

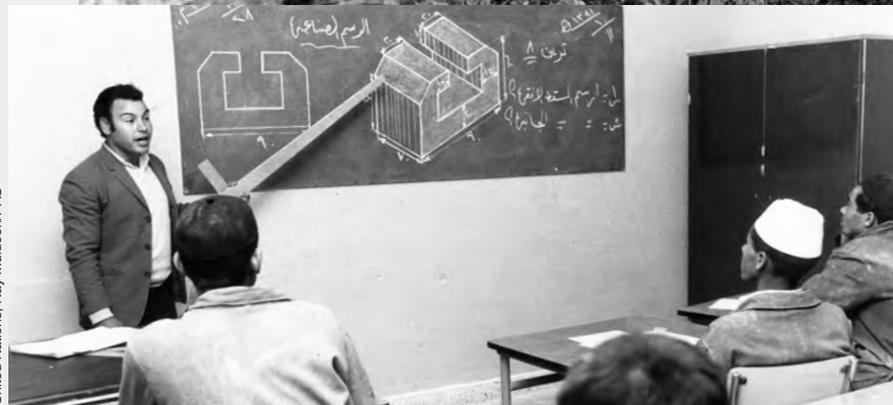
Basic economic infrastructure has the essential character of an intermediate product to be consumed in the economic process as a whole. It is in the final product of which infrastructural development is an essential intermediate component, that the means of payment to the benefit of the national economy is found. So, as in the case of an excellent education for unemployed graduates, it is the unrealized portion of the properly intended use of the infrastructure which determines the marginal rate of net outcome of the investment for the economy as a whole.

This means that the development of the productive potential of the population, and hence also its physical-economic standard of living, must be increased at rates which will enable that population to realize the benefits of capital and related improvements in basic economic infrastructure and capitalized modes of production of goods and services. Under the prevalent Anglo-Dutch, ‘cheap labor’ dogmas of monetary-financial systems, this needed coordination between capital formation and a population’s development breaks down.

Infrastructure projects: Top, southern Rhodesia (Zimbabwe), May 1960; Bottom, northern Nigeria, January 1967. Classrooms (left to right): Libya, December 1971; Kenya, 1972; Bombay, India, 1959.



United Nations.—pf



United Nations, Kay Muldoon/PAS



United Nations, YNI/AB



The Follies of the Economic Hitmen

Re-Animating the World's Economy

by Lyndon H. LaRouche, Jr.

November 24, 2004



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In John Perkins' otherwise notably useful *Confessions of an Economic Hit Man*,* there are four systemic errors concerning the principles of physical economy, and one, added point of curious unclarity, concerning his references, there and elsewhere, to the meaning of the events of Sept. 11, 2001.

Error Number One:

First, and foremost, he greatly exaggerates the place of the United States of America in the authorship of operations associated with what

he identifies as "The Economic Hitmen."

The precedent for, and actual root of the operation which he otherwise describes fairly, is typified by those operations run by that Venetian financier oligarchy's Florentine House of Bardi which led into the so-called New Dark Age of Europe's Fourteenth century. The notorious Bardi agents nicknamed "Biche" and "Mouche," were the leading Venetian "economic hitmen" of that century.

The organization behind the contemporary operations Perkins describes, is the

* John Perkins, *Confessions of an Economic Hit Man: How the U.S. Uses Globalization To Cheat Poor Countries Out of Trillions*. See review this issue, page 98.

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direct descendent of that same Venetian financier oligarchy, which operates today under its current guise as the Europe-based, international, Anglo-Dutch Liberal financier oligarchical system, of which today's United States, like today's second-generation economic hitman, Arnold Schwarzenegger controller George Shultz, is merely a leading subsidiary instrument.¹

The U.S.A. has certainly played the most conspicuous role in operations associated with what Perkins identified as the Economic Hitmen, but there is a grave error of assumption in arguing, or even implying that the motive for this role by the U.S. was authored from within the bounds of the U.S.A. itself. Unfortunately, only those who were adults during World War II are likely, without assistance, to recall the relevant ways in which the world has changed since author Perkins was born; it is typical of Perkins' generation to miss the crucial point here.

The U.S. which had been led in recovery by President Franklin Roosevelt, had emerged from the war as the world's only stable economic power, and as the head of the world system which emerged from the aftermath of that conflict. Therefore, if anyone wished to do something important against the world at large after 1945, that someone had to find a way of gaining controlling influence over the power embodied in the post-World War II U.S.A.

Over the interval since the death of Roosevelt, a series of breaking developments has taken down the U.S. policy-structures by which Roosevelt had led in saving the U.S.A., and Roosevelt's U.S.A. had saved the world. These changes in control over U.S. policy, came chiefly in discrete increments of destructive shifts in policies. This includes, notably, the processes unfolding following the terrifying events of 1962-63 and the 1964, fraudulent launching of the official U.S. war in Indo-China, and with the developments of 1971-81 under the leadership of National Security Advisors Henry A. Kissinger and Zbigniew Brzezinski. The George Shultz whom Perkins justly fingers as a very bad man of his story, was a key figure, if, like George's father, often somewhat behind the scenes, in the relevant dirty doings throughout that period and following.

Under the changes unleashed beginning the middle of the 1960's, the U.S. was put through a process of transformation from being the world's leading producer nation,

1. George Shultz's father, Birl Earl Shultz, was an integral part of the "Trust" arrangements of the 1920's, between Anglo-American oligarchical families and the Soviet intelligence services. From 1918 to 1923, B.E. Shultz was personnel director of American International Corp. at 120 Broadway in New York City, which places him at the very center of the Trust in the United States, immediately after the Bolshevik Revolution. Also at 120 Broadway were a complex of firms trading and investing in Russian raw materials, and the Federal Reserve Bank of New York.

toward a transformation into an internally despoiled "post-industrial utopia," sucking the blood of the world in a fashion recalling the reign of "bread and circuses" in a self-doomed ancient imperial Rome. Thus, the U.S. ceased, more and more, to act in expression of its own national interests, and acted increasingly, instead, as an expendable tool of a new role assigned to it, within a process of so-called "globalization" conducted by a utopian alliance among a concert of international financier-oligarchical forces.

These forces were, in the main, the same network of international financier-oligarchical entities, once known as the Synarchist International, which had created modern fascism in the image of Alessandro Cagliostro's and Count Joseph de Maistre's Napoleon Bonaparte,² and had swallowed up the nations of western and central continental Europe into the Nazi system over the interval from banker Volpi di Misurata's Mussolini coup of 1922, through the close of the war in Europe.

In the course of a show-trial-like, exemplary treatment of some Nazis, we of the allied powers never uprooted the higher level of that financier-oligarchical cabal which, itself, had been behind the creation and direction of 1922-1945 fascist power which Hitler came to direct in Europe, as in control over Mexico's Synarchists, and elsewhere. Under U.S. President Truman and later, we absorbed them, with much of their ill-gained financial holdings intact, into the post-war system. They are back, in force, today, with figures such as George Shultz and his Vice President Dick Cheney now performing relevant services to that same pack of financial rats.

It is that international financier oligarchical entity which has used the U.S. as the obvious keystone, and even often a virtual puppet, of a concert of international forces which have used, and still use the U.S.A. as a leading chess-piece on the global board of play. Thus, the U.S. today is, itself, more often more played by a global financier oli-

2. Cagliostro and de Maistre were among the leading figures of a strange freemasonic cult, the Martinists, organized by London's Lord Shelburne around some of the networks of the notorious Voltaire. Cagliostro was notorious for his conspiratorial orchestration of the affairs of the Queen's Necklace, an artifice scandal, like those which the Mellon-Scaife circles attempted against President Bill Clinton, used to poison French opinion against Marie Antoinette, the Queen of France and sister of the Austrian Emperor Joseph II. Napoleon, originally a protégé of the brothers Robespierre, and later of the notorious Barras who gave him Josephine, was won into playing a new role, modelled on the Spanish Grand Inquisitor Tomás de Torquemada, by the architect of Napoleon's new roles as First Consul and Emperor. This model, that of the Torquemada admired by de Maistre, was the model for Hitler; it was from Torquemada that Hitler adopted his mass murder of Jews. The project for a "universal SS state" developed under Hitler, is a model of reference for the present doctrine of "globalization."

garchy from above, than the player. To maintain that arrangement between chessboard and player, it is convenient to accuse the Queen, who is being used on the board, of being the one to be considered as the actual player.

Today's popularized name for this process of destruction, and absorption of the U.S.A. and other nations, is "globalization," otherwise known by such names as the European "stability pact," a murderous pact ruinously inserted into the Maastricht agreements. On this world chessboard of today, there are enumerably numerous players, including even heads of governments, who, in reality, show little more actual free will than the mere chess pieces which are being played from behind the table-top.³

Error Number Two:

Perkins' second systemic error is that, although he does point out, that the leading roles of swindles of victim nations run through Robert McNamara's World Bank and the International Monetary Fund, were based on what was, in fact, a classical Venetian oligarchical usurers' loading victim-nations with the poison pill of a pre-calculated, crippling overload of project-debt, Perkins does not grasp the crucial point about the systemic quality of the role of George Shultz *et al.* in the 1971-1972 destruction of the Bretton Woods fixed-exchange-rate, regulated monetary-financial system. Without that change in the world monetary-financial system, the specific cases referenced by Perkins' book could not have been engineered as was done.

It was international player George Shultz who played a key role in duping President Richard Nixon's Administration into the August 1971 collapse of the U.S. post-war monetary system. It was the same Shultz who led the 1972 operation at the Azores conference, which sank the Bretton Woods system. This was the same Shultz who was a crucial factor of ruin leading into October 1987, operating within the Reagan Administration, and who orchestrated the crafting of the first administration of George W. Bush, Jr. It was he who placed sociopath Dick Cheney of Halliburton notoriety into the position to serve

3. In a commonplace Romanticist's misunderstanding of the principles of Classical drama, the issue of tragedy is the failure of leaders, such as heads of government. In actual Classical drama, the tragedy lies not with the leaders, but with the culture as a whole, as in the case of the 1618-1648 Thirty Years' War. In a real tragedy, the leader's failure is to act in consistency with the self-doomed culture, as in the case of Schiller's treatment of Spain's Philip II or Wallenstein. The leader who sticks to operating within the established rules of the game under conditions of a systemic crisis, is, by virtue of that behavior, a mere puppet of the situation, like Shakespeare's Hamlet, however wild his flailings otherwise. In such a crisis, only the exceptional leader who overturns the chessboard is of any notable value to society.

both as Vice President and co-controller of the President, with Karl Rove and Condoleezza Rice, through the Shultz who had designated Condoleezza Rice as the daily "vulcanizer" of that ostentatiously half-witted, rug-chewing, puppet President.

Error Number Three:

Third, Perkins makes a dangerous error in assuming that it was the adoption of large projects by targetted nations, which was the root-cause of those nations' ruin by Shultz's circles. On this point the following point is to be emphasized, as a matter of clarification.

Perkins is correct to emphasize that the wildly exaggerated rates of return built in, as lure, into the hitmen's forecasts for the projects, were, indeed, an obvious part of the Enron-like bait-and-switch marketing tactics used in deploying relevant I.M.F. and World Bank projects for takeover and looting of client nations.

However, it was not the large infrastructure investments which caused the problem, but, rather, as I shall elaborate that crucial point here below, a lack of broad-based development of the section of the national economy into which the infrastructure projects were inserted. Perkins, like virtually every practicing economist under sixty-three years of age today, has no conception of the rudiments of those historically vindicated principles of economic development, which were the secret of the U.S. rise to great power under Henry C. Carey's President Abraham Lincoln and later, principles laid out by the first U.S. Treasury Secretary Alexander Hamilton's 1791 Report to the U.S. Congress *On the Subject of Manufactures*.

Error Number Four:

Fourth, is Perkins' failure to grasp the deadly error of "green" assumption in his own currently advocated types of economic programs for targetted nations. He does not recognize that it was what was not done, which was the chief cause of the miserable failure of many of the high-ticket engineering projects in which he was involved. These mistakes are consistent with those recurring errors of assumption, in his book's anti-technology reaction against his own earlier economic-hitman role under Chas T. Main.

And 9/11:

Finally, on this list, Perkins has not only stated that the decision to cease postponing the writing of his long-intended book, was prompted by the wish to act against those forces responsible for the horrifying events of Sept. 11, 2001. He has repeated his identification of that as the motive for his book in at least two radio interviews which I have audited. To my knowledge, he has failed, so far, to

explain that in terms which make clear exactly what he means by that reference.

Admittedly, his statement, by itself, might appear to correspond to my own earlier estimate of the kind of terrorist action against which I had first warned publicly in January 2001, but he has not given any apparent indication of evidence to that effect. In spite of the fallacy of composition featured in the floundering, so far, by the 9/11 Commission's published reporting, the action on that date in question could only have occurred for the same reasons I had specified in my warning in January 2001. In that publicized January address, I had warned that we must expect an early event comparable to Hermann Goering's organizing the Reichstag Fire as a means for giving to Hitler the dictatorial "emergency" powers of the type prescribed by Professor Leo Strauss's infamous one-time sponsor Carl Schmitt, and emulated by John Ashcroft, Dick Cheney *et al.* in the hours following the 9/11 horror. In that sense, there has been a persisting clear connection between the Goering Reichstag Fire precedent and the way in which the horror of 9/11 was used to introduce already prepared measures of dictatorship into the U.S. system during the hours immediately following the attack itself.

Thus, Perkins' making the link to 9/11 and the matter of the economic hitmen, does suggest something broadly analogous to the actions taken by Goering in the aftermath of the founding of the Bank for International Settlements (B.I.S.), and preceding B.I.S.-linked Hjalmar Schacht's appointment as overlord of Nazi Germany's build-up for war; but, Perkins does not appear to confirm an intention to have made such a connection in his own thinking on the matter.

The "Politics of Fear" used by the Hitler regime, from the time of Reichstag Fire, reigns on, once more, still today, in the wake of 9/11, not only under puppet President George W. Bush, Jr., but in the Great Britain of Cheney's partners in the government of Prime Minister Tony Blair. It did not stop with the Nov. 2, 2004 U.S. election; it has been escalated now, again, since the date of that election.

Given those sundry relevant considerations, I have hastened to give John Perkins credit for his contribution to a presently urgent effort to warn the U.S.A. itself from the ruin into which our republic is being plunged by the catalog of infamy written by Leporellos such as George Shultz. Having awarded Perkins the credit he now deserves, I must consign the crafting of both a deeper analysis of the matter, and specification of the needed remedies, to other hands, notably including my own.

Those five points now listed taken into account to that degree, I shall now proceed by confining our attention,

essentially, to the technical aspects of Perkins' errors numbered three and four, and then conclude with an important matching reference to the matter of freeing our republic from the continued, Dracula-like grip of "The Politics of Fear."

1. Infrastructure and Productivity

Take the exemplary case of the Rural Electrification program of the President Franklin Roosevelt Administration. The success of this program, like the comparable Tennessee Valley project, lay not in the investment in that infrastructure itself, but in the apparently catalytic effect of that development on the resulting net increase of the productive powers of labor in the affected areas. Reciprocally, the effectiveness of such investments in basic economic infrastructure increase the productive powers of labor *per capita*, and *per square kilometer*, in proportion to the correlated improvement of the quality of mental development and conditions of life of the population in general. It is the failure to deliver such catalytic benefits to the increased net productivity of the labor-force in the population of the affected region as a whole, which is the mark of an engineering project which failed economically, not by fault of its design, but the lack of relevant, coordinated development to raise the net quality of life and productivity in the affected area.

Basic economic infrastructure has the essential character of an intermediate product to be consumed in the economic process as a whole. It is in the final product of which infrastructural development is an essential intermediate component, that the means of payment to the benefit of the national economy is found. So, as in the case of an excellent education for unemployed graduates, it is the unrealized portion of the properly intended use of the infrastructure which determines the marginal rate of net outcome of the investment for the economy as a whole.

This means, for example, that the development of the productive potential of the population, and hence also its physical-economic standard of living, must be increased at rates which will enable that population to realize the benefits of capital and related improvements in basic economic infrastructure and capitalized modes of production of goods and services. Failure to do this, will turn an otherwise good project into the equivalent, for that nation, of a burdensome "white elephant." The improvement of the tool is delimited by the development of the

The success of the Rural Electrification program of the President Franklin Roosevelt Administration, like the comparable Tennessee Valley Authority project, lay not in the investment in that infrastructure itself, but in the apparently catalytic effect of that development on the resulting net increase of the productive powers of labor in the affected areas, per capita and per square kilometer.

President Franklin D. Roosevelt signs the bill authorizing creation of the TVA, May 18, 1933.



TVA

whole population of the labor-force to the degree needed to realize the potential represented by capital improvements in infrastructure and modes of production.

Under the prevalent Anglo-Dutch, “cheap labor” dogmas of monetary-financial systems, this needed coordination between capital formation and population’s development breaks down. Only by ridding the world of that Anglo-Dutch Liberal system now operating, could the world be rescued from the presently onrushing general economic collapse of the existing monetary-financial system. However, simply eliminating a failed economic system does not cure the mess that system has now created. The appropriate alternatives must be defined. To clarify that point, let us now consider some crucially relevant science basics.

Economy as Noösphere

Today, the best way to understand these connections is by reference to the implications of Russian scientist Vladimir I. Vernadsky’s portrayal of what he named the Noösphere.⁴

4. Cf. Lyndon H. LaRouche, Jr., *The Economics of the Noösphere* (Washington, D.C.: EIR News Service, Inc., 2001).

The potential population-density of the human species is always bounded by a combination of three interconnected sets of conditions. The first of these sets of conditions, is represented by a vision of the Earth as if prior to any quantitatively significant presence of forms of living processes. The second experimental domain, which Vernadsky identified as the *Biosphere*, is represented by the necessary effects of those processes, such as the generation of fossils such as the atmosphere, oceans, and soils, which are indispensable and otherwise beneficial to the emergence of a growing human population, which come into existence, as processes, only through the action of living processes. The third, and highest, are those necessary effects, defined as the *Noösphere*, which are beneficial to mankind’s increase of potential relative population-density, which come into existence solely through the socialized creative-mental activity unique to the human individual member of our species.

In today’s world, as informed by this work of Vernadsky, civilized nations will think of the need to manage the balance of development among the abiotic, Biosphere, and Noösphere, to the increasing relative advantage of the Biosphere over the abiotic, and of the Noösphere over the Biosphere. We must now think of the abiotic, Biosphere, and Noösphere as physical capital, which we must build up, in the order of those relative priorities, to create

the expanded preconditions for not only growing populations, but a higher standard of living, of higher productivity *per capita* and *per square kilometer*, of general development, and longevity of those populations.

These forms of capital as identified by Vernadsky, are three distinct qualities of interacting (e.g., multiply-connected) sets of universal physical principles of a Riemannian universe, a universe which we must qualify ourselves, increasingly, to manage, as we were God's gardener.

The means by which we may be enabled to accomplish that mission, is through a better understanding and development of what the Classical scientific tradition of European civilization has defined as *powers*.

Like Kepler's discovery of universal gravitation, each of these principles, of any among the three types, corresponds to an efficiently existing, but sense-invisible object of the quality of a universal physical principle. These principles are located in a physically defined complex domain,⁵ in which the object, a sense-invisible principle in question, expresses itself as operating efficiently on the ordering of events in the sense-visible portion of the physical complex domain.⁶

Vernadsky's conception of the Noösphere so definable, is congruent with the earliest emergence of what became the achievements of European culture's physical scientific development. This is typified by the work, in establishing a pre-Aristotelean category of scientific rigor and progress associated with the legacy of such figures as Thales, the Pythagoreans, and Plato. This method is in opposition to those so-called reductionist practices associated typically with the likes of the Eleatics, Sophists, and modern empiricists and positivists. The modern viewpoint which corresponds to Vernadsky's discoveries, is that which Vernadsky rightly associated with the leading work of Bernhard Riemann.⁷

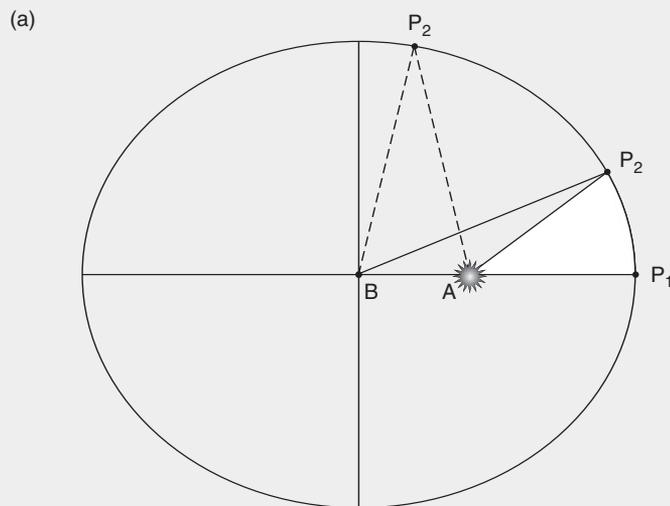
Among the ancient Pythagoreans, Plato, and so on,

5. As distinct from a merely mathematically formal domain.

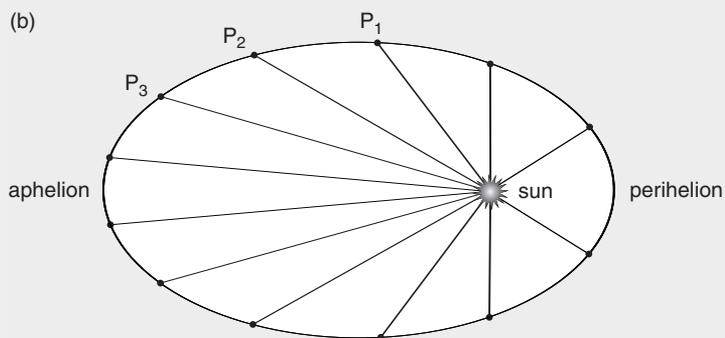
6. This is the physical (complex) domain as defined by the Leibniz-Bernouilli principle of universal physical least action (i.e., infinitesimal calculus), and as elaborated, most notably, by Gauss and Riemann successively. E.g., *Riemanns Werke* (New York: Dover Publications reprint edition, 1953), pps. 273-287, 88-142.

7. LaRouche, *op. cit.*

FIGURE 1. (a) Kepler's elliptical orbit hypothesis. Here, length P_2B is not constant, but constantly changing at a changing rate. What lawful process now underlies the generation of swept-out areas?



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



and with the modern science of such as Nicolaus of Cusa, Johannes Kepler, Fermat, Pascal, Christiaan Huygens, Leibniz, Gauss, Riemann, *et al.*, the characteristic feature of physical science is its founding on a notion which modern English translation of the relevant ancient Greek term designates as *powers*.

This notion of powers is typified by Kepler's uniquely original discovery of a principle of universal gravitation:

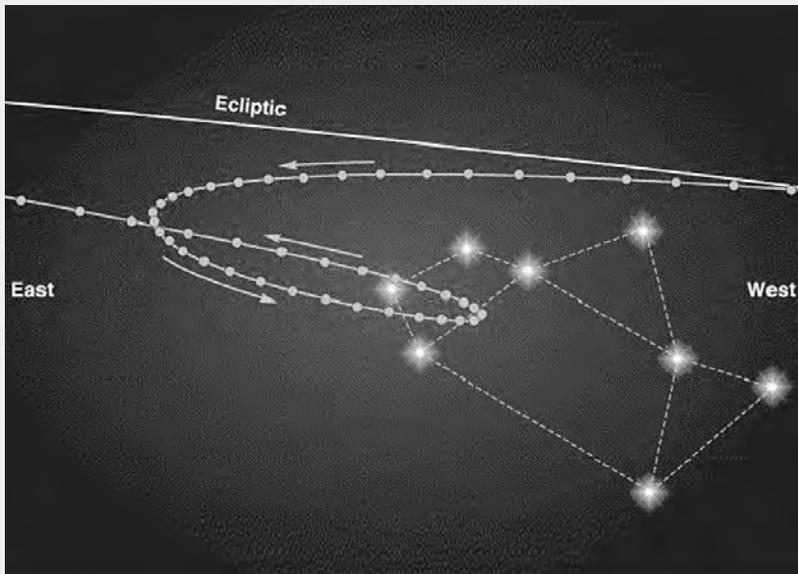


FIGURE 2. The “retrograde,” or looping, orbits of Mars and other planets, puzzled astronomers from the time of ancient Greece. It was finally solved by Johannes Kepler.

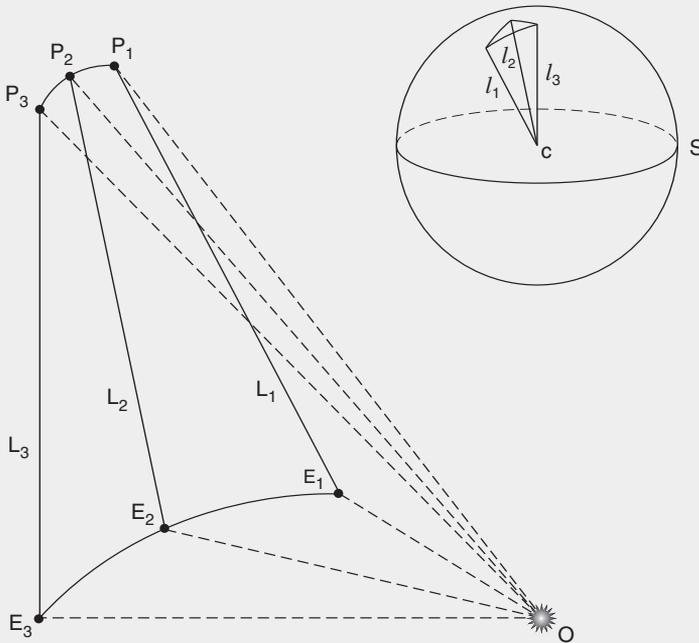


FIGURE 3. Gauss’s spherical mapping of the problem of finding the orbit of the new object (P, the asteroid Ceres) from several closely-spaced observations, and positions of the Earth (E) at those times on its orbit around the sun (O). Gauss transferred the directions of the lines L to an imaginary sphere S, and transferred all other directions in the problem to that reference sphere. For an animation of this problem, see www.larouchepac.com.

not as a percussive, or “pulling” action impelling an object in Cartesian space, but as a continuing action of change through every minutest, infinitesimal interval conceivable [SEE Figures 1(a) and (b)]. Gauss’s proof of Kepler’s principle, in Gauss’s own discovery of the orbit of the asteroid Ceres, is typical. The apparent “back-looping” of Mars in its own orbit, is an illustration of the infinitesimally, physical-geometrically “non-linear” continuing action which generates such stunning anomalies in the apparent transit of Mars as viewed from Earth [SEE Figure 2]. A comparable anomaly in the comparison of the orbit of Ceres to that of Earth, expresses the same Gauss-Riemann derivation from the pioneering discoveries of Kepler [SEE Figure 3].

These kinds of conceptions of *powers*, to which the notion of efficiently universal physical principles is properly restricted, are the most crucially determining feature of real-life physical-economic processes. They are typified by a modern mathematical physical-geometrical view of Archytas’s solution for a continuous process of exact doubling of a cube by geometrical construction, as expressed in modern mathematics by Gauss’s 1799 correction of the misconception of “the imaginary” by D’Alembert, Euler, Lagrange, *et al.* Their occurrence corresponds mathematically to *systemic discontinuities* in the formal-mathematical domain; their existence and role may be expressed pedagogically in the form of corresponding animations whose characteristic feature, like the apparent back-looping event in the Earth-observed Mars orbit, expresses the action of a sense-invisible power which is the complex-domain identity of a universal physical principle. Experimentally validatable apparent mathematical anomalies of this type, are the crucial principles governing real-life physical-economic processes.

The referenced two cases from astrophysics, Kepler’s discovery and development of the principle of universal gravi-

tation, and the generalization of such a physical geometry by Gauss, beginning his discovery of the Keplerian orbit of Ceres,⁸ as this, and as Gauss's later work on the general principles of curvature, are to be read (inclusively) from the standpoint of the referenced Riemann works.

Animations of this class, are the central technical feature of the currently developing program of analysis and forecasting, by LaRouche PAC,* of pedagogical exposition on the current crisis of the U.S. economy. Although insight into the ostensibly more sophisticated references just given, is essential for the relevant scientific professionals, for the layman and the policy-shaper, the animated representation of singular qualities of long-wave statistical patterns among physical factors of medium-to-long-term capital cycles, is sufficient for conveying the notions involved in specific cases. For the layman, the effect of such animations of critical relations among physical-capital cycles, is the quality of ready comprehension of a principle of action otherwise conveyed by means of judiciously employed lapsed-time photography.

By powers, we mean an experimentally discoverable universal physical principle, a principle of a class, such as universal gravitation, whose efficient ontological existence appears to lie, as to the reductionist variety of mathematical formalists, like cubic roots, within the "imaginary" factors of the complex domain.⁹ The ostensibly anomalously enhanced effect of the early-Twentieth-century introduction of individual electric motors to power individual factory machines, is an example of an apparent anomaly which the physical economist seeks out in the behavior of economies considered as physical processes.

Let us illustrate this here and now, by reference to what might appear, deceptively, to be a simple case.

The Education of Freed Slaves

Prior to the close of the U.S. Civil War, the leading edge of the U.S. abolitionists' approach to education of slaves of African descent, was typified best by such cases as Frederick Douglass: the freeing of the mind by advanced education, was considered, as by Douglass himself, as the necessary condition for the freeing of the slave from the behavioral habits expressed as the mental and spiritual shackles of induced conditioning to

conditions of slavery. At the close of the war, after abolition of slavery, many among the former liberal opponents of slavery revised their views on education of the masses of now freed slaves. The liberals' policy became, in effect: "Let us not excite the expectations of this mass of freed slaves, by educating them above their prospective station in life." Thus, "leave none behind," but move few forward.

This example has broad implications for the frequent failures of what have been proposed as economic-development programs around the post-1945 world at large. It illustrates the root of a systemic fallacy in the argument of John Perkins on economic development in nations which had been targeted by the economic hitmen.

This seeming anomaly has a long history. The introduction of African slavery into the Americas, first by the Iberian Peninsula's racists in the footsteps of Grand Inquisitor Tomás de Torquemada, as copied by the Iberian Peninsula's later creditors, the Dutch and British, was a qualitatively new phenomenon of modern history, but the roots of this modern practice are traced deep into all known and inferrable history of our species planet-wide.

The brutish dogmas of slavery and Mexican (for example) peonage developed under the influence of the faction of the Grand Inquisitor, were unique inventions of modern history, but the earlier roots of those notions and practices are deep. Indeed, in all known or reasonably inferrable cases, the history of mankind has been the role of the reigning minority in holding the majority in the bestial condition of herded or hunted human cattle. That tradition formed the heart of the doctrine of those, such as the Anglo-Dutch Liberal followers of John Locke, and the pro-bestial Physiocrats in the Physiocratic tradition of Quesnay and Turgot; but, the principle of slavery or the like, is traced to such ancient locations in European civilization as the cult of the Olympian Zeus, as the relevant issue was central to Aeschylus's *Prometheus* trilogy.

The Olympian argument of the evil Zeus against Prometheus, was that mankind must be prevented from gaining acquisition to knowledge of universal physical principles, and must be kept thus in a state where even the idea of being other than herded or hunted human cattle, must be banned from their knowledge.¹⁰ A similar effect, was introduced into modern times as the empiricist dogma of Paolo Sarpi, his household lackey Galileo, Francis Bacon, Thomas Hobbes, John Locke, François

* Lyndon LaRouche Political Action Committee, on the web at www.larouchepac.com.

8. *Theoria Motus Corporum Coelestium*, in *Gauss Werke*, Vol. VII (1906) (Hildesheim: Georg Olms Verlag, 1981).

9. C.F. Gauss, First Edition of "The Fundamental Theorem of Algebra," 1799, in *Gauss Werke, ibid.*, Vol. III, pp. 1-31.

10. As in the following reference to the time of England's pathetic Richard II: "When Adam delved and Eve span, who was then nobleman?"

We must think of the abiotic, Biosphere, and Noösphere as physical capital, which we must build up, to create the expanded preconditions for not only growing populations, but a higher standard of living, of higher productivity, of general development, and longevity of those populations. We must qualify ourselves, increasingly, to manage this Riemannian universe, as we were God's gardener.

Crop irrigation, Yuma, Arizona, 2002.



USDA/Jeff Vanuga

Quesnay, Bernard Mandeville, David Hume, Adam Smith, Jeremy Bentham, and the Eighteenth-century Enlightenment generally.

With the Fifteenth-century Renaissance's introduction of the modern sovereign form of nation-state republic, as in Louis XI's France and Henry VII's England, Europe's efforts to elevate the population as a whole toward actually thinking people, rather than herded human cattle, generated a powerful expansion of potential relative population-density, an expansion dependent upon the new flourishing of scientific, technological progress, and great eruptions in Classical artistic composition and performance. Amid the Venetian-orchestrated conflict among nations of the Sixteenth through Eighteenth Centuries, the strategic dependence on the economic and related advantages of scientific and technological progress could not be simply outlawed, except by stupid nations.

However, while allowing the progress in techniques which Aeschylus's Zeus forbade, the modern Venetian financier oligarchy and its Anglo-Dutch Liberal successors sought to maintain technology, while suppressing the spread of the methods of knowledge of the creative-scientific method which had been passed down from the Pythagoreans *et al.* through modern leaders such as Nicolaus of Cusa, Leonardo da Vinci, and Kepler. For the

Venetians led by Paolo Sarpi, the use of the neo-Aristotelianism of Henry VIII's Venetian marriage-counsellor Francesco Zorzi was not radical enough. Sarpi introduced the empiricism which has been the core of the mind-crushing Anglo-Dutch Liberal method of Adam Smith and Jeremy Bentham, to the present day.

It is that empiricism, and its positivist and existentialist outgrowths, which has been the root of the cultural suicide of European culture during, especially, the recent four decades.

The ultimately fatal systemic flaw in that Olympian view, as in today's collapsing world Liberal monetary-financial system, is that the elevation of the human species above that level of several millions living individuals suitable for higher apes, depends upon the efficient role of a quality of the human mind which does not exist in any lower species. This quality is typified by the discovery and use of what modern culture recognizes by the name of experimentally validated universal physical principles, principles by means of whose exercise the human species today is numbered in excess of six billions living individuals.

In the language of the science of physical economy, this factor is measured in terms of *potential relative population-density of living populations, per capita, and per square kilometer*. The driver of such progress is physical

scientific progress and a matching role of Classical modes of artistic composition and performance. It is the transformation of the abiotic and biotic conditions of the planet, by man's application of the discovery and perfected use of experimentally defined discoveries of universal physical principles, which has enabled our species to rise above the condition of the higher apes, to the Noösphere as it exists even today.

In physical economy, the fixing of the technology of practice to some existing level, defines the physical trend in the economy as entropic. Empires and the like forms of exploitation of foreigners, compensate, if only temporarily, for the decadence of the mother country by parasitism against the foreigner's physical wealth and human bodies. As the factor of entropy in the combined system of native and foreign operations closes in on the combined elements of that imperial or quasi-imperial system, as upon the U.S.A. and increasingly "outsourced" Europe today, the logic of the decline and fall of the Roman Empire in the West, and then in the East, is expressed as the doom of the system, as the U.S. is threatened by destruction by its own hand today.

Without scientific and technological, and related cultural progress in increase of the potential relative population-density of society, *per capita*, and *per square kilometer*, the nation, the culture, which engages in such a virtual zero-technological-growth practice is doomed by its own hand.

Outsourcing, by now-decadent nations which had been formerly the world's exporters of scientific and technological progress, to markets where labor is at its relatively cheapest, spells the impending doom of both sets of partners to that system, as today. The combined effect of that combination, spells global entropy for all involved. So, the recent forty years of drift of Europe and the Americas into the quicksands of a predatory form of "post-industrial" utopianism, has brought us to the point of immediately threatened, entropic collapse of global civilization as a whole.

Today, especially since 1982, the U.S.A. economy has survived, in large part, by sucking the juices from the bodies of Central and South America, as from others. In this process, as in the notable examples of Mexico and Argentina, the profits enjoyed by the Liberal predators have destroyed the net levels of technology and productive powers of labor of the populations of those victimations. The general effect of "globalized" outsourcing is the same generally.

This process of self-inflicted doom of the U.S.A., among others, has been associated with approximately four decades of down-shift of the economy and culture of the people of the U.S.A., from the world's leading pro-

ducer society and leader in applied scientific and technological progress, into a parasitical wreckage of moral and physical-economic decadence today. Under Bush-Cheney we have become, during the past four years, a clearly self-doomed nation of cannibals, creating an intended, fascist Anglo-Dutch Liberal empire, to consume and destroy all nations, including our own.

The clinical marker of this process is the frenetic emphasis on ever-cheaper labor. Kill grandmother to cut health care and pension costs. Drive U.S. labor down into conditions of life which "compete" with virtual slave labor in countries whose exports are the cheapest. The present Bush-Cheney government of the U.S.A. is, in particular, collectively clinically insane, and is now lurching for its great, climactic swan dive, at the brink of a horrid collapse into the pit of Hell it has marked out for both itself and the poor self-doomed fools who voted for its continuation.

What John Perkins saw abroad in his experience as an economic hitman, and otherwise, was his own participation in this degenerative process of self-destruction of both the targetted foreign empire his masters aimed to loot into a Dark Age condition, and of his own U.S.A. itself. The active factor of this process of our nation's self-destruction has been the radical form of empiricist dogma which has worked to uproot all traces of the actual creative processes of scientific and Classical cultural faculties on which man's increasing mastery of our place in the universe depends. We have, thus, become, the willing victims of that satanic tyrant Aeschylus's Olympian Zeus. Call this descent into the Hell of Aldous Huxley's *Brave New World*, "environmentalism."

2.

Physical and Financial Capital Cycles

The hierarchy of real (physical) productivity, is, first, the development of the creative powers of the individual, as this is typified by the accumulation of masterful knowledge of what we translate from the ancient Greek of Pythagorean Sphaerics as *powers*. By powers we mean objects of the mind, not themselves directly visible to the senses, but which we have discovered and proven, by aid of relevant experimental methods to have been accessible powers in the universe, but powers we can not identify directly as objects of sense-perception.

These powers include the direct relationship of the knowing individual mind to the physical universe in which we live and act. They also include what are best

identified as Classical principles of artistic composition, powers of communication among persons, by means of which knowing persons are brought into effective cooperation to form, develop, and lead societies on missions which foster the advancement of the human condition.

To the same end, we must reshape the environment in which we live, as we must shape the environment of production in ways which augment the power represented by the action of the individual who knows powers.

To this end we must raise the level of development of the Biosphere, to improve the planet's ability to sustain life, especially human life, for the present and future advantage of society. We must promote a rich variety of strains of living species, to lessen our vulnerability to the failure of some species, or variety which may be directly or indirectly essential for promotion of human life. To similar effect, we must manage the abiotic processes of Earth and the nearby portions of the Solar System for our immediate and long-term security.

All of these and comparable investments, including the estimable twenty-five-year investment in transforming a new-born infant into a qualified professional, represent physical capital. There is the physical-capital investment in the development of the human individual. There is the physical-capital investment required to enable and increase the effective power of informed individual action for the common good. There is physical capital invested and maintained over the long term, to defend and improve the conditions of human life and work on this planet and beyond.

In modern economy, we depend on an increasing ratio, *per capita* and *per square kilometer*, of physical-capital investments of typical "lifetime cycles" of a quarter to a half-century or longer. The general trend must be an increase in the ratio of physical capital formation *per capita* and *per square kilometer*.

Since the included essential function of national economy, in particular, is to utilize the "free will" exercise of development and application of powers by the individual person, as a principal source of those improvements in net physical productivity (*per capita* and *per square kilometer*); and since a modern economy combines investment of about half its total capital in public investments, predominantly in basic economic infrastructure, by government, but promotes individual creative initiative of the types associated with science and Classical artistic principles, we require a carefully managed, government-managed money system. The result is a functional interconnection between physical and monetary-financial capitals.

Contrary to the usurer's dogma typified by the Anglo-Dutch Liberal financier oligarchical system, money is, at all times, an idiot. It has no conscience, no sense of which

direction it should go, and so on. Therefore, society must create rules, and provide methods of regulation which ensure that the flow of money neither overflows the banks of sanity, nor kills worthy enterprise through thirst.

To such ends, rational governments establish systems of regulation, chiefly under law, for domestic and foreign trade promoted according to a general set of notions of "fair trade," as these notions are adopted, and modified, from time to time. Laws against the practice of usury, the right to fair-trade protection for worthy enterprises, and so on, in addition to trade and tariff agreements among nations, are typical.

However, apart from general considerations of that sort, the fact of history is, that the present-day evil known as the Anglo-Dutch Liberal system of rampant financial usury is nothing other than a current expression of the greatest of the evils which have proliferated in and among civilizations during all recorded history, including, notably, the recurring catastrophes which usury promoted among the systems first founded in southern Mesopotamia by a Dravidian-language group's Sumerian-Akkadian civilization.

The related problem today, is that the processes of business practices and government are presently so much polluted by induced belief in lunatic forms of monetarist-financial dogmas, that scarcely a sane man can be found in the departments of economics and related teachings of business management and management of governments in the world today. The resulting state of popular and official mind creates the spectacle of a pandemic of mass insanity spread through the corridors of administrative and related power.

It is exactly that form of mass-insanity, spread among European powers, the U.S.A., and less powerful nations alike, which made possible the legalization of the type of moral criminality which John Perkins reports from his former practice. Monetary theory, including Keynes and the rest, should be banned from university campuses, accounting practice, and government for a period of quarantine of approximately one to two generations, until the current form of world-wide mass-insanity is brought down to substantially less than its current pandemic status.

We must use the respite provided by such quarantine measures to educate our governments and general population in the arts of sanity, which is to say, the principles of physical economy, and of the regulation and use of money in a society become aware of the place of human intellectual capital in the maintenance and prosperous improvement of the conditions of production and life of a sane form of society.

The LaRouche PAC's program of mass and other education in the use of animations to educate populations and their governments in the rudiments of a sane practice of physical economy, is intended to aid that mission of organizing a general recovery from the present, worldwide physical-economic collapse of the existing monetary-financial system.

3.

What Is U.S. Interest, Actually?

Damnable fools today would describe the alleged "interests" of the U.S.A. in terms of a Hobbesian world-order of each against all. How shall we fool our allies, and destroy those which have chosen to select to serve as targeted adversaries? What damned fools those people are—literally damned fools! Your problem is that these damned fools are not only determined to go to Hell; they are damned set on taking you with them.

What, then, is the interest of the U.S.A.? What are the principles which provide a safe exit from the nightmare which John Perkins has attempted to describe? For reasons to be made clear enough in these concluding remarks, I must speak autobiographically.

From all evidence currently in view, I am the only person presently qualified, intellectually and emotionally, to serve as commander-in-chief of our U.S.A. under the present conditions of global general breakdown-crisis of the world's present, floating-exchange-rate monetary-financial system. Lacking access to that formal constitutional position, my obligation is to provide that essential ingredient of my talent along alternate pathways presently probably available.

The conspicuous short-fall of otherwise talented leaders among us, is that we have become a nation which, for all its current rant about religion, has no actual conception of a real form of immortality. In this mass-entertainment-soaked, "Where's my money" citizenry of today, there are few Jeanne d'Arcs, Abraham Lincolns, or Rev. Martin Luther Kings among us, who are prepared to put all that which is mortal in them, as a talent on the altar of service to the foreseeable good of the future of mankind. As for religion, they are too busy trying to bargain with God, to tolerate discussion of the kinds of issues which Jesus Christ, for example, treated during his mission. Some typical cowards slyly snicker: "If Jesus were so smart, why did he die?" For the most part, "hypocrites" is too kind an epithet to describe their devotions. These spiritually bankrupt, money-mad evangelicals, or their

complement, the kill-crazy fanatics, and their like, had been given a talent, but they hoard it, and, if they are successful in that passion, their talent will be buried, mercifully, to rust and rot with their shameful ashes.

"What is my advantage?" "You have to learn to go along to get along!" Those are not the voices of leaders for a time of crisis; theirs are not the talent of commanders-in-chief.

For me, this republic of ours has a sacred mission. The fulfillment of that mission is our overriding self-interest as a people, it is the passion of a sacred national dedication which might make the humblest among us a virtual giant in the coming history of the world.

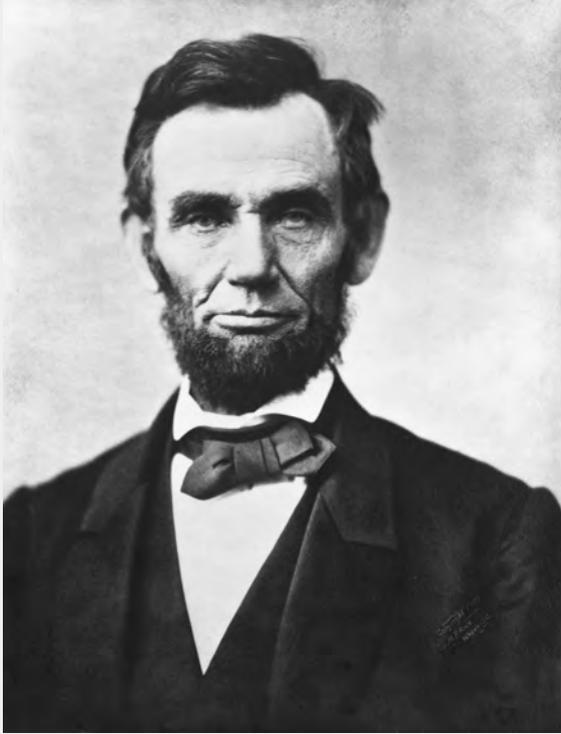
Since the beginnings of what became European civilization, in a Greece living in the shadow of the great pyramids of Egypt, we have been engaged in a great long struggle, to bring forth on this planet a republic of the virtue seen by the eyes of Solon of Athens as by Plato after him. It has been a mission conceived in the certainty that the individual human being, anywhere and everywhere, is set absolutely apart from and above the beasts, as made in the likeness of the Creator of this universe, and dedicated to service on behalf of the continuing unfolding of that endlessly continuing Creation.

Nearly six hundred years ago, European culture leapt upward in a great Renaissance, which brought forth, in Louis XI's France, and in Henry VII's England, the first true sovereign republic dedicated to that principle of the general welfare known to the ancient Greeks as the *agapē* of Plato's *Republic* and the Apostle Paul's celebrated 1 Corinthians 13.

However, from the beginning of the Sixteenth century until the 1648 Treaty of Westphalia, the wicked forces of the Venice-led financier oligarchy unleashed religious warfare in the effort to eradicate the great work of the Fifteenth-century Renaissance. After that Treaty of Westphalia, the struggle for a modern republic grounded in the benefits of scientific and technological progress radiated from Jean-Baptiste Colbert's France, but the follies of France' Louis XIV and the 1763 emergence of the empire of the British East India Company from the outcome of the Seven Years War, put the hope of civilized life in jeopardy.

In that setting, the greatest spirits of Europe were rallied to the cause of establishing model true republics in the Americas. Out of this, the U.S.A. of 1776-1789 emerged as the model constitutional republic whose design remains, today, the crucial world factor on which the hope of a peaceful world order among nation-states depends.

Our thus historically embedded mission is to bring forth on this planet a logical successor to the intention



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*President Abraham Lincoln,
photograph by Alexander
Gardiner, Nov. 8, 1863.*

already expressed by the 1648 Treaty of Westphalia, to establish a community of respectively perfectly sovereign nation-state republics as the natural planetary order now demanded by the perilous implications of tolerating a continuation of anything resembling a Hobbesian model of conflict-management among powers.

The most important strategic asset of our republic, is our constitutional tradition born of the developments of 1776-1789, as the resurgence of that tradition is typified by Presidents Abraham Lincoln and Franklin Roosevelt. We have an embedded moral authority which is lacking in those states of Europe which are yet to free themselves from the legacy of parliamentary systems under the overreach of Venetian-style financier-oligarchy-controlled, so-called “independent central banking systems.”

The crucial consideration here is that the great enemy of civilization today, is the influence of the Anglo-Dutch Liberal variant of that Venetian oligarchical tradition whose intrinsic capacity for evil is typified by the Fourteenth-century New Dark Age, and the religious wars and related conflict of the interval from approximately 1511-1648, in addition to the spawning of fascism on continental western and central Europe by the hegemonic financier oligarchical networks of the 1922-1945 interval. Any attempted rescue of civilization from the presently onrushing catastrophe will tend to lead, assuredly, to the

worst possible outcome, unless the power of that financier oligarchical interest is broken to harness by those principles of a sovereign true republic expressed in the crafting of the original U.S. Declaration of Independence and Federal Constitution with the latter’s crucial Preamble.

The clear precedent for this urgently needed reform today is the lesson of the leadership of the U.S.A. under President Franklin Roosevelt, in establishing, at the Bretton Woods conference of 1944, the model form of regulated world monetary-financial system which was the source of the strength expressed in the post-war reconstruction of 1945-1963.

To bring a voluntary association of respectively sovereign republics into being, an association which extends the principle expressed by the great 1648 Treaty of Westphalia, should be taken as the appropriate strategic mission and most vital, long-term self-interest of our republic: a system of republics dedicated to the mission of contributing useful advantages to the other nations. Especially in a time, when evil men speak of global religious warfare as their conception of strategic self-interest, nothing but the principle expressed, as precedent, by the Treaty of Westphalia offers a pathway leading away from the presently imminent threat of a general plunge of this entire planet into Hell.