

INTRODUCTION

On the subject of the science of Christian economy

Today, three years after the great financial crash of 1987, and two years after my October 1988 Berlin address on impending German reunification,¹ it is increasingly clear that the two formerly reigning economic dogmas of this planet, those of Adam Smith and Karl Marx, are being buried, perhaps forever, under an avalanche of post-industrial rubble and usury. Unless the specifically appropriate replacement for these two failed dogmas of yesterday is adopted soon, every part of this planet is to be judged now as already plunging into a New Dark Age, worse than that which crushed Europe, with nearly apocalyptic force, during the middle of the fourteenth century.

Had we been confronted, so immediately, by such awesome truths, at the beginning of our century, when a significant minority among economists and historians were still literate in their professions, the latter would have responded to the preceding paragraph here, with words to the following effect: "You are proposing an immediate return to the original 'American System of Political-Economy.'" They would signify so, those (anti-British) principles of economy and banking associated traditionally with such prominent names as U.S. President George Washington, Treasury Secretary Alexander Hamilton,² the two Careys,³ Speaker of the House Henry Clay,⁴ and the founder of the German economy's nineteenth-century economic supremacy, Friedrich List.⁵

The now freshly discredited such liberal dogmas were the leading evils of the eighteenth century, against which the U.S. War of Independence was then so justly fought by all patriotic Americans.⁶ The American System, on whose behalf those patriots fought against their British oppressor then, is imbedded implicitly in the 1776 Declaration of Independence, and in the Preamble and in Article I of the 1787-89 federal Constitution draft.

Since 1787, whenever the U.S. government has applied the policies of that American System, that nation has prospered, to the net effect that it once became for a period of decades the leading economy of this world. Whenever that same government committed the great folly of imitating the lunatic ideas of Adam Smith, as it did under Presidents Jefferson, Madison, and Jackson, for example, the United States has been plunged into economic ruin, as it is now being ruined by the accumulated follies of the past six Presidents following the assassination of President John F. Kennedy.

It would be a very good thing if the United States today, would overturn by a single law, immediately, every change in U.S. economic, financial, and monetary policy, which has been introduced since the assassination of President Kennedy. That would be a good thing; but more must be done. We must re-affirm the American System of Political-Economy, upon which all of the United States' economic successes to date have been premised implicitly; but, even that is not quite enough.

For reasons to be shown here, we must not admire the proven superiority of the American System so much, that

we overlook the fact that the American System is merely a successful approximation, for purposes of application, of something much deeper, of something less imperfect, something truly fundamental. The American System was chiefly a reflection of the combined direct and indirect influence of the founder of economic science, Gottfried Leibniz, upon certain leading thinkers of the English colonies in the Americas.⁷ Yet, there is something still more profound at issue here.

Let us focus for a moment upon the issue of the several wars which Britain either led or orchestrated against the United States during the interval 1775-1865.⁸ The central issue of those wars was Britain's refusal to tolerate those economic policies identified by President George Washington's treasury secretary, Alexander Hamilton, as "the American System of Political-Economy."

The more general significance of that economic conflict with Britain, is that the American System of Political-Economy is broadly in agreement with the principles upon which Christian civilization is premised. The original and continuing enemy of that American System is an anti-Christian dogma, an explicitly immoral dogma which was conceived, originally, by Adam Smith and other agents of the eighteenth-century British East India Company, as an emulation of the model of ancient, pagan Imperial Rome.

In the following pages, we summarize the deeper issues between Christianity and British neo-paganism, underlying London liberalism's continuing efforts to exterminate even the memory of that "American System." We address and defend thus, the "axiomatically" Christian features of Gottfried Leibniz's founding of economic science. We defend the "American System" in its implicit aspect as a reflection of Leibniz's influence among leading eighteenth-century American patriots.⁹ We indicate in this way, the crucial importance of those Christian principles and related matters for defining efficiently the strategic crisis of the 1990s.

Notes

1. See, Lyndon H. LaRouche, Jr., "U.S. Policy toward the Reunification of Germany," *EIR*, Vol. 15, No. 40, Oct. 21, 1988, p. 40, for the full text of LaRouche's Oct. 12, 1988 speech on German reunification; reprinted in *EIR*, Vol. 17, No. 38, Oct. 5, 1990, p. 23.

2. President George Washington commissioned his treasury secretary, Alexander Hamilton, to organize these founding policies for the U.S. government: a Bank of the United States, to counter private usury, and to secure credit for private industrial and agricultural investment; national sponsorship for the development of manufacturing, through tariffs, patents, and other means; federal investment in canals, roads, harbors, and other infrastructure. This general program, personally identified with both Washington and Hamilton, was implemented by the nationalist political faction up through the Lincoln and Grant administrations, and accounts for the industrialization of the U.S.A.

3. Irish Catholic rebel leader Mathew Carey (1760-1839), a protégé of Benjamin Franklin in Paris, continued Franklin's humanist political tradition in Philadelphia after the Revolution. Publishing scores of pamphlets, Mathew Carey attacked Adam Smith and the British Empire, revived Hamil-

ton's policies, and instructed Henry Clay and the second generation of American nationalists.

Mathew's son Henry Carey (1793-1879), the most widely known American economist of the nineteenth century, led the Philadelphia nationalist circle which built the main American railroads, iron, steel, and machine industries. Abraham Lincoln learned his economics from Henry Carey's books, as did many republican patriots in Latin America, Europe, and Asia.

4. Henry Clay (1777-1852) was the public spokesman for the "American System" of political economy, and for national sovereignty in explicit opposition to imperialism. Clay created the pro-defense movement that rescued the U.S. from British aggression in 1812. Leading the Whig Party against the Southern slavocracy and the Northern Anglophile merchants, he pushed protective tariffs through Congress which transformed the economy. Abraham Lincoln served as Clay's political lieutenant in Illinois before becoming U.S. President.

5. The Philadelphia-based nationalist American leadership adopted exiled German republican leader Friedrich List (1789-1846) as their tutor in economic science, principally through List's text, *The National System of Political Economy*. After helping form the Carey-Clay party, List returned to Germany, pioneered the railroads, and created the customs union (Zollverein) which led to German national unity and industrial greatness.

6. St. Augustine's concept of just war can be summarized as follows: 1) Wrongs are preferably redressed by patiently submitting to the loss of temporal advantage, to produce amendment of the ways of the wicked and to thus overcome evil with good; 2) war should be conducted only as a last resort, since it were better to stay war with a word and to procure peace by peace than to slay men with the sword and to achieve peace by war; 3) however, the legitimate sovereign of a state has a natural right to conduct war to defend the common weal; 4) such a war requires a just cause in the form of some injury inflicted and the failure to make amends; and 5) in the event of a just cause, war to remain just must have a right intention and be waged mercifully, in the spirit of a peacemaker.

Before the American patriots launched their War of Independence against their evil adversary, King George III and his liberal backers, they sent a number of missions to Great Britain to attempt to reach a compromise with the stubborn monarch and his advisers. It was only after King George III and the British government refused to ameliorate the economic policies which were strangulating the American colonies, that the war was fought.

7. Cf. H. Graham Lowry, *How the Nation Was Won* (Washington: Executive Intelligence Review, 1987).

By the early eighteenth century, the same Leibniz, sometimes called "the last universal intellect" of history, was at the center of not only the world's leading scientific circles, but was also the principal intellectual figure of Europe-based, global political movements. Among those were included the circles of Cotton Mather, Benjamin Franklin, et al., in the future United States. Franklin's far-flung conspiratorial networks of the period from approximately 1766 onward, for example, were principally Franklin's intersection with the still active networks of Leibniz's followers in Europe.

8. The ongoing war against the United States included the 1776 War of Independence, the War of 1812, the role of the Duke of Wellington in directing Mexican forces in the war with Mexico, and also the Civil War of 1860-65, which was being orchestrated by Britain chiefly, with the intent of dividing the United States into several quarreling baronies which might then be taken over therefore by Britain.

9. H. Graham Lowry, *How the Nation Was Won*.