

## It's Time To Get Rid of British Economic Policies

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*Democratic presidential candidate Lyndon LaRouche released this statement November 11, 1991.*

I wish to address now, for those of you who still have the concentration span to follow me, some of the crucial pieces of evidence which ought to be considered by all of us in our efforts to decide what is the most crucial policy, the most crucial program, which we ought to put forward at this time, to get the United States and the world out of the deepest economic depression of the century, and, possibly, if we don't stop it, the deepest depression since the so-called New Dark Age in Europe during the middle of the 14th century. There is, in point of fact, no bottom to this depression, if we continue to follow the free trade and related policies which are presently in force and supported by, for example, the Bush administration.

### ***'Thatcherism,' or Free Trade***

Let me begin by referencing a phenomenon called "Thatcherism," which is not simply broomstick-riding by night, but refers to a so-called economic and social philosophy long associated with the prime ministership of the United Kingdom's Margaret Thatcher.

We see the most brutal exhibition of Thatcherism, not only in the utter collapse of the physical economy of the United Kingdom, but in the atrocities which are wreaked upon Poland by that Harvard nit-wit Prof. Jeffrey Sachs—or, should we say, that old Dracula, Prof. Jeffrey Sucks.

This orgy of free trade, this misuse of the term freedom as a name for usury, will probably mark the 20th century, in the minds of our descendants, as being an age of insanity. Free-trade insanity is comparable overall to the lunacy of a movement of the 14th century called the Flagellants, a horde of people violently enthusiastic in their beliefs, as violently enthusiastic as the followers of Mrs. Thatcher or of Milton Friedman, or any other professed opponents of so-called command economy. This insanity should be abhorred as one abhors a mob of carriers of a deadly plague, as the people of the cities of the 14th century abhorred and feared and drove away the Flagellants from their gates.

Let me point out something of significance on this point, and then go to the broader set of facts, which bear upon the leading point I wish to make here.

### ***Systems Analysis and the Collapse of the Economies of the Warsaw Pact***

It is said, and it is true, that the Warsaw Pact and the Soviet Union were brought down by Marxist economics. That is essentially true. The failure of the communist form of economy was inevitable, if one adhered strictly to a Marxist form—which the Russians and others did not always do, I should emphasize. On occasion they violated the Marxist form, and that's the reason why, until 1972 approximately, there were periods of successful development in the Soviet Union and in the eastern European communist states.

But when the collapse of the eastern European and Soviet economy really began about 1970, it was not merely because of the Marxist process, but because of the introduction of something else, called systems analysis, to the philosophy of management and planning in the eastern European sector. This can be documented most easily from the standpoint of East Germany, where we now have access to people who were formerly managers, scientists, and so forth, working in that milieu, who can relate in some great detail, with material proof to support it, exactly how this happened in that part of the communist world. We can extrapolate from that, by looking at comparable facts in other parts of the Soviet empire and its Warsaw Pact satellites, to see the same process.

I want to focus on how this happened, and what this distinction is. Therefore, let's separate the period from approximately 1968 to 1985–86, and examine it. The year 1985 is an endpoint, because Gorbachev did introduce certain policies that year, and in 1986, which brought about the accelerated collapse through chaos of the eastern European and Soviet communist sectors. So, let's take the Gorbachev insanity factor out of this, and stick strictly on the insanity under Brezhnev, and Gorbachev's immediate successors.

What happened?

Well, it happened to the United States, too, and in Britain, and, to a lesser degree, in Japan, and western continental Europe. It was called systems analysis. It was called the postindustrial society. It was called by Zbigniew Brzezinski the technetronic age. All meant essentially the same thing.

The ideological center of this planning for systems analysis, was Cambridge University in Britain, around the group which came to be known as the systems analysis group. The group was dominated by a former Hungarian communist, Lord Kaldor, up there at Cambridge, and his daughter, Mary Kaldor. And from there this brew, which mixed up what Norbert Wiener called information theory, or cybernetics, with systems analysis, spread throughout the world, largely through institutions such as business schools, such as the Harvard Business

School, the Wharton Institute, and so forth and so on. It spread to the extent that today in the United States we have virtually no competent industrial managers. Corporate managers of the type who used to be in charge of corporations in the 1960s and the middle of the 1970s, have been replaced by utterly incompetent people in the mold of Robert S. McNamara—Robert Strange McNamara—to give his full name correctly. Robert Strange McNamara is the first prominent example of this New Age-type of bureaucrat who took over corporations and ruined agro-industrial America, and who have ruined not only America, but much of the economy of western Europe as well as the communist world.

I want to make the connection between systems analysis and mental disease called free trade, or the insanity called hysterical fear of the words “command economy.”

There are many things that can be said about systems analysis. I'm going to focus on the simplest aspect, without getting to the more profound implications of why it's as bad as it is.

This disease was spread—how? It was spread by a process which begins to become public about 1963, about the same year that President Kennedy was assassinated. It was centered in places such as the OECD office in Paris which was then headed by a fellow called Dr. Alexander King. Dr. Alexander King was very close to the British royal family, and, in particular, to a friend of the British royal family, originally of South African origin, Lord Solly Zuckerman. This group worked closely with the systems analysis group at Cambridge around people such as Lord Kaldor.

These people concentrated both on the West and on the East at the same time. They set up two institutions over a period of time, one known as the Club of Rome, established in the late 1960s, and a companion organization established with collaboration with the Soviet government, collaboration directly with Premier Alexei Kosygin's son-in-law, Dzhermen Gvishiani. The second institution was the Laxenburg, Austria, International Institute for Applied Systems Analysis.

Through these institutions and related ones, the ideology of applied systems analysis was spread into the communist world, as well as throughout the so-called industrial capitalist sector.

In the communist world, you had a fellow emerge, who is now a prominent adviser of Gorbachev—or was—who was head of the Global Systems Analysis group in Moscow, and this spread there. This was imbedded in the all-powerful Soviet Academy of Sciences, which became the vehicle which spread this virus of insanity throughout the Soviet system into eastern Europe. You'll find today, for example, in the Soviet Academy of Sciences, cybernetics fanatics dominating the discussion and ruining what used to be a very respectable quality of fundamental research in Soviet science.

### ***Metaphor***

The essential thing is this, is that systems analysis denies the assumption that the individual human being has a creative-mental potential which places mankind above the beasts; that this potential is a sovereign individual potential.

For example, just to make the point clear: Let's suppose you study the Pythagorean theorem in school. The teacher makes certain statements in the context of a course in elementary geometry. And the teacher works at the blackboard—if he's a good teacher who does not use the modern new math, but uses the old-fashioned blackboard methods—and you sit at the desk. You make drawings and something goes on in your head. At the end of this process, if you're successful, you understand a concept which is called the Pythagorean theorem.

Now, we can put down on paper the list of statements, statements of description and construction, which are the steps by which the Pythagorean theorem is supposedly proven; and you will observe that there is no real proof of the concept in your head in those statements; and yet, those statements, as communications between you and the teacher (and back and forth) are essential for your discussion of the Pythagorean theorem.

All serious communication is of that type. A teacher, in this case, has an idea, in his head. The teacher uses certain steps of communication to trigger the student's mind to set up the same kind of process in the student's own head. So, the student, by following this process, comes to a construction in his or her own mind of the same theorem which is in the professor's mind. But if we look at the steps which the teacher uses to communicate this to the student, we will not find the Pythagorean theorem itself. We will find only a description of it.

The same thing is true of all communication in principle. The communication medium is what we call a linear medium. It's part of a discrete manifold, which is incapable of communicating any ideas which are of a negentropic or higher order. And yet, by aid of the communication medium, one person is able to communicate ideas of a higher order to another. Because he is not communicating the ideas within the medium, but is communicating instructions which cause the other person to set into motion *processes* by which these ideas are generated.

Let's think of the communications medium as one of signals. You send a signal to another person; it sets a negentropic process in his mind to work, based on that signal. Like a switch. But the switch does not describe the motor; it describes only the switch. The signals can be thought of as a very simple illustration of a set of switches.

The negentropic motor is in the mind of the hearer, as well as in the mind of the sender. Thus we are able to communicate to one another ideas which are not explicitly, literally represented in the medium which we use for communication.

In poetry, this is called *metaphor*, and all communication is *metaphorical*. This process means that the way society works, especially in science, in advanced industrial management, or in farming, is that we develop a person's mind to high potentials by developing through processes such as the geometry lesson in the Pythagorean theorem. We develop all minds we can to these same high potentials, by referring to signals which identify these "lessons, such as the word "Pythagorean theorem." "Pythagorean theorem" is only a word; it can be reduced to particles within a discrete manifold; it can be given statistical analysis. But to the mind that hears it, it represents the process by which that person learned the Pythagorean theorem.

Thus, by this richness of development and interplay among this richness, which is what we use in communication, we are able to communicate to a developed mind, the basis for generating ideas, and that person is capable of signaling back to us, proof that they have understood what we have communicated. This is called, in poetry, metaphor, and the communication of metaphor. All good poetry is based not on rhyme, not on symbolism, but on metaphor. All great art is based on metaphor. If it's not metaphorical, it's not art. If it's not metaphorical also, it's not science.

What information theory did, was to say, "No, we don't need the individual, we don't need to create the sovereign creative mental capability of the developed individual. We do not need reason. We merely need to distribute information through a communications medium to people; and people will make up their own minds." Bunk. It doesn't work.

What systems analysis did was to set up, through information theory, a theory of management which is based on the non-existence of the human mind, except as an emitter and receiver of nothing but information—and ideas which are reduced to only information. "Don't try to change my mind; give me the information," they say. In that case, nothing is communicated of any importance.

In that process, we have created a group of people who have been educated to believe in information theory, who are stupid. Many people are stupid not because they were born stupid, but because they were educated to be stupid—because they became stupid as a matter of chosen profession. The more educated they became, the more stupid they became, because the more professional they became, the more ignorant they became. We destroyed that potential which they had as students, as people who were born.

We did this also with television, with television entertainment most particularly. We destroyed the minds of whole generations by allowing our children to sit in front of that one-

eyed babysitter called the television tube, out of which nothing but idiocy and degeneracy was pouring in very short bursts, probably 5–10 second bursts, of so-called information images which formed a montage, which was called a television program. And the students or the children sat there in front of the one-eyed babysitter, the monster, Moloch, and we destroyed them. When they grew up, and they weren't good for much.

We say, "What happened to our children? We spent a lot of money in raising them; we sent them to good schools, we provided them with the best homes, we fed them, we gave them clothes. We gave them freedom, we read Dr. Spock and obeyed him."

You see the results. And that's what happened in economy.

### ***The Ozone Hole Hoax and other Frauds***

This leads to certain things. Let's take an example: the so-called ozone hole. What is called the ozone hole, insofar as it exists, was discovered in 1956–57 by a fellow from Oxford University working as a part of the International Geophysical Year activities in Antarctica. His name was Gordon Dobson. Today, we measure the ozone ratio in the atmosphere, which is a handful of parts per million parts in the atmosphere at most, in Dobson units.

Now, a fellow comes along from Cambridge University later on, and he claims to have discovered an ozone hole over Antarctica! He does not admit that 30 years before, the phenomenon was discovered by Dobson, but says, suddenly this developed in a recent development, and it developed because of the development of chlorofluorocarbons (CFCs). If he had said that the ozone hole had existed back in 1956, before CFCs were generally used, then he wouldn't have been able to make his connection between "ozone depletion" and CFCs. Therefore he says it developed between 1956 and 1986, during the period of the proliferation of use of chlorofluorocarbons.

See the fraud? The whole thing is a fraud. Yet, the governments of the world, including the United States, have agreed to ban chlorofluorocarbons! They have agreed, solemnly; agreed to an absurdity.

What's the effect? The world's refrigeration systems depend now on cheap refrigeration, and cheap refrigeration is dependent on chlorofluorocarbons, that's their economic significance. All substitutes for chlorofluorocarbons are caustic, more costly, etc., etc.—less desirable. And chlorofluorocarbons have nothing to do with ozone holes. They don't cause ozone depletion. As a matter of fact, the amount of chlorine coming out of chlorofluorocarbons as a result of the activities of the entire world's population, is less than that of one good-sized volcano, which is pouring masses of chlorine into the air—including the big one in Antarctica called Mount Erebus.

If we cut out CFCs, what happens? We have developed the food chain on the basis of cheap refrigeration; we have been able to move the food supplier a great distance from the food consumer by virtue of refrigeration. We have saved many lives by virtue of refrigeration, by reducing food poisoning, resulting from lack of refrigeration. If today, we cut off the CFCs, we are condemning many people to death, because of this factor: lack of refrigeration. We are committing mass murder.

Who's committing it? First of all, the governments, who have made the agreement that George Bush subscribed to, to ban CFCs. And the people who tolerate such governments, who are stupid enough to believe that there is an ozone hole problem, or who don't believe that volcanoes are the major chemical factor in these kinds of things, and that the real factor is the Sun, that Antarctica has a diminution of ozone during its winter months, precisely because it gets no sunlight, and that when the Sun begins to hit in October, you can begin to see that over the winter, the ozone has gone down. By December every year, the ozone over Antarctica is back to normal; because the Sun has done its job. The removal of sunlight is the cause of a diminution of ozone over Antarctica every year! Plus some other factors, but they all center, essentially, on the sunlight factor, which is the major determinant.

Let's now consider the so-called greenhouse effect. People allege we are experiencing global warming. There is no global warming. Well, how was the global warming determined? They said, well, there's a lot of CO<sub>2</sub> coming out of industry and it's increasing CO<sub>2</sub>, in the atmosphere. You say, "Wait a minute, what's going on here?" Then we find out that the station which is used to measure CO<sub>2</sub>, increase for the globe, is Mauna Loa, Hawaii. Right next to a volcano—pumping out all kinds of CO<sub>2</sub>. Global warming is a hoax! And yet, we base national policy on this hoax.

So, here we have it. We have systems analysis, a general phenomenon; absolute insanity. We have the ozone hole phenomenon; insanity. We have the global warming fraud: insanity. We have all of these other fads, often in the name of environmentalism or ecology. Absolute lies. Unscientific nonsense. They are destroying us. And this is all deliberate.

### ***Why We Can't Balance the Budget***

Let's come back to the economy as such.

What we have now, across the United States and across the world, is people saying that we must cut, we must cut, we must cut, we must cut budgets. We must throw people to starvation, into the cold of winter, off general welfare, as in the state of Michigan, where 83,000 people have been thrown out to freeze, to die of freezing in the dead of winter, because they've been thrown off general assistance—as an economy measure. Hard-nosed politicians are killing people to prove that they've got the guts to balance the budget—and they can't balance the budget; it just gets worse and worse and worse and worse.

Someone ought to admit, that these cutting measures are not the solution. Of course, there are things for which we should not spend money. That's true. But that money shouldn't be spent anyway, regardless of the situation. There are some things that are indeed optional; well, maybe we can cut those out. But you cannot put people out to die in order to balance figures on a piece of paper. That's immoral; it's inhuman; it's Hitler style. We can't tolerate that nonsense.

Why are we doing this? We're doing this in order to try to continue things like Gramm-Rudman, a piece of insanity. It never could work; never did any good; only did harm. What's the problem? The problem is, our monetary and financial system is wrong. People are willing to destroy masses of human lives, in order to maintain a monetary and financial system that cannot be maintained. It's collapsing. Isn't that insanity?

Why don't we change the financial and monetary system? Why don't we get rid of this blasted British system, this British central banking system, which is the root of our problem, and go back to the American System on which this nation was built—the American System established by George Washington, of national banking? Why don't we get rid of this blasted deregulation, and go back to regulation, on which this nation was based? Why do we privatize things that cannot be privatized, in infrastructure? Why don't we take our responsibility for developing it? Why do we allow people to be unemployed in great numbers, when we have an urgent need to employ them in building national water systems, national power systems, national rail systems, and so forth and so on, when there is so much physical need, which can only be satisfied as the fruit of human labor? Why do we leave people unemployed? Isn't that insanity, too?

### ***Are We Fit To Survive?***

Now, let us ask: Is it not the case in history, history taken as a large sweep, that nations and empires have vanished many times, and that anthropology and archaeology are chiefly matters of examining the dust left behind by failed nations, failed civilizations, and failed cultures?

Rome did not collapse because of the barbarians. Rome collapsed because of the insanity of the principles upon which the Roman imperial state was based. Rome died because it was not fit to survive. It was not fit to survive because its principles of government and society were evil, wrong, and destructive.

We now find ourselves, this great Anglo-American power—because that's what it amounts to—also like Rome, with ideas that are stupid, against nature, against the universal laws of nature. Ideas which are destroying us, and will continue to destroy us as long as we continue to serve them. We, too, are on the road to becoming dust for some future archaeologist's inquiries—*unless we change, unless we stop being insane*. Unless we get rid of systems analysis.



Unless we get rid of insane versions of environmentalism and ecology. Unless we get rid of a central banking system which is destroying us, and forcing us to mass-murder our own populations, through so-called fascist austerity measures.

You, too, to the extent that you tolerate these ideas of free trade, that you praise them, that you spread the gossip about a nonexistent ozone hole problem, that you spread the gossip about global warming, that you get involved in the cult idiocy of the politically correct, you, too, are destroying this civilization. You're bringing everything down around you, not on your own heads, but your children's, your grandchildren's. You say you're raising your family, you're concerned about family needs. If you tolerate these ideas, you don't give a damn about your family, because you're allowing your family and its descendants to be destroyed. By what? By the insane ideas which you're defending in practice or tolerating in practice—the ideas of George Bush.

You're not going to solve any of the problems by cheap reforms; you're not going to solve the problems by budget-balancing, or any of these other acts. You're going to have to address the cause of the problem, and the cause of the problem is wrong policy, 28 years of insanity since the assassination of President Kennedy. Every economic, financial, and monetary change in policy since the assassination of President Kennedy by the United States has been a piece of insanity. Recognize that fact. You're sitting in the midst of a rubble that proves that fact. What we have to do is get rid of the policies and change the institutions for which the human race now is being sacrificed.

Otherwise, future generations will look back at us with the pity and contempt with which they look at the Flagellants of the 14th century.