

REVIEWS

The Public Wishes To Be Lied To

The beauty of this polemical political study is, as the poet said, its great truth. In the ill-fated 2000 U.S. Presidential election, candidate LaRouche alone stood out honorably, by insisting that the glorious “New Economy” was not booming, but doomed to bust, and that, immediately. His associates published a Special Report that April, *The New Economy Is Doomed*. That truth-telling by candidate LaRouche, frozen out of the debates and called outlandish even by those who for every good reason should have supported him, was proven for all to see even while the Supreme Court was still in the act of appointing George W. Bush President. This new campaign report proves truthfully—again, many will say outlandishly—that the United States economy is now in depression, and that the worst enemy of any real recovery, is the desire of the American public to be lied to about it for a while longer.

In this sense, *Economics: The End of a Delusion*, which consists of a number of economic studies and Appendices on policy, tackles the same problem Franklin Delano Roosevelt—one of its major subjects—took on in his 1932 Presidential campaign. We quote LaRouche: “Herbert Hoover was ruined, not by the Depression . . . The Depression and stock market crash of ’29 hit shortly after he became President. It was Coolidge and Andrew Mellon, who actually, objectively, took the blame for the Depression itself. What ruined Hoover, was the fact that he pretended there was going to be a recovery, when

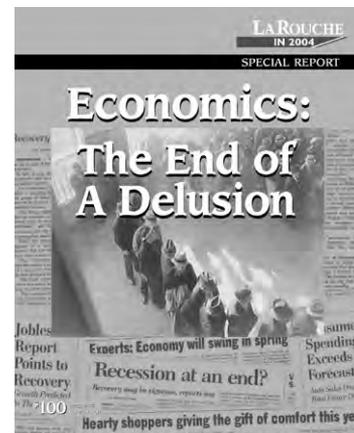
none was possible. It was the fact that he *lied* to the people, in effect, by promising a recovery.” It was those lies, including massively doctored government economic statistics even in that day, which Roosevelt had to destroy, in order to achieve a two-fold objective: to win the Presidency, and to prepare the American people for the Depression-recovery program he would implement. His appeal to the “forgotten man” was typical of the means he used to puncture the surface illusion—even three full years after 1929’s “Black Monday”—that the public expected “recovery just around the corner.”

Depression, and Breakdown

To break through such “habituated folly” of national thinking and practice—accompanied by shameless statistical and econometric frauds and shams now again becoming notorious, which made the 1990’s a “boom” and Spring 2002 a “recovery”—is the purpose of this report. It follows up the spectacular LaRouche-commissioned special study of two months earlier, *Zbigniew Brzezinski and September 11th*—still being widely discussed and circulated in print and electronic form all over the world—which named the names and actions of those most responsible for that habituated folly over the past 50 years.

Lyndon LaRouche, in the report’s title feature, introduces a crucial comparison of the qualitative differences between the Great Depression of the 1930’s, and the current economic prostration. He shows with great force that we face not only an economic depression, but worse, a general breakdown crisis of the underlying physical economy.

From October 1929 onward, the preceding decade’s wild debt speculation crashed the financial system down on top of an advanced and sturdy underlying economy—one which had grown beyond measure from the Civil War to 1900, and then gone through an in-depth industrial mobilization for World



**Economics:
The End of a Delusion**
Washington, D.C., LaRouche in
2004, April 2002
136 pages, paperback

War I. But today’s depression collapse is striking physical economies all over the world, most particularly that of the United States, which are already rotted out by 35 years of “post-industrial” take-down. Not only has industry rusted away and agriculture shrunk, but “a set of utopian illusions . . . have become the axiomatic, even hysterical standard for setting economic and related policy.”

“As Shakespeare wrote,” LaRouche says, “the fault is not in our stars, but in ourselves. The fault lies in the wrong-headed, chiefly post-1964 choice of the policies which have become . . . the prevalent, accepted habits of belief and practice.”

The ‘Triple Curve’

Backing up the candidate’s presentation is a new and unusual study of measures of the United States economy since 1996, the year following LaRouche’s first publication of his Triple Curve “Collapse Function” for the economy. That Triple Curve, developed by LaRouche as a heuristic, shows monetary- and financial-aggregate measures of a national economy—for simplicity’s sake, broad money supply, and all public and private debt—rising in accelerated fashion,

By error, publication information for the two LaRouche in 2004 special reports reviewed in our last issue listed prices for these items. Materials issued by the campaign committee are not for sale, although contributions to the campaign are welcome.

while measures of the real economy supporting that debt and money issuance, decline slowly and then more sharply; the trajectory of an economic breakdown collapse. LaRouche emphasized that a collapse was at hand in such an economic geometry, when the monetary-supply curve started to grow so rapidly that it outstripped the growth of debt—to sustain which, the money supply was being increased! Weimar Germany’s hyperinflationary breakdown of 1923 was a previous such occurrence. In 1999’s early stages of the Presidential campaign, LaRouche emphasized that this point was being reached in the United States.

The econometric study, by **EIR** eco-

nomics analysts Marcia Merry Baker and John Hoefle, applied actual U.S. economic data from 1996-2001 to this heuristic, and found that LaRouche had been precisely right. This lies behind the Presidential candidate’s steely insistence, during the 1999-2000 campaign, that what was acclaimed by all others as the “New Economy boom” of the 1990’s—that “permanent prosperity”—would collapse during the year 2000.

Definitive Study of New Deal

Despite the qualitative difference of this economic breakdown, LaRouche assures that Franklin Delano Roosevelt’s “General Welfare” principles of a *regulated national economy*, will work again.

Thus, **EIR** economist Richard Freeman contributes to the report, an extraordinary 55-page review of “Why Roosevelt’s Explosive 1933-45 Recovery Worked.” Freeman’s study takes F.D.R. out of the false frame of “Keynesian economics,” and locates him firmly, through family, education, principles, and actions, in Alexander Hamilton’s American System of political economy—the principles Lyndon LaRouche represents today.

If Americans can overcome their desperate desire to be lied to about the economic collapse by political leaders and media in time, this report is ready to tell them what to do.

—Paul Gallagher

Defending Lincoln—And Discovering Him

Those who slander Abraham Lincoln these days—apologists for the old slaveholders and the new “shareholders”—have been patiently, thoroughly debunked and dismantled by William Lee Miller’s new book.

Miller explores Lincoln’s life and work prior to his Presidency, to demonstrate his consistent fight against racialism. With good dry humor and an unobtrusive informal style, Miller shows Lincoln’s very calculating steps to get the power he needed to advance society for all Americans.

Lincoln’s Virtues is a companion to Miller’s excellent *Arguing About Slavery: John Quincy Adams and the Great Battle in the United States Congress*. Here we see Lincoln exploding into action against the threat that slavery would spread and destroy the nation, rather than die as an institution confined to the Old South. Miller shows Lincoln’s constant focus on slavery’s moral wrong; and his many-years-long hunting, perhaps even political “stalking,” of Illinois Senator Stephen Douglas, whose Kansas-Nebraska Act opened the gates to the universal spread of slavery.

Douglas used race-baiting as his main debating weapon, while Lincoln educated audiences to see their own racist attitudes as a recent historical degradation of popular opinion. Lincoln

reminded them that only five years earlier, no one would have thought to say what Douglas and his ilk now preached—that only whites were meant by the “all men are created equal” of America’s Declaration of Independence.

Miller uses no rare texts, only sources available to all researchers. Thus, by contrast with his work, those who now call Lincoln a racist, or tear words out of context to claim he didn’t oppose slavery, are proven to be utterly disrespectful of truth.

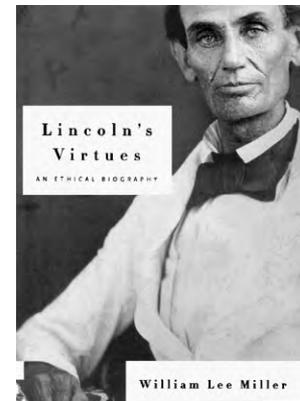
Lincoln’s True Identity

But, although he deeply admires Lincoln, in an important sense Miller does not understand Lincoln’s identity.

This flaw appears jarringly: Miller rebukes Lincoln for initiatives whose purpose and importance he simply does not recognize.

From 1858 into 1860, Lincoln gave different versions of an address on “Discoveries and Inventions.” Miller scorns that speech, calling it a failure, and boring.

It was Lincoln’s own favorite speech, on the score of repetition. He showed the essential difference between man and all other living creatures: that while beavers and ants work hard and effectively, their labor is always the same as that of their grandparents. But man, through creative problem-solving, dis-



**Lincoln’s Virtues,
An Ethical Biography**
by William Lee Miller
New York, Alfred A. Knopf, 2002
515 pages, hardcover, \$30.00

covers and invents the means to change and improve his own labor. Cognition, and resulting progress, mark mankind as a unique species.

Miller’s contempt for this speech is a serious blunder. It contains the core of Lincoln’s ideas on the race issue. In it, Lincoln shows scientifically man’s elevated and dignified species-nature, and thus the nature of all men, equally.

More deeply, this is Lincoln’s personal identification with a very specific turn of mind—the humanist republican, a Western tradition originating with Plato’s Athens.