

# EIR

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LaRouche: 'Beyond Sense-Perception'  
Obama, Brits Escalate Confrontation with Russia  
London's Hyperinflation Policy vs. Glass-Steagall

**Why the Empire Destroyed  
The Second National Bank**



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# EIR

## From the Managing Editor

For about 35 years, the LaRouche movement has been digging up the buried truth about the American System of Political Economy—the tradition of Alexander Hamilton and the National Bank of the United States, as against the British free-trade system. Our *Feature* this week is a welcome addition: It demolishes one of our worst Presidents, Andrew Jackson, who is lionized to this day by populists of both the Republican variety and their Democratic counterparts (with their “Jefferson-Jackson Dinners”). Many of these people believe that Jackson’s greatest act was the shutdown of the Second National Bank of the United States. Nancy Spannaus, Anton Chaitkin, and Pamela Lowry show that nothing could be further from the truth!

Lyndon LaRouche has written articles on the American System too numerous to mention here. The vast documentary material we have published over the years began in 1977, with Nancy Spannaus and Christopher White’s *The Political Economy of the American Revolution*. Books available on our website are Anton Chaitkin’s *Treason in America: From Aaron Burr to Averell Harriman* (first ed. 1984; second ed. 1999, on Kindle) and H. Graham Lowry’s *How the Nation Was Won: America’s Untold Story* (1987). An excerpt of the latter is in our online Archive, *EIR*, Jan. 18, 2008. Allen Salisbury’s *The Civil War and the American System: America’s Battle with Britain, 1860-1876* (1978) is out of print, but selections were published in *EIR*, Jan. 31, 2003 and Feb. 7, 2003, and will be online as soon as possible.

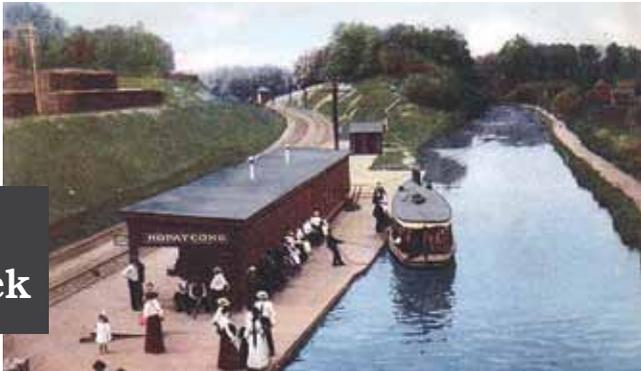
Classic *EIR* feature packages currently online include “The ‘Land-Bridge’: Henry Carey’s Global Development Program,” *EIR*, May 2, 1997; and “John Quincy Adams Battles for the American System,” *EIR*, Nov. 16, 2007.

Our second feature this week is LaRouche’s “The Ruler Can Not Actually Measure Itself: Beyond Sense-Perception.” It takes up where last week’s brilliant dialogue about conductor Wilhelm Furtwängler left off, as LaRouche elaborates the implications of Furtwängler’s musical/scientific discoveries. The Furtwängler Principle refers to the freeing of the individual from the slavery of sense-perception: Creative discovery occurs in the domain of the mind, not the senses, and the composer, conductor, and performer conceptualize the totality of a piece, from the vantage point of the *future*, not the past or the present. Please refer to last week’s issue for this crucial prerequisite to LaRouche’s new article.



## Cover This Week

*The Morris Canal, at Lake Hopatcong Railroad Station, Hopatcong, N.J., ca. 1895-1905.*



### 4 Why the Empire Destroyed the U.S. Second National Bank

Nancy Spannaus's introduction to our Feature package on the dependence of the historical commitment of the Founders and their immediate followers, on the principle of a *credit system* as embodied in the First and Second National Banks, under which the young United States became the world's preeminent industrial power.

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Using primary sources, History Editor Anton Chaitkin brings to life the true story as to why the Jacksonian populists, backed by Wall Street and London, wanted to destroy the Second Bank of the United States: They wanted to destroy the greatest increase in scientific and industrial development that world had ever seen. There was no popular uprising against the Bank, only British-backed treason.

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Speaking at the World Forum Against Drugs in Stockholm, Viktor Ivanov, head of Russia's Federal Drug Control Service, charged that the push for legalization of narcotics "is directly or indirectly related to enormous drug business income, estimated by experts at \$800 billion per year."

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The attempted bailout of Spanish banks' debt backfired spectacularly. It is now a matter of a short time before a desperate City of London imposes a policy of deliberate hyperinflation on all the trans-Atlantic nations including the United States—or, those nations re-enact FDR's Glass-Steagall law.

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### 42 **The Ruler Can Not Actually Measure Itself: Beyond Sense-Perception**

By Lyndon H. LaRouche, Jr.  
 “The common mistake has been the heretofore customary failure to recognize, that that which Wilhelm Furtwängler had demonstrated, is that sense-perceptions, when considered merely as such, express, in and of themselves, that which, like metaphor as such, is merely a reality lurking within shadows, like Kepler's vicarious hypotheses.”

## Editorial

### 54 **The Watergate Stench Gets Worse**

# Why the Empire Destroyed The Second National Bank

by Nancy Spannaus

June 18—There is a deliciously biting irony in the current world financial/economic breakdown crisis. For while it can be correctly argued that the current planet-threatening calamity is in large part the result of a global banking dictatorship run amok, the solution lies not in eliminating strong national banks in favor of “free competition”—as the populists scream—but in establishing new sovereign banking institutions, devoted to creating *credit* for an industrial revival.

The reality, as it will again be imposed through re-establishment of FDR’s Glass-Steagall law, is that there are two kinds of banks, and banking systems. One kind can legitimately be called speculative, or monetarist, as defined by the British imperial dominance of the world financial system during most of the period since the British Empire’s establishment in 1763. The second kind was defined most deftly by the first Treasury Secretary of the United States, Alexander Hamilton, when he called for a National Bank that would be a “nursery for national wealth.” In the first kind, the standard for the bank’s success is the acquisition of *money*, or precious metals, land, and the like; in the second, the standard is the promotion of the productive powers of the nation, from its labor force to its scientific and technological platform for further development of mankind.

The first, urgently required step for getting out of

the current crisis is to *stop the bailouts* of the monetarist banking system, by imposing an exact replica of Glass-Steagall. Momentum has been growing internationally behind such a demand, as it becomes increasingly clear that the trillions of dollars in derivatives and other gambling debts are strangling mankind’s ability to survive, and must be deprived of any government support. By this measure, commercial banking—as related to real productive activity—will be supported by government institutions, and gamblers in the investment banking system will be allowed to “go hang.”

But at that point, the second requirement comes into play, as Lyndon LaRouche has repeatedly outlined: A new credit system, based on national banking, must be established, to meet the needs of the gigantic development projects needed for a real recovery, starting with the North American Water and Power Alliance ([NAWAPA XXI](#)). For an historical analogy to this requirement, we again look to the history of the United States, specifically the activities of the two Banks of the United States.

## **Banks for Progress**

Only when the United States was governed by a national banking system devoted to providing credit for vast nation-building programs, has this country thrived. Alexander Hamilton’s Bank of the United States (1791)

was devoted to putting into economic practice the sovereignty which was otherwise enshrined in the U.S. Constitution, of which he was also a prime shaper. While Hamilton's intention, of using the bank to implement his program of manufactures, was never fulfilled, it provided some protection from the British Empire's economic attempts to destroy the new nation.

By the narrowest of margins, the British enemies of the United States were able to sabotage the renewal of the Bank of the United States charter in 1811, thus dramatically weakening the nation on the eve of the War of 1812. The experience of that war created conditions for reversal of the attitude of many who had previously opposed the Bank, and, after some false starts, the Second Bank of the United States (1816-36) created the credit system for one of the greatest booms this nation, or the world, had ever experienced.

Despite efforts by many patriots, no new National Bank has been able to be established, but the period of massive industrial leaps and expansion in the United States have all occurred under national government policies which emulated its functioning. First, there was the Abraham Lincoln Greenback policy, forced upon him by the British banking cabal that de facto supported the Confederacy, but leading to dramatic economic growth. Then, there was Franklin Delano Roosevelt's New Deal policy, which utilized numerous government institutions, especially the Reconstruction Finance Corporation, to launch great projects, like the Tennessee Valley Authority (TVA), which made the United States the industrial giant of the world.

Without such sovereign control over credit, and the dedication to use that sovereign control for increasing the productive power of man over nature, the United States—and other nations—were sitting ducks for the British imperial financiers. Now, that Empire's death throes threaten to take us all down with it—unless we throw off its yoke, and take up national banking again.

### **The Record of the Second National Bank**

In the article that follows, *EIR* History Editor Anton Chaitkin takes up the particular case of how the Second National Bank of the United States developed the nation industrially, especially under the 1825-1829 Presidency of John Quincy Adams; he also shows who was out to destroy it. In an upcoming issue, we will home in on how the bank operated, in partnership with industrialist patriots throughout the country, to carry out this economic transformation.

Those populist dupes who, even today, scream about the idea of a National Bank, should take careful note. Under the Second National Bank's operations, the United States was becoming an economic powerhouse, and challenging British financial imperialism. Thus it was the *British Empire*, working through Wall Street and its spokesmen, who orchestrated the political fervor against the Second Bank. And one of those leading tools was none other than President Andrew Jackson.

Among the U.S. population at the time, there was never an outcry against the program of canal-building, road-building, and industrial support that the Bank facilitated. Memorials poured into Congress *in favor* of continuing the Bank's charter, when Bank president Nicholas Biddle sought to renew it in 1832; the other side was practically mum, but for the bankers' manipulations behind the scenes. The opponents of the Bank effectively wanted to put the power back in London's hands, by returning to a "hard money" policy based on gold and silver—eliminating credit for expanding physical productivity.

Yet, the American people stupidly did re-elect an Andrew Jackson who had threatened to eliminate the Bank in the elections of 1832. By doing so, they eliminated the source of stability for U.S. currency, and the source of credit for uniting the nation through inland waterways, railroads, and the like. Had the Biddle bank program continued, it is fair to say that one of the major bases for manipulating the South into the Rebellion would have been eliminated.

The elimination of the Second National Bank of the United States was an act of treason, which at first caused a crash of the economy in 1837, which led to depression and *starvation* throughout the United States. The longer-term effect was to create the conditions for the most bloody war Americans have ever suffered through, the war which the British hoped would destroy us forever, the Civil War.

In the pages that follow, you will learn of an industrial revolution you have never heard of, which absolutely depended upon the administration of National Credit through a National Bank. This was the true exercise of freedom, the freedom to develop mankind's capabilities to create a better future for all mankind. When you hear a populist say otherwise, either look for his Wall Street or London sponsor, or just give it to him straight: National Banking is progress; the Empire's monetarism is death. Which does he choose?

# The American Industrial Revolution That Andrew Jackson Sought To Destroy

by Anton Chaitkin

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## I. Nationalism

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### 1815: Jefferson's Warning

The charred White House lay in ruins, burned the previous Summer by an invading British army. A small, backward, economically prostrate United States emerged, shocked, from its second war with the British enemy.

The Treaty of Ghent, which ended the War of 1812, was not a real peace, but had only “suspended by a truce” the armed conflict, said former President Thomas Jefferson. Continued British aggression pointed to “eternal war” and the “extermination of the one or the other party.”<sup>1</sup>

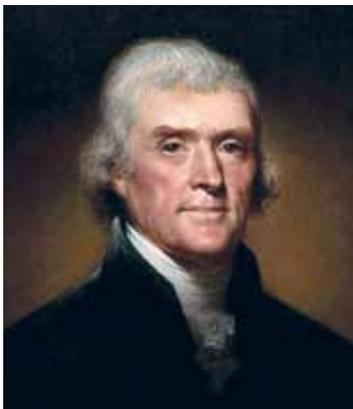
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1. Jefferson to Marquis de Lafayette, dated Feb. 14, 1815. The section of the letter evaluating the peace is an addendum dated Feb. 26, after Jefferson received news of the treaty, signed in Europe, ending the War of 1812.

Facing no protective tariffs, British ships dumped imports at below their cost of production, undercutting those few American manufactures that had sprung up during the War of 1812. The Founders' Bank of the United States had been closed in 1811, so there was now no national currency, only monetary chaos and parasitical speculation.

As in a feudal country, a few poor roads linked the coastal cities. The thinly populated new Western states were accessible on horseback across the mountains. Midwesterners could get to the East Coast by somehow reaching the Ohio River, drifting through rapids to New Orleans, and taking an ocean voyage.

Little isolated charcoal-stoked foundries huddled around rural woods and nearby iron ore supplies. They yielded less metal than 150 years earlier in the



*The British Army's torching of Washington in 1814 (right), has helped rather than hurt us," Jefferson wrote, by arousing the general indignation of our country, and by marking to the world the Vandalism and brutal character of the English government. Portrait of Jefferson by Rembrandt Peale (1800).*



Library of Congress

Massachusetts Bay Colony—before the British Empire had forbidden American manufactures.

Yet the British army's torching of Washington "has helped rather than hurt us," Jefferson wrote, "by arousing the general indignation of our country, and by marking to the world the Vandalism and brutal character of the English government."

We had learned a bitter lesson, and were forming a national plan of action.

A quarter-century before, Jefferson himself, and his Virginia colleagues James Madison and James Monroe, had relied on British imperial free-trade dogmas in a political feud against George Washington and Alexander Hamilton's founding nationalist program.

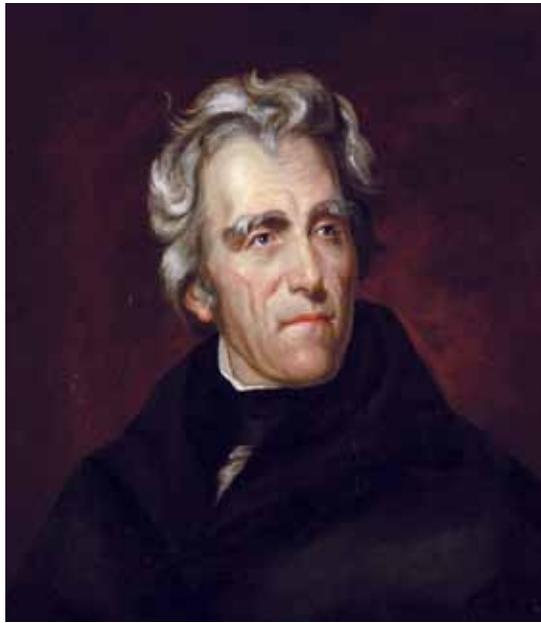
But now the barely successful defensive war, and experience of near-fatal weakness, was uniting all sections to turn back to nationalism, under the anti-British Jeffersonian party.

The American people, said Jefferson, would not be fooled as the French had been in their Revolution, by British-run anarchism, populism, and anti-Union intrigues. There is no American support for disunion, Jefferson wrote: "The grounds of these exist only in English newspapers, edited or endowed by the Castlereaghs or the Cannings...."

Hamilton had exposed and squelched Aaron Burr's Northeast secession plans, and he died at Burr's hand. Three years later, Jefferson had Burr arrested for treason, and prevented his private army from delivering the West to the British Empire.

America now undertook a new mission, to survive and flourish by quickly transforming itself into a powerful modern nation. We would do this, as Jefferson put it, "by arranging our financial system, and above all, pushing our domestic manufactures."<sup>2</sup>

A new generation of nationalist leaders now took



*The destruction of the Second National Bank by its British-allied opponents, under the fraudulent populist banner of Wall Street's thuggish puppet Andrew Jackson, paved the way for the Civil War, and dramatically slowed America's industrialization. Painting of Jackson by Thomas Sully (1824).*

charge. A closely cooperating team of senior strategists in government, national banking, the military, and private enterprise rallied the population and guided the investment of American talent, labor, and credit over the next two decades. This program of invention and construction was wildly popular. It continued with astounding results until aborted by Andrew Jackson. The British Empire, frantic to block the republic's rise as a great power, drove Jackson from within and outside the regime, until he turned the U.S. over to British puppets on Wall Street and in the slave South.

Using primary sources, this report will identify these American nationalists, and tell how, in one coordinated initiative, they set up the canals, railroads, iron industry, coal mining, and machine capabilities that changed America's geography, created its productive labor force, and shifted the country out of backwardness. The report will demonstrate the British origin and treasonous character of the opposition to this transformation.

Perhaps what will be most shocking to most Americans is that the essential basis for this astounding industrialization of the United States was National Banking—in specific, the operation of the Second National Bank of the United States. In a world still dominated by the British Empire of both military and financial power, the United States had to assert control over its national currency, and direct credit to essential infrastructure and industry. The Second National Bank served that purpose—and it was the opponents of that Bank, under the fraudulent populist banner of that thuggish Wall Street puppet Andrew Jackson, who slowed the industrialization process on behalf of our British imperial enemy.

The destruction of the Bank of the United States paved the way for the Civil War, and permanently deprived America of the most vital instrument for its national sovereignty.

2. Ibid.

## Readying for Takeoff

In March 1815, James Monroe was exhausted. The previous September, following the burning of Washington, and just after the standoff at Fort McHenry, Monroe had assumed the office of Secretary of War on top of his post as Secretary of State. Monroe had pulled the war effort together; for the last six months of the conflict he was the rock on which national defense pivoted. Now, with the peace treaty ratified, Monroe laid down the War Department duties, tired—and perhaps still feeling the bullet that remained in his body from the Revolutionary War Battle of Trenton.

Everyone expected Monroe to be elected in 1816 as successor to President James Madison. Monroe called for a fundamental strengthening of the U.S. military, and an overall defense strategy based on Federal guidance for economic development. A resolve for action was becoming irresistible behind Monroe's candidacy.

A few notable public figures were just then giving energy to this growing consensus for “arranging our finances and pushing our domestic manufactures.”

President Madison had brought Philadelphia lawyer Alexander Dallas in as Treasury Secretary when the national finances collapsed in the war crisis. Secretary Dallas now called for creating a second Bank of the United States.

Dallas and his friend Mathew Carey<sup>3</sup> together had led Pennsylvania's Jeffersonian party back to the nation-building principles of Washington and Hamilton.



*John Quincy Adams provided the sharpest global strategic thinking for the new nationalists, combined with a passionate commitment to industrial and scientific progress.*

3. Dallas and Carey were political partners in the legacy of Benjamin Franklin. A refugee Irish revolutionary, Mathew Carey had apprenticed in Franklin's printing establishment in France during the American Revolution, and thereafter with Lafayette's initial sponsorship. Carey became America's greatest printer-publisher in Philadelphia. Alexander Dallas's daughter Sophia married Benjamin Franklin's grandson, Capt. Richard Bache; their son Alexander Dallas Bache would take on his great-grandfather Franklin's mantle as organizer of America's science.

Carey had written *The Olive Branch* in the depths of the war in 1814, exposing treasonous financiers, and urging the Jeffersonians to give up the British free-trade doctrine. Jefferson and Madison thanked and congratulated Carey: The book was the greatest American bestseller in the early 19th Century.

Two Southern political partners, Kentucky's Henry Clay and South Carolina's John C. Calhoun, had led the militants who swept into Congress in 1810, demanding a stand against British armed aggression and for nationalist economics. This brought on the 1812 declaration of war, and a country-wide determination for government measures to break out of backwardness and depression.

John Quincy Adams of Massachusetts provided the sharpest global strategic thinking for the new nationalists, with a religious conviction of the necessity for industrial and scientific progress. The former President John Adams' son, he had broken early on with the Federalist party on the explicit grounds that the Boston Federalists were treasonously conspiring with the British enemy. He had resigned his Senate seat and put himself at the disposal of President Jefferson. Madison made Adams ambassador to Britain,<sup>4</sup> and head of the team negotiating to end the War of 1812.

In his Annual Message to Congress in December 1815, President Madison signaled what was coming, and what was expected when Monroe would take his place in the Presidency:

“It is essential to every modification of the finances that the benefits of a uniform national currency should be restored to the community . . . [so] the

4. John Quincy Adams was Ambassador to Russia Nov. 5, 1809 to April 28, 1814, and Ambassador to Great Britain April 28, 1814 to Sept. 22, 1817.

probable operation of a national bank will merit consideration. . . .

“In adjusting the duties on imports . . . the influence of the tariff on manufactures will necessarily present itself for consideration . . . [for aid] in introducing and maturing manufacturing establishments, especially of the more complicated kinds . . . [and keeping them] not only safe against occasional competitions from abroad, but a source of domestic wealth and even of external commerce. . . .

“Among the means of advancing the public interest the occasion is a proper one for recalling the great importance of establishing throughout our country the roads and canals which can best be executed under the national authority.”<sup>5</sup>

There was virtually no American opposition to the upcoming Presidential candidacy of James Monroe, who had just organized America’s victory in the war against Britain. Yet this political reality made all the more urgent, to British geopolitics, the goal of blocking and ultimately overturning the political movement of Monroe and his allies. Otherwise a U.S.A. of greatly magnified capabilities would gain the power to end the Empire’s world dominance.

The attitude of the British was well-expressed by Lord Henry Brougham, a prominent Whig, who argued that Britain should flood the U.S. with exports below cost, “in order, by the glut, to stifle in the cradle those rising manufactures in the United States.”

Only in this context can the reader understand and appreciate the warning of Jefferson, in an 1815 letter to Lafayette. Jefferson wrote about those who would work to break our national unity, such as the New England Federalists who had schemed for secession with Aaron Burr in 1804, and tried to derail the war effort with their 1814-15 Hartford Convention. The British had paid for the ultra-radicals in the French Revolution, and, Jefferson wrote, the “Marats, the Dantons and Robespierres of Massachusetts are in the same pay, under the same orders, and making the same efforts to anarchise us, that their prototypes in France did there.”

Jefferson’s warning was very precise in naming Lord Castlereagh, then Britain’s Foreign Secretary, as the source for disunion initiatives.

Jefferson, in his report, has the character of an

5. James Madison Seventh Annual Message to Congress, Dec. 5, 1815; [www.presidency.ucsb.edu/ws/index.php?pid=29457&i=xzz1v9EXaJy3](http://www.presidency.ucsb.edu/ws/index.php?pid=29457&i=xzz1v9EXaJy3)

oracle, when we examine the enemy strategy that shaped Jackson’s Presidency, and left the country at the mercy of those who would tear it to pieces.

President Jefferson (1801-09) and his Secretary of State and Presidential successor James Madison (1809-17) used U.S. intelligence assets abroad to keep Aaron Burr under surveillance, when Burr travelled to Europe after fleeing the U.S.A. in 1808. (The U.S. ambassador in England, William Pinckney, wrote to Madison in 1808 about the movements in London of Burr and his aide Samuel Swartwout.) And given Burr’s extraordinary relationship to the course of military and strategic developments before and during the war of 1812-15, it is certain that the retired Jefferson, the sitting President Madison, and Madison’s Cabinet leader James Monroe were keeping close watch over Burr’s activities after he returned to the United States in 1812.

Let us now track Burr’s motions, as Jefferson, Madison, and Monroe had done, until we arrive back at the situation in 1815 when Jefferson issued his confidential report to Lafayette.

### **Burr in Britain’s Bosom**

Following his 1807 treason trial, still under homicide charges in more than one location, Burr sailed for Britain by way of Nova Scotia, whose military governor was the British general Sir George Prevost, Aaron Burr’s nephew by marriage. Sir George gave his Uncle Aaron (traveling under the alias Mr. Edwards) a passport, as described in Burr’s private diary:

“Government House, Halifax, June 20, 1808.

“You will allow the bearer (Mr. G.H. Edwards) to proceed without delay from Falmouth to London; the said G.H. Edwards having despatches for the Right Hon. Lord Castlereagh, at whose office he is immediately to present himself on his arrival in London.

“George Prevost.”

Burr arrived in London July 16, 1808, and met with Lord Castlereagh July 18-19.

Then-Secretary for War and the Colonies, Viscount Castlereagh was directing the British spy system operating through Canada to spread disunion inside the U.S.A. As the sitting U.S. Vice President in 1804, Burr had been the coordinator of that British influence network linking disloyal elements in New York and Boston.

In May 1812, Burr, in disguise, returned to the U.S.,

landing in Boston. He immediately contacted Essex Junto member Jonathan Mason, a former U.S. Senator from Massachusetts and a lifetime friend. Burr then moved on to New York City, arriving June 7, 1812, just 11 days before the Congress declared war on the United Kingdom.

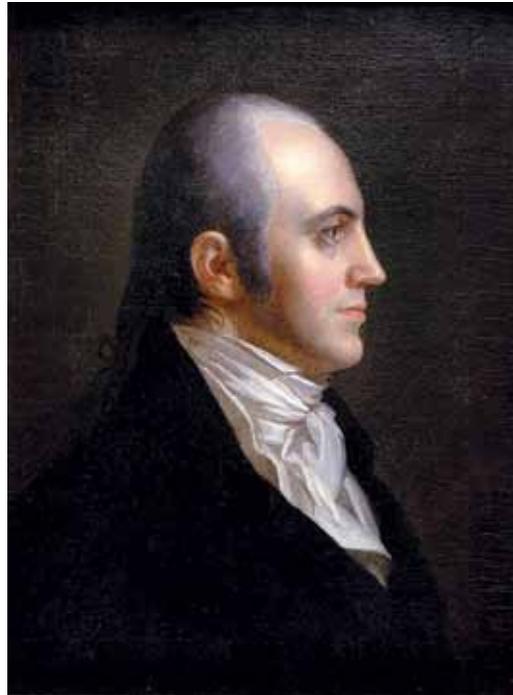
As the second U.S.-British war raged, Burr began assembling the New York-based enemy political apparatus that, 16 years later, would elect Andrew Jackson and guide him in the White House.

Burr was so shamed and despised that no one outside the circles of his own former New York political machine would have anything publicly to do with him. But when Burr opened up a New York law practice, the 29-year-old lawyer Martin Van Buren joined him in several of his cases.

Van Buren was Burr's protégé, having started his legal career as a trainee in 1801-02 in the office of Burr's political lieutenant William Peter Van Ness, and as an initiate in Burr's Tammany Hall organization. Van Buren's boss Van Ness arranged Burr's fatal 1804 duel with Hamilton, served as Burr's second, and then was a fugitive from justice. Van Buren managed the case and got the homicide charges against Van Ness dropped.

As the Burr-Van Buren partnership began in 1812, Van Buren was encouraged to run for political office for the first time. He was elected to the New York State Senate that year and co-authored various state legislation with Burr.

Martin Van Buren suddenly emerged as the leader of a New York State political movement. Known initially as the Bucktails, Van Buren's grouping was organized around *stopping* the building of a great waterway connecting the port of New York and the Hudson River with Lake Erie. Van Buren was the public face on the project to reactivate the state political machine that Burr had run from the 1790s through 1804.



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*Alexander Hamilton's murderer Aaron Burr, as U.S. Vice President in 1804, had been the point man for Lord Castlereagh's subversion operations against the United States. In 1812, Burr returned to the U.S. from Britain, to assemble the political apparatus that, 16 years later, would elect the traitor Andrew Jackson to the White House.*

Working with Van Buren was Burr aide Samuel Swartwout, who had fled with Burr to Britain and arranged Burr's introduction to British Intelligence strategist Jeremy Bentham, who continued to sponsor Burr under the intelligence system led by Lord Castlereagh. Swartwout came back to New York with Burr, and would play an important behind-the-scenes role in pushing Andrew Jackson to the Presidency. Jackson was considered particularly useful because he had become a military hero in the Battle of New Orleans in 1815, not in any way because of his political activities.

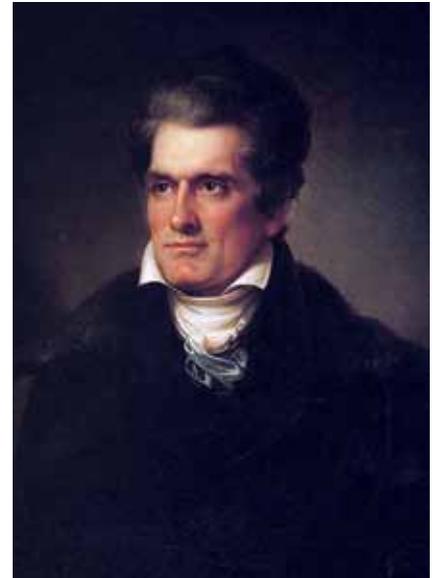
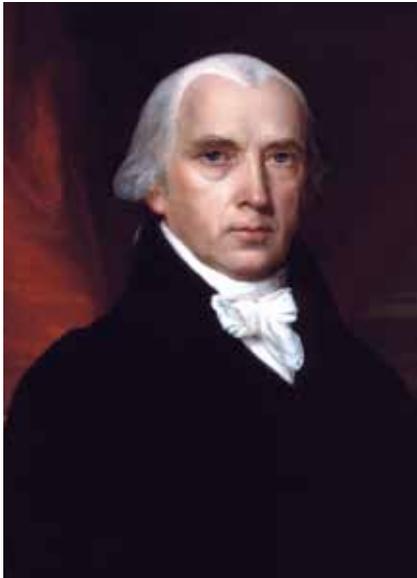
We are now back at that point, at the close of the war in 1815, when Jefferson wrote to Lafayette warning that the only serious *internal* disunion threat to our country would emanate from the likes of Lord Castlereagh.

## **Burr Lays Out a Strategy**

Later that year, Burr wrote a confidential letter to his son-in-law Joseph Alston, the former governor of South Carolina. Burr put forward for the first time the proposal that military hero Jackson be used as tool in the destruction of American nationalism, and specifically to try to prevent the imminent Presidential election of nationalist James Monroe, who had organized the military victory over Britain in the War of 1812.

Burr wrote, "A congressional caucus will, in the course of the ensuing month, nominate James Monroe for President of the United States, and will call on all good republicans to support the nomination. . . . [T]his nomination is equally exceptionable and odious.

"A certain junto of Virginians, having had possession of the government for twenty-four years [i.e., Washington, Jefferson, and Madison] consider the United States as their property, and, by bawling 'Support the Administration,' have so long succeeded in duping the republican public. One of their principal



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*In his final months in office, President Madison (left), in concert with the incoming President Monroe (center), had established a Board of Engineers for Fortifications, and in January 1817, inaugurated the Second Bank of the United States in Philadelphia. Monroe's new Secretary of War John C. Calhoun (right), worked to upgrade the Military Academy at West Point to become the central agency for American industrialization.*

arts, and which has been systematically taught by Jefferson, is that of promoting schisms in the republican party. Let not this disgraceful domination continue.

“[Monroe] himself is ... improper and incompetent. ... Naturally dull and stupid; extremely illiterate; indecisive; hypocritical; has no opinion on any subject. ... ‘He served in the Revolutionary War!’ Monroe’s whole duty was to fill his [general’s] tankard.

“The moment is extremely auspicious for breaking down this degrading system. The best citizens of our country acknowledge the feebleness of our administration. If, then, there be a man in the United States of firmness and decision, and having standing enough to afford even a hope of success, it is your duty to hold him up to public view: that man is Andrew Jackson. Nothing is wanting but a respectable nomination, made before the proclamation of the Virginia caucus, and Jackson’s success is inevitable.”

Burr’s particular strategy was to target powerful Virginians, to begin pulling them away from allegiance to Jefferson, and into alliance with Jefferson’s enemy, John Randolph of Roanoke.

Considering that the general public viewed Burr as a satanic figure, Burr cautioned that his own initiating role in this Jackson project should be kept secret: “If this project should accord with your views, I could wish to see ‘you’ prominent in the execution of it. It

must be known to be ‘your’ work.”<sup>6</sup>

Monroe was nevertheless nominated in Virginia and elsewhere, and was elected President in November 1816. The public supported the incoming Monroe Presidency with a unanimity seen only once before, with General Washington’s first term.

Burr and Van Buren bided their time. Burr’s man Samuel Swartwout, meanwhile, became a political advisor to Gen. Andrew Jackson.<sup>7</sup>

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## II. Planning the Breakout

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When Monroe took office in March 1817, two measures had already been taken under outgoing President Madison to facilitate Monroe’s initiatives.

The new President ordered a Board of Engineers for Fortifications organized on Nov. 16, 1816, and commissioned French engineer and intelligence professional Simon Bernard to run it. For the next 12 years the President would use the “Bernard Board” to plan engi-

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6. Burr letter: [www.familytales.org/dbDisplay.php?id=ltr\\_aab2561&city=new%20york](http://www.familytales.org/dbDisplay.php?id=ltr_aab2561&city=new%20york)

7. Swartwout had befriended Jackson when President Jefferson had pulled them both to Richmond in the Burr treason trial, Swartwout as an indicted accomplice, Jackson as an unindicted co-conspirator and material witness.

neering works of national importance.

And in January 1817, the Second Bank of the United States opened for business in Philadelphia.<sup>8</sup>

Monroe called John Quincy Adams back from Britain to serve as his Secretary of State. As U.S. ambassador in London, Adams had just negotiated personally with Foreign Secretary Lord Castlereagh for a commercial treaty, and had met repeatedly with intelligence specialist Jeremy Bentham, thereby taking the measure of these two satanic personalities, the empire's two main operators of Western Hemisphere intrigue.

Monroe appointed Congressman John C. Calhoun his Secretary of War. The fiery nationalist would help upgrade the U.S. Military Academy at West Point for action as the central civil engineering agency for American industrialization and takeoff into world power status.

Monroe appointed Virginia lawyer William Wirt as Attorney General. President Jefferson had made his friend Wirt the prosecutor in Aaron Burr's 1807 treason trial. Thus Wirt came to share fully in the classified U.S. knowledge of the British underground in America—notably including the two "Quids" (anti-Jefferson faction), Burr witness Andrew Jackson and John Randolph of Roanoke, the foreman of the Burr grand jury.

The phrase, "Era of Good Feelings," came to be identified with the Monroe Administration during the President's 1817 national-unity tour of the country. All sections backed the plan for an explosion of economic progress.

We begin a survey of the states with **New York**.

On March 18, 1817, two weeks after Monroe's inauguration, a bill to fund state construction of the Erie Canal was introduced in the legislature. Popular enthusiasm for former New York Mayor DeWitt Clinton's initiative forced Attorney General Martin Van Buren to cave in and publicly support the project, though his Bucktail faction continued political sabotage efforts.

In tandem with the 1817 Canal start-up, West Point Superintendent Gen. Joseph G. Swift arranged with entrepreneur-engineer Gouverneur Kemble to erect the West Point Foundry across the river from the Mili-

8. Treasury Secretary Alexander Dallas and South Carolina Congressman John C. Calhoun put the charter through Congress, and Madison signed it in April 1816.

tary Academy. The foundry would produce artillery, fittings for Erie Canal locks, piping for the New York City water system, and soon, America's first locomotives.

Moves for industrial development and infrastructure were also on the boards in the southern states, to complement Federal initiatives.

**South Carolina's** legislature elected Andrew Pickens, a close relative of John C. Calhoun, as governor in December 1816. Governor Pickens sponsored a program of internal improvements using public funds, championing the construction of roads and canals.

The **Georgia** legislature elected William Rabun governor in 1817. He pushed for internal improvements for the navigation of the state's rivers, and for support of free public schools.

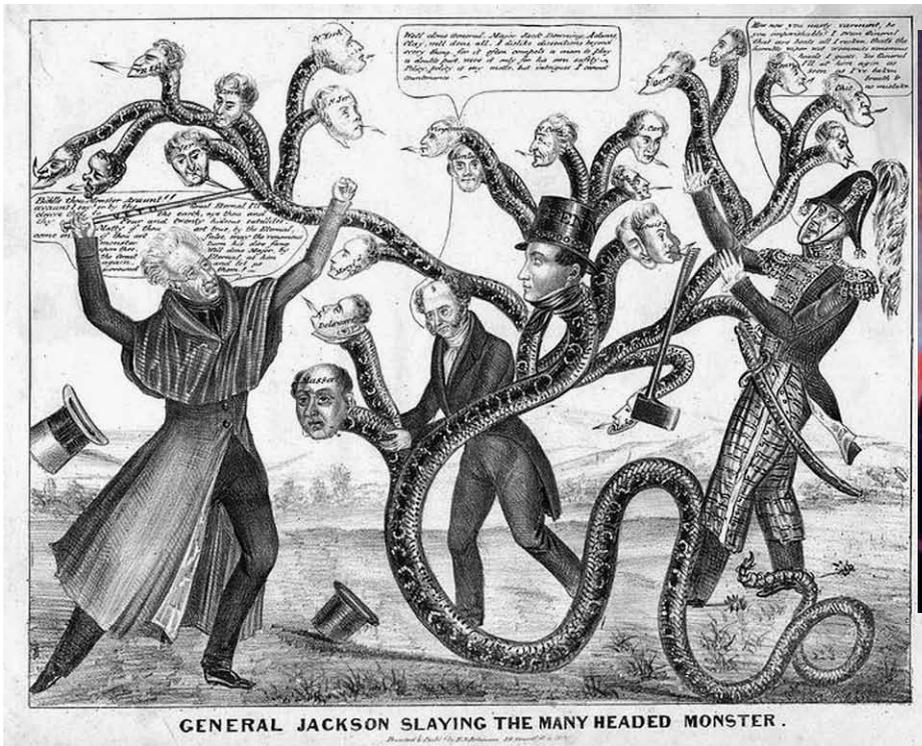
**North Carolina's** Board of Internal Improvements spent \$220,000 of state funds from 1817 to 1821.

**Virginia** established its Fund for Internal Improvement in 1816, for "rendering navigable, and uniting by canals, the principal rivers, and of more intimately connecting, by public highways, the different parts of the Commonwealth"; and to create a Board of Public Works and a principal engineer to supervise projects and administer their public and private funding.

**Tennessee** elected William Carroll as governor in 1821. He had been the hero-general of Tennessee's militia in the Battle of New Orleans, alongside his friend Andrew Jackson. Voters repeatedly swept Carroll into office for his program of building roads and bridges and his American System nationalist economics. When Tennessee's Andrew Jackson later made war on the Bank of the United States, the people of Tennessee elected and reelected Governor Carroll, a supporter of the Bank and backer of nationalist leader Henry Clay.

Settlers poured into the wilderness of **Ohio** after the War of 1812,<sup>9</sup> anticipating the construction of a cheap water transport route between that new state and the Atlantic coast. Ohio elected Ethan Allen Brown governor by a landslide in 1818. Brown had been trained in the law as Alexander Hamilton's clerk and student in New York, 1801-02. Governor Brown created Ohio's canal commission and formed a tight partnership with DeWitt Clinton to promote and engineer the New York

9. Ohio's population was 230,760 in 1810; 581,434 in 1820; 973,903 in 1830.



GENERAL JACKSON SLAYING THE MANY HEADED MONSTER.



Creative Commons

President Monroe appointed his protégé Nicholas Biddle (above) to lead the Second National Bank in 1819; he believed Biddle would use the Bank as “the most natural way of protecting the poorer classes of society” from the usury of a “moneyed aristocracy.”

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This cartoon from the period is typical of Jackson’s perfidious campaign to depict the Bank as a “monster.” It includes caricatures of Jackson, Van Buren, and others, with Biddle (in top hat) pictured at the center.

and Ohio canal systems as a unified national enterprise.

Yet despite public eagerness for results, the country’s progress was stalled.

The reopened Bank of the United States, under incompetent initial leadership, failed to steer investment into productive channels. Monroe had the Bank’s first president fired in 1819, but his replacement, Langdon Cheves, tightened credit and worsened an ongoing depression.

### Biddle Takes Over

President Monroe appointed his own protégé Nicholas Biddle a director of the Bank as part of its 1819 leadership reshuffle. A national political-economy strategy team now began operating at an increased tempo. Our focus here shall be on several of the cooperating individuals: Nicholas Biddle, De Witt Clinton, John Quincy Adams, John C. Calhoun, Henry Clay, Mathew Carey, and Alexander D. Bache.

This was a community of men of genius. They shared an excitement over the immediate potential for a rapid advancement of mankind, and a sober assessment

of the British-led European oligarchy’s power and intention to disrupt their efforts.

Biddle, aged 33 in 1819, was anxious to prove himself worthy of his family’s patriotic heritage and his own intellectual gifts. He had been a clerk for Monroe during Monroe’s ambassadorship in Britain, and had edited the journals of the Lewis and Clark expedition. He was a scholar who had served in the Pennsylvania legislature, run a farm, and shown a general interest in public affairs, including the role of banking to serve the economy.

Monroe brought Biddle in to guide the Bank because Biddle would use banking as “the most natural way of protecting the poorer classes of society” from the usury of a “moneyed aristocracy.”<sup>10</sup>

When Biddle became president of the Bank of the United States, he displaced the representatives of the British-imports banking company Brown Brothers

10. Biddle’s speech to the Pennsylvania House of Representatives, Jan. 8, 1811, quoted in Thomas Payne Govan’s excellent biography, *Nicholas Biddle, Nationalist and Public Banker*, p. 31.

from their powerful positions on the Bank's board. The firm, based in Liverpool and Baltimore, had made great profits trading with the British during the War of 1812, and had set up branches in Philadelphia, New York, and London after the war. Brown Brothers came to control a large percentage of all Anglo-American trade, and a majority of the trade in cotton exported through Wall Street to England for the decades preceding the Civil War.

In the political showdown with Andrew Jackson during the early 1830s, Brown Brothers had become the most important U.S.-based financial entity in the camp of the enemies of Nicholas Biddle.

In that depression year of 1819, the national team started up a project to bring in coal to replace wood, which was then still universally used for fuel and metal processing. There was as yet virtually no American commercial coal mining industry. Biddle, Carey, and Philadelphia friends began explaining to shopowners and investors that anthracite (hard) coal could burn cleanly and efficiently, though it needed a high ignition temperature.

Gen. Joseph G. Swift, his West Point Foundry now in production, came to Philadelphia representing New York Gov. DeWitt Clinton, and on a commission from the New Jersey legislature. Swift proposed an interstate scheme for the Biddle-Carey anthracite project: Construct a canal to carry coal from eastern Pennsylvania, through New Jersey, to the Hudson River and New York City. Known as the Morris Canal, it was to be a breathtaking success in national development, sponsored by New York, New Jersey, and the Bank of the United States.

What was on Clinton's mind may be seen in a message he had written to the New York legislature back in 1794: "The hand of art will change the face of the universe. Mountains, deserts, and oceans will feel its mighty force. It will not then be debated whether hills



Library of Congress

*West Point Superintendent Gen. Joseph Swift proposed a canal to carry coal from eastern Pennsylvania through New Jersey, to the Hudson River and New York City. The Morris Canal (shown here in Phillipsburg, N.J.) was constructed with the sponsorship of New York, New Jersey, and the Bank of the United States.*

shall be prostrated, but whether the Alps and the Andes shall be leveled; nor whether sterile fields shall be fertilized, but whether the deserts of Africa shall feel the power of cultivation; nor whether rivers shall be joined, but whether the Caspian shall see the Mediterranean, and the waves of the Pacific lave the Atlantic.”<sup>11</sup>

Secretary of War Calhoun was eager to use military engineers for great civil works. Having introduced into Congress the 1816 bill to re-charter the Bank of the United States, Calhoun had recommended investing the Bank's profits in transportation projects directed by the Federal government. That the Bank would somehow help direct such great projects became certain when President Monroe and the Bank's directors made Nicholas Biddle the Bank's president, on Jan. 7, 1823.<sup>12</sup>

11. William W. Campbell, *The Life and Writings of De Witt Clinton* (New York: 1849), p. 23.

12. The story of how John Calhoun was turned from an ardent "American System" patriot into a leader of the Confederate cause is a long, complex one. A good beginning is the author's 1998 book *Treason in America: From Aaron Burr to Averell Harriman*, currently available on Kindle from Amazon.com.

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### III. Liftoff

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An overwhelming public majority supporting them, the nationalists now proceeded with the program that would create modern times in America.

House Speaker Henry Clay led the Congress in 1824 in passing a serious protective tariff and the General Survey Act, authorizing the President to assign Army engineers to civil works of national importance (see p. 24).

The Philadelphia circle of Nicholas Biddle and Mathew Carey founded the Franklin Institute, for scientific research in aid of rapid industrialization, and set up a companion group, the Society for the Promotion of Internal Improvements. Simultaneously, in 1824, Clinton and his supporters founded the Albany Institute for the same ends, making the outstanding scientist Joseph Henry its curator.

Under Biddle's guidance, the Society for Internal Improvements sent architect and civil engineer William Strickland carry out industrial espionage in the British Isles. Strickland had designed the classically beautiful Philadelphia headquarters building for the Bank of the United States, modeled on the Parthenon of Athens. With the help of American sympathizers in Ireland, England, and Wales, Strickland accomplished his foreign mission brilliantly, getting designs of British transport and industrial properties and devices, despite the Empire's hostility against such leaks.

The compilation of Strickland's "Reports on Canals, Railways, Roads, and Other Subjects, Made to the Pennsylvania Society for the Promotion of Internal Improvement" was published in 1826 by Mathew Carey's son Henry C. Carey and Henry's partner Isaac Lea. This volume provides us an overview of the problems that American engineering sought to overcome in changing the face of the continent and the nature of the economy, with illustrated chapters on canal construction, tunneling, iron forges, the use of coal, and experiments with steam locomotives.<sup>13</sup>

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13. National distribution of the Strickland report was paid for by the entire team that was by then working on the projects, among them, the U.S. House of Representatives; the Military Academy at West Point; its Superintendent and professors; the War Department, Navy Department, and Post Office; Gen. Simon Bernard, Mathew Carey, John Sergeant—president of the Pennsylvania Board of Canal Commissioners and legal counsel to the Bank of the United States; New York Gov. De Witt Clinton; the Albany Institute; scientist Joseph Henry; West Point Foundry proprietor Gouverneur Kemble; the governors of Louisiana and New Hampshire; the Maryland legislature; other state officials, engineers and canal companies from North and South; the Russian consul, and the

In the 1825 Presidential election, in which none of the candidates—John Q. Adams, Henry Clay, Andrew Jackson, and William Crawford—received a majority of the electoral votes, and the choice was thrown into the House of Representatives for a decision, in accordance with the Constitution.

It is most notable that the Van Buren machine did *not* back Andrew Jackson in 1824. Jackson had no known principles and was publicly unidentified except as a military hero; there was some speculation that he might be put at the disposal of nationalists. Van Buren promoted Treasury Secretary William Crawford, a free-trader from Georgia who had little influence in the Monroe Administration, and who did poorly in the Presidential election.

Jackson received 39% of the electoral votes (there were very few popular votes counted), to Adams' 32% and Clay's 14%. Thus Adams' and Clay's combined total of 46% exceeded Jackson's, and the only known anti-nationalist, Crawford, got only 16%. Nationalist John C. Calhoun was unanimously elected Vice President.

The U.S. Congress chose Adams as President. Adams then appointed Henry Clay Secretary of State. At this juncture Samuel Swartwout, Burr's arranger in London, advised Jackson he had been robbed. The cry of a corrupt bargain rang out as a declaration of war, and the anti-nationalist political wheels began spinning around Jackson.

John Quincy Adams' March 4, 1825 inauguration was the start of one of the most intense periods of economic progress in history.

Canals and roads were pushed through, opening up the West to settlement, funneling new-mined coal to shops and cities, and creating entirely new Midwestern centers of industry.

The iron industry, under tariff protection, was reborn after a century of imperial suppression.

Railroads began military-designed construction and grew quickly from nothing to thousands of miles.

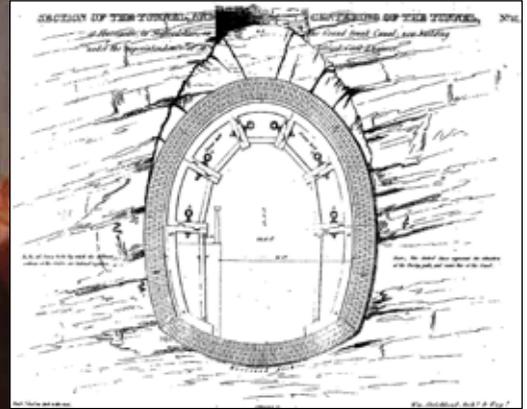
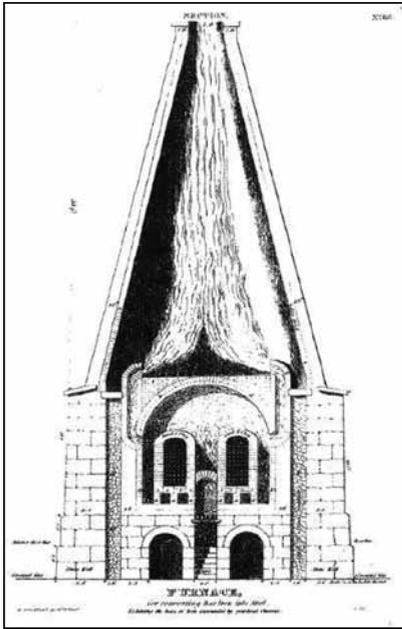
Financing and planning of these enterprises was coordinated by Federal, military, state, and local authorities.

The Bank of the United States drove the program forward with credit regulation that throttled down parasitical speculation and directed public and private investment funds into infrastructure and industry.

Researchers affiliated with the Bank-military-government leadership team did pioneering work with en-

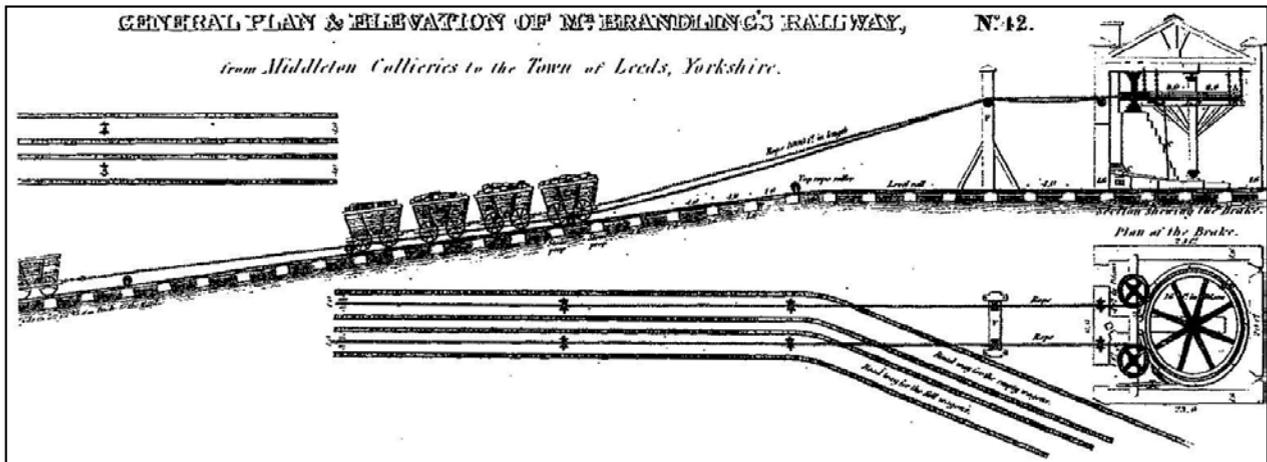
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Danish, Mexican and Brazilian ambassadors.



Courtesy of Yale University, New Haven, Conn.

The steel furnace, coal tramway, and tunnel section were drawn by William Strickland (painting by John Neagle, 1829), in his 1826 “Reports on Canals, Railways, Roads, and Other Subjects, Made to the Pennsylvania Society for the Promotion of Internal Improvement.” Strickland was the architect of the Parthenon-modeled Bank of the United States.



gines and electricity that led to spectacular advances later on.

We will highlight here some of the strategic successes of this era.

## 1. Canals

In July 1825, New York’s Erie Canal was nearing completion. Gov. De Witt Clinton was in Ohio, joining that state’s leaders in breaking ground for the two great canal projects that would complete the first water route from the Atlantic to the Mississippi River system. The Ohio and Erie Canal cut south from Lake Erie through the eastern section of the state, to the Ohio River, giving birth to the cities of Cleveland and Columbus. The

Miami Canal connected the Ohio River at Cincinnati with the western end of Lake Erie, creating the city of Toledo.

On the Ohio Erie Canal, the toll was \$12 for a 300-mile shipment of 1,000 pounds of flour, bread, wheat, seeds, soap, wool, carpentry goods, or plows; \$6 for 1,000 pounds of fertilizer; \$3 for 1,000 pounds of iron ore or coal; and \$3 for 1,000 shingles. A passenger traveling 300 miles paid \$1.50.<sup>14</sup>

The J.Q. Adams Administration put through Con-

14. Tolls are as of the early 1840s. Toll data from Franz Anton von Gerstner, *Die innern Communicationen der Vereinigten Staaten von Nordamerika* (Transportation Works of North America, 1842-1843, Vienna.

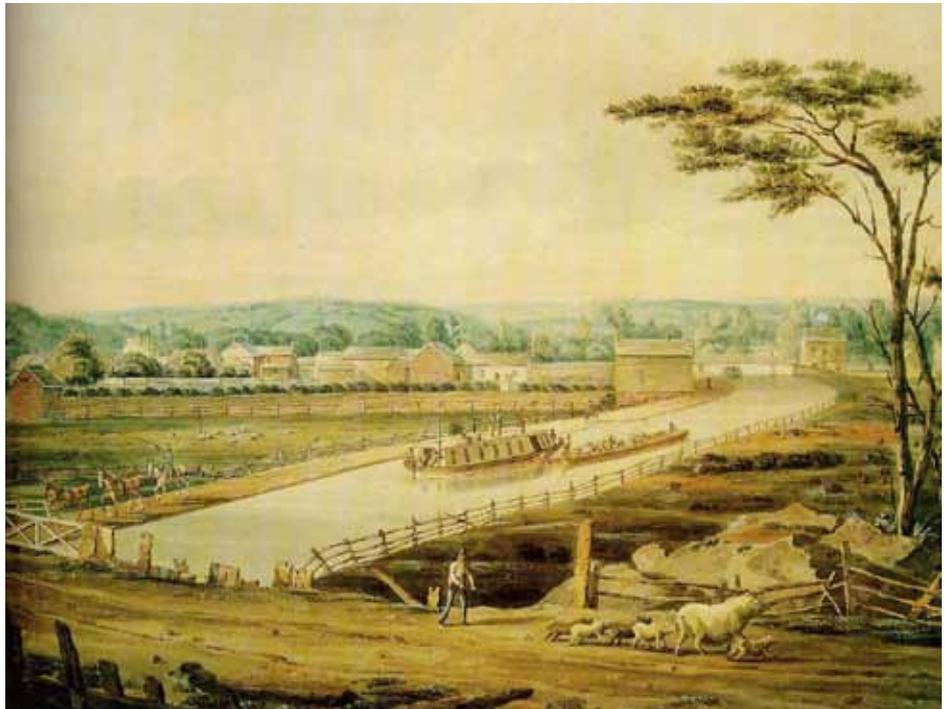
gress an allotment of hundreds of thousands of acres of land for sale to aid Ohio in financing these canals.

The Engineering Board under General Bernard surveyed routes for Ohio's Erie Canal; other canal routes surveyed were: the Dismal Swamp Canal, the Chesapeake and Ohio, Alleghany and Susquehanna, Susquehanna and Schuylkill, Delaware and Raritan, Buzzards Bay and Barnstable Bay, and the Narragansett and Boston Harbor canals.

At the 1828 dedication commencing Federal construction of the Chesapeake and Ohio Canal (from Washington, D.C. to the Ohio River), President Adams turned the first spade of earth and reminded the celebrants, "The Lord of the universe . . . said unto them, be fruitful, and multiply . . . and replenish the Earth, and subdue it. . . [We] perform His will in the subjugation of the Earth for the improvement of the condition of man."<sup>15</sup>

New Jersey chartered the vital Morris Canal, which had been projected in 1820 by General Swift. Governor Clinton's political partner Cadwallader D. Colden moved to New Jersey to be the project's president. The Bank of the United States undertook sponsorship as a national priority, seeing the canal through to epoch-making success.

The Morris Canal traversed the state of New Jersey, from the Delaware River across from Pennsylvania's coal-mining country, up through Newark to Jersey City on the Hudson River, across from Manhattan. Cheap coal streamed into the shops of the New Jersey industrial-urban corridor that was built up on the canal banks. The cheap fuel poured into New York City, whose real wealth came as a giant manufacturing hub. Iron ore from northern New Jersey was delivered, in return, to Pennsylvania's booming iron foundries.



*The New York Erie Canal (shown here in a painting by John William Hill, 1829), joined with the Ohio Erie Canal, to complete the first water route from the Atlantic to the Mississippi River system. The Ohio cities of Cleveland, Columbus and Toledo grew up along the canals.*

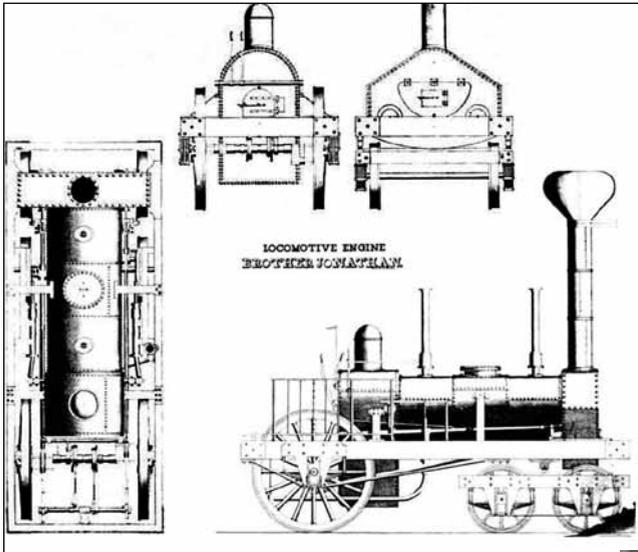
## 2. Coal

The state of Pennsylvania, lobbied by Nicholas Biddle and Mathew Carey, invested millions of dollars beginning in 1825 for a system of canals connecting the coal-mining regions with the cities and the Atlantic ports. Canals were also built linking Western Pennsylvania, notably Pittsburgh, to the new agro-industrial powerhouse in Ohio. In later years, the Bank of the United States sponsored the creation of the Reading Railroad (the Bank owned a fourth of the railroad's stock), especially for the purpose of transporting anthracite coal to market.

The American coal-mining industry began as a direct result of these projects. Commercial production of anthracite rose from 409 tons in 1820, to 215,000 tons in 1830, and soon afterwards, to millions of tons annually. Bituminous coal flourished later, after the achievement of technical progress in smelting iron and steel.

A talented young German economist named Friedrich List, who had been imprisoned under the British-Hapsburg domination of Europe, emigrated to Pennsylvania. List helped develop the coal mines there as entrepreneur and inventor. He studied and worked

15. John Quincy Adams Inaugural Address, March 4, 1825, [www.bartleby.com/124/pres22.html](http://www.bartleby.com/124/pres22.html)



Smithsonian Institution

U.S. Army engineers designed the the Baltimore & Ohio Railroad, and state and local governments financed it. The drawing shows the design of a locomotive built in 1832 by the West Point Foundry Association for the Mohawk and Hudson Railroad. At right, a coal hopper of the B&O Railroad.



closely with Carey and Biddle on tariff and financial strategy. Returning to Europe in 1830, List created Germany's first railroad, and succeeded in joining the German states into a tariff union, the first step to nationhood. List's published work on the American System of economics, and that of Henry C. Carey would inspire nationalists in Ireland, Germany, Russia, Japan, India,

Mexico, and South America to rebel against British imperial free trade doctrines that otherwise condemned them to eternal backwardness.

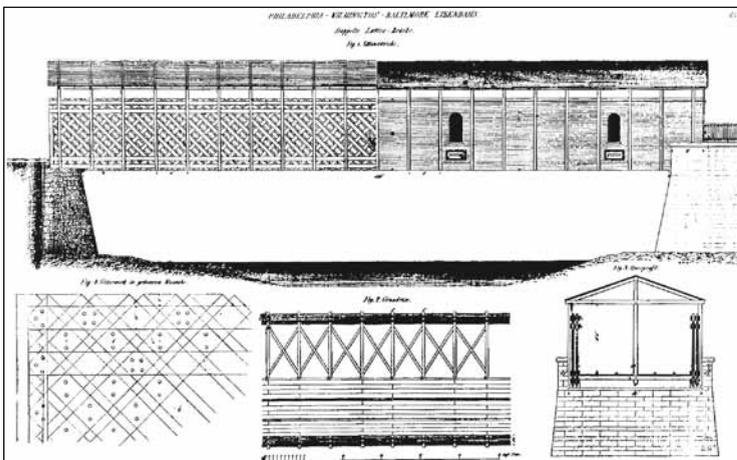
### 3. Railroads

Under the authority of the 1824 General Survey Act, President Adams assigned Army engineers to work with new, privately owned railway companies. Military men surveyed and designed the routes for the nation's first 60 or so railroads.

The West Point Foundry turned out the first American locomotives. The *Best Friend of Charleston* and the *West Point* were built for the South Carolina Railroad and Canal Company, chartered in 1827; and the *De Witt Clinton*, for the Mohawk and Hudson Railroad, chartered in 1826.

Adams ordered a dozen or more Army engineers to plan and supervise construction of the first commercial railroad, the Baltimore and Ohio, to link the Atlantic port of Baltimore with the Ohio and Mississippi rivers. The B&O builders used Army administrative and accounting procedures. Disciplined Army methods, disseminated in railway publications and adopted by other companies, made American railroads punctual and uniquely effective.

Baltimore's community leaders financed the B&O by selling \$3 million in company bonds to private investors, and \$1.5 million worth to the city of Baltimore. The state of Maryland later



This bridge engineering diagram for the Philadelphia, Wilmington and Baltimore Railroad, which was financed by the Bank of the United States, was produced by Franz Anton von Gerstner, "Die innern Communicationen der Vereinigten Staaten von Nordamerika."

granted the railroad \$500,000; Maryland and Baltimore bought \$6 million in B&O bonds. The line reached Wheeling (now in West Virginia) thanks to a \$500,000 subscription from the city of Wheeling.

State and local governments provided more than half of the overall capital invested in early American railways. Most private capital came from small investors—merchants, local manufacturers, farmers, and tradesmen—on the route of a proposed railroad. The New York stock market played no role, until New York financiers later bought up lines and treated them as speculative instruments, with unwholesome results.

General Swift's son-in-law George Washington Whistler was a talented West Point graduate and Army engineer, on the B&O and many other projects. In the 1840s, Swift and Whistler arranged with the Russian ambassador to send Whistler to Russia. He built that country's first railroad, from Moscow to St. Petersburg, cementing the alliance between Russia and America.

#### 4. Iron

Benjamin Franklin and his Junto had nurtured foundries in colonial Pennsylvania. The 1750 British Iron Act prohibited foundries, and they were discouraged by early 1800s U.S. free-trade policy, by British dumping following the War of 1812, and by the 1819 tight-money depression.

With government encouragement, and tariff protection from 1824 and 1828 legislation, national iron production rose from 20,000 tons in 1820 to 200,000 tons by 1832.

But Americans still stoked their little iron furnaces with local forest-wood, restricting output and freedom of location. At that time, 200 bushels of charcoal costing \$10 could produce one ton of raw iron ("pig iron"). Two tons of anthracite coal costing only \$5 could potentially produce the same ton of iron.

The Franklin Institute offered gold medals to the manufacturer of the greatest amount of iron made with anthracite, and silver medals for research into anthra-



*The American Founders designed the Bank of the United States to manage the Constitutional credit system. The Second Bank of the U.S. (above) was chartered by Congress in 1816.*

cite steam generation, and to inventors of anthracite-using boilers. The Institute's research leader was Alexander Dallas Bache, Franklin's great-grandson, and the grandson of Madison's Treasury Secretary Alexander Dallas, who had revived the Bank of the United States in 1816.

Graduating from West Point in 1825 as an Army engineer, Bache began research at the Franklin Institute around 1828. Early on, he specialized in steam boiler development, and his collaboration in the development of electricity and geomagnetism would have profound global results.

A \$5,000 prize for anthracite iron was offered personally by Nicholas Biddle and Henry Carey's publishing partner Isaac Lea.

The Biddle prize was awarded in Pottsville, Pa. to Pioneer Furnace, put in blast in 1839, using pure anthracite and iron ore. In January 1840, Biddle and Lea awarded the prize, and Biddle spoke to the banquet celebration of America's industrial victory.

#### **The Bank: Gyroscope of Economic Progress**

The credit of the United States was good, internally and abroad, because the country loaned and invested its credit into physically productive enterprises that created far more future real wealth than was expended to

build them. Everyone prized the debt (bonds) and notes (currency) that the nation emitted for this purpose, because the system of self-government, based on the progress and improvement of the population, was obviously the most stable possible.

The American Founders designed the Bank of the United States to manage that Constitutional credit system. No “monetary system” is legal under the Constitution, and no civilization can durably survive governed by a financier oligarchy hostile to the improvement of man’s condition.

Congress in 1816 had chartered the Second Bank of the United States for 20 years, with \$35 million capital, \$7 million supplied by the government. This was a substantial sum, compared for example to total money then in circulation (about \$75 million) or the annual Federal revenues (around \$20-25 million, mostly from customs duties).

The U.S. President appointed five directors, while

stockholders chose the other 15. The President nominated the Bank’s president, with the directors’ formal acceptance. The Bank was an object of intense public attention, was legally subject to Congressional scrutiny, and could have its charter revoked if it violated the public trust. Any *foreign* holder of the bank’s stock was explicitly barred from voting his shares.

Biddle managed the Bank of the United States so as to elevate the power and living standards of the United States. During that period of amazing transformation, economic growth was uninterrupted, and there was a stable national currency.

The Bank invested directly in canals, railroads, roads, and coal and iron enterprises, and loaned money to states and cities engaged in such projects.

An investigation of the Bank carried out in 1841 by financier-stockholders hostile to Biddle, has left on the public record faint traces of the Bank’s direct investments under his management. Some of the Bank’s loans

TABLE 1

**Some Investments and Loans of the Bank of the United States**

Internal improvement loans to the states of Illinois, Indiana, Maryland, Michigan, Mississippi, and Pennsylvania, and various cities.

Railroads		Canals	
Atchafalaya	(Louisiana)	Brunswick	(Georgia)
Buffalo and Niagara Falls	(New York)	Canal Bank	(Louisiana)
Camden and Amboy	(New Jersey)	Delaware and Chesapeake	
Camden and Woodbury	(New Jersey)	Illinois and Michigan	
Commercial and Railroad Co. of Vicksburg (Mississippi)		Morris	(New Jersey; large investment and special account)
Cumberland Valley	(Pennsylvania) <sup>1</sup>	New Orleans	(Louisiana)
Danville and Pottsville	(Pennsylvania)	Sandy and Beaver	(Pennsylvania)
Franklin	(Pennsylvania)	Union	(Pennsylvania)
Germantown and Norristown	(Pennsylvania)		
Grand Gulf	(Mississippi)	Coal	
Lexington	(Kentucky) and Ohio	Dauphin and Lycoming Coal Lands	(Pennsylvania)
Mount Carbon	(Pennsylvania)	Delaware Coal Co.	
New Orleans and Nashville		Miners’ Bank of Pottsville	(Pennsylvania)
New York, Boston and Providence		Summit Coal Co.	(Pennsylvania)
Philadelphia and Germantown		Other	
Philadelphia and Reading	(aka the Reading Railroad)	Bridgewater Copper Mining Company	(New Jersey)
Philadelphia, Wilmington, and Baltimore		Johnstown and Ligonier Turnpike	(Pennsylvania)
Raleigh and Gaston	(North Carolina)	Little Schuylkill Navigation, Railroad and Coal Company	(Pennsylvania, large investment)
Richmond and Petersburg	(Virginia)	Marietta Bridge Company	(Ohio)
Sunbury and Erie	(Pennsylvania)	New Castle Manufacturing Company	(Baltimore firm producing locomotives)
West Feliciana	(Louisiana and Mississippi)		
Williamsport and Elmira	(Pennsylvania and New York)	New Orleans Gaslight	
Wrightsville, York and Gettysburg	(Pennsylvania)	Summit and Cumberland Turnpike	(Pennsylvania and Maryland)
		Williamsport Bridge Company	(Pennsylvania)

1. The predominance in this table of Pennsylvania investments over those of other states reflects the 1836 replacement of the Federal charter with one from Pennsylvania; and the higher number of railroads compared to canals reflects the 1841 date of the report.

and stock and bond holdings mentioned are given in **Table 1**.

Of more importance to national progress than its direct investments, the Bank managed credit so that investments from within the United States and from overseas constantly flowed into needed and productive activities. Biddle managed Bank intervention in markets to stabilize prices of commodities and securities, to weather financial disturbances, and protect farmers, manufacturers, and infrastructure under construction.

All of this would have been to no effect, had the Bank of the United States not kept speculators from destroying the economy.

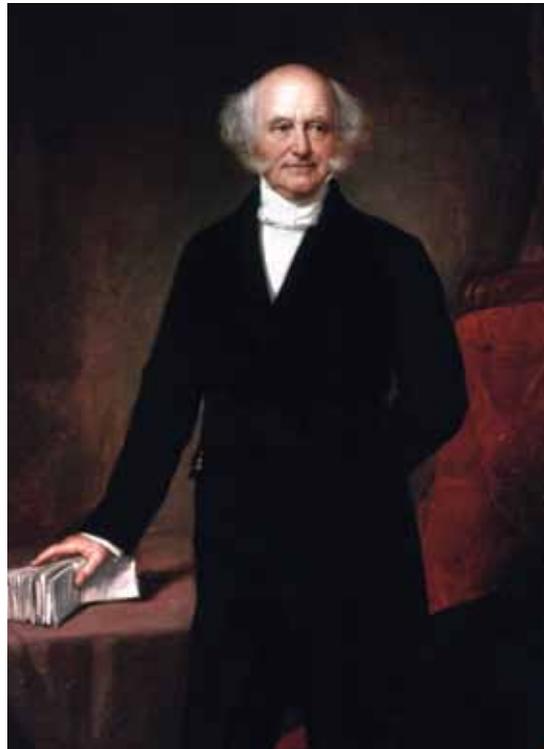
By its charter, the Bank received and protected the deposits of the U.S. government's funds, primarily customs duties. An importing merchant would pay the amount due at the New York or other Customs depot.

Customs officials would immediately deposit this payment in the New York or other branch of the Bank of the United States.

Often the merchant would pay with circulating notes from some private or state bank, which were allegedly redeemable in gold or silver by the issuing bank. Biddle and his staff, vigilant against unsafe speculative emissions or outright fraud, *might* take notes quickly back to the issuing bank and demand the promised "hard money" payment. Note and credit issuers were thus held to reasonable banking practices, protecting the government and the entire community.

Biddle was the chief public official managing national economic development, in conjunction with the President and the Congress. The critical observer will notice the striking difference between the *purpose* of that banking function, and that of today's Federal Reserve Bank, which drains all wealth into the global speculative whirlpool.

The successful nationalist policy of 1815 to the 1830s propelled the economy into new powers over



Creative Commons

*Martin Van Buren, protégé of British agent Aaron Burr; called for a pro-slavery political combination "between the planters of the south and the plain Republicans of the North." The result was the "Democratic" Party.*

nature and new realms of technology and skill. But for the United States to continue in this direction was incompatible with the survival of the British Empire. There was an explosion.

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## IV. London Breaks The Bank

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Understandably, Martin Van Buren burned all of his private papers. People called him "the Little Magician" or "the Fox" because, like his partner Aaron Burr, he declined to reveal his views on the issues.

Kingpin of the Albany Regency, personally supported by his own banking speculations, Senator Van Buren was becoming New York State's unchallenged political boss. He and his lieutenants aimed at dictating selection of virtu-

ally all public officers.

In 1827, a year before the Presidential election, the Burr-Van Buren forces were ready to strike. Van Buren told his Virginia political partner Thomas Ritchie that opposition to slavery could be crushed by a Jackson Presidency, under the proper management. He specified that Jackson had no political party or principles, and would be guided by the New York-Virginia political combination.

Van Buren wrote, "It was not until [party attachments] had been broken down that the clamor against Southern Influence and African Slavery could be made effectual in the North. Those in the South who assisted in producing the change are, I am satisfied, now deeply sensible of their error. Every honest Federalist of the South therefore should (and would if he duly reflected upon the subject) prefer the revival of old party feelings to any other state of things he has a right to expect.

"Then the south was divided, now it is united. Lastly, the effect of such a nomination on General Jack-

son could not fail to be considerable. His election, as the result of his military services without reference to party & so far as he alone is concerned scarcely *to principle* would be one thing. His election as the result of a combined and concerted effort of a political party, holding in the main, to certain tenets & opposed to certain prevailing principles, might be another and a far different thing.”

He called for a great political combination “between the planters of the south and the plain Republicans of the North.”<sup>16</sup> A new party was hatched, to be called, “Democratic.”(!)

Appealing to pro-slavery states rights men in the South, to protectionists and nationalists in other sections, Jackson defeated Adams in the Presidential elections of 1828. Van Buren was simultaneously elected governor of New York, but was immediately appointed U.S. Secretary of State. Jackson later made him ambassador to England, and then Vice President.

Van Buren would run the anti-national policy change, the attack against the Bank of the United States, and the vetoing of internal improvements.

Who wanted the Bank killed? Just after the election of Andrew Jackson, Adams’ Secretary of the Treasury wrote to Biddle,

“You have probably as much or more to fear for the Bank, from New York, as from Virginia. . . . [T]he frog of Wall Street puffs himself into the ox of Lombard Street, and will not have you abuse him.”<sup>17</sup>

In 1831, as the Administration’s public assaults against Biddle increased, the Brown Brothers bank (New York and London) sold off its shares in the Bank of the United States, and worked politically against Biddle with Prime Ward and King, the official New York banking agency of the British government.

Protective tariffs were sharply reduced in 1832, to put a brake on industrial development. The tariff deal was arranged as a compromise with the madhouse secessionists of South Carolina. Georgia, inflamed by rumors of gold on Cherokee land, was induced to go along with the deal by another compromise: Jackson defied the Supreme Court, broke the treaty made by President George Washington and expelled the Chero-

16. Van Buren to Ritchie, Jan. 13, 1827 ([www.scribd.com/doc/39551297/Martin-Van-Buren-to-Thomas-RitchieWashington](http://www.scribd.com/doc/39551297/Martin-Van-Buren-to-Thomas-RitchieWashington))

17. Lombard Street adjoins the Bank of England and Threadneedle Street in the City of London; Richard Rush to Nicholas Biddle, Dec. 10, 1828 ([www.familytales.org/dbDisplay.php?id=ltr\\_rir5351&person=rir](http://www.familytales.org/dbDisplay.php?id=ltr_rir5351&person=rir))

kees from their sovereign territory, killing thousands and disgracing America.

By personal intrigues emulating Shakespeare’s Iago, Van Buren engineered a vicious personal split between Jackson and Calhoun. This ensured that Calhoun would be irrevocably stuck in the camp of the British-allied Southern fanatics who were surrounding him in South Carolina. Calhoun’s fall from nationalism cemented the Southern bargain with Wall Street.

To honor John Randolph for his central role in the Jackson-to-the-Presidency project, Van Buren got the flamboyant Virginia monarchist appointed ambassador to Russia. Randolph fell on his knees in the presence of the Tsar.

The takedown of the Bank of the United States was a lethal blow to American sovereignty.

Jackson vetoed the re-charter and stopped government deposits going into the Bank, long before its lawful charter had expired. Treasury Secretary Roger Taney put government revenues into private and state banks, many of which were going bankrupt and lost the government’s money. To stem the resulting chaos, Jackson issued the Specie Circular, requiring purchasers of government land (such as poor Western settlers) to pay gold and silver only. Economic doom descended.

Private capitalists would not invest long-term in infrastructure projects unless they were backed by the government or the National Bank. Biddle had so organized credit flows that when Jackson ended the Bank’s legal regulatory function, foreign as well as domestic investors kept their funds out of railroads and canals.

To sharpen the disaster, the Bank of England in 1836 pulled its credit out of the United States. This British action hit the Western and Mississippi Valley regions the hardest.

Jackson chose Van Buren his successor, and when the “Little Magician” entered the White House in 1837, the U.S. economy crashed to the ground. New Yorkers pleaded with failing bankers to return their deposits. Amidst the rubble, with distressed properties for the taking, August Belmont arrived on Wall Street and set up the U.S. agency representing the Rothschilds, anti-American intelligence agents and bankers to the British royal family.

Jackson had previously appointed the Rothschilds as the American government’s European banking agency. But they could have only poor prospects for

speculative gain within the U.S. as long as the nation's Bank had wielded effective financial power; now the country was owned by the money lords.

### The Threat of Dissolution

The impact of Jackson's destruction of the Second Bank of the United States was spread out over years—but it was devastating. Not only did it usher in wild speculation in land and other undertakings, it withdrew a stable means of credit for long-term investments in the kind of breakthrough industries, and infrastructure, which the nation needed in order to grow. Under these circumstances, the United States went from having a positive balance with Great Britain, to going increasingly into debt, including through stalling the growth of manufactures in the United States.

By removing the *national* institution which was supporting nation-spanning projects in transportation, and the like, the destruction of the Bank contributed to the renewed conflict between the states, and between the “agricultural, slave-holding South” and the industrializing, trading North. With the South lacking the benefits of the industrial projects, that had been on the drawing boards prior to Jackson's veto of the Bank's recharter, the Southern states became increasingly easy prey to the British-backed separatists, who sought to finish off the United States as a power altogether.

American nationalists did not surrender to the emerging Wall Street-Slave Power axis.

The 22-year-old Abraham Lincoln ran for the Illinois State Legislature in 1831, supporting the Bank of the United States, internal improvements, and protective tariffs. In 1840, Lincoln and other opponents of Jackson campaigned for William Henry Harrison for President, and the depression-disgusted public elected him over Van Buren.

But Harrison, who had intended to move immedi-



*In 1840, the nationalist and Lincoln ally, Sen. Henry Clay of Kentucky, led the Congress in chartering a new National Bank, but President Tyler vetoed it; members of Congress rioted outside the White House.*

ately to restore the Bank, died a rather mysterious death weeks after his inauguration. Vice President John Tyler, from the anti-national state of Virginia, succeeded to the Presidency.

That August, Kentucky Sen. Henry Clay led Congress to charter a new Bank of the United States. Tyler vetoed it; Congressmen and others rioted outside the White House.

The Clay-led Congress passed a powerfully protective tariff in 1842, as the last action of the old nationalist leadership of the 1820s, and some industrial progress did ensue. But without the power of a sovereign credit system, through a national bank, progress could not be sustained. It would take the election of Lincoln, in the

crisis of national survival called the Civil War, to find the political circumstances to retake national control over the U.S. currency with the Greenback system—and win the war.

Lincoln and his allies brought back American industrial and technological progress, and exported it as the program of all mankind against the backwardness imposed by European imperialism.

This universal ambition and technological optimism typified the United States under the 20th-Century Presidencies of Franklin Roosevelt and John F. Kennedy. But, following the 1963 JFK assassination, we have come increasingly under control of the British *financial* empire once again.

Now, a half-century later, facing extinction from world war and economic collapse, we may yet find the courage to pick up again those Constitutional powers which we have surrendered to our ancestral enemies in London and Wall Street. If survival is more tempting than the warm comfort of getting along, we will listen to Jefferson's warning not to be herded by the trans-Atlantic empire and its “hired pretenders.”

We will “arrange our financial system” and again reach for the stars.

# The Survey Act of 1824

by Pamela Lowry

The United States Constitution states that Congress shall have the power “To establish Post Offices and post Roads,” and “To regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes.”

When the new state of Ohio came into the Union in 1804, travel over the mountains to and from the eastern seaboard was slow and difficult, so, in 1805, the U.S. Senate passed legislation which made the construction of a national road to the Ohio River a Federal project. The money to finance the construction came from 5% of the proceeds from selling the Federal lands in the Northwest Territory to settlers, and the government appointed a three-man commission to map out the route and oversee the construction and maintenance, which was done by local contractors. Construction was delayed by the British attempt to reconquer the United States in the War of 1812, but the National Road finally reached Wheeling (now in West Virginia) in 1818.

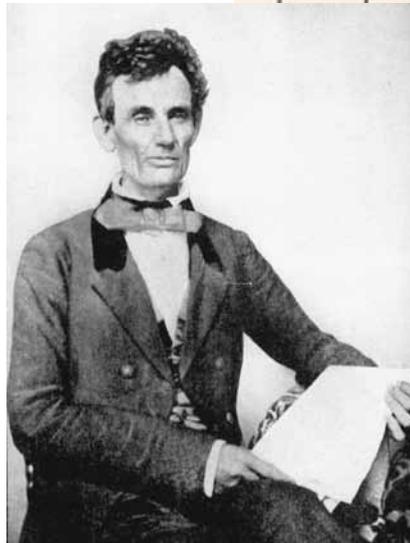
The trip from Baltimore to Wheeling was reduced from eight days to three, towns and villages sprang up near the road, the value of property increased, and local roads were built to provide access to the National Road. Yet despite the obvious benefits of the road, and its popularity with the citizens, the British-allied faction in Congress continued to insist that the Federal government had no right to develop the national territory. Matters came to a head in 1824, when the *Gibbons v. Ogden* case came before the U.S. Supreme Court.

When Thomas Gibbons attempted to operate a steamboat line across the Hudson River between New York and New Jersey, he was sued by Aaron Ogden, who had purchased an interest in the Fulton-Livingston steamboat company, which had been granted a monopoly by New York State. Ogden went to the New York State courts, which decided in his favor, and warned



State of Illinois archives

*Abraham Lincoln, as a Congressman in 1847-48, demolished the arguments of President Polk against internal improvements, such as the Illinois-Michigan Canal (shown here).*



clipart.com

Gibbons to stop running his steamboats. But, because the steamboats traveled from one state to another, Chief Justice John Marshall upheld Gibbons. In a landmark decision, Marshall stated that the New York State monopoly was an unconstitutional interference with the power of Congress over interstate commerce.

He condemned the view that the Federal government and the states are equal sovereignties, and that therefore the states may adopt valid legislation in fields where Congress has the constitutional authority to act. Marshall affirmed that within interstate commerce, which includes river navigation, the United States Government is the supreme sovereign.

## Building National Infrastructure

Following the ruling, Congress passed two pieces of legislation that enabled the Federal government to plan and build civil infrastructure. The first was the General Survey Act, which enabled the President to order surveys of the routes for roads and canals. Secondly, Congress appropriated \$75,000 to improve navigation on the Ohio and Mississippi rivers. President James Monroe assigned both tasks to the Army Corps of Engineers. Later, the bill was amended to include other

major rivers such as the Missouri. Martin Van Buren, then a U.S. Senator from New York, faced with a breakout of American intellectual and physical powers, in 1825, proposed a constitutional amendment which would have outlawed federally sponsored public works, under the rationale that development legislation was “unequal and unjust” because money from one state was being used to benefit other states.

Also in 1825, to the horror of the Van Buren circle, John Quincy Adams took the oath of office as U.S. President. Under his administration, new legislation in 1826 authorized the President to order the cleaning and deepening of selected waterways, and to make other river and harbor improvements such as locks and dams. Two major hydraulic surveys of the Great Lakes and the Mississippi Delta were also authorized. The Corps of Engineers took over the construction of the National Road, surveyed the routes for railroads, and Army engineers were loaned to railroads to plan and oversee construction.

A report sent from the Secretary of War, under whose authority the Corps of Engineers operated, to the U.S. House of Representatives in 1828, contained a list of 96 projects which had either been undertaken or projected between 1824 and 1827. They included “a rail road from Baltimore to the Ohio River”; a “Canal from the Mississippi River to Lake Pontchartrain, Louisiana”; the “Examination and survey of the Muscle Shoals in the Tennessee river, with a view to the improvement of its navigation”; and “A road from Chicago, Illinois, to Detroit, Michigan Territory.”

To deal with river navigation, President Adams appointed Henry Shreve, a self-taught steamboat designer, as Superintendent of Western River Improvements. One of the primary concerns in river navigation was safety: Submerged trees caused three-fifths of all steamboat accidents; 58,000 of these snags had been identified in the lower Ohio, the Mississippi, and the Missouri and Arkansas rivers. Shreve invented a snag-eating steamboat which became known as “Uncle Sam’s Tooth-Puller.” A model of efficiency, its claws and cranes lifted tree trunks into a powered sawmill on deck, where the once-deadly obstacles were turned into fuel for the steamboat. Shreve and his hundreds of workers cleared 1,200 miles of the Mississippi, and by 1832, not a single boat was lost to a snag on either the Ohio or the Mississippi.

But when Shreve was sent to clean out the Red River, Andrew Jackson became President, and funds

for the expedition were often cut off. When funding ceased in April of 1838, Shreve rode his horse into Washington, Ark., and persuaded the local bank to give him \$7,147.50 in order to finish the work. By May 4, Shreve and his men had the Red River flowing freely past the bluff where Shreveport, La. stands today.

### **Lincoln Counters Polk**

When Martin Van Buren became President in 1838, he succeeded in having the Survey Act cancelled, and persuaded Congress to pass legislation forbidding the Army to loan its engineers to private companies such as the railroads. Ten years later, his devoted follower, President James K. Polk, famously vetoed an internal improvements bill, by stating that the Federal government had no powers under the Constitution to fund such infrastructure projects as roads, canals, and railroads. The veto was famous not for Polk’s traitorous statement, but for the reply to it by Congressman Abraham Lincoln.

After countering the argument that a system of internal improvements would overwhelm the treasury, Lincoln moved to Polk’s second argument (which echoed those of Van Buren), “that the burthens of improvements would be general, while their benefits would be local and partial, involving an obnoxious inequality.” Lincoln countered that “The next most general object I can think of would be improvements on the Mississippi river and its tributaries. . . . Take, for instance, the Illinois and Michigan canal. Considered apart from its effects, it is perfectly local. Every inch of it is within the state of Illinois. That canal was first opened for business last April. In a very few days we were all gratified to learn, among other things, that sugar had been carried from New-Orleans through this canal to Buffalo in New-York. This sugar took this route, doubtless because it was cheaper than the old route.

“Supposing the benefit of the reduction in the cost of carriage to be shared between seller and buyer, the result is, that the New Orleans merchant sold his sugar a little dearer; and the people of Buffalo sweetened their coffee a little cheaper, than before—a benefit resulting from the canal, not to Illinois where the canal is, but to Louisiana and New-York, where it is not. In other transactions Illinois will, of course, have her share, and perhaps the larger share too, in the benefits of the canal; but the instance of the sugar clearly shows that the benefits of an improvement, are by no means confined to the particular locality of the improvement itself.”

# Obama, Brits Escalate Confrontation with Russia

by Jeffrey Steinberg

June 19—Russian President Vladimir Putin firmly stood his ground this week, during the G-20 summit meeting in Los Cabos, Mexico, notably during his tense two-hour meeting with President Barack Obama. After having cancelled his attendance at the G-8 summit meeting at Camp David last month, in a clear rebuff to NATO and the United States, President Putin refused to make any concessions on the removal of Syrian President Bashar al-Assad, and forced an intimidated President Obama to sign a joint statement, reiterating the two countries' support for the UN-Annan mission.

Sources close to the Obama Administration reported that the U.S. President went into the nearly two-hour session with his Russian counterpart already shaken by Russia's repeated warnings that the U.S. and NATO policies of selective regime change, under the pretext of "humanitarian interventionism," and their unilateral plans to deploy a missile defense shield along Russia's southern and western borders, could wreck the global order, centered on the United Nations Charter and the central role of the UN Security Council—and lead to thermonuclear war.

According to these accounts, nearly a third of the bilateral Putin-Obama meeting focused on Syria. Putin repeatedly challenged Obama to tell him what Syria would look like if Assad were removed from power. Did the United States have a plan of action to stabilize the country? What about the Syrian people? What about

the military and law enforcement agencies? What about the economy?

Putin drilled home the point that the two most recent instances of U.S.-backed foreign military intervention for regime change—the overthrow of Saddam Hussein in Iraq in 2003, and the 2011 overthrow and extrajudicial killing of Libyan leader Muammar Qaddafi—had not exactly brought stability to either country.

## **P5+1 in Moscow**

As President Putin was making the rounds in Mexico, holding a series of bilateral talks and participating in the main G-20 sessions, top Russian officials were hosting the third round of P5+1 (UN Security Council Permanent Five plus German) talks in Moscow, aimed at reaching an agreement with Iran on its peaceful development of nuclear power, while assuring that they will never develop nuclear weapons. Those talks were no less difficult than the G-20 brawl in Los Cabos, given that the P5+1 countries and Iran came into the Moscow talks with radically different proposals, and that the Iranian situation was further complicated by the eruption of renewed faction fighting in Tehran among the three contending groups which share power at the top of the Islamic Republic.

At the end of the day, the P5+1 talks concluded with no agreement, but a plan to continue the talks at the "experts" level in Istanbul on July 3 was finalized. For now,



Russian Presidential Press and Information Office

*Presidents Vladimir Putin and Barack Obama both look to the horizon in this photo-op from the G-20 Summit. As reports show, their visions of the future clash.*

the diplomatic process—pivoted on war avoidance—is continuing.

According to Russian and American sources, it was the Russian diplomacy with the Iranian negotiators that prevented a total breakdown of the talks, a breakdown that would have been quietly celebrated in London and Tel Aviv, because it would have re-started the countdown for war in the Persian Gulf.

### **Provoking Russia**

In the run-up to the Los Cabos and Moscow meetings, the Obama Administration and the British have engaged in a series of provocations, all aimed at getting Russia to make concessions on the Syria regime-change issue. For weeks, a constant stream of disinformation has been put out through the English-language press, accusing Russia of violating a United Nations arms embargo on Syria, etc.

When a barrage of news stories and government statements alleged that Russia had sold a quantity of new anti-personnel weapons to Syria, including attack helicopters, Russia responded that it had contracted to do repairs and upgrades on helicopters that had been sold to Syria many years ago.

On the very day that Putin and Obama were meeting in Mexico, the British government cancelled the insurance policy on a Russian ship that was then in the process of delivering the repaired helicopters to Syria. As

the result of the insurance cancellation, the ship is now reportedly returning to its Russian port.

Sources close to the Obama Administration report that the cancellation of the British insurance was initiated by Michael McFaul, the current Obama Ambassador to Russia, and a loud critic of Putin. At McFaul's recommendation, President Obama contacted British Prime Minister David Cameron and the insurance was lifted. Reportedly, this action was taken behind the back of Secretary of State Hillary Clinton, and she was furious at the maneuver.

### **Regime Change by Civil War**

Despite Obama's backdown during his Mexico meeting with Putin, the on-the-ground situation in

Syria continues to deteriorate, as the result of a concerted commitment by Britain, France, Saudi Arabia, Qatar, and Turkey to flood the country with illegal arms and paid foreign mercenaries. The strategy was recently described by one former top U.S. diplomat to the region as "regime change by civil war."

According to senior U.S. intelligence sources, Saudi Arabia and Qatar have been pouring millions of dollars into providing mercenaries and weapons to the rebels. The flood of illegal arms across the borders from Iraq, Lebanon, and Turkey into Syria has been the principal source of the continuing escalating violence.

The British strategy is to foment sectarian, religious, ethnic, and tribal violence in Syria, to the point that a prolonged civil war is unleashed, like the Balkan wars of the 1990s, and the earlier Lebanese civil war from 1975-1990. In an update of the 20th-Century Sykes-Picot scheme between the British and French colonial powers, London is now out to provoke a Hundred Years War within the Islamic world, pitting Sunni versus Shi'ites, and Persians versus Arabs.

The kind of mayhem which the British envision is presaged in the eyewitness report from Christians in Syria, which we include below. However, long before that logic of war plays out, it is much more likely that the Empire will risk thermonuclear confrontation, and we *all* will lose. That is, unless we take action to disempower the Empire and Obama, now.

## Rebel Killings Are Blamed on Regime

June 14—*The following is an abridged translation of a French-language report dated April 1, 2012, about atrocities against civilian populations, refugees, and religious minorities by Syrian opposition militias, in the area of the Convent of St. James the Mutilated, in Qara, Syria. The account, including photographs, is by the convent's leader, Mother Agnès Mariam de la Croix, a Lebanese-Palestinian. The convent's website is [http://www.maryakub.org/index\\_en.html](http://www.maryakub.org/index_en.html).*

*Notably, Mother Agnès Mariam de la Croix documents atrocities by Syrian opposition gangs, which then film or photograph the carnage, and supply to the media as alleged "government atrocities."<sup>1</sup>*

### News from Homs

In Homs, population 1 million, two-thirds of the people have fled the area. More than 90% of the Christians were forced out, often without being able to take anything with them. Several hundred Christian families have abandoned Homs and the province to seek refuges in the Valley of the Christians, Damascus, or its province.

Progressively but effectively, the armed wing of the Syrian opposition is carrying out what one would call "demographic redistribution." Thanks to the snipers and acts of criminal aggression, they are harassing the civilian populations of which they disapprove: Alawite, Christian, Shi'ite minorities, and many "moderate" Muslims who have no desire to participate in dissident



<http://www.maryakub.org>

*Mother Agnès Mariam de la Croix of the Monastery of St. Jacques le Mutilé in Qara, Syria*

activities. This is not massive genocide but liquidation, bit by bit.

Since August 2011, and especially since November, when we saw the situation with our own eyes in visits to Homs and Kusayr, we have had confirmed intelligence of acts of barbarism against the civilian population to force them to withdraw from ordinary civic life, thereby paralyzing the institutions of the state.

From the beginning of the school year, repeated abuse against schools were noted: kidnapping the teaching staff, both men and women; harassment of students; burning or bombing school buildings. This led progressively to the shutdown of schools, and then the universities.

Minorities in the neighborhoods controlled by armed bands linked to the Syria opposition were targeted for extortion: Their goods were looted, their autos requisitioned, many were taken hostage simply because they were from a religious minority, and not released unless they could come up with ransom (which created counter-kidnapping, with negotiations for swaps of one hostage for the other).

All actors in civil life were the preferential targets of hidden terrorism by the armed resistance: taxi drivers, street vendors, mailmen, and especially civil functionaries, were innocent victims of acts that went from simple assassination to gratuitous barbarity: their throats were slashed, [their bodies] mutilated, disemboweled, cut into pieces, thrown into street corners or public trash cans. There was no hesitation about shooting at children, probably just to create distress and hopelessness, as happened with little Sari, the nephew of our stonecutter. These acts of atrocity were then exploited by the media to blame the government forces.

We were taken by surprise ourselves by this tactic, during a visit to Homs. That day we counted some hundred bodies arriving at the hospitals, victims of the fury of opposition-linked armed bands. Going along Avenue Wadi Sayeh, we were surprised by a burned-out car; a man had just been attacked by part of the armed gangs, because he refused to close his shop. His car was blown up, and he was literally "hacked to pieces" and tossed

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1. The original French-language version of this statement can be found at [http://www.maryakub.org/Article\\_dernieres\\_nouvelles\\_de\\_Homs\\_et\\_Qousseir\\_1\\_avril\\_2012.html](http://www.maryakub.org/Article_dernieres_nouvelles_de_Homs_et_Qousseir_1_avril_2012.html)

under the storefront window. At the moment we were arriving, passersby were gathering. We were surprised that several of them opened their mobile phones and were filming, and we overheard one of them say, doubtless talking to one of the satellite TV networks: “This is what Syrian citizens endure at the hands of Bashar al-Assad’s death squads.” We photographed this event, and we then proceeded to take the body of the poor killed man to the hospital.

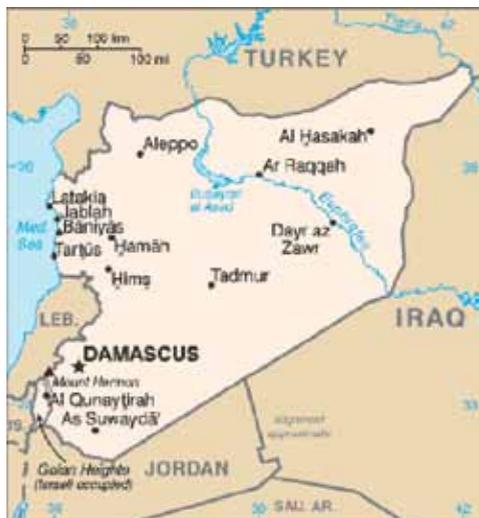
The neighborhoods of Bab Sbah, Warcheh, and part of Hamidiyeh were emptied of their residents for the reasons stated above. Bands of Islamist terrorists invaded these places, took over the houses, looted, and then burned them, alleging that government forces had pillaged them. The terrorists, before going into neighborhoods inhabited by religious minorities, destroyed them with mortars, rockets, or Israeli-made LAU missiles. They do this against unarmed civilian populations, and in places where there is no presence of the regular military. It is false to say that the civilian population is caught in the cross-fire. The truth is that in several places the Christian neighborhoods are the targets of systematic bombing by armed gangs, to take revenge for the fact that the Christians won’t join the opposition.

We should say that there is a lot of confusion with the respect to full-fledged adherents of the opposition’s armed branch. Just as there are several factions, independent of each other, their abuses have different motivations. Don’t be hasty to discredit the testimony of Christians who have experienced real “persecution” at their hands. It’s no mystery to anyone that the Salafists are active in many places in Homs, in particular, and in Syria in general. However, it is also true that in general, Christians are not under systematic and general persecution, because Salafist grouplets are not everywhere.

### Situation in Kusayr

Kusayr is a large suburb of Homs, on the border of Lebanon. The situation is dramatic: The minorities are victims of terrible abuses, several innocent people have

FIGURE 1  
Syria



died, assassinated.

People speak of old feuds. Not true. One well-known clique in the village slandered the Kasouha family, by far the most numerous and most representative, in order to justify all the violence against Kusayr and its Christians. The latter were massacred after having suffered for months from atrocities by armed gangs, who nonetheless have been presented to everyone as being among the valorous resistance factions seeking to install democracy. In reality, these armed gangs have applied the law of the jungle: Either they are seeking to revive the old demons of communal friction, or

they are, as they are also doing in Homs, attempting to bring about religious warfare.

Several Christians in Kusayr were slaughtered, sometimes dismembered, in order to incite the population to flee. Since all this is enough to empty Kusayr of its Christian residents, the terrorists are openly attacking the Christian neighborhoods. They pounded them with mortars and rockets, then entered them, throwing the inhabitants out and killing any recalcitrants.

Keep in mind that these bombardments are not taking place in the context of a firefight with the Syrian Army, but constituted gratuitous aggression on an unarmed civilian population.

Latest news: The Kusayr Christians have heard the Islamists confirm repeatedly that the local coordinating committees have already distributed the real estate and personal property of Christians to Sunni families.

When the regular [Syrian] army seized Baba Amro, the terrorists gathered their hostages (Alawites and Christians) into a building in Khalidiyeh, which they blew up, creating a terrible massacre, and attributing it to the regular forces. But while this act was imputed to the regular [government] forces, including by the Arab League, the proof and eyewitnesses are irrefutable: It’s a maneuver by the armed gangs tied to the opposition.

### Retrospective

It has now been a year that I’ve been looking into the situation in Syria, to try to understand it. I’ve gone three times into the hot spots of our diocese, and I can

say that I've become an eyewitness. In looking back, I see that I was not mistaken in my forecasts. Along with Belgian journalists, we were the first in the world to detail the "unidentified armed gangs." Today, these gangs are identified. We can give them a name: They are grouped under the title Syrian Free Army, whether they are Salafist or Wahhabi, that is, ultra-radical paramilitary formations.

We thank all the authorities who, over the past year, have called upon the Syrian regime, even if so often it was mistaken and because of bad intelligence, to stop the violence against the civilian population. But, what of the abuses by the Syrian opposition? Or rather, the armed factions who call themselves that? Today, the evil is done. What we feared is in the process of taking place: The exodus of Christians from Syria is beginning. They are being joined by their brothers and sisters of other religions. We're reminded of the exodus of Christians from Iraq. We hope that the tendency will be stemmed by a halt to hostilities and the establishment of dialogue among all components of the Syrian people.

We are all for freedom and democracy.

Unfortunately, the noble objectives brandished by the Syrian opposition have been infected with the virus of Islamism. In praising the opposition to the heavens—at first quite rightly—everything that the phony Syrian Human Rights Observatory said was believed without verification.

The mainstream press is beginning, bit by bit, to understand the reality of the Syrian conflict in revealing certain of its far-too-long-hidden sides: the presence of armed factions, whose objective is to create all the pieces for a scenario for religious warfare, like that in Lebanon. This explains the relentless fury suffered for months by the Alawites at the hands of armed gangs. The Christians, too, have been victims, but to a lesser degree. The objective of the armed groups was to push the minorities to arm themselves, in order to explode the religious war. But this reaction never came. Aside from isolated cases, minorities did not get weapons. They waited patiently for the forces of law and order to come and protect them. Thus, they paid a very heavy tribute in blood, in awaiting their deliverance.

History will pay homage to the maturity of the Syrian people, who by its wisdom of millennia, refused to descend to the worst, when everything was at its disposition to wreak vengeance on "the other." It must also be said that the majority of Muslims in Syria denounced

the Salafists, and took their distance from Wahhabism. They say that all extremism is a deformity, and that Salafism, inspired by Wahhabism, became a heresy, especially when it took recourse to eliminating the *kuffar*, or "renegades"—in fact, any person who does not agree with its foundations.

Definitively, the West, hooked on tendentious information, was massively fooled in applying to these heterodox Islamist groupings the title "Free Syrian Army." You have to distinguish things in order not to favor the worst.

And what more need be said? Human Rights Watch wrote an open letter to the "Syrian National Council" to invite it to denounce the acts of barbarity against the Syrian civilian population and forces of order, acts contrary to the Charter of the Rights of Man and the Geneva Convention, committed by armed gangs affiliated with the opposition. The U.S. ambassador to Damascus bemoaned the unacceptable violence of armed gangs acting in the name of the opposition. The major powers and the international media openly spoke of a religious tendency among certain armed branches linked to the Syrian opposition, among whom were uncovered factions from al-Qaeda, the Salafists, and the Wahhabites. Pax Christi Canada addressed a letter to the world leaders to demand they no longer intervene into the Middle East by military means.

While the international community seeks to bring dialogue and to calm things down, it is nonetheless unacceptable that reporters and officials continue to blindly believe the statements of tendentious intelligence networks which cover for the crimes of the armed gangs affiliated with the Syrian opposition, lest it be highly displeased. By ignoring the abuses and crimes of these armed gangs and hailing their "struggle," they encourage their crimes and provide no aid to people in danger. Only objective information, without taking sides, faithful to the facts, can help stop the violence and bring all factions into dialogue in view of a truly democratic process. Evil has to be exposed wherever it is, without any qualms. A minimum of verification is required in the confusion that prevails.

We pray that Syria be purified and pacified from this terrible experience, and that the voice of the overwhelming majority of the Syrian people, of all confessions together, be heard: Implement the necessary reforms without breaking the national pact, or descending into religious war; to the contrary, *forgive*, and begin the road to reconciliation and dialogue.

# Ivanov Blasts Drug Legalization; Underscores Role of British MI-6

June 15—Viktor Ivanov, the head of the Russian Federal Drug Control Service and a close associate of Russian President Vladimir Putin, charged on May 20 that the push for legalizing narcotics “is directly or indirectly related to enormous drug business income, estimated by experts at \$800 billion per year.” He spoke at the World Forum Against Drugs in Stockholm.

“The objective of drug legalization supporters is to legalize transnational organized crime, a global criminal international, to make drug trafficking smooth and comfortable,” he observed bluntly.

Ivanov singled out the role in this drug-legalization drive “of a former director of the British Intelligence Service, MI-6.” He was referring to Nigel Inkster, the former number 2 of MI-6, now posted to the London International Institute of Strategic Studies (IISS), where he has authored a new report, “Drugs, Insecurity and Failed States: The Problems of Prohibition.” Inkster admits that his report was financed by George Soros, London’s favorite hedge-fund money-launderer, and his Open Society Foundation.

Inkster, in presenting his report in April, specifically attacked resistance to his campaign coming from the United States, Russia, and China. He denounced the Chinese Communist Party’s “foundation myth of a hundred years of humiliation, unequal treaties, opium sales,” and even went so far as to assert that “we’re dealing with the iron laws of supply and demand”—as if the British Empire’s Opium Wars against China in the 19th Century were merely a response to Chinese demand for opium!

## War on Killer Narcotics

Ivanov who has been Russia’s “drug czar” since 2008, has been on the stump internationally on these issues for many years, as *EIR* has reported.

A particular focus is Afghanistan, where drug-production and -trafficking has soared since the NATO-U.S. invasion began in 2001. Russia is now the world’s largest consumer of Afghan heroin, so stopping this



WFAD  
*Russia’s anti-drug chief Victor Ivanov addresses the 3rd World Federation Against Drugs conference in Stockholm, May 2012. He roundly denounced the advocates of drug legalization.*

new Opium War is a matter of life and death for Russia. In 2011, then-Speaker of the Duma Boris Gryzlov said that there were 6 million addicts in Russia out of a total population of 141 million, and that 100,000 people die every year because of drugs.

Ivanov’s Stockholm speech underlined the dramatic situation in Afghanistan itself, saying that the head of a study by U.S. toxicologists “made a statement that the current generation of Afghan children is doomed, since all of them are typical opium and heroin addicts.”

“Dear colleagues,” Ivanov declared, “it is high time to qualify Afghan drug production as a threat to international peace and security as per Chapter VII of the UN Charter.”

Ivanov is not limiting himself to anti-drug appeals,

but on numerous occasions has outlined policies to reorganize the financial-economic system that thrives on drug money, the system that the drug-legalization lobby is defending.

- In a speech last November in Washington,<sup>1</sup> he called for drastic reform of the international financial system to clean out the dirty money, adding that “the model for such a transformation must be a revival of the logic of the Glass-Steagall Act of the United States in 1933.”

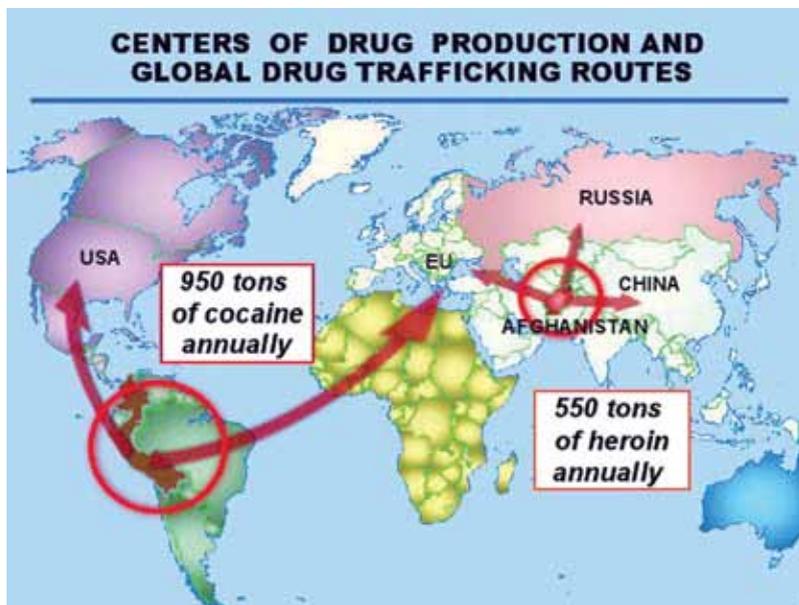
He particularly appealed for cooperation between the United States and Russia to smash the drug trade in Afghanistan.

Such cooperation has existed at a modest level for the past two years or so, and Ivanov has praised U.S. and Russian joint drug lab raids where Russians, U.S. military and Drug Enforcement Agency personnel, and Afghan units worked together. He clearly recognizes that U.S.-Russian collaboration is key to breaking the British-led push for drug legalization.

- Speaking at a meeting of the UN Commission of Narcotics in Vienna<sup>2</sup> on March 12, Ivanov called for “abandoning sick neoliberal economics,” and further expressed concern about what will follow the withdrawal of foreign troops from Afghanistan. Rejecting the farce of crop substitution for Afghan peasants (the farmers take the bags of wheat offered to them, but keep on growing the lucrative opium poppy), he said that what Afghanistan needs is industrialization, electrification, technology, and infrastructure development. The speaker mentioned that “the viewpoint I have stated here coincides with the position of ... Vladimir Putin.”

- Following meetings in Beijing with anti-drug officials from the member countries of the Shanghai Cooperation Organization (SCO), Ivanov announced at a Moscow press conference on April 5 that the SCO will be creating a new anti-drug agency to cooperate with both NATO forces and the Afghan military to break the back of drug production and trafficking. “For the first time,” he said, “we’ve proposed to divide responsibilities. The SCO police will be combatting drug traffickers in its member countries. NATO, which has 150,000

FIGURE 1



Victor Ivanov, Russian Federal Drug Control Service

FIGURE 2



Victor Ivanov, Russian Federal Drug Control Service

troops in Afghanistan and controls the country’s army and police, can fight drug production in that region. These efforts could destroy this year’s poppy crops in just a couple of months.”

While in Beijing, Ivanov met with Chinese State Councilor Meng Jianzhu, Minister of Public Security, who pledged China’s support for the effort.

### Focus on EIR’s Role

Shortly after the Stockholm conference, the website of Ivanov’s Federal Drug Control Service (FNCS)

1. See EIR, [Nov. 25, 2011](#); [Dec. 2, 2011](#) and a [second article](#).

2. See EIR, [March 23, 2012](#).

posted a Russian translation of *EIR*'s April 12 interview with Antonio Maria Costa,<sup>3</sup> the former Director of the UN Office on Drugs and Crime. The posting makes clear that the drug legalization push is part of desperate efforts to bail out the crashing trans-Atlantic banking cartels. The website's introduction to the interview states:

"According to generally accepted estimates, including by UN experts, drug money defines an annual market greater than \$500 billion, while its adverse impact on the real economy is two or three times greater. The annual damage to the world economy is \$2 trillion, equal to the GDP of countries such as France or Great Britain.

"For example, at the height of the 2008-2009 financial crisis, around \$352 billion in drug money was thrown into the world's largest banks to deal with their critical liquidity shortage; the

3. *EIR*, [April 27, 2012](#).



Victor Ivanov, Russian Federal Drug Control Service  
Ivanov showed this slide of opium consumption in Afghanistan. Even young children are addicted, he said, as the country has become flooded with opium since 2001.

funds were subsequently integrated into interbank operations.

"Investigations of the laundering of criminal revenues have revealed that the biggest banks have a critical dependency on the dirty but liquid proceeds of narcotics sales.

"In his presentations at the Washington CSIS [Center for Strategic and International Studies] in November 2011 and the Davos World Economic Forum in January 2012, Russian FNCS Director Victor Ivanov noted that reformatting of the existing economy could become a key area for eliminating global drug production, including in Afghanistan. This means a transition to an economy that excludes criminal monies and guarantees the reproduction of 'clean' liquid assets, i.e., a development economy, in which the basis for decision making is development projects and targeted long-term credits.

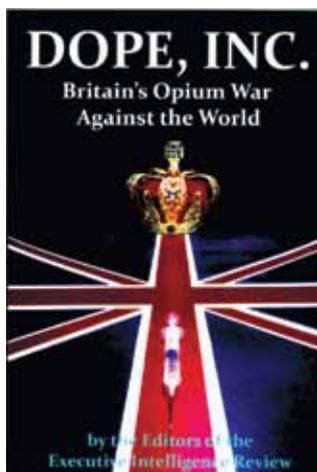
"This is the topic of the interview given to *EIR* magazine by former Deputy Secretary General of the UN and former Executive Director of the UN Office on Drugs and Crime Antonio Costa."

Costa in his interview made clear what financial interests are behind the campaign for drug legalization, and presents what amounts to a wake-up call for Glass-Steagall, and measures to end the interface of crime and banks. He also said that the biggest campaign for legalized drug sales in history was the British Opium War against China.

# DOPE, INC.

Is Back In Print!

Dope, Inc., first commissioned by Lyndon LaRouche, and the underground bestseller since 1978, is back in print for the first time since 1992. The 320-page paperback, includes reprints from the third edition, and in-depth studies from *EIR*, analyzing the scope and size of the international illegal drug-trafficking empire known as Dope, Inc., including its latest incarnation in the drug wars being waged out of, and against Russia and Europe today.



*This edition, published by Progressive Independent Media, is currently available in limited numbers, so there is no time to waste in buying yours today. The cost is \$25 per book, with \$4 for shipping and handling. It is available through [www.larouchepub.com](http://www.larouchepub.com), and *EIR*, at 1-800-278-3135.*

# London Hyperinflation Policy Opposed to Glass-Steagall

by Paul Gallagher

June 20—The June 11 attempted bailout of Spanish banks' debt failed immediately and backfired spectacularly. It is now only a short time before a desperate City of London imposes a policy of deliberate hyperinflation on all the trans-Atlantic nations including the United States—or, those nations re-enact Franklin Roosevelt's Glass-Steagall law on an emergency basis, to successfully reorganize their banking systems. The outcome of this fight will determine the future fate of the U.S. economy—rebuilding, or complete wreckage, like that of 1923 Weimar Germany gripped by hyperinflation—as well as those of European nations.

The June 11 events, which proved the futility of any further attempts to bail out the insolvent, frozen-up megabanks of Europe, with their \$5-6 trillion in unrecognized bad debts, ironically triggered an all-out British campaign, starting four days later, for huge new bank bailouts by central banks.

The EU100 billion Spanish bank bailout by European “rescue funds,” proposed June 11, was risible against the conservative estimate of EU450-500 billion of bad debt on Spanish banks' books; but it was a big enough new debt, piled on mountains of unpayable debt, to send Spain's sovereign and bank debt reeling. Spain's 10-year bond yield skyrocketed, reaching 7.35% a week later. The quick deterioration of Spanish government debt, in turn, hit the Spanish banks which

are loaded with it. Fitch Ratings downgraded Spain's biggest banks, Santander and BBVA, two notches to BBB, not far above junk. The clear image was of the driver who turns the wheel hard right, and sees the car go sharply left in response.

Italy was also swept in, its 10-year debt rate leaped to 6.28%, and Austrian Finance Minister Maria Fekter said Italy may need an EU bailout—ritually denounced, of course, by Italian fiat-premier Mario Monti. Suddenly, all the “experts” were talking about the panic of bondholders whose bonds become subordinated to masses of new supranational-institution (bailout) debt. Greece was forgotten; steady electronic bank runs and capital flight from Spain and Italy took center stage, with indices of banks' short-term liquidity operations flashing red.

Any attempt at a massive bailout by the EU of Spanish and Italian sovereign and bank debt is patently impossible; but “a global bailout of Europe's banks” is exactly the British demand, raised already on May 25 by former Chancellor/Prime Minister Gordon Brown in the *New York Times*.

## **Los Cabos Fraud**

The furious British drive—aided by President Obama—to force Germany, immediately, to agree to a money-printing hyperinflation to “save” the banks, was brutally obvious on June 19 as the G-20 summit

in Los Cabos, Mexico ended. Days earlier, on June 15, Bank of England head Mervyn King and Chancellor George Osborne had held emergency conference calls with European finance ministers, and then made public calls to all central banks to print money, fast. King said that the banks of Europe were insolvent—“it’s a solvency, not a liquidity crisis”—and then demanded that governments provide the banks . . . much more liquidity. “We have thrown at this everything bar the kitchen sink,” said King; and then demanded “more drastic measures” were necessary. The Bank of England would immediately print and lend British banks £100 billion.

Then, on the evening of June 19, the London *Telegraph*, *Guardian*, and *Observer* newspapers all published reports “from the Los Cabos summit,” that a deal for a roughly \$1 trillion bailout of Spanish and Italian debt by the European bailout funds—European Financial Stability Facility (EFSF) and European Stability Mechanism (ESM) had been reached, at the demand of Obama and British Prime Minister Cameron. These authoritative-sounding reports appeared only in British media, and they were false. The German government, the next morning, June 20, denied that this “deal” had even been discussed at Los Cabos, where Obama and Cameron had had a “sub-meeting” on the bank crisis with European leaders after the G-20 summit formally ended.

And the EFSF and ESM do not have, of course, EU750 billion, or \$1 trillion, to buy Spanish and Italian bonds on the open market; these funds have only the authorization to raise that amount on the markets themselves, and the ESM authorization has not yet been approved by the German Parliament. And \$1 trillion “would be nowhere near enough” to cover European banks’ bad debts, to quote Gordon Brown’s acknowledgment in his May 25 *New York Times* op-ed.

But this hyperinflationary bailout is “the deal” nonetheless, unless it is stopped by a Glass-Steagall reorganization, which must start with a U.S. re-enactment of FDR’s original Glass-Steagall Act.

Listen to Chancellor of the Exchequer George Osborne, quoted by the London *Daily Telegraph* June 19: “There are systemic problems in the eurozone which require a systemic answer. . . . Common resources [must be] transferred from richer countries to poorer countries, [to show] that *the whole eurozone stands behind the banks of the eurozone*. . . . I think there are signs that the eurozone are moving towards richer countries

standing behind their banks and standing behind the weaker countries” [emphasis added].

### **Crush the National Opposition**

It was most notable, behind the chaos caused by the strident British demands for hyperinflation, and the confusion of denials by Germany and Spain that they had agreed to it, that the European Central Bank (ECB) clearly refused to start big purchases of Spanish and Italian debt—for now. And in the United States on June 20, the Federal Reserve Open Market Committee merely extended its existing asset-purchase scheme, did not announce new ones, but introduced new language: “The Committee is prepared to take further action as appropriate to promote a stronger economic recovery,” thus effectively authorizing Fed chairman Ben Bernanke to gear up money-printing when he thinks necessary.

The City of London “imperial” strategy for forcing through its hyperinflation policy by manipulation, was described fairly clearly, if to a relatively small and elite audience, by Deutschebank CEO Josef Ackermann at the Atlantic Council in Washington May 20. Ackermann is chairman of the Institute for International Finance (IIF), the “lobby” of the biggest international banks. He explained that new central bank bailout operations would be held in reserve, or used only in small steps, until the bank crisis became really extreme and acute; by going “to the precipice,” *governments* had to be compelled to give up their sovereignty and throw their revenues and credit into bank bailouts. Two days later, ECB head Mario Draghi said the same thing, while declining to lower ECB interest rates. A day after that, Bernanke repeated it again, telling the Senate Banking Committee, there will be no more qualitative easing from the Fed for now—“Congress must do its job.”

The collapse has accelerated the scheme; London is determined the German government will capitulate and commit all its credit by the end of June. Then, London wants the ESM fund to be licensed as a bank, in order to be able to borrow from the ECB and launch the really huge, multi-trillion-dollar money-printing. *Telegraph* financial columnist Ambrose Evan Pritchard quoted former Foreign Minister David Owen on June 20: “This is not going to work unless they let the fund gear up and draw on the full firepower of the ECB. . . . Any bond purchases must be on a crushing scale to eliminate all doubts. . . .”

## Glass-Steagall

What will be “crushed,” after national sovereignty, is national economies suddenly thrust from deep recession into hyperinflation.

But when the Glass-Steagall Act was still in full force and enforcement—before Alan Greenspan’s consolidation of power over the Federal Reserve and other regulatory agencies—it prohibited any protection/insurance being given by either the Fed or the FDIC, to the “low-quality securities” of any “non-bank.” And virtually all the major British and other European banks

were—and are—“non-banks” under Glass-Steagall because they massively violate its principles of banking separation, and protection of commercial banking only. And they are clearly loaded with “low-quality securities”: \$5 trillion of bad assets, even by the estimate of the International Monetary Fund.

Re-enactment of Glass-Steagall, by passage of the House legislation H.R. 1489, and passage in the Senate, as well as in the nations of Europe, is the one action that can stop London’s and Obama’s brutal drive for hyperinflation.

## Appeal to Governments And Parliaments: Glass- Steagall Now!

June 18—*Helga Zepp-LaRouche, chairwoman of the BüSo party in Germany, (www.bueso.de) issued this statement today.*

1. All nations of the Trans-Atlantic region must enact a law which would separate commercial banks from investment/speculative banking entities, based upon Franklin D. Roosevelt’s Glass-Steagall bill of June 16, 1933. Up until the beginning of the 1980s, the principles of Roosevelt’s reform were in place in European nations, in the form of strict regulation, and ensured that the banking sector mainly took on the character of commercial banks, and access to private accounts for risky speculative operations was impossible.

As things stood before Glass-Steagall was dismantled in 1999 by the Gramm-Leach-Bliley Act, commercial banks must once again be completely separated from both investment banks and the insurance sector.

2. Commercial banks must be put under government protection, while the investment banks put their books in order without taxpayers’ money, which in practice means that toxic paper must be written off in the trillions, even if this leads to the insolvency of the banks themselves.

3. A National Banking system in the tradition of Alexander Hamilton, within the framework of a new Credit System, must provide long-term credit with low interest rates for productive investments, which would in turn increase the productivity of the economy by promoting an increase in energy-flux density, and in scientific and technological progress.

4. The reconstruction of the real economy should be facilitated through long-term treaties of cooperation among sovereign nation-states, which would launch well-defined infrastructure and development projects, in the context of the Mediterranean Plan for an Economic Miracle,<sup>1</sup> seen as a necessary extension of the Eurasian Land-Bridge. These contracts represent a de facto new credit system, a New Bretton Woods system, in the tradition of Franklin D. Roosevelt.

The purpose of re-enacting Glass-Steagall and implementing a Credit System is by no means only to bring about an improvement of technical details in banking, but rather, how the economy can ensure the survival of humanity over a period spanning many generations into the future, while increasing the productive powers from one generation to another. Human beings must once again be at the center, and the very purpose, of economics.

We, the undersigned, direct our urgent appeal to governments and parliaments, that they fulfill their constitutional duty and protect the general welfare of the populations they represent, by immediately enacting Glass-Steagall banking separation into law.

1. See *EIR*, June 8, 2012.

# The American West Is Burning Without NAWAPA XXI

by Marcia Merry Baker

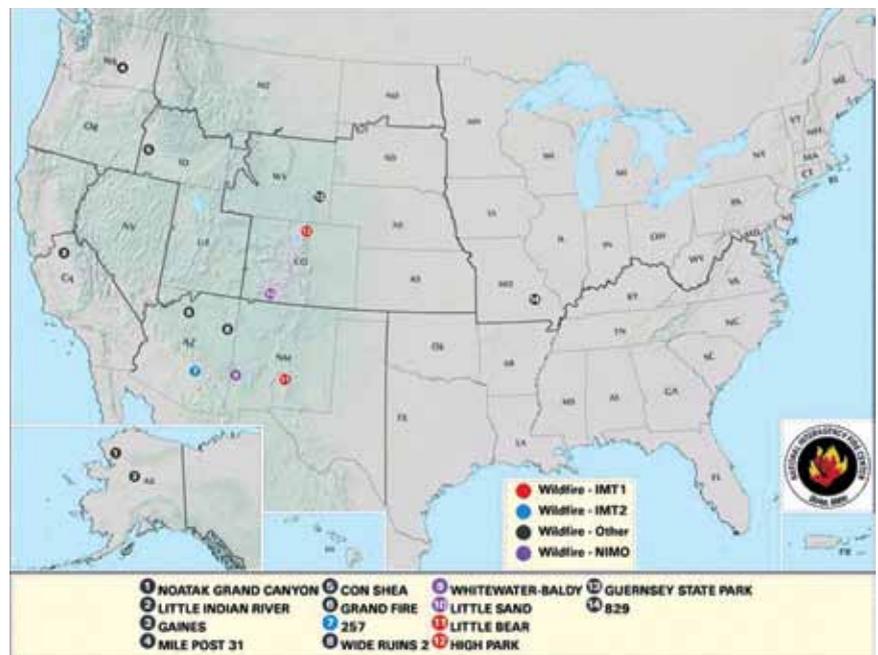
June 15—There are currently 22 large wildfires burning in nine U.S. states, with New Mexico and Colorado especially hard hit. This year, so far, some 1,459 square miles have burned nationwide—less than the same period in 2011, when 6,327 sq. mi. had burned by this time, but the significance is the mounting scale of devastation, year-on-year. Colorado reported its first fatality June 11; a woman was incinerated as her cabin burned down. In May, Gov. John Hickenlooper declared a state of emergency in Colorado.

By definition, worst hit for vulnerability to fires, from lack of humidity, are the western drylands and deserts—the very area which would be transformed by the new waters of NAWAPA XXI—the North American Water and Power Alliance updated for the 21st Century.

**Figure 1** shows the states, locations, severity, and status of response to the fires. A “large” incident is defined as a wildland fire of 100 acres or more, occurring in forest; or a wildland fire of 300 acres or more, occurring in grass/sage. **Figure 2** shows the NAWAPA XXI routes of new and expanded waterways, lakes, and reservoirs. The necessity of NAWAPA XXI stands out.

In New Mexico, wildfire no. 15, the Whitewater-Baldy, is the largest on record in the state. In Colorado, wildfire no. 20, High Park, is one of the worst in the state’s history.

FIGURE 1  
**Current Large Wildfire Incidents**  
June 15, 2012



Source: National Interagency Wildfire Center, Boise, Idaho

*Definition of Map Terms:*

*Large Incident: A wildfire of 100 acres or more occurring in timber, or a wildfire of 300 acres or more occurring in grass/sage.*

*Wildfire IMT1: Type 1 wildland fire, Incident Management Team Assigned;*

*Wildfire IMT2: Type 2 wildland fire, Incident Management Team Assigned;*

*Wildfire Other: Other Incident Management Team Assigned, besides Type 1 or 2.*

The LaRouche Political Action Committee, on its website page for [NAWAPA XXI](#), specifically takes up the point, that the conditions giving rise to these fires can be ended. A May 30 posting, titled, “Largest New Mexico Wildfire Unavoidable?” presents Google Earth images with the addition of the NAWAPA XXI reservoirs planned for the western part of the New Mexico, in the lower Colorado River Basin, in which the mon-

FIGURE 2  
NAWAPA XXI



Source: NAWAPA XXI, LaRouchePAC Special Report, March 2012

ster fire in the Gila National Forest is still raging (435 sq. mi. of forest burned to date). The record-size fire was only 50% contained as of June 13, according to Federal officials. This fire, “already the largest wildfire in the state’s history, would have been a mere spark, if the NAWAPA XXI project, as proposed today, were already built,” states LPAC.

In the *NAWAPA XXI* LaRouchePAC Special Report (March 2012), the list of new or expanded reservoirs for the Southwestern six states is given, with specifications for elevation and storage capacity. “A total of 32 reservoirs will be created throughout the Southwest, creating a total of 233 MAF [million acre feet]

of storage capacity. The open bodies of water will add sufficient moisture to their surrounding vegetation to alter evapotranspiration, and in combination with land cover changes, will change local climate, and initiate new precipitation trends or accelerate existing ones.”

The list of states, and number of reservoirs given: Colorado (2), New Mexico (5), Utah (6), Nevada (2), Arizona (14), California (3).

### **Obama: Go-Slow to Firefighting**

In opposition to the NAWAPA XXI biosphere-shaping perspective, the Obama Administration is lying, and even insisting that it has sufficient resources to deal with the current emergency; it also asserts that, in any case, today’s problem stems from—besides vagaries of weather—decades of fighting forest fires, rather than letting the fires burn and run their course freely!

Forest Service Chief Tom Tidwell, as of June 11, said that his agency will use its authority to transfer funds from other accounts to meet the escalating

firefighting costs—an impossible shell game, since every worthwhile agency is underfunded.

The National Interagency Fire Center in Boise, Idaho, has been under de facto orders to go slow and follow the letter-of-the-law, not to call in full military firefighting force, until it is first demonstrated that its own national fleet and resources are fully deployed.

States and localities are scrambling. Arizona has sent 15 fire-trucks and two water-tenders to New Mexico. One C-130 military transport plane is in use.

Colorado’s Congressional delegation appealed in a letter to Obama this Spring, that he sign legislation to

contract to lease more air tankers for the U.S. Department of Agriculture Forest Service. There should be seven additional large air tankers leased fast, according to Sen. Mark Udall (D-Colo.). One crashed recently in Utah.

The Forest Service has only 11 tankers, plus two on loan from Canada, for only 13 nationwide. Ten years ago, the Forest Service had 44 air tankers!

On June 11, Forest Service officials announced that they would contract for more aerial force, including likely four more air tankers from Canada and one from Alaska. Finally, on June 13, Obama signed a bill to add seven large tanker planes. But the earliest any of these are expected is mid-August.

Obama Administration officials in charge held a nationwide conference call April 26, on this year's wildfire prospects, admitting the worsening situation, but downplaying the lack of resources. Agriculture Secretary Tom Vilsack acknowledged at the time that the Forest Service air tanker fleet is "aged and few."

Calling the fleet "Korea War-era" aircraft, a reporter from the *Missoulian* (Missoula, Mont.) asked why this inadequacy continues. Chief Tidwell defensively responded that he has put out requests for proposals to contractors, to bid on supplying newer craft. There is an intent to acquire ten additional craft next year. And pilots are being given refresher training in the Air National Guard and Air National Reserves to be ready.

Now there are emergency situations at multiple points, with the season still young. Veteran firefighters say that the U.S. should have a national fleet of 50 modern aircraft, large and small. Air tankers need to respond within half an hour to new fires, to slow them down, while on-the-ground forces can put them out. This capability no longer exists, at a time when the fire-prone conditions are extensive and severe.

### **Warnings, Lack of Resources**

The National Oceanographic and Atmospheric Administration (NOAA), the National Weather Service, and other agencies forecast the continued likelihood of fire-prone conditions this year. On March 15, NOAA released its annual "Spring Outlook" for 2012 expected weather patterns, in which the incidence of extremes—drought and high temperatures—raised concerns about problem impacts.

This year's unusually warm Winter was a main fea-

ture of attention at the mid-March phone-forum. The snowpack in the Rocky Mountains was much reduced, which averted a repeat of the huge flooding in the Missouri Basin, but the reduced snowmelt has hurt the Colorado Basin.

Drought of "historic magnitude" was the description offered for West Texas and New Mexico, which in March saw their 52nd consecutive week of what is categorized as "severe, extreme or exceptional" aridity. The year 2011 was the worst one-year drought in Texas' history. In New Mexico, 66% of the state was in extreme water shortage this Spring. Arizona likewise. The reservoir levels are below the danger level.

The context for understanding these patterns, lies in the conditions in the Solar System and galaxy, inclusive of apparently proximate factors, such as the shifts in the Arctic Oscillation.

The inference to be drawn, is that greatly enhanced resources are in order for NOAA and sister agencies at NASA, for the Department of Agriculture/U.S. Forest Service, U.S. Army Corps of Engineers, Centers for Disease Control and Prevention, the U.S. Geological Survey, et al., to have the means to carry out tasks of satellite and other monitoring, and protective action. For example, an Active Fire Mapping program is carried out by the Remote Sensing Applications Center (RSAC), run by the Forest Service, in Salt Lake City, Utah. The RSAC conducts near real-time detection and characterization of wildland fire conditions throughout the United States, including Hawaii, and Canada.

However, under the Obama/Republican reign, resources are being gutted, not expanded. The National Weather Service is proposed to have a 6.2% budget cut for FY 2013, down to \$872 million; NOAA is to have a 1.31% increase to \$5.18 billion, but not enough to maintain weather satellite programs as required; and the Army Corps of Engineers (which works with the National Weather Service) is cut down to \$4.73 billion for FY 2013, down from the paltry \$5.002 billion in 2012.

The Obama Administration has cut the Wildland Fire Management budget itself, from \$2.168 billion enacted for FY 2011, down to \$1.975 billion enacted for FY 2012, down to \$1.972 billion proposed by the White House for FY 2013.

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# Japan: Sanity, Not Anti-Nuclear Suicide

by Mike Billington

June 15—Fifteen months after the Great East Japan earthquake and tsunami struck Honshu Island, killing nearly 20,000 people, and triggering a meltdown at the Fukushima nuclear facility, the Japanese government finally declared that it will not follow the suicidal path demanded by the British-sponsored anti-nuclear Green fascists. With the trans-Atlantic financial system in its final stages of disintegration, the role of Japan's industrial and scientific capacities is crucial in bringing about the required global infrastructure-based recovery—especially in regard to Japan's potential contributions to the ambitious Russian plans for the development of the “new frontier” in the Russian Far East.

Despite an insane anti-nuclear policy which has dominated the ruling Democratic Party of Japan (DPJ) since the Fukushima crisis, the nation's leaders have been forced to announce an about-face in favor of re-opening the nuclear power plants that have passed safety inspections—forced by the reality of industrial collapse, economic breakdown, and an incalculable number of deaths that would have resulted from a decision to forgo nuclear power in a nation which was 30% dependent on its 54 nuclear power plants.

Following the March 11, 2011 tsunami, the DPJ government declared that all the nation's nuclear plants, when they reached the required maintenance shutdown (on 13-month cycles), were to remain closed pending safety checks, political debate, and approval of the local populations—usually meaning that the international anti-nuclear NGOs centered in London could prevent any plants from being reopened.

The anti-nuclear lobby, run by the British Crown through its Worldwide Fund for Nature (WWF) and related Green fascist outfits, has spread outrageous lies internationally about the nuclear accident, with claims of radiation spreading death and destruction in Japan, and even as far away as the United States. The truth is that the nuclear accident killed no one, while the tsunami and earthquake killed thousands. No one is known to have been exposed to a level of radiation that is con-

sidered dangerous by the World Health Organization; of the nine workers who have died in the clean up of the reactors, none of the deaths were related to radiation.

Nonetheless, the last functioning Japanese nuclear plant was closed down in early May. Prime Minister Yoshihiko Noda did not declare himself opposed to nuclear power, but hid behind the demand that “popular opinion” must approve before plants could be reopened. Economy Minister Yukio Edano was less subtle, saying, “I'd like to see the reliance on nuclear energy cut to zero. I'd like to have a society work without nuclear as early as possible.”

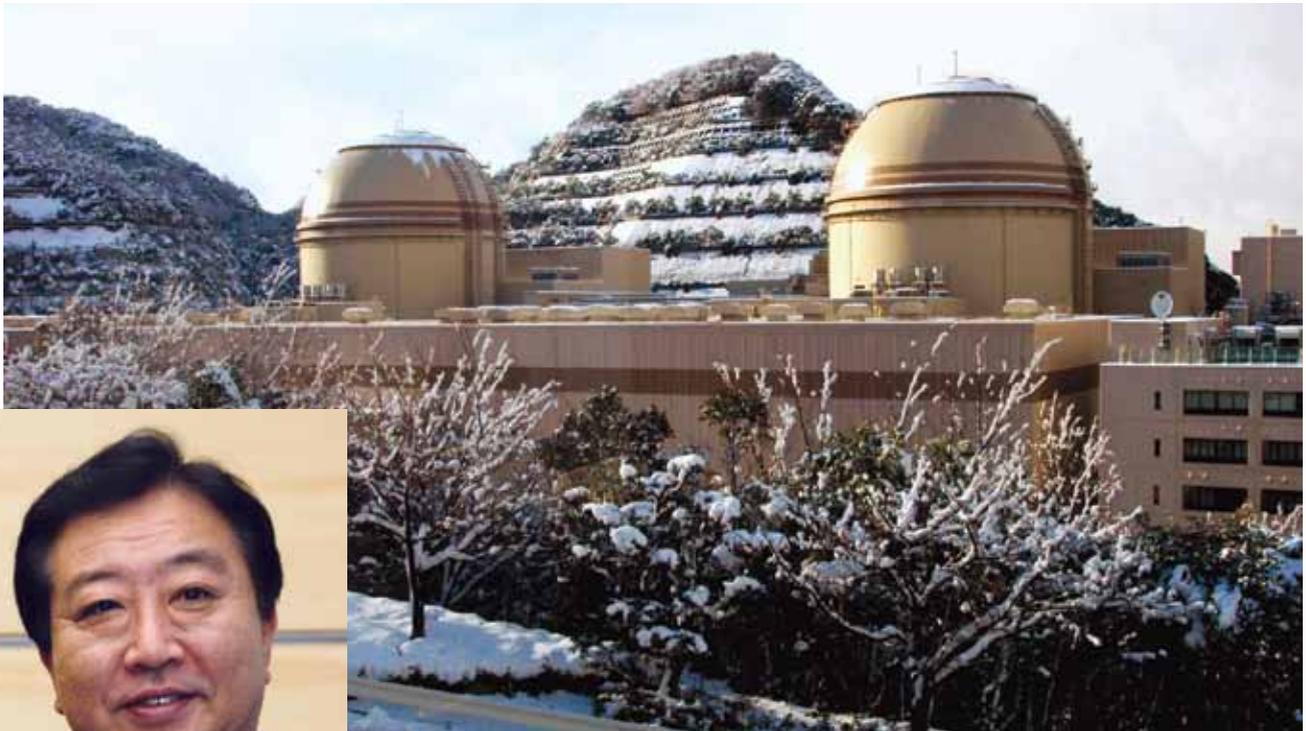
However, as the severe Japanese Summer heat has set in, threatening to devastate the cities, which are built around reliable power supplies and air conditioning, political leaders realized that they would be held responsible for the horrendous suffering and ensuing death toll. The industrial sector, and most of the opposition Liberal Democratic Party (LDP) leaders, demanded a rapid return to nuclear. The first public break came from the populist Mayor of Osaka, Toru Hashimoto, a fanatic opponent of nuclear power (and considered a potentially dangerous demagogue). In a surprise announcement on May 31, Hashimoto reversed himself, announcing that, “If we absolutely need them this Summer, I think we need to accept a restart.”

Then on June 8, Prime Minister Noda pointed directly to the murderous consequences of ending the use of nuclear power: “Cheap and stable electricity is vital. If all the reactors that previously provided 30% of Japan's electricity supply are halted, or kept idle, Japanese society cannot survive.” He added: “Livelihoods should never be threatened by failing to restart nuclear reactors. . . . If a sudden blackout happens, some people's lives could be jeopardized.”

## American System vs. British System

Lyndon LaRouche has often noted that there are two Japans—the tradition represented by the late-19th-Century Meiji Restoration, heavily influenced by the American System of political economy as developed by Alexander Hamilton, based on national credit for industry, infrastructure, and scientific development; and, on the other hand, the British imperial, free-trade, oligarchical system, which destroyed the Meiji tradition and dragged Japan into imperial wars with Russia, Korea, China, and eventually, with the United States.

The American System influence was restored after World War II, with help from Gen. Douglas Mac-



DoD/Tech. Sgt. Jacob N. Bailey, USAF

*Prime Minister Noda (inset) has made an about-face on nuclear power, after shutting down all Japan's plants following the Fukushima disaster; he now says, "Cheap and stable electricity is vital." Pictured here are Units 3 and 4 of the Ohi Nuclear Power Plant, the first reactors to be restarted.*

Arthur's leadership of the postwar occupation.

The battle over nuclear power captures the essence of those two Japans—scientific and technological development vs. zero growth and anti-human environmentalist idiocy. A parallel battle is taking place over trade, as the British, through their agent in the White House Barack Obama, are demanding that Japan give up its historic protectionist policy of self-sufficiency in rice, as a condition for being part of Obama's Trans-Pacific Partnership (TPP), an effort to create an anti-China free-trade alliance in the Pacific basin. If Japan is to continue its historic dedication to sustaining the livelihood of its people through technological development and export of high-technology goods, it must restore its nuclear commitment, including the export of its nuclear power technology, and reject the free-trade mantra of the British Empire.

### **Developing Asia's New Frontier**

This past January, Russian Foreign Minister Sergei Lavrov visited Japan, reversing a period of strained relations, and setting in motion the huge potential for

Japan to contribute to President Vladimir Putin's ambitious plans for the development of the Russian Far East. During the visit, Lavrov agreed to ease restrictions on Japanese business ventures in Russia, and the two countries further consolidated plans for Japanese involvement in the development of the massive Chayanda gas field in the Russian Far East, as well as a nearly 3,000-kilometer pipeline from the Chayanda field to Vladivostok, and joint construction of a liquefied natural gas plant in that Russian city.

With Russia's development plans for the underpopulated but resource-rich Far East, including the construction of a tunnel under the Bering Strait connecting the United States and Russia by rail, Japan, like China and Korea, can and must play a leading role in this new frontier for all mankind. That potential will be dramatically increased as Japan's nuclear industry is restored, along with its historic dedication to research on fusion power and other scientific frontiers facing mankind.

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THE RULER CAN NOT ACTUALLY MEASURE ITSELF:

## Beyond Sense-Perception

By Lyndon H. LaRouche, Jr.

Friday, June 8, 2012

*The subject of the measurement of physical space-time, has been a source of mystery which has variously teased, occupied, tormented, and refreshed my thoughts, that done during seven decades of my adult life, up to the present moment. Now, although a significant part of that persisting, and tantalizing mystery, has already been solved for me, there is also much which remains as being the unsolved questions which I must cram into the few relatively remaining opportunities which life were likely to permit me to suffer, or enjoy.<sup>1</sup>*

*As I have indicated heretofore, the obvious part of the specifically scientific obstacle now confronting me, as I address the reader here, has been an effect of the mistaken, but popular habit of presuming that the mere flow of accumulated passing experience of specifically human sense-perception, might, itself, supply me, or others, with certain relevant elements of knowledge respecting the entities and actions of our universe. In fact, the difficulties to be considered on that account, are not particular, but are systemic, as Wilhelm Furtwängler's celebrated formulation outlines*

1. *If I sometimes seem to repeat myself in elements of these reports, it is intentional and necessary, in cross-referencing, as I do here, where I reference elements of the slightly different treatment of the area of the subject of ontology which I had treated in "The World's Breakdown-Crisis Is Now," of May 29th (EIR [http://www.larouchepub.com/lar/2012/3924lesson\_furtwangler.html] or Lyndon LaRouche PAC [http://larouchepac.com/node/22838]).*

*the principle. Let us say, "There's the rub."*

*Indeed, several aspects of the presently persisting popular errors, might seem, to some, to have been previously solved by wishful minds; but, those errors will have turned out, again, as before, to have been just one more bit of "intellectual fools' gold."*

*There are available approaches toward remedies for such problems as those, despite the customary, stubbornly persistent trends toward failures in these matters thus far. Things might go better, if that stubborn fact were kept in mind.*

*The track which leads toward the increasing urgency of solutions, even of actually global solutions, begins with recognition of the fact that the prevalent expressions of the simple incompetence of the usual arguments on behalf of the legendary classroom's imagined "common sense," are usually typified, systemically, by the fraud of Euclidean geometry. Contrary to Euclid, sense-perception as such can not provide an essential measurement of an idea itself.<sup>2</sup>*

2. The common academic hoax called "Euclidean Geometry" was the product of an opportunists' exploitation of the destruction which had occurred as done to a crucially important section of the great library at Alexandria. Whether as a result of the ignorance among some backward scribes at that library, or the outrightly malicious fraud of Aristotle himself, the Euclidean fraud had been a recurring phenomenon up to the time of the Carl F. Gauss who understood the nature of the fraud, but chose to avoid the subject. Cf. C.F. Gauss to F. Bolyai, Göttingen, 6.3.1832. (Cf. Schmidt 1899, pp. 108-113.) **Carl Friedrich Gauss, Der "Fürst der Mathematiker" in Briefen und Gesprächen**, Kurt-R. Biermann, (ed.), C.H. Beck, München, 1990.

Or, to restate the problem in more modest terms, the shadow cast, merely appears to measure the real event; the truth does not lie in simple appearances as such. For example, the truth of this matter which I am now putting before you, here, had been most usefully and successfully defined, not as a matter of clever mathematical tricks; it is a matter of discovering the right principle, as that has been done by Wilhelm Furtwängler's great discovery of the true principle of music. Some among my immediate associates, and certain others, have each pointed attention to a broadly definable recapitulation of relevant aspects of Furtwängler's own, highly successful solution to the actually relevant problem.

My own approach to this subject, places much of the blame for the still prevailing ignorance in this matter, on the following set of implied, false presumptions:

**Those Presumptions:**

- (1.a) Error: Presume that the universe is built up from inanimate materials, which, in turn,
- (1.b) Error: extract from the universe what are presumed to be an inherently smaller mass of simply living processes,
- (1.c) and which, implicitly, is the imputed origin of a still smaller portion of living matter which expresses creative animal powers, which, in turn, is expressed in the generation of a still higher quality of existence, that of specifically human creative processes.

My own approach, contrary to such commonplaces as those above:

- (2.a) is toward those superior, living processes which are intentionally creative (i.e., human creativity),
- (2.b) and, which, therefore, subordinate merely living processes, and
- (2.c) also, in turn, subordinate the large amount of non-living material.

*“The shadow cast, merely appears to measure the real event; the truth does not lie in simple appearances as such.”*



High-Z Supernova Search Team, HST, NASA

The “popular habit of presuming that the mere flow of accumulated passing experience of specifically human sense-perception,” will not provide us with what we need to know about our universe. Shown: a supernova that occurred in 1994 on the outskirts of a spiral galaxy.

As I have already indicated here:

The common mistake has been the heretofore customary failure to recognize, that that which Wilhelm Furtwängler had demonstrated, is that sense-perceptions, when considered merely as such, express, in and of themselves, that which, like metaphor as such, is merely a reality lurking within shadows, like Kepler's vicarious hypotheses.

Kepler had known these as being of truly physically “unsensed substance” which latter only the principle of mind as such could actually know. That is to emphasize, that we do not actually know directly what the fact of sense-perception as such indicates.

Sense-perception as such, is merely a shadow cast by that which is unseen by the senses as such; it is not the planet which is seen. As Kepler emphasized, the image of the planet is what the Sun sees, or, in other words, that which we seem to recognize to the degree that we seem to be able to think like the Sun. Furtwängler, in his turn, had made the relevant distinctions ef-

ficiently clear. Audiences have sensed, with awe: how can we sense the distinction in the result of Furtwängler's performances?

How was that vision made possible? There is a knowable principle involved. The principle coincides with the higher principles of action in the universe, which are knowable for the noëtic specifics of the human mind, but which do not exist in "the opinion of" dead matter. That problem presented by "dead, not living, matter," is typified by the crucial discovery of universal physical principle recognized by Wilhelm Furtwängler, and also demonstrated, as physically, by him, in actual performances.<sup>3</sup>

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## I. The Doom of the British Empire

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*The most foolish practice in the name of "science," is a reliance upon the sophism which is known, otherwise, as if being the interpretation of words by mere words, as being representative of self-evident objects of thought. Human beings must learn to recognize that which remains unsensed. What we actually know, is only that which, so to speak, lies as if "between the cracks."*

Heraclitus and Plato, and Philo of Alexandria,<sup>4</sup> are

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3. The ontological hoax of both Bertrand Russell and his dupe Alexander I. Oparin is relevant in understanding the fraud which Furtwängler's discovery discredited.

4. In relatively recent times, there has been renewed emphasis upon attempts to discredit the extensive documentation of the ties between "Philo-called-Judaeus" and original Christian apostles, such as the martyred Apostles Peter and Paul, most notably. The formal root of such a continuing doctrine of exclusion of Philo from his tradition, is tied, especially in recent times, to the fanatically errant Venetian influence against the presently still most notable, principal among the original Renaissance founders of modern European science, such as Nicholas of Cusa. The formal great error in nominally pro-Aristotelean concoctions, is that it excludes any actually functional essentials of Christianity in particular, and requires, instead, the substitution of essentially mechanical types of literary wind-up-toyisms. The essential principle of Christianity, in particular, is located in its "most efficient" expression of practice in the mission of the Creator to which mankind should respond. At the least, that is what such a commitment by us signifies. That latter view is presented most simply and clearly when we take into account both, first, the scientifically, currently pending probable date of the extinction of the Solar system, and, secondly the requirement of the rates of economic progress by mankind within our galaxy, to meet whatever might be the date mankind must have progressed to a new, higher destiny, within, or beyond this present galaxy. The dates for such events are not a practical issue; the intention to meet such a challenge, is what is crucial. Of most relevant notice here and now, is the implicit commit-



*The scientific genius Eratosthenes (276-194 B.C.) crafted the method for determining the size of the Earth, using the shadow cast by the Sun (see **Figure 1**, p. 45).*

among the notable ancient thinkers whose work, when carefully considered from the standpoint of my prefatory remarks, above, warns us against a commonplace reliance upon what were merely sense-perceptions of sense-perceptions.

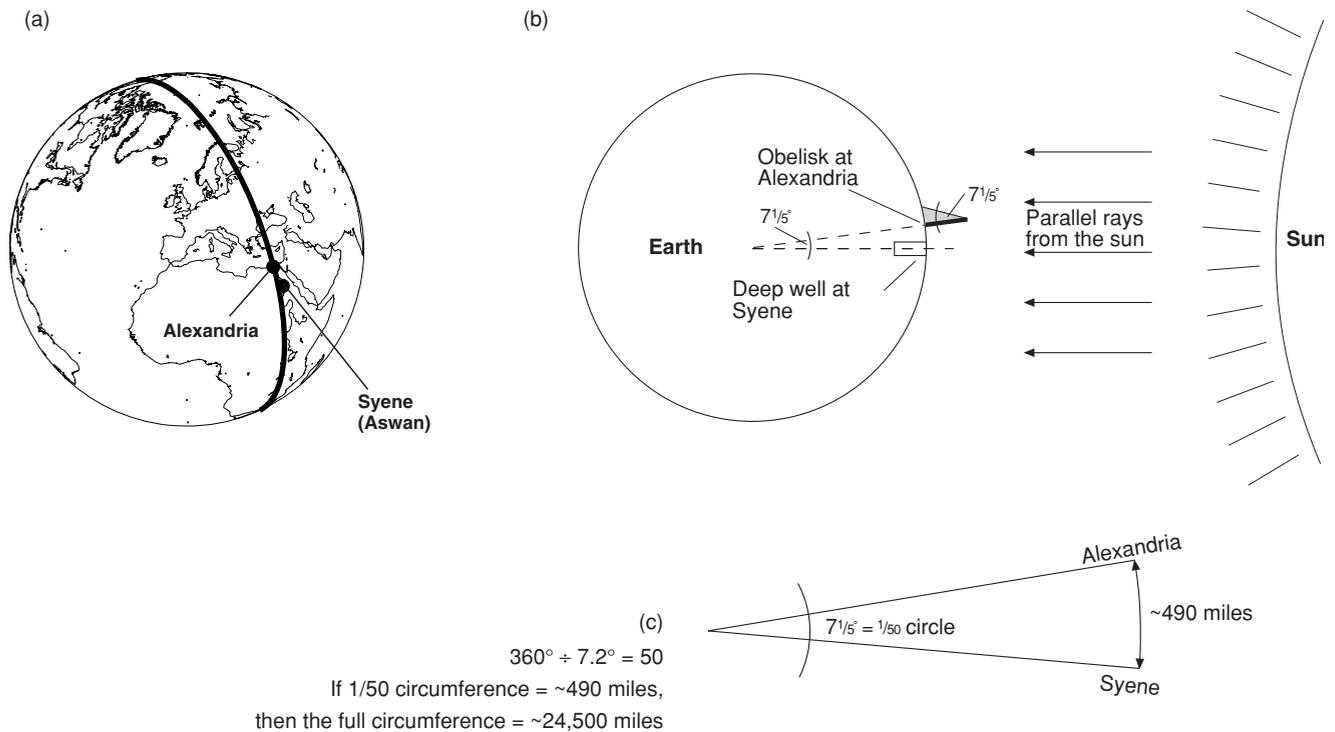
Such commonplaces as those, are to be found in the typical cases of those hoaxsters known respectively as Aristotle and Euclid. One persuasive bit of evidence on this matter, is to be found, since long before Kepler, in a discovery by the great scientific genius Eratosthenes, who crafted the method for considering the size of the Earth by scrutiny of the shadow cast by the Sun. That was the same Eratosthenes whose work inspired that of such successors as the modern Nicholas of Cusa and Cusa's follower, Christopher Columbus, which persists as if embedded in the latter's intentions respecting the existence of what were to become known as the Americas, lying across the Atlantic Ocean.

That was the same Nicholas of Cusa, who went even far beyond the achievements of his acquaintance and biological senior, the already greatly accomplished physical scientist and musician of the design of the Pazzi Chapel, Filippo Brunelleschi. So Cusa had done,

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ment required for human science-driver practice. The meaning of all human life lies in the consequent ultimate mission for the period during which this Solar system continues to exist as habitable; after that, new considerations would have to come into play. It is the immortality of the functioning human individual personality, which should be the focus of our guiding intentions.

FIGURE 1  
**How Eratosthenes Measured the Unseen**



*Eratosthenes' measurement of the size of the Earth was based on determining the angle of arc between Alexandria and Syene (Aswan), cities that lie close to the same meridian, at a walking distance of approximately 490 miles (a). At the same time that the Sun's rays shone directly into a deep well in Syene, they cast a shadow of  $7.2^\circ$  from the top of an obelisk at Alexandria (b). Eratosthenes' calculation of the circumference was remarkably accurate.*

for his part, in the actually original founding of those universal principles of modern science which have been, in fact, derived from the standpoints of reference presented by such predecessors as Plato and Heraclitus. Contrary to Cusa's own intentions, mankind's commonplace attempts, still presently, to promote what is often considered as a reasonably reliable attempt at knowledge of mankind's social history, have often been muddled, and otherwise obscured. This has occurred through the inherent rapacity of societies which have been more or less wholly subordinated to the influences exerted by what is fairly identified as the "oligarchical principle."

**Man & Fire**

The latter influence is the expressed practical substance of that evil of "oligarchism," which we can trace, conveniently, as existing since that humanly disastrous siege and fall of Troy, which was launched by the mass-murderous cult of the Olympian Zeus. Nonetheless, the

existence of the great stellar calendars associated with trans-oceanic navigation, should have forced attention, long since, to the eastward (and reversed) trans-Pacific navigational exploits by the followers of Eratosthenes' leadership in their time. Such explorations had reached to as far distant eastward as the present coast of Chile, as this feat, which included the attempted return, is dated from the lifetime of the great Eratosthenes.

The point of the foregoing, summary argument which I have placed here this far, is simply that we must not preclude some positive effects of even relatively disastrous reversals which have occurred within large areas of human culture. This must include accountability for the damage which had been done to the "collective" human mind of entire cultures, including damage to their "collective memory," a damage which has, in fact, been generated by allowing the continued existence of such perversions as that of the modern New Venetian system which William of Orange had represented in his time, and related, oli-

garchical monstrosities experienced in relatively long sweeps in human cultures. Such setbacks as those must be converted into the progress which is prompted by the hatred of failure.

On this occasion, I am pointing, once more, as on relevant other recent occasions, to that which should have now been already clear beyond reasonable doubt, from among whatever else may also be considered as relevant. The consequent choice of our subject here, is the great, revolutionary achievement of the discovery made as the physical principle of action presented by Wilhelm Furtwängler. Furtwängler had succeeded in this, where other notable figures in science had failed, and, chiefly, continue to fail presently.

Furtwängler's achievement on this account was in no way accidental; he had discovered the needed great principle, and had succeeded in proving the case as far as he had presented it. He had succeeded in this, because he had sought out success through adoption of the actually relevant outlook on physical science, rather than the mere scrutiny of a mere science *per se*. He had accomplished as much of that which had been done by himself, through imagining an objective which were unseen in and of itself, as Nicholas of Cusa would have considered the subject-matter similarly within his **De Docta Ignorantia**.

The crucial point for our continued reference on this particular occasion, is that, here and now, Furtwängler's discovery on this account, meets fully the required standard for the defining of his discovery as being much more substantial than that of a true, universal physical principle of musical composition. Nonetheless, the two presently most crucial antecedents for us, that of Johann Sebastian Bach, and that of Bach's follower Wilhelm Furtwängler, remain, on this account, as having been reflections of what had been, earlier, the leading roles of Nicholas of Cusa and of Cusa's senior, the great physicist and musician, Filippo Brunelleschi, in the context of the process of the founding of the Fifteenth-century Renaissance.

That was a role in which Cusa had launched a competent basis for the development of a modern European science, and had launched the basis for that later great 1648 Peace of Westphalia which, at least temporarily, rescued the best of that which has, lately, barely survived the present-day modern European science and related culture. The secured continued existence of trans-Atlantic civilization, now depends upon an efficient resumption of The Peace of Westphalia in full as such—

and the expulsion of the evil Tony Blair for reason of much cause.

In the end, that principle of music, so unleashed as from the inceptions associated with the relevant, continuing work of Johann Sebastian Bach through Wilhelm Furtwängler, has enabled mankind to preserve a great cultural intention in Europe and beyond, an intention which had once seemed threatened to pass away in the aftermath of the death of Johannes Brahms.

It is, therefore, historically fitting, that a successor of Brahms, the great, but wickedly abused musical genius, Wilhelm Furtwängler, should have earned, as he has done, the greatest achievement of actually Classical musical composition, an achievement which has been presented, from the turn into the Twentieth Century, to the attention of a presently diminishing few who maintain Furtwängler's legacy today. Hopefully, we look forward to the realization of the great enjoyment of the inspiration which Furtwängler has bequeathed to our future, as also to all those heroes whose intention that master-musician has served in one way or another.

Furtwängler's contributions to us, and to our benefactors, must be considered as a presently more than merely timely choice.

There is a presently building crisis within our Solar system, ostensibly one approaching the introduction of needed changes in adopted principles, changes to be made by the human species. The hope for those changes is now approaching, ominously, those new demands implicit in a fresh and greater crisis on an ever more than global scale.

I say here, summarily, that Wilhelm Furtwängler and Russia's Vladimir I. Vernadsky, represent, implicitly, a certain coincidence in a continuing, common, but deeply revolutionary, higher mission, one greater than were realized during their lifetimes. This has been a mission which must now assume its proper, emerging shape as the force of the common means and objectives of a more richly developed standard for membership in mankind. This must speak for a hope which defines the presently recognized limits of present hope for a continued future existence of civilized mankind, even for the hope of the continued existence of mankind generally.

You could not know creation, unless you had experienced the act of creation by looking at the planetary system through the power of vision echoing that of a working Creator within the galaxy which we presently



NASA

*“You could not know Creation, unless you had experienced the act of creation, by looking at the planetary system through the power of vision echoing that of a working Creator within the galaxy which we presently inhabit.”*

inhabit. In the meantime, presently, the crucial challenge to the presently necessary contemporary expression of a true, contemporary human mind, demands our emphasis on that specifically leading point which I am pointing out here.

We now require, urgently, a shift of the emphasis of our necessary attention, away from the implications of presumed “sense certainty,” into an actually practicable insight into the nature and embedded intentions native to the matured human mind. We approach this matter as being predicated upon that notion of mind which is one which does not correspond ontologically to the contemporary notion of simple-minded “sense-certainty.” Wilhelm Furtwängler’s indicated, great discovery, has enabled those willing persons who can be defined as representing a clarified mind, both to bridge whatever the newly discovered gap might be, and do that with a prospective safe arrival at “the other side” of the hopes for human survival

### ***Why Society Later Failed***

Furtwängler himself has been a hero who did not fail, although, to a large degree, his European society has since failed enormously. The intrusion of the post-World War II, British-directed oligarchical tyranny, is to be found, still, as reflected in British paw-prints left upon the German royal family after the ouster of Chancellor Bismarck, as such a triumph had been proclaimed on British Royal Family orders, as after the morally horrid effects of the Versailles-Treaty travesty.

This process, since the ouster of Chancellor Bismarck, left not only all of Europe, but chiefly all of Asia and the Americas, subject-in-fact to a British imperial tyranny, which had, not so incidentally, brought the British monarchy’s opportunist choice of the moment, Adolf Hitler, temporarily into reign. In that time, many Germans gathered to join, temporarily, what the British empire had considered Britain’s “useful target for destruction” on the European continent, Adolf Hitler. Now, in that same British imperial tradition, there has been the British Golliwog and U.S. President Obama, who is being used in the determination to destroy the many

poor, duped fools inside our United States, as by the instrumentality of the puppet-President and “modern Nero,” President Barack Obama.

On this account, the British empire sometimes supports its temporarily apparent beneficiaries, such as the fallen Nazi regime, for “too long” for its own “alleged good.” Americans who are really well-informed, will eventually recognize that fact, if their successive generations actually live long enough to reach a recognition of that truth.

So, it happened, that by the time I had spent my wartime and later military experience in Northern Burma and India, I had already come to understand all this, not perfectly, but clearly enough as to matters of principle. The insistent influences of prolonged world war are capable of teaching profound lessons even to poorly tutored people. Perhaps, only those statisticians who are to be properly ranked as certifiable fools, would miss my point. I explain that often missed, latter, critical point as follows.

### ***The Need for a Franklin Roosevelt***

If we trouble ourselves, as being Americans, or one of many other comparable cases, to review the recent passing of the U.S.A.’s Twentieth Century, we should have recognized what had been the legacy left by the assassination of President William McKinley. This was reflected among McKinley’s attributed successors such as the thoroughly wicked nephew of a condemned U.S. traitor, the condemned and more than thoroughly treasonous James D. Bulloch, who is to be remembered as

the uncle and spiritual father of the same Theodore Roosevelt who, himself, fathered much evil.

This was a legacy of Theodore Roosevelt, continued by the thoroughly evil Woodrow Wilson, who relaunched the Ku Klux Klan, bigger than ever, and celebrated that Hellish commotion from within the premises of what Theodore Roosevelt had unchristened as “The White House.”

There was the related case of the mysterious death

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*With some brief exceptions, Britain may have sunk low for a time, but has remained—as the British Empire, not England—as being an imperial power explicitly born in the Roman imperial tradition, and devouring the other nations of the planet.*

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of what someone must have regarded as an apparently inconvenient Warren G. Harding, who died, as asserted, from eating live oysters on the train ride across the American desert. There was a thoroughly evil Calvin Coolidge, and a brutishly wicked President Herbert Hoover whose Wall Street backers attempted, after Hoover’s term in office, to install a Hitler-modelled fascist dictatorship over the United States.

Then, once President Franklin Roosevelt were deceased, we had to compare the towering genius of that Franklin D. Roosevelt with the wretched (and also silly) Wall Street maven Harry S Truman. We rightly preferred the stalwart President Dwight Eisenhower, as I did in my time; and the great patriot in the footsteps of Franklin Roosevelt, John F. Kennedy. We contrasted the once not unreasonably terrified President Lyndon B. Johnson, to the wretched Richard M. Nixon. We contrasted Nixon’s stumbling replacement, Gerald Ford, to the both mean and pitiable James E. Carter. We contrasted the usually calculable President Ronald Reagan to his Vice-President, the essentially contemptible George H.W. Bush, and compared that Bush with the President Bill Clinton who was much more effective and deserving than those wretches who had attempted to impeach him. We properly contrasted President Clinton with a pack of worse than worthless rubbish known, in succession, as George W. Bush, Jr. and the virtual real-life copy of the Emperor Nero known as the totally impeachable, self-styled, Nero-

like mass-murderer, President Barack Obama.

The pattern which I have just laid out for the reader, is a sample of the efforts of the British monarchy’s presently continuing world empire, an empire which is deployed to effect a virtual subjugation of the Federal government of the United States during most of the terms of the incumbencies of the Presidents; it was George Washington, the great war-hero of the U.S. defense against Britain; the heroic James Monroe; the great nation-builder and master diplomat John Quincy Adams; the towering hero Abraham Lincoln; an inspired William McKinley; that true giant, the great Franklin D. Roosevelt, whose mission had inspired that John F. Kennedy who, in turn, stood out above others in his distinction as truly great, as distinct from others who were actually only good. What this signifies, above other considerations, is that since the crushing of the original Massachusetts Bay Colony by the forces associated with the New Venetian Party’s William of Orange, that New Venetian Party has dominated the planet’s destinies, often entirely, most notably since the 1763 Peace of Paris to the present day: a New Venetian Party of which the world must be freed once and for all, now, freed by aid of the likeness of the good right arms of our patriots.

During the process to date, there have been temporary moments of effective sovereignty under some U.S. Presidents, some of the time. It is also true that, during most of that time, since the Massachusetts Bay Colony’s time of a brief, functionally qualified independence, that until the last quarter of the Seventeenth Century, the American forces of national independence have been more capable of sustained resistance to the global tyranny exerted by the British empire, than other nations thus far. With some brief exceptions, Britain may have sunk low for a time, but has remained—as the British Empire, not England—as being an imperial power explicitly born in the Roman imperial tradition, and devouring the other nations of the planet. The immediate, less-than-colonial status of the nations of western and central Europe today, emphasizes the virtual non-existence of any current expression of their wish for independence from the British world empire of today.

The root-power of that evil which the British Empire embodies in global fact, bespeaks an ancient legacy attributable to the more than murderous destruction of the city and people of Troy, and the significance of that destruction of Troy in respect to the emergence of the original formation of the Roman empire as continued as

a principle-in-fact of that empire, down to the present day.

So far, the certainty of the worst which has been provided by widely adopted characteristics of what I have just summarized in outline here, is best identified in the concept of “monetarism.” On this subject, almost every installed statesman on this planet is, if not a true virgin, a seriously confused amateur. Hence, certain problems typical of nations, are what they are. The crucial fact which such a fact imports, is that the monetary systems of our planet are, each and all, virtually sink-holes of popularized delusions, that respecting even the bare conception of the function of “money.”

That outlines our republic’s currently leading problem.

Therefore, I now, first, attack that specific problem here. Let us place the subject of this discussion under the category of “the function of the human use of fire.” Name it that principle of “Prometheus” which affords us our species’ uniquely existential, actual distinction of man from beast.

In this location, you may recognize the principle which underlies the secret of the meaning of Wilhelm Furtwängler’s great discovery of what I identify somewhat differently here, as the principle of physical science, the principle of true “fire.”

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## II. ‘The Creatures of Prometheus’

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The contending, Homeric figures, of Prometheus<sup>5</sup> versus the evil Olympian Zeus, reflect, in fact, the distinction of the behavior of true-to-life human beings from the bestiality inherent in the so-called “oligarchical model.” The typical expression of that distinction, is, in fact, that principle of “fire” which is the true expres-



*The “Principle of Prometheus”: Prometheus stole fire (science) from the gods of Olympus (the oligarchical principle), to give to man, thus establishing the distinction of Promethean man from the beasts. Shown: “Prometheus, Aided by Athena, Steals Fire from Heaven,” by Pellegrino Tibaldi (1527-96).*

sion of the difference separating Promethean man from the quality of the feral beasts, the latter a sorry example of what the respectively ancient Roman and modern British empires have shared, deeply, in common.

For the purposes of defining life-in-general as distinct from non-life, the characteristic of life as such, is to be located in evidence of the anti-entropic impulse identifiable, in our case, as an insurgent quality of “energy-flux density” which inheres in the role of the living human species as an institution. That is exemplified by the cases of the particular instance of all known forms of fire and its principle,<sup>6</sup> as being an inherent property of any and all forms of life. The notably categorical distinction among those species, is often expressed in the species’ characteristic, relative energy-flux-density, which is expressed, in turn, in its role as related, “when controlled” in the mode of energy-flux density, to a function of life.

For example, the specifically oligarchical systems in society tend, inherently, toward a decline, in the sense of being “used up,” in the energy-flux density of each part of the system, as all oligarchical systems of society ultimately reach an asymptotic “ceiling,” at which point they tend to converge on what are called entropic trends, in respect to oligarchical culture’s “destinies.”

For example: since the famous decline of the original Roman Empire, the present British empire of Queen Elizabeth II, is gripped by a damning sort of its insistence on mandatory decline in the human population, both in the quality of its individual members, as in their entirety, and as expressed in a disgusting moral decay of the British culture, a decay whose expression is currently motivated as an intended reduction of the plan-

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5. With due respect to Ludwig Beethoven.

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6. E.g., increase of energy-flux density per capita.

et's population, from a presently estimated upper limit of seven billions human persons, to a rapid decline into an adopted level of approximately one billion.<sup>7</sup>

A human species which persisted in tolerating such a moral and physical depravity as such a British global policy for mankind as today's, should be regarded as a human species careening into a self-inflicted sort of its own hoped-for extinction. That is a result which were foreseeable on the account of such facts as the British monarchy's precipitous decline into a quality of features which distinguish a self-doomed sort of failed species.

However! I hear a resonance of something inside the British system's soul, which exhibits within itself a compulsion to cease its own existence, so that it might gain an escape from the ills of an evil passion which grips it relentlessly from inside its increasingly self-tormented being.

7. The notion of reaching a "bottoming-out" at about one billion, is practically nonsense. The kind of quasi-linear reduction which the "greenies" have in mind, would be self-accelerating beyond the limits which could be realized by administrative controls. Extinction would be the likely, and early outcome.

What I have just stated is not fancy, but fact! I explain that as follows.

### ***When the Imperialist Soul Desires To Die***

The soul of any species is expressed for us as a deeply sensed sort of *raison d'être*: something about oneself which is as if sensed in some miraculous mirror, becomes a reflection which may turn into a horrid reflection in a kind of mirror, a process from which the tormented sick soul, such as the type of a Shakespeare's Lady Macbeth, wishes above all else, to escape. Like the Emperor Nero, it seeks desperate escape, in some form of physical, or spiritual suicide, or both, from the horror of foreseeing the continually tortured disintegration of itself.

Suicide! Like the Satanic Iago of the second edition of the Verdi-Shakespeare **Otello**: "I believe in a cruel God!"

The facts of that present case for the House of Windsor, like that of Shakespeare's prophetic portrait of the self-doomed soul of Richard III, like Henry VIII, is now become the relentless captor of the monarchy's self-tormented, collective soul. Suddenly, like Shake-

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spere's self-doomed Richard III, or the real-life Emperor Nero, the life for which it would have risked all, now becomes the fearful image of its condition as a mass-murderer whose own cessation is the only peace which it ultimately desires more than all other options.

Presently prospective times for imperial monarchs, would be inherently awful times for all mankind, but especially for those relevant oligarchs whose prospective drop from power is of a type which is ultimately experienced as existential, not relative.

The effects are not quantitative; they are far more bitter than merely existential. As the accumulated scientific evidence respecting the progress of the evolution of living species demonstrates, the existence of living species is not reversible, except through extinctions of those species which fail to progress as species-types: a change from lower qualities of species, to those of relatively higher intrinsic qualities of "energy-flux densities." The principle is, now, in the midst of this global crisis: progress or extinction! The precondition for the contrary effect, the desire for the survival of the human species, lies, uniquely, in the direction of transitions toward systems now consistent with mankind's use of controlled thermonuclear fusion.

In effect, what has been called currently a British "population policy" is the empire's simple deed of genocide; it is even a virtual threat of extinction of the human species. It has been an image that reeks of Tony Blair.

Thus, an end to all that disgusting business which evil brings upon itself. As the poet said, we have other fish to fry.

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### III. A Matter of Creation

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It will have been deemed a wretched people, if there are people any more, which had not soon come, by now, to partake of the wonderful insight which Wilhelm Furtwängler had discovered and presented in the honorably triumphant execution of his great intention. Thus, since then, indeed, a time of great wretchedness of peoples has not merely come; many nations of this world have been snatched up, so, into a sort of Hell's punishment befitting lost souls reeling in their endless agony of a meaninglessness of their lives, on precisely that account. The worst has been, that once the great beauty had been sounded, but then betrayed, a new kind of Hell, far worse than anything before, had been

brought into being, that as the punishment which Europe has brought directly on itself, and that by its submission to that truly Satanic evil which had once been named, "The Congress for Cultural Freedom."

Yes, there had been worse before that time, but this time, having discovered beauty once, it had rejected truth, and now adores "the deadly green" evil.

There has been a long recorded history of life on Earth. The direction of this history has been relentlessly upward in the net effect of the progressive net development of species, always in the direction of a more powerful, and more useful service to a universal Creator. The failed souls have been ultimately doomed to their extinction, and it were probable that this should always be so. Little which has been good, has actually been completely lost in its time, at least to our actual knowledge, excepting the willful great sins of mankind. In this universe, great evil demands a greater good.

Yet, the matter thus at hand, is not quite that simple. The greatest sin of mankind, which is that against the Creator, has been the great evil of the Olympian Zeus, an evil which has actually been the failure of mankind to progress. Weep for the stench of the rotting dead sheep which pollute the grass. Wilhelm Furtwängler made a great step of progress on behalf of all mankind, and that truly in service of the Creator. Suppressing that progress would be, as it has been, a great crime against the Creator, for which the punishment is being plainly delivered now, and that, suitably, by mankind's own hands, and that, too, now.

There are things, now, which urgently need to be changed. As Wilhelm Furtwängler has shown, the change is the same as that in his discovery of the true principle of beauty, as shown in such instances as his unmatched, remorselessly majestic great beauty of Franz Schubert's Ninth Symphony, a performance directed by him, which has persistently resonated, and gripped me in my own recollection, during more than a half-century to present date.<sup>8</sup>

When we seek to present what might be considered a practical reading of the experiences to which I have made reference during this chapter so far, the crucial point of science to be brought forward here now, is that Furtwängler was the uniquely original discoverer of the explicitly true principle of human creativity as such, not

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8. For me, it is a notable irony, that that Schubert symphony's score was delivered to the hands of Robert Schumann by the deceased Schubert's brother, in Vienna.

only in Classical artistic composition, but in all aspects of true science.

I must now explain.

### *The Science of the Imagination*

The great problem posed to physical science and art alike, has been the captivity of the human powers of imagination, in physical science as otherwise, to the faculties of that which is identified as the notion of “sense-perception.” Wilhelm Furtwängler conquered that riddle by introducing the actually efficient discovery of the “near” and “far.”

Heretofore, generally, the presumption had been, that truth lay in a direct “translation” of sense-perception as such. Furtwängler’s notion of “near” and “far,” freed the appropriately sensible human mind from that traditional bondage to the actually literal.

That fact, as just stated here by me, signifies, that there is no desirable notion of literally analytical sense-perception as such. The paradox involved is typified by the apparent illiteracy of any effort to translate knowledge of the real universe from an agency which adduces meaning from mere sense-perception. The simplest

clear demonstration of that fact, is exhibited in two related types of human experience of what can be defined competently as “knowledge.”

### *On the Subject of ‘Love of Truth’*

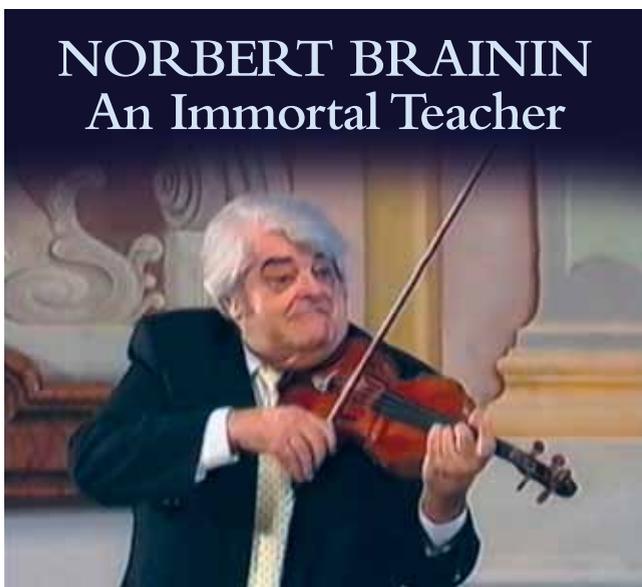
My own “possession” (awareness) of that quality of knowledge came in two relatively most notable experiences. First, and foremost, my rejection of Euclidean geometry as an intrinsically absurd notion; second, the impact of Bernhard Riemann’s habilitation dissertation, and the concluding section as underscored by the startling implications of the lustily beautiful irony of the concluding sentence of the piece.

What followed from that content of Riemann’s habilitation dissertation, were the implications of the sense of life *per se*, as expressed in what were for me, two successively ordered apprehensions. First, the existence of a principle of life *per se*; and, second, human creativity *per se*.

To appreciate the significance of that set of points as a single conception in effect, consider the utter stupidity and depravity of Bertrand Russell’s dupe, Alexander I. Oparin, especially, and most simply and directly, in respect to the notion of “life.” The significance of Oparin’s (probably) induced factor of scientific stupidity in this matter of a principle of “life,” is made clearer when the notions of the closely related terms of “life” and “love” are conceived as complementary aspects of the same notion. The lack of a notion of a coherence between those two aspects of human passions, can be regarded as expressing a principle of “potential for human evil,” particularly in the case of the criminal mind of Bertrand Russell, as that mental-moral disorder is typified by Russell’s 1946 proposal for “preventive nuclear war.”<sup>9</sup>

As the dialogue of Max Planck and Wolfgang Köhler on the subject of the human mind indicates, these aspects of what we may term as human emotions can be placed in the proper perspective, but only if we reject the Russell-Oparin delusion respecting the meaning of “love” as being intrinsically a pathological form of human behavior. Conversely, the lack of a notion of the term “love” understood in the sense of Wilhelm Furtwängler’s principle of what is defined as “Classical” music in the tradition of Bach’s and Furtwängler’s

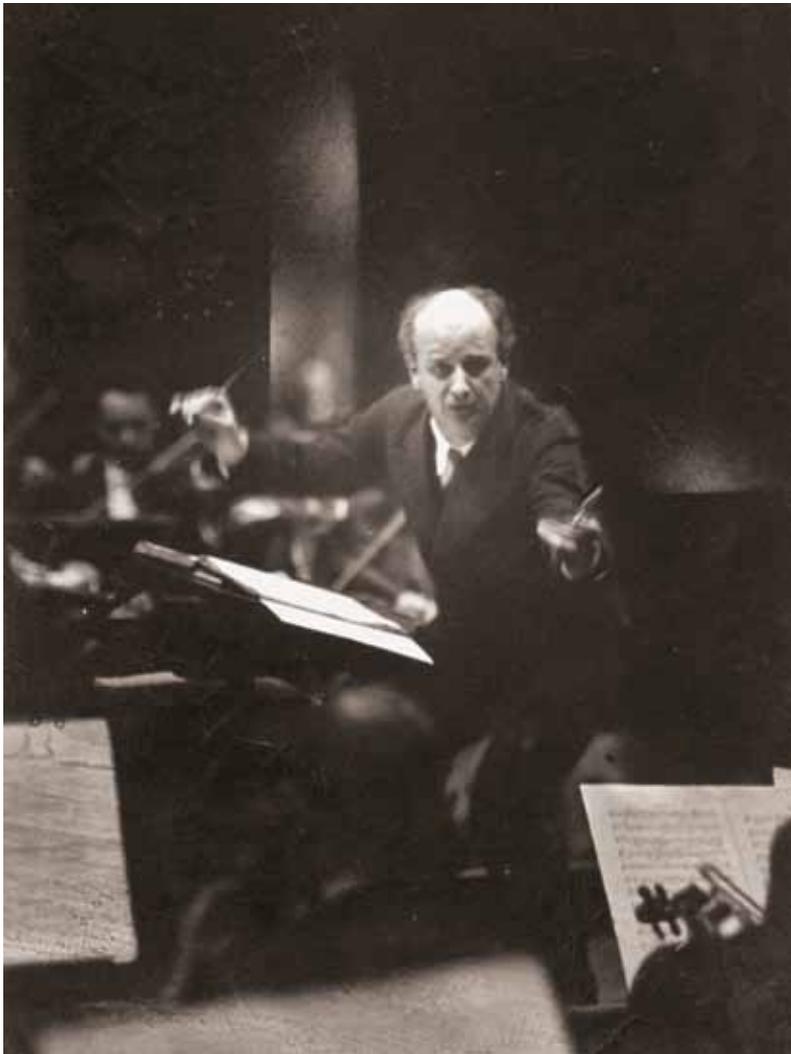
9. The collaboration on the subject of the human mind, between Max Planck and Wolfgang Köhler, et al. is highly relevant here, including Planck’s appropriate deference to Köhler on relevant points.



## NORBERT BRAININ An Immortal Teacher

On Sept. 20-22, 1995, the Schiller Institute sponsored a series of seminars/master classes, featuring Lyndon LaRouche’s close friend and collaborator Norbert Brainin (1923-2005), the first violinist of the legendary Amadeus Quartet. The seminars, held at the Dolná Krupá castle in Slovakia, trace the revolution, begun by Hadyn’s discovery of *Motivführung*, through the works of Mozart and Beethoven. The 40-minute LPAC video is a montage from the seminar; the full videos can be found at: [larouhepac.com/culture](http://larouhepac.com/culture).

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*Both J.S. Bach and Wilhelm Furtwängler (shown here), express the principle “of the anticipation of the future to be experienced.” “This quality of musical performance is a crucial point of distinction of the truly sane human mind from crude musical entertainments.”*

meanings and actual usages, is a lack which tends to imply a pathological quality of misapprehension of the properly attributable meaning of human “love.”

The “love” of money as such, is such a pathological behaviorism with likely criminal behavioral implications, or strongly marked passion for either masturbation or its surrogates. The surrogates are far more significant, that notably in respect to the induced absence of an actual principle of love, as this is shown by the role of impassioned expressions of greed, as, for example, a confusion respecting the impulses of crude sexual appetites and financial lusts.

Wolfgang Köhler’s depiction of the healthy func-

tions of the human mind, is emphatically relevant. The healthy human mental state must encompass the whole being, a state of mind which is specifically contrary to tendencies for the likeness of “object fixations.”

### ***J.S. Bach and Furtwängler***

The crucial lesson to be adduced by us here, from the preludes and fugues of Johann Sebastian Bach, is Bach’s devotion to music as an experience of the future yet to be heard. The same principle “of the anticipation of the future to be experienced,” is the essence of the method exhibited by Furtwängler’s own direction. This quality of musical performance is a crucial point of distinction of the truly sane human mind from crude musical entertainments. It is also the principle which separates the healthy expression of the human mind from the likeness to a mentality of the beasts, and the likeness, or would-be likeness of “Wall Streeters.”

This distinction of the approach to music by such as Bach and Furtwängler, has crucial significance respecting the potentially creative powers of the human mind. It is therefore a matter of urgent consequence, that these specific qualities of the human mind which I have referenced here, act as if “a leading voice from the future.” That qualification defines the distinction of human powers of creativity from the “intelligence among the beasts,” as the power to think and act upon a human insight into the experience of the future.

It is the power to summon that experience which defines both the creative powers of a potentially effective development of the human mind, and resistance to pathological variants on the thematic behavior of the human mind. It is the notion of “human love” so situated in the human individual’s behavior, which supplies the “energy and devotion” to a future purpose which distinguishes the actually developed human mind from beastliness. It is the ability to participate in mental behavior of such distinctions, which enables a development of the human mind capable of rising above the relative bestiality of sense-certainties.

# The Watergate Stench Gets Worse

One of the more humorous signs of how Barack Obama has fallen, among significant circles, to a position lower than that of the disgraced Richard Nixon, was a cartoon in the Philadelphia *Daily News* last week. The cartoon shows Nixon looking over Obama's shoulder; both hold copies of their "Enemies Lists," but Obama is x-ing his off. Nixon says wistfully, "I wish I'd had drones."

The question still looms: Will responsible patriots act to remove this President in time to save the United States?

As a nation, we face two imminent existential crises. One is the danger of a London-engineered provocation of a thermonuclear confrontation between the United States and Russia. The other is the threat of a total collapse of the trans-Atlantic financial system, accompanied by a physical economic breakdown. In both cases, Obama—otherwise a pathetic, but malignantly narcissistic personality—represents the major obstacle to resolving the crisis, because he is acting as a British stooge. He is blocking Glass-Steagall and pushing war.

There is no question but that Obama is increasingly seen as a threat to the U.S. Constitutional order, domestically and internationally. From his illegal war in Libya, to his pathological use of drone warfare against countless helpless civilians (a policy now coming under attack from the United Nations), to his stated intent to rule without Congress, this President has exposed himself as an individual with the murderous mind, a Nero-personality as Lyndon LaRouche charged three years ago. But many pull back in fear, rather than take on his reckless disregard of the law.

While the safest approach to deal with the world crisis would be to remove Obama by Section 4 of the 25th Amendment, the course being taken

now by those willing to take the President on is more indirect and slow. But the buildup toward a Watergate confrontation, with all that implies for the President's removal, is unmistakable.

On the front burner is Obama's confrontation with Congress over its investigation of the Fast and Furious gun-walking program, in which the Administration has been caught red-handed lying about its conduct of the program. Attorney General Eric Holder has refused to turn over documents subpoenaed by the House Oversight and Government Reform Committee, unless he receives an agreement that the delivery of the documents would result in a resolution of the investigation. Then on June 20, as the House Committee was preparing to take up a motion for contempt of Congress against the Attorney General, President Obama stepped into the act, declaring Executive privilege over the documents the Committee was requesting.

Now the White House is directly involved in the standoff. And the stench of a coverup, just like in Watergate, is impossible to suppress.

As of this writing, the Committee is still meeting on the matter, and it is not known whether Democrats would actually join with the Republicans to cite Holder for contempt. That would only be another step in a slow process of boxing in the White House, one which the Administration would do its best to stall, hoping to survive through the elections. After all, Nixon was not finally forced to resign until *after* he was re-elected.

We don't have that luxury with Obama. Whatever the truth about Fast and Furious, he has committed grave offenses against the Constitution which endanger our very lives, and those of humanity as a whole. We need to kick him out of office *before the election*—and get a real choice.

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