Alexander the Great confronts the Persian horde led by the Emperor Darius at Arbela, 331 B.C. Although outnumbered twenty to one, Alexander's offensive led to the rapid destruction of the Persian Empire. (Roman mosaic, details, Second century B.C., Museo Archeologico Nazionale, Naples)

The generation of former university students, which occupy most among today's high-ranking positions of power in society, is no longer the virtually unchallenged pace-setter in national and global policies. The cults of 'political correctness,' the world of make-believe into which the frightened '68'ers had fled, are no longer the unchallenged wave of the future. The new cultural paradigm-shift, the back-to-reality paradigm-shift, is the changed political opportunity to which wise statesmen will hitch the destiny of their nations.
How To Think
In a Time of Crisis

by Lyndon H. LaRouche, Jr.

March 5, 1998

It came with an accompanying sense of shock. By no later than sometime during November 1997, both leading circles and the thinking stratum of other citizens, around much of the world, began to recognize, that the so-called “Asia crisis,” as it had exploded beginning late October, was not a regional, or cyclical crisis, but a global, and systemic one. Since that time, there has been an essentially worldwide shift within expressed political moods of the populations and some leading institutions. The new, much more severe round of financial-monetary shocks, expected to begin erupting as early as middle-to-late March, will accelerate this process of global political, and cultural change.

As a result of that ongoing process of shift, we, in the U.S.A., are already experiencing the onset of a profound change in direction of popular political and related moods. A challenge has erupted, against the doctrine of a new “mainstream,” pseudo-majority: against the effort to bring about a “convergence” of a relatively small, hyper-active minority of our citizens, composed of “New Democrats,” “Yahoo Republicans,” and hyperventilating mass daily electronic and print media.1 In opposition to such a “new mainstream” minority of our citizens, there is now in progress, a sharply accentuated political polarization, a polarization now emerging to form whatever becomes, during the months ahead, a new dominant political feature of the population generally. This pattern now appears more or less worldwide.

This, accompanied by related changes in the global economic and political situations, implicitly confronts the observer with the most fundamental, and least understood processes underlying the shaping of the known history of mankind. Without understanding those processes, it is impossible for the government of the U.S.A.—or, anyone else—to define either a competent strategic assessment of the present global situation, or an actually effective policy for addressing that situation. The characteristics of those kinds of processes, including the current manifestation, are the subject of this report.

Underlying this newly emerging process of polarization of the population, is a profound cultural paradigm-shift, which is now counterposed to the “New Age” cultural paradigm-shift of 1964-1972. In short, thirty years after 1968, there is an emerging general sense, that the

1. This is the doctrine associated with a former White House campaign advisor, the cousin of the late Roy M. Cohn, “Dick” Morris, and others, which prompted President Clinton to commit the blunder of choosing not to veto a welfare reform bill. As a result of this doctrine, the former close cooperation between the President and traditionalist Democrats in the Congress was shattered, and the Democratic Party lost its chance to regain control of the U.S. House of Representatives in the 1996 general election.
trend in culture which began to take charge of policy-shaping during 1964-1972, has been a terrible mistake. The new trend in polarization is well-grounded. In reality, unless that 1964-1972 cultural paradigm-shift is reversed, very soon, global civilization, as it presently exists, will not outlive the present century.

Therefore, for the purposes of our study of the matter here, we situate the subject by contrasting the two, contrary cultural revolutions, that of the 1964-1972 interval, to that opposing, new cultural paradigm, the latter which threatens to assume leadership under presently emerging trends of increased political polarization globally.

Back during 1964-1969, most parents and grandparents of adolescents and young adults were befuddled, and, often, somewhat terrified, by the eerie, sudden insurgency of a youth counter-culture, which, to at least some such World War I and World War II veterans, suggested the takeover of their descendants’ minds, by a veritable invasion of very nasty “body snatchers,” of a sort which might have been thought to have arrived, perhaps, from some place in outer space. It is now the turn of the university-campus “Baby Boomers” from the 1960’s, to be befuddled by a parallel kind of radical cultural change, not only in their own children and grandchildren, but throughout many strata, of various ages, of the population at large.

Once again, throughout the world, a sweeping cultural change is at work. Now, as was the case back during the middle to late 1960’s, once again, the generation which has come to occupy most of the topmost positions of policy-shaping in Washington, D.C., in the news and entertainment media, and in the higher ranks of the business world, is stunned by its own apparent inability to comprehend either the radical “cultural paradigm-shift” currently in progress, or the new global realities which have energized this shift.

This present study of that phenomenon, is situated by a report on the author’s experience of both cultural paradigm-shifts, that of 1964-1972, and today. The subject of that report, then serves as a point of departure for his addressing the principles of history commonly underlying both paradigm-shifts.

This study provides the alternative to the academically popularized, philosophically Romantic absurdities of both Hobbesian and Kantian irrationalisms, and to such popularized, neo-Kantian outgrowths of those obscurities as Hegel’s 

This study provides the alternative to the academically popularized, philosophically Romantic absurdities of both Hobbesian and Kantian irrationalisms, and to such popularized, neo-Kantian outgrowths of those obscurities as Hegel’s Weltgeist, the irrationalist belief in a Zeitgeist, and the Nazi and other populists’ Volkgeist. The edifice of history itself is fully rational; unfortunately, admittedly, all too often, the inmates who inhabit that institution, are crazy. Too often, as playwright Peter Weiss has asserted, lunatic inmates, such as his characters Marat and de Sade, have taken over the management of the institution. My aim in this report, is to assure the reader, that, contrary to those “new Flagellants” of our darkening age, who scurry about, wild-eyed, shrieking their cries of “Conspiracy theory! Conspiracy theory!”, the ruling processes of history itself are not only rational in character, but also both as comprehensible, and manageable, in principle, as any other discovered and validated physical principle of our universe.

For reasons which are best left to be explained in the place they arise within the following text, the present author’s authority in addressing this matter has several unique features, features which should be clear as they come up in the exposition. However, one of these points should be identified, at least in bare essentials, here. The writer’s authority on the subject of the present, worldwide, systemic economic crisis, is absolutely unique. Two aspects of that authority ought to be named, at least, at the outset, here.

Illustrative is the fact, as shown below, that the present writer is the only known authority to have provided a long-range forecast, accurately warning of the approximate timing and character of the presently ongoing, worldwide, financial, monetary, and economic crisis. Perhaps less obvious, but of more fundamental relevance, is
the fact that all known, extant, competing economic theory, as it differs from the author’s own work, suffers from a fatal incompetence, especially in face of the specific kinds of reality the present global crisis represents. This is not to argue, that all other economists, with bad theory, are therefore utterly incompetent as specialists in administration of economy; rather, the relevant point is, that nearly every variety of theory of economy which is taught in universities and referenced by governmental and comparable policy-shapers today, should be relegated to the relevant place where pathological relics are stored, as in some “black museum.” The fine distinctions between a good economist and his bad theory are addressed at the appropriate place below. In the meantime, it is sufficient to have forewarned the reader on these points.

I.

Since Franklin Roosevelt

A now-emerging, contrary, new cultural paradigm, which has already gained yet only marginal, but increasing significance, inside and outside the U.S.A., has been in progress since approximately this past November. There are two common features shared by the paradigm-shift of the 1964-1972 youth-counterculture, and the newly erupting one. Each represents a revolution against the axiomatic underpinnings of the pre-existing cultural paradigm. In that sense, although it is otherwise directly opposed to the cultural revolution of the late 1960’s, the presently emerging, new cultural paradigm-shift, has one quality in common with its predecessor: they both represent cultural revolutions in the process of overthrowing what has recently passed for the matrix of predominant “cultural values.”

I came into the center of the 1964-1972 cultural maelstrom, during 1966-1973, while teaching a one-semester course in economics on some campuses in the northeastern corner of the U.S.A. This was the setting in which I came to be regarded as a threat, both by those self-styled “left-wing” leaders of the countercultural movement, whose activity was being funded by certain agencies of the financier-oligarchy’s “establishment,” and their behind-the-scenes stage-managers. The latter agencies were typified by the now recently deceased McGeorge Bundy’s Ford Foundation, and by the savagery of the libels composed on their behalf by the New York Times and the Washington Post. Presently, in the setting of today’s newly emerging cultural revolution, I have a much more significant position, sometimes directly, or, often, indirectly, more or less worldwide. For reasons which are not in the slightest degree accidental, my intellectual influence has sky-rocketted, relatively speaking, during the last two months of 1997, the same period the first significant outbreak of the presently emerging, new cultural paradigm-shift erupted. Not only do I enjoy special personal advantages in comparing, and tracing the relevant links between the two revolutions, but the nature of my daily work involves the closest study of precisely those patterns, worldwide, which characterize the new revolution now in progress.

The first of my series of subsumed objectives here, is to assist readers to understand the present “revolution,” as such understanding is to be contrasted to the failure of comprehension among that generation of veterans of World War I and World War II, who, almost to the last man and woman, did not understand the most elementary, underlying, functional characteristics of the 1964-1972 university campus-centered “youth-countercultural” revolution. The lesson to be learned, then and now, is, that without efficient comprehension, there can be no rational response. The present civilization, worldwide, could not survive the kind of general lack of rational comprehension of this newly erupting cultural revolu-

---

3. During the Spring 1968 Columbia University student strike, undergraduate associates of Lyndon LaRouche unearthed “check-stub” proof that the S.D.S. “Crazies” faction, associated with Mark Rudd, Bernadine Dohrn, et al., and soon with the terrorist Weatherunderground, were receiving large cash infusions from the Ford Foundation, then headed by McGeorge Bundy. Funds were conducted from the Ford Foundation through a front-group, the East Side Service Organization (ESSO), headed by Tom Neumann, nephew of Frankfurk School ideologue and New Left guru Herbert Marcuse.

4. During Dec. 1973-Jan. 1974, Lyndon LaRouche publicly charged that an effort to eliminate him physically had been unleashed, involving the collaboration of the F.B.I., segments of British Intelligence, and the East German Stasi (State Security Service). Subsequently, F.O.I.A. documents, released by the F.B.I., revealed that F.B.I. informants in the leadership of the Communist Party U.S.A. had, indeed, been activated to use C.P.U.S.A.-linked terrorist groups—including the Puerto Rican group, MIRA—to get rid of LaRouche, as part of a Bureau Counterintelligence Program (COINTELPRO). When LaRouche convened an “extraordinary public meeting” at a New York City hotel in early January 1994, to expose what he knew of the plot, the New York Times published a front-page Sunday edition smear against him, by Paul Montgomery and Howard Blum, aimed at discrediting him and covering up for the F.B.I. In 1979, a similar New York Times coverup piece was penned by Blum, after another effort to physically eliminate LaRouche—this time using the Jewish Defense League and mob assets of Roy Cohn—was exposed.

5. The editorial pages of the Sept. 24, 1976 edition of Katharine Graham’s Washington Post, featured a Post policy-statement, issued, over the by-line of Stephen Rosenfeld, to all leading electronic and print news media, on the subject of then independent U.S. Presidential candidate LaRouche: black out all coverage of LaRouche, except to defame him. The Post has adhered to the policy to the present day.
tion, which the adult generations of 1964-1972 exhibited toward the cultural revolution of the late 1960's. I have already featured matters bearing upon this concern, in numerous earlier published locations; here, I focus upon the kernel of this problem as such.

To understand either, or both of the 1964-1972 and presently emerging cultural revolutions, we should begin our study at no later point of the process, than the parents of the 'Sixty-Eighters, and the earlier shock which that generation of the World War II veterans experienced, during 1945-1948, after returning from service overseas.

Although President Franklin Roosevelt's U.S.A. had aligned itself with Britain and France, for the 1939-1945 war, by no later than 1938, Roosevelt's intent for the post-war world, was to destroy what the British Empire and the British "free trade" system represented. The U.S. mobilization for that war, lifted the U.S.A. out of the 1930's "Great Depression," and unleashed a kind of cultural optimism in the majority of the U.S. population, an optimism whose dominant, if not universal characteristic, was a resumption of the patriotic tradition associated with President Abraham Lincoln. It was the affirmation of that Lincoln tradition still reverberating among those veterans, such as President John F. Kennedy, which set the stage for the Rev. Martin Luther King's successful mid-1960's leadership of the Civil Rights Movement. Although few among those then serving overseas, during the war, knew explicitly of President Roosevelt's intent for the remaking of the post-war world, a probable majority among them, like this present writer, shared manifest impulses in that direction, during the course of their time in military service.

With the death of President Roosevelt, that cultural optimism began to fade. Whereas, Roosevelt had intended to destroy every colonial empire, especially Britain's, France's, and 'The Netherlands', at the close of the war, President Truman restored those empires. Whereas, Roosevelt had intended to eliminate the "British Eighteenth-century methods," of Adam Smith, in world economy, Truman plunged the U.S. into a deep, 1946-1948 recession, for the sake of preserving those methods. Whereas, Roosevelt had sought peace with a Stalin who had no intention of aggressive post-war action against the U.S.A., Britain's Winston Churchill easily lured his dupe, Truman, into dropping two absolutely unnecessary nuclear-fission bombs, on Hiroshima and Nagasaki, as a way of inaugurating Bertrand Russell's and Winston Churchill's scheme for setting up the U.N.O. as an instrument of world government, and subscribed to Churchill's provocation of Stalin's hostility. The setting up of the Korean War, consolidated Truman's ruin of Roosevelt's post-war prospects of an "American Century," this evil work done according to the images decreed by such as Bertrand Russell and Winston Churchill.

Under these and related circumstances pervading the 1946-1952 Truman years, the generation of the returning World War II veterans not only became culturally pessimistic, relatively demoralized, but, among at least about ninety-five percent of them, lacking in their earlier degrees of efficient commitment to principles of truth and justice. In the main, by 1948-49, many among those adults had seized greedily upon hoped-for threats of war, high tax-rates and all, as pretexts for the economic mobilizations which would ensure full employment, preferably in the relatively more technologically progressive, better paying, military and related industries.

By 1952, the logic of that same manic-depressive cycle, the mass phenomenon into which the Truman years had plunged the overwhelming majority of the World War II veterans' generation, and other adults, made Korea-truce-making, World War II General Dwight Eisenhower, the hands-down victor in the 1952 campaigns for both the Republican nomination and general Presidential election. Warrior-Peacemaker Eisenhower was the consoling psychological compromise with nuclear threat, which the majority of the nation wanted: a much needed relief from the perpetual migraine headache of Democratic Presi-


7. In their childhood, the veterans of World War II had seen "Grand Army of the Republic (G.A.R.)" veterans of the Civil War marching, often in uniform, in patriotic holiday parades. In the public intermediate and secondary schools of the 1930's, numerous among the World War II veterans had memorized Lincoln's 1863 Gettysburg Address, during their adolescence.

8. Following a British policy for bringing about world government, devised by H. G. Wells in 1913-1914, Russell played a key role, beginning 1938, in organizing the development of an Anglo-American nuclear arsenal, with the stated intent of making war so horrifying, by these awesome weapons of "mass destruction," that nations would submit to world government, as a way for avoiding wars in which such weaponry might be deployed. See Lyndon H. LaRouche, Jr., "How Bertrand Russell Became an Evil Man," Fidelio, Fall 1994 (Vol. III, No. 3). By Summer 1945, Japan's military situation had been made hopeless, by U.S. success in maintaining a nearly total blockade, preventing indispensable imports from reaching the main islands of Japan. As military planning by General MacArthur's staff indicated, it was not necessary to invade Japan under such conditions; surrender was inevitable during the weeks ahead. In any case, Emperor Hirohito had already negotiated the essentials of what were later adopted as the post-Nagasaki terms of surrender, with President Roosevelt, through Monsignor Giovanni Montini (later Pope Paul VI) of the Vatican's Secretariat of State. Britain's motive for pushing its dupe, Truman, into the unnecessary dropping of those bombs, was that elaborated by Russell in the September 1946 edition of his stooge's, Leo Szilard's The Bulletin of the Atomic Scientists.
dent Truman, and of Truman Democrat Roy M. Cohn’s Republican version of Trumanism, called McCarthyism.

So, 1953-1960 became the years of “Eisenhoweverism”: never quite this, but, also, never quite that: the winding, switchback road, down toward the place called “Whatever.” This might be seen as an echo of the “Flapper” fad of the 1920’s. These were the years of the “Organization Man,” of the myths of “White Collar,” the decade of existentialist notions of personal success. A public-opinion-cued, “politically correct” existentialist’s virtual-reality notion of what imagined observers might view as “success,” was adopted as a substitute for morality, by most among the 1950’s generation, both young adults and their children, the Baby Boomers. Underneath, the “white collar” success of the 1950’s, was often a virtual intellectual twin of someone from Jack Kerouac’s “Beat Generation.”

Trumanism and Eisenhoweverism were the predominant cultural climate in which the “Baby Boomer” generation, mid-1960’s young adults and adolescents born after 1939-41, passed their pre-1964 childhood and early adolescence. This legacy of moral miasma, was briefly interrupted, for many, by the optimism of the short-lived Kennedy Presidency. That optimism had been spoiled by the psychologically shocking impacts of the 1962 Missiles Crisis and, just over a year later, the assassination of the President. Such were the early years of the ’Sixty-Eighter university-campus generation, of which the overwhelming majority had been raised in families whose adults had broken with any controlling sense of actual, overriding, constitutional commitment to truthfulness or justice: under Truman, and under the ensuing decade of “the organization man.”

That first generation of “boob-tubers,” both the parents and the chiefly amoral, pleasure-obsessed, “Baby Boomers,” had adopted as a substitute for obedience to truth and justice, a succession of more or less ephemeral fads. The ’Fifties had been the decade of the Cadillac with tail-fins. Among the university student population of 1964-1972, such faddishness, echoing the “boob-tube”-induced fascination with “entertainment,” included, with a certain indifference, what proved to be, for many of them, an often merely existentialist sort of faddish engagement with the Civil Rights Movement. This engagement, where it occurred, was compelled to share the premises with the claimed right to have sex with a lamp-post (if one so chose), or the political rights of a drug called LSD-25, or fascination with the latest synthetic religion (usually from far below), each, and all, with a fine indifference to consistency: sometimes all simultaneously.

The parents should have asked: whence this pattern of behavior among the draft-age university-student popula-

tion of the late 1960’s? There were dramatically significant clues, if the parents of those ’Sixty-Eighters had wished to be candid about the peculiar habits of the households and adult society in which the Baby Boomers had been reared into adolescence.

Imagine yourself a management consultant, participating in New York garment-center styles-planning sessions of the 1950’s or 1960’s. The subject of the meeting is the following selling season’s, or following year’s changes. Look at the marketing surveys which show how the styles are planned. The wealthier, especially the conspicuously filthy-rich or new-rich, are the giddiest; the younger members (and aging “Peter Pans”) of such broods, are, statistically, the giddiest of all. Those who can not afford to throw garments away so quickly, especially those over twenty-five to thirty years of age, are more style-conservative, which is to say, more rational, in their behavior: relatively more oriented to the physical-economic realities of life.

The working point here, is, the overwhelming evidence against the claim, by many, “I make up my own mind as to what I prefer.” During this century to date, only the exceptional, relatively few actually “make up their own mind”; unfortunately, any qualified expert in marketing could prove that, factually, beyond doubt. Still today, even among those who typify the newly emerging cultural revolution, for example, to have a truly rational conversation about any leading issue of our times, with almost anyone, means to violate conventional popular opinion, to paddle, with heavy strokes, upstream, against the popular stream of consciousness. Otherwise, in the remainder of the population, the more labile the changes in style preferences, or other fads, the less rational, and more easily suggestible—e.g., manipulable, “brainwashable”—that cohort of the marketing study’s subjects prove to be. For example, today, the strata most prone to the latest fads in “rock,” are, relatively, the least rational, most emotionally unstable, most drug-abuse-prone cohorts of the population (or, perhaps those among you who were recently mugged, or burglarized, may wish to suggest more pungent epithets).9

The “rock-drug-sex youth-counterculture” and correlated aberrations, rampant among the 1964-1972 university-student population, should be viewed against the background of popular style-preference behavior.

9. It is fair to say that adolescence should be classed as a privileged form of mental disease: a clinically privileged state of turbulence, deemed normal for our adolescents. However, when it persists among those of the 21-25 years range, or older, we class that persistence of adolescence as a mental disease. In recent generations, beginning with the Baby Boomers, it is fair to say that there has been an increasing tendency among our adolescents, to abuse, and prolong the privilege.
During the 1964-1968 years of some continued involvement with Civil Rights, and pervasive preoccupation with Vietnam, the “socially conscious” strata of campus ’Sixty-Eighters were oriented, day by day, to the next large, unified demonstrations. With the violence at the 1968 Chicago Democratic Party Convention, this mass-orientation changed. Back on campus for Fall 1968, a new process set in, not of unity, but division. Lunatic existentialism took over: the worship of “my personal alienation.” The victim of this nihilistic trend, sought a special universe, each with its own special laws, a universe each located within his, or her psycho-sexual anxiety- and fantasy-states. The cult of the “therapy group” had arrived.

Thus, after 1968, as if to parody the cultural characteristics of the humble slime-mold, the movement of the 1964-1968 interval divided itself into as many mutually hostile micro-universes as possible. Once that had been done, there was an effort at reunifying the micro-universes as a kind of “movement,” this time on the basis of mutual support for that which disunified them. The basis for that unity was found in a principle borrowed from Nazi Propaganda Minister Josef Goebbels’ repertoire: “political correctness” \(\text{10}\), with “political correctness,” they hailed the dawn of true freedom. This became the basis for the emergence of what was called “The Rainbow Coalition.”

The common thread linking the emergent hegemony of the T-group and “Rainbow Coalition” to the eruptions of 1964-1968, is called “cultural relativism.” Typical, is the fact, that the “leftists” of this brood had progressed, through cultural relativism, away from their earlier, temporary attachment to that principle of racial equality recognized by Frederick Douglass and the Reverend Martin Luther King; they turned into an opposite direction, into a new, leftist form of racism: the division of everyone from everyone, according every discoverable distinction of ethnic origin, gender, or what-have-you. The slime-mold syndrome had taken charge.

By the time what remained of their brains was extruded from that psychological spaghetti-machine, cultural relativism of the Rainbow Coalition displayed itself as the same absolutism of moral relativism, from which Nazism had spread out of the petri dishes of existentialist youth-counterculture, in 1920's Weimar Germany: everything is allowed! The lawful implications of Arthur Schopenhauer’s Romantic cultural pessimism, as the 1946-1948 infection with the flight from truthfulness and justice, had become the full-blown moral degradation of cultural and moral relativism.

Aversive Behavioral Modification

The key word for each of the two revolutions, that of the 1964-1972 interval, and that emerging now, is “shock.” Consider the 1964-1972 case first.

The preferred theoretical account of the way the 1964-1972 transformation occurred, is supplied by the London Tavistock Clinic and its offshoot, the London Tavistock Institute. The theory had its origins in the British intelligence services’ studies of behavior of “shell-shock” victims, those produced by conditions of trench warfare on the western front, during World War I. Brigadier Dr. John Rawlings Rees headed up the Tavistock Clinic, which studied the matter. \(\text{11}\) The question Rees et al. posed to themselves, was: How might it be possible to replicate the kind of heightened lability and suggestibility experienced in clinical studies of populations of “shell-shock” victims? The study focussed upon both the induced behavioral modification of the individual subject and small group, and also the way in which similar effects could be induced through informed use of policymaking institutions, in virtually entire populations. This work of both that Clinic and Institute played a key role in evoking the ’Sixty-Eighter phenomenon among an influential large ration of the 1964-1973 university-student population here in the U.S., as also in Germany, and elsewhere.

Typical centers of work to this effect were those established by German emigré Dr. Kurt Lewin at Massachusetts Institute of Technology (M.I.T.), \(\text{12}\) and at the University of Michigan at Ann Arbor, and elsewhere. The small, but significant Josiah Macy, Jr. Foundation, one of the interfaces with British intelligence channels, contributed a coordinating role. The reports of “mass brainwashing” of U.S. prisoners of war, in North Korea camps, provided the pretext for a massive expansion of work on “aversive behavioral modification,” with included sponsorship from the U.S. government, under such official rubrics as MK-ULTRA. The “mind wars” faddism which gripped the U.S. intelligence community during the 1952-1975 interval, until the mid-1970’s, when C.I.A. Director Bill Colby blew the proverbial whistle, was key to the possi-

---

10. E.g., Gleichschaltung.


12. Otherwise known as the RLE associated with the Josiah Macy, Jr., Foundation, and of Bertrand Russell/Karl Korsch epigone Professor Noam Chomsky.
By no later than 1938, Roosevelt’s intent for the post-war world, was to destroy what the British Empire and the British ‘free trade’ system represented. The U.S. mobilization for that war, lifted the U.S.A. out of the 1930’s ‘Great Depression,’ and unleashed a kind of cultural optimism in the majority of the U.S. population, an optimism whose dominant, if not universal characteristic, was a resumption of the patriotic tradition associated with President Abraham Lincoln.

It must be taken into account, that by the late 1950’s, the kind of nuclear detente which Bertrand Russell had announced to the public in the pages of the September 1946 edition of Leo Szilard’s The Bulletin of the Atomic Scientists, had become the policy of a leading part of the Anglo-American liberal establishment. This included the proceedings of the second, Quebec Pugwash Conference, of 1958, where Szilard’s “Dr. Strangelove” address laid out the policy which became, later, National Security Advisor Henry A. Kissinger’s SALT I and ABM treaty. This had been “The Spirit of Camp David,” and the process of detente set into motion by the 1962 Cuba Missile Crisis. Among the sections of the establishment committed to this Russell nuclear-detente strategy for world government, the success of that Anglo-American strategy was treated as if it were a U.S. national security issue of utmost, overriding importance. Most of the U.S. national security apparatus, including the large-scale “mind wars” capability, mobilized to that effect. Without this engage-


ment, the mid-1960's cultural paradigm-shift could not have occurred as it did.

The detente policy desired by these Anglo-American establishment dupes of H.G. Wells and Bertrand Russell, included not only imposition of world-government-linked nuclear detente as such. It also prescribed the elimination of the potential for creating new potential for weapons of “mass destruction.” This meant: eradicate scientific and technological progress in development of “dual-use technologies,” those civilian technologies which provided the potential means for producing “weapons of mass destruction.” This required turning the style-pacing stratum of the generations entering universities during the post-Kennedy years, into a militant political spearhead against the continuation of the traditional U.S. policy of fostering the benefits of investment in scientific and technological progress.

The “mind wars” establishment’s arts of induced mass, “shell shock”-like effects, were deployed, to transform much of the 1964-1972 university-student population into a cadre-force for the relevant, so-called “neo-Malthusian,” sorts of “post-industrial” utopianism. The shallowness of personal character-structure, the moral relativism, which the conditions of post-World War II rearing had imposed upon the majority of the Baby Boomers on campus during 1964-1972, rendered them highly susceptible to the sort of shock-induced lability and suggestibility which, in fact, characterized the majority of that generation observed on campus during that interval.

Then, the flock of university graduates from the 1964-1972 vintages “marched through the institutions.” That was the slogan of the left-wing “Sixty-Eighers in the Germany of the “Frankfurt School’s” Horkheimer et al. This tactic spread around Europe, and into the U.S.A. On both continents, in its upward march toward key positions of policy-shaping in governmental and other leading institutions, the flock was conditioned and culled, to produce convergence upon a certain spectrum of “New Age” ideologies, ideologies premised axiomatically upon the “rock-drug-sex youth-counterculture,” the “post-industrial” utopianism, and the “therapy-group” modes of behavioral modification which had been injected into this labile, highly suggestible stratum during the 1964-1972 interval. As this upward march continued, through the 1970’s and 1980’s, into the 1990’s, the goals of “post-industrial” utopianism became ever more entrenched in the axioms of policy-shaping of the U.S.A., western Europe, the U.N.O., and elsewhere.

In short, in one sense, the conditioning of these Baby Boomers worked; but, it was also an awful failure. Its success turned out to be, inevitably, both a national, and a global catastrophe. The economy was ruined, the political institution of the nation-state put, satisfactorily, at the edge of threatened extinction of “dual use” capabilities; but, from the standpoint of most of the world’s population, the experiment proved to have been an awful failure. As my associates and I have documented the evidence in other locations, the world’s economy, on which the existence of the population of this planet depends, was turned into that collapsing wreckage of its former self which it has become today.

So, during recent years, a strong reaction against neo-Malthusian “radical environmentalist” and other “post-industrial” agendas, has been brewing within growing sections of the U.S. and other populations. The resistance of a majority of U.S. citizens to the neo-Malthusian cult-doctrines of “Ozone Hole” and “Global Warming,” represents these forces of sanity. A terrified people will often turn to strike at the monster which oppresses it, only when that population perceives the monster to be gravely wounded. So, the simmering political eruption showed itself, beginning November-December 1997. Once it became clear that the financier establishment and governments were desperately attempting to cover over the kind of global, financial and monetary catastrophe, which the rulers of the world, the old lion, had said could never happen, then the waiting foes of that old lion, edged closer, smelling the doom of him who had been their awesome overlord too long. So, since some time during November 1997, the new cultural paradigm-shift has presented itself on the U.S.’s and the world’s political stage.

Thus, the immediate political situation will be dominated, increasingly, by a conflict between the “Persian horde” massed around the tattered banner of the ancient but doomed empire, and a new force now appearing to assemble itself, the first signs of the rallying of a kind of Gideon’s Army, to be a smaller, new force, but one like that commanded by victorious Alexander the Great on the plain outside Arbela.

II.
The Underlying Cultural Issue

Our intention here, is not academic, but practical. The purpose is not merely to qualify the reader to make informed comments on the phenomena reported. The purpose is, to enable the “thinking one percent” among our citizens to inspire their fellow-citizens to think, too. If that latter, somewhat radical change in the behavior of our citizens does not occur, and soon, we must expect the imminent, unstoppable collapse of civilization over the coming several
years, and a monstrous collapse in life-expectancies and population-levels, throughout the world.\textsuperscript{15}

To be precise on that point, we are reporting on a process of developments, which, one way or the other, will determine the condition of humanity for no less than two generations yet to come. If those indicated relics of the “Baby Boomer” legacy, continue to shape the way in which the U.S. government, for example, reacts, then, global civilization is doomed to a general collapse into what is described, most fairly, as a “New Dark Age.” Such a “New Dark Age,” would be a period, probably, of not less than two generations, most probably echoing, on a global scale, the kinds of effects experienced within the Mediterranean region during the mid-Fourteenth century “New Dark Age.”\textsuperscript{16}

To refresh, or inform your memory on this account:
The mid-Fourteenth century “New Dark Age” was the culminating phase of an approximately century-long political, cultural, and moral decline of European civilization.\textsuperscript{17} That decline was set into motion by the change in correlation of political power, which occurred with the death, on A.D. December 19, 1250, in Fiorentino, Italy, of the Hohenstaufen Holy Roman Emperor Frederick II. The success of the reactionary Guelph League, Frederick II’s opponents, in turning back the clock of history, following Frederick’s death, is the origin of the subsequent, mid-Fourteenth century “New Dark Age,” just as the success of the British monarchy-centered forces, in unleashing the 1962 Missile Crisis, and launching of the mid-1960’s, neo-Malthusian youth-counterculture, has brought the world, today, to the brink of a similar “New Dark Age,” this time a global one.

In A.D. 1239, a powerful Venice-centered faction, centered around the powerful Este family of Ferrara, launched a series of wars, throughout Europe, against the then-existing trends toward establishment of European nation-states. These wars aiming to turn back the clock of history, were launched and conducted under the banner of the Guelph League, a faction of “right-wing,” ultra-feudalist, oligarchical serf-masters and usurers, sometimes known as the “Black Guelph.”\textsuperscript{18} At first, Stauffer Emperor Frederick II managed, nonetheless, to

---

\textsuperscript{15} The combined effect, of virtual elimination of U.S. Classical education on the secondary-school level, over the course of this century, the spread of populist “know-nothing” syndromes, and the mind-deadening effect of the recent decades trends in so-called “popular entertainment,” have resulted in successive declines in development of the use of cognitive powers, over the course of the present century, among the overwhelming majority of the nominally literate strata of our population. The majority among such categories of U.S. citizens today, are vastly inferior in their intellectual functioning, to the generation of Americans who won our independence and adopted our Federal Constitution. If one doubts the accuracy of the latter comparison, he, or she should read those Federalist Papers which won the majority of voters to support the adoption of the Federal Constitution; the overwhelming majority of U.S. citizens today lacks the degree of literacy even to identify the real issues posed in those popular writings of the 1787-1789 interval. This lack of cognitive qualities of literacy among today’s overwhelming majority, is most readily recognized by reference to the marketing statistics on the subject of popular entertainments. Unless the small minority of citizens who enjoy cognitive thinking (as distinct from mere emotional-associative behavior), are able to join in inspiring a large ration of their fellow-citizens, the chances of saving this civilization democratically “are about zilch.” If he came back today, Benjamin Franklin would say: “We gave you a republic, in 1776-1789, but you have done a very poor job, of late, in keeping it.”

\textsuperscript{16} From the daily Frankfurter Rundschau of Feb. 14, 1998 comes a report from Munich, Bavaria geophysicist Helmut Becker, respecting elliptic constructions in several parts of Bavaria, calculated as about 7,000 years old. \textit{Rundschau} reports that Becker has used a special magnetic technique on one of these sites, at Landau-Meisterthal, dating from between 4,800-4,600 B.C. He reports that an elliptical solar observatory, of about fifty meters length, is constructed with a precision of about one percent. Generally, it is being emphasized, that, “[t]hese neolithic engineers must have had a knowledge of mathematics, astronomy, and geometry exceeding, by far, that of the usual person of modern times.” This is not as unusual as most might assume. Solar-astronomical calendars of a corresponding quality are known to be dated to between 6,000-4,000 B.C. in Central Asia, representing an Indo-European culture far more advanced scientifically than what was developed as an outgrowth of Dravidian Sumer, in Mesopotamia, thousands of years later. Germany was an area known to have been settled by Indo-Europeans during approximately the time-frame indicated by Becker. Generally, as emphasized by one prominent scientist, the megalithic astronomical observatories, such as the famous, comparable Stone-henge site on England’s Salisbury Plain, and distributed throughout parts of Ireland and the area of northern France, have the characteristic magnetic and other properties of design which Becker has indicated for the Landau-Meisterthal site. If one remembers, that circa 6-7,000 years ago, lies well within the present interglacial period, evidence such as that reported to \textit{Rundschau} by Becker, confronts us with a sign of the extent and duration of mankind’s retreat, as Plato noted, into long periods of relative new dark ages, which followed such brilliant moments of cultural progress as are indicated by the Central Asia pre-Vedic and Landau-Meisterthal evidence.

\textsuperscript{17} Although the present writer featured this Fourteenth-century collapse in his 1966-1973 course, it is convenient to reference a later source found in most respectable libraries today: Barbara Tuchman, \textit{A Distant Mirror: The Calamitous Fourteenth Century} (New York: Alfred A. Knopf, 1978).

\textsuperscript{18} “Guelph” is the Italian phonetic rendering of the German Welf, just as “Ghibelline” is the related rendering of German Waibling (Hohenstaufen). The Guelph faction, and its persisting efforts to corrupt the Papacy, dates from the alliance among Rome’s Pierleone family, and the Welf Mathilde (or, Matilda) of Tuscany, \textit{et al.}, during the middle- to the late-Eleventh century, the period of the Abelard-Bernard of Clairvaux fight between the forces of reason and irrationalism. This is a matter touched, gingely, by Arnold Toynbee’s mammoth 1947\textit{A Study of History}. Mathilde was married to Welf V, a member of that Este family whose existence has been continued to the present time as the princely family of Pallavicini.
maintain a semblance of stability in Europe, a stability which collapsed with his death.19

Especially after the killing of both Manfred and Conradin Hohenstaufen in A.D. 1266, by the Este-led, Venetian faction, the rising power of the “Black Guelph” unleashed chaos, economic ruin, and the rising power of a group of Venice-sponsored “Lombard bankers,” typified by the House of Bardi, throughout Europe. In an orgy of combined Mongol invasion (e.g. battle of Wahlstatt, A.D. 1241), feudal wars, and “free trade”-linked, rabid financial speculation, Europe’s culture and economy collapsed, and morbidity-rates sky-rocketted, to levels far worse than those of Frederick II’s Europe. All this, despite the contrary efforts of the greatest genius of that period, that Dante Alighieri who, like Abelard of Paris before him, was among the leading forerunners of the later, mid-Fifteenth-century European “Golden Renaissance.”

The inevitable collapse of the resulting debt-bubble, and ensuing bankruptcy of the House of Bardi, unleashed the final stage of that decay. By the end of the hundred-odd years of decay which followed the death of Emperor Frederick II, the number of parishes of Europe had collapsed by half. During the last decades of that decline, war, famine, and epidemic disease accelerated the death-rates: the population collapsed by one-third.

Madness reigned, and the political and religious institutions of Europe either collapsed, as did the Papacy, or virtually disintegrated, never fully recovering until the period of the mid-Fifteenth century Great Ecumenical Council of Florence: the central event of the Fifteenth-century Golden Renaissance.20 The self-weakening of the Guelph forces, expressed as this “New Dark Age,” produced the opportunity, typified by the work of Petrarch and the rise of the teaching order known as the Brothers of the Common Life, which defined an aperture of opportunity, in which the enemies of the Guelph could resurrect European civilization from the ruin which had been unleashed by the Guelph League.

If we were to misapply to the human species, the same ecological criteria employed in study of animal populations, our species would appear to fall among the great apes, as the father of the children of Britain’s Queen Elizabeth II insists.21 If that lunatic assumption of the Duke of Edinburgh were adopted, then, by the relevant standards of animal ecology, there is no time, under the conditions existing on this planet during the recent two millions years, up to the present day,
when it would appear that the human population could ever have exceeded several millions living individuals.

All the facts show any rational person, that the Duke of Edinburgh is a royal fraud. Actually, by the Hellenistic period, the human population exceeded a hundred millions living individuals. By onset of the Fourteenth-century “New Dark Age,” the human population of our planet, had reached the level of several hundred millions living individuals, although never higher, until the rise of the modern form of nation-state, and matching modern form of state-protected ("protectionist"), national economy. Thus, it is only fakers and other incompetents, who apply ecology to the study of human populations.

The great demographic and political improvements of humanity over slavery, serfdom, and other traditional degradations, since the Fifteenth century, are the result of two developments flowing out of the A.D. 1439-1440 sessions of the Great Ecumenical Council of Florence. Those developments led directly to the first establishment of the modern nation-state, under Louis XI’s reconstruction of France, A.D. 1461-1483, and the emergence of modern experimental physical science. The proximate initiatives for both of these two, crucial pillars of modern human progress, were supplied largely through the work of Cardinal Nicolaus of Cusa, initiatives which resulted in a geometric growth of the population of both Europe, and those other regions of the world affected positively by the new, modern European forms of nation-state economy and public investment in scientific progress. All of this was set into motion through the impact of the Christian Platonists’ Golden Renaissance.

The world population’s rise to more than five billions today, above the several hundred millions level of the world population prior to the Florence Council, combined with the pre-1966 improvement in demographic characteristics within nation-states, fostered by the Franklin-Hamilton-Carey-List model of modern nation-state economy, are entirely the result of changes set into motion by that Golden Renaissance.

To permit the continuation of the effort, by the many professed great apes among the present inhabitants of the British Isles, Prince Philip, et al., to turn back the clock of history, would be the greatest disaster in modern times. This is to speak of the effort which was launched by Prince Philip’s co-founding of the neo-Malthusian World Wildlife Fund, in collaboration with former Nazi SS’er Prince Bernhard of The f. This, Prince Philip’s neo-Malthusian effort to turn the world to the political and social conditions of Europe’s medieval age, was furthered by what we have referenced as the 1964-1972 cultural paradigm-shift, and the launching of such offshoots of the World Wildlife Fund’s initiatives as the Club of Rome and Greenpeace.

22. Nicolaus of Cusa: Concordantia catholica (1433) and De docta ignorantia (1440). The former work, implicitly a sequel to, and advancement over Dante Alighieri’s De monarchia, played an important part in Christian Platonist Cusa’s actions contributing to the successful reestablishment of the Papacy, and Cusa’s role in organizing what became the Great Council of Florence. The latter of the two referenced writings, defined the experimental scientific method employed and developed by such prominent students and followers of Cusa’s scientific writings as Luca Pacioli, Leonardo da Vinci, and Johannes Kepler.

23. As demonstrated beyond objection by the cases of the Gospel of John and the Epistles of Paul, from the time of the Apostles, the method of Christianity was that of Plato. This was emphasized by St. Augustine and the principal figures of the Council of Florence. The importing of Aristotle, and related gnostic dogmas, into the Christian churches, originated with the Byzantine Emperors. From Byzantium, Aristotle was exported as a weapon of cultural warfare against western Christianity. This export into western Christianity occurred, through Averroes’ influence prior to the Fifteenth century, and through Venice and Padua, in efforts to destroy the influence of the Council of Florence, as in the revival of Aristotle by the teacher of reactionary Cardinal Gasparo Contarini, Pietro Pomponazzi, at the close of the Fifteenth century, and through Venice’s post-League of Cambrai dominion of Italy during the Sixteenth century. Cf. Gottfried Leibniz, “Letter to Hanch (July 25, 1707),” in Gottfried Wilhelm Leibniz: Philosophical Papers and Letters, ed. by Leroy E. Loemker (Dordrecht, The Netherlands: Kluwer Academic Publishers, 1989), pp. 592-595.

24. The World Wildlife Fund (W.W.F) was founded in 1961 by Prince Philip and Prince Bernhard, the royal consorts of Britain and The Netherlands. W.W.F. has subsequently provided funds, key personnel, and marching orders to all the well-known eco-terrorist groups, beginning with Greenpeace. Several years ago, W.W.F. changed its name to the Worldwide Fund for Nature. Prince Bernhard was a card-carrying member of the Nazi Party from May 1, 1933 through September 1936, when his engagement to Princess Juliana of The Netherlands required him to renounce his German citizenship. His Sept. 9, 1936 resignation from the Nazi Party was signed, “Heil Hitler!”

25. It is relevant to note, that the U.S.A.’s Thomas Paine was strictly accurate in referring to Britain’s King George III as “Mr. Welf.” As for the cases of Albert of Saxe-Coburg-Gotha and Mrs. Mountbatten’s husband, the mates of the reigning queens from the Welf breed are rarely sought far from the crib.

26. The Club of Rome, founded in the late 1960’s, like the Laxenburg, Austria-based International Institute for Applied Systems Analysis (IIASA), which was created later, were both co-founded by the initiative of Britain’s Lord Solly Zuckermann (the baboon man) and the racist, pro-genocidalist Dr. Alexander King [see interview, “Club of Rome Founder Alexander King Discusses His Goals and Operations,” in Executive Intelligence Review, June 23, 1981 (Vol. 8, No. 25)], who had been the 1963 Director of the Paris-based OECD education organization, from which the post-1963, downshift in European education was launched. Cooperation for these British initiatives was supplied from both the Soviet Union (President Kosygin’s son-in-law Dzherman Gvishiani) and the U.S.A. (John D. Rockefeller III, McGeorge Bundy of the Ford Foundation). Otherwise, the link between England’s Cambridge University and Soviet intelligence, in these matters, was supplied by the Cambridge systems-analysis group, under Lord Kaldor (and his daughter, Mary Kaldor), with the Moscow-based Global Systems Analysis group of Ivan Frolov, one-time advisor to London-vetted, 1985-1991 Soviet General Secretary and President, M.S. Gorbachev.
The combination of such pro-feudalist, neo-Malthusian cults, and matching “rock-drug-sex youth-counter-culture” of the middle to late 1960’s, induced an abrupt reversal of all those trends in policy-shaping, the which had been responsible for increasing the potential level of population and demographic quality of life, from their levels in the world of the Fourteenth century. Now, with the adoption of the “Ozone Hole” hoax,27 and, more recently, the “Global Warming” hoax,28 we are at the juncture, that, if we do not reverse that 1964-1972 cultural paradigm-shift still widespread among the Baby Boomers, and others, today, and fail to do this before the present worldwide systemic collapse hits with full force, the result is precalculable global catastrophe.

Such a neo-Malthusian backed collapse, means conditions of global anarchy and physical economic collapse, the which would return the entire planet, precipitously, to demographic traits comparable to those prevailing, worldwide, prior to the mid-Fifteenth-century Council of Florence. It means a sudden increase in the full spectrum of rates of morbidity, to a rapid collapse of the world’s population to levels existing in the Fourteenth century, or even much lower. To sense the impact of this, look into the faces of your children and grandchildren; unless you act effectively, to reverse the 1964-1972 paradigm-shift, now, this will be their future life, if they have any such, beyond the close of the present century.

Therefore, the hopeful prospect, for replacing the old, 1964-1972, cultural paradigm-shift, by a recently emerging new cultural paradigm-shift, is deadly serious business, which no moral, or even merely sane person, will fail to treat as a matter of the highest personal priority.

In medieval and modern European history, the issue separating Christians from the Guelph League, has been the issue of the nature of the human individual. In the language of Christianity, if every man and woman, is each made in the image of God, with no allowance for ethnic distinctions, then, every practice of slavery, serfdom, or other tradition which degrades the individual to something less than a person made in the image of the Creator, is, among other notable things, a personal insult to the Creator, an utter rejection of the essence of the ministry of Jesus Christ. Therefore, the feudalism which the Guelph League represented, like the very existence of the Confederate States of America (C.S.A.), or, essentially the same thing, the fascist Nashville Agrarians, such as Robert Penn Warren and Henry Kissinger’s William Yandell Elliott, like all the related programs of the Guelph and Black Guelph factions, from the Eleventh century on, represent, each and all, a blasphemous obscenity against the Creator Himself.

The same thing must be said of the mean-spirited “Elmer Gantry” of today’s television screen, who insist on the Creator’s commitment to gratify the hedonistic lust—for health, wealth, and sexual satiation—of each pitiable parishioner’s, as the primary focus of that snide hypocrisy which is their pornographic homiletics.29 We point to those, like these “Elmer Gantrys,” who defame God himself, by speaking of the individual who was made in the image of the Creator, as like a worthless creature, a “wretch,” a “worm.”

If the individual person is made in the image of the Creator, then, how do you view the Creator, and how do you reconcile the majesty of the Creator with the manner in which you regard your fellow human-being? How would you measure the sanity, or lack of it, of the person acting out, still today, his or her infection with the 1964-1972 cultural paradigm-shift?

Unfortunately, for many, the words from Genesis 1:26-30 remain more or less a mystery, still today. The difficulty to be overcome on that account, is the same as for the case of every physical principle of the universe; until that principle has been derived, to become validated knowledge, through the impenetrably sovereign, cognitive processes of the individual human mind, that individual may recite the words, or, pass an academic examination.

29. As I have warned a television audience recently, when a “minister” of this “Elmer Gantry” stripe, or a Kenneth Starr or Linda “Bad” Tripp, starts preaching, in lustful detail, on the evils of sex, get your wives and daughters, quickly, safely, indoors.

30. By “sovereign,” we emphasize that the cognitive mental processes of the individual person can not be observed, as an object, by means of the senses of another. Those processes as such, are not a subject accessible to mere sense-perception. The mental object to which such ideas correspond, is nonetheless a distinct, knowable object of thought, in each case. What we know of the processes of another person’s mind, on this account, can not be something observed by the senses; we know the acts of an original, or replicated act of discovery of a scientific or comparable kind of principle, only by replicating those acts within the sovereign precincts of our own cognitive processes. This is the definition of what Plato [and also Gottfried Leibniz: “On What Is Independent of Sense and of Matter,” op. cit., pp. 547-553] signifies by the term idea. An idea is an efficient principle of the universe, either as a physical principle, or a principle of the human cognitive processes’ functioning themselves. The existence of the object corresponding to an idea, is proven by its unique, demonstrable quality of efficiency, rather than as something which itself could observed directly by means of the senses. The opposing views, which deny the existence of ideas in this sense, are traced, notably to the Eleatics whom Plato derides in his Parmenides, the sophists, the anti-Plato Aristotle and his followers, and, most emphatically, the medieval William of Ockham, and such modern followers of Ockham as the empiricists, Cartesians, and positivists.
on the use of those words, or, have learned much about those words, but, still, know nothing of the matters to which those words refer.\textsuperscript{30} Think of those words as pointing to a universal, actually knowable, reigning physical principle of this universe, as they, in fact, do. In that expression, they are the key to every problem we have identified or implied up to this point of our report. Now, approach the task of knowing that principle, with that use in view.

That much said, we now begin to redefine some of the terms we have used up to this point in our report, and to refine our use of some other terms.

In this location, hereafter, whenever we employ the word “knowledge,” we signify the cognitive processes (\textit{not} merely associative, or deductive functions\textsuperscript{31}) through which the individual human mind has generated the discovery, or rediscovery of, and has validated, either a physical principle, or a principle of the cognitive functions themselves. All that does not meet that standard for use of the term “knowledge,” we relegate to the inferior mental processes of either sense-perception, or merely “learning.”

Secondly, we restrict the use of Tavistock’s terms, “cultural paradigm” or “cultural paradigm-shift,” to signify something roughly analogous to a Euclidean geometry:

A set of theorems, each derived from a proposition, which is judged to have been apparently consistent with indicated types of evidence, and not inconsistent with any elements of an interacting set of definitions, axioms, and postulates, which latter set is pervasive for the entire scope of that geometry. In Classical geometry, such a set of interacting definitions, axioms, and postulates, is termed an hypothesis, in Plato’s sense of that term. Thus, our use of the term “cultural paradigm” signifies, in first approximation, either the theorem-set associated with a specific hypothesis, or, preferably, that hypothesis itself.

We locate a “cultural paradigm-shift,” in a significant change of hypothesis so defined. Such changes also have underpinning principles, which Plato locates in respect to his use of the idea of higher hypothesis.

We define culture variously, according to the context supplied, as either a simple cultural paradigm, a specific cultural paradigm-shift, or a cognizable series of cultural paradigm-shifts.

That is the core of the relevant glossary, as we turn now, to situating the 1964-1974 cultural paradigm-shift, and its possible successor, for systematic examination.

The core of the matter itself, is that definition of culture which must be employed to reflect the validatable principle, that each man or woman is made in the image of the Creator of this universe. This is the underlying cultural issue, the standpoint from which the referenced, crucial historical issues of this moment must be approached for comprehension.

Since “knowledge” signifies either generating a validated, or validatable discovery of principle, or replicating such an experience (as in the case of a good student in a good educational institution, one adhering to Classical-humanist principles of pedagogy), we turn now to inform the reader of the present writer’s own, relevant, replicatable such discovery.

III.

The Fraud Called ‘Information Theory’

For our purposes here, let it be clearly emphasized, that, contrary to the silly things said in today’s university textbooks and classrooms, money and finance have no \textit{intrinsic} value for economy. Rather, as the experience in creation and use of a paper currency by the Seventeenth-century Massachusetts Bay Colony illustrates the point, money and finance are social fictions created to facilitate trade, and therefore production and investment in employment of persons in production. Except as money and finance (e.g., credit), and their flows, are regulated to the effect of causing them to serve that necessary function, their role in economy tends to become a parasitical, and therefore negative one.

Real economy is nothing other than mankind’s unique, specific, physical relationship to nature, a quality lacking in both monetarism and beasts. Typically, this specific distinction is expressed, functionally, in the beneficial impact of scientific and technological progress in the increase of mankind’s power, \textit{per capita}, over nature, \textit{per} square kilometer of our planet’s surface. However, that relationship to nature could not have become an effective one, except as human behavior is coordinated through appropriate mechanisms of social relations. These are the relations through which physical production and distribution of goods, the which exist only as man’s transformations of nature, are effectively managed to the purpose of improving the demographic characteristics of the population, and each and all of its component households.

The most significant occurrence in the development of social relations, was the establishment of the modern European form of sovereign nation-state republic. Prior
to that, history reports the existence of no true nations. Rather, under pre-nation-state forms of society, approximately ninety to ninety-five percent of the population were effectively “human cattle,” as slaves, serfs, or similar expressions of sub-human social status. Under all forms of imperialism, the state and its subject peoples existed at the pleasure of the ruling oligarchy. Pre-nation-state law reposed in the will of the ruler, a will tempered only by consideration of respect for religious and related customs. With the nation-state, for the first time, the state was, in principle (if with exceptions in practice), government of the whole people, by the people, and for the people. For the first time, someone—the state—was efficiently accountable for the development of all of the people, and of all of the land-area. It was this political change in social relations, which set off the highest rates of growth, and improvement in the human condition, in all known human existence.

To understand the establishment of the form of nation-state republic defined, in principle, by our Leibnizian 1776 Declaration of Independence, and our 1787-1789 Federal Constitution, we must, first, observe the central principle of Christianity, that all persons are made in the image of the Creator, without toleration for any racialist or other ethnic distinctions. We must take into account the role of Abelard of Paris, the defender of universality of reason, against such adversaries of this Christian principle as the irrationalist Bernard of Clairvaux. We must take explicitly into account, the entirety of the work of Guelph opponent Dante Alighieri, the single most significant figure in paving the way to the establishment of the idea of the sovereign nation-state republic, among the anti-feudalist currents of mid-Fifteenth-century Italy.

In these and kindred precedents, the emphasis is always upon the development of the individual powers of cognition, and, also, the development of improved means for bringing about the replication of the cognitive products of one mind in the mind of another. This places the emphasis upon a Classical-humanist form of education,
as universal education. It also places the emphasis, to similar purpose, upon the state’s fostering of scientific and technological progress, and upon the development of the entire land-area for kindred purpose, all the ultimate responsibility of the universalizing role of the sovereign nation-state.

Hence, man’s relationship to the universe is expressed as the combined, coordinated development of these two interdependent, physical and subjective functions. That combination, so viewed, is the physical reality of political-economy, a reality to which mere money and finance must always be efficiently subordinated, thus constituting true political-economy.

It is in the terms of political-economy so defined, that we must situate any intelligent discussion of the question, whether or not a civilization has gained the moral fitness to survive. It is within the domain of economy so defined, that the impacts of cultural paradigm-shifts are to be located. So, to that effect, and in that spirit, we now proceed.

The present writer’s obvious authority in approaching the leading practical issues of the present global, systemic economic crisis, is the unique success of his work in economic forecasting, relative to all known other forecasts: his long-range forecasting which warned of this present, global, systemic crisis more than a quarter-century ago. This exceptional success is derived from original discoveries of principle initially developed during a project conducted during the 1948–1952 interval. This project itself was prompted by the writer’s recognition, that the definition of “information theory” supplied by Bertrand Russell devotee, Professor Norbert Wiener, in Wiener’s Cybernetics and related writings, was a hoax. In the course of the project, the case of a related hoax by another Russell devotee, John Von Neumann’s work on economic “systems analysis,” was also considered.

Since our correlated subject here, is the notion of “knowledge,” as distinct from mere learning, it is important to emphasize, that the roots of this 1948–1952 project, are located in the writer’s adolescent studies of the work of leading Seventeenth- and Eighteenth-centuries’ English, French, and German philosophers. In the course of this youthful enterprise, he adopted the standpoint of Gottfried Leibniz, against Descartes and such philosophical empiricists as Francis Bacon, Thomas Hobbes, John Locke, and Immanuel Kant. The culmination of this study, was the writer’s working-through his own refutation of that attack upon Leibniz’s Monadology which is featured in Kant’s Critique of Pure Reason.

The tendency of all relevant evidence is, that, especially under Classical-humanist forms of study, that the important discoveries of principle by adults, are usually, as in the present writer’s case, grounded in preparatory work done during adolescence. It is usually there, in adolescence, that the “cultural paradigm” underlying the future adult discoveries, is rooted. The case of Leibniz’ own discovery of the calculus, is exemplary. This advice

34. See Gottfried Leibniz, Monadology, op. cit., pp. 643–653. When that Leibniz writing was first published, posthumously, it became the focal point of a concerted, mouth-foaming attack, from various nodes of a Europe-wide network of agents of Venice, the network created by Leibniz’s principle adversary, the Paris-based Abbé Antonio Conti. One of the principal such nodes was the Berlin Academy under Prussia’s Frederick “The Great.” Excepting Academy members Gotthold E. Lessing, and J.P. Süßmilch, the dominant figures of the Academy, during that time, were all agents of Conti’s network, all associated with Conti’s principal recruit, Leibniz-hater Voltaire. The principal attack on the Monadology there came from Leonhard Euler, whose outrageous fraud (of petitio principi) served as the model followed by Kant, and also Lagrange, Laplace, and Cauchy. The hoax of Cauchy’s “limit theorem,” introduced to a mangled version of Leibniz’s calculus, follows Euler’s fraud exactly; nearly all Nineteenth- and Twentieth-centuries’ defenses of the assumption of linearization in the infinitesimally small, are derived from Euler by way of Cauchy’s hoax.


36. Gottfried Leibniz, “The History and Origin of the Differential Calculus,” in J.M. Child, The Early Mathematical Manuscripts of Leibniz (Chicago: The Open Court Publishing Co., 1920). The proposal for a calculus, was a task specified for the work of future mathematicians, by Johannes Kepler. This grew out of problems which Kepler encountered in the working-out of the implications of elliptic orbits. The problem was first solved by Leibniz, although with significant debt to preparatory work by Blaise Pascal. Following Leibniz’s first general announcement of his discovery, in a text submitted to a Paris publisher in 1676, Leibniz elaborated the calculus’ development, as in his writings published in the Acta Eruditorum, on the foundation of what he termed “Analysis Situs,” a treatment of the challenge of non-constant curvatures of functions in the very small, which we situate more frequently today under the development of the theory of multiply-connected manifolds (e.g., modular functions, hypergeometry) of Carl Gauss and Bernhard Riemann. This principle of non-constant curvature in the very small, is the distinctive feature of the Kepler-Leibniz-Gauss-Weber-Riemann development of mathematical physics, the only physics relevant to the subject-matter of economic processes.
should be received by the adult reader, as assurance that the crucial root-issues, as referenced here, are implicitly within the reach of a person whose literacy is that of the graduate of a decent secondary-school education.

The central feature of Kant’s three Critiques and related writings, through the treatment of aesthetics in his Critique of Judgment, is Kant’s systematic rejection of the possibility of foreknowledge of the cognitive processes, by means of which a validatable discovery of principle is generated. One must grant to him, that Kant mimicked, implicitly, Aristotle’s own opposition to (and fraudulent representation of) the method of Plato. Russell’s radical-empiricist (e.g., logical positivist) devotees Wiener and Von Neumann, translate Kant’s argument into the “philosophically indifferentist” form of Ockhamite Sarpi’s empiricism. Both Wiener and Von Neumann are learned, and clever formalists, but are as intellectually crude in philosophy and method, as Göttingen’s David Hilbert and Richard Courant pronounced Wiener to be. Thus, Wiener’s hoax, whose essentials are repeated in the “systems analysis” and “brain theory” of Von Neumann, is, at best, merely a positivist’s parody of the argument made against Leibniz, by Kant.

This quasi-Kantian implication of Wiener’s “information theory,” was what first caught the present writer’s attention. However, rather than attack Wiener’s hoax from the philosophical standpoint of his own earlier, adolescent defense of Leibniz against Kant, he chose to argue the case from a practical standpoint: the role of technological progress in modern production, the area intersected by Wiener’s own treatment of automatic control devices.

This practical approach adopted by the present writer, had two features. First (circa 1948-1952), that the continuing increase in mankind’s per-capita power over nature is derived, most obviously, from the expression of validated discoveries of physical principles as new technologies of product and process design. Second, beginning the same initial period of work, that this transformation is effected through the same principles of machine-tool design which are customarily employed in the modern design of apparatus for proof-of-principle experiments. In summary: a proof-of-principle experiment implies the transmission of discovered physical principles, as technology, into the forms of improved designs of products and processes.

In short, when the increase of the per-capita productive powers of labor is viewed from this vantage-point, we have a way of presenting scientific and technological progress as an ordered increase of the potential relative population-density of society.

Thus, we must represent the increase of mankind’s potential relative population-density, as rooted in validated new discoveries of principle. This immediately locates the matter within the bounds of those qualities inhering in the individual member of our species, which set the human individual, and species, absolutely apart from, and above all lower forms of life. This is a functional notion of “human

37. Critique of Pure Reason (1781), Prolegomena to Any Future Metaphysics (1783), Foundations of the Metaphysics of Morals (1785), Critique of Practical Reason (1788), Critique of Judgment (1790). From the beginning of his career, Kant was a follower of the British school of empiricism, notably that of a David Hume from whom he somewhat distanced himself, later, on the issue of “British philosophical indifferentism,” with his Critique of Pure Reason. On this see the Preface to the first (1781) edition of that first Critique, and also the Prolegomena. The charge of G.W.F. Hegel is essentially correct, that the later Kant become little more than a person who resituated empiricism within Aristotle, rather than the William of Ockham whose influence underlies the work of such Paolo Sarpi assets as Galileo Galilei, Francis Bacon, and Thomas Hobbes. The same charge, with some minor qualifications, could be made against Hegel himself.


39. On the origins of British empiricism. Although Venice’s takeover of England began shortly after the betrayal of the anti-Venice League of Cambrai, with the launching, circa A.D. 1517, of the seduction and takeover of England’s mentally unstable Henry VIII, the founder of the modern British and Netherlands culture and empire is Venice’s Paolo Sarpi, whose English assets included such creatures as Sir Francis Bacon and Thomas Hobbes. The same circles, operating via The Netherlands, fashioned what became the René Descartes of the modern textbooks. At the close of the Seventeenth century and the early decades of the Eighteenth century, Sarpi’s role as a controller was assumed by the Paris-based agent of Venice, Abbé Antonio Conti, to whom we have referred above. Modern positivism is traced to the influence of Ockham via Sarpi, and such offshoots of Sarpi as English empiricism and its French cousin, Cartesianism.

40. The meaningful usage of the term “technology,” arises in the following way. A validated discovery of physical principle, references a principle which has universal application. For example, the development of earlier discoveries in the matter of electricity and magnetism, as by England’s William Gilbert and the United States’ Benjamin Franklin, et al., is subsumed under the closely related discoveries by two scientists of Gaspard Monge’s École Polytechnique, Ampère and Fresnel. Ampère discovered the principle of electrodynamics, and Fresnel contributed crucial discoveries bearing upon retarded propagation in electromagnetic and related radiation and refraction. When Carl Gauss’s collaborator, Wilhelm Weber, measured the “longitudinal (angular)” force, which Maxwell et al. had foolishly brushed aside, a new branch of physics was established, atomic/nuclear microphysics. The application of these discoveries of electrodynamical principle found sundry applications, such as those of the U.S. experimental-science genius, Thomas A. Edison; these latter classes of application represent technologies. Each such area of application is associated with a crucial experimental demonstration specific to that area. Thus, the difference, and the connections between the distinct notions of physical principle and technology.
nature,” in the sense that the language of Genesis 1:26-30 defines man and woman as each made in the image of the Creator, to exert dominion within the universe.

From this standpoint, the absurdity of Wiener’s representation of “negative entropy,” may be summarized in the following terms.

If we treat the task of sustaining a fixed level of productivity per-capita, in terms of a fixed level of technology, as the standpoint of comparative reference for attempted definition of physical-economic “energy of the system,” the entropic element implicitly embedded in that first-approximation assumption, should lead one to recognize, that advances in technology sufficient to offset that entropic factor, must be acknowledged as an included requirement of “energy of the system.” Economic processes, thus, exclude the possibility of a simple, linear “equilibrium state.”

Furthermore, since the relative physical-economic cost (e.g., “market basket”) must increase with advances in technology, we have the case, that the per-capita “energy of the system” must be increased (in physical terms), to maintain the ratio of output to energy-of-the-system above 1.00. Thus, we have the implied, functional requirement, as a definition of physical-economic anti-entropy, that the ratio of “free energy” to “energy of the system” must be positive in value, and not decrease secularly, despite the fact that the physical-economic “energy of the system” per-capita, must be increased to bring about that meta-equilibrium state. This has served the writer, thereafter, as his adopted, paradigmatic use of the term “negative entropy,” or “anti-entropy.”

Once the appropriate notion of physical-economic anti-entropy has been conceptualized, the next question is: What, then, is the appropriate notion of physical-economic measurement for physical-economic processes which are functionally, characteristically ordered in this anti-entropic way? The answer to that remaining question is implied by examining Bernhard Riemann’s revolution in physical geometry, as first introduced in his 1854 habilitation dissertation.

Riemann’s underlying accomplishment in that habilitation dissertation, was to be the first to show adequately, how we might, and must, eliminate the naive, scholastic notions of Euclidean space and time from geometry, replacing empty, “ivory tower” speculations with a notion of an experimentally defined, physical space-time. In place of naive notions of dimensions, we replace the notion of “dimensions” in that naive sense (in the first approximation) by those kinds of Platonic ideas otherwise identified as experimentally validated, cognitively generated (i.e., discovered) physical principles.

Then, the underlying characteristic of human progress, is represented by a series of validated discov-

41. Before the unfortunate influence of radical-positivist doctrinaire Wiener’s nonsense-definition of “negative entropy,” the term “negative entropy” was widely used, among relevant professionals, chiefly to identify the characteristic functional distinction between living and mechanistic processes. Implicitly, that usage had been established, by Luca Pacioli, Leonardo da Vinci, and Johannes Kepler [e.g., Johannes Kepler, On the Six-Cornered Snowflake (A.D. 1611), trans. by Colin Hardie (London: Oxford University Press, 1966)] long prior to the mid-Nineteenth-century statistical-thermodynamical definitions of Rudolf Clausius, Lord Kelvin (Thomson), Hermann Grassmann, and, later, Ludwig Boltzmann, et al. This heritage of Leonardo and Kepler had been maintained into the late 1940’s, chiefly among biologists, such as Lecomte du Nouy (e.g., 1946), from that latter period. Until the late 1980’s, the present writer’s initial, and continued preference, was to maintain this traditional use of “negative entropy,” or “negentropy,” explaining that Wiener’s definition was the novel aberration of a misguided ideologue. By the beginning of the 1990’s, the Baby Boomers’ popularization of the Wiener’s cultish “information society” required a more forceful tactic, the use of “non-entropy,” or “anti-entropy,” as a way of preserving the pre-Wiener, original meaning of the term “negative entropy.” The difference in meaning is deep-going. Wiener’s definition is derived from a wild interpretation of Ludwig Boltzmann’s allowance of temporary, local statistical deviations within the scope of his own construction of his mathematical derivation of his H-theorem. In other words, Wiener’s notion represents a linear, mechanistic chimera; whereas, the traditional notion, of Leonardo, Kepler, et al., is an axiomatically non-linear process, the non-constant curvature of a modular function of the Gauss-Riemann type.

42. “Characteristic” is employed here in Leibniz’s sense. Given, a modular function, as typified by the many astrophysical cycles which determine our change of position within any relatively universal frame of reference, while standing on a fixed point on the surface of the Earth. In that context, define the change in position, relative to the chosen frame of reference, of anything observed from that point on the Earth. In the smallest interval, a complex, non-constant curvature of such type is to be taken into account. The non-constant curvature, as represented in the very small, represents a specific type, or characteristic, of the action of the process as a whole. Carl Gauss’s precedence in defining the orbit of the asteroid Ceres, is exemplary of this, for classroom instruction.


44. For classroom, and related purposes, it is convenient to begin by considering only the subject of physical principles. However, that supplies us only a useful first approximation. We must then consider those additional principles which reflect the principles of successful modes of cognition, and the terms under which the cognitive experience of one sovereign intellect may be imparted, by efficient modes of indirection, to the internal experience of other sovereign intellects. In short, the psychological and social principles which are subsumed by cognition.
eries of such principles. The “ivory tower,” imagined “dimensions” are then replaced, by the notion of a physical-space-time geometry of “n dimensions”: “n” corresponding to the number of previously established principles. Call this a (multiply-connected) physical-space-time manifold. That “n-fold” physical space-time manifold, involves not only something outwardly resembling the sense of extension associated with the experimental expression of each validated principle; we must also consider those effects of the experimentally determined values, which express the connectedness of the “cycles,” or “cycle-like” interaction among these principles of which this n-fold manifold is composed. Those experimental determinations show us the non-constant curvature typical of elementary action within that manifold, or, otherwise said, its characteristic action.

However, since each validated discovery of principle leads us from an n-fold manifold, to an (n+1)-fold manifold, it is the characteristic of that transformation—that change, from a relatively inferior manifold, to a relatively superior one—which is the elementary subject of our concern, the elementary unit of conception underlying all valid notions of science.

Each manifold, as we have outlined the notion thus far, has the form of an hypothesis, in the sense of “hypothesis” supplied by Plato’s Socratic method. That said, the definition of “anti-entropy” supplied above, requires continuing change of the form of transformation from an n-fold to an (n+1)-fold manifold; the needed anti-entropy is obtained solely through the quality of action typified by the realization of elementary scientific and technological progress. That latter action, is the notion of validated cognitive change, from a relatively inferior, to a relatively superior hypothesis (manifold).

That cognitive action of change, unique to the human individual, corresponds to the elementary action upon which the physical-economic process depends. Since the successful continuation of human existence depends upon anti-entropic considerations, this principle of change, is to be defined, conceptualized as an efficient principle in the same sense we refer to any efficient physical principle. It is the efficiency of the principle of cognition itself, that “subjective factor,” which is the action upon which successful human existence, the “objective factor,” depends.

This principle of cognition, the “subjective factor,” is the characteristic action of the human species, the quality of action which defines us as a species, the activity which expresses human nature, as the referenced verses from Genesis 1, reference the universal characteristic of human nature.

In respect to effect, the progress of human existence is measurable in terms of several interdependent considerations. Generally, by the notion of increase of potential relative population-density. This is interconnected, in an interdependent way, with a colligating improvement in the longevity and other demographic characteristics of the population taken as a whole, the typical individual household, and the typical individual member of the population. This is interconnected, in a similar sense, with the colligating, manifest increase of per-capita power of action with respect to the physical universe per unit volume, and as a whole. The notion of increased “energy-flux density” is among those notions which reflect the latter such considerations.

Thus, we are challenged to recognize some efficient connection between the ordering-principle expressed in terms of a Riemannian succession of manifolds, which is the reason for the effects, and the effects, the derived gains in demographic and related performance of the society taken as a indivisibly functional unity as a whole. This connection is best attacked from the pedagogical vantage-point provided by the notion of a “four-step” cognitive process [see

45. As Riemann summarizes the argument, on this account, made in the concluding section of his habilitation dissertation: “This leads us over into another science, into the domain of [experimental—LHL] physics, which the nature of the today’s occasion does not permit us to enter.” [Es führt dies hinüber in das Gebiet einer andern Wissenschaft, in das Gebiet der Physik, welches wohl die Natur der heutigen Veranlassung nicht zu betreten erlaubt.] Op. cit., Sec. III.3, pp. 285-286.

46. Here, in the place of the empiricist’s mechanistic, percussive notion of “cause,” we affirm the notion of “reason,” as employed by Kepler and Leibniz, for example. To illustrate the difference, the following: Once we abandon the popularized superstition, that extension in physical space-time either is, or can be safely estimated as linear in the very small, the most general of the significant differences among different manifolds, is the difference in Gauss-Riemann curvature of physical space-time, especially in both the extremely large and extremely small. Since this quality of difference among the manifolds, has its origin in the difference in the internally timeless hypotheses by which each manifold is subsumed, it is the relatively timeless such hypothesis which determines the curvature, and the action of reason which defines the relevant change in hypothesis, from one manifold to another, which is the source of the cognizable difference in characteristic curvatures. Thus, it is reason, so defined, as in efficient correspondence to that cognizable difference in hypothesis, rather than the percussive “causality” of the mechanistic argument, which is the origin of the addicable difference in characteristic curvature of the added manifold for that physical reality. Hence, reason, as employed by Kepler and Leibniz, must supplant the empiricist’s percussive notion of “causality.”
The connection is best illustrated by comparing this “four-step” cognitive process, with its compact expression, as to be found within the practice of a Classical humanist form of secondary education. In a good secondary education, in respect to physical or Classical-artistic principles, we must forbid all rote learning, and all of the related forms of so-called “textbook instruction.” Each student must relive, in fair approximation, the original discoverer’s mental experience of generating the first discovery and validation of that principle. This requirement ensures that the successful student becomes, in fair approximation, at least, a living embodiment of the history of important ideas up to the present time. In place of the mind-destructive methods of either “programmed education,” or its approximations, the policy must be, that the student must adopt the life-long, endless goal of reliving, as frequently as possible, the mental experience of reenacting, in some meaningful sense of succession, the original cognitive acts of discovery and validation of virtually, implicitly, every valid principle known to man today.

It is the education of the student’s cognitive process, as contrasted with, and opposed to textbook-oriented, or related forms of mind-deadening learning, which is the proper mission of education. The object is, that if the student were to learn virtually nothing, but to develop the cognitive habits required to regenerate almost all principles of knowledge, education has succeeded; whereas, if the student has successfully learned everything, as an idiot-savant in a “wired society” might do, but has discovered no validated principle, that student’s miseducation is the germ of a national catastrophe.

The following observation is a two-foldly crucial one. It is crucial, as it applies to the implications of deluded acceptance of the pseudo-scientific dogma of “information society.” It is crucial as it bears upon the nature of cultural paradigm-shifts.

The first implication, which pertains to the axiomatic delusion of Norbert Wiener’s dupes, _et al._, is the following. A formal mathematics, especially one which assumes the principled existence of linearity in the infinitesimal interval of a presumably continuous function/process, is like an oversimplified Euclidean geometry. It reflects an axiomatically linear (i.e., deductive) form of mathematical hypothesis, for which two conditions are most elementary.

First, the array of definitions and axioms, is fixed, a condition for which mere changes in postulates provide no crucial benefit. The model used by Wiener, Ludwig Boltzmann’s mechanistic, H-theorem model, is such a construction. Thus, a statistical model consistent with such axiomatic assumptions, has no relevance for the study of sane forms of human behavior, the latter being axiomatically “non-linear,” of the Riemann form of Platonistic _change_, paradigmatically from an _n_-fold to (_n_+1)-fold manifold.

Thus, on the first implication, such thinking lies entirely outside the domain of real economic processes. Such thinking, as characteristic of populations, signifies a doomed culture, which, like all the cultures of ancient Mesopotamia, and also cultures which adopt the Roman imperial code of Diocletian, such as the Byzantine Empire and western European feudalism (e.g., the

---

47. We must consider, in this light, those changes in curvature of physical-economic space-time whose effects are recognizable as improvement in both the human condition and mankind’s power in the universe. The source of those changes, is that replicatable generation of validated physical and related principles, which occurs within the individual human mind. It is, thus, cognition itself, as we have defined cognition, which is the specific action by means of which the desired changes in physical-economic space-time curvature occur. Thus, we must locate so-called “objective science” within the “subjective” domain. This relationship defines cognition itself as _efficient reason_. Thus, progress of the human condition must be seen as the effect of cognition, of efficient reason. This was the principle upon which Nicolaus of Cusa established the foundations of modern experimental physical science, in his _De docta ignorantia_ and related writings. This is the standpoint of Johannes Kepler’s establishment of the first comprehensive mathematical physics; this is the standpoint of Leibniz’s work, as echoed in the methods of Carl Gauss, Bernhard Riemann, and some others after them. It is this shift in point of view, from the illusion of “objective science,” to the reality of “subjective science”—the replicatable education of the cognitive powers of the individual mind—which is crucial.

48. E.g., the delusion popularized through the writings on the subject of a so-called “Third Wave,” by jackpot Alvin Toffler _et al._
Guelph League and the tradition which it represents), is one which lacks the moral fitness to survive.

Secondly, it is precisely in recognizing the fact that human behavior, including cultural behavior, is implicitly of “Riemannian” Platonic form, that cultural paradigm-shifts, such as the two principal cases identified at the outset of this report, are rendered comprehensible. For no culture, does truth lie in that which racists such as today’s cultural relativists, see as the relative truth of its fixed distinction from other cultures. Rather, it is the process common to each healthy culture, which implies its axiomatic changes, to become a new culture, better or worse than the prevailing set of behavioral values, which is the functionally characteristic feature of that culture, upon which we must focus, primarily, to understand that culture in a rational way.

For such reasons, no sane society will entrust the making of its functionally essential policies, to persons who defend the notions of “information society,” or who tolerate the doctrines of “moral” or cultural relativism.

The notion of ideas, as we have defined these by aid of reference to the illustrated “four-step process,” is the crucial issue. No statistical configuration of sensible objects, such as the particles attributed to a communications medium, can represent the communication of actual ideas. This is the issue underlying any competent effort to understand a cultural paradigm-shift, and to deal with the problems associated with such and correlated phenomena.

IV.
The Principle Of Metaphor

Thus, by definition, the existence of each and every valid new idea, lies outside the relevant, previously existing hypothesis. It could never be adduced by analysis of elements specific to that relevant hypothesis. Hence, the elementary fraud of both “information theory” and “systems analysis.” The best which can be done, within the scope of that hypothesis, is to pose the need for discovery of such a new idea; this representation can be made only in the form of an ontological paradox, within the universe as represented by that hypothesis. Typical is the devastating ontological paradox which Plato develops, to expose the lack of credibility in the doctrine common to the Eleatics, sophists, and (implicitly) Aristotle, in his Parmenides. Such paradoxes, as they occur in Classical art-forms, are otherwise known as (strict) metaphors, metaphors implicitly associated with the proper use of the subjunctive mood.

This is what Paolo Sarpi follower and Francis Bacon intimate Thomas Hobbes, demanded be driven out of English-language usage; this is what the contemptibly sententious John Dryden accomplished, in his practice of degrading the notion of poetry to nothing better than doggerel. Hobbes’ injunction is what the most degraded among current Hollywood and related, chiefly percussive entertainments, have almost perfectly accomplished.

At bottom, ontological paradox, as it appears within the work of experimental physical science, is identical with true metaphor as the latter appears within accomplished works in Classical art-forms, the latter both plastic and non-plastic. Thus, since the 1948-1952 interval, the present writer has adopted the convention of using the term “metaphor,” freely, to identify both Classical metaphor, as it appears in art-forms, and valid ontological paradoxes appearing in the domain of experimental physical science. Metaphor, so defined, is usefully named “the handmaiden of cognition.”

Any successful effort to explain the role of metaphor in mathematical forms of experimental physical science, could not avoid the great Eratosthenes’ notion of the number-sieve. The discovery of successive types of numbers: integers, rational, algebraic, transcendental, and transfinite, typifies the nature of scientific progress as viewed from Riemann’s standpoint. The present writer has used Nicolaus of Cusa’s original discovery that $\pi$ was not an algebraic magnitude, as Archimedes had mistakenly assumed it to be, as doubly typical of modern experimental scientific progress. Cusa’s discovery, as presented in his De docta ignorantia, was the cornerstone of his founding of the modern experimental science, developed by such followers of his writings and method as Luca Pacioli, Leonardo da Vinci, William Gilbert, and Johannes Kepler. It is also paradigmatic for the process

49. Leviathan. Both Hobbes and Cecil’s Francis Bacon were English assets of Venice’s Paolo Sarpi. Hobbes’ mathematics education, and his addiction to the mechanistic notion of percussive “causality,” was received from Sarpi’s personal lackey, Galileo Galilei.

50. It was an appalling error by U.S. negotiator Mickey Kantor, to refer to Hollywood productions as “intellectual” property.


52. The savage attacks on Cusa’s work by Venice and its accomplices, were spread to Henry VIII’s England by the Venetian Francesco Zorzi (a.k.a., Giorgi), the author of De harmonia mundi (1525) ["Those who retreat from direct knowledge of the universe will retreat into the Docta ignorantia.” As quoted in Frances A. Yates, The Occult Philosophy in the Elizabethan Age (London: Routledge and Kegan Paul, 1979).] Zorzi anticipates Ockham follower Paolo Sarpi’s doctrine of empiricism. Sarpi’s organizing a Europe-wide attack on the work and person of Johannes Kepler (e.g., Robert Fludd), and Sir Francis Bacon’s savage attack on Gilbert, of De Magnete fame, are relevant.
leading through Leibniz into the hypergeometries of Gauss and Riemann.

Inasmuch as new discoveries of principle supplement, rather than entirely overthrow some previously established principle, it is small differences, which underlie the relevant ontological paradoxes leading to the new discoveries. For example, Leonardo da Vinci’s first insight into the significance of the catenoid-caustic relationship in physical experimental work, and Leibniz’s later elaboration of the implications of the catenary, lead into the generalized notions of non-constant curvature, underlying the achievements in hypergeometry by Gauss and Riemann. Similarly, the refined measurement of a small margin of error in Maxwell’s and related electrodynamics, underlies Wilhelm Weber’s correction of Maxwell’s error of excluding Ampère’s “longitudinal force,” a correction which opened the gates to microphysics.

Thus, it is the small differences in non-constant curvature in the very small, which typically express the root-differences between two successive manifolds. These are the “interesting” changes, the “interesting” topics of scientific work, which demand reliance upon the notion of reason, rather than mechanistic “cause.” This distinction is key to understanding the work of Kepler.

In Classical art-forms, it is similar. In art, the principle of metaphor is expressed as sometimes small, but inescapable inconsistencies of meaning attached to the same object. These differences function in art, as ontological paradoxes function in physical science.

Take for an example, Hamlet’s famous (“To be, or not to be”) soliloquy from the third act of William Shakespeare’s *Hamlet*. The crux of the matter there, is whether Hamlet should choose to cling to his old ways, which lead to virtually assured doom, or choose a new way. Hamlet muses, that the choice of a new, therefore strange way is analogous to death, “from whose bourne no traveller returns.” On that latter premise, brooding “macho” Hamlet, the uncorrected, impulsive swashbuckler, proceeds to his doom. “To be, or not to be”: two contradictory hypotheses.

Or, consider, a specific contrast to Hamlet’s folly, the Prometheus of Aeschylus’ *Prometheus Bound*. By choosing to suffer immortal torture, rather than reveal to the evil tyrant, Zeus, the secret of Zeus’ doom by his own hand, Prometheus assures mankind’s rescue from its murderous oppressor, that hubristic Olympian oligarchy which has set itself above man and God alike. The question here, is also “to be, or not to be.” Prometheus is victorious, where Hamlet chooses the way of folly.

All great Classical poetry and drama, especially Classical tragedy, is constructed to form a nested complex of metaphors, a hierarchy of metaphors. The greatest, including the exemplary cases of Aeschylus, Shakespeare, and Friedrich Schiller, always pose the issue of “To be, or not to be.”

All great art is substantially ironical; the highest form of irony, is metaphor. Irony is that which distinguishes art from silliness. However, great art is never merely ironical; art, like science, must be truthful. For example, consider a common form of irony, that of situation (common dramatic irony). Such uses enable the author to indicate the existence of an important fallacy of composition, bearing upon what otherwise might appear to the literal import of the current action. Neither the current action, nor the device used to achieve dramatic irony (such as a gathering storm), has the definitive, real meaning. Contrary to today’s widespread use of the term “symbolism,” symbolism is not to be tolerated in great art. Rather, it is the contradiction between things ironically juxtaposed, which is the device by which the cognitive faculty is provoked: the truth lies in the solution to the contradiction, a solution which the composer of the piece has intended to bring implicitly on stage through the excited cognitive powers of the individual minds, within the performers and, especially, the audience.

The essential, profound difference between physical principles and Classical art, is that the former is man’s act of cognition of the physical universe, whereas the latter is man’s act of cognition of the processes of cognition themselves. Generally, the latter pertains to social processes. The elementary, primary notion underlying all social processes, is the matter of inducing a second mind to reenact the discovery of a solution to a metaphor, which has been accomplished by the first mind. This latter, is the underlying principle of all scientific notions of actually human forms of social relations, relations of a sort congruent with the distinctive nature of the human individual, as each made in the image of the Creator.

That act of cognition of the processes of cognition itself, which is each great composition according to the principles of Classical art-forms, is much more than an abstract intellectual exercise.

It should be familiar to any person who has engaged in either original valid discoveries of principle, or simply the replication of earlier such acts by original discoverers, that there is a special quality of passion, which not only attends, but is essential to successful creative activity. This is the quality which may be described as “the emotion of cognitive concentration,” the emotion which supplies us the intellectual energy needed to prevent our minds from “fading out,” when faced with a soluble contradiction. It is also the emotion of joy experienced when a breakthrough is first achieved. In Plato’s dialogues, Plato’s Socrates identifies this emotion by the term *agapê*, the passion for justice, and also for truth. This is the same definition of *agapê* employed by the Christian Apostle.
Paul, as in the celebrated I Corinthians 13. The attachment of that passion, as expressed in a moment of discovery of truth, or a moment in which justice triumphs over injustice, is an essential feature of the moral education of the emotions of the individual, and of an entire people.

In great Classical tragedy, for example, as Schiller proposes, the function of tragedy is to prompt a change in the audience, such that it becomes a better people leaving the theater, than it had entered. The visible failure of the central figures, to apprehend a clearly indicated truth and justice, on stage, as that failure is apprehended with awe by the audience, represents an uplifting of the audience’s qualities of moral judgment, an experience, in the theater, which haunts the conscience of those members of that audience, thereafter.

Thus, history is comprehended, and taught by the wise and truthful, as a form of real-life tragedy. Thus, those perceptions of truth and justice, as impassioned by aid of the metaphors of great Classical artistic compositions, become the living essence of true statecraft, the integument of a shared popular morality within and among the citizens of a great republic. Thus, the essential moral basis for effective transmission of cognitively generated conceptions, is transmitted, through replication, from the mind of one to another. Classical art, as we have defined it here, represents the distilled essence of viable forms of social relations.

V.

Economists And Economics

During the opening of this report, we indicated, that some economists are otherwise competent as professionals, although the economic theory they advocate is, usually, intrinsically incompetent, or worse. In other words, we must make a functional distinction between two functions typically performed in the name of “economics.” On the one side, persons may be called “economists” because they are viewed as specialists in aspects of administration which bear specifically upon economic performance. At the same time, they may be proponents of a doctrine which purports to explain why economic processes function as they choose to believe such processes do. Usually, their competence, when, and where it is manifest, appears only in the administrative aspect of their professionalism; on the side of economic theory, with increasingly rare exceptions, they are utterly incompetent.

It is a fair summation, that the presently escalating, systemic, or breakdown crisis in global financial and monetary affairs, is a reflection of thirty-odd years of deterioration of competence in the administrative side of production, aggravated by what has become a virtually metastatic, systemic aggravation of the general economic-theoretical incompetence which had been already established as an endemic menace, thirty-odd years ago. It is the coupling of this shift in leading factors shaping economic policy as such, to other outgrowths of the 1964-1972 cultural paradigm-shift, which is the curable reason for the threatened, immediate, more or less simultaneous collapse of the world’s economies.

On this particular point: return to the period of World War II, through the 1950’s, and to the U.S.’s continuing work of the mid-1960’s, to effect both the manned moon landing and kindred things beyond. Consider, for example, the category of all good production managers of modern industrial firms, from that period, especially capital-intensive firms whose practice emphasized reliance upon the machine-tool principle of improvements in designs of products and productive processes. Generally, senior managers of this rank had a competent understanding of the administration of economic processes, an understanding which was, usually, a comprehension which was lacking in the specialist in the financial side of administration, even in the same firm. Although the competent production manager had a keen eye for financial costs, he treated that only as an unavoidable constraint upon his work; he did not attempt to solve the problems of cost-accounting by purely cost-accounting methods, but by the “industrial engineering” and related methods of physical economy. Often, however, that excellent industrial manager’s notions on the subject of economic theory, were abominable.

Or, consider the case of the type of modern American farmer who began to be driven into extinction during the administration of U.S. President Jimmy Carter. In the practice of farming, this farmer was often brilliant. In the department of theoretical economics, he was usually a dupe for hare-brained, utterly incompetent recipes, especially financial and monetary ones.

As the U.S.A. ceased to be a predominantly agro-industrial economy, over the course of the recent thirty-odd years, the ration of professed economists and corporate executives who commanded administrative competence in economic matters, became smaller, at an overall accelerating rate. Thus, the competent production man-

53. In the literature bearing upon discussions of such matters among such German Social-Democrats as Karl Kautsky and Rosa Luxemburg, early during this century, the term used to describe an hypothetical “systemic crisis,” was, in customary translation into English, “general breakdown-crisis.”
ager became a type which is now threatened with “post-industrial” extinction. This cultural downshift of the recent thirty years, is otherwise indicated by the fact that persons who still command even administrative competence in economic matters, tend to be in their seventies or eighties, or, occasionally, in their sixties.  

Looking at the history of society more broadly, we should not be surprised by the existence of such a functional distinction between competence in administration, and even virtual lunacy in taught doctrines respecting principles of economy: frequently, mutually contradictory views held by the same person. What Friedrich List defined as the modern system of national-economy, otherwise known as nation-state economy, is a phenomenon of the barely more than five recent centuries, since the 1461-1483 reconstruction of France under King Louis XI. Until the 1671-1716 work in this field by Gottfried Leibniz, there was no semblance of a science of economy anywhere, but only more or less useful, comparative studies of better and poorer forms of administration, as this state of affairs is typified by the Sixteenth-, Seventeenth-, and Eighteenth-centuries’ emergence of so-called “mercantilist” forms, emerging within the teaching and practice of what was called cameralism. In no sense, did even an approximation of a science of economics exist, prior to the 1671-1716 work of Leibniz on this subject.

What usually passes for “economic theory” in today’s classroom or popular mass-media, has nothing to do with even minimal standards for experimental physical science. There is virtually no widely profferred type of so-called “economic theory,” which is better than an empty sophistry. Chiefly, all popular classroom and street-wise pretenses of “economics,” are the pathetic concoctions, worse than useless mere rationalizations of irrational practice, adopted by minds each gripped by an impasioned virtual reality. One should recall, that, before the popularization of the cult-phrase “virtual reality,” parents used to warn their children that “fairy stories” were products of mere “make believe.” By the standards of experimental physical science, the only competent doc-

54. Conversely, there are persons whose theory appears, on the surface, to be relatively good, but whose production-management, or related practices are worse than the management practices of persons with terrible theory. The theoretician who treats production as a matter of merely barking orders, or performance graphs, not only tends to be a failure in his, or her own performance; he shows, by his lack of effective attention to the insightful development of the on-line cognitive performance of his, or her subordinates, that he, or she does not understand in practice the theory he expresses by mere words. The production manager’s essential responsibility is that of training the practice of supervision among subordinate management. “Supervision” should be understood to signify, not “harassment” of subordinates, but sufficiently frequent intervention to prevent a production failure during some part of the work-day from becoming the cause for a disastrous work-day as a whole. Implicitly, the method of supervision, from the production manager, on down, should be, at each level, the same tactical approach to pedagogy, as typified by the pedagogical method of a Classical-humanist form of secondary education: the transformation of a conceptual obstacle in the mind of the subordinate, into a stimulation of the relevant cognitive potential of that subordinate. This policy coincides with the doctrine of Auftragstaktik in German military doctrine since Scharnhorst and Gneisenau, as perfected under von Schlieffen (as contrasted with the worst widely accepted U.S. doctrine, called in German Befehlstaktik).

55. It is not unfair to suggest the following comparison. The industrial manager of the World War II generation, or earlier, would seek to discover the choice of principle, by means of which the problem could be mastered. The industrial manager from the “organization man” generation of the 1950’s and early 1960’s, tended to overlook principle, but did place emphasis on distinctions among precalculable, short-term, medium-term, and longer-term performance. The Baby Boomer refers the policy question to committees habituated to function as psychotherapeutic encounter groups.

Under the impact of a 1966-1997 deemphasis upon increasing capital-intensity, energy-flux density, and technological progress, the climate in which the production process itself tended to develop, selectively, better management, has been lost. For one experienced with a time in which production-management was competent, it does not require much reading of today’s relevant literature, to recognize that, excepting a dwindling ration of aging dinosaurs from a pre-1964-1972 era, there is virtually no competent management today. Instead, corporate management’s criteria of performance are goals of financial capital gains achieved, predominantly, by increasing the rate of looting of both previously stored real capital values, and squeezing such speculative capital gains out of the living bodies of senior citizens and labor-force.

56. Friedrich List, The National System of Political Economy (1844), trans. by Sampson S. Lloyd (Fairfield, N.J.: Augustus M. Kelley, reprint edition, 1977); Outlines of American Political Economy (1827), ed. by Michael Liebig (Wiesbaden: Dr. Böttiger Verlags-GmbH, 1997). In the present global crisis, serious U.S. policymakers will give special attention to editor Michael Liebig’s essay in this work, especially to the discussion of the September 1931 Lautenbach Plan of Germany’s Friedrich List Society, on pp. 226-233. There have been understandably, but inherently incompetent attempts to trace the development of notions of political-economy to Aristotle. Aristotle was a rabid foe of Plato, and of the notions associated with the nation-state. His homicidal hatred and attempted assassination of the Alexander the Great who despaired him, expresses the reality of Aristotle’s doctrines. The Alexander the Great, whose campaigns and statecraft were shaped by advisors from among Plato’s anti-Aristotle followers, is a forerunner of Hohenstaufen nation-builder Emperor Frederick II; Aristotle’s notions of political-economy are rabidly oligarchical in form and content, based upon a defense of usury.

57. Symptomatic expressions of mathematical and other pseudo-science are phrases such, “It is self-evident, that . . . .” “As all respectable scientists agree today, . . . .” “If we can assume that . . . .” “Common sense will teach us,” or, “All my friends will agree with me, not with you.” Hearing such expressions, the self-respecting student applies immediately for transfer to another university, or simply takes a firm grip on his wallet, while quietly, but steadfastly leaving the vicinity of the medicine-show where such hokey-pokey is in progress.
trine of economic theory heretofore employed by any nation, is either what is known as the “American System of political-economy,” or derivatives of the influence of the Leibniz-Franklin-Hamilton-Carey-Lincoln “American System.” Our approach here, adopts and defends that scientific evidence, but also adds a crucially necessary feature, an added feature indispensable for understanding how the present, global systemic crisis came about. That feature is the explicit, functional role of cognition.

Excepting a uniquely American contribution, the Massachusetts Bay Colony’s pioneering in the proper use of government issue of paper currency, the American System of political-economy, as represented by Benjamin Franklin and the other leading founders of the U.S. Federal republic, adopted the principles of physical economy developed by Leibniz. Although Leibniz himself laid emphasis upon the “factor” of developed powers of cognition of the laborer in successful economy, it remained the case, until the work of the present writer, during and following his referenced 1948-1952 project, that no teaching of political-economy took the human factor of cognition explicitly into account in defining political-economy. This latter error of omission, is the cornerstone of the array of interconnected considerations brought together in the conclusion of this report. We shall turn to that next, after clearing away some important matters whose omission might be a nagging source of distractions.

Since the latter part of the Eighteenth century, there has been no instance of a successful national economy, in any part of the world, except in the case that that economy adopted, in large degree, the principles of what was known, during the Nineteenth century, as U.S. Treasury Secretary Alexander Hamilton’s American System of political-economy, as this was outlined in Hamilton’s three key reports to the U.S. Congress, on Public Credit, A National Bank, and Manufactures, the latter most emphatically. The unique role of the U.S.A. on this account, proceeded in two successive waves. The first such international impetus, reflected the work of Franklin, Hamilton, Mathew Carey, Henry Clay, John Quincy Adams, Friedrich List, and Henry C. Carey, in spreading the idea of the American System of national economy into Europe and Central and South America, during parts of the 1789-1860 interval. The second impetus came from the 1861-1876 interval, during which the U.S. pioneered in originating the form of modern industrial economy copied by Meiji Restoration Japan, Germany, Russia, and other nations. Even the Soviet system, under Lenin, for example, explicitly sought to adapt the American System of industrial development to a state with Bolshevik characteristics.

As Leibniz emphasized in his 1671 writings on economy, e.g., his “Society and Economy,” the issue of the relationship between individual productivity and cognitive development, is situated with respect to wages. The required wage, is that which assures a household those demographic and related cultural characteristics needed to foster the individual household member’s efficient assimilation of those discoverable ideas, principles, on which increases of the potential productivity of the operative depend. This vantage-point, together with Leibniz’s emphasis on both (what is termed today) energy-flux density, as well as technology as such, are the characteristic features throughout Leibniz’s founding of the science of physical economy. Thus, relative to the writer’s own work, Leibniz took the significance of cognitive development implicitly into account; the writer’s central, unique contribution, has been to make that functional connection explicit.

On the subject of the disastrous effects of the 1964-1972 cultural paradigm-shift, there is a fundamental difference between the economic policies shared among Leibniz, the American System, and the present writer, on the one side, and, on the opposing side, the common features of the views of the Physiocrats, Adam Smith, Karl Marx, and the modern monetarists. That difference is the first crucial set of facts which must be considered, for understanding how the present, global, systemic crisis of the system came about. Once that is accomplished, then, the present writer’s indispensable amendments, respecting the explicitly functional role of cognition, complete

58. Benjamin Franklin, “A Modest Inquiry Into the Nature and Necessity of a Paper Currency” (1729), in The Political Economy of the American Revolution, ed. by Nancy B. Spannaus and Christopher White, 2nd ed. (Washington, D.C.: Executive Intelligence Review, 1996). Franklin’s work reflected the influence of his former patron, Cotton Mather, who had also insisted on reviving that system of paper-currency which had been discontinued, during the 1688-1689 rampages of tyrannical Royal Governor Andros and also despot William of Orange’s London.


Since the latter part of the Eighteenth century, there has been no instance of a successful national economy, in any part of the world, except in the case that that economy adopted, in large degree, the principles of what was known, during the Nineteenth century, as U.S. Treasury Secretary Alexander Hamilton’s American System of political-economy, as this was outlined in Hamilton’s three key reports to the U.S. Congress, on Public Credit, A National Bank, and Manufactures. Even the Soviet system under Lenin, for example, explicitly sought to adapt the American System of industrial development to a state with Bolshevik characteristics.

Workers assemble the first Soviet rotor, Elektrosila plant, Leningrad, April 1931.

the intellectual arsenal required for making competent policy under present conditions of crisis.

To repeat the most relevant cautionary observations: although the present writer was the only known economist to have made explicit the functional role of individual cognition, the importance of the cognitive factor in physical economy was always taken into account, implicitly, by Leibniz, and by followers of Leibniz among American System economists such as Benjamin Franklin, Alexander Hamilton, Mathew Carey, Friedrich List, Henry C. Carey, et al. For each and all among us of that persuasion, we, in fundamental opposition to the views of the empiricists in general, and monetarists most emphatically, insist axiomatically upon the responsibility of the sovereign nation-state, to ensure the development of the productive potential of the whole territory of the nation, and the development and maintenance of the productive potential of all among the total number of households of the nation. We insist, in opposition to our opponents, the intellectual relics of feudalism, that the policy-making of the state must recognize the improvement of all of the territory, and of each and all of the households, as an unavoidable cost of maintaining the productivity and even modest growth of the economy as a whole.

To repeat the crucial point made here earlier: The doctrine of “free trade” is incompatible with the most fundamental of Christian principles, that each and all men and women, without ethnic or national distinction, are equally made in the image of the Creator. Therefore, the principles of Christianity join with the fundamental principle of our republic, in rejecting the feudal-oligarchical, heathen, British dogma of “free trade”: Ours is an economy, of the people, by the people, and for all the people.

On the contrary side, the feudal reactionaries called the “Physiocrats,” rejected, not only absolutely, but also hysterically, our rational view of society and its economy. The fervid irrationalsim of our opponents, is properly typified by the expressed views of Adam Smith and other representatives of the British East India Company’s Haileybury School (Ricardo, Malthus, et
Respecting capitalist economy, Karl Marx represents a branch of the British East India Company's Haileybury School. Under strong advice from that English processor of slave-produced cotton, Frederick Engels, Marx was induced, during the 1840’s, to become a savage opponent of the American System of political-economy of, first, Friedrich List, and, during the 1860’s, the same Henry C. Carey whom Marx otherwise tended to admire as an economist: that on precisely this same crucial point. It is from that vantage-point that the post-1966 upsurge of influence of Britain’s Mont Pelerin Society upon the “Baby Boomer” generation must be referenced, as typical of the causes for the systemic character of the present, global, financial and monetary crisis.

To make clear the determining considerations underlying those facts, we must situate the issues of political-economy within their relevant social context. To that end, we must emphasize, once more, that, following the liquidation of the anti-Venice League of Cambrai, until the present day, the rise of modern nation-states in Europe has always been contained by a continued hegemony, in financial and monetary, and related political affairs, by a feudal relic, a London-Amsterdam-centered, international financier-oligarchy, the which was developed partly as an extension of Venice’s ruling financier oligarchy, and otherwise as a clone of that Venetian oligarchy. In the U.S.A. itself, a similar parasitical social formation has been developed around a combination of, chiefly, former New England partners of the British East India Company opium-trade; Manhattan bankers in the footsteps of treasonous Aaron Burr and August Belmont, and London’s New England opium-runner protégé, J.P. Morgan; together with bearers of the southern slave-holders’ and Nashville Agrarian’s tradition.

61. France’s Eighteenth-century Physiocrats, such as Dr. François Quesnay and A.-R. Turgot, were a political continuation of the preceding century’s notorious, feudal-reactionary, Anglo-French Fronde. Ideological similarities noted, one might refer to the followers of today’s Heritage Foundation as the “lunatic Fronde.” Typical of the times, Quesnay was a French asset of the notorious Abbé Antonio Conti. The similarities between Quesnay’s pro-feudal, anti-nation-state dogma of laissez-faire and Adam Smith’s “free trade,” are in no sense merely coincidental. Although Smith had borrowed from satanist Bernard Mandeville’s influence, to make the same argument, on behalf of immorality, not political-economy, in his 1759 On The Theory of The Moral Sentiments, most of Smith’s 1776 Wealth of Nations was a virtual plagiarism of A.-R. Turgot’s earlier Reflections on the Formation and Distribution of Wealth. There was no mystery in the connection; according to the Smith family’s published account, Adam Smith had been retained, beginning 1763, by Lord Shelburne, to make extended visits to France and Switzerland, for the purpose of devising a scheme, to be used by the British East India Company, for ruining the economies of both France and England’s North American colonies. Smith’s 1763-1776 work on this project concentrated chiefly on studies of the doctrines of the Physiocrats. Indeed, it was the agreement by King Louis XVI to a treaty with England, a treaty which subjected France to free-trade conditions, which lost Louis XVI both his throne and his head, in the course of a 1789-1793 French Revolution led by such fervidly anti-U.S. agents of Shelburne’s protégé, British Foreign Service head Jeremy Bentham, as: Benjamin Franklin’s old freemasonic adversary, Philippe Egalité (Duke of Orléans); London’s Swiss (Lausanne) banker asset and Orléans crony Jacques Necker; Necker’s daughter (the notorious Madame de Stael); and, Jacobin terrorists Robespierre, Danton, Marat, St. Just, et al. Notably, Necker, installed as Finance Minister of France, under Louis XVI’s “free trade” treaty with Britain, was the man who personally engineered the bankruptcy of the government of France, thus precipitating the 1789 revolution. The storming of the Bastille, by a mob paid for, armed by, and personally directed by Philippe Egalité on the scene, was conducted as an election-rally for Jacques Necker, the discharged former Finance Minister of France whom the Duke of Orléans was, at that moment, successfully boosting to become the Prime Minister of France!

62. In Capital I, Marx acknowledges that his notion of capitalist extended reproduction ignores the “technological composition of capitals.” His error on this account pervades his treatments of “simple” and “extended” reproduction, throughout the four volumes of his Capital, and in related writings, and is the crucial fallacy of composition permeating his notion of the origins of a business cycle. It was at the behest of F. Engels, that Marx launched a literary attack upon Friedrich List, and, at the behest of Engels, once again, that Marx attacked Carey. Marx’s adoption of the false pretense, that England had been technologically the mother of the industrial revolution (which had been introduced to England, from North America, by Benjamin Franklin, with technological aid from the more advanced France), and the leader in developing “scientific political-economy,” was integral to his referenced theoretical absurdities on the subject of political-economy generally. For purposes of illustrating a crucial point, it should be emphasized, that the present writer’s essential point of difference with Karl Marx and the more thoughtful variety of professed “Marxist,” was always, from 1948-1949 onward, the so-called “materialist” philosophical standpoint, Marx’s and their own impassioned rejection of what they often termed the “idealists” standpoint of Plato. V.I. Lenin’s famous polemics against the Viennese radical positivism of Moscow anarchist N. Bukharin et al., Empirio-Criticism, attacked the right target with the wrong (materialist, almost radically empiricist) medicine. The circles of Ernst Mach were, in fact, outrightly a satanist brew, concocted in Vienna, Budapest, and Bayreuth of Houston Stewart Chamberlain, et al., under the direction of Britain’s theosophical Lucifer cult, and the same Quatuor Coronati Scottish Rite lodge, which played a crucial role in creating both British Zionism and the Nazi Party of Adolf Hitler, and with the patronage of veteran bomb-thrower Richard Wagner’s production of his last theatrical bomb, Parsifal. Materialism is the fatal axiomatic flaw of Marx and anything which a clear-headed scholar would name “Marxism.” It is the genetic implications of this materialist standpoint, a cousin to such spawn of Paolo Sarpi’s litter as English empiricism and Dutch-French Cartesianism, which have so often placed the modern socialist movements of the world into the position of being “useful fools” in service of British imperial interests.
Put the political side of Karl Marx’s case into that setting.

As insider Simón Bolívar publicly exposed this, toward the end of his life, the control over the wave of revolutions in South America during and immediately following the Napoleonic Wars, was directed by the then head of the British foreign-intelligence service, former Shelburne protégé Jeremy Bentham. This was the Bentham who personally trained (in London), and later directed, from London, in France, London’s French Jacobin terrorists Dan-ton and Marat. Bentham’s own protégé, Lord Palmerston, continued Bentham’s creation of such neo-Jacobin nota-tion and Marat. Bentham’s own protégé, Lord Palmerston, continued Bentham’s creation of such neo-Jacobin nota-bles of the 1848-1849 period, as British intelligence agents Giuseppe Mazzini and Louis Napoleon. Karl Marx was one of the many pre-1848 acquisitions of Mazzini’s Young Europe organization. It was Mazzini who founded the so-called “First International,” whose founding meeting he chaired. It was Mazzini who, then, personally, publicly placed his protégé Karl Marx in the position of secretary of the new organization.63

No literate person should be surprised that there have been few “professional leftists” who were not backed, in misery or other fashion, by financier interests.64 The principal adversaries on this planet, since Europe’s mid Fifteenth-century Golden Renaissance, have been nation-al economy versus feudalist financier oligarchy. Just as Jacobin terrorists, directed from London, were deployed to destroy, from within, Britain’s most deadly rival, France, so, as U.S. Secretary of State John Quincy Adams warned President James Monroe, the Mazzinian associ-ates of Simón Bolívar, were deployed in South and Cen-tral America, both to undercut London’s Holy Alliance allies (and rivals), and to combat the republican influence of London’s and the Hapsburgs’ avowed chief enemy, the U.S.A. in that region of the world.65

All causes, great and small, find their common setting, and their meaning, in the one great conflict which has dominated this planet since earlier than the wars of the wicked Guelph League against the nation-builder Freder-ick II. Since the oligarchs, by the nature of their cause, can not exceed a small percentile of the total population, even if all their “Leporellos” are added into the account, it is by playing one or more sections of the masses of “human cattle” against one another, that the oligarchs

63. It was typical of the Venetian-style British “diplomacy” of Ben-tham, Castlereagh, Canning, and Palmerston, that Mazzini divided his Young Europe, into two factions, the party of “thought,” the socialists, such as Karl Marx, and the party of “action,” typi-fied by those two revolting partners in throwing both gunpowder and theatrical bombs, Richard Wagner, later of Bayreuth notori-ety, and Wagner’s musical co-thinker, Bakunin, the anarchist who established the basis for the later rise of European fascism. It is simply a continuation of that British tradition, that the British government today is the world’s principal harbinger and coordina-tor of international terrorist gangs. In any bloody affair, British diplomacy is neatly balanced, with approximately equal portions of support for, and opposition to, each party. Thus, the loser in any such affair, was always an actual or virtual treaty-partner of London. Governments with the brains needed for survival in modern society, scrupulously avoid any treaties with the British monarchy: a true Christian does not shake hands with the devil.

64. If any reader doubts this, he or she should check the past thirty-odd years’ records of foundation grants, one of the more common ways the wealthy and powerful conduit funds and arrange public- ity puffs for the array of “leftists,” “Black nationalists,” and others in their private collections. In modern history, for example, there is the case of the Alexander Helphand, also known as “Alexander Parvus,” who was a British agent virtually all his adult life. The trail begins in Helphand’s visit to British intelligence circles in London, shortly before the death of F. Engels, and continues beyond the time British agent Parvus was doubting as a German agent, running his own sub-agent, Karl Radek, aboard a “scaled train,” along a British-controlled “northern route” through Swe-den, into 1917 St. Petersburg. Between functioning as the editorial voice of the social-democratic left (on London’s behalf), in pre-1905 Germany, and becoming a millionaire by means of Salomiki grain-trading and British arms-trafficking in the orbit of Lon-don’s “Young Turk” puppet-regime in Turkey, Parvus crossed pathways with an old acquaintance of circles controlled by the cel-

erated Colonel Zubatov of Russia’s Okhrana, the same Vladimir Jabotinsky who went from editor of the propaganda organ of the Young Turks, to become a fascist partner of Benito Mussolini, in the bed of their common patron, Venice’s Volpi di Misurata.

65. Admittedly, as British foreign minister George Canning argued for a U.S. anti-Hapsburg alliance with London, the Thurn und Taxis-dominated council of princes (Fürstentum) of the Holy Roman Empire, which still controlled the extended families of the greater Hapsburg dynasty, through Chancellors such as the von Kaunitz suspect in the murder of Mozart, or Metternich, were feudal reactionaries, and the avowed enemies of the U.S.A. The Holy Alliance’s Metternich used its Italy-based, Iberian, and other oligarchical assets, running subversive operations inside the U.S., from Brazil and the Caribbean region (e.g., under such covers as the St. Leopold Foundation), as well as operations aimed to attempt to eradicate existing concentrations of U.S. political-intellectual influence in Mexico and elsewhere. Quincy Adams warned that no “community of principle” existed between the U.S.A. and the British monarchy, and that, therefore, the mere fact that the Holy Alliance powers were U.S. strategic adversaries, did not justify that kind of treaty-alliance with a power with whom we shared no principle. That fact that a nest of rattlesnakes is poisonous, does not warrant going to bed with cobras. In a relat-ed development, Britain’s short-lived puppet-state, the Confederacy, was a creation of the U.S. branch, “Young America,” of Mazzini’s left-wing operations, just as the overthrow of Mexico’s President Benito Juárez was accomplished by combined British, French, and Spanish military forces, which had been assembled for the later aborted, principal mission of serving as a naval force to break the U.S. blockade of London’s Confederacy puppet. In the latter case, it is notable that one of Palmerston’s Mazzini revo-lutionaries, France’s Napoleon III, was employed in installing on Mexico’s short-lived imperial throne a bloody, Hitler-like, Haps-burg tyrant, Maximilian and his variant on “Lola Montez,” the Empress Carlotta.
manage their preferred game of “divide and rule.” Hence, if leftist and fascist mobs are slugging it out in the streets, the oligarchs respectively controlling the leadership of both opposing sides, are watching with shared interest, and amusement, from their box seats in the grandstand of that modern Colosseum. Let us remind ourselves that the victory of either, or, as in Bob McNamara’s and McGeorge Bundy’s 1960’s U.S. sport in the Vietnam arena, of neither, of those two sides, is more likely than not to be ultimately a victory for no one but the oligarchs, who set up such sport to control the credulous masses on both sides of the affair (in the Vietnam case, the credulous masses inside the U.S.A. itself).

In the case of the Civil War, the letters of the British agent, August Belmont, who then controlled the Democratic Party top-down, reveal the truth behind the common purpose served, on London’s behalf, by New England abolitionists and Confederacy slavocracy. New York banker, Democratic Party “king-maker,” and all-around British agent, Belmont, reports with gloating, London’s common purpose in deploying those abolitionists and slave-owners against one another, was to bring about the destruction of the hated Federal government of the United States, by breaking up the republic into a Balkanized collection of warring baronies.66 This had been the continued policy of Bentham’s, Castlereagh’s, Canning’s, and Palmerston’s London since the 1790’s, as had also been the policy, from a slightly different standpoint, of Clement Prince Metternich’s operations of the Hapsburg-dominated Holy Alliance.

Secretary of State John Quincy Adams, unlike most of today’s more credulous leading political figures, was a man of principle, not the common sort of fool to be taken in by such monkey-traps as so-called “practical politics” of the “left-right” variety.67

Thus, during the entirety of the Twentieth century, the U.S.A., like western Europe, and the nations of the Americas to our south, has been dominated, from the top, by such a financier oligarchy. The chief partial exception to this rule, has been the increased emphasis on national-economy during periods either of general warfare, or strained preparations for the threat of general warfare.68 Under these conditions of military preparations, the government has been disposed to impose such restrictions upon the behavior of the financier-oligarchs, as were seen as indispensable to the “national defense effort.” Thus, since the Hayes-Tilden election-compromise, when the spirit of the Confederacy began to be returned in significant numbers to seats in the U.S. Congress,69 every upturn in the U.S. economy has come

---

66. Anton Chaitkin, *Treason in America*, 2nd ed., (New York: New Benjamin Franklin House, 1985), *passim*. On this account, Belmont’s choice of General “no win, no lose” McClellan, to run against President Lincoln in the 1864 U.S. elections, is notable. The Democratic Party’s policy then, was to recognize the Confederacy as a separate nation: precisely London’s, and traitor Belmont’s common aim. Also notable, are the New York City racist, anti-Black, “draft riots” of 1863, run to attempt to prevent units from New York being deployed to Gettysburg. This was a joint operation of Belmont’s political machine, and of priests who, like today’s Henry A. Kissinger, served the cause of the Confederacy on behalf of such anti-republican traditions as those Castlereagh and Metternich, and the Guelph League, earlier.

67. Again, the case of the Civil War serves as a suitable example. The Civil War was not a fight between abolitionists and slave-holders, but Lincoln’s war against both the Manhattan and New England Anglophiles and the slave-holding Anglophiles of the Confederacy. Had Lincoln made slavery the issue, rather than the triumph of the Union, there would be open chattle slavery in North America to the present day, and no United States. People who do not understand the principle involved in that lesson, should be hesitant in presenting their opinions on any important political issue of past history, or present.

68. A better term than “general warfare,” would be Alfred Graf von Schlieffen’s notion of “annihilation warfare.” Not to give the adversary a “bloody nose,” as in the feudalistic practice of “Eighteenth-century cabinet warfare,” or the cabinet-warfare-like ulcer of U.S. operations in Indo-China: nor, to annihilate people. Quite the opposite: to annihilate the adversary’s ability to muster continuation of warfare, with the greatest possible economy in lives and time, to both sets of adversaries: a policy upon which, opposite to Prime Minister Winston Churchill, General Douglas MacArthur placed the emphasis during World War II. This notion of modern warfare is traced from the revolution in warfare effected under the direction of France’s Lazare Carnot, who was the first to introduce into warfare those methods of generalized machine-tool design, emulated with excellence by President Lincoln’s war-time administration.

69. 1877 is the year of a crucial turning-point in U.S. post-Civil War history. A deadlock in the previous November’s U.S. Presidential election results, became the pretext for a “compromise,” itself comprised of measures which reversed “Reconstruction” in the states formerly associated with Britain’s puppet-state, the Confederacy. This political compromise, aggravated by Hayes’ use of troops, that same year, to suppress strikes, changed the composition and temper of the U.S. political scene. It was not merely the margin of Democratic votes from states formerly under the Confederacy, which tilted the balance, but, rather, a coalition of southern Democrats, treasonous Manhattan bankers, and the Anglophile “free trade” gang among the Boston Brahmins, which implemented measures, including the notorious U.S. Specie Resumption Act, sending the U.S. into a perpetual economic and social crisis, a crisis which abated, and, then, only temporarily, in Ku Klux Klan enthusiast Woodrow Wilson’s preparations for, and conduct of, the U.S. participation in World War I. Notably, the Democratic Party of that period reflected its period of domination by treasonous New York banker August Belmont, the party’s “king-maker,” and, with increasing prominence, by London’s darling, J.P. Morgan. This racist character of the Democratic Party’s leadership continued, until a change began under President Franklin Roosevelt; thus, African-American voters remained Republicans until the “Franklin Roosevelt” era, when the Democratic Party first assumed the patriotic character of the Roosevelt-Kennedy tradition.
about only, either as a by-product of war-economy measures, or the Kennedy round of the U.S. aerospace “crash program.”

These same oligarchical methods of divide-and-rule are key to understanding the 1964-1972 cultural paradigm-shift. It is to be emphasized, that except for the assumptions of agreement among the U.S.A., Britain, and Soviet Union, immediately following the 1962 Missile Crisis and ensuing assassination of President John F. Kennedy, the past thirty-odd years’ drift into a “post-industrial” utopianism, would not have been tolerated, even by most among those same liberal foundations, which led in funding the 1964-1972 upsurge of the university-campus youth-counterculture. The presumption, within Liberal-Establishment circles, that the kind of process of thermonuclear detente prescribed by Bertrand Russell’s cronies of the Pugwash Conference series, was securely emplaced by the combined effects of 1962 Missile Crisis and Kennedy assassination, signified, for those circles, the end of “crash program” science and technology in the context of national-defense mobilizations. Thus, the first introduction of neo-Malthusian doctrines into U.S. foreign policy, and President Johnson’s savage budgetary cut-backs in the space-program, during 1966-1967, mark the crucial historic turning-point, the crucial downturn, in recent U.S. economic history.

Thus, through the entirety of history of the post-Fifteenth-century rise of Europe’s modern nation-states, and much of the existence of the U.S.A., too, these nations have been mixed economies, with the financier-oligarchical interest usually on top, and the patriotic, national-economy interest on the bottom. The patriots have been the exponents of dirigism, of large-scale infrastructure development, of universalizing social-security systems, and of forced-draft promotion of investment in scientific and technological progress. The financier-oligarchical interest has been, like Speaker of the House Newt Gingrich’s band of Heritage Foundation-brainwashed yahoos, the proponent of a weakened national government, “free trade,” and primacy of unearned financial capital gains over taxation, and, also, over both the nation’s essential basic economic infrastructure, and industrial and agricultural profitability. Thus, once again, too many allowed their foolish passions to mislead them into the single-issuism which oligarchs commonly use as bait for all varieties of monkeys, rabbits, and populist boobies, alike. Thus, since 1966-72, the welfare and cognitive powers of our citizens, especially of our younger citizens, have been sacrificed to the Mont Pelerin Society’s pagan god, the Moloch of “free trade,” in an era of neo-Malthusian, “post-industrial” “information society” and related utopiansisms.71

It is in this context, that the cumulative, global economic impact of the 1964-1972 cultural paradigm-shift, must be situated for rational comprehension.

The Yellow Brick Road To Hell

For purposes of first-approximation, let us construct a mental model of the U.S. contribution to that thirty-odd-year process which has led us all to the current, global, systemic collapse. There are principally two interconnected classes of processes to be considered. First, the formal, economic side of the process. Second, the passions which motivated this process of economic and cultural degeneration. The first, is best represented from the standpoint of “anti-entropy,” as we have identified that concept above. The second, turns our attention to the connected issues of passion which we have associated, above, with the principles of artistic experience.

The combined result: We discover, so, that, at the

---

71. The reader should be reminded, that the Mont Pelerin Society was founded in the aftermath of World War II, at the prompting of Winston Churchill. This is the same British propaganda agency which took over the now-London-directed U.S. Heritage Foundation during the late 1980’s. From no later than the late 1970’s, the British Mont Pelerin Society and its attached Heritage Foundation front-organization, identified the present writer as a principal target of their personalized hatred. The Mont Pelerin Society is otherwise best known in the U.S. for two among its founding figures, central-European oligarchist and charlatan Friedrich von Hayek, and the Wall Street Journal’s notable Chicago University quackpot Milton Friedman. Von Hayek himself was a confessed satanist, in his capacity as a professed devotee of the early Eighteenth-century dogmas of Bernard Mandeville. Von Hayek bragged that his sulfurous notions of “free trade” were derived from the Mephistophelean recipe of Mandeville’s The Fable of the Bees. The original intent of the Churchillian Pelerin Society was to combat what Churchill, like London’s Henry A. Kissinger, had professedly hated as the American intellectual heritage of U.S. President Franklin Roosevelt.
beginning of the recent thirty-odd years, the leading strata in today’s policy-making had turned from realities which terrified them, into the lollipop-land, called “Or-Whatever,” where pleasurable fantasies hung like fruit from every tree, a dream-land of make-believe. The promise which lured our Peter Pans of the mid-1960’s into a perpetual fairy-tale, where no sweet fruit was forbidden any child, and childhood never passed, now leers back, a mocking nightmare; the dream has become much worse than the fearful reality of that jungle they called “Don’t-Go-There,” from which they had fled. Their world of happy therapy-group hugs and squeezes, has turned out, to have been the most horrifying of wicked, middle-aged fairy-tales, a world of make-believe, become the “Yellow Brick Road to Hell.”

The formal-economic side of the process now to be considered, is represented by aid of reference to three distinct functions, as presented at a Jan. 17, 1998 conference in Crystal City, Virginia. The first of these three is, today, the rather widely recognized “Typical Collapse Function,” first presented in late 1995 [see Figure 2].

The second, one typical form of business-cycle function [see Figure 3, page 36]. The third, the typical form of a normal, cyclical-crisis-free process of agro-industrial economic development [see Figure 4, page 36]. In the first two cases, a financier-oligarchical class, is usually the dominant political force in the shaping of a nation’s monetary and financial policies of practice. In the first case, the “typical collapse function,” the political and economic power of the leading opposition to the financial-oligarchical supremacy is collapsing; in the second case, the financier-oligarchy power is dominant most of the time, but is held in check by periodic upsurges of political resistance from the combined entrepreneurial and popular interests representing the standpoint of national-economy. In the third case, the interests of national economy predominate.

Define the most relevant terms of our study by reference to the first of these three figures, Figure 2. The construction of this Figure is premised upon the following, interconnected considerations.

1. The Figure as a whole reflects the functional interconnectedness of the change in rate of change among three parameters: (a) A money-valuation applied to an aggregation of physical values expressed in terms of anti-entropy, as this was defined earlier in this report; (b) The circulation of currency which has been issued on the basis of physical-economic security implicitly pledged by the flow of physical-economic values (hard commodities plus education, health, and other science-related essential services) through the economy taken as a unit-whole; (c) The growth of nominal value of perceived financial assets based upon, chiefly, price-earnings-ratio considerations.

2. The term “physical-economic values” signifies the notion of those items of consumption which are functionally required to maintain an implicitly associated rate of growth of per-capita, per-square-kilometer productive powers of labor, at a specific time and place in the history of economy. This function is subsumed by the notion of “anti-entropy,” as the definition for that was given earlier in this report. This includes not only household consumption requirements so defined, but also per-capita, per-square-kilometer values for basic economic infrastructure, capital-intensity, energy-flux density, and level of science and technology (as the lat-
ter is defined in what are paradigmatically Riemannian terms. The rate of change of the ratio of actual physical-economic inputs to outputs, per-capita, then defines the curve (the lower of the three curves depicted in the Figure).

3. The per-capita value for physical-economic values, so determined functionally, is then assigned a money-price, corresponding to a current standard price for the required market basket of infrastructure, productive investment, household consumption, etc. The rate of change of this magnitude, then becomes the basis for comparison of the lower curve with other two curves of the Figure.

4. The middle curve, the monetary curve, is defined as follows:

The issuance of a paper national currency, by, or authorized to be issued on behalf of a government, is a debt of that government. That issue incurs, thus, a charge against the physical-economic values of the market-basket, this according to a price reasonably assigned to the physical-economic items in that market-basket. In other words, real national output, is discounted in that manner, to that degree.

In the case, that the issue of currency is, first, efficiently employed for the production and circulation of essential components of the physical economy, as the Massachusetts Bay devisors of their Seventeenth-century paper currency intended, and, second, that the discount-rate on money issued is below the physical-economic rate of growth, there is no fault on this account. However, if the circulation of that currency is diverted from production and distribution of the requirements and products of the physical-economic process, then the discount incurred by use of money for other purposes, tends to assume a parasitical, pathological role. The precipitous collapse, since 1972, of the ratio of foreign-trade turnover to foreign-exchange turnover, from 1956-1970 trends, reflects the self-feeding growth of the parasitical factor in monetary circulation during the recent twenty-seven years [see Figure 5, page 37].

5. The third, uppermost curve, represents the growth of nominal financial assets/obligations, at prices corresponding to current monetary prices. However, the principal factor in recent decades growth of these magnitudes, has been leveraged financial speculation, typified by the successive, post-1982 roles of cancerous “junk bond” issues, and the post-1987 domination of world finance by what are purely and simply gambler’s “side bets,” called “derivatives.” These “derivatives,” simulate actual financial values, for both debtor and creditor, by means of the arbitrary presumption, that expected financial capital gains actually determine a realisable price of the title to that nominal asset.

The fact, that that financial asset, and the gains associated with it are purely fictitious, is the first problem incurred in that way. The price of the nominal asset is fictitious, because it exists merely as a reflection of a price-earnings ratio. The price of a capital gain in such a nominal asset, is, therefore, doubly fictitious: essentially, as the teller of fairy-tales must admit, it is only play-money, traded to the credulous for real, all in a dream-world game of make-believe.

In the indefinite continuation of any economic process, in which the monetary system is dominated by the harvesting of purely fictitious financial capital gains as financial-monetary assets, either a cyclical, or systemic collapse must result.73

In the cases corresponding to Figure 2, the three curves are participants in an interconnected manifold. The maintenance of the financial bubble, demands accelerating the flow of monetary aggregates into maintaining the rate of growth of the financial bubble. The expansion of the flow of monetary aggregate occurs at the price of a growing discount of the real economy’s combined current and accumulated real physical values. In the case, that financial speculation is favored over long-term investment in scientific and technological progress, the net productive flow in the real economy will soon fall below the anti-entropic zero-point, into an

73. This can be prevented through the natural regulatory powers of government, applied to the uses, and misuses of all forms of indebtedness of the government, including its direct and implicit monetary debt. To bring about the collapse of a nation’s currency, for example, is treasonous if done through a willful form of wrongful practice by a national, and may be a casus belli if performed by a foreign power, or, with culpable consent by that power. Under natural law, British financial pirate George Soros, for example, should be accountable to all states which have suffered a collapse in the values of their national currency through his role among hedge-fund speculators targeting those currencies. In addition to those measures which are the natural right of government, sane private interests will act to prevent themselves from being ensnared in relevant sorts of morally objectionable practices, such as loans to “junk bond” pirates, or supplying credit in aid of derivatives speculation. Power of taxation is among the resources which government should apply. Nominal income from financial capital gains from speculation, should be taxed at the highest of all tax-rates; thus, drying out the relevant financial swamps. For example, a sane legislature, taxes income from long-term investment in scientific and technological progress, at the relatively lowest rates, relative to other forms of taxation on business operations and investments.
entropic phase, as has been the case for the U.S. economy since about the point of the 1970 Chrysler and Penn Central crises. Beyond that point, the continuation of the process occurs solely through net primitive accumulation, looting stored-up values in order to generate the monetary flows required to sustain speculative capital-gains growth of what converges, increasingly, upon a pure financial bubble.

Hence, the post-1971 form of world economy, taken as a whole, has been a downward spiral into a global, systemic, “breakdown” crisis.

Turn to Figure 3. Here, again, the three curves are functionally interconnected, but the conditions of interconnection are characteristically different than in the first case. In the alternative case, typical of the U.S. economy, for example, over the course of the 1789-1966 interval, the same tendency toward financier-driven, entropic destruction of the national (and world) economies exists. The difference is, that as long as political and related social forces regard the defense of growth and technological improvement of productive powers of labor in the real, physical economy, as indispensable, this political-cultural factor acts as a brake against the adoption of the kind of “post-industrial” utopianism which is the distinctive trend-feature of the 1966-1998 interval to date. In that case, the society’s intolerance toward the financier interests’s impulse for radical austerity measures, results in the partial collapse of the financier bubble, wiping out a sufficient amount of speculative financial capital, to permit a resumption of investment in real economic growth. Hence, the political and related cultural determination of the cyclical nature of modern industrial economy since

European history’s early Sixteenth century.

Turn to Figure 4. In this case, too, the three curves are functionally interconnected, but the conditions of interconnection differ crucially from those in either of the preceding types of cases. If a national economy is organized as Alexander Hamilton and the Friedrich List Society’s Dr. Wilhelm Lautenbach presented the case, there is no inherent reason for either a cyclical or systemic crisis at any time in that economy’s future. Policies of using credit to foster full employment in increasing the society’s per-capita productive powers of labor, through the combination of investment in development of necessary basic economic infrastructure and scientific and technological advances in agriculture, mining, and manufacturing, have the deflationary effect of lowering the percentile of total output required to satisfy the increasing physical-economic needs of households and the rising capital-intensity and energy-density of production and distribution generally. Thus, not only do most products become cheaper, in monetary terms, despite improvements in quality, but the cost of living is reduced, as a percentile of output, under conditions that the physical standard of living of households rises. The tendency is, that the economies which have the highest standard of living for their labor-force, have the highest rates of profitability, and the societies with the “cheapest labor” represent, therefore, the relatively poorest opportunities for investment.

74. Nancy Spannaus et al., op. cit.
75. Michael Liebig, op. cit.
Under those conditions, the relative quantity of physical-economy aggregate, increases more rapidly than the monetary aggregate associated with it, but the defensible financial aggregate grows, reflecting the relatively superior performance, per capita, of the economy which has made more effective use of investment in scientific and technological progress.

Thus, the greatest periods of improvement in the living standard and culture of the U.S.A., have been those in which we least resembled the policies of Britain, and our rates of decline in living conditions and culture, are associated with periods in which British thinking gained relatively more sympathy among the policy-shaping circles of our government and private entrepreneurship.

There were two relevant qualities of those Baby Boomers on university campuses during the 1964-1972 interval. One was a product of middle-class suburbia: “avoid forms of employment in which you get your hands dirty; don’t let the smelly blue-collar people succeed in dragging you down to their level.” The other was a by-product of the nuclear terror which permeated their childhood and youth, especially after the 1962 missile-crisis; this might be labelled “the mad scientist syndrome”: “science and technology are usually bad for you.” Not by means of any mere coincidence, these induced prejudices were a parody of H.G. Wells’ science-fictional wars against “the Morlocks.” 1964 saw the publication of a manifesto known as “The Triple Revolution,” which sought to bring these two irrational prejudices together, as axioms of a new utopian fantasy, a form of “post-industrial” utopia most commonly listed today under the rubric of “information society.” Since “information” does not really have physical existence (except in the realm of make-believe called “virtual reality”), use of it will never soil one’s hands. Thus, the cornerstone for the Baby Boomer fantasy-world of make-believe was lain.

---

76. The three campuses with which the writer is most familiar from the 1964-1972 interval, are Columbia University, the University of Pennsylvania, and Swarthmore College.

77. Readers should not quibble. “Information,” as defined by Norbert Wiener et al., exists only as a measure of the statistical distribution of events within the medium used as a signal-channel. There is no doubt of the existence of the individual bits on which the statistical assessment is premised; but, in “information theory,” it is that latter mere abstraction, not the physical bits considered, which is identified as the efficient agent. Thus, mere abstractions, such as a statistical distribution, must not be mistaken for ideas. Ideas, which represent principles of either physical space-time, or of the cognitive processes by means of which validatable physical principles are adduced, have in themselves the quality of altering the curvature of the domain of action to which they are applied. Thus, ideas are efficient, whereas algebraic abstractions are merely shadows. An idea can change history. Shaking hands with a shadow, all day long, will never win one a friend—at least, not a sane one.
This animus against reality had a third element: the variety of cultural pessimism often traced, to French degenerates such as Jean-Paul Sartre, Louis Althusser, Michel Foucault, and Jacques Derrida, through Friedrich Nietzsche and Nazi philosopher Martin Heidegger, from Arthur Schopenhauer. Hermann Hesse’s Steppenwolf is also a relevant point of reference for Baby Boomers deranged by their own irrational rages. These fascist philosophical currents from the Adolf Hitler period, and its immediate aftermath, are, indicatively, relatively hegemonic, “politically correct” items, in relevant university departments today. The nub of the matter is best identified by Nazi Heidegger’s notion of “thrownness,” something like the feral dogma of irrationalist Ayn Rand, and actually a throw-back to the variety of “Clockwork Orange”-style anarchism typical of the political and musical impulses shared by the partnership of Richard Wagner and N. Bakunin. For the latter type, society is the enemy per se. The latter is the same nihilist impulse expressed by Congressman Newt Gingrich’s collection of hyperventilating specimens, trooping, glassy-eyed, down the street, in January 1995, from the brainwashing sessions at the Heritage Foundation, toward their seats in the Congress. Reality, anyone? From the existentialists of the 1964-1972 Baby Boomer ranks, the reply came: “Don’t go there.”

Thus, we have four axiomatic presumptions:

1. **Industry and blue-collar workers are Morlocks.**

2. **Science and Technology are against nature.** Science, by definition, seeks universal truths. Therefore, science is intrinsically authoritarian; science, like all forms of reason, is, therefore, “fascist,” and, perhaps worse, masculine.

3. **We must replace factories and science with “information.”**

4. **Society itself is the enemy of the moral and cultural relativism which we adore as the “politically correct” quality of pluralism. There is no truth; feeling good or bad about things, is everything.**

The array of assumptions featuring these four reactionary mantras, become, year by year, since 1964, the Procrustean bed on which existing and proposed policies, alike, are chopped or tortured into conformity with so-called “political correctness.” From this vantage-point, society is no longer society, but, rather a collection of a special notion of “interest groups,” a Rainbow coalition of groups and groupuscules, a political-social slime-mold, cultural-warlord parodies of primitive tribes. Each particle has its own peculiar array of emotional prejudices, which it demands be respected as “givens,” on no more authority than that these happen to be the momentary prejudices of a particular pseudo-tribe. Politics becomes, more and more, a combination of, on the one side, steering a pathway of minimal conflict among the mutually irreconcilable beliefs of the sundry components of this social slime-mold. On the other side, the challenge is, to fool the fools, and, thus, to manipulate them.

As we have, once again, identified the case, earlier in this report, the method for showing the connection between such mantras and the physical effects produced by the mantras’ impact on policy-shaping, is to treat each of the mantras as a postulate of the hypothesis which regulates the relevant topical area of policy-shaping. Thus, these mantras, as added postulates, become a condition which must be satisfied by each and every policy of the policy-theorem-set generated. No generated policy is allowed to violate (contradict) the implications of any among such mantra-postulates.

Thus, such mantras transform what had been a viable policy-shaping structure, into a dynamo of economic-cultural catastrophe. To wit, the present, global, systemic crisis now deeply enmired in its own terminal phase. The point is, that the indicated mantras, and others like them, are intrinsically, axiomatically entropic influences. A culture which can not rid itself of such mantras, is a culture which has lost the moral fitness to survive.

If, Then, the Revolution Comes

Plato, like the Apostle Paul, placed the quality of agapē in the highest rank. For the Socrates of Plato’s dialogues, agapē is expressed as the alternative to erotic passion, as the quality of passion associated with love for realization of justice. On this account, it also, by necessary implication, the passion to discover and defend truth, and the passion for beauty, as Classical art typifies artistic beauty. For the Christian, the notions of truth, justice, and beauty, are premised upon the recognition of the nature of the human individual, each, by virtue of the potential of cognition, made, man and woman, in the image of the Creator. Upon the passion of agapē, so rooted in one’s love for the nature of oneself and one’s neighbors, the measure of all other values is premised.

Unfortunately, the actually living persons who are ruled by this passion called agapē, are ordinarily a terribly tiny ration of the population of any nation, up to this
time. Thus, for most of the time, the development of the truthful ideas, through which justice is once more secured, is the special province of a relatively tiny number of individuals within any portion of the population. As the poet Percy Bysshe Shelley sought to convey the notion, in his essay “In Defence of Poetry,” respecting the poets and philosophers of a great people, he points out, that, only in exceptional times, the rare times of a quickening of the capacity for profound and impassioned conceptions respecting man and nature, does a large ration of the population rally around its poets and philosophers, to do a great good for justice. Most of the time, the torches of truth and justice are borne by a fragile few.

Most of the time, most of the people, live in fearful awe of that which they take to be enshrouded authority. If they fear the wrath of that perceived authority, the people will not speak publicly, or, perhaps even dare to think the thought which might offend enshrouded authority. Mostly, people cautiously profess to believe what they consider it opportune to be overheard professing, and to do what they think they must, to propitiate established authority. Thus, the overwhelming majority, live, are sheared, and die, as a kind of political sheep.

There are exceptions to this general tendency. Happy exceptions, and terrible ones. We limit ourselves here to the happier sort of exception.

How long will a people tolerate a perceived, prolonged, unbearable injustice? How long will they accept the official lies which serve as the mirror of popular opinion in which injustice admires itself? Approximately this past November, we saw a sudden change, modest in scale and intensity, but not less definite, for all that. Since then, this impulse has continued, even in western Europe and the United States, even after the credulous deluded themselves, that rising New York Stock Exchange prices signalled the crisis to have ended. Those who were deluded, were fewer after mid-January, than before mid-October. There is a new quality of ferment afoot, in the U.S.A., as in numerous other parts of the world.

Nothing encourages a down-trodden, frightened people more, than signs that the oppressing monster’s feet (or, perhaps, head) of clay, are beginning to crumble. What the crisis of mid-October 1997 through mid-January 1998 signalled, was the fact that the present world financial system has, as a canny Scot might say, a fey look about it. As no man has more numerous perceived faults than a fallen tyrant, so a long-oppressed people find it easier to perceive the warts on the nose of a ruler who has become unsteady on his throne, than a power taken at its prime. To the degree that ordinary people find it easier to associate truthfulness with the perceived position of authority of a speaker, than with any other grounds, so, the signs of weakening of entrenched authority’s grip on power, open the popular mind to truths it prudently refused to consider at an earlier time.

In short, the ruling financial-monetary system of this planet exposed itself as a wavering, failed system, on the edge of toppling. Those governments, and other powerful institutions which had cast their lot with the wavering system, were also eyed with a thought to early retirement of those authorities, too. In short, suddenly, minds began to open to possibilities not so readily considered up to that point.

Old grudges against cruel policies, suddenly came to life. Proposed new policies, which had been received earlier with the rebuke to militant silence, began to be discussed. In the pores of society, at seemingly all discernible levels of social status, an increasing tendency to organize around discussion of ideas, was to be seen.

To summarize the point: The generation of former university students, which had marched through the institutions, to occupy most among today’s high-ranking positions of power in society, is no longer the virtually unchallenged pace-setter in national and global policies. The cults of “political correctness,” the world of make-believe into which the frightened ’Sixty-Eighters had fled, are no longer the unchallenged wave of the future they might have appeared to be as recently as a few months ago. The essential quality of the new cultural paradigm-shift, which emerged with the crisis events of this past year-end, is a sense that the New Age has shown itself to be a deadly fantasy, a yearning to abandon that failed fantasy, for a new cultural paradigm, fairly to be described as a flight back to physical-economic and correlated reality.

At this moment, the full import of the crisis has yet to be impressed upon the currently dominant strata of the world’s financial moguls. For the moment, these creatures are behaving like a Jacobin mob, demanding that governments bail them out of their bankruptcy, “or else.” That phase will pass. The coming new rounds of global crisis will topple a good chunk of those enraged moguls, and humble a sizable number among those who survive long enough to slide into bankruptcy in the ensuing next round. The word which fits all sizes, now, is “change.” Whatever it is today, it will be somewhat different very soon. Meanwhile, the new cultural paradigm-shift, the back-to-reality paradigm-shift, is the changed political opportunity to which wise statesmen will hitch the destiny of their nations.