

Eustace Mullins, the great betrayer

Populism is an oligarchic construct, no more popular than the "free market" is free. William Bohdan provides a commentary on a widely read book.

Every human being's analyses and conclusions are based on certain underlying assumptions, often unconsciously made by that person. In this book—which attacks the Federal Reserve System as the treason it is, but wrongly ascribes it to the heritage of Alexander Hamilton—Eustace Mullins's underlying assumption is that the British-tainted utopian populist democracy is good for us. This underlying assumption is false, and, therefore, Eustace Mullins's book *The Great Betrayal* is a fraud.

Although Mullins appeals to a Christian readership, neither God nor his Son, Jesus Christ, have ever acted democratically. Christianity is not democratic (popular opinion); it communicates a set of moral precepts by which man must direct his activity so as not to be contrary to God's natural laws in his rationally ordered universe, and thereby not bring destruction upon himself.

The irrationality of populism is exemplified by the Jacobin mobs that terrorized France around 1790, supposedly to rid that nation of an oppressive economic system. These mobs were organized by the very oligarchs who caused the oppression. This populist rage was turned against the people who were trying to get the country prospering through scientific and industrial development, namely, the Marquis de Lafayette, Duc de la Rochefoucauld, and other members of the French branch of the Society of Cincinnatus (Alexander Hamilton and George Washington formed the American branch). The storming of the Bastille by the Jacobin mobs in 1789 caused the release of only six prisoners, all common criminals, not the multitude of political prisoners, as our lying history books claim.

In economics, British populist democracy centers around an immoral system misnamed the "free market" system (more aptly described as the "flea market" system), which was written to directly counter the American System of economics defended by the Founding Fathers of the United States and later given policy form by George Washington's first Treasury Secretary Alexander Hamilton. (Years later, Hamilton's system became called the American System of Political Economy.)

The fact that many who call themselves Christians today, especially of the "fundamentalist" variety, believe in the free market system is not a justification for it; it is, in fact, the very reason to condemn it. These particular Christians are

victims of the same irrational concept of God and Jesus that they have of economics; their concept of blind faith denigrates the divine gift of human reason, granted to man as the highest of God's creatures in order to enable him to assist in the further development of the natural universe, in favor of the infantile craving for a simplistic, magical view of the universe which is reducible to the limits of their own minds.

Similar irrational assumptions induce belief in an "international Jewish conspiracy," another fraud perpetuated by the oligarchy through such political networks as the British Israelites, the Social Credit Party, the League of Rights, the Freemasons (the British Duke of Kent is Grandmaster of London's Grand Lodge). While a cabal of nominally Jewish families has historically acted as the collector of usurious interest income on international bank loans (interest rates set in the so-called free market!), they have always been considered expendable by their oligarchist masters, ready to be scapegoated and persecuted in the event of economic depression. Shakespeare's *Merchant of Venice*, in which the Jewish usurer Shylock is ultimately an expendable pawn of the Venetian oligarchy, was a polemical exposure of this arrangement.

Another irrational assumption is that the Earth has limited resources and that our economic system must reflect that. Hence are the origins of population control, balancing federal budgets, populism, Social Credit's national dividends, etc.; ideas representative of shallow thinkers, not of the true profound man that "God created . . . in his own image" (Gen. 1:27). Since God the *Creator* is unlimited, is it reasonable that his creation as a whole would have limits? No, and that is why God said to man, "Be fruitful, and multiply, and replenish the earth, and subdue it" (Gen. 1:28). God *did not* say "use it wisely because it is limited" (today's populism of stewardship). There can be no ambiguity that the directive to "replenish the earth" meant that man's intervention in the earth had the potential to improve it and not deplete it, as would be reasonable for entities (mankind) "created in his own image."

Adam Smith the evil

The free market system was developed by a paid agent of the British East India Company called Adam Smith, as an attempt to maintain the British colonialist looting system.

The immorality of this system stems from the immorality of Adam Smith. The following quote comes from his book, *Theory of the Moral Sentiments* (1759):

“The administration of the great system of the universe . . . the care of universal happiness of all rational and sensible beings, is the business of God and not of man. To man is allotted a much humbler department, but one much more suitable to the weakness of his powers, and the narrowness of his comprehension; the care of his own happiness, of that of his family, his friends, his country. . . . But though we are endowed with a very strong desire of these ends, it has been entrusted to the slow and uncertain determinations of our reason to find the proper means of bringing them about. Nature has directed us to the greater part of these by original and immediate instincts: Hunger, thirst, the passion which unites the two sexes, the love of pleasure, and the dread of pain, prompt us to apply these means for their own sake, and without any consideration of their tendency to those beneficent ends which the great Director of Nature intended to produce by them.” In other words, Adam Smith viewed man as an animal. And, this is the man whose economic philosophy many would-be Christians, obviously Mullins included, worship!

It is no coincidence that Smith published *An Inquiry into the Nature and Causes of the Wealth of Nations* in 1776, the year of American independence. He was struggling furiously, in the pay of the British East India Company, to counter the dirigist (government-directed) system of national economics. Smith’s oligarchical masters feared the U.S. would rise above that of being solely a raw materials supplier to Britain. Even in the U.S., the enemies of a strong central government, like James Madison, would quote on the floor of Congress from Adam Smith’s books to back up their arguments.

So, using his underlying assumptions, how does Eustace Mullins propose we deal with the poor and destitute, not just in our own country, but in all the countries of the Third World as well? Mullins plays on the semantics of the “general welfare” clause in the U.S. Constitution as the cause of the degeneration of the U.S. work ethic and the bankruptcy of the U.S. government, i.e., the out-of-control U.S. welfare system. What does Mullins, the so-called citizen-statesman, propose as a solution to these problems—faith in the free market system? That is the implication from his book, although he is very vague on solutions. I suggest he read James 2:17 for a lesson on the value of faith without works:

“If a brother or sister be naked, and destitute of daily food, and one of you say unto them, Depart in peace, be ye warmed and filled; notwithstanding ye give them not those things which are needful to the body; what doth it profit? Even so faith, if it hath not works, is dead, being alone.”

The reason America’s poor have no work ethic or motivation is because they continually see noble work efforts subverted by the workings of the economic system that Mullins

worships, in violation of the First Commandment: Adam Smith’s “magic of the marketplace.” The Bible clearly equates any magic with the workings of Satan.

Hamiltonian economics

Alexander Hamilton’s drive for a strong central government was spurred primarily by the gross inadequacies of the Articles of Confederation adopted shortly after the Declaration of Independence. The Articles gave no power to Congress (made up of only state representatives) to create currency, credit, or loans, or to levy taxes to pay for its operating costs, including money for the establishment of a suitable army and navy. As a result, by the conclusion of the Revolutionary War, Congress had accumulated a debt of \$79 million with no power to pay it off. The states had the exclusive rights to establish currency and lending. This resulted in very difficult and confusing interstate commerce due to the different and fluctuating values of each of the 13 states’ currencies. Therefore, it was obvious to statesmen like Hamilton that the central government had to be significantly strengthened if this republic was to survive and prosper.

For Mullins to conclude from these efforts that Hamilton was somehow supporting a British or European oligarchy exposes his spotty and superficial reading of the *Federalist Papers* (500 pages in paperback edition), two-thirds of which are papers written by Hamilton. Although Mullins’s book has no bibliography, the slant of his analysis indicates that he gets most of his information from works written by the apologists of Thomas Jefferson, the real traitor to the newborn republic.

Certainly, any rational reading of *Federalist Papers* No. 11 and No. 12 (written by Hamilton) makes Hamilton’s noble intentions obvious. For example, here are three quotes from paper No. 11:

There are appearances to authorize a supposition that the adventurous spirit, which distinguishes the commercial character of America, has already excited uneasy sensations in several of the maritime powers of Europe. They seem to be apprehensive of our too great interference in that carrying trade, which is the support of their navigation and the foundation of their naval strength. Those of them which have colonies in America look forward to what this country is capable of becoming with painful solitude. They foresee the dangers that may threaten their American dominions and would possess all the means requisite to the creation of a powerful marine. Impressions of this kind would naturally indicate the policy of fostering divisions among us and of depriving us, as far as possible, of an *active commerce* in our own bottoms. This would answer the threefold purpose of preventing our interference in their navigation, of monopolizing the profits of

our trade, and of clipping the wings by which we might soar to a dangerous greatness.

Under a vigorous national government, the natural strengths and resources of the country, directed to a common interest, would baffle all the combinations of European jealousy to restrain our growth.

The world may politically, as well as geographically, be divided into four parts, each having a distinct set of interests. Unhappily for the other three, Europe, by her arms and by her negotiations, by force and by fraud, has in different degrees extended her dominion over them all. Africa, Asia, and America have successively felt her domination. The superiority she has long maintained has tempted her to plume herself as the mistress of the world, and to consider the rest of mankind as created for her benefit. Men admired as profound philosophers have in direct terms attributed to her inhabitants a physical superiority and have gravely asserted that all animals, and with them the human species, degenerate in America—that even dogs cease to bark after having breathed awhile in our atmosphere. Facts have too long supported these arrogant pretensions of the European. It belongs to us to vindicate the honor of the human race, and to teach that assuming brother moderation. Union will enable us to do it. Disunion will add another victim to his triumphs. Let Americans disdain to be instruments of European greatness! Let the thirteen states, bound together in a strict and indissoluble Union, concur in erecting one great American system superior to the control of all transatlantic force or influence and able to dictate the terms of the connection between the old and the new world!

How can Mullins conclude that a man who writes with such patriotic passion be a traitor to America; unless Mullins is deliberately attempting to twist the truth? Giving Mullins the benefit of the doubt, it is probably his blind obsession with the free market system (there's that underlying assumption again!) that causes his impotence in not recognizing that a strong central bank and strong central government could operate outside of the influence of the oligarchs' financial power.

The importance of a strong national bank is very evident today when we see the Bank of Canada and the U.S. Federal Reserve, neither of which answer to the elected officials, taking their orders from the big private domestic and international banks. Mullins agrees with this analysis of the Federal Reserve, but, without substantiation, claims that Hamilton's First National Bank was designed to operate in the same fashion.

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nomie system which is in harmony with the natural laws of God the Creator. [EIR's Jan. 3, 1992 issue was entirely dedicated to the bicentennial of Hamilton's *Report*—ed.] Mullins's only reference to this report is a quote from the *New York Times* (mouthpiece of the American Eastern Establishment, and the declared enemy of morality in economics) quoting Hamilton.

Hamilton and his adherents, such as Henry Carey, also identified that the "harmony of interests" among industry, agriculture, and labor produced the maximum prosperity of

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a nation. Civilized society is not governed by Darwinian laws; one man's gain is not another man's loss in a morally run economy. Adam Smith's "magic of the marketplace" strips economies of morality.

Every time the U.S. moved in the direction of Hamiltonian economics it prospered. Two of the best examples are the periods in which Abraham Lincoln and John F. Kennedy were Presidents. But, as soon as the oligarchs and one-worlders saw that their system was being cast aside, they had both these Presidents assassinated (unless someone is gullible enough to believe that Lee Harvey Oswald killed Kennedy). The same economic miracle occurred in the U.S. during its mobilization by Franklin D. Roosevelt for World War II (up until then, Roosevelt used the same self-devouring socialist policies that our present "leaders" are ramming down our throats). Fortunately for the oligarchs, he died at the end of the war (although some people believe that Roosevelt was slowly poisoned to death). As soon as he was buried, all his Hamiltonian economic policies were dumped and replaced with those of Adam Smith.

Japan is the only country that has a national policy of operating under the Hamiltonian, dirigistic system of economics and look at the results! Japan has surpassed the U.S. as the biggest industrial power.

True wealth of nations

The true source of a nation's wealth is not the amount of its gold, silver, or paper money, but the *creative* potential of its citizens. This *creative* potential is converted to physical wealth through the rational and adequate provision of bank credits, government bonds, or loans to enterprising individuals (or firms) for productive projects; projects that produce staple goods for consumers or capital goods for other industries. Paper or metal currency is useful only for citizens' daily purchases of normal provisions, non-capital goods and services. They are only used to make the barter system more efficient. True wealth being the *creative* potential of men is the only rational definition for anyone who uses the Holy Bible and Christianity as philosophical references; the reference sources provided by God the *Creator*.

It is through the development of great projects in energy, water supply, infrastructure, agriculture, and heavy industry that western nations will be able to pull themselves and the rest of the world out of an otherwise New Dark Age.

Lyndon H. LaRouche is the only present-day statesman who is actively pushing to have the United States and the rest of the world implement the American System of Political Economy. He is now in jail in the United States on erroneous charges, railroaded by the political heirs of the same U.S. bluebloods who organized the assassination of Alexander Hamilton by Aaron Burr.

Thomas Jefferson, the real traitor

In his book *The Great Betrayal*, Mullins states that Nicholas Biddle (another Hamiltonian statesman) was acting as an agent of the Rothschilds when he chartered the Second Bank of the United States in 1823. Where is your evidence or your references for this statement, Mullins? These sorts of statements are typical of Mullins's book, totally vacant of bibliography; typical of writings based on opinion and not fact (unless, of course, we are to believe that Mullins was an eyewitness to the events of 200 years ago).

The real traitor of the American republic was Thomas Jefferson. As Donald Phau wrote in the March 1980 issue of *Campaigner* magazine in an article titled, "The Treachery of Thomas Jefferson":

"Jefferson joined forces with a group of Southern oligarchs who were collaborating with England's Lord Shelburne to destroy the Constitution. . . . Jefferson rejected the idea of an American republic, and instead favored a loose alliance of states through which the absolute hegemony of the British dominated Southern aristocracy would be maintained . . . the Jeffersonians called for a second Constitutional Convention to amend the original."

Jefferson in 1797 wrote the Kentucky Resolutions, which were effectively the Constitution of the Southern Confederacy. Thus Jefferson can properly be called "the founding father of the Southern Confederacy and of the Civil War."

Jefferson was, in fact, unable to comprehend the republi-

can philosophy upon which the U.S. Constitution was formulated. In a July 5, 1814 letter to John Adams, Jefferson wrote: "I amused myself with reading seriously Plato's *Republic*. I am wrong, however, in calling it amusement, for it was the heaviest task I ever went through."

He expressly hated Plato, and Plato's great work, *The Republic*. To quote again from the *Campaigner* article:

"In the letter, Jefferson revealed that his hatred of Plato stemmed from Plato's ability to explicate the creative side of human mentation as the lawful process of reason; in other words, the recognition that man is unique from the beasts because he can act creatively to advance the development of mankind as a whole, and that this contribution to humanity is what defines the individual's immortality, his soul. Jefferson, embracing the mechanistic credo of Aristotle, Plato's mortal enemy, and his followers Locke, Francis Bacon, Newton, and Rousseau, was committed to stamping out the *creative* side of man" (emphasis added).

Another proof of President Jefferson's allegiance to the European oligarchy is his choice of treasury secretary, Albert Gallatin, Swiss aristocrat and protégé of Jacques Necker, the man who destroyed France with his economic policies. And again, Jefferson's vice president was Aaron Burr, who was later tried for treason after leading a mercenary army against the United States. Gallatin and Burr represent the quality of the crowd around Jefferson and mirrored his own treasonous tendencies.

Jefferson's one and only book, *Notes on the State of Virginia*, echoes Adam Smith's *Wealth of Nations* in its vicious polemic against the industrialization of America and in its glorification of rural backwardness.

A "great betrayal" is committed by Eustace Mullins for writing a book that further embeds falsehoods in the minds of many of its readers who are gullible enough to believe Mullins's populism.

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