic arsenal, stand up politically to what presents itself today as the world's remaining superpower?

The answer lies, at least in part, in the sense of national identity of the country, which stretches back over 3,000 years, at least.

In the ancient world, the area that includes Yemen was referred to by historians and geographers as Arabia, divided into three zones: Arabia Felix in the south, which is Yemen today; Arabia Petraea (named after Petra, the Nabatan kingdom's capital); and Arabia Deserta, in the center of the Arabian peninsula.

Arabia Felix was said to be the home of the Queen of Sheba (or Saba), who is cited in both the Bible and the Koran. Sheba travelled to Jerusalem, with a caravan carrying spices, gold, and precious stones, and put the famed wisdom of King Solomon to the test. On her return she ruled over the Kingdom of Saba, and, according to some accounts, in Ethiopia.

Saba was the most ancient and most powerful state in southern Arabia, and had its capital at Ma'rib, in modern Yemen. The southern Arabians held a monopoly over the precious commodities frankincense and myrrh, which were traded over the land route from Arabia to Gaza and Palestine. The sea route to India went through the ports of Aden and Hadramawt. Caravans carried goods then to the Mediterra-



A city street and buildings in Old Sana'a give a sample of some of the beautiful architecture in the Yemen capital city.

nean, where contact was made with the Greeks.

Although there is controversy regarding the dating of Sabean civilization, there are references to it in Assyrian sources in 716 B.C. At the same time, recent archaeological studies have shown that artificial irrigation, for which the Sabeans were famous, began as early as the middle of the third millennium B.C. in Ma'rib, and became systematic by the end of the millennium. The Ma'rib Dam, which was a magnificent technical achievement known as a wonder in Arabia, was built in the 6th Century B.C. It provided irrigation for an area of 25,000 acres. The dam lasted for a thousand years, and collapsed in 600 A.D., leading to massive emigration out of southern Arabia, into nearby lands, like modern Saudi Arabia. It is said that all Arabs and the Arabic language originate from Yemen.

Another landmark of Sabean civilization, were high-rise buildings, the first in history; one private home was eight storeys high. Such high-rise buildings are to be seen all over the country today.

When a direct sea route was established by Greek seafarers, between Egypt and India, the role of the port of Aden was greatly reduced. In the First Century B.C., the ancient kingdoms which had lived on the trade monopoly with India, started to decline. A new kingdom, that of Himyar, grew up

64 International EIR December 17, 2004

to the west, on the Red Sea coast, with its capital at Zafar, near modern-day Ta'izz.

Northern Yemen came under the Himyaritic dynasty, and by the Sixth Century A.D., embraced Judaism. Several times, outside forces tried to take over the country: the Ethiopians in 525 A.D. and the Persians in 570 A.D. With the advent of Islam in 628 A.D., the country became predominantly Muslim (although the Jewish community remained); indeed, the entire Arabian peninsula was united under Islam. The Muslim Zaidi sect emerged, and in 879 A.D., al-Hadi Yahya became the first Zaidi Imam, setting up a dynasty which was to rule in northern Yemen until 1962.

Ottoman, British Occupation

In the modern era, the Turks attempted to occupy Yemen, in the 16th and again the 17th Century, and were fiercely resisted by the Imamate. After the British occupied Aden in 1839, cementing the division between south and north, the Ottomans invaded northern Yemen in 1848, and occupied it, until, at the end of the First World War in 1918, it regained its independence. Once the Ottoman Empire had collapsed, North Yemen remained under the control of Imam Yahya. This feudal leader was assassinated in 1948 in a palace coup, but his son, Ahmad, succeeded in maintaining power, as the new Imam.

In 1958 North Yemen joined the United Arab Republic (of Syria and Egypt). Three years later, Egyptian President Gamal Abdel Nasser moved against the reactionary Imam. Imam Ahmad died in September 1962, and was succeeded by his son, Muhammad, but days later, Yemeni Army officers under the leadership of Col. Abd al-Salal, with Egyptian backing, took power, and declared the Yemen Arab Republic. A period of civil war between the royalists, backed by Saudi Arabia, and the republicans, supported by Egypt, went on until the latter prevailed in 1967.

South Yemen was under British occupation for 120 years. After an initial foray in 1839, Britain established control over what was called the Aden protectorate, in 1842, which it held until 1962. The protectorate was established through treaties between the United Kingdom and local tribal leaders. The last British contingents left in 1967.

Civil Wars and Reunification

In the early 1970s, South Yemen turned to a Marxist direction, which led to massive emigration into the north, and considerable hostility between the two parts. Fighting broke out in 1971, and by October 1972, had developed into a full-fledged war, with outside backing. The Saudis supported the Yemen Arab Republic, while the Soviets armed the People's Democratic Republic of Yemen in the south.

Mediation through the Arab League halted the fighting, and paved the way for unification, which, after fits and starts, finally took place in May 1990. The two Yemens were united, under the leadership of President Ali Abdullah Saleh (who



A panoramic view of Sana'a. Yemen has a history of resistance to foreign domination, and has experienced a republican revolution—keys to the strength of the character of its people.

had been President of the north), into the Republic of Yemen.

In August 1990, Iraq invaded Kuwait. This had an immediate impact on Yemen, as it was dependent on trade with Iraq, as well as aid. Yemen also had close ties with Saudi Arabia, where large numbers of its citizens worked as guest workers. As rotating chairman of the United Nations Security Council, in December 1990, the Yemeni government tried to prevent a war, and in January 1991, presented a peace plan, which failed. As noted earlier, Yemen was punished for its opposition to the war, as masses of guest workers from Saudi Arabia and other Gulf countries were expelled. Some 850,000 workers were expelled from Saudi Arabia in October and November, creating an unemployment crisis in Yemen, as well as a financial crunch due to the lack of remittances. U.S. aid to the country was suspended, and only partially resumed in August 1991.

In 1994, civil war broke out after a southern rebel group sought secession, but it was rapidly put down. In April 1997, the General Congress Party won a landslide victory in legislative elections, allowing President Ali Abdullah Saleh's GCP to rule alone, rather than continue its coalition with the Islamic Reform Grouping, or Islah, which had existed since the end of the civil war in 1994. President Saleh has followed a policy of national reconciliation, pardoning the leaders of the secessionist movement. He put down an Islamist insurgency led by Hussein Badruddin al-Houthi, in 2004, and has been working to rehabilitate and reintegrate followers of the insurgent, especially among youth.

Despite its relative poverty, Yemen is a proud country, which has a rich culture, marked by certain absolutely unique characteristics, like its architecture, especially in the old city of Sana'a. Most importantly, it has a history of resistance to foreign domination, whether by the Turks or the British, and the experience of a republican revolution in the modern period. Herein lies the strength of character which one sees both in its political leadership, and its youth.

EIR December 17, 2004 International 65

PRNational

Conyers Takes the Point Against Voter Suppression

by Edward and Nancy Spannaus

The senior Democrat on the House Judiciary Committee, Rep. John Conyers of Michigan, told a packed hearing room on Dec. 8 that Democratic members of the House Judiciary Committee will go to Ohio to hold hearings there, to examine voter disenfranchisement and irregularities in the Nov. 2 election. Conyers' promise came during a forum on "What Went Wrong in Ohio," which was so crowded that an overflow room was needed.

The forum was actually a hearing, minus the Judiciary Committee Republicans who had declined an invitation to participate. Nine Congressmen were in attendance throughout most of the forum—more than are usually present at any Congressional hearing except the most high-profile events, and a testament to the importance of the occasion. All present received copies of written testimony by Democratic leader Lyndon LaRouche, who was the first to call, on Nov. 9, for prosecution of the criminals who carried out voter suppression on Nov. 2.

The Dec. 8 Capitol Hill forum was part of an ongoing investigation of vote suppression and irregularities being conducted by Judiciary Committee Democrats. On Dec. 2, Conyers and 11 other members of the House Judiciary Committee sent a letter to Ohio Secretary of State Kenneth Blackwell, requesting his assistance in their investigation of numerous complaints and allegations about the conduct of the 2004 Presidential election.

The Congressmen told Blackwell, "We are concerned that these complaints constitute a troubled portrait of a one-two punch that may well have altered and suppressed votes, particularly minority and Democratic votes." The first element of this is irregularities in vote tallies, which could be the result of machine malfunctions or fraud. The second is "a series of actions by government and non-government officials [which] may have worked to frustrate minority voters"—which in-



Rep. John Conyers (D-Mich.) convened and chaired a de facto Congressional hearing on the Ohio elections on Dec. 8, after the Republicans failed to respond to the Democrats' request for an investigation of election irregularities and voter suppression.

cludes the "lack of voting machines in urban, minority, and Democratic areas, and a surplus of such machines in Republican, white, and rural areas," resulting in long waiting lines, up to eight hours and more. Also cited was "a campaign of deception," in which minority voters were directed to the wrong polling places, and then given provisional ballots which often were not counted because of a directive issued by Blackwell.

Blackwell was also invited to attend and participate in the Dec. 8 forum. Needless to say, he did not appear, and instead had his spokesman issue a statement declaring that "Ohio had a great election"—which, given that Blackwell was also the head of the Bush-Cheney campaign in Ohio, is understandably his view.

66 National EIR December 17, 2004



The first panel at Conyers's hearing led off with Rev. Jesse Jackson. The members of the panel (left to right) were: Ralph Neas, president of People for the American Way; David Cobb, Libertarian Party candidate; Rev. Jesse Jackson; Cliff Arnebeck, attorney for Alliance for Democracy, who is contesting the Ohio election results; Steve Rosenfeld, senior producer for Air America; Prof. Robert Fitrakis, editor, The Free Press, Columbus, Ohio.



Ralph Neas, President of People for the American Way, said that the Ohio election was characterized by the "spirit of suppression," and he called for prosecution of those responsible for voter disenfranchisement.

But the forum did hear from a number of activists and lawyers who are at the center of the battle in Ohio, as well as a number of spokemen for national civil rights and voting rights organizations. For "star" effect, Jesse Jackson was the lead-off witness, just having parachuted into Ohio for rallies the previous weekend. He apparently learned something while there, because he did describe what had happened in Ohio as "classic voter suppression," and called for a legal action under the Voting Rights Act, and he noted that the U.S. Attorney General—i.e., John Ashcroft—is supposed to enforce the Voting Rights Act, which, of course, Ashcroft has prevented career lawyers in the Civil Rights Division from doing.

Jackson also urged members of Congress to come to Ohio, at which point Representative Conyers said he hopes to be able to report soon that the Committee as a whole will come to Ohio and hold hearings, and if not, it was made clear that Democratic members will do so.

Demand Criminal Prosecution

Ralph Neas, president of People for the American Way (PFAW), noted that PFAW, the NAACP, and other organizations had just issued a preliminary report on the 2004 elections; that report states that "we have documented systematic problems which resulted in the widespread disenfranchisement of American voters." Neas described the more than 40,000 incident complaints received by the umbrella Election Protection Coalition around the Nov. 2 elections, and he said that determining what was behind the long lines for voters in minority areas "will be key to finding out the extent of the

voter suppression" and why it occurred. Neas also referred back to the PFAW/NAACP report entitled "The Long Shadow of Jim Crow: Voter Intimidation and Suppression in America Today," issued prior to the elections.

Neas declared that Kenneth Blackwell should get the "Katherine Harris Award of 2004"—referring to Jeb Bush's Secretary of State in the 2000 elections in Florida. He said that what Blackwell was doing was "not the spirit of democracy," but "the spirit of suppression," and he asserted that "prosecution should be considered with respect to what happened in Ohio."

Rep. Bobby Scott (D-Va.), speaking later in the hearing, noted that the problem in Washington right now is that there are no checks and balances: The Republicans control the Senate, the House, and the White House. He pointed out, in response to various calls for prosecution of those responsible for election crimes, that "you can't have criminal investigations unless the Executive Branch authorizes criminal investigations." Since this means, under current conditions, that the investigations which are needed won't get done, Scott said that "we have to expose enough anomalies so that people are embarrassed into taking action."

But the most potent and effective calls for criminal prosecution of those Republican officials responsible for vote suppression, came from members of the LaRouche Youth Movement (LYM), during the question period. Neil Martin, after identifying himself as being with the LYM, called on the Congressional Black Caucus to stop certification of the Bush "victory." After a couple more questions, LYM member Jason Ross took the microphone, and went to the heart

EIR December 17, 2004 National 67

of the matter.

I have a very specific concern, Ross said. It is on the difference between vote fraud and voter suppression. Fraud has to be pursued and proven on a state-by-state basis, but voter suppression is a violation of the Voting Rights Act. It is a national issue, and this includes in states that Kerry won as well, not just in Ohio. You have to build up a pattern of voter suppression and make the case that the pattern of intimidation and harassment proves that there is a national intention to win by voter suppression, then use that to stop the certification of Bush on Jan. 6, and send people like Blackwell and higherups in the Bush campaign to prison.

The audience broke out into enthusiastic applause, and Ross received the personal support of many of those present when the hearing broke up.

What Happens Jan. 6

Considerable attention was given to the Jan. 6 Joint Session of Congress, at which the Electoral Votes to be submitted by the states will be considered by Congress; and while no firm commitment was made by the Congressmen present to object to the Ohio vote on Jan. 6, there were indications from the Congressmen and others, that efforts are under way to find a member of the Senate who will join members of the House in such an objection, so that this is not a replay of what happened in January 2001. At that time, House members' objections to the certification of the Florida Electoral Votes were shunted aside because *not a single Senator* had the courage to step forward to support their complaint.

In a radio interview Dec. 9, Lyndon LaRouche noted how the campaign he is spearheading against Bush's Social Security privatization plan will feed into the movement to prevent Bush from being certified. Once the voter who was deluded into voting for George W. Bush learns that "George Bush is going to take your Social Security away, going to kill your grandmother, that voter is going to suddenly decide, that maybe he made a mistake," LaRouche said.

"And, in politics, it is not merely the technicalities of law which are important, it's also *the intent of law*. And the intent of law, is to allow people in an election, to select a Presidency, for example, that they choose. If they were fraudulently represented, and made the wrong vote, they are going to complain. And there are mechanisms, in the Electoral College and in Congress, in January, which could lead to an overturning of the reputed vote for George Bush.

"Or, failing that, to put such a restriction on the elected Bush Administration, the inaugurated one, the re-inaugurated one, that it would be under the control of a mounting process in the Congress and elsewhere. In other words, you could find that Bush's putative re-election could do him about as much good as the re-election of Dick Nixon."

LaRouche will be doing his part to create this situation, including holding a webcast on Jan. 5, the day before Congress convenes for certification.

AIPAC Raid Spotlights Escalating Spy Wars

by Jeffrey Steinberg

On Dec. 1, FBI agents raided the Washington office of AIPAC (American Israel Public Affairs Committee). It was the second time in six months that the Bureau obtained and executed search warrants on the powerful Israel lobby; but, intelligence community sources report, unlike the polite and low-key raid of Aug. 27, 2004, the December action had FBI agents invading the AIPAC headquarters with guns drawn, carting off computers, and serving grand jury subpoenas to four top officials.

There is far more than meets the eye to the ongoing FBI probe of AIPAC. While most news accounts link the raids to a narrow probe into whether the Israeli lobby group funneled classified Pentagon documents to an Israeli Embassy official, the real story is that the foreign counterintelligence probe into AIPAC dates back to the early months of the Bush Administration in 2001, and involves a much larger cast of characters, and range of suspected illegal activities.

The AIPAC probe intersects an ongoing "spy war" inside the U.S. law enforcement and intelligence communities, pitting professional spies, diplomats, and military commanders against what one source called the "Israel First" wing of the larger neo-conservative apparatus that dominates the civilian Pentagon bureaucracy, and the "shadow NSC" housed in the office of Vice President Dick Cheney, in addition to having pockets of influence at the official National Security Council (NSC) and State Department.

After the Tenet Resignation

In late Summer 2004, following the resignation of CIA director George Tenet, Vice President Cheney rammed through the appointment and confirmation of Porter Goss as his replacement. Since his arrival at Langley, Goss has ruthlessly pursued his mandate from Cheney: Purge those "disloyal" CIA officers who had opposed the Iraq War, and plug up the leaks that Cheney feared could contribute to a Nov. 2 Bush-Cheney electoral defeat.

Indicative of the intensity of the intelligence wars was the Summer 2004 publication of the book *Imperial Hubris*, by an anonymous active-duty CIA officer, who had headed the Agency's "Bin Laden Taskforce" for several years. CIA attorneys had vetted the book with remarkable speed, allowing its pre-election publication, and even giving "Anonymous" the opportunity to appear on national television—with a masked

68 National EIR December 17, 2004

voice behind a silhouette screen. Soon after Goss's arrival at CIA headquarters, "Anonymous"—now known to the world as Michael Scheuer—was out of a job. Scheuer's departure was part of a much larger exodus of senior CIA analysts and operators.

Call it a purge or a mass protest walk-out, the consquences are predictable: an escalation of warfare, generally pitting the professionals against the neo-con fanatics. And lost in the shuffle: any serious policy debate about genuine intelligence upgrading.

Even the now complete Congressional passage of the intelligence reform bill, based on the recommendation of the 9/11 Commission, tip-toed around one of the most dangerous issues of reorganization being peddled by Defense Secretary Donald Rumsfeld and his civilian chickenhawk bureaucracy: the transfer of covert paramilitary ops from the CIA to the Defense Department's Office of Intelligence, currently headed by Stephen Cambone and Gen. Jerry Boykin.

Because most of the assets used by the CIA were "on loan" from various Pentagon special operations units, they were not under military control, which meant that their actions did not constitute acts of war. If that level of protection is removed, the Bush-Cheney "War on Terror" takes on the character of acts of war against the nation on whose territory they operate.

In a *New Yorker* magazine article early this year, Seymour Hersh wrote about Pentagon "special access programs"—highly secret paramilitary units—run out of the Pentagon, that were part of the Abu Ghraib torture interrogations, and worse.

Sources have told this news service that these "special-access" units—hunter-killer teams—are both modeled on Israeli assassination squads, and interface with those units. They point out that after 9/11, Undersecretary of Defense for Policy Doug Feith—a key player in the FBI's AIPAC probe—pushed for the creation of a U.S.-Israeli joint counter-terror intelligence operation. The Feith scheme got brief news coverage in June 2002, and meetings between Feith and top Israeli military and Interior Ministry officials continued throughout 2002, but nothing further has been publicly reported—except for reports by Hersh and others, of a large number of Israeli covert operatives deploying into the Kurdish region of Iraq.

The Franklin Case—And Beyond

Ostensibly the trigger for the August and September 2004 FBI raids on the AIPAC headquarters was the passing of a classified draft Bush Administration Iran policy memo to two AIPAC officials (Steve Rosen and Keith Weissman) to a political counsellor at the Israeli Embassy (Naor Gilon). The memo was provided to the two AIPAC officials by Larry Franklin, the Iran desk officer at the Near East South Asia Center for Strategic Studies (NESA) office of Undersecretary of Defense Feith. NESA is headed by William Luti, a former military aide to Vice President Cheney. The Feith-Luti unit, which included the Office of Special Plans (OSP), the pre-Iraq

War planning unit, is under Senate Intelligence Committee scrutiny for funneling false intelligence to White House policymakers to justify the war. While neo-con defenders claim that Franklin was "six levels below Feith," Pentagon sources have told this news service that Franklin was part of an informal neo-con cabal which frequently met behind closed doors in Feith's office to coordinate their agenda. According to the sources, several other participants in these "brown-bag lunches," including Harold Rhode, William Bruner, and Abe Shulsky, are also being probed for passing classified material to Israel. A separate national security probe into who leaked vital signal national intelligence via Ahmed Chalabi's Iraq National Congress (INC), to Iran intelligence, also centers on the Feith gang.

When news of the Franklin probe broke on CBS-TV in late August, it was reported that Franklin was cooperating with Federal investigators and the grand jury. Subsequently, AIPAC launched an aggressive damage control effort, hiring Washington, D.C. power lawyer Nathan Lewin. In October, Franklin stopped cooperating with the probers, fired his court-appointed lawyer, and hired Plato Cacheris, a high-priced attorney with a track record of defending spies like Aldrich Ames and Robert Hanssen. The turning of Franklin reportedly infuriated top FBI people.

The Franklin flap may have been the straw that broke the camel's back. For years, senior counterintelligence people at the FBI, and at other U.S. law enforcement and intelligence agencies, have been frustrated by continuous obstruction of probes into suspected Israeli "friendly espionage." In 2000-01, the U.S. government deported over 120 Israeli "art students" who were caught spying on U.S. government facilities, including military bases.

In a bizarre twist on the case, Israeli officials charged that if the "art students" had not been expelled, the 9/11 attacks might have been prevented—a de facto admission that the Israelis were in the United States to track suspected cells of "Islamic extremists" behind the backs of U.S. officials.

One senior U.S. intelligence official told this news service that, ever since the 1985 arrest of Israeli spy Jonathan Pollard, Israel has been careful to avoid such blatant espionage techniques. Now, an extensive "informal espionage" operation has been created—using groups like AIPAC with strong ties to the Pentagon and other national security hubs—to obtain and pass on verbal reports with key intelligence and secret policy information.

But, the source added, occasionally, the Sharon government insists on access to hard copy data—like the Iran policy memo to the White House, reportedly drafted by Feith deputy Michael Rubin.

It is this larger arrangement, the source emphasized, that is the subject of FBI and other U.S. national security concerns. In that context, the Franklin case is symptomatic of something much bigger. And that is why this appears to be one scandal too big to bury.

EIR December 17, 2004 National 69

Torture-Report Leaks Point to Rumsfeld, Cambone, and Boykin

by Edward Spannaus

Secretary of Defense Donald Rumsfeld and his top civilian aides, such as Stephen Cambone and Gen. William "Jerry" Boykin (now operating on the civilian side of the DoD), are caught deeper than ever in the growing prison torture scandal, by newly disclosed documents from military and civilian agencies involved in the so-called war on terrorism. The new disclosures totally undercut Rumsfeld's contention that the torture abuses were the work of a handful of "bad apples" among low-level troops. The "bad apples" are actually to be found at the highest branches of the Pentagon.

After months of a lull in activity regarding the torture investigations, during the run-up to the U.S. elections and their immediate aftermath, there has now broken loose an extraordinary torrent of information concerning still-secret torture investigations; this includes both leaked documents, and an extensive set of documents obtained by the American Civil Liberties Union (ACLU) through litigation under the Freedom of Information Act.

Some of the leaks appear to be coming from military officials, disturbed that the White House and Rumsfeld are suppressing a number of investigation reports which had been scheduled to be released many months ago. The recent leaks include information from a report on U.S.-run prisons in Afghanistan, prepared by Army Brig. Gen. Charles Jacoby; and an investigation of interrogation techniques used in in Guantanamo, Afghanistan, and Iraq, compiled by Vice-Admiral Albert Church.

An additional factor is likely in the reports involving Task Force 121, now renamed Task Force 6-26, a combined CIA and Army special operations unit, whose mission is to capture and interrogate "high-value detainees" in Iraq. Leaks to a number of "mainstream" media, concerning a report on Task Force 121 compiled by a respected retired Army Colonel, Stuart Herrington, may be intended to try to undercut an ongoing move by Rumsfeld to seize control of all paramilitary and clandestine operations which are now carried out by the CIA.

The *New York Times* reported on Nov. 23 that President Bush had ordered an inter-agency group to review options for transferring covert operations which are now conducted by the CIA, to the DoD, as was recommended by the 9/11 Commission; Bush gave them 90 days to come up with a plan. The *Times* cited unnamed officials as saying that civilians in the

Pentagon, mentioning Undersecretary of Defense for Intelligence Stephen Cambone in particular, are pushing for this. The next day, the *Wall Street Journal* reported that, to help push this through, the Pentagon has already drafted a not-yet-adopted order telling the military's Special Operations Forces to be prepared to conduct clandestine operations against terrorist organizations in the Middle East and Asia.

A retired intelligence official told *EIR* that an Executive Order is now being drafted for the President to sign, under which this transfer of paramilitary operations from CIA to DoD would take place; most likely, these operations will be placed under the control of Cambone.

Lyndon LaRouche has pointed out the serious danger inherent in such a shift: that any covert intelligence operation, if conducted by U.S. military forces against another country, is implicitly an act of war; this is one of the primary reasons why clandestine operations were entrusted to a civilian agency.

CIA Kept Its Distance

The Herrington report, which predated the discovery of the photos of abuse and torture at Abu Ghraib, warned top military officials in December 2003 that Task Force 121 was abusing and beating prisoners captured in Iraq, and dumping them in Army-base prisons where the Red Cross could not find them. The CIA had ordered its personnel in Iraq to stay away from a military interrogation center operated by Task Force 121, because CIA officials feared that the military might be abusing prisoners, according to the Herrington report. As we have reported, Task Force 121, earlier known as Task Force 20, is an outgrowth of the "hunter-killer" teams that Rumsfeld set up shortly after the 9/11 attacks.

In his December 2003 report, Colonel Herrington stated:

- The mistreatment of the prisoners was probably illegal under international and U.S. law;
- Task Force 121 and the 4th Infantry Division imprisoned "hostages"—usually female relatives of wanted Iraqis—to compel the wanted men to turn themselves in;
- The units rounded up thousands without even knowing who they were, and then held them secretly;
 - Prisoners of the Task Force were beaten;
- The Task Force's activities were counterproductive, and would probably feed the resistance in Iraq.

Task Force Threatens DIA Officers

Perhaps the most damning document, among those obtained by the ACLU, is a Defense Intelligence Agency (DIA) memorandum, sent to Cambone on June 25, 2004—which is, of course, many months after the Abu Ghraib photos were disclosed to top military officials, and exactly two months after the Abu Ghraib scandal became public. The memo from DIA Director Vice Admiral L.E. Jacoby, tells of ongoing torture, beating, and abuse of prisoners in Iraq, and the routine cover-up of this conduct.

The June 25, 2004 memo reports that DIA interrogators were threatened by Task Force 6-26 personnel, and ordered not to talk to anyone about the abuse of detainees by TF 6-26 which they had witnessed.

DIA interrogators reported the following:

- "Prisoners arriving at the Temporary Detention Facility in Baghdad with burn marks on their backs. Some have bruises, and some have complained of kidney pain."
- One of the two DIA interrogators "witnessed TF 6-26 officers punch a prisoner in the face to the point the individual needed medical attention. This record of treatment was not recorded by TF 6-26 personnel. In this instance, the debriefer was ordered to leave the room."
- One DIA interrogator "took pictures of the injuries and showed them to his TF 6-26 supervisor, who immediately confiscated them."
- "TF 6-26 personnel have taken the following actions with regard to DIA interrogators/debriefers:
 - —Confiscated vehicle keys;
 - —Instructed them not to leave the compound without specific permission, even to get a haircut at the PX;
 - —Threatened them:
 - —Informed them that their e-mails were being screened:
 - —Ordered them not to talk to anyone in the U.S."

Rumsfeld's 'Marching Orders'

More documentation, pointing directly to Rumsfeld and his top aides, came with the Dec. 6 release, by the Associated Press, of documents in which the FBI repeatedly criticized the "aggressive interrogation practices" being used by military personnel at Guantanamo, which involved physical and psychological pain, and the use of dogs to intimidate prisoners. The FBI subsequently "stepped out of the picture" and declined to participate in prisoner interrogations being conducted by military personnel.

Making it clear that the military's order came from the top, one confidential FBI memo described an argument between FBI personnel and the two top Army generals running the interrogations, including the notorious Gen. Geoffrey Miller, who later went to Iraq to "Gitmo-ize" the detention and interrogation operations at Abu Ghraib. (And, as we have earlier reported, while in Iraq, Miller also reviewed the operations of Task Force 20—the predecessor of Task

Force 121 and 6-26.) An FBI letter to the head of the Army's Criminal Investigative Division said that the FBI had complained to the military about the methods being used at Guantanamo, and that nothing was done. Two memos described a heated discussion between the FBI officials, and the two generals: "Both agreed the Bureau has their way of doing business and DOD has their marching orders from the Sec Def"—referring of course to the Secretary of Defense, Donald Rumsfeld.

'It's Cambone and Boykin'

"From looking at these documents, there's absolutely no question about who's running this entire operation: it's Cambone and Boykin," a legal source who has been involved in the torture investigation told *EIR*, after reviewing the documents obtained by the ACLU. "Look at the insolent way the Navy SEALs behave: they're not afraid of punishment, and they believe they have a right to do what they're doing, and that's probably because they *do*."

This source described the latest documents as constituting "powerful confirmation of the report that Sy Hersh has had out there for months," noting that at the center of the torture and abuse, are Task Force 20, Task Force 121, and Task Force 6-26.

Investigative reporter Seymour Hersh, in his book Chain of Command, traced the origin of the prison-torture scandal to the creation of a highly-secret program set up by President Bush, Vice President Cheney, and Rumsfeld, shortly after the 9/11 attacks. (See EIR, Sept. 24.) This program set up special hunter-killer teams within the military, originally to hunt down, and capture or kill, top al-Qaeda leaders in Afghanistan and elsewhere. Rumsfeld's scheme encountered intense opposition among traditionalist military officers, who did not want to see the military's Special Forces turned into assassination teams. In late 2003, Hersh reported that Rumsfeld had created Task Force 121 in Iraq, consisting of Army Delta Force members, Navy SEALs, and CIA paramilitary operatives, for the purpose of neutralizing Iraqi insurgents by killing or capturing them. In the book, Hersh described a topsecret "Special Access Program" which put Rumsfeld's hunter-killer teams into the business of interrogating prisoners, using physcial coercion and sexual humiliation, to try and generate intelligence on the insurgency.

Prior to the publication of Hersh's account, *EIR* had been advised that a major reason for the Administration's coverup of the torture scandal, was to protect Boykin, the Muslimhating, Christian-fundamentalist fanatic who is Cambone's deputy, and who is also said to be close to Guantanamo's General Miller. Now, as more documents are pushed out into the public record, the Administration's cover-up is about to crumble to pieces.

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EIR December 17, 2004 National 71

Editorial

The Hamiltonian Solution

When he devised the financial system of the United States, revolutionary and first Treasury Secretary Alexander Hamilton stuck firmly to the principles of physical economy which had been outlined by his intellectual predecessor, Gottfried Wilhelm Leibniz, and by America's leading Founding Father, Benjamin Franklin. What was crucial, Hamilton wrote over and over again, was the fostering of the productive powers of labor, in order to improve the conditions of life, and defend the general welfare of the nation.

To this end, the United States Federal government would have to exercise total sovereignty over its currency and credit, and utilize its powers to ensure the necessary infrastructure, protection, and credit for the health of the country. From this standpoint, Hamilton helped devise the powers of the Congress and the Executive in the Constitution, put forward the plan for a National Bank, and proposed the development prospectus known as the Report on the Subject of Manufactures.

Hamilton would consider both the current monetary bubbles holding up the U.S. dollar today, and the schemes being devised to privatize and loot Social Security, to be virtually treasonous violations of his system, and American interest.

For one thing, Hamilton abhorred financial speculation, and utilized his power to prevent it from occurring, even in government paper. He was totally aware of how predatory financial interests used such bubbles to destroy nations—as in the case of the 1720 Mississippi bubble which bankrupted France. His was a system of *regulation* of the financial interests, under the principle of providing for the general welfare.

At bottom, deregulation—as the proponents of today's anti-FDR schemes put it forward—is *anti-American!* It violates the very principles upon which our nation is based.

Among those principles, of course, is the maintenance of the good faith and credit of the U.S. government, which includes its currency. The stability and value of the dollar, and the legitimate U.S. government sovereign debt, through Treasury bills and bonds, are absolutely crucial to the security of the citizens of the United States, on into the future.

Now, Federal Reserve debt, which is not Treasury debt, is a different matter, as is other private debt. As Lyndon LaRouche said recently, they all go on the chopping block for financial reorganization in bankruptcy. Some of it will be paid over the long term; much of it will simply be dumped.

As for the core of the financial system, if the U.S. and the world financial system is to survive, it will be reorganized along the lines that Alexander Hamilton initially laid out. The U.S. government will ensure that it is able to pay its legitimate debts through the creation of government-backed credits for large-scale infrastructure, in both the public and private sectors. Such an infusion of capital will cause the general increase of employment in well-paying jobs, which economist LaRouche estimates will amount to at least 10 million additional jobs in the short term. On that basis, the U.S. monetary system can be stabilized, and put on the road to prosperity.

You can almost hear the Nobel-prize-winning economic "experts" shricking now. They insist that it is the removal of government control that is necessary for economic growth: deregulation, competition, privatization. In reality, their demands simply come down to the fact that they want the license to steal wealth which has already been created, without any interference.

LaRouche, uniquely, has put forward the Hamiltonian solution instead, the very same approach that was taken up by President Franklin Delano Roosevelt when he took power in the depths of the Great Depression. The Hamiltonian approach will actually restore sovereignty to the American population, and build a secure foundation for future growth, and for collaboration with those nations whom we now are trampling all over, in order to sustain a corrupt system.

In 2005, our nation will celebrate the 250th birthday of Alexander Hamilton, a young immigrant from the Caribbean to whom we owe a great debt, for his role in building our nation. We desperately need to revive his principles today.

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1st/3rd Wed: 10 pm

CLAYTON/CONCORD

AT&T-Comcast Ch.25

Astound Ch.31 Tuesdays—7:30 pm CONTRA COSTA

2nd Fri.—9 pm COSTAMESA Ch.61

Wednesdays-10 pm

-6:30 pm

Sat-1 am, or 6 am

Fridays-6 pm

- Adelphia Ch.53
 Tuesdays—6:30 pm
 STA.CLAR.VLY.
 T/W & AT&T Ch.20
 Fridays—1:30 pm
 SANTA MONICA ANCHORAGE—Ch.44 Thursdays—10:30 pm JUNEAU—Ch.12
- Thursdays-7 pm Adelphia Ch. 77 ARIZONA
- Thursdays—4:30 pm TUJUNGA—Ch.19 PHOFNIX-Ch 98 Mondays—8 pm • VENICE—Ch.43
 - Wednesdays—7 pm
 VENTURA CITY Adelphia Ch.6
 - Mondays—7 am
 Fridays 10
 VENTURA COUNTY Adelphia/Avenue Channels 8/16/25

MARINA DEL REY Adelphia Ch.3

Wednesdays—

MediaOne Ch.43

Wednesdays—7 pm MODESTO—Ch.2

Thursdays—3 pm

Adelphia Ch.19

Americast Ch.8

Adelphia Ch.65

Adelphia Ch.53

-7 pm

OXNARÓ

Tuesdays

• PLACENTIA

Thursdays—4.00 MediaOne Ch.43 Thursdays—4:30 pm

- WALNUT CREEK AT&T Ch.6 2nd Fridays—9 Astound Ch.31 -7:30 pm
- W.HOLLYWOOD W.HOLLTVV Adelphia Ch.3 ---davs---4:30 pm WISAN FOO VIY Time Warner Ch.34 Wed.—5:30 pm
- COLORADO DENVER---Ch.59 10/26,28,30: 9 pm

- CONNECTICUT
 GROTON—Ch.12
 Mondays—5 pm MANCHESTER Ch. 15
- Mondays—10 pm MIDDLETOWN—Ch.3
- Thursdays—5 pm NEW HAVEN—Ch.29 Sundays—5 pm Wednesdays—6 pm NEWTOWN/NEW MIL.
- Cablevision Ch.21 Mondays-9:30 pm Thursdays-11:30 am

FLORIDA ESCAMBIA COUNTY Cox Ch.4 2nd Tue: 4:30 pm

- GEORGIA ATLANTA Comcast Ch.24 Wednesdays—10 am
- IDAHO
 MOSCOW—Ch. 11
- Mondays-7 pm ILLINOIS
- CHICAGO* AT&T/RCN/WOW Ch.21

 QUAD CITIES Mediacom Ch.19 Thursdays-

- PEORIA COUNTY Insight Ch.22 Sundays—7:30 pm SPRINGFIELD Ch.4
- Mon-Fri: 5-9 pm Sat-Sun: 1-5 pm BLOOMINGTON

INDIANA

- Insight Ch.3
 Tuesdays—8 pm
 DELAWARE COUNTY
- Comcast Ch.42 Mondays—11 pm GARY AT&T Ch.21 Monday-Thursday 8 am - 12 Noon

IOWA • QUAD CITIES

Mediacom Ch.19 Thursdays—11 pm

KENTUCKY • BOONE/KENTON Insight Ch.21

- Mon: 4 pm; Sat: 5 pm JEFFERSON Ch.98 Fridays-2 pm
- LOUISIANA ORLEANS PARISH
- Cox Ch.78 Tuesdays & Saturdays 4 am & 4 pm

MARYLAND

- ANNE ARLINDEL Annapolis Ch.20 Milleneum Ch.99 Sat & Sun: 12:30 am
- MONTGOMERY Ch.19 Fridays—7 pm P.G.COUNTY Ch.76
- Mondays—10:30 pm MASSACHUSETTS
- BELD Ch.16 Tuesdays—8 CAMBRIDGE
- MediaOne Ch.10
- Mondays—4 pm WORCESTER—Ch.13 Tue—8:30 pm

MICHIGAN CALHOON

- ATT Ch.11 Mondays—4 p Comcast Ch.18
- Zajak Presents Mondays: 6-8 pm DEARBORN
- Comcast Ch.16 Zajak Presents Mondays: 6-8 pm DEARBORN HTS.
- Comcast Ch.18 Zajak Presents Mondays: 6-8 pm GRAND RAPIDS
- AT&T Ch.25 Fridays—1:30 pm KALAMAZOO Thu: 11 pm (Ch.20) Sat: 10 pm (Ch.22) KENT COUNTY
- Charter Ch.7 Tue—12 Noon, Tue— 1∠ №0011, 7:30 pm, 11 pm

- All programs are The LaRouche Connection unless otherwise noted. (*) Call station for times. • LAKE ORION Comcast Ch.65
 - Mondays & Tuesdays 2 pm & 9 pm LIVONIA Brighthouse Ch.12
 - Thursdays—4:
 MT.PLEASANT Charter Ch. 3 Tuesdays—5:30 pm
 - Wednesdays-7 am PLYMOUTH Comcast Ch.18 Zajak Presents Mondays: 6-8 pm • SHELBY TWP.
 - Comcast Ch.20 WOW Ch.18 Mon/Wed: 6:30 pm • WAYNE COUNTY
 - Comcast Ch.68 Unscheduled pop-ins WYOMING AT&T Ch 25

Wednesdays-MINNESOTA

- Comcast Ch.15 Thu: 3 pm & 9 pm BURNSVILLE/EGAN ATT Ch.14,57,96
- Tuesdays—5:30 pm Saturdays—9 pm Sundays—10 pm Sundays—10
 • CAMBRIDGE
- US Cable Ch.10 Wednesdays—2 pm COLD SPRING
- US Cable Ch.10 Wednesdays—5 COLUMBIA HTS. MediaOne Ch.15
- Wednesdays—8 | DULUTH—Ch.20 Mondays—9 pm Wednesdays—12 pm Fridays 1 pm FRIDLEY—Ch.5
- Thursdays—5:30 pm Saturdays—8:30 pm MINNEAPOLIS
- PARAGON Ch.67 Saturdays—7 pm NEW ULM—Ch.14
- Fridays—5 pm PROCTOR/
- HERMANTOWN—Ch.12 Tue: Btw. 5 pm-1 am ST.CLOUD AREA Charter Ch.10 Astound Ch.12
- Thursdays—8 pm ST.CROIX VLY. Valley Access Ch.14 Thursdays: 4 & 10 pm
- Fridays—8 am ST.LOUIS PARK Paragon Ch.15 Wed, Thu, Fri: 12 am. 8 am. 4 pm
- ST.PAUL (city) SPNN Ch.15
- Saturdays—10 pm ST.PAUL (N Burbs) AT&T Ch.14
- AT&T Ch.14 Thu: -6 pm & Midnite Fri: -6 am & Noon ST.PAUL (NE burbs)* Suburban Ch.15
- St.PAUL (S&W burbs) AT&T-Comcast Ch.15 Tue & Fri: -8 pm Wednesdays--10:30 pm SOUTH WASHINGTON ATT Ch.14—1:30 pm Mon, Tue, Wed, Thu

- MISSISSIPPI

 MARSHALL COUNTY
- Galaxy Ch. 2 Mondays—7 pm
- MISSOURI ST.LOUIS AT&T Ch.22
- Wednesdays—5 Tuesdays—4 pm

Comcast*

Time Warner Ch.27 Wednesdays—4 pm • NORTHERN NJ

Comcast Ch.57* PISCATAWAY

PLAINSBORG

Comcast Ch.3*

NEW MEXICO

ALBUQUERQUE

LOS ALAMOS

Comcast Ch.8 Mondays—10 pm SANTA FE

Saturdays—6:30 pm TAOS—Ch.2

Thursdays—7 pm

Cablevision Ch.70 Fridays—4:30 pm BROOKLYN

Adelphia Ch.20

FRIF COUNTY

ILION—Ch 10

Thursdays—4 pm Saturdays—1 pm

CHEMUNG/STEUBEN

Time Warner Ch.1 Mon & Fri: 4:30 pm

Adelphia Intl. Ch.20

Thursdays-10:35 pm

Mon & Wed—11 am Saturdays— 11:30 pm • IRONDEQUOIT Ch.15

Mondays—7:30 pm Thursdays—7 pm • JEFFERSON/LEWIS

Time Warner Ch.2 Unscheduled pop-ins MANHATTAN—MNN

T/W Ch.34; RCN Ch.109

T/W Ch.34 Cablevision Ch.67 Tue: 12 Noon & 8 pm

NEW YORK

BRONX

BLIFFAL O

Comcast—Ch.8

Comcast Ch.27 Mondays—3 pm

Thursdays—4 pm ANTHONY/SUNLAND

T/W Ch.15 Wednesdays 5:05 pm

Wed-

Cablevision Ch.71

-11:30 pm

- Tuesdays-9 pm NEBRASKA QUEENSBURY Ch.71
- LINCOLN T/W Ch.80 Tuesdays—7 pm • RIVERHEAD Ch.70
- Citizen Watchdog
 Tuesdays—7 pm
 Wednesdays—10 pm Thu—12 Midnight
 ROCHESTER—Ch.15 NEVADA
- Sundays—3 pm Mondays—10 pm ROCKLAND—Ch.7 CARSON-Ch.10 Mondays—6 pm
 STATEN ISL.
- Wednesdays—7 pm Saturdays—3 pm RENO/SPARKS Time Warner Cable Thu—11 pm (Ch.35) Charter Ch.16 Wednesdays—9 pm Sat-8 am (Ch.34)
- TOMPKINS COUNTY Time Warner Ch.13 Sun—11 am & 4 pm NEW JERSEY
 • MERCER COUNTY TRENTON Ch.81 WINDSORS Ch.27 • MONTVALE/MAHWAH
 - Saturdays—9 pm TRI-LAKES Adelphia Ch.2

NIAGARA COUNTY

Thursdays—10:35 pm ONEIDA—Ch.10 Thu: 8 or 9 pm

Penfield Comm. TV* QUEENS QPTV Ch.34

Adelphia Ch.20

PENFIELD—Ch.15

Fridays-5 pm

Sun: 7 am, 1 pm, 8 pm • WEBSTER—Ch.12 Wednesdays—9 pm NORTH CAROLINA HICKORY—Ch.3 Tuesdays—10 pm

ОНЮ CUYAHOGA COUNTY Ch.21: Wed—3:30 pm FRANKLIN COUNTY

- Ch 21: Sun.—6 pm LORAIN COUNTY Adelphia Ch.30 Daily: 10 am; or 12 Noon; or 2 pm; or 12 Midnight
- OBERLIN—Ch.9 Tuesdays—7 pm • REYNOLDSBURG Ch.6: Sun.--6 pm OREGON
- LINN/BENTON AT&T Ch.99
 Tuesdays—1 pm
 • PORTLAND
- Tue—6 pm (Ch.22) Thu—3 pm (Ch.23) SALEM—Ch.23 Tuesdays—12 Noon Thursdays 8 pm
- SILVERTON Charter Ch.10 Mon,Tue,Thu,Fri Betw. 5 pm - 9 am
- WASHINGTON Comcast Ch. 23 Wed:7 pm; Fri:10 am Sun:6 am: Mon:11 pm

RHODE ISLAND

- E.PROV.— Ch.18 Tuesdays—6:30 pm STATEWIDE RI Interconnect Cox Ch.13 Full Ch.49 Tuesdays-10 am
- TEXAS EL PASO COUNTY Adelphia Ch.4 Tuesdays—8 pm Thursdays—11 am

- HOUSTON Time Warner Ch.17
- Saturdays—9 am KINGWOOD Ch.98 Kingwood Cablevision Saturdays-9 am
- UTAH E.MILLARD Precis Ch.10
- Tuesdays—5 pm SEVERE/SAN PETE Precis Ch.10 Sundays & Mondays 6 pm & 9 pm

VERMONT

- GREATER FALLS Adelphia Ch.8 Tuesdays-—1 pm
- MONTPELIER Thursdays 10 pm Fridays 4 pm

VIRGINIA ALBERMARLE Adelphia Ch.13

- Fridays—3 pm ARLINGTON Mondays---4 pm
- Tuesdays—9 am
 CHESTERFIELD
 Comcast Ch.6
- Tuesdays—5 pm FAIRFAX—Ch.10 Tuesdays—12 Noon
- Thursdays—7 pm LOUDOÚN Adelphia Ch. 23/24
- Thursdays—7 pm ROANOKE—Ch.19 Tuesdays—7 pm Thursdays—2 pm

WASHINGTON KING COUNTY AT&T Ch.29/77

- Mondays—8 pm SPOKANE—Ch.14 Wednesdays-6 pm TRI CITIES Charter Ch.12
- Mondays—12 Noon Thursdays—8:30 pm
- WENATCHEE
 Charter Ch.98 Thu:10 am.12 Noon WISCONSIN

- MADISON—Ch.4 Tuesdays—3 PM Wednesdays—12 Noon
 • MARATHON COUNTY Charter Ch.10 Thursdays—9:30 pm Fridays—12 Noon
- SUPERIOR
 Charter Ch.20 Mondays-7:30 pm

Wednesdays-11 pm Fridays 1 pm WYOMING • GILLETTE—Ch.36

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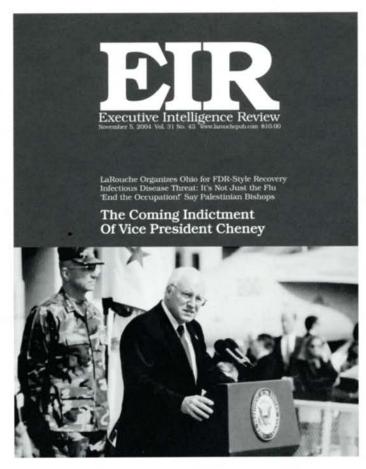
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