

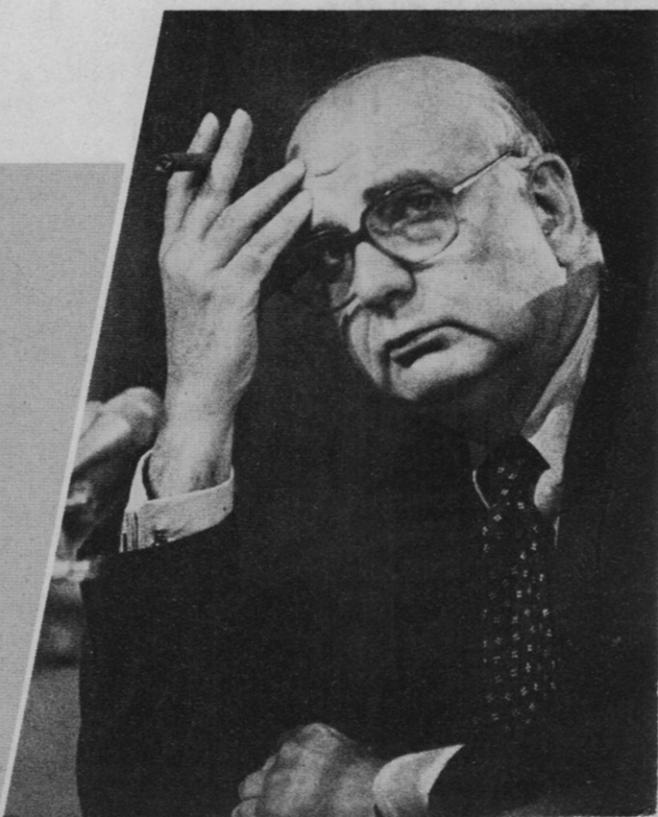
DRAFT DEMOCRATIC  
MINI-CONVENTION POLICY

# Halting and Reversing The New 'Herbert Hoover' Economic Depression



National Democratic  
Policy Committee

Suggested  
Contribution \$5



# About the NDPC

The National Democratic Policy Committee (NDPC) is presently the fastest-growing political action committee within the ranks of the Democratic Party, with more than 700 local chapters at the time of this convention, and a growing impact on the policy-thinking of citizens, especially in matters of national economic policy.

The NDPC is especially committed to rebuilding the Democratic Party through restoring constituency "ownership" of Party and elected officials, and through promoting the revival of that American System of political-economy which represents the basis for a harmony of interests among industrialists, farmers, working people and minority groups. Party policy must be freed both from the grip of brainwashing by major news media tycoons, and the grip of the New York Council on Foreign Relations. This must be done by reawakening the politically-active citizens of each locality of the nation as the deliberative body through which Party and national policies are formulated by give and take of facts and rational discussion.

**On the Cover:** Herbert Hoover (top);  
Federal Reserve Board Chairman Paul  
A. Volcker (bottom).

# Halting and Reversing The New “Herbert Hoover” Economic Depression

*Draft Democratic Mini-Convention Policy*

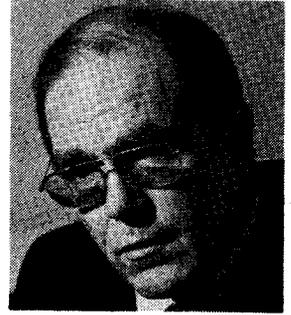
## Contents

<b>Letter of Transmittal</b> by Lyndon H. LaRouche, Jr. ....	i
<b>1. 1982 Policy of the Democratic Party</b> .....	1
<b>2. We Must Correct the Causes of the Depression</b> .....	2
<b>3. Foreign Policy: The ‘American Century’</b> .....	4
<b>4. The Evil Policies of General Maxwell Taylor</b> .....	7
<b>5. Scientific National Economy</b> .....	9
<b>6. Youth, Aging and Demographic Policy</b> .....	14
<b>7. Repudiate ‘The Global 2000 Report’</b> .....	18
<b>Addendum for Discussion:</b> <b>Anglo-Saxon Genocide Not Compatible</b> <b>With Democratic Party</b> .....	24

New York City      June 5, 1982

Authorized and paid for by the National Democratic Policy Committee.

# Letter of Transmittal



Lyndon H. LaRouche, Jr.

## Dear Fellow-Citizen:

The so-called anti-inflationary policy launched by Jimmy Carter and Federal Reserve Chairman Paul A. Volcker, beginning October 1979, has proven to have been the most incompetent and most cruel variety of economic policy to which our nation has been subjected since Herbert Hoover. During the interval from October 1981 through February 1982, our national economy passed over from a severe, worsening, inflationary recession, into the first phase of a full-blown new "Herbert Hoover" depression. At this moment of writing, the world's economy is at a point roughly comparable to Spring-Summer 1931; at the beginning of a "falling domino" form of collapse of large chunks of major and smaller financial institutions, as well as accelerating waves of bankruptcies of major corporations as well as farms and smaller businesses.

Although official federal statistics show unemployment currently at about 10 percent of the national labor-force, corrected figures show actual unemployment to be currently 21 percent of the labor-force. Federal statistics "cosmetically" cover up a major part of youth unemployment, "dropped from the labor-force," and the margin of unemployment hidden in the reduced hours of part-time employment. Barring continuing meliorative effects of now-threatened social welfare problems, the social effects of the present depression are already impacting our citizenry on the same relative scale as during the depths of the earlier Hoover depression.

The new Hoover depression is not the only major policy-issue facing the nation. The world is moving rapidly into a period of accelerating warfare, both wars against nations below the Tropic of Cancer as well as the Middle East generally and also a growing threat of thermonuclear showdowns leading to the brink of intercontinental thermonuclear holocaust. However, as West Germany's Chancellor Helmut Schmidt has warned correctly and repeatedly, it is the present economic depression, most immediately caused by Federal Reserve interest-rates policy, which is the chief underlying cause for the rapid deterioration in the strategic situation. If we master the deadly economic crisis now seizing us, economic recovery will provide us the material means for developing solutions to most strategic problems.

In facing this crisis, the Democratic Party has the major special advantage that its National Democratic Policy Committee is the only policy-making agency within either major party which commands competence in economic analysis and forecasting. Beginning with the first of the regular quarterly economic forecasts published by this writer and his associates, November 1979, every one of the LaRouche-Riemann quarterly forecasts has been consistently accurate concerning both short-term and medium-term trends in the U.S. and world economies, whereas every competing quarterly forecast of every econometric institution, governmental, political-party or private forecasting service, has been proven consistently absurd in its projections.

True, for various petty and other reasons, the Carter group and certain other factions within the Democratic Party have previously indulged in intensive and hateful vilification of both LaRouche and the NDPC as a whole. Under present circumstances of economic depression, the Democratic Party must refuse to be either so politically suicidal or insensitive to the most vital interests of our citizens generally, that the Party would reject the only competent source of economic-policy analysis within the Party as a whole. Sensible Democrats say, "Let bygones be bygones. Beating this economic depression is the job of any serious party at this time."

In service of the common interest of our Party and our nation, the following proposed draft resolution was submitted for discussion and adoption by the 1982 Philadelphia Democratic Party "mini-convention."

Lyndon H. LaRouche, Jr.  
Advisory Committee Chairman  
New York City  
June 5, 1982

# 1982 Policy of The Democratic Party

1

Continuation of the ruinous Volcker policies of the Federal Reserve System has ruined the economy and undermined the national security of both the United States and its allies. The United States has now entered the opening phase of a new "Herbert Hoover" depression, a depression potentially far worse than that of the 1930s.

Since the initiation of the so-called Volcker policies, during October 1979, the United States has lost a large segment of its productive owner-operated farms, suffered a savage reduction in manufacturing, and a near-collapse in construction. Although official statistics indicate an already alarming unemployment-rate of 10 percent of the labor-force, more accurate statistics show that not less than 21 percent of the nation's labor-force is presently out of work.

As a consequence of the depression triggered by Volcker policies, a deep and increasing reduction has developed in the tax-revenue base of federal, state and local government, creating a skyrocketing of deficits in our federal budget and pressure for savage reductions in essential social, national-security and other programs. The President's ideologically-blinded economic advisors have insisted, foolishly, that the economy will bounce up again, as soon as bottom is struck, but the collapse of the economy has accelerated and the promised bottom is nowhere in sight.

Some misguided Democrats have gloated that this new "Herbert Hoover" depression indicates a Democratic landslide in the November 1982 elections. Such a victory would not be worth the price of that suffering our nation and its citizens would have to endure between now and November. The clear moral duty of every Democrat, especially among elected officials and Party leaders and influentials, is to mobilize every resource at our disposal to halt and reverse this new "Hoover depression" immediately this summer, if possible.

Other issues are important, but no other important task can be solved unless the means for solutions are provided through stopping and reversing the present economic depression.

Therefore, the 1982 Philadelphia "mini-convention" of the Democratic Party resolves upon this memorandum of advice to all elected officials, candidates and Party organizations: Let us mobilize all the resources at our disposal to halt and reverse the new "Hoover depression" now, approaching Republicans with the proffered hand of bi-partisan collaboration on behalf of the corrective policies and actions we set forth here.

# We Must Correct the Causes Of the Depression

2

Although the immediate cause of the new "Hoover" depression is the monetarist policies of the Volcker Federal Reserve System, Volcker's ruinous policies have merely aggravated the cumulative effects of errors of choice and omission by forces drawn from both major parties over a period of approximately fifteen years. Although immediate action forcing the Federal Reserve System to lower interest-rates significantly below 10 percent is indispensable for halting the depression, that necessary action by itself would not stop the depression. Corrective measures must go much deeper, reversing all of the principal blunders of monetary, fiscal and economic policy during the preceding fifteen years.

Fortunately, the required corrections add up to no more than a handful of sweeping measures to be taken jointly by the President and Congress, in the form of emergency measures which could be enacted and made effective within a week's time, if the will to accomplish this were mustered. Moreover, no complicated, or wild-eyed tactics are required. It will be sufficient to combine certain proven measures from the experience of this present century with the fundamental and proven policies of credit, banking and economy established during the first administration of President George Washington.

The actions to be taken must lead quickly to cooperative actions with other nations, but no proper treaty-obligation requires us to secure permission from any other nation or supranational agency before implementing the steps which must be taken. The United States is a sovereign, constitutional republic, to the effect that no formal or implicit agreement with any foreign agency could be lawfully construed as preventing our government from autonomous enactment of sovereign measures respecting our nation's credit, banking and economic policies.

The emergency measures required to halt the new "Hoover depression" are, summarily, as follows:

1. The President of the United States must act to restore the nation to a gold-reserve basis, pricing the gold-reserves of the United States at a fair-market price of approximately \$500 an ounce for sale and purchase of monetary gold.

2. The Congress must "federalize" the Federal Reserve System, by a single act, under the unique, inalienable constitutional authority of Congress. This act must transform the Federal Reserve System in effect to become the "Third Bank of the United States." This Act must restore comprehensive regulation, on a gold-reserve basis, to the nation's banking system, enforcing coherent conditions of transparency upon foreign financial institutions conducting business within the United States or with the banks of the United States. The power to regulate and create negotiable credit in excess of savings must be restricted to the sovereign federal government of the United States.

3. In compensation for collapsing the power of the private financial system to generate fictitious-money credit, the federal government, through action of the Congress, must issue

gold-denominated U.S. Treasury currency-notes, to be loaned at not less than 2 percent or more than 4 percent prime discount-rates through the Federal Reserve System. These funds shall be loaned as participation in individual loan-agreements between private banks and borrowers, and shall be restricted to categories of loans as either designated by Act of Congress or as Congress may define the powers of the Executive Branch to regulate such loan-participation policies of the Federal Reserve System.

This loan-participation should be restricted, on principle, to those categories of investment which maintain and increase high-technology forms of production of tangible goods or which develop the essential economic infrastructure indispensable for maintaining and improving the productivity and scale of production of tangible wealth.

4. The federal government must sponsor a limited number of large-scale projects of development of basic economic infrastructure best suited to mobilize investment in goods-producing capacity of agriculture and industry by private entrepreneurs using lendable federal gold-reserve currency-notes in aid of such investment in productive employment.

Where Volcker's so-called anti-inflation policies lowered goods-price inflation only through means of causing an economic depression, the outlined corrective measures proposed will cut off monetary inflation at the source, unregulated offshore and domestic credit-spiraling, while directing flows of new credit issued by government into productivity-increasing channels of public and private employment and investment. For each 1 percent of the labor-force put to productive work, a minimum of \$25 billion is added to lowering the federal budget deficit. To the extent that employment in high-technology goods-production is emphasized, the rate of benefit is greater.

It is granted that numerous professional economists and their followers will argue that such measures are unsound, for one reason or another. Advisors of the Democratic Party have proven conclusively that all such objections are incompetent. For the information of the Party's members and elected officials, a discussion of the reasons for the failures of professional economists is included as a section of this policy-memorandum.

# Foreign Policy: The 'American Century'

3

The root of all the conditions leading into the present, new "Hoover depression" is the failure of the United States to insist that Britain submit to the adopted U.S. "American Century" policy at the end of World War II. Instead of imposing the "American Century" policy for the postwar world, at the Bretton Woods monetary conference we submitted to a new monetary system, the International Monetary Fund, which included many of the worst follies of that previous, Versailles, monetary system established at the close of World War I.

The best single report on the "American Century" is provided by a book published shortly after the end of World War II, by Eliot Roosevelt, the son and wartime aide of President Franklin D. Roosevelt. In the book, entitled, *As I Saw It*, Eliot Roosevelt documented the key features of President Roosevelt's outlining U.S. postwar policy-proposals to Prime Minister Winston Churchill.

According to Eliot Roosevelt, President Roosevelt confronted Churchill sharply and ruthlessly on these issues at both their Atlantic Charter and Casablanca conferences. The President warned Churchill that the United States was not going to fight a world war a second time for the purpose of saving the British Empire. Furthermore, President Roosevelt emphasized, the world had endured too long "British eighteenth-century methods" in monetary and economic policies. At the conclusion of the war, the President outlined, British "eighteenth-century methods" must be replaced by "American methods." At Casablanca, the President presented a map of Africa, outlining the use of American high-technology engineering to transform the semi-arid Sahel region into the "breadbasket of Africa."

President Roosevelt was correct. That is the kind of economic world-order the United States should have imposed upon Britain's will at the close of the last World War. Unfortunately, through the influence of British agents of influence including Walter Lippmann, during the period of the President's 1943-44 reelection-campaign the American Century policy was mislaid, and the ultimately ruinous Bretton Woods system, based on "British eighteenth-century methods," was imposed instead.

Because of Bretton Woods, a monstrous, grotesquely immoral injustice has been imposed on the greater part of the human race, the two-thirds of humanity living in so-called "developing nations." This relative impoverishment of the "non-anglo-saxon race" is in no sense to the material advantage of the United States or its citizens. A great industrial power, such as we of the United States ought to be, could enjoy no greater material advantage than a growing number of increasingly prosperous customers for our exports of high-technology capital goods.

True, there has been much talk concerning supposed "massive giveaways" to nations of the developing sector. The nations of the developing sector have never wished to be put on a perpetual welfare-dole by the United States. Like the unemployed working person in the United States, what every developing nation desires is to be rid of "welfare," to be employed in earning its own living. It is our capital goods they require, not a perpetual dole of consumer-

goods hand-outs. The institutions of the Bretton Woods system have prevented developing nations increasingly from launching modern productive employment on the scale those nations needed and were fully capable of absorbing. This pattern has worsened monstrously since the middle of the 1960s.

Now, the Bretton Woods system is bankrupt. In Latin America alone, the external debt of the nations is in excess of one-quarter of a trillion dollars. As a result of Volckerized borrowing-costs, the entire external earnings of those nations now goes to meet merely current debt-service charges, and are sometimes inadequate to meet even debt-service charges. At current rates of collapse of the world market, by the end of 1982 no nation in Latin America will earn enough from exports even to meet a large portion of its current debt-service requirements, and refinancing of such a large mass of debt-service obligations is becoming impossible under present conditions of the banking system of North America and Western Europe. Most of the major commercial banks of the United States would collapse, unless bailed out by the federal government, under conditions now developing during 1982.

It is time to scrap the bankrupt International Monetary Fund's system, and to create a replacement monetary system based on the principles of the "American Century."

So far, beginning with Henry A. Kissinger's hooliganism at the 1975 Rambouillet conference, not even the encyclicals of two Popes—Paul VI's *Populorum Progressio* and John Paul II's *Laborem Exercens*—sufficed to persuade even nominally Catholic industrialized nations to heed the agony of starving millions of Black Africa. By bending to the demands of the implicitly bankrupt forces controlling the IMF, we have not only aggravated the suffering among two-thirds of all humanity, but have ruined our own economies in the process.

By putting the U.S dollar back on a gold-reserve basis, we reestablish the gold-based dollar once again as the world's principal reserve-currency. Together with other nations who concur with us in this enterprise, we must create a new international discount institution, a new bank based on gold-reserve principles.

With aid of this bank's functions, we invite developing nations to join this bank, and to issue gold-reserve denominated long-term bonds in exchange for carried-forward and future debts. In other words, our banks which now hold large masses of non-performing Third-World debt-paper will exchange that paper for discountable bonds. These bonds will be discountable for purposes of issuing approved categories of lending in the new world monetary system.

So, by a single stroke of a pen, so to speak, we bring order and stability back into the international financial markets. We reorganize the external debt of developing nations, and by the same stroke of the pen free our commercial banks from the risk of a "falling dominoes" collapse of our commercial-banking system.

The basis for new loans to developing nations will be defined as follows. The United States and other capital-goods-exporting nations participating in the new monetary system issue an export-oriented supply of gold-reserve-denominated currency-notes equivalent to the amount of national productive capacity committed to capital-goods exports. These notes will be loaned either through our federal Export-Import Bank directly or through lending of such notes to the international gold-reserve bank. Borrowers will then borrow those notes for purchases of our capital-goods exports.

By agreements made with borrowing nations, we shall limit the use of such borrowing to medium-term or long-term public or private investments which increase the scale and productivity of goods-production in the borrowing nations. The potential presently existing for such sound borrowing for investment by developing nations is safely estimated to total between \$200 and \$400 billion a year. The United States should reasonably project exporting between one-quarter and one-third of this increased volume of world trade.

Such sweeping reforms in the world monetary order are by no means "pie in the sky"

ideas, nor need the reform measures required involve long negotiations over years. The world is presently at the brink of a global monetary collapse. If the government of the United States mustered the will to bring these reforms into being quickly, such reforms could be completed within a few months. If the effort were begun now, the new institutions could be in initial phases of operation by the time of the November 1982 elections. In times of profound crisis, things can be quickly accomplished which, under other circumstances, would be tied up in decades of haggling.

# The Evil Policies of General Maxwell Taylor

4

The source of the gravest present threat to the national security of the United States is a strategic doctrine supported by General Maxwell Taylor of the Draper Fund's Population Crisis Committee. Taylor's proposed military policy, which emphasizes "conventional wars" against nations and peoples of the developing sector, is impelling the United States rapidly toward the brink of a thermonuclear war between the forces of the United States and Soviet Union.

General Taylor's argument is summarily as follows.

Taylor starts from the absurd presumption that all wealth is derived from "natural resources." Starting from that assumption, he argues that the populations of the developing nations are consuming too large a portion of the raw materials of their own nations, raw materials the anglo-saxon race will presumably need for the coming century. Therefore, the argument continues, we must act to keep as low as possible the level of technology used by developing nations. Taylor goes further. To conserve the raw materials needed for the future of the anglo-saxon race, we must sharply reduce the populations of the developing nations. Taylor and his accomplices recognize, correctly, that the scale of population-reductions projected by the *Global 2000 Report* and related policies cannot be effected through birth-control technology; Taylor insists that the death-rate must be increased drastically.

Taylor and his co-thinker Robert S. McNamara learned from "body-count" operations against the civilian population of Vietnam that it may not be feasible to reduce the population as much as they desire simply by shooting down people. Instead, they propose to destroy the economic and social infrastructure of the targeted nations to such a degree that famine, epidemic disease, pestilences, and Hobbesian homicide in struggles over crusts of food, will accelerate the death-rate by such "natural means."

The so-called NATO "out-of-area" deployment is exemplary of the programs being promoted in aid of the genocidal policies of Taylor, McNamara et al. We have no objection to U.S. military forces being deployed anywhere for legitimate and necessary strategic purposes. We denounce the use of military policy and capabilities for the purpose of unleashing the forces of genocide against the nations and peoples of Latin America, Africa and Asia. We denounce Taylor's policy as more evil than that of the Nazi Adolf Hitler regime. Whoever supports the so-called "raw materials and population" strategic policy of Taylor et al. we denounce as a criminal under the provisions of the Nuremberg Code.

Our European civilization is otherwise best described as the outgrowth of the impulses of Judeo-Christian republicanism. We trace our heritage as to republicanism from the classical Greek models of Solon's Athens and the Ionian city-state republics. We trace the moral impulse governing our republicanism from Judaism and Christianity. Two features of Judaism and Christianity are central for us.

We govern ourselves by the injunction of the Book of Genesis, "To be fruitful, to multiply, to fill the earth and to subdue it." It is through productive labor informed by technological progress that we make the increase and sustaining of human existence possible, through labor

bringing our wills into increasing agreement with those principles which express the lawful ordering of development within Creation.

We govern ourselves under the influence of the Christian principle exemplified in the notion of the consubstantial Trinity, that man, by perfecting his rational powers of mind respecting practice is expressing a potential of *imago viva Dei*—in the image of the living God, defining each human life as sacred.

These principles are not, and never could be contrary to the lawful ordering of nature. In man's lowest cultural condition, he gathers his sustenance in a form of technology just above that of a babbling baboon, and mankind in such a culture could not exceed several million individuals. Today, there exist approximately four and a half billion individuals, and with full use of technologies either already existing or immediately within reach of the next two decades of scientific progress, we could sustain tens of billions of human individuals at a higher average standard of living than exists in the United States today.

As U.S. Treasury Secretary Alexander Hamilton wrote in his December 1791 Report to the Congress, "On The Subject of Manufactures," it is through the development of the productive powers of labor, through education and technological progress that mankind derives its only continuing source of the material sustenance needed for improvement of the condition of human existence. It is by means of investment in improved technologies for increasing the power of labor in production of goods that mankind conquers all apparent limits to "natural resources." Any contrary policy and belief is a lie, a lie which leads toward such monstrously evil policies of practice as those espoused by General Maxwell Taylor, or such predecessors of Taylor as Adolf Hitler.

A nation which accepts a Malthusian policy of practice is an immoral nation, a nation which has lost the essential moral fitness to survive, a nation which, under the continued influence of such an evil policy, will not long survive today. If the so-called "conditionalities" policies of the International Monetary Fund, World Bank and Basel, Switzerland Bank for International Settlements mean a Malthusian policy of practice against developing nations, then the IMF, World Bank and Bank for International Settlements have become institutions as immoral as the regime of Nazi Adolf Hitler, and must be destroyed quickly on that account.

# Scientific National Economy

5

Modern economic science was established with the 1671 *Economy & Society* of Gottfried W. Leibniz. This economic policy was mediated, chiefly through France's mercantilists, to become the basis for the French industrial revolution under leadership of Lazare Carnot, and was institutionalized as the American System of political-economy under the first administration of President George Washington. In every instance of successful nineteenth-century industrialization of a nation, excepting Britain, it was the anti-British, American System of political-economy which informed the policies producing successful economic development. In the single exception, the case of Britain, industrial development was accomplished chiefly by the policies of looting of colonial peoples outlined in the *Wealth of Nations* of Adam Smith.

Although British political-economy degenerated in conception from the level of Smith and Ricardo with the emergence of modern utilitarianism, the essential differences between the utilitarianism of Mill, Jevons, Marshall, et al. and the American System are the same as those between Smith and the first administration of George Washington.

Despite the fact that every successful nineteenth-century industrialization except that of Britain was motivated by American System political-economic conceptions, in no university of Western Europe or the United States is the American System competently represented to students today. Only in Japan, is the American System still studied. That accounts for the superior performance of Japan's economy, and also accounts for the reasons many Americans regard Japan as being unfair in refusing to become as stupid in economic policy as we have become.

For making competent economic-policy decisions today, policy-makers and the general citizenry must gain a basic knowledge, both of the fundamental differences between the American and British systems, and the historic reasons no competent variety of economics is taught in any known U.S. or European university today.

First, the citizen must know at least the most fundamental facts concerning the invention of the modern nation-state during the fifteenth century in Europe. Modern economic science, the economic science of Leibniz, Lazare Carnot and Alexander Hamilton, is an outgrowth of the development of the modern form of sovereign nation-state.

Christianity emerged as an institutional force in opposition to the evil embedded in the Roman Empire, in Roman law, the form of the Roman state, and Roman philosophy and religious cultism. Christianity produced the first powerful forms of civilization, under the influence of chiefly Saint Augustine on matters of state policy and culture, through the initiatives in statecraft of Charlemagne and his counsellor Alcuin. From Charlemagne into the fifteenth century, European civilization is characterized by repeated efforts of progress by chiefly the Salier and Hohenstaufen emperors. The last effort to create a single state of Western Christendom was crushed in approximately 1266-1268 A.D., with the Venice-directed (Black Guelph) defeat of the Stauer forces and the subsequent defeat of the "White Guelph" forces associated with Dante Alighieri.

Out of Dante's analysis of the circumstances permitting the Black Guelph destruction of

civilization during the late thirteenth and early fourteenth centuries, there emerged the design of the most essential features of a new kind of state, the sovereign nation-state republic based on a shared usage of a literate form of common language, replacing brutish local dialects. Dante's design was perfected by the great leaders of the late fourteenth and the fifteenth centuries, especially by the titanic influence of Cardinal Nicholas of Cusa who set forth the principles of modern international republican law and also the principles used to launch the explosion of scientific progress continuing from Leonardo da Vinci through the great German scientists of the middle of the nineteenth century.

As a direct result of the intervention of da Vinci and his collaborators into France and England, the first two modern nation-states emerged at the close of the fifteenth century. First, under Louis XI in France, and through the Erasmians' attempt to control the probably insane Tudors in England.

It was the crushing of the republican forces in England, through the 1603 establishment of the British monarchy under Genoese-Venetian puppet James I, which impelled the republican party of England, the Commonwealth Party of John Milton, to establish English-speaking colonies in North America intended to become the new basis for a republican order. It was the King James version of the Bible and Milton's poetry and prose, which defined the superior culture of the eighteenth-century American republicans. Our law came from Cusa, by way of the influence of Grotius, Leibniz, Pufendorf, and others of the anti-British faction in law. Our science and our culture in political-economy came chiefly from Leibniz and his mercantilist predecessors, and that chiefly by way of Benjamin Franklin's fellow-conspirators in France.

It was the American Revolution, an enterprise in trans-Atlantic conspiracy which Franklin directed in concert with the heirs of Colbert and Leibniz throughout continental Europe, which brought forth a more perfected form of sovereign nation-state, our federal constitutional republic of 1789, the best approximation of the democratic-republican conceptions of European civilization to that date. As Europeans helped us to defeat our adversary Britain and to develop our institutions, so the republicans of Europe held up our young republic as a "temple of liberty" and "beacon of hope" for all mankind.

For that and related reasons, the hundred years beginning with the 1776 Declaration of Independence was the century of the American Revolution, a century in which the affairs of the world were dominated by a continuing effort to make the ideas expressed by the 1789 founding of our federal constitutional republic the model of reference for nation-building and international relations throughout the world. It was a century of bitter contest between the supporters and enemies of the American model, a century during which Britain and its allies of the Holy Alliance attempted to hold back and to crush the ideas and political forces associated with the American model.

For a variety of strategic and related reasons too complex to be adequately reported here, the first step of crushing the influence of American System political-economy was consolidated during the 1871-1879 period. With the adoption of the Specie Resumption Act by the U.S. Congress, during the 1876-1879 period, the United States surrendered its sovereignty over its national credit, currency and debt, and placed our monetary policy at the mercy of the London gold-exchange system, and placed financial power over our internal affairs increasingly at the mercy of such powerful agents of influence of the British and Swiss bankers as the Belmonts and Morgans. Although the London gold-exchange system itself collapsed in successive phases over the span between World War I and World War II, Anglo-Swiss-Venetian finance established a virtual dictatorship over the world's monetary and related affairs under the Bretton Woods system. We of the United States had the power to destroy that oligarchical supranational dictatorship of the world's monetary affairs at any time our President and Congress summoned our sovereign will to do so. Unfortunately, thus far we have not summoned our nation's sovereign will to such a commendable purpose; consequently the world monetary

dictatorship by forces of the City of London and Basel, Switzerland Bank for International Settlements has continued.

This century-long dictatorship of the London and Swiss bankers over the world's monetary affairs is the principal reason no U.S. university's economics department upholds those policies of economic science on which our republic and its rise to economic power were principally premised.

The power to control a nation's monetary affairs, its flows of credit especially, is the power of life and death over investment and, in consequence of this, the power of life and death over employment and the general conditions of life of nations and peoples. It is for precisely this reason that our Constitution demands that such a power must be subordinated to the sovereign powers of the United States, to the legislative powers assigned to the Congress and the executive powers awarded to the President. It is for this reason that the Specie Resumption Act and the past role of the Federal Reserve System have been flatly unconstitutional and cruelly subversive arrangements. No combination of either private financial interests generally, and most emphatically no supranational agency dominated by private financier interests, can be permitted under our sovereign law to impose any "conditionalities" or other executive powers for regulating our currency, our credit, our public debt or our taxation and bank-regulation policies.

However, to the extent such an unlawful subversion of our sovereignty has persisted during the past hundred years, political-economic decisions have been subordinated to the rules of the game embodied in the policy of practice of supranationally-controlled monetary institutions and financial markets. As long as nations submit to such oligarchical, rentier-financier forms of supranational monetary institutions, both governments and private economic institutions of nations are obliged to please such subversive monetary agencies as a condition for receiving credit. To "please" such institutions means, above all, to "play by the rules" dictated by such institutions, both the explicit fiat of such institutions and also the implicit rules of the game embedded in the prevailing, supranational arrangements.

Insofar as the practicing governmental or private agency's economist remains conscious of the reasons he employs a British variety of monetary doctrine, such an economist might say: "It is all well and good to know that the British doctrine is evil nonsense in contrast to the economic science of Leibniz, Carnot and Hamilton, but if my government or firm professes such an anti-British form of economic science, we shall suffer the penalty of having our credit shut off. Since governments and firms survive by submitting to dictates of supranational financier authorities, 'practical economics' means learning to live within the terms and conditions dictated by the British varieties of monetarist dogmas." That is, in effect, exactly what has occurred in the economics departments and in most of the economics profession of the United States, Western Europe and the developing nations generally. Since no Western government but that of Japan presently practices the American System of political-economy, the professional economist might argue, "Why should I study and practice an economic science my government and ruling financial markets will not permit me to practice?"

Power is always persuasive, especially to the weak-willed and the opportunists. The fact remains that bad economics leads to such disasters as periodic economic depressions and to the monstrous erosion of U.S. economic power which has occurred, most emphatically, over the span of the past fifteen years. The point is to give power to the kind of economic policy which best serves the interests of the nation and its people. The point today is to restore to the United States that lost sovereignty over its own credit, currency, public debt and economic policy which our Constitution unequivocally prescribes as law.

We must resume the economic policies of the founders of our constitutional republic. We must establish, in some efficient form, a new Bank of the United States. Through the forms of cooperation between the Treasury and that Bank ordered by power of the Congress, the power

to create credit in excess of savings must be restricted to the federal government, and lendable currency-notes of the Treasury must flow, at low borrowing-costs, preferentially to those categories of investment in economic infrastructure and production of goods which inject high rates of technological progress to the effect of increasing our nationwide per-capita productivity in production of tangible goods of competitive quality of modern design.

The practical significance of such a policy is underlined most effectively by examining the principal features of the inflationary decay of our national economy since 1946. Three broad features of that process of erosion and decline are adequate to portray the disease to be corrected.

At the beginning of the postwar period 62 percent of our national labor-force was employed either in the production of tangible goods or in transportation. Today, using official statistics, less than 30 percent of the labor-force is so employed. If the true level of unemployment, 21 percent rather than 10 percent, is taken into account, the situation is much worse.

This shift in the composition of employment of our national labor-force as a whole is the underlying, structural cause for inflation. If we study movements in prices of goods from the middle of the eighteenth century into the 1870s, we observe a general cheapening of costs of producing goods, a deflationary advance in the production of wealth caused chiefly by the influence of the American System of political-economy in fostering technologically progressive forms of industrial progress and rises in agricultural productivity. From the takeover of the world's monetary affairs by the London gold-exchange system, during the 1870s and 1880s, hideous depressions have been punctuation-marks in a long process of general inflation. This mixture of calamitous depressions and long-wave inflation is the direct product of the policies associated with the utilitarian doctrines of J. S. Mill, William Jevons and Alfred Marshall, policies of so-called "economic freedom of the marketplace" which have the effect of increasing speculative investments in fictitious ground-rent capitalization, and in rentier-financier forms of usury, at the expense of investment in technologically progressive production of tangible goods.

As flows of credit shift away from goods-production in agriculture and industry, toward non-goods-producing forms of financial investment, there is an inevitable growth in the relative scale of administration and labor-intensive services and a relative shrinking of the percentile of the labor-force employed in production and commerce in tangible wealth newly produced, accompanied by a long-term tendency for increase in the percentile of the labor-force unemployed. This combined shift in the composition of both financial flows and employment is the cause for both periodic major depressions and a long-term inflationary movement within the economies affected.

It must be national policy of the United States to reverse this trend, aiming to bring the percentile of the labor-force employed as operatives in agricultural, industry and transportation up to the range of 50 percent of the national labor-force. This must be accomplished by constricting the availability of credit for inflation-causing varieties of financial investments, providing relative abundance of lower-cost credit for agriculture, industry and basic infrastructure, and shaping the impact of federal, state and local taxation to provide incentives for high-technology goods-producing investments and relative tax-penalties for income derived from financial speculations and low-productivity labor-intensive investments.

The second, determining feature of the postwar erosion of the U.S. economy is the decline in technologically progressive forms of capital-intensive investment in creating agricultural and industrial work-places of employment, a trend which has struck most cruelly at those portions of our citizenry we call our minority groups. Only during the early 1960s, under the impact of NASA and related programs, did the United States, rather briefly, enjoy high rates of increase of productivity.

The combined effect of financial flows away from goods-production into financial specu-

lation is to increase the overhead portion of labor and financial costs imposed as a burden upon the production of each average person employed in production of goods in agriculture and industry. Unless this growth in overhead burden is offset by high rates of technologically progressive forms of capital-intensive investment in goods-producing work-places, the overhead cost of the national economy increases more rapidly than profits of production—a sure way to accomplish bankruptcy in either a private firm or a national economy.

The third area of greatest relative importance is the decline in investment in basic economic infrastructure, including water-management systems, transportation improvements, and energy-production and distribution systems. A computer-based study, performed jointly by an international newsweekly and a scientific association, has proven conclusively that there is a tight correlation between the rate of investment in basic economic infrastructure and overall growth of productivity.

Although basic economic infrastructure is not defined by direct production of tangible goods by operatives, basic infrastructure is the indispensable environment of potential progress in agriculture and industry. The rate of improvement in infrastructure is therefore the limiting condition, the outer boundary, defining the possibility of improvements of productivity in agriculture and industry. That, in brief, is the cause-and-effect reason for the proven statistical correlation.

The most sensitive category of investment under the general heading of basic infrastructure, has been proven to be the number of kilowatt-hours generated and distributed per individual of both the labor-force and national population as a whole. The relationship of electricity and correlated production of usable process-heat to powering the productive process ought to be obvious. The more useful power our nation commands per person, the more powerful, more productive each person becomes, on condition that we foster the scientific progress and technologically-progressive forms of investment which exploit that potentiality. Since the 1966-1969 period, and most emphatically since 1973-1974, our nation's policies of practice in both economic infrastructure generally and in respect to electricity-production in particular, have been a growing economic catastrophe. This suicidal policy of practice has been worsened by those influential incompetents who insist that growth in productivity can be "de-coupled" from increases in per-capita energy-throughput in the economy.

We need, urgently, to replace incompetently trained professional economists with professionals and influential laypersons who have mastered the principles of the American System of political-economy, and must accompany this with a general awareness among the citizens that the varieties of economic dogmas taught presently at our universities are a dangerous form of incompetence.

# Youth, Aging and Demographic Policy

## 6

The development of the productive powers of labor requires both advancing technology in terms of capital-intensive creation of work-places for production of goods, but also a population able to assimilate and to improve new technologies. As important as advanced forms of education are in the process, it is the quality of generally available primary and secondary education and related matters of general culture of the population as a whole, which determine and delimit the productive potentials of our economy, and thus delimit the degree of advancement which may be effected in the conditions of life of the average individual.

It may be objected, and rightly so, that our educational system is failing, becoming increasingly worse with the reforms introduced through the influence of Dr. Alexander King's NATO commission on Science, Technology, Industry and Education during the course of the past two decades. King, the former Director General of this division of NATO's OECD branch, is a racist-eugenicist and the rabidly Malthusian creator of the pro-genocide Club of Rome. As King and his collaborators have themselves insisted, repeatedly, the purpose of these educational reforms has been to destroy both the ability of populations to assimilate modern productive technologies and also to destroy those values which are associated with desire for technological progress. Through Henry A. Kissinger's actions in collaboration with King et al. from 1969 onward, our nation's education and culture have been savagely ruined.

For such reasons it could be argued that the miserable amount of education actually delivered to a student over the span of primary and secondary education today is perhaps nothing more than might be communicated to a child of between eight and ten years of age in a competent educational system. However, if we examine more closely the content of the kind of primary and secondary educational programs modern technology and culture require, we see directly that a secondary school-leaving age of between sixteen and eighteen years is an irreducible minimum, even after adding needed efficiency to present institutions.

Such educational levels are those every employer ought to expect from all but a tiny minority of the unskilled portion of entrants to our national labor-force. The disabled and disadvantaged must be provided pathways for achieving dignity and independence, but in the main a good level of secondary education must be the minimum standard congruent with our nation's national security requirements. This provides the base-line for the four to ten years additional, advanced education required for large, and growing portions of our labor-force.

These simple facts ought to be generally obvious enough to most citizens. These obvious facts have direct and conclusive bearing upon our nation's proper population-policies.

Imagine attempting to educate all of our youth, up through a period between the eighteenth to twenty-fifth year, if the life-expectancies of persons reaching the age of four or five years were on the average between forty and fifty years of age. The ratio of the number of years of youth to the number of working-years would make a modern society impossible. Consequently, those measures which foster increased life-expectancies and extension of functional good health of the aging are indispensable economic measures as well as morally imperative policies.

The most obvious ingredients of such a demographic policy include improved hygiene, medical care, and nutrition, as well as an economic level of cultural life of all persons, in households and in the communities, consistent with the level of culture modern technology implies. The fact that so-called remedial educational programs in public educational facilities fail to rescue more than a small proportion of victims of slum communities merely illustrates afresh the decisive role of the conditions of life in household and community in delimiting the cultural potentialities of children and youth as a whole.

There are irreducible lower limits of cost of developing a new individual within households and communities, costs which rise, in market-basket terms of consumption, as the required level of technological culture advances. The existence of society cannot be economical unless we generate a highly productive and relatively long-lived adult population, to the effect of making the market-basket costs of developing a child and youth economically assimilable by society at large.

At present, our nation is suffering the cruel, combined demographic and economic consequences of reduced family-formation and birth-rate, as those problems are aggravated by the effects of economic decay, especially the accelerating economic decay of the recent fifteen years.

Under pressures of economic decay, and a resulting contraction of the relative tax-revenue base, it has been argued increasingly that we must adopt policies which have the effect of accelerating the death-rate among persons of retired age-levels, even beginning with the age of about fifty-five years. It is argued that our nation can no longer afford to pay retirement-income over an extended number of years per individual, and can no longer afford those measures of medical service which are required by senior citizens. In effect, through introduction of such murderous policies of "economy" into our national policies of practice, we have classed our senior citizens under the Nazi epithet of "useless eaters," and have begun to murder, in effect, both the aged and those suffering major illness. We have applied the evil, Nazi-like doctrine of "cost-benefit analysis" to designing the programmatic policies of government and medical practice. We have brought the murderous, Malthusian dogmas of the *Global 2000* and *Global Futures* reports home, directing such murderously Malthusian doctrines against our own grandparents and parents.

If we resume the morality of practice we associate rightly with the Judeo-Christian impulse of our cultural heritage, we must not tolerate another moment any economic dogmas or other policies of practice which impel us to tolerate economic murder against our parents and grandparents. We may not have turned yet to the measures of the genocidal Pol Pot regime of Kampuchea to murder our senior citizens with clubs, but we have begun to adopt "cost-benefit analysis" approaches to policies of medical and other practice which deliberately kill senior citizens, as "useless eaters," by other means.

We must examine and remove those economic and related policies which have impelled numerous public officials and others to emulate the Hitler regime in this cited fashion. We must examine the confluence of contributing blunders of policy which are now impelling the less moral among us to view our senior citizens as "useless eaters."

Most generally, we have permitted the influence of the Bretton Woods system and the Malthusian policies of NATO Secretary-General Joseph Luns to destroy our economy to the point we now imagine ourselves unable to continue to sustain all of our citizens at an acceptable standard of living. That stated, we may focus now on the specifically demographic issue of policy.

First, the lowering of family-formation and birth-rates means that we have joined the ranks of those industrialized nations which have become demographically aged. The working-age portion of our population is shrinking relative to the retired age portion, while a shrinking percentile of the working-age population is actually engaged in production of wealth, and

while, recently, the average productivity of the working-age group has begun to shrink absolutely. So, we hear the mounting cry, "We cannot longer afford to carry the costs of the aged population on our backs!"

This shrinking of family-formation and birth-rates is the result of several contributing influences among which the contraceptive pill and legalized abortions on demand are less significant in the overall than might be popularly imagined. The economics of the household and the spread of the rock-drug-sex counterculture among youth are the more significant factors.

At the other end, some misguided policy-influences acting upon both public and private institutions have spread the doctrine that any person over sixty years of age who is still gainfully employed must be, in some twisted argument to this effect, taking the bread out of the mouth of some family of an unemployed person. In general, we oblige our retired-age population to subsist on a miserable retirement pittance and forbid them, rather efficiently, to supplement this miserable pension significantly by gainful employment of their skills.

We should continue to regard retirement as earned income, earned by a life of work and other service to the nation and civilization as a whole. We must qualify this with the view that the retired person is enjoying the right to work or not to work, as he or she may choose. Above all we must not tolerate any explicit or implicit policy of practice which communicates to our senior citizens the view: "You are now useless."

For reasons we have already stated in summary, the condition under which a person reaching retirement-age has a probable fifteen to twenty years of life-expectancy ahead is inclusively a necessary demographic characteristic of any modern economy. Without such life-expectancies at retirement-age, the shrinkage of the younger, working-age group itself would be such as to prevent carrying children and youth through the span of basic and advanced education needed for a modern work-force.

The further problem so implicitly defined is the still-excessive loss of vital capacities suffered within the retirement-age interval of life of our population. If persons in the retirement-age group were permitted, encouraged and physically able to do so, they would prefer some regular or occasional form of productive employment or other useful paid or non-paid useful activity throughout most of their remaining decades of life. It would be a relatively simple thing to reform our laws and take other measures to foster economic opportunities for these citizens. The most important other problem is the problem associated with diseases of aging, most emphatically "degenerative disease" generally, with cancer the typification of the problems associated with diseases of aging.

In fact, up to a recent time, the incidence of cancer has been declining. If we measure the incidence of cancer properly, in terms of incidence by age-group interval, the appearance that cancer is increasing, in the misguided opinion of some, is that more people are living long enough to contract it. Otherwise, those same conditions contributed by technological and industrial progress which have increased longevity have improved the conditions of individual life to the effect of making better health economically reachable by larger proportions of our citizens—until recent developments for the worse in the economy and in policies of medical practice of governments and insurance firms.

By its nature, the frontier of degenerative disease requires the most intensive and prolonged attention by the forces of specialized clinics and physicians. Similarly, by the nature of the problem, fundamental advances against the frontiers of degenerative disease emphasize patient-populations with a high incidence of probably terminal forms of such disease, in which a single instance of temporary success in prolonging even life itself is a step forward on behalf of the human race as a whole. In general, this area of treatment and research cannot be simplified by cheap, mass-production of pills lately discovered in some laboratory. The issue is that of the body's potential to resist and conquer the disease, to expel and digest degenerate

cell-tissue and wastes and to develop healthy tissue, involving conditions which cannot be isolated apart from a living victim of the disease, as in some laboratory test-tube. By its nature, this work is the most costly in terms of costs per patient treated.

The foolish, immoral insurance-company officials object: "At the age from fifty-five onwards, the probability is that even if the patient recovers from a very expensive treatment, the patient cannot contribute sufficient money-income to the insurance-system during the remainder of his or her working-age life to pay back the insurance-fund for the costs of that medical treatment." In plain words, "This person is not worth saving." What immorality! What immoral stupidity! The patient saved has collaborated with the physicians to provide all of mankind with the new knowledge, the new power to master that and related forms of disease, to prolong the capacity of billions of human beings over generations yet to come. Even where the fight is lost, as it must be lost to all of us as individuals sooner or later, the fight itself is a contribution to the great victory which will come later, the victory to which the courage of that single patient and his or her physicians have contributed something important for us all.

Life does not exist merely as a means to enrich insurance-companies, or to produce actuarial and financial-accounting reports in the cast desired by financial advisors of public or private medical-insurance funds. In our Judeo-Christian republican culture, the economy is justified only to the extent it promotes human life, that it prolongs and enriches the condition of the life of every individual. On that account, many of the currently popular proposals for "cost-benefit analysis" approaches to "improvement" of medical programs are hideously immoral exactly because they are products of minds which have lost contact with the most fundamental values of our Judeo-Christian culture.

We hold every individual life to be sacred, and every human individual to embody a divine potentiality, to be potentially one who assimilates the lawful principles of development embodied in continuing Creation, one whose proper destiny is to be an instrument of such lawful principles, and as such an instrument to contribute some Good which radiates widely in present society generally and into unnumbered generations yet to come. The development of each such individual, and affording each individual the opportunity to employ developed powers for Good, is the purpose served by society, the purpose to which every nation, its laws, its economic policies of practice must be subordinated; that higher moral law is that natural law against which no mere episodic majority may legislate. If we reject the authority of that higher natural law, we degenerate into the monstrous degeneracy of beast-like, irrationalist, hedonistic Hobbesian man, as the wicked Henry A. Kissinger has professed himself to be.

It is human life which is precious, and the development of the human mind for Reason, together with the prolongation of each such life, which is the bedrock of the natural law, the law which determines which civilization, which nation, is morally fit to endure.

# Repudiate 'The Global 2000 Report'

7

During the last months of the Carter administration, Secretary of State Edmund Muskie released, with accompanying praise, a proposed Malthusian policy-draft for the United States entitled "The Global 2000 Report." The issuance of this report was followed soon by a companion report entitled "Global Futures." Although these two reports were completed for issuance under the Carter administration, they were produced with aid of institutions embedded in the Executive Branch of government under the direction of Henry A Kissinger, during Kissinger's two terms as "acting President of the United States." The policies expressed in the report actually originated in Europe, not the United States, and were conduited into U.S. circles through the political secretariat of NATO, under the rabid Malthusian Dutch oligarch, Jonkheer Joseph Luns.

As Luns stated his policy during the course of a 1978 NATO conference: "Perhaps we must work towards less energy-intensive patterns of activity having smaller environmental impacts. These patterns would have to be more oriented to individual participation and fulfilment, and be attuned to the problems of the wider world community. This also raises the vital question of the type of society that will adequately reflect the aspirations of our peoples and towards which our energies should be directed. . . ." The remarks of Luns and others during that same NATO conference, proposed a "Third Phase of NATO," to become a Malthusian world super-government, dissolving the national sovereignties of nation-states including such NATO members as the United States of America. Luns and NATO's policies are those of former NATO official Dr. Alexander King and King's genocide-promoting protégé, former NATO official Aurelio Peccei of the Club of Rome. It is these forces, intersecting the NATO political secretariat and the NATO arm called The Committee on the Challenges of Modern Society (CCMS), which created the international "environmentalist" movement in 1969, and which direct the international "peace movement" of Luns's protégé Petra Kelley today, with many interfaces with control of the international terrorist movement, chiefly through NATO intelligence's interface with the neo-Nazi coordinating center based in Geneva and Lausanne, Switzerland. The CCMS itself was established under the direct sponsorship of Henry A. Kissinger and Kissinger's subordinate, Daniel Moynihan.

This is the NATO political policy behind the NATO push for so-called "out of area" deployments, to conduct "population wars" against the nations of Latin America, Africa and Asia, a process during which they propose to dissolve the sovereignty of our own United States, making the United States a mere errand-boy of the new form of "Roman Empire" the NATO political secretariat presently intends to impose upon the world through NATO "out-of-area" military force.

Such a policy is not only treasonous in character, it is a criminally immoral policy, by the standards of the Nuremberg Code, and is based entirely on evil as well as incompetent economic doctrines. On such grounds, all policies of population-reduction through accelerated death-rates (e.g., genocide), such as the *Global 2000* and *Global Futures* reports, must be expelled

from the federal government of the United States with the same ruthless determination we may wish we had mustered earlier against the Nazi regime of Adolf Hitler.

Furthermore, the corrupted, evil political secretariat of NATO must be dissolved, and NATO transformed to its original intent, as a military general staff of the allied powers.

The time is already past, that the United States should reject Malthusian dogmas as both scientifically absurd and criminal in respect to implications of practice. This Malthusian delusion must be expelled from the Democratic Party, by aid of making clear to persons duped by lying agencies and corrupted news media that both the "overpopulation" hoax and the connected lying about "alleged dangers of nuclear energy" are both deliberate frauds, promoted by those European feudalist agencies which have sought to brainwash citizens of the United States into tolerating or even supporting a policy of global genocide far worse than that of Adolf Hitler's regime.

It has been conclusively established that the true authors of the present version of the Malthusian doctrine are predominantly certain European feudalist families and their underlings who are motivated chiefly by hatred against the modern industrialized form of anti-feudalist sovereign nation-state and also by the hideous anglo-saxon racialist determination to reduce savagely the number of persons with darker-colored skins throughout the world. The exemplary such feudalist families include the anglo-saxon racialists among the British oligarchy and the forces of the Hapsburg-linked Pan-European Union, the same forces whose ideas and influence produced the racialist "eugenics" doctrines popular among both the Nazis and circles of the New York City American Museum of Natural History.

Since the industrialists, farmers, working people and so-called minority groups among the Democratic party's constituencies are moral people who despise British anglo-saxon racialism and who share, predominantly, our nation's original commitment to technological and intellectual progress, Malthusian ideas could not have been given the toleration they have recently enjoyed among our citizens if agents such as Joseph Luns, Henry Kissinger and James R. Schlesinger had stated openly and publicly what they say and write among themselves in special policy-shaping meetings. A sly trick was used, the old tricks of Malthus's nonsense, of Luddite anti-technology propaganda, to which has been added outrageous lying about nuclear energy.

It is the duty of moral, responsible national and local Democratic Party influentials to explain the truth on these matters to their friends and neighbors inside and outside the Democratic Party itself. We summarize the most basic facts which must be made more generally known.

## Energy & Population

There is a conclusively proven, direct correlation between the standard of living and energy, to the point that we could not reduce the amount of energy we consume without triggering genocide in much of the developing sector and savagely reducing the standard of living inside the United States. We summarize, first, the bearing of this upon population-levels, and then turn our attention to the kinds of energy-development programs required to prevent genocidal tendencies in the world's population.

The basic measurement upon which all economic science depends is *potential relative population-density*. How many persons can be sustained on an average square mile of land by the labor of the population inheriting a region of the world, such as a nation? We measure the absolute potential, and go further to study the causes for increases or decreases of that potential.

For example, humanity living simply by hunting and gathering could never reach population-levels above several million individuals. We have an estimated four and a half billion persons today, as a reflection of advances in technology. By the close of this present century, we ought to have command of technologies through which we could sustain tens of millions of persons on earth at higher average standards of living than exist in the United States today.

History studied in terms of potential relative population-density changes proves two most essential points. First, that there is no possible limit to the natural resources needed to sustain human existence, provided scientific and technological progress occurs at a sufficient rate. Second, if any society stagnates technologically, or, worse, goes backwards technologically, a relative shortage of natural resources must develop, leading to depopulation through famine, epidemic, pestilences and homicidal struggles over diminishing crusts of subsistence.

Since the work of Leibniz, founding modern economic science, we understand more clearly exactly the manner in which technological progress, and increases of potential relative population-density correlate with both the average amount of energy consumed per person in society, and also with increases in what is termed the energy-flux-density of the heat-sources used to supply this energy. Leibniz focused upon the implications of the heat-powered machine, out of which studies Leibniz defined three terms fundamental to both physics and economy ever since: *work*, *power*, and *technology*. By shifting from emphasis on human and animal muscle-power to heat-powered machines, we introduce the kind of revolutions by which one man using a heat-powered machine may, in the words of Leibniz, accomplish the same work "as a hundred others" each lacking such capital goods.

However, the principles Leibniz adduced and proved with aid of such inquiries also apply to earlier periods in development of technology. The case of agriculture, including the case of Justus Liebig's revolution in use of chemical fertilizers, identifies the most important of the points to be made clear here.

We explain briefly the notion of energy-flux-density. In addition to measuring the amount of total energy employed in process, we must often also know the intensity of that energy. The simplest measure of such intensity is energy-flux-density, which may be measured in such terms as the number of calories passing through a square-centimeter of the process in question, or the number of watts or kilowatts through a square meter of cross-sectional area of the process.

For example, the average energy-flux-density of sunlight falling on a square meter of the earth's surface is a mere two-tenths of a kilowatt, as compared with 10,000 kilowatts for fossil fuel sources or 70,000 kilowatts for fission-energy sources. Only 1 part in 5,000 of the sunlight falling on the earth's surface is converted to energy available from combustion of biomass. Even at as close as five million miles from the Sun, the energy-flux-density would be merely 1.4 kilowatts per square meter, enough to kill a sunbather quickly, but poor shakes compared with fossil or nuclear energy sources.

We would be idiots if we permitted our population to depend upon so limited and so poor a source of power for our machines and homes as solar or biomass sources. The question would be, how many of you are willing to commit suicide, so that these sources could supply sufficient energy to meet the demands of a relatively few survivors? Apart from being a very poor and insufficient source of energy, solar and biomass programs would mean rapid desertification of the United States through ecological effects of covering much of the nation's surface with solar collectors and slashing down forests and brush, or converting farmland to fuel crops. One senses quickly how important the coal and petroleum revolutions, begun during the sixteenth century, have been for making possible modern civilization and the present levels of world population.

Unless we could make a revolution in chlorophyll, the energy per acre for producing crops

(or trees) is limited except as we inject other sources of energy, in addition to sunlight into the soil. Chemical fertilizers are a prime means for accomplishing this. Modern agriculture depends upon related measures of soil treatment, energy-intensive irrigation, uses of pesticides, and (optimally) uses of radioactive isotopes for reducing spoilage in food produced, together with the energy required for refrigeration.

The most obvious determinant of potential relative population-density is twofold: the amount of food and fiber produced per acre, first, and the percentile of the labor-force required to produce the food and fiber of the entire population. So, the energy-linked limits to yields per acre of available plus developable soil for agriculture and related production feature first in any study of population and economy.

For reasons related to this, to the extent we can reconstruct data for pre-historic societies, we have been able to prove conclusively that the population-density of the human species has always depended upon increasing the energy-density more rapidly than we obtain a resulting increase in the potential relative population-density. In fact, the correlation is proven to be a geometric rate of increase in the energy-density per-capita.

Today, it is estimated that the commercially produced energy for the industrialized nations is approximately 35,000 kilowatt-hours per year per person. The corresponding output for developing nations is approximately one-tenth that amount. It is easy to prove that the lower output per person among developing nations is imposed by the limited supply of energy available per-capita for introduction of more advanced technologies and modes of household and community life. For the beginning of the next century and immediately beyond, we must begin now to plan for average output per person worldwide of about 100,000 kilowatt-hours.

This energy-production could not begin to be met by limiting new energy-production to emphasis on so-called "alternative energy technologies." That latter policy is a policy of genocidal mass-murder in effect. Nor should we risk the ecological effects of large-scale increases in presently conventional modes of combustion of fossil fuels. We must rely on a combination of some significant high-head hydroelectric power-generation, advanced modes of combustion of fossil fuels, such as MHD techniques, and a range of nuclear technologies, with increasing emphasis upon thermonuclear-fusion technologies during the course of the coming century. Our principal sources of *added* energy-production from now on must be nothing but a combination of fission and fusion energy-capacity.

## **The Hoax Against Nuclear Energy**

According to a study conducted at West Germany's Aachen University, if 10 percent of the nuclear-weapons arsenals of the two superpowers were detonated, the by-product would include a very significant amount of long-lived caesium isotope, which, it was projected, would be assimilated into the "iodine track" within living processes. Sufficient such radioactive caesium would be generated, it was projected, to kill all higher forms of life which ingested it throughout the entire world.

This is a horror. Just fear of thermonuclear war has been manipulated by brainwashers to make the very name "radioactivity" itself an abomination in the minds of significant minorities of the world's population. The fear thus generated against peaceful uses of nuclear power has then been extended, as induced paranoia, to win a minority to the view that all advanced technology must somehow be evil, too. By inducing militant lobbying forces of minorities to oppose those advanced technologies on which continued human existence depends, the situation is emerging in which a large minority would prefer the alternative of genocide on the scale of billions of deaths through war, famine, epidemic, and pestilence, to the technology by which such genocide would be prevented.

It can be said categorically, that any professional physicist or biologist who spreads such Malthusian forms of anti-nuclear and related propaganda is either an outright liar or some sort of mental case. The facts on these matters are so well-established, so immediately available to all scientific professionals that no sane and honest professional could ever lend support to such lying propaganda as we hear from the co-thinkers of the Club of Rome.

On condition that the radioactive fuel and its by-products are kept within the confines of the combustion and reprocessing-cycle, fission-energy production is presently the safest, and most ecologically positive form of energy-production presently in use. The only dangers which give nightmare to some honest professionals are the fear that either a nuclear plant might be hit by a powerful nuclear explosive or that some highly-trained anti-nuclear fanatics might penetrate either a nuclear plant or infiltrate government agencies responsible for supervising nuclear plants. However, the attempted sabotage of a nuclear plant, as conclusive circumstantial evidence shows was attempted at the Three Mile Island plant, is far from the worst threat a terrorist group with professional training might deploy for mass-killing of people. We need not circulate here the names of the hideous means of mass-killing which might be perpetrated without any resort to nuclear technologies.

Moreover, a study conducted, using standard demographic techniques, has shown that, by most conservative estimates, over 110 million lives have been lost through elimination of part of the nuclear energy installations already committed for construction and operating by the middle of the 1960s. Not one person has been killed through commercial fission-energy generation, but over 100 million lives have been eliminated by the influence of the anti-nuclear lobby.

Certainly, high standards must be maintained for nuclear security, including high standards for neutralizing attempted sabotage by anti-nuclear fanatics. Nuclear war is the principal point of rational person's concern in this connection.

Two commonplace, false arguments against nuclear energy should be singled out for exemplary attention. First, there is the paranoid fear of radioactivity per se. Second, there are the fears caused by misleading propaganda on the issue of disposal of nuclear wastes.

The human body itself produces radioactivity, to the point that one prominent physicist a few years ago, proposed that no more than two persons ought to be allowed in the same bed at one time. A stone wall, a mountain ski trip or a flight in a jet airliner exposes one to more radioactivity than leaning against the side of a nuclear power station's walls. A coal-burning plant issues more radioactivity into the atmosphere per kilowatt produced than a fission plant. In fact, by mining uranium and thorium for fissionable fuel, we are reducing the total amount of radioactivity to which one is exposed by nature generally.

At present, existing programs of combined reprocessing and fractional-waste disposal fully protect humanity from any risk, on condition that the material is kept within the combustion reprocessing-cycle. Therefore, those anti-nuclear fanatics who have sabotaged reprocessing have been the true cause of accumulations of radioactive-fuel wastes.

With the deployment of breeder-reactors, the fractional amount of unprocessed waste—now less than 5 percent—can be reduced. By developing accelerated neutron beams, the unwanted waste can be completely neutralized by transformation through controlled neutron bombardment.

## **The Cost of Energy**

Recently, since the early 1970s, nuclear-energy programs have been killed by a combination of direct lobbying sabotage of installations and by driving-up of the costs of construction of nuclear plants. A nuclear plant should be completed within between four and four-and-a-half

years. If the construction is drawn out over a period of up to ten years or longer, the construction-financing charges send the final price of the completed plant zooming. Combined construction delays and Volcker's high rates of usury have brought nuclear construction almost to a halt. Otherwise, nuclear energy is the lowest cost per kilowatt of any otherwise available.

It is, together with MHD, high-head hydroelectric, and fusion technologies, the only ecologically-acceptable economical source of the new energy-production required to continue the economy of the United States and prevent genocidal developments within the developing sector.

Immediately, approximately 100 billion watts of nuclear-energy capacity presently held up in the United States should be pushed to completion over the coming five years, and another 50 billion watts or more added for completion during the remaining years of this decade. While regearing our vendors of pressure-vessels and other essential components to supply these needs, the same industries should be expanded to the scale needed for substantial volumes of exports to developing-sector nations, where the need for such energy-supplies is becoming a matter of life or death.

This would not cost the economy a net penny, since this would replace more costly, less-efficient forms of energy-production as well as supplying new volumes of required energy at a lower cost than any alternative sources. The profits of the investment are clearly available in the wide margin of cost-saving effected. However, this would cause a twofold, very substantial increase in employment. It would increase employment directly in the construction of the plants, employing construction workers and others in those kinds of work-places in which the relatively highest rates of productivity are found for each type of skill required. The volumes of materials required for a 100 gigawatt capacity's construction would enable us to retool and reopen steel and other employment for production in areas of our nation in which cruel unemployment of skilled workers exists, and would generally stimulate markets for investment in advanced technologies more widely.

A national emphasis on three leading areas of priority for development of economic infrastructure could prove key to launching the greatest economic boom in the United States since the early 1960s, or even much greater. Advanced energy-capacity, including the indicated nuclear program, a range of urgent fresh-water management projects, including NAWAPA, plus retooling of vital rails, ports, and developing of a modern, nuclear-powered maritime flag-fleet, would revive many among the presently distressed regions of our national economy, creating the environment needed for promoting accelerated investment in industry and commerce.

With such thinking, and with the will to match, this new "Hoover" depression is neither necessary nor unstoppable. If we use our wits and match our wits with our will, we can now unleash a new boom on high-technology investment with aid of policies which ensure this nation never need fear economic depression again.

## ADDENDUM FOR DISCUSSION

# Anglo-Saxon Genocide Not Compatible With Democratic Party

On June 7, a community action group from the Watts district of Los Angeles visited the Brown-for-Senate campaign headquarters to call for the firing of Gov. Jerry Brown's Human Resources Director, Huey Johnson, who has repeatedly advocated sterilization of welfare recipients and minorities as a "population control" measure. Brown's response to this demand from members of the black community was to call in the California State Police to evict the activists!

The Huey Johnson case is only one example of a policy that has gained ground within the Democratic Party since the issuance of the *Global 2000 Report* by the administration of Jimmy Carter. The theme of the *Global 2000 Report* is that the principal danger to the United States in coming decades is the size of the population of the developing sector. The report calls for a reduction of that population by 2 billion persons by the year 2000.

To halt the spread of these evil doctrines, a National Committee Against Genocide has been formed. Will Wertz, candidate for the Democratic senatorial nomination in California, released the following statement on behalf of the new committee June 7.

## Founding Statement of the National Committee Against Genocide

It is clear that attempts are being made by various forces and institutions in the United States to advocate the conscious and systematic extermination of significant portions of our own and other nations' populations, especially non-Anglo-Saxons.

It is also clear that every basic principle on which our nation was founded is violated by the very existence of people like California's William Shockley or New York's Averell Harriman; forces like the "Zero Population Growth," "Zero Economic Growth" movements; and institutions like the Club of Rome. Therefore, we the undersigned, do hereby coalesce ourselves as a Club of Life National Committee Against Genocide, as a statement of support of the founding principles of our country and in opposition to the racist and wrong policies of "Zero Population Growth" and "Zero Economic Growth."

We also declare that the following people are potentially indictable under the Nuremberg Code for Crimes Against Humanity for their support, public and private, of explicitly genocidal policies: California Gov. Edmund "Jerry" Brown; Tom Hayden, Campaign for Economic Democracy; Willie Brown, California State Assembly Speaker and member of Gutmacher Institute; Sen. Daniel Patrick Moynihan of New York; Congressman Robert Garcia of New York; Congressman Richard Ottinger of New York; Bishop Paul Moore, Cathedral of St. John the Divine; New York City Mayor Edward Koch.

Initial Signers:

James E. Wade, elder, Universal Church of the Valley, San Fernando, Calif.

Rev. Henry Parker, Mount Olive Missionary Baptist Church, Los Angeles, Calif.

Mrs. Shands Rhea, founder, Minutewomen of Florida, Inc.

Rev. C.C. Coleman, American Baptist Ministers.



## NDPC 4-Point Program For Economic Recovery

**1** The President of the United States must act to restore the nation to a gold-reserve basis, pricing the gold-reserves of the United States at a fair-market price of approximately \$500 an ounce for sale and purchase of monetary gold.

**2** The Congress must “federalize” the Federal Reserve System, to transform the Fed in effect to become the “Third Bank of the United States.” This Act must restore comprehensive regulation, on a gold-reserve basis, to the nation’s banking. The power to regulate and create negotiable credit in excess of savings must be restricted to the sovereign federal government of the United States.

**3** In compensation for collapsing the power of the private financial system to generate fictitious-money credit, the federal government, through action of the Congress, must issue gold-denominated U.S. Treasury currency-notes, to be loaned at not less than 2 percent or more than 4 percent prime discount-rates through the Federal Reserve System. These funds shall be loaned as participation in individual loan-agreements between private banks and borrowers.

This loan-participation should be restricted to those categories of investment which maintain and increase high-technology forms of production of tangible goods or which develop the essential economic infrastructure.

**4** The federal government must sponsor a limited number of large-scale projects of development of basic economic infrastructure best suited to mobilize investment in goods-producing capacity of agriculture and industry by private entrepreneurs using lendable federal gold-reserve currency-notes in aid of such investment in productive employment.