

LaRouche forecast foresees change in economic philosophy, or destruction

Economist Lyndon LaRouche, an independent Democratic candidate for Congress from Virginia's 10th C.D., issued a new forecast on Sept. 29. A shift to American System methods, replacing the discredited Marxist and Adam Smith dogmas, can avert the destruction of civilization and build a garden on earth, he said. The following version has been slightly abridged.

I am frankly ecstatic to participate spiritually in the Oct. 3 reunification of Germany. An additional cause for my happiness is the fact that I was among the few who looked forward to this development as recently as Oct. 12, 1988 when I delivered a statement at the Kempinski-Bristol Hotel in Berlin, Germany, calling people's attention to my expectation that, in the light of the developing Soviet food crisis, there would come the potential for the economic development of Poland and a process leading to the emergence in the foreseeable future of Berlin as again the capital of a united Germany.

I have done fairly well with forecasts over the years, both as an economist and forecasting a few other developments, some happy ones, some less happy.

What do I forecast now?

People ought to recognize, but I am afraid that few do, including many politicians and others, that since society is composed of human beings, we cannot predict events in society, in history, in the manner that a witch doctor or crystal ball-gazer might wish us to believe.

We cannot predict; what we can do is we can forecast.

What is it that we can forecast?

We can forecast *points of decision*. We can forecast the kinds of decisions which will confront various kinds of relevant institutions at approximately, or more or less exactly, certain times in the present, or more or less distant future.

We can also forecast, if we have the skill to do so, what the consequences of each of those choices of decision or non-decision might be. And thus, we can circumscribe a time of decision with the balance between options up for decision, and the consequences, happy or painful, of those decisions.

That is essentially what I did in the case of forecasting the emergence of Berlin as the capital of a reunited Germany

on the happy occasion of Oct. 12, 1988, and that is what I have done in economics, in which field, whenever I have dared to forecast, I have usually been successful—or at least more accurate than my competitors.

The choice of political philosophy

What faces us now?

The question of *choice* comes foremost in the attempt to forecast.

What we are seeing before us in the unfolding of events on a global scale is the collapse of two great (in the sense of extensive and influential) economic dogmas. On the one side, we have the obvious collapse of Marxism, which probably can never be revived. On the other side, we have the collapse of Adam Smith and similar views—the so-called free-market economy view associated with British Prime Minister Margaret Thatcher. In the rubble which was once Britain, or the rubble which was once the great United States, Adam Smith is dying, as his grandson, Marx, has already died in the East.

We are now faced with great decisions, but what is the most essential choice before us? There are many choices, but one is essential.

The essential choice is a choice of political philosophy. And, the choice will come largely from Western continental Europe—more than any other place—because Western continental Europe at this point (not to deprecate the importance of Japan and the power of the Japanese economy) is the center of the world economy. It is the power center; the center upon whose success all other parts of the world depend, to greater or lesser degree, for their own welfare.

In Western Europe, there are but two significant forces contending for hegemony, in the decision-making of the present and ensuing months.

This has not changed indeed for about 2,600 years since the time of Solon's reforms at Athens, as the great poet and statesman Friedrich Schiller defined that in his essay on the subject of the laws of Solon and Lycurgus. Briefly, the conflict in the history of Christianity over the past 2,000 years—and retrospectively, as Christianity looks back to Solon through Plato and Socrates—has been a conflict between two

great philosophical systems; the only important conflict of such a nature in the entire period. On the one side, we have Christianity, the Christian tradition, which adopts Solon, Plato, and Socrates as its forerunners in the matters of statecraft and art. On the other side, we have the Babylonian model of empire, more familiar to us as the image of pagan Imperial Rome.

Over this entire period since the birth and crucifixion of Christ, the *only* conflict in the emergence of Europe and the extent of European civilization today has been the conflict between the Christian, what we might call republican model identified with Saint Augustine as well as such secular forebears as Solon, Plato, and Socrates; and on the other side, the pagan Roman Imperium: its ethics, its notions of law, and those who have attempted to imitate the Roman model in such pagan forms as Pax Britannica, Napoleonic dreams of world empire, and so forth. That is the underlying issue which confronts us today. That is the essential choice which faces us now and into the future.

Pagan Rome or the American System

Over the past period, the crisis has been building up in several ways. It has been building up by the imposition of looting and usury upon what we have called the developing sector. Neo-colonialism—the looting of this sector, the denial of developing nations of the right to true sovereignty, the right to the choice of scientific and technological progress as the mode of capital-intensive, energy-intensive investment which would enable these nations to provide a decent standard of living for their own people—imposed by the Anglo-Americans, chiefly, upon the developing nations, has been coupled with a vicious, most inhuman usury which has crushed, first, the people of the developing sector, and has turned inward to crush the populations within North America, Britain, and into Western Europe.

This system of neo-colonialism and usury, coupled with a utopian goal of establishing a one-world order, has been the form in which Pax Britannica and other imitations of ancient Imperial pagan Rome, have been perpetuated today. Ideas of malthusianism, ecologism, the worship of the pagan goddess Gaia, and attacks on Christianity by various forms of paganist laicism are all expressions of this reversion to pagan Rome.

A certain forecast can be made in this light. If we adhere to the utopian goal of establishing something like a Pax Britannica as a one-world empire, or the hegemonic feature of what is tantamount to one-world empire, then civilization is doomed—on the continent of Europe, in what has been the Soviet Union, in Eastern Europe, and throughout the developing sector. There is no hope for humanity, or at least not for civilization as we have known it, under those circumstances unless this effort, now centered in the Anglo-American commitment to North-South conflict and to geopolitical conflict, is eliminated, is eradicated. There is not one nation perhaps

on this planet which would still be standing a few decades from now—at least not in any civilized form.

The alternative is to go to what was called the American System, as identified with names such as Benjamin Franklin, Alexander Hamilton, Mathew and Henry Carey, and Friedrich List, and with Gottfried Leibniz before any of them. If we go to that model, if we reject usury, then we have the possibility of rebuilding a world shattered by too much of the Adam Smith model, as well as the Marxist one, and there is hope for humanity in the coming period.

In practice, this issue centers about the relationship between a reunited Germany and Moscow, as well as the other states of Eastern Europe.

If Germany is reunited on the basis of vigorous economic growth of the type possible under an American System model, or shall we say a Friedrich List system model, and if the Soviet Union, or Moscow, and other states of Eastern Europe cooperate with Berlin, and if France and Italy and other European nations also cooperate with Berlin to this common purpose to solve the problems of infrastructure, the problems of high-technology small industry, the development of family types of high-technology farming, and the development of modern manufacturing in Eastern Europe and what has been Soviet territory, then this cooperation provides the basis for solving the problems of the world.

If that enterprise is defeated, then perhaps the advocates of this new utopian form of Pax Britannica, the so-called new world order, will prevail; and with that, the death of civilization and of most nations is assured.

How to build a garden

Therefore, I would put the decision to be made in the following structured form.

At bottom, the decision to be made is a philosophical one. The question is, do we realize that civilization can no longer tolerate the perpetuation of the Babylonian model of usury and empire, either in its pagan Roman imperial imitations or other imitations upon this planet; that we must choose instead as a global model, the Christian Augustinian model, adopting retrospectively Solon and Plato and Socrates as the predecessors of the Christian model? In that case, we have made the correct fundamental decision. However, we will make this decision not merely in a general philosophical way: We will have to make it, also, in a practical way.

First of all, we have to agree on several principles. Do we agree on the sovereignty of nation-states as opposed to over-reach by foreign powers? Do we agree on the right of every human being to participate in scientific and technological progress? Do we agree on their right to participate, through capital-intensive, energy-intensive forms of investment in infrastructure, in agriculture, in high-technology, in small entrepreneurial firms, and in manufacturing and so forth, in that progress?

Do we agree that it is in the interests of all states to help

Public vents spleen at U.S. Congress

When government institutions were shut down on Columbus Day weekend, after President Bush rejected on Oct. 6 a spending bill that would have kept the federal government running for a week, the general public had the chance to make their views heard in the House and Senate chambers. The veto meant that all the major museums in Washington were shut down on one of the busiest tourist weekends of the year.

Visitors went to one of the few places open, the U.S. Capitol, where the Congress was frenetically working into the wee hours on a compromise. The U.S. Capitol Guide Service estimated that 12,000 people would take their tours.

The normally quiet Gallery of the House of Representatives had the atmosphere of the Super Bowl. People erupted into supportive hoots and applause as representatives attacked the budget and the administration for allowing the museums to be closed. Emotions were so high that Capitol Police could not restore order in the galleries, and one policeman himself was heard blasting the administration in comments to one of the visitors. The House Speaker was forced at times to pound his gavel in order to bring order into the chamber. Rep. Charles Wilson (D-Tex.) commented ironically on the packed galleries, "They're all here because the other zoo is closed."

On Sunday, the House convened five times, as the day turned into night. House Minority Whip Rep. Newt Gingrich (R-Ga.), who had been the most outspoken Re-

publican opponent to the budget summit package, accused the Democrats of blocking progress. House Speaker Tom Foley (D-Wash.) snapped back: "Of all the people in this House, of all the people in this country, who have little claim to cooperation with his President, it is the gentleman from Georgia."

Rep. James Traficant (D-Ohio) was applauded when he stated from the floor, "I am not for raising taxes and I am not going to vote for a budget that raises taxes." Rep. Lawrence Smith (D-Fla.) said that President Bush was "acting like a ruler most of the immigrants fled away from."

Some of the Democratic congressmen were totally incensed over the administration's attempt to shift the sole blame for the budget deadlock on to the Congress. Rep. Ed Jones (D-Ga.) accused the administration of engaging "in as remarkable a piece of revisionist history as we will ever hear, blaming the Congress for the budget impasse, blaming Congress for putting thousands of Americans out of work, as if the White House could walk away from the scene of the crime, whistling in the dark. The American people want solutions," said Jones, "and they want them now."

Rep. Lawrence Smith summed up the general feeling when he commented that "Mr. and Mrs. America out there, even the Republicans in this room, finally said, 'Enough is enough. You have gone too far.'" Smith said that they would not support the President when he wants "to close the deficit on the backs of the elderly and screw the middle class once again, and give your rich friends another break," referring to President Bush's attempt to push a capital gains tax cut. Neither Smith nor any other Capitol Hill legislators have come up with any workable solutions to the economic crisis.—William Jones

one another in perfecting the sovereignty of other states, and in effecting the ability of other states to solve their internal problems through aid of scientific and technological progress? If we so agree, then we have made the right philosophical choice *in practice*. What we shall have to do immediately is to establish a relationship between a Berlin-centered agreement, on behalf of Western continental Europe as a whole, the capitals of the Eastern European states, and Moscow, to agree that we are going to order the relations among these elements of Eurasia in the form consistent with the principle I have just indicated, and that the partners to these kinds of agreements will similarly order their attitude toward, and relations with, the nations of the southern part of this planet.

If we do this, then we have done the right thing and I can forecast the following: The result would be that what some

view as the worst calamity—the collapse of the Anglo-American monetary and financial power—would turn out to be the greatest blessing which humanity has known in more than 100 years. By the thorough and utter discrediting and destruction of the policy-influencing institutions associated with an evil form of monetary and financial power—that is, the Adam Smith variety—we would have cleared the decks for the United States and other nations to reject the evil pagan ideas of Adam Smith and Marx, which have done so much damage to humanity as a whole, and rebuild themselves on the basis of Christian principles.

If that occurs, if that is the result of the great financial crash which is now overdue for the United States and London, then we must welcome those financial catastrophes as a great blessing. Sometimes it is necessary to clear away the rubbish in order to begin building a garden.