

EIR National

The 'Agenda for the 80s': a deindustrialization scheme

by Lonnie Wolfe

In one of its last acts in office, the Carter administration two weeks ago leaked a draft report on urban policy of the President's Commission for a National Agenda for the 80s. Using language borrowed from 1960s "New Left" economic tracts and pamphlets from groups such as Students for a Democratic Society, the report announced that an America based on heavy industry and urban growth was finished. It proclaimed that America was entering the "postindustrial" era, and defined tasks for the incoming administration: "ameliorating the impact of people and places into a postindustrial America is a fitting and proper role for the federal government to assume in the decade ahead." At the press conference on Oct. 24, 1979 announcing the formation of the commission, presidential adviser Hedley Donovan, a Council on Foreign Relations member, announced that the specific mission of the new group was to set the national agenda for "the next two Presidents."

According to sources close to the commission, the report was pre-released in hopes of creating a national debate on America's "postindustrial future." Behind this operation are a number of policy groupings who want to force the Reagan administration to adopt the postindustrial policies of the Carter administration. These are precisely the policies that the American electorate overwhelmingly rejected at the polls on Nov. 4.

The key groups involved in this conspiracy are:

- **The Trilateral Commission/Council on Foreign Relations.** This group, which created and controlled the Carter administration, openly espouses policies of de-urban-

ization and de-industrialization for the U.S. They have published a blueprint for carrying the policy out on a global scale—the CFR's Project 1980s—which called for the "controlled disintegration" of the U.S. and Western economies into a "postindustrial" era.

- **The German Marshall Fund of the U.S.** and the Washington-based Institute for Policy Studies. The German Marshall Fund is a resource conduit for various projects run through the Socialist International. They funded, for example, the recent conference of European and American socialists in Washington, D.C. One of the prominent features of that conference was a discussion of the "coming postindustrial era," and how policies of de-industrialization could be imposed on both the U.S. and Western Europe. In addition, the fund has specifically financed an ongoing OECD project on "urban decline" which contains many of the same conclusions as the "Agenda for the 80s" draft. The German Marshall Fund, which is controlled by individuals associated with former U.S. ambassador to the Soviet Union, patrician Averell Harriman, also funds projects of the Fabian socialist-connected Institute for Policy Studies. IPS-linked individuals such as Richard Barnet, Gar Alperovitz, and Jeremy Rifkin participated in the recent Eurosocialist conference. These SDS- and terrorist-linked radicals have long supported the policies creating "postindustrial America" and have expressed their intention to impose such a policy on the Reagan administration.
- **The Heritage Foundation,** a "right-wing" Washington-based operation which has been accused recently of being

a nest for Soviet KGB "moles." Heritage Foundation urban-policy analyst Stuart Butler has announced that he supports the postindustrial society. Butler, who is a collaborator of former British Fabian Society Chairman Peter Hall, sees the debate around the Agenda for the 80s proposals as a way to push through the Heritage Foundation's "postindustrial" urban policy centered around the creation of urban "enterprise zones" that would turn U.S. cities into Hong Kong-style low-wage economies. The foundation plans to offer its proposals as a less extreme version of the Northern exodus the Agenda is calling for.

The Heritage Foundation, meanwhile, remains a key channel of influence into the incoming administration. Said Butler, speaking of the Reagan administration, "We are going to use a right-wing government to impose left-wing policies on the country."

The debate on America's postindustrial future is being orchestrated by U.S. networks of the London-based Tavistock Institute for Human Relations, the Anglo-American-Dutch oligarchy's leading psychological warfare operation. It was Tavistock which first created the New Left in the U.S. and drafted its postindustrial program in the 1960s.

The postindustrial age

The draft report is the starting point of the debate. It recommends that:

- The federal government accept the "immutability" of the emergence of a postindustrial society. No efforts should be made to support failing heavy industry in urban areas or to bring heavy industry into cities.
- Current population overflows from Northeast and Midwest cities are going to continue. Policies should be devised to encourage relocation from those areas to the South and Southwest "sunbelt."
- Federal aid packages should be specifically designed to foster change toward a postindustrial society at smaller population levels. In other words, the federal government should encourage cities to adopt a policy of planned shrinkage, reducing service levels through targeted cutbacks. "Contrary to conventional wisdom," the draft report states, "cities are not permanent."

Technetronics and shrinkage

As further qualified by individuals working on the Agenda proposals, the report sees the drastic shrinkage of the U.S. industrial base. It further supports the additional growth of the service sector and the growth of the cybernetic "technetronic sector." A recent comprehensive study by scientists and economists of the Fusion Energy Foundation of various re-industrialization plans showed that if the policies recommended by the Agenda staffers were adopted the U.S. would rapidly evolve into a second or third-class industrial and

military power. Such policies represent a direct threat to the national security of the United States, the FEF stated.

Behind the plot

The origins of the postindustrial conspiracy date back to 1967, when NATO commissioned its "unofficial" psychological warfare unit, the London-based Tavistock Institute, to study the impact of the space program on U.S. society. Tavistock, which is controlled by City of London banking circles, recommended that the space program be scuttled so that industrial and technological growth in the United States could be cut back and controlled. Tavistock and its NATO-connected networks have been in constant war with the productive U.S. economy and its industrial workforce.

That same year, the first of several national agenda commissions, this one on the "Year 2000," was set up. With some overlapping membership to the current commission, the Year 2000 group started talk about a postindustrial future for the United States.

The Tavistock network behind the President's commission are the same people who pushed the "limits to growth" debate through the Club of Rome. The anti-urban, anti-industrial policies outlined in the original 1973 Club of Rome document, and softer versions concocted by Tavistock in 1975, are the international backdrop for the "Agenda for the 80s." These networks are currently pushing the Carter administration-backed "Global 2000" report, which proposes to reduce the world's population growth by 2 billion people.

The Carter administration was specifically created by this grouping to carry out its Malthusian program. Carter administration officials, all members of the Tri-lateral Commission, all support these policies. National Security Adviser Zbigniew Brzezinski has written extensively on the postindustrial, "technetronic society."

The President's commission was in fact created at the insistence of Vance, Eizenstat, Daniel Bell, and Carter adviser Hedley Donovan, the head of Time, Inc. following a series of meetings at Camp David in July 1979. Paul Volcker was named Federal Reserve chairman following those meetings, and Volcker's high interest-rate, depression-inducing policies have set the stage for the "postindustrial" debate.

A critical choice

The current debate over the postindustrial future of the United States is occurring along classic Tavistock lines. The operation occurs on two levels. A basic assumption is presented—in this case, that America is entering the postindustrial age. That is never really debated. Instead, the debate occurs around the presentation of a shocking set of proposals on how to adjust to the new situation as it is presented.

The Agenda report, for example, is consciously crafted to focus attention and controversy on policy proposals—how much cities should shrink and where (i.e., North versus South)—while leaving the basic assumption about postindustrial America untouched.

In the end, the Tavistock network will allow “compromise” on the policy alternatives. This is how the brainwashing of America is to work.

The Tavistock operatives are quite open about their intentions. As a spokesman for the Washington-based Academy for Contemporary Problems, an urban policy think tank funded in part by the German Marshall Fund, stated: “The agenda proposals are deliberately controversial to provide a real start for the debate on the shape of postindustrial America. The proposals are a real shocker, but that is what is needed to get things going. As the debate goes on, the basic assumption will be shown to be correct—Americans must radically alter their view that progress in society is based on heavy industrial production. Once the shock settles in, we’ll get down to business.”

The spokesman for the academy, whose head Ralph

Widener invented the term “deindustrialization” back in 1976, said that under normal circumstances the debate would not be possible. “After four years of Jimmy Carter, with the economy in trouble, people are now ready,” he stated.

Playing both sides

Both sides of this debate are controlled, and so is its presentation in the media.

There is, for example, basic agreement between “leftist” Institute for Policy Studies circles and “right-wing” Heritage Foundation networks. IPS fellow Gar Alperovitz of the Exploratory Project for Economic Alternatives says that he is in agreement with the “basic assumption of the report that cities must shrink” and that the United States has entered a postindustrial era. But he opposes the wholesale depopulation of Northeast and Midwest cities, since it is possible, he says, to locate labor-intensive industry in the cities.

Alperovitz, who attended the Dec. 5-7 conference of European Social Democrats in Washington, D.C., said that the postindustrial society was the major topic of

London Economist: ‘deindustrialization is fun’

Dovetailing the policy proposal of the President’s Commission for a National Agenda for the 80s—that the U.S. must enter the postindustrial age—is the London Economist Dec. 27 article, “De-Industrializing Is Fun.” Excerpts follow:

“America is moving rapidly but quietly from an industrial society (which means capitalist, bossed about, partly horny-handed) to an information society (which should be much more expansive, entrepreneurial and fun). . . .

“The proportion of American workers in industrial occupations has crashed since the early 1950s from over a half to under a third, while the proportion of information jobs has tripled from 17 percent to over 50 percent. . . .

“The most interesting features of the information society are that it spells the end to both capitalism and socialism, and means that ‘small can once again be entrepreneurial.’

“Capitalism and state socialism were the alternative inconveniences of the dying industrial age. . . . of large steel plants. . . .”

After referring lightheartedly to some of the problems this has caused, *The Economist* goes on to say, “Now for the good news. Unlike in Europe, the labour unions in America are not capturing the private sector information industries except among the learned professions (doctors, lawyers).

“The unionized proportion of America’s workforce has dropped from 30 percent two decades ago to around 20 percent now, because most unionized industries are the old ones, like steel and cars, which became uncompetitive against Japan yesterday. Speed them to India today. . . .”

The Economist goes on to recommend: “It will be desirable to help the poor by excluding them from the unemployment-creating minimum wage. . . .

“Health care should by now be mainly an information industry. . . .”

“Mr. Reagan would also be wise to dismantle (preferably disband) most of the 10 major economic regulatory agencies, which exist to keep up or distort the prices of agriculture, most forms of transport, the cost of raising capital . . . and energy. America does not need an energy policy. . . .”

“It needs free-market prices and a free climate for investment, plus retail taxes to curb the consumption

discussion among leftists. "We welcome a full debate on the subject," he said.

The Heritage Foundation's Butler likewise agreed with the assumption that urban America cannot be based on heavy industry. Even if his enterprise zone proposal is enacted, Butler foresees a continued depopulation of Northeast and Midwest cities. "I differ with many liberals in that I don't think we should pay for the plane fare of these internal immigrants, but let them find their own way," Butler said.

Widener's Academy for Contemporary Problems, meanwhile, serves as the policy think tank for the Northeast-Midwest Economic Coalition, the group whose screams have been the loudest against the agenda's proposals. But a memo drafted for the coalition, while attacking the report for regionalizing the country, comes out in support of the Heritage Foundation's enterprise zone proposal—whose authors like Butler are committed to the postindustrial society.

In the week since the report was leaked, editorials have appeared in major papers including the *New York Times*, the *Washington Post*, and the *Washington Star*,

of energy....

"Two other anti-inflation raids by the Reagan administration should be against subsidized homeowners and index-linked grandpa....

"The cuts in old peoples' entitlements will eventually have to come either by at last imposing taxes on social security benefits or by stopping automatic rises in line with the consumer price index . . . or by raising the retirement age from 65 to 68 . . . or by all of these.

"The unsupported don't starve. But some welfare measures do need to be phased out. Consider the strange story of America's (maybe) five million illegal immigrants who do not slink away in the night. These people do not draw welfare money or unemployment pay, because they would be discovered, then deported if they did. They take illegally untaxed jobs at 50 cents an hour, well below the legal minimum wage (which the Carter administration is foolishly raising to \$3.55 an hour) but are not dying of starvation at every street corner. They are becoming increasingly entrepreneurial.

"The most useful private economic research in America would be into how far illegal immigrants have been able to prosper more dynamically than existing citizens . . . precisely because particular welfare rights (such as the legal minimum wage) do not apply to them."

on the report. The *Post* and the *Star* attacked the call for relocation, asking that it be re-examined, but stating that the debate was "essential." The *Times* editorial, written by Roger Starr, who first proposed "planned shrinkage," demands that a national debate take place on the report and essentially supports its proposals.

What the Commission report recommends

Excerpts follow from the fifth section of the draft report of the President's Commission on a National Agenda for the 80s. All emphasis is in the original.

A major societal transformation, particularly evident since World War II, has been unfolding in this nation, causing urban and rural America to experience change at unprecedented rates. The populations of central cities in the larger and older metropolitan areas have been shrinking rapidly, while other communities have been experiencing rapid and unplanned growth.

Because the changes are proceeding at a pace that makes adjustment often difficult and painful, these redistributions can easily be viewed as the cause of myriad forms of economic, fiscal, and social distress affecting individuals and their institutions wherever they are located. However, the Panel believes that such a view is shortsighted and potentially misleading. These trends are more accurately viewed as the consequences of a powerful transformation that is gradually ushering this nation from the industrial era into the postindustrial era.

The concentrated poverty, dependence, unemployment, fiscal imbalances, tax-base erosion, and deterioration of physical plants and public service infrastructures within hundreds of communities throughout the nation translate into distress and despair for many who find themselves "left behind" in cities. Throughout the report, however, the Panel has sought to understand these conditions in the context of our passage into a postindustrial era and to consider how that passage may be made with a minimal amount of distress. The Panel believes that this is possible, provided that the nation first reconsiders what is meant by "urban revitalization." If it is defined as the attempt to restore our older industrial cities and regions to the influential positions that they have held throughout the industrial era,

urban revitalization shall surely fail. . . .

To begin, certain understandings must be reached. . . .

The nation can no longer assume that cities will perform the full range of their traditional functions for the larger society. They are no longer the most desirable settings for living, working, producing. They should be allowed to transform into more specialized service and consumption centers within larger urban economic systems. The Panel believes that this nation should reconcile itself to these redistribution patterns. . . .

This can be done in a number of ways: by upgrading the unskilled through manpower development efforts so that existing local job opportunities can be exploited, by removing barriers to mobility that prevent people from migrating to locations of economic opportunity, and by providing migration assistance to those who wish and need it. . . .

First, recognition should be made of the near immutability of the technological, economic, social, and demographic trends that herald the emergence of a postindustrial society and that are responsible for the transformation of our nation's settlements and the life within them. These major formative trends are likely to continue, not only through the coming decade, but also well into the next century. Deflection or reversal of these broad-gauge trends is not likely to result from purposive government action. *Clearly, on the basis of these trends, a federal policy of active anticipation, accommodation, and adjustment makes more sense than efforts to retard or reverse them.* The efforts to revitalize those communities whose fortunes are adversely affected principally by the inadvertent consequences of past public policies are entirely justified, but these instances are judged to be rare. It is far more judicious to recognize that major circumstances that characterize our nation's settlements have not been and will not be significantly dependent on what the federal government does or does not do. . . .

Federal urban policy efforts should not necessarily be used to discourage the deconcentration and dispersal of industry and households from central urban areas. . . .

The energy and environmental implications of continuing trends toward relatively low-density development in new growth areas and the thinning out of existing high-density areas does not unequivocally justify the need for a national effort to encourage reconcentration in historically central locations. . . .

In close partnership with the private sector, the federal government should develop strategies to assist localities in adjusting to economic base transformation and population shrinkage. . . . Policy-guided contraction and disinvestment can help ease the impact of economic decline on individuals and local institutions and to position communities for regaining their health at new lower levels of population and industrial activity.

Haig and Kissinger act out London's NATO scenario

by Kathleen Murphy

Throughout his tenure as secretary of state, it was always possible to know what Henry Kissinger would do next by reading the pages of the high-toned London *Economist*. The same holds true today. The chief policy organ of the City of London—and Kissinger—both demand that NATO extend its military arena into the Persian Gulf.

The London *Economist* is also putting forward the strategy behind such a dangerous escalation of NATO's perimeters: a global policy of deindustrialization that only NATO could enforce.

In its latest issue, *The Economist* demands a transfer of industry and employment to the Third World—where workers would be paid at below-subsistence wages. Simultaneously, *The Economist* demands, the advanced sector must be transformed into a “postindustrial society,” which would subsist on the basis of banking, insurance, drugs, and gambling.

This means, *The Economist* explains, the buildup of NATO’s conventional forces and its deployment as a police force throughout Europe and the Third World.

Zero growth

Gloating that the current world economic crisis has already thrown 17.5 million advanced-sector workers out of their jobs and forced many industries to either close or flee south, *The Economist* insists that the migration of heavy industry to cheap-labor Third World countries is inevitable.

Because world consumption rates will approach zero growth in 1982, the magazine asserts, the advanced nations should give up any hope of saving their basic industries. Instead they should orient toward a “service economy” based on nonproductive paper-shuffling, as in insurance speculation, real estate, and “leisure” (gambling casinos, drugs, and prostitution).

In its economic program for the United States under the headline, “De-industrializing Is Fun,” the magazine called on Reagan to kill off U.S. steel and auto industries in favor of an “information society,” which fore-