

## Principles of statecraft for a new 'North-South' policy

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*EIR founder Lyndon H. LaRouche, Jr. has written a booklet, titled Principles of Statecraft for Defining a New "North-South" Policy, which will appear soon. We provide here advance publication of the Letter of Transmittal for that booklet.*

This report has been prepared chiefly to provide needed background knowledge for members and advisers of governments participating in the scheduled October 1981 "North-South" conference in Cancún, Mexico.

The problems which demand such a report are chiefly these.

The effort to establish efficient policies for economic development of nations with a high ratio of rural population has been in progress since the deliberations leading directly to the adoption of the UNO's First Development Decade resolution, back during the 1950s. Unfortunately, from that time to the present, the use of the word "development" in such contexts of diplomatic effort has continued to mean chiefly a shifting aggregation of aspirations without an accompanying, coherent and generally accepted theory of what development is, or by what well-defined courses of action it might be achieved.

The principal cause for this lack of generally accepted development theory, and the chief cause for capitulation by developing nations on vital issues of negotiations, has been the fact that the external indebtedness and sources of new credit of most governments and states has been institutions allied with the Bank for

International Settlements, International Monetary Fund, and World Bank. Since no general development of the southern tier of nations is possible without either replacement or radical reform of those powerful monetary and financial institutions, the fear of these institutions has transformed the discussion of development into forms resembling debates over the best forms of self-government among the prisoners of a Nazi concentration camp.

All things being equal, one might assume that present and future "North-South summits" would be nothing more than one more graveyard of memory for frustrated hopes. All things are not equal. The Ottawa summit conference of leading nations, reviewing monetary policy, was much worse than a total failure. The last chance for most among developing nations is now the negotiations leading into the October conference in Cancún, Mexico. Either developing nations muster the courage to accomplish what they have never attempted since the Colombo, Sri Lanka conference of August 1976, or the sovereignties and much of the population of entire regions of the developing sector will begin to vanish rapidly in the developments soon to follow.

The possibility that some section of the developing nations might, at last, attack the key issue of development policy has not arisen because matters have become better, but because well-informed nations know that their very nations may soon cease to exist unless courage is now found to attack issues which they have not dared to attack openly before this time.

The writer of this report became a somewhat signif-

icant, if peripheral factor in the effort to establish a new world economic order during the period of 1974-76, the period leading into the August 1976 Colombo conference. In the massive, coordinated operations against himself during autumn 1975, the writer experienced first-hand the nature and scale of pressures mobilized against any government or political figure which challenges the neocolonialist policies of the IMF, World Bank, and Bank for International Settlements. The major personal, coordinated roles of Henry A. Kissinger and Gamani Correa of Unctad in that 1975 operation exemplify the coordinated functions of influential traitors within the "Third World Camp" in setting up governments and personalities who displease the masters of Kissinger.

In desperate haste to divide and conquer forces seeking monetary reforms during the pre-Colombo period, Kissinger and the U.S. Brookings Institution concocted a swindle then termed "the International Resources Bank" proposal, which was introduced to hoodwink a majority of the Group of 77 through the Switzerland offices of Unctad, and Gamani Correa. The "International Resources Bank" swindle was followed by a similar hoax, from the same Kissinger-linked sources, called the "Common Fund."

Governments which sponsored serious development proposals, such as the Colombo resolution of August 1976, were either simply overthrown, and in some cases targeted for assassination, chiefly on the basis of orders of coups and assassinations mediated through Kissinger. Mrs. Bandaranaike's government was ousted in Sri Lanka, a coup d'état was organized against Mrs. Gandhi's government, with aid of leading figures of the Socialist International, and funds conduited, according to Indian sources, through the Siemens-ITT conduits. On Kissinger's orders, the Bhutto government of Pakistan was overthrown, Kissinger personally informing Prime Minister Bhutto that Kissinger and his friends were "going to make a horrible example of you." It is little wonder that the Socialist International and its close associates are so bitterly hated among all informed leading patriotic circles of developing nations.

The presently projected October conference is scheduled for a nation, Mexico, which is targeted for early "Iran treatment" by the Trilateral Commission and forces allied to the leadership of the Socialist International. George Ball, a leading figure of the Trilateral Commission linked financially to the fascist Propaganda Two Freemasonic lodge of Licio Gelli, continues his commitment to murder at least half of the population of Mexico, the commitment to which he and the Trilateral Carter administration have been committed since no later than 1976. This Hitlerite scheme of William Paddock's and Ball's this writer exposed in a half-hour nationwide U.S. television broadcast on Nov. 1, 1976.

The destabilization of Central America, mediated through left-Jesuit Liberation Theologists, elements of the leadership of the Socialist International, and coordinated by elements associated with the Kissinger-Carter State Department and National Security Council,<sup>1</sup> is already being extended into escalated form in Guatemala, with the Guatemala destabilization intended to lead to a foreign military occupation of Chiapas state in Mexico.

The general proposal for elimination of 2 billion or more of the developing sector's population by approximately the year 2000 was initiated by Aurelio Peccei's Club of Rome, a proposal brought into the open during 1972-1973 with aid of a fraudulent report prepared by a pair of evil professors at the Massachusetts Institute of Technology, Dennis Meadows and Jay Forrester: the *Limits to Growth*. This policy of genocide is aided by a complex of international "environmentalist" movements set into motion in coordinated fashion during the closing months of 1969. These include the World Wildlife Fund, the Aspen Institute, and the U.S. Sierra Club, among numerous others, down to the level of the rag-tag of "radical antitechnology" groups developed as subversive forces in various developing as well as industrialized nations.

This genocide was openly proposed to become the policy of the United States through a *Global 2000 Report* prepared under the term of Secretary of State Cyrus Vance and released to the public with the enthusiastic endorsement of Vice-President Edmund Muskie. The report is enthusiastically supported by the pro-genocidalist Archbishop of Canterbury, Robert Runcie, who insists, together with others, that the Willy Brandt North-South Commission report includes proposed policies by which such genocide could be successfully fostered. Although the Brandt Commission report does not represent itself as supporting genocide, the measures included in the proposals would have exactly such consequences.

The monstrous fact of the matter is this. Here we are faced with an overt, repeatedly avowed intent to perpetrate genocide on a scale a hundredfold larger than that accomplished by the Nazi regime, and yet, with the memory of the Nuremberg Trials and Nuremberg Code still fresh on the books of international law, the leading figures associated with the Club of Rome are not only not brought before international or other tribunals as the letter of the law demands be done, but such monstrously degraded persons are received by governments and other prominent institutions around the world as if *such genocidalists a hundred times worse than Hitler's criminality are to be regarded as "respectable public figures"!* At the very least, the patriots of every developing nation should demand that personalities associated with pro-genocidal and allied "environmentalist"

proposals be treated as "personae non gratae" throughout the developing nations.

That exemplifies the kinds of facts characterizing this writer's direct knowledge of preceding development negotiations. The danger to developing nations' existence, and the existence of large portions of their populations is very immediate. To fail to confront the issues of the neocolonialist monetary order now, and directly, would be a virtual act of suicide by the governments of most nations of the developing sector.

The key to the immediate danger is twofold. Primarily, the continuation of the usurious monetarist measures of U.S. Federal Reserve Chairman Paul A. Volcker since October 1979 has brought the world to the verge of a chain-reaction of monetary collapses, analogous broadly to the 1929-1931 period. The United States has responded to its government's failure and unwillingness to reverse the Volcker policies by adapting its national social and strategic-military policy to the circumstances defined by Volcker's imitation of Nazi Finance Minister Hjalmar Schacht. Military policy has been reshaped on the basis of the stripping away of industrially based in-depth strategic capabilities of the Atlantic Alliance, by a would-be offsetting emphasis on "forward defense," "first-strike" nuclear postures against the Soviet Union's heartland. This has brought us to the verge of Soviet preemptive countermeasures, approximating, in reverse, the 1962 Cuba Missile Crisis. These two combined and interdependent problems have created a more menacing danger to the human species as a whole than existed in fact on the verge of either of the two previous world wars of this century.

The proper way to evaluate these dangers leads one to examine the awareness and associated intent among the Trilateral Commission and its international allies.

On June 14, 1981 the Bank for International Settlements reported that the continuation of the Volcker measures in the United States was leading the world to the verge of a new world depression, possibly worse than that of the 1930s. That BIS report was correct on both of those cited accounts—although not in respect to its proposed actions.

On the second count, if we compare 1929-1931 with the present period, we note that the ratio of fixed financial charges to value of total goods-production is an order of magnitude larger today than was the case in 1929. Since current and future payments of the fixed charges of ground-rent and debt-service must be derived from the gross profits of goods-production as a whole, the combination of a monetary inflation in fixed financial charges with a contraction of goods-production levels transforms the combined absolute and relative monetary inflation of capitalized ground-rent and debt-service values into a classical financial "bubble," like the John Law "Mississippi" bubble and the British

"South Sea Island" bubble of the 18th century. The degree of stress between those aspects of financial holdings and the shrinking gross profits of goods-producing sectors is an approximate measure of the depths of the depression which will occur when the bubble is burst.

On the first count, the kind of bubble-spiral we have described summarily enters the imminent-collapse phase of such a spiral when interest charges to goods-producing sectors exceed the ratio of marginal return on investment in circulating capital of goods production. That is, there is no possible equilibrium-value of restabilization within the monetary cycle so defined. In this phase, the economy proceeds to the point at which a chain-reaction of bankruptcies, and closings to avoid bankruptcy, strikes both goods-producing entities of the economy and increasing numbers of banks and other financial institutions. That latter condition of maturity was reached in the United States internal economy at the beginning of the second quarter of 1981.

The chain-reaction effects of the Volcker policy were mediated into the Federal Republic of Germany through the complicity of the independent Bundesbank, acting in concert with the private central bank for independent central banks, the Bank for International Settlements. That nation, in consequence, has been sent into a spiral of contraction, which will become a depression as soon as the contraction of the nation's balance of trade and payments combined bring the whole economy below breakeven levels.

The agreements reached in the July Ottawa conference have removed all remaining actual and potential obstacles to the triggering of a financial collapse during the months immediately ahead.

This knowledge is commanded by not only the Bank for International Settlements, but also by an associated interlocking complex of Venice-centered family funds, the complex which instructs Mr. Volcker on which occasions the Federal Reserve chairman is permitted to cough, breathe, or blink an eye. The implied conclusion, therefore, is that these forces, or at least a prevailing majority among them, desire a new depression.

This is, in fact, the correct evaluation. *The chaos and crisis such a collapse will precipitate is the desired opportunity among a prevailing majority of such family funds. It is their present intent to establish an "emergency decree" government in the United States, and "authoritarian" regimes in every nation of Western Europe.*

A fascist coup is now tentatively scheduled to occur in Italy during September 1981. As in other Western European nations, the new fascist state order is to be modeled politically on the 1920s Mussolini fascist regime, while the monetary-economic features of the state are to be modeled on the Nazi austerity of Hjalmar

Schacht and Albert Speer. In general, these fascist regimes are intended to be given the cover of fascist presidents or prime ministers of Socialist International parties, such as Bettino Craxi in Italy. The coup in Italy is being organized with the support of U.S. Secretary of State Alexander Haig and coordinated, on the ground by forces associated with Agnelli, Fanfani, Olivetti, the Assicurazioni Generali di Venezia e Trieste, and the mother-lodge for the fascist Propaganda Two lodge, Grand Orient of Rome. These are the Italian, Venice-coordinated forces which control Aurelio Peccei of the Club of Rome.

For clarity, it is useful to add that former Carter Ambassador to Rome, Richard Gardner, was not only a founder of the Trilateral Commission, but was at the time of that founding a paid intelligence officer for the fascist Propaganda Two lodge in Italy. The paid connection of Gardner to the Propaganda Two lodge, prior to his being appointed Carter's ambassador to Rome, was as agent for the Rockefeller-interfaced Inter-Alpha Group, an interlocking international financial cartel, controlling the funds of the Socialist Party of Italy, directly linked to the international drug-financier interests and financial depositories of the Scottish Rite Freemasons in Scotland. While ambassador to Rome, Gardner performed not only a key role in the "Billygate affair," as an accomplice, but intervened in political defense of interests later indicted by Italian courts as terrorists. *As the Italian courts have shown, all terrorism and related undertakings in Italy since the beginning of the "Strategy of Tension" in 1969 have been coordinated through the Propaganda Two lodge, to which Gardner is connected by marriage as well as in other forms.* Colonel Qaddafi of Libya was a creation of these same circles. Qaddafi has been a correspondent of the fascist international since no later than 1959, and was put into power in Libya in 1969 in coordination with the "Strategy of Tension" operation by combined Venetian and British Petroleum interests. Qaddafi is a partner of Agnelli and of Venetian-controlled Italian Mafia circles coordinating terrorist, drug-running and weapons-smuggling traffic into Europe through which Billy Carter's connections into Libya were arranged.

The projected policy for an "emergency government" of the United States is to enter this state of affairs by successive degrees, using a combination of monetary-economic and strategic crises as the pretexts for these successive steps. The general policy for such steps is to model the United States directly on the Nazi regime of the 1930s, combining the union-busting and austerity of Nazi Finance Minister Hjalmar Schacht, under the Brüning and Hitler regimes, with Hermann Göring's "guns instead of butter" military policy. This includes the projected elimination of President Ronald Reagan, and the control of Reagan's policies and perceptions in the

meantime by a combination of intimidation by the Trilaterals and Menachem Begin with Reagan's known susceptibility to "consensus"-determined policy-making and his anti-Soviet profile.

Although the White House is morally abhorrent of the genocidal policies of *Global 2000*, and committed to the principle of sovereignty of nation-states, the forces determined to manipulate and eliminate Reagan are typified by the Draper Fund, for which Gen. Maxwell Taylor is presently a rabidly racist-genocidalist spokesman. James Buckley at the State Department is the executive responsible for the principal genocidalist section of that institution, and the administration is crawling with the influence of the Fabian Society-controlled Heritage Foundation and the Fabian-fascist Prof. Milton Friedman, both of which influences are rabidly committed to policies ensuring genocide throughout much of the developing sector.

If the depression occurs, and facilitates political shifts in the government of the United States and Western Europe, the increasingly fascist character of fascist governments led by Socialist executives or influenced by the Fabian-Socialists of the Heritage Foundation in the United States (e.g., David Stockman), must be taken into account to assess the forces through which massive genocide against the developing sector will be mediated.

Thus, it would be moral insanity and intellectual imbecility among developing nations' governments not to view the negotiations leading into the October conference as quite possibly the last and only remaining opportunity to force the world to move out of the fascist-genocidalist geometry intrinsic to the present composition and policies of the IMF, World Bank and Bank for International Settlements. If some among the industrialized nations can be shocked into creating increases in levels of world trade in high-technology capital goods, by promoting North-South technology transfer, that shifting of key such nations away from the brink of world depression will strengthen democratic forms of republican government against the imminent fascist threat. Only in that way could the risks of nuclear war and almost certain genocide be combatted at this late stage of developments.

Like many committed to fostering technology transfer to developing nations over years, this writer has become so accustomed to the atrocities perpetrated by Kissinger et al. that he, like many similarly advantaged to know the inside of such matters, has lost the capacity to weep, or to be shocked by any new manifestation of Kissinger-like bestiality or the cowardice and narrow-minded cupidity among many of Kissinger's victims. From such experience, this writer's thoughts drift, through reconstructed memory, to Dante Alighieri in Italy at the beginning of the 14th century. Then, the biological and political ancestors of today's Venice-

centered interlocking combination of rentier-financier family funds, imposed upon Europe a genocidal blend of usury and austerity which resulted in a halving of the population of Europe over the period from 1268 A.D. into the third quarter of the 14th century. Indeed, it is that same Venice-centered "black nobility," together with coopted family-fund partners in many parts of the world, which created Mussolini and Hitler, and which is behind Volckerism, Friedmanism, Club of Rome genocide, and new fascist schemes of today.

Yet, then, out of the genocidal abyss into which the powerful, Aristotelian financier interests of Venice and Genoa then plunged Europe, Dante's efforts, continued through Petrarch and others, established the great watershed of all subsequent modern civilization, the 15th century's Golden Renaissance. It was the development of science, of printing, the transformation of brutish local dialects into literate modern languages, and the creation of the institutions of the modern sovereign nation-state republic then, which lifted Europe from the genocide and rubble created by Aristotelianism of Genoa and Venice, to develop Europe as the center of the world's production of wealth and culture during later centuries.

Although the power created by the Golden Renaissance was too often appropriated by resurgent Aristotelian forces centered on Venice's family funds, the potential for great good was nonetheless established—on condition that we crush the evil forces centered historically and financially on Venice's family funds.

That record implies that if one could look rightly at the developments traced from the influence of the work of Dante into the 15th century and beyond, that view of history must provide us lessons which are perhaps not obtainable in such degree of applicability to today in any other way. If we can look rightly at the past seven centuries of European history, sorting the good from the evil, the excellent from the merely mediocre and tragically foolish, there must lie within that matter durable lessons of statecraft urgently wanted today.

As to the immediate future of humanity, it would be foolish to be blindly optimistic. Perhaps, unless this report can help to awaken and encourage some among the participating governments, the October meeting will be as fruitless as the recent Ottawa conference. The only immediate source of hope for mankind as a whole is that the highly improbable might occur in the course of preparations for that meeting. The only remaining source of hope is the highly improbable prospect, that some statesman might at last break the mold of traditional diplomacy, and recapture some of that higher morality and true genius exemplified by Dante Alighieri, France's Louis XI, and Benjamin Franklin's brilliant organization of the defeat of Britain.

The chief source of corruption of statesmen, apart

from the reaction-formation to fear of Kissinger's masters, is the influence of the putative professional economists. Although some among those brutally miseducated economists are intelligent persons still capable morally and intellectually of re-education in economic science, the varieties of political-economic method and doctrines they represent presently are each and all worse than incompetent. The developing nations, in particular, have been saturated with the dogmas purveyed by Cambridge University's King's College and the London School of Economics. The very system of national-income accounting used by every government of the developing nations is intrinsically incompetent for related reasons. A developing nation statesman who desires his nation to survive must begin by rejecting the influences of each and every one of the certified economists presently predominating in those nations. Until they have been re-educated, they must be viewed as the (perhaps unwitting) bearers of the same moral syphilis more overtly carried by Henry Kissinger and Prof. Milton Friedman. It is the continued influence of these economists which compels us to regard the continued existence of many developing nations, and of large portions of their populations, as an improbable outcome of the October conference.

To accomplish the improbable survival of nations and populations, requires a knowledge of certain principles of statecraft generally lost to knowledge of statesmen and political parties since the close of the 18th century and beginning of the 19th. These are principles known to St. Augustine and to Dante Alighieri after him, principles elaborated richly by the greatest thinkers and statesmen of the 15th through early 19th centuries.

Learn and apply quickly those principles of statecraft, or else a statesman is left with no important action to take but to kiss the members of his family (and perhaps his mistress) goodbye, and then, as a final act, to give a parting kiss to whatever portion of his anatomy he holds most dear. There is then nothing remaining to do but to pray.

The function of this report is to outline in summary, and as rigorously as summary permits, those essential concepts of statecraft, without which civilization belongs to its revival in some distant generation, a generation which survives the present risk of a thermonuclear war which would eliminate within two years of its occurrence all higher forms of life on this planet.

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<sup>1</sup> The Ad Hoc Population Group of the National Security Council, the Office of Population Affairs and the Oceans and Technology sections of the State Department. These entities were constituted in pilot-project form under President L. B. Johnson's administration, and developed into permanent functions through Kissinger's sponsorship during his two terms as virtually acting President of the United States. The genocidal activities of these subagencies were accelerated under National Security Adviser Zbigniew Brzezinski, under whose administration the destabilization of Central America was cranked up in preparation for the recent bloodshed.