

## **EIR Feature**

# **Friedrich List and the program for Europe today**

by Anton Chaitkin

During 1989, the world has celebrated—although far too little officially—the 200th anniversary of the birth of one of the heroes of Western statecraft, Friedrich List. List fought throughout his life for nation-building as the basis of economics, against the rapacious looting policies of the British Empire and its apologists Adam Smith and Karl Marx. Today, with Marxism being massively rejected, and with the Adam Smith cult discredited by its baleful effects on the developing sector, it is urgent that List's method be understood, as exemplifying the kind of thinking uniquely capable of turning mass ferment in Europe into an economic boom.

Like Lyndon LaRouche, the American economist who belongs to the same Leibnizian tradition today, List was hounded, falsely accused, and imprisoned, and his health was destroyed, merely because he propounded principles for national economic development that would have upset the oligarchy's monopoly on wealth and power.

Friedrich List was the principal organizer of the German nationalist republican political movement, whose program led to the formation of the nation of Germany. He was born in Reutlingen, Württemberg on Aug. 6, 1789, just as revolutionary victor George Washington was forming the new government of the United States of America.

At the end of the wars in Europe and America in 1815, cheap British goods flooded both continents, destroying jobs, which with Metternich's police system spurred nationalist thinking everywhere. Reformers including List, then a young economics professor, proposed unity and protective tariffs among the tiny, feudalist-ruled German principalities.

Under List's direction, organizers worked with thousands of factory owners, workers, and merchants, circulating petitions and setting up inter-state committees. List's growing Handelsverein group aimed for a free republican constitution, and national promotion of home industries.



Western European government leaders, especially France's President Mitterand (center) and Germany's Chancellor Kohl (right) have a lot to learn from Friedrich List (left, in an 1844 engraving).

In 1820 the Austrian Hapsburg government denounced List as "a dangerous revolutionary." The king of Württemberg forced List out of his professor's job, labeling him an agent of a foreign state (i.e., Germany). List was elected to Württemberg state parliament, but phony corruption charges forced him out of both the parliament and his own organization, and he was framed up and thrown in prison, sentenced to hard labor.

After several months of prison, Professor List was exiled from his native country in 1825. List went to the United States at the invitation of the Marquis de Lafayette, serving as a translator for Lafayette on the general's tour of America.

Friedrich List joined Nicholas Biddle, Mathew Carey, and Henry Clay in their revival of the nationalist program of the American Revolution. Proclaiming Alexander Hamilton the founder of modern economics, List gave theoretical and practical counsel to the Pennsylvanians on their project to industrialize the U.S.A. He opened coal mines, helped plan the American canal system, designed rail transport, and proposed the cutting of a Panama Canal. The explicit attacks against the Tory views of Adam Smith, launched by List and Mathew Carey, guided the Henry Clay Whigs and shaped the thinking of Abraham Lincoln.

List returned to Germany in 1830 as a U.S. consul, working with James Fenimore Cooper, Lafayette, and others in the "American party" fighting for the free national development of Europe, and a common front with America against the bloody British Empire. Yet the Senate of Hamburg refused to ratify his appointment, and finally he returned as consul to Leipzig, where in 1833 he launched his program for a national railway network.

His renewed nationalist activity bore fruit in the Zollverein, or German Customs Union. List's republican party terrified the imperial strategists, whose anti-nationalist subversion on the continent included both "free trade" politics and

the British Foreign Office initiation of "Marxism." Every trick must be tried to prevent independent manufacturing power from growing in Germany, France, or other potential republican centers.

Eventually, List's movement was crushed, and he died of poisoning in 1847—allegedly a suicide. His projects for German railroads were a stunning success, though his nationalist concepts were actualized only in a distorted form by the German empire of Bismarck.

### Reciprocal development concept

Friedrich List's written works, along with those of Mathew Carey's son Henry, went before the world of the late 19th century as the spokesmen for national liberation against the empires, particularly in Asia and Ibero-America.

Above all, List's influence was felt in the spectacular American notion of development which he helped spark in Philadelphia in the 1820s. This was, that the East Coast would be enriched by the development of the American West; the U.S.A. would benefit massively by the growth of prosperity and power in Ibero-America; that the Western Hemisphere would be rewarded economically if investment and trade could make Asia a new center of manufacturing; and so forth.

List and the other shapers of the American System of economics took this idea from the War for Independence. Europeans like Lafayette, sick to death with the oppression and corruption of Old World aristocracy, had put their lives on the line in a new chance for world freedom, in America.

List's proposals for trans-European rail lines, for new European banks to outflank the murderous old financial powers, for free national constitutions in slave countries, may now finally come into their own with a rush, 200 years after his birth.