

Reserve Board, advocating tax cuts, a balanced-budget amendment and a gold-standard for the dollar, and advocating a general "pro-growth" stance. But, thus far, because of Melcher's early campaign against the Fed and his 1981 votes for Reagan's economic program, the only issue on which Williams has made any headway is the "out-of-state" campaign contribution issue.

It is generally perceived that Williams is playing "me-too" on economic policy. But William's book *How to Profit from the Coming Good Years*, shows his own orientation. It is a study in the hedonistic calculus of Jeremy Bentham which asserts that free enterprise is the pain (having to work) or pleasure (so to have money) principle operating in the market place. Williams calls it "greed and fear" and grounds his "economics" on the same Physiocratic notion as did Adam Smith and their followers: that wealth comes only from land (mining and farming). This denies the Constitution's premise that the productive powers of man can create new kinds of wealth through a comprehension of and intervention into a lawful universe. Williams even boasts on page 62 that he was "the first one to announce that it appeared that there was some type of relationship between new moons and full moons and the price of silver."

How To is a manual for making a fortune in those areas the financial oligarchy happens to be favoring at a particular moment. Real-estate and commodity speculation, Resorts International, video games, the "entertainment" industry, health and food cults, are topics of Williams investment strategy.

It is thus safe to predict that, even with good intentions, Williams would be a moral basket case and a tool of the financial oligarchy within weeks of hitting Washington, D.C.

Larry Williams leans toward a trade blackmail policy

From an Aug. 26 interview with Larry Williams:

EIR: Where did you learn your economics?

Williams: You're going to hate me for this answer but really the school of hard knocks. I have a degree in journalism and of course have done a lot of studying and reading and as an investment advisor you really get keyed into a lot of people who are involved in different levels of the economy. Like everyone, I at one point many years ago assumed the Federal Reserve was part of the government. Of course, we now know that it isn't. They have too much power vested in one person.

EIR: . . . You said in your book that you did not think an "apocalyptic collapse" is imminent.

Williams: Suddenly since the publication of that book the

U.S. dollar has become a strong dollar, gold has become weak, interest rates have come down, which was forecast. We forecast higher stock prices; suddenly we have the largest gain in the history of the New York Stock Exchange. Those predictions by and large are coming true. . . . My economic work suggests that we have probably turned the corner. . . .

EIR: In your book, you mention a variety of investments that would be high-yielding but are not necessarily industrial investments. How do you see ensuring that there would be adequate investment in the kinds of industry that are necessary?

Williams: It is not the function of government to ensure investment. It's the function of the free-enterprise system to be so attractive that people say, "Hey, there's growth there," so they willingly invest those dollars.

EIR: What do we do then without the steel industry?

Williams: If there's an economic need for the steel industry, it'll stay around; if there isn't it won't.

EIR: What about an industry that's just starting that requires a lot of investment before it begins to really yield much in return?

Williams: Everybody's got to stand on their own two legs. If it's a good deal, people will come to it, if it's not they'll stay away from it.

EIR: What is your recommendation for investment in other countries?

Williams: I don't recommend that. There is plenty of opportunity in this country for investors, and I would much rather see that people I advise keep their dollars here. . . .

EIR: Do you believe this type of free-market situation or the environment for entrepreneurship would provide the necessary living standards and employment?

Williams: Not totally on its own, no. My comments are on natural resources, and the parity approach to agriculture. High tech does not create new wealth, it shuffles it around. The creation comes from the ground, from the seas, from agriculture, and we have to have the creation of new wealth from those natural resources. The high tech enables us to speed up those processes, and to enjoy leisure time, and so some other things more fully. But the creation of wealth has got to come from a parity approach to natural resources. Especially when we have other countries who are dumping things here and not letting us sell our things there. . . . I believe in free trade, but if people are not trading with us on a free basis, then I have to go to fair trade. . . . We have to fight fire with fire; we're going to become Yankee traders again, get tough in our international trading policies.

EIR: What would become of our mining, our farming?

Williams: They need our products. I think we would be able to make some negotiations.