

Build a Strong Whig Republican Force

A Public Appeal to Ronald Reagan from the Labor Party's LaRouche

The following statement was issued on May 6 by U.S. Labor Party Chairman Lyndon H. LaRouche, Jr.

This past week, an obscene political alliance — albeit a morganatic alliance — was negotiated among Henry A. Kissinger, Fritz Mondale, and the *Washington Post's* Katherine Graham. Among the chief sponsors of this pornographic embrace are the Republican senators, senators who have signed a laundry list of complaints against President Carter, a list drafted by top circles of the British Secret Intelligence Service.

I am certain that you, Governor Reagan, are well or perhaps better informed than I of thinking among Republican National Committee (RNC) circles. Men and women for whom you and I ordinarily have respect, and for whom we ordinarily have a certain moral affinity, have submitted to temptation, and have followed the pimp Henry Kissinger into the political whorehouse operated jointly by the Kennedy machine, Fritz Mondale, and Katherine Graham. The excuse which those Republican Senators offer for this unwholesome expedition is pursuit of gratification in the November congressional elections.

Let us review publicly between us the following points. First, let us review what the foolish RNC would actually gain from the fall elections — as opposed to the result the present delusion informs us they might secure. Let us then consider the reasons the national interest requires a strong Republican showing in the fall 1978 elections. Let us review the importance of such a strong Republican showing from the standpoint of both the U.S. Labor Party and the non-Fabian forces of the Democratic Party. Let us, in conclusion, review the common policy which ought to ally *Whig* Republican, *Whig* Democrats and the U.S. Labor Party in behalf of the national interest at this time.

Prostitution's Venereal Disease

The man who patronizes prostitution often gains something quite different than what he seeks: venereal disease. Those who prostitute themselves are certain to suffer such degrading consequence and worse. Granted, the Republican senators seduced into signing the document will gain a few days of orgiastic fantasies. It is in order to investigate what Fritz "vote-early-and-often" Mondale and the Kennedy machine will take from the foolish Republican wallets while the foolish senators are preoccupied with their pleasure.

As long as they are under the influence of Judas-goat Kissinger, the foolish RNC sheep will follow the British

line of "fiscal conservatism," constricted money supply, sky-rocketing borrowing costs, and an aggressive anti-labor wages policy pushed by U.S. Steel's *Mondale-allied* Speer. The electoral consequences of such a policy over the spring and summer on the fall elections ought to be clear: the labor movement and farmers minorities will follow the liberals into a pro-Kennedy landslide in the November 1978 elections. By comparison, Governor Landon will seem almost the victor of the 1936 presidential campaign!

The foolish RNC, reading the current polls, is convinced that the time is ripe for administering the political coup de grace to President Carter's career. Those foolish RNC dupes argue: If a Democratic President is discredited, *obviously* the Republicans must gain. On the contrary, an anti-Carter campaign of that sort means that, according to the profile in the hands of the Kennedys, Mondales, and Katherine Graham, President Carter will resign, and Mondale will take over. The foolish Republicans will be brutally crushed in the fall elections, in repayment for their services to the Mondale cause.

The foolishness of the RNC is directly linked to a similar imbecility among some Manhattan commercial bankers. These foolish fellows are so obsessed with the next quarter's speculative profits that they refuse to see the results of their short-term greediness over the six-month or one-year term. They are currently behaving, in the main, like poor sheep, tailing after Lazard Freres's (i.e., British Secret Intelligence Service's) G. William Miller just as pitifully as RNC sheep are following the stinking Judas-goat Kissinger.

As any sane professional ought to know, the base of the commercial banks is the savings and loan banks. Both such classes of banks, together with the vast pension fund and related portfolios, are trapped in an overhang in a dangerous real-estate speculation bubble. If that bubble is pricked, as Miller's policies will do, the resulting wave of bankruptcies in the real estate and related fields, combined with a stocked market bubble collapse, will hit the commercial banks like a tidal wave. The victor of this slaughter of the U.S. dollar will be the private merchant banks (investment banks) linked to their accomplices in the City of London market. Just as the Shanghai and Hong Kong Bank whose power is based on a century and a half of opium-smuggling has moved in on Marine Midland, the London-linked investment banks will pick up the nation's distressed commercial banks cheap at auction.

The only hope for stable recovery of Manhattan commercial banks — like those in Chicago, Houston, Atlanta, California — is to reverse the ratio of illiquid holdings in their portfolios by holding down the amount of speculative and other non-performing paper. Hard paper comes only from prosperous farming, hard-commodity export increases, useful construction, and industrial firms operating substantially above break-even points. Similarly, inflation can be defeated only by increasing the ratio of agricultural and industrial production in the GNP and by increasing the tax-base of federal, state and local government — both through hard-commodity forms of economic expansion.

Socially and politically, the only sane remedy for increasing unemployment begins with utilization of presently idled capacities in industry. The Bureau of Labor Statistics data purporting to show a decline in unemployment are technically legal, but in fact fraudulent. Long periods of unemployment produce attrition in the statistically accounted national labor force such that actual unemployment spirals upward while reported unemployment ratios decline. Under the present policies of the Fed and New York commercial banks, there will be a massive rise in even reported unemployment beginning about late June or July, with politically explosive social effects. The growing mass of unemployed means leaps in welfare applications. This can be ameliorated only through Schachtian schemes such as the Humphrey-Hawkins "full-employment" atrocity, or, contrarily, through *directed* flows of credit to bring idled productive capacities back into use. Forty billion dollars of added, revolving public credit to industry and agriculture for U.S. exports will accomplish, at no net longterm cost to government, what would otherwise require two to three hundred billion dollars of WPA-type, inflationary governmental spending.

The foolish commercial banks, like the duped RNC circles, refuse to "bite the bullet" on the issue of directed credit policies. These foolish people, who know nothing of U.S. history, argue in effect that Alexander Hamilton, John Quincy Adams, Henry C. Carey, and Abraham Lincoln were "socialists." These misguided people do not know that the American Revolution and the U.S. Constitution were undertaken to save this nation from the policies of Adam Smith. They would rather, however unwittingly, wreck the U.S. economy, and bankrupt their own commercial banks and U.S. farms and industries, than offend the British "free trade" doctrines of that liar and incompetent Adam Smith.

So, the commercial bankers, U.S. Steel's Speer, and Kissinger's foolish dupes in the RNC commit themselves to that "fiscal conservatism" which London shamelessly advertises as its plot to wreck the U.S. economy and collapse the value of the U.S. dollar. London, Ted Kennedy's crowd, and Fritz Mondale risk only losing unmentionable parts of their anatomies — through excess of laughing at the foolish Republicans and commercial bankers suckered into this scheme.

So much for the "shrewdness" of those who abandon the vital interests of the nation, abandoning all principles, in pursuit of the imagined whorish pleasures of the *Washington Post*, *Newsweek*, and *NBC's* "consensus."

No one political party could emerge from the fall 1978 elections with a clear majority for those policies which are in the vital interests of the United States. Unfortunately, within both the Democratic Party and the Republican Party there are strong factions of "liberals", centered around such evil figures as Ted Kennedy and Jake Javits, whose policies mean the destruction of this nation. What is needed is a cross-party majority of Republican and Democrat Whig forces in both the Congress and state governments, to the effect that the radical-liberal forces of both the Republican and Democratic parties are a contained minority in state capitols and the national legislature.

What is needed for the weeks and months immediately ahead is a visible juggernaut of such forces on their way to winning those results in the November elections. What is needed is a highly visible counterpole of political influence and power, a counterpole which captures the imagination of a troubled and frightened electorate through advancing and making clear the real solutions to the problems of domestic policy and strategy confronting the nation.

Our joint electoral base is the "silent majority," that is the lawful, natural electorate shared by the Whig forces in the Republican and Democratic parties and, to a lesser extent by the U.S. Labor Party.

We do not exaggerate our position. In every case the U.S. Labor Party has run in local elections, in which there has not been the most massive vote fraud, stealing Labor Party votes, the Labor Party has a persisting trend-range between 8 and 25 percent of the total vote cast. This vote comes chiefly from labor and minorities, and, in cases in which both Republican and Democratic candidates are pro-environmentalist liberals, a significant section of the Republican and non-Fabian Democratic vote.

The key problem faced by Whig forces in the United States is that large sections of the leadership of the labor unions are under an almost dictatorial control by Fabians allied with the Kennedy and Mondale machines. The Americans for Democratic Action, the League for Industrial Democracy, the networks of the Institute for Policy Studies, and the Naderite-Commoner machine are the gut of this subversion of the organized labor movement.

Apart from such outright Fabians as the UAW leadership, Victor Gotbaum types, and types such as Clayman of the AFL-CIO Industrial Union Department, the key to Fabian control over the labor movement is the foolish conservative support for the Kennedy machine's longstanding vendetta against the International Brotherhood of Teamsters.

True, there has been spillovers of our nation's widespread corruption into the IBT. Apart from IBT cooperation with the CIA and FBI during past periods, an uncomfortable but not properly indictable arrangement, the notable outside influence within the IBT has included the use of trucking as a means for distribution of illegal addictive drugs such as marijuana, heroin, cocaine, and so forth.

These drug networks are linked historically to Arnold Rothstein's operations, and to the other elements of the organized crime created by British Intelligence around Scotch whisky smuggling via Canada and the British

West Indies during the Prohibition period. The British used the same networks created for booze-smuggling to introduce the heroin traffic through the same Canadian and British West Indies channels, the same British interests which aided Joseph Kennedy in creating his family's fortune. Those networks in the IBT which have collaborated with British drug-smuggling via Latin America, Canada, and the Hong Kong and Singapore depots are the backbone of the union's factional forces behind the currently attempted "Watergating" of the IBT leadership, a campaign orchestrated by the pro-Maoist forces behind terrorism in alliance with Kennedy elements in the Justice Department and other governmental agencies.

The major sources of the heroin, marijuana and cocaine traffic into the United States are Canada and the British-controlled financial networks in the West Indies and Latin America. By way of Canada, the key redistribution points are Vancouver, Montreal, and Toronto, through channels directly supervised by top Canada-based elements of British secret intelligence. These elements of British intelligence are identical with the pro-Peking forces inside the United States, including British Columbia-based influences supporting Senator Henry Jackson, and are also directly linked to the forces pushing "decriminalization" of heroin, marijuana, and cocaine. These are forces allied to both the Kennedy and Mondale machines.

The Kennedy campaign against the IBT is chiefly a corrupt hoax, a fraud. It is the forces within the IBT supporting the Kennedy machine's effort which are precisely the focus of the corruption to be cleaned out of those precincts. It is not accidental that the most enthusiastic allies of the Kennedy machine within the Teamsters are the shameless potheads.

To cut through the Fabian arm-lock on the labor movement, we must build a visible, powerful machine on the flank of the healthy forces within the labor movement, thus affording the honest labor leaders as well as the rank-and-file sufficient strength to buck the Fabian dictatorship of Kennedy and Mondale allies.

The ordinary American citizen will fight for his or her nation's and his or her own interests if he or she is afforded visible, credible leadership. Since the U.S. Labor Party has no visible direct position inside the government, the party cannot do this job alone. If we can demonstrate to our friends and supporters within the labor movement that Whig Republicans and Democrats are committed to policies in the national interest, then the majority of the labor movement and working minorities forces will develop the courage to come out into the open in support of such policies.

The U.S. Labor Party's immediate problem in mobilizing labor is inclusively the fault of otherwise honest Republicans and Democrats who refused to sustain a struggle for honest elections. Although the pattern of local voting support for the Labor Party is in the order of between eight and twenty-five percent in key localities, the wholesale stealing of this vote in numerous elections has its intended demoralizing effect on our supporters. The criminals behind this massive vote-stealing are principally the machines supporting Mondale and Kennedy, with complicity of Henry Kissinger's enthusiasts in the Republican machines. But for this vote-stealing, as results in less-massively

corrupted elections demonstrate, the Labor Party would already have elective office in state and local governments in a few localities, and possibly also representatives in Congress.

Despite massive vote fraud by supporters of Fritz "vote-early-and-often" Mondale, the U.S. Labor Party electoral campaigning has strengthened the support for Whig candidates among conservative, Republican and Democratic lists. This marginal influence of Labor Party campaigning in improving such results is a critical — if marginal — feature of voting patterns in key regions of the nation. On this basis, a *de facto policy alliance* exists in fact — or should exist — among Whig forces of the Republican, Democratic and Labor parties.

It is in the vital interest of both the Republican and Democratic parties that the U.S. Labor Party win at least a few key elections. This ought to occur where removal of pro-Mondale electoral frauds and checking harassment by the corrupted, Fabian-liberal Federal Election Commission would produce such a result naturally. A pattern of a handful of such Labor Party victories would strengthen the position of the Whig forces in the two major parties.

The included importance of such arrangements is the key role of the Labor Party both in developing policies and providing an alternative to the Brookings Institution and other Anglophile-liberal sources of disinformation on vital facts concerning both domestic and foreign policy.

As a consequence of deeply embedded sabotage of key government agencies, beginning with the Kennedy Administration, neither the federal administration nor Congress possess a rounded, independent capability for developing the facts indispensable to national domestic and foreign policy decisions. The government — both the Administration and Congress — are dependent, predominantly, on private "think-tanks," the most influential of which are under the control of either the British Secret Intelligence Service or British sympathizers.

This has been monstrously aggravated by gutting the Central Intelligence Agency by Kissinger, Schlesinger and the accomplices of Morton Halperin. With the most recent gutting of the CIA by Mondale, Brzezinski, and Halperin, and systematic destruction of U.S. intelligence community, essential sources of information and influence, notably by Henry Kissinger and Israeli intelligence, the U.S. Administration and Congress are running blind in the most sensitive areas of foreign policy judgments. Totally false information, run into the United States chiefly from London, and spread around by such British agents-of-influence as Kissinger, is credulously swallowed and regurgitated widely among Administration and congressional spokesmen.

Excepting surviving State Department and Defense Intelligence capabilities and sources, the U.S. Administration and Congress have no competent governmental sources of strategic intelligence at their command, but depend increasingly on private sources which are predominantly controlled by persons whose commitments and outlooks border upon treason. To make matters worse, Brzezinski, Mondale and Kissinger predominantly prevent the competent intelligence developed by agencies such as the State Department and Defense Intelligence Agency from reaching Congress or

being reflected in Administration perceptions and policies.

The Kissinger-Halperin campaign to gut the domestic counterintelligence capabilities of the FBI — in which Halperin and William F. Buckley are playing Mutt-and-Jeff roles under Kissinger's direct coordination — is leaving the nation open for a wave of terrorism coordinated by Institute for Policy Studies-linked networks in cooperation with British and Israeli intelligence services.

Although many elements of Whig-oriented influential private and governmental forces have far better intelligence on specific points than the U.S. Labor Party, no agency is presently putting all the pieces together for an overall strategic evaluation. The excellent knowledge which various other Whig-oriented sources have concerning individual pieces of the intelligence jig-saw puzzle tends, in aggregate, to parallel the case of "the blind men and the elephant." No agency of government is competently developing the global strategic picture, and, more important, no such agency has yet mastered the crucial elements of methods of evaluation needed to arrive at an efficient policy formulation.

Consequently, in addition to the Labor Party's direct influence within various parts of the electorate, it serves also as a policy formulation and evaluation resource for various agencies, including Whig forces within the government and within the Republican and Democratic parties. Although these Whig-oriented forces do not automatically adopt Labor Party policies — by no means — the *policy dialogue* is an essential integral part of effective policy formulation by each of such forces.

By our repeated exposure of the purpose and effect of various operations launched by the Anglophile creeps, we have been efficient at many points in exposing and blocking some of the worst schemes put forward by the accomplices of Mondale, Kennedy, and Kissinger. Whether or not our advice is accepted in each case, there is no doubt that the availability of that advice is a valuable part of the policy formulating process. After all, we do represent different political parties — homogeneity or automatic concurrence are not to be expected.

The McNamara Syndrome

Just as the McNamara reorganization of the Defense Department under Kennedy and Johnson wrecked the United States' strategic posture, so McNamara of the World Bank is using the same incompetent methods to wreck the U.S. dollar and economy, destroying various developing nations' economies and U.S. export markets by World Bank policies and policy influences so incompetent as to be criminal.

Let us look at this from the standpoint of the defense problem first. Then let us consider how the McNamara "cost-benefit analysis" and "body-count" approaches to military policy yield comparably disastrous effects on the value of the U.S. dollar.

The wrecking of the U.S. strategic military policy was rooted in the ravings of General Maxwell Taylor and the lunatic mixture of "madness and deterrence" which is associated prominently with Henry "Strangelove" Kissinger. McNamara's lunatic "cost-benefit" approach to "weapons system" accounting practices rearranged the internal structure of Defense Department, Administration, and congressional military budget and

related policy-making procedures, to bring policy-making into conformity with the Taylor and Kissinger outlooks.

Working from the prevailing strategic assumption that the Soviet Union is the only credible military adversary of the United States, each of those nations is axiomatically obliged to adopt a war-winning capabilities' policy with respect to the other. Once a direct engagement occurs between the forces of either nation, no consequence but general and total war is possible. *For the condition of war, any other policy is imbecility.*

This has been and remains Soviet *strategic military policy*, despite Kremlin denials of such policy. The denials are not entirely dishonest. The assertion of a Soviet war-winning capability by a political official of the Soviet state would be a *provocative* assertion. So, Soviet officials' denial of a war-winning strategic military policy is not *politically* dishonest, since even a nation with a war-winning capability must deny such a capability up to the last minute of war-avoidance.

We are thus faced with a paradox. Assuming both states to be rational, under conditions prevailing to this point, both must pursue a military strategic policy of war-winning capability, while denying such a policy in the interest of maintaining a war-avoidance policy in the domain of political actions. For this case, the development of a war-winning military capability by both nations is not *in itself* an aggressive act, but merely a rational policy flowing from state interest. Such a war-winning military strategic policy must persist up to the point war-avoidance between the states is conclusively established. This may seem an incomprehensible paradox to many, but such is the rational necessity of the current state of world affairs. It is necessary that the governments of the United States and Soviet Union look into each other's eyes knowing that this paradox is the case, without any neurotic "flight forward" on that account.

If one is affrighted by the implications of a war-winning military commitment, then one must, all the more, decide whether an assured war-avoidance state of affairs can be established, or war is inevitable. The in-between state of mind, the Kissinger policy, the Taylor policy, is sheer moral cowardice and lunacy.

So, that stated, we have two guiding facts in hand. First, that assured war-avoidance between the U.S. and USSR does not yet exist. Second, that that same condition has prevailed since (in particular) 1960. The military side of U.S. strategic policy should have been an efficient war-winning policy, while U.S. political deployments and postures would have been war-avoidance.

The characteristics of the Kissinger and Taylor policy reflected the state of mind of inadequate men, who lacked the guts to look modern total warfare in the eyes. *Both, under the influence of British circles*, played the role of Miniver Cheevy, fled in terror from the realities of modern warfare to the psychologically more endurable domain of earlier forms of warfare. Taylor wished to fly back into the kind of warfare he was persuaded he had the competence to fight: World War II prior to Hiroshima. Kissinger wished to ignore the reality of modern total war, by a mixture of nineteenth-century British politics and eighteenth-century British and Prussian "cabinet warfare" military thinking.

So, we had the Vietnam war. It ought to be known that the U.S.-Vietnam agony was the result of worked-out budgetary proposals and military strategies and tactics created by the British monarchy, introduced to U.S. policy under the Kennedy Administration. Furthermore, every major development of escalation in Vietnam was the result of pressures on the U.S. from the British monarchy. As the case of Kissinger protégés Daniel Ellsberg and Morton Halperin proves, both sides of the Vietnam war — the war and the anti-war movement — were initiated and orchestrated by Anglophile agents linked to the "Zionist Lobby."

The U.S. involvement in the Vietnam war was the key means McNamara employed to wreck U.S. strategic military capabilities — including the ultimate included consequence of the "all-volunteer force." Kissinger's role in this process was mistakenly assumed widely to be a pro-Soviet role, largely on the basis of evidence that every key Kissinger maneuver had the effect of weakening U.S. capability vis-a-vis Soviet capabilities. *Many have mistaken the consequences of Kissinger's strategic incompetence for his intent.* Kissinger has always been a raving Anglophilic anti-Soviet personality; yet it happens that because of Kissinger's strategic incompetence, each of his supposedly clever maneuvers against the Soviets has directly or indirectly enhanced — or provoked — a secular gain in the relative strategic strength of the Soviet forces.

The dovetailing of Taylor and Kissinger's policies with McNamara "cost-benefit" imbecilities should be immediately clear the moment the ABCs of war-winning under modern total war conditions are considered. The way to prepare to win a total war is to begin with the whole capability in depth for conducting a war, and to develop the individual components as the whole deployment requires. Taylor and McNamara's view was directly opposite; both begin with the isolated elements of capability, or the isolated "cost benefit" features of an individual weapons system. Kissinger's policy dovetails with this in respect of its specifications that war is an escalation toward the never-quite reached asymptote of total war (total deterrent capability).

Winning a total war centers on the problem of building into one's capabilities what is well termed characteristic advantage. This is not accomplished by individual "wonder weapons." One senses Kissinger's mind — like Mondale's — is of the infantile quality otherwise associated with Warner Communications "super heroes" comics. The defeat of the U.S. forces in Vietnam ought to remind one of this point. The combined forces of the North Vietnamese Army and the National Liberation Front won because their military capabilities were adequate to the realization of a characteristic point of strategic *political* advantage.

One must think through general war from the initial assaults to the final act of war: the successful pacification of adversary-populated territory by armed infantrymen. What will bring an adversary population to such political submission is the crucial, decisive issue of general war. The more acceptable the perceived terms of submission, the earlier the point of warfare at which an adversary probably submits. One must design one's total war-winning capability with that end result constantly in view.

The general problem of warfare is not brilliant maneuvers, devastating assaults, and so forth. These matters have their important, subordinate places in the whole. The crux of the matter is much simpler, involving principles known by the ancient Romans and underlined by Machiavelli. One must discount in advance the fact that the adversary's maximum capabilities will have to be endured. After that is considered, in the balance of forces, does one have a remaining greater margin of surviving in-depth capability for counteroffensive than the adversary?

Wars are not won (and lost) according to any predictable line of play of a total war game of the sort printed out by a Rand Corporation computer. War includes the unpredictable — otherwise, generals are superfluous: What remains largely predictable is the fact that continuing war proceeds in layers of warfare, in which the surviving in-depth capabilities existing at each layer of continuing war determine the potentialities of in-depth surviving capabilities available in the succeeding layer of warfare.

Characteristic *advantage* involves consideration of massive loss of entire categories of capabilities in the course of such successive layers. There must be nonetheless an increasing margin of surviving in-depth capability at each layer of warfare, such that commanders may assemble from this adequate means to enhance the same sort of margin in the succeeding layer of warfare.

The Peking regime advertises its holes in the ground to this effect. In that matter, Peking's notion of warfare is informed by correct principle, although its purported solution to the problem is pathetically vulnerable to bacteriological and chemical warfare applications. Holes in the ground would assist Soviet forces in the matter of burying dead Chinese.

Given equal political potentialities of adversary nations, technology predominates in shaping characteristic advantage. Durable political strength of the population for circumstances of continuing warfare combined with a higher technological level of development of economies is the basis for war-winning potentialities. However, it is not adequate that such potentialities exist: they must be developed as actual war-winning capabilities, beginning with the principle of the national militia force.

The present profile of the U.S.-NATO capabilities for actual warfare is inferior to that of the 1941 Nazis for the case of warfare vis-a-vis the Soviet Union. The U.S.-NATO forces have, predominately, a shallow blitzkrieg orientation in terms of capabilities for continuing total warfare, and lack the in-depth militia required to provide a basis for drastically altering that dismal picture.

In general, under the influence of Kissinger, McNamara and similar Anglophile sorts, the U.S. and NATO have a developed capability for a war of the sort which would not occur, and a characteristic disadvantage of total forces for that sort of war which would occur. The centerpiece of this built-in flaw in U.S. capabilities is the "cost benefit" policies instituted under McNamara.

Since 1966, U.S. technological progress, especially in research and development, has collapsed at an accelerating rate. In basic scientific research, the U.S. is

subsisting on the fag end of the institutional research capabilities left over from the Manhattan Project, the Eisenhower period and the NASA aerospace "Manhattan Project" — type mobilization. The situation is on the same order in research and development for applications. When this situation in private industry and agricultural, as well as military-aerospace-related programs, is compared with the trendlines in Soviet scientific and engineering development, the conclusion deduced is of overwhelming weight.

Within the setting of the "post-industrial society" wrecking of the U.S. economy and the U.S. technological capabilities, and within the shrinking rate of the real component of GNP correlated with this, situate the "cost benefit" practices which radiate from the Department of Defense into the Office of Management and Budget, the Congress, and so forth. One sees immediately how, day-by-day, week-by-week, McNamara, Kissinger, Schlesinger and so forth are wrecking both the U.S. economy and defense capabilities.

Washington bureaucrats generally have their noses so far inserted into the lower alimentary tract of each line-by-line element that virtually no branch of the Federal government, Defense included, has in view what is developing in either the economy or strategic posture as a whole. It is only as professional military specialists and others stand entirely outside the anal-erotic obscenities of cost-benefit imbecility, that they judge, and rightly so, "this is disaster!"

The only remedy is to permit a Washington bureaucrat to utter the words "cost-benefit analysis shows" but once — for the next such offense, the only proper remedy is to ship the poor creature off to the funny farm as a certified victim of compulsive idiocy.

The World Bank

In Kenya, the World Bank promoted the development of a cattle-raising project and a matching, nearby meat-packing plant. The plant squats idle, since none of the cattle raised under the project are sufficiently disease-free to be packed for human (or cats' and dogs') consumption. To the extent that the World Bank has sponsored projects of intrinsic merit in original conception, the financing of such projects and the omission of essential matching elements of development has turned nearly every World Bank project but its health and highways programs into a wretched disaster.

Any leading American farmer, almost as well as professionals of the Department of Agriculture, has but to look over a few of the agricultural and related projects of the World Bank to report with absolute certainty that McNamara's gang is a collection of the worst incompetents ever turned loose on the world. The fault, as in the cited case from Kenya, lies not so much with the original conception of the particular development, but in the way the conception was mauled into incompetence by the accounting "geniuses" at the World Bank. A jackass could do better than McNamara and his accounting whizkids masturbating with their computers.

I have had the advantage of going over such cases with representatives of developing nations, and receiving a much broader range of reports to the same effect through my immediate associates. We in the United

States have in our advanced farmers, our agronomists, our Department of Agriculture, the greatest machinery of utmost competence for producing food in any part of the world. We also have in our State Department certain groups of professionals who are also of outstanding capability for collaborating with our Agriculture Department on such matters of foreign aid. Yet, because the IMF and the World Bank have de facto veto power over U.S. foreign aid policies, the representation of the U.S. in foreign aid agricultural projects is predominantly an atrocity.

Development in the Third World succeeds only in the case that agricultural, industrial, and infrastructural projects are assembled as balanced packages, so that *all* of the working parts of a successful project are included in a single package. If tractors are to be used, tractors must be maintained over their term of life as well as supplied. To give the simplest sort of illustration. In a number of projects involving World Bank meddling in African nations, so elementary a point was overlooked. Projects collapsed into ruin before pay-out level could be reached, merely for reason of such rudimentary forms of McNamarian stupidity.

When a balanced project design falls into the hands of the accountant-jackasses and computer-freaks at the World Bank, what results? Each element of the project on a nation-by-nation basis is independently reviewed for cost-benefit-analysis evaluation — line-by-line. Those lines which survive this procedure may possibly be approved — to the effect that only the back-end of a mule may be authorized, since the head did not pass cost-benefit tests. Any skilled worker could be taken directly off the job to be placed in charge of the World Bank, and could do a vastly more competent job from the outset.

Whole developing-sector nations are closed off to U.S. exports because of World Bank and IMF criminal incompetence. In this side of the matter, McNamara supplies a gang of accountants to each nation's budget. These imbeciles go over marketable output of the economy and imports, prescribing austerities which — on paper — appear to them to produce sufficient reductions in imports and consumption to enable the nation to pay debt-service on an enlarged debt. This is done, most notably, under the circumstances that the nation is defaulting on outstanding debt, to which the World Bank and IMF respond by "refinancing" the debts into a pyramided, significantly larger — more unpayable — debt. These McNamarian nitwits assume that a nation's prosperity can be improved by drastically reducing its ability to produce. Labor-intensive emphasis reduced the nation's social productivity, reversing the process of technology progress, and the maintenance of industries still producing is gutted as an "economy measure."

We have entire regions of the world in which a 15- to 25-year development project would produce results analogous to those Japan achieved following the Marx-Hamiltonian 1868 Meiji Revolution, but which are collapsing into epidemic-ridden economic genocide and ruins, because of the "wisdom" of "cost-benefit" freaks at the IMF and World Bank.

The same imbecility is presently institutionally embedded in the organization of the OMB, to the effect that under the conceptions of "zero-base budgeting" and

“cost-benefit analysis” predominating at the OMB, the entire federal government is a nightmare of increasing bureaucratic incompetence. “Zero-base budgeting” perpetuates programs which are worse-than-useless, notably those of HUD and HEW while gutting federal programs which would have the effect of expanding the revenue-base.

These imbecilic policies are doing to the United States what McNamara’s nitwit accountants are doing to the developing nations. These policies, which Schlesinger carried from the Brookings Institution into the OMB, aggravated by the imbecility rampant in the joint economic committee of the Congress, not only make the present federal budget a hopeless can of worms, but ensure that the budget-mess must become worse with each passing session of Congress.

A Whig Policy

The central problem in both domestic and foreign policy of the United States today is the way the Soviet issue is approached among leading circles which should know better than appears to be the case.

The standard routine is to adopt what purports to be a knee-jerk, anti-Soviet posture on any issue, at the same time that no competent U.S. policy is proposed.

This knee-jerk nonsense must be ended. What we must do is to define a global strategy which coincides with the interests of the United States and most of its industrialized allies *as exporters of high-technology capital goods*. “Allies” includes notably the United States, Japan, the Federal Republic of Germany, France, Italy, and the forces representing the political heritage of Kruger in the Republic of South Africa, as distinct from the British-influenced forces in that latter nation.

We require for the developing nations a *sustainable* program of technologically oriented economic development, and measures to provide security for future capital advances to those nations. To the extent that the Soviets efficiently concur with that policy and to policies respecting the sovereignties of those nations, no strategic conflict need exist.

At present, the United States has no consistent foreign policy corresponding to the most vital U.S. foreign interests. We are dragged in the tail of British geopolitical dictates, we are the foolish “dumb giant” destroying itself to keep Winston Churchill, Denis Healey, and Healey protégé David Owen smiling. We have *as a nation, no policy of our own*, except that, in effect, the Soviet Union should not make Queen Elizabeth unhappy.

Relative to Japan’s Prime Minister Fukuda, West Germany’s Helmut Schmidt and Wolff von Amerongen, and France’s Giscard, the United States government has been the world’s great ninny.

Do we know what Henry Kissinger really is? Are we so stupid we do not know what the Kennedys really represent? Do we not know what Mondale really is? Do we not know what Joe Rauh, Jr. really is? We know that the Institute for Policy Studies is the mother of terrorism in the United States, directly linked to terrorism abroad. Yet the Congress dutifully certifies one after the other of that collection of proterrorist, pot-headed gangsters into governmental and related posts.

The second obstacle to development of a competent policy perspective among Whigs is the myth that “dirigism” is “socialist” or something of that sort. On the first issue, Soviet policy, Whigs tend toward “*I am impotent*,” *negative* posture, rather than posing a strategic policy which defines actual U.S. vital interests, and then negotiating with the Soviets on that basis. On the second point, the Whigs fall back from developing a competent domestic and foreign policy, because at each point the result they desire can not be achieved without “dirigist” credit policies.

Were George Washington, Alexander Hamilton, Nicholas Biddle, John Quincy Adams, Henry C. Carey, Henry Clay, and Abraham Lincoln therefore “socialists”? The fact is that it was George Washington’s Administration which established the United States Bank, which adopted Hamilton’s *Report on Manufactures* as the outline of national policy. It was those policies which reestablished the credit for our young nation and launched us on the road to prosperous development.

The opposite policy is that British doctrine set forth by Adam Smith in *The Wealth of Nations*. Our forefathers made a revolution because the British policies of Adam Smith’s doctrines would have condemned us to the same fate which degraded most of those nations which continued under British domination. Admittedly, at several points in our history, our government has repudiated our founding fathers “dirigist” policies in favor of British policies. We erred so under Presidents Jackson and Van Buren — and saw our national credit collapse as a result. We did so repeatedly during this century, and suffered depressions and related disasters as a consequence each time. President Nixon with his Treasury Secretary Connally, by refusing to fight the British in the summer of 1971, opened the door to the undoing of the Nixon Administration, and permitted the continuation of the downslide into the present economic state of affairs. *Anyone who races about, holding up Adam Smith as his authority is acting as a British Tory, not as an American.*

The assassination of President McKinley, by a British-Intelligence Service’s assassin deployed by way of Emma Goldman’s base at the Manhattan Henry Street Settlement House, put the presidency in the hands of Anglophilic Theodore Roosevelt. The easier British manipulation of Theodore Roosevelt, along lines dictated by Lord Milner’s group, opened the doors wide for the rape of the United States by galloping Anglophiles such as the William and Henry James gang, John Dewey, Louis Brandeis, Felix Frankfurter, Colonel House, and by such outright British agents as Charles Beard and Walter Lippmann. This corruption, aided by Justice Holmes’s Hobbesian sabotage of constitutional principles at the Supreme Court, was abetted by British financial influences in the Manhattan banking community.

In consequence of 75 years of British 20th century subversion of our culture and institutions, our university liberal arts departments teach the wildest lies concerning U.S. history as fact, and poison the pores of our public school curricula with the same lies. This drilling of outright lies into the minds of our youth is

aggravated by a dominant role of lying press institutions, ranging in evil from the *Washington Post* on downwards, toward the merely credulous lesser offenders, who merely parrot falsehoods and distortions without the slightest manifested sensibility of what they are in fact doing.

It is that climate of subversive lying and credulousness which creates the acceptance of the myth that "dirigism is socialistic." Dirigism in matters of national credit and fiscal policies is federalist, Whig-American. Dirigism is what distinguishes the American system from that evil British system from which our forefathers fought to free us.

Whigs propose private industrial and agricultural progress, propose technological progress, propose advances in industrial and agricultural output as the basic means for providing employment and necessities of life. Yet, desiring these objectives — and rightly so — they stumble and retreat from adopting the credit policies needed to make these things possible.

Both domestically and in foreign policy, the one ingredient essential to making the American system work is a selective credit policy which favors investment in technologically progressive industrial and agricultural development, over credit for uses outside of

production and distribution. We require abundant, cheap credit for use in sound investments in production, with emphasis on low borrowing costs for productive long-term investment. These aspects of economic policy must be aided by both government credit policies and fiscal policies. We must have the most favorable rates of taxation for basic household income and for savings and credit advances for expansion and improvement of industry, useful construction, of agriculture, and for education and science. We must let the relative weight of taxation fall upon incomes not used for these purposes. By these means — using the simplest, *non-bureaucratic* sorts of direction for shaping the economic climate, we channel private initiative into the paths which are the most beneficial to the nation as a whole.

That capital which does not produce, shall not eat.

Once we adopt such basic credit and fiscal policies of the American system as the money and banking side of our approach, all the other elements of our proper programs become workable. Once we ally our forces around such policies, all the essential features of foreign and domestic policy fall into place. *Let us then so resolve to continue the principles of the American Revolution and the adoption of the Constitution.*