

## The Science of Glass-Steagall

A Discussion with Cody Jones and Michelle Fuchs

*This is an edited transcript of a video posted on LaRouchePAC-TV, Jan. 26, 2011. Michelle Fuchs interviewed Cody Jones of the LaRouchePAC Basement Team. See <http://larouhepac.com/node/17323>.*

**Fuchs:** We're here to discuss Mr. LaRouche's concept of Glass-Steagall. Now, to situate things just a bit, we're at a point of the utmost crisis, in the world and in the United States. Here in the United States, I think it's pretty clear that almost every state is in virtual bankruptcy, and the cities and states have come to a point of laying off municipal workers, fire and police, health services, all in an effort to balance their budgets. And from the Federal level, they're receiving no help. Barack Obama is virtually saying, "We don't have enough money in the United States to keep you alive," while Bernanke and Geithner are going ahead with a policy of, quite literally, trillions of dollars of bailouts for an international financial conglomerate.

So, here's where we are. You have people in the upper levels of the U.S. government and elsewhere, who have come to the point of recognizing that we are in an emergency crisis, and that the only option, so far as they see it, would be to go ahead with a Glass-Steagall policy. Here's the problem: What they see as Glass-



*LPAC-TV Basement team member Cody Jones was interviewed by LPAC editor Michelle Fuchs on Jan. 26, about the connection between Lyndon LaRouche's proposal to revive the Glass-Steagall law, with the scientific research that Jones and others are doing, on the biological history of Earth, and the anti-entropic development of the Biosphere.*

Steagall, is wrong. When they think of the Glass-Steagall, they're thinking essentially of a monetary policy. You hear the term "credit generation," you hear "Glass-Steagall," and you're thinking, "Oh, here's a banking policy. Maybe we can wipe the slate clean and start afresh, with our monetary policy."

And that's what we're here to address, because they don't understand what it is. So, I'd like to open it up to Cody, to please give us a sense of what Mr. LaRouche's concept of the Glass-Steagall is.

**Jones:** Yes, when Mr. LaRouche talks about Glass-

Steagall, he's talking about a living intention. It's not a reform, it's not a regulation, it's not a "tweaking" of the current system. It's an intention to kill the current system, and to replace it with one that is oriented towards the idea that the fundamental metric of value in your economy, is the creative development of your population, the source of all real value in an economy. Whenever Mr. LaRouche talks about reinstating Glass-Steagall, in the sense of separating commercial banking from investment banking—or what really is gambling banking—that you're going to be taking tens of trillions of dollars off the books of the Federal government, state governments, local municipalities, putting it over into the investment side, saving those banks which are worth saving on the commercial side, and effectively eliminating, like we said, tens of trillions of dollars of worthless paper, wiping it off the books.

And getting back to the idea that we're going to have an economy that is oriented with the intention that Alexander Hamilton had, and others had, in forming this United States in the first place.

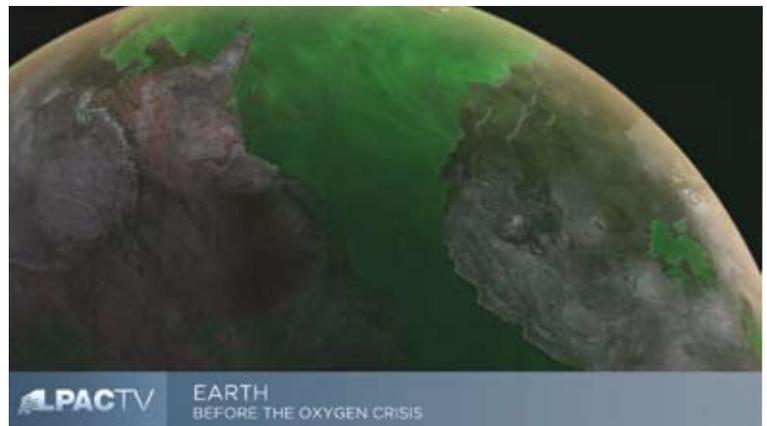
**Fuchs:** Let me ask you this, because you're talking about, in the process of this reorganization, wiping off trillions of dollars, maybe \$17 trillion off the books. Aren't people going to be kind of angry about that?

**Jones:** Well, we know for sure, that the British are going to be violently angry. In fact, they've already sent a message to the White House and others, that they would consider the passing of the Glass-Steagall legislation, as tantamount to an act of war against the empire! Because, they know, as Lyndon LaRouche knows, that Glass-Steagall means the death of their financial empire.

Now, for those who aren't evil, but perhaps are maybe just stupid, when it comes to economic policy, their problem is a continued commitment to the idea that money, in and of itself, has some kind of value, to the idea that value is located in things, and that by eliminating all this paper money, you're going to be doing something which is unlawful in the universe, or something.

Now, what we want to get at, is a real idea of what value is. That value, number one, is not money. Money never built a railroad; money never put a man on the Moon; money never fed anyone. Maybe it helped some-

FIGURE 1  
Earth: Before the oxygen crisis



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body with cleanup in the bathroom or something, but that's about the physical extent of what money can do for you. Now, real value has to be thought of, not in even physical terms; but real value has to be thought of as a process, that we value that which contributes to a process of development for the human species, and for the universe at large.

Now, what we want to do, is get to a certain pedagogical example that we've developed, to better communicate and get across this idea, of what, really, is value. And we're going to look at a particular substance, iron ore, something which, to a large extent, has formed the backbone of modern civilization, something which we've become very dependent on; and look at, what's the process that brought iron ore into existence, which made it accessible to us and usable for human civilization.

So, we're going to go to some animations to communicate this process.

### Origins of the Biosphere

Now, if you go back to the early period in Earth's history, iron was there, from the beginning, so to speak. But early on, iron largely resided deep within the Earth (Figure 1). Maybe it made its way up to the surface and into the oceans, through certain kinds of upwellings, volcanic activity, and what-have-you (Figure 2). And whenever it did get into the oceans, where it became pretty abundant, it was in a soluble form, which meant that it was dissolved in the oceans, and it is fairly homogeneously distributed throughout the oceans; and really existed in a form that was not very accessible, or

FIGURE 2

### Earth: The oceans green with iron



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wouldn't be very accessible to human civilization in that state.

Now, what happened, at a certain point—and this requires some further investigation to see what really was the change, the galactic change perhaps, that brought this about. But at a certain point, you had introduced into the biosphere, into life, a process that we've come to know as photosynthesis (**Figure 3**): These little single-cell bacteria were able to utilize the radiation coming from the Sun, focus in some way which we don't fully even understand yet, and utilize it to do some form of internal work, creating certain kinds of chemical changes internal to the organism, which produced the fuel source that they lived on.

Now, one of the key byproducts of this—really, from their standpoint, a kind of a waste product—was, oxygen. So as these little creatures are taking radiation from the Sun, they're spewing out oxygen, almost as a waste product, And this oxygen is being pumped into the oceans.

Now as it goes into the oceans, it confronts your soluble iron, and they react, forming an iron oxide (**Figure 4**). Now the iron oxide is non-soluble, and so now, as the oxygen is being pumped out, it's reacting with the iron, creating non-soluble iron oxide, and this starts to precipitate down to the ocean bed, and you start to get the buildup of a layer of iron oxide.

Now, at a certain point, all the iron gets used up (**Figure 5**). It gets bound with the oxygen, precipitates down. So now, you start to get a buildup of oxygen in the oceans in this area. Unfortunately, for these little creatures, that oxygen is still a deadly poison to them. As we know, oxygen is a very reactive substance, so it starts to bind with them, and literally is ripping their bodies apart,

FIGURE 3

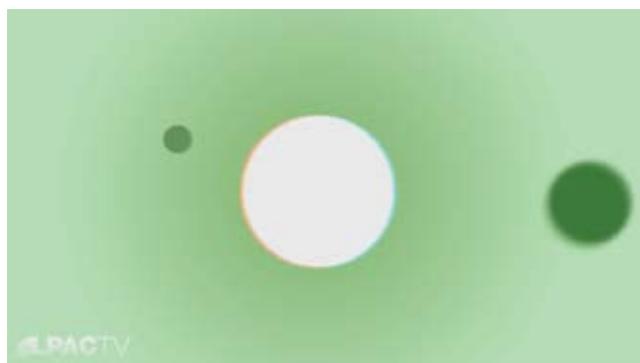
### Early photosynthesis



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FIGURE 4

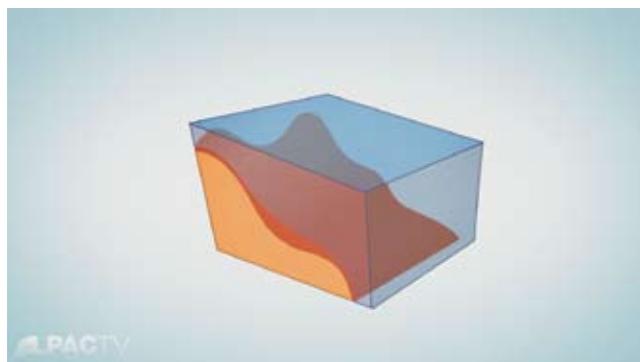
### Formation of non-soluble iron oxide



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FIGURE 5

### The iron binds with oxygen and precipitates down



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killing them off. So the creatures start dying off, and they start precipitating down to the bottom; you get another sedimentary formation (**Figure 6**). So now, on top of your first layer of iron, you start to get the buildup of

the dead bodies of these little creatures.

Now, at a certain point, with more time, more iron starts to make its way back into that region, either through tides, or other upwellings, volcanic upwellings, etc. Now, you're getting a resaturation of the iron in these waters, and these bacteria populations start to grow again, because now the iron is being bound with the oxygen, keeping it away from their little bodies. And you start again, pumping more oxygen, a building up of the binding of oxygen with iron, it precipitates down, you start to get a buildup of another layer of iron. Until you get back to the point where it's all used up, the oxygen is becoming more abundant, killing off these creatures again, they fall down, and you get the next layer.

So you're building up these successive layers of iron and sediment, iron and sediment, and this is what becomes known as "banded iron formations," which in fact, are the leading source of concentrated iron that we mine, and depend on, today.

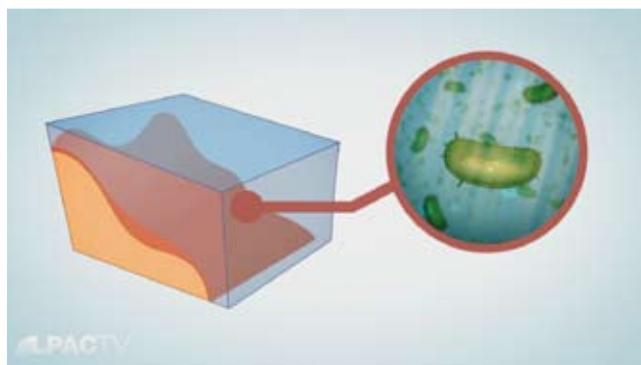
At a certain point in that process, much more robust bacteria came around, which we call now "cyanobacteria" (Figure 7). Now the cyanobacterium not only was a photosynthesizer and a massive pumper of oxygen, but the cyanobacterium itself had developed a capability to exist and deal with an oxygen-rich environment. So, it starts pumping out massive amounts of oxygen. All that oxygen is now binding with what's left of the iron in the oceans, precipitating down, they're spreading throughout the oceans, and now all the iron is sort of being bound up with the oxygen, the environment is becoming more and more saturated with oxygen, and what it leads to, really, is probably the largest mass extinction in Earth's history: where literally millions of different types of single-celled species were wiped out, because they could not deal with an oxygen-rich environment, which sort of left open the gap for the cyanobacteria to colonize more and more and spread through the oceans, pumping more and more oxygen into oceans.

**Fuchs:** You've brought up this discussion of the banded iron formations, from the standpoint of how you locate value. Could you discuss that a little a bit more? It's clear this iron forms a substantial resource in human civilization.

**Jones:** Right.

**Fuchs:** Iron isn't just iron; it also is an important

FIGURE 6  
**Oxygen killing off early sea creatures**



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FIGURE 7  
**Cyanobacteria: better suited to handle oxygen**



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contribution in steel, and so, most of the structures we live in. It's an important resource for us. How would you say that this is how you locate value?

**Jones:** Well, if we look at that process, with the advent of the cyanobacteria, that really brought to an end the formation of these banded iron formations. They definitely are limited in their structure and their abundance. So, it's a limited resource. It's a limited structure; it's a limited, concentrated structure that we have been drawing down on, through the development of modern society.

Now, what happens is that, as you start to mine more and more of this, and probably the most famous one, at least in the United States, are these banded iron formations up around the Great Lakes region, Wisconsin, other areas there, which really was the majority of iron that was mined, and then shipped to places like Pittsburgh, where it was processed and then that was the

backbone of the buildup of industry in the United States (Figure 8).

But, there's a limit to that. So, as you start drawing down, more and more on that iron, you start to reach a point where the amount of input that goes into the process of mining and refining the iron, you're putting more in, relative to the amount that you're getting out. You're having to put more labor into it; you're having to go deeper into the ground to get it. The resource is becoming more and more dispersed, which means that whenever you're doing your refining, you're having to deal with a more dispersed forms of dirt and rock that you're breaking up to extract the iron ore from.

And so, it becomes more physically costly to go and get the same amount of iron. So, it becomes a problem: You're faced with what Mr. LaRouche refers to as a "diminishing rate of return."

### 'Limited Resources'

**Fuchs:** That's what other people describe as "limited resources."

**Jones:** Right. At that point, there are a couple of paths you can take. You can take Prince Philip's path, the oligarchical path, and say: "Well, we've got a limited resource, we're drawing it down, thereby, if we want to continue to exist, if we want to flourish, with a limited amount of resources, we're just going to have to start limiting the amount of people alive, to use those resources." So, you push policies like Obama's health-care policy; you push other kinds of austerity policies.

The humanist takes a different approach; the scientist takes a different approach; and obviously, LaRouche takes a different approach. What he's identified is this concept of increased "energy-flux density": that the way you overcome a certain level of attrition, a draw-down of a limited concentrated resource, is that if you introduce a new technological advance into your economic process, such as, say, nuclear power. We move towards a nuclear power-based economy: We now have a much more energy-dense source of power, in the sense that you're able to concentrate more flow of energy, say, measured in heat terms, concentrated at a higher temperature, through a smaller cross-section of area, over time. So, you're getting an increased focusing of that energy, through this new technology, which can then drive your mining process, your refining process. You're now able to reach higher temperature densities, for the same amount of, say, input, you can reach higher temperatures to extract the iron ore from a more depleted

FIGURE 8  
Great Lakes iron-mining region



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bed of rock or a more depleted slice of the Earth.

And so, by introducing a new, higher energy-flux technology into the process, you're actually able to overcome this diminishing rate of return. You're now able to access, from a more dispersed form of iron, the same amount of iron, with less input, so that you've overcome this problem of limited resource. And it's really only in that way that you can do that; otherwise, you do start to run into this problem, where the cost of extracting the resource actually becomes greater than the value you get out of having the resource itself.

**Fuchs:** Okay, we'll come back to the question of value again, but you mentioned nuclear power. Now, in a recent webcast, and discussions and papers, Lyndon LaRouche has looked at technologies like nuclear power, rail, other kinds of things, that people generally define as infrastructure.

**Jones:** Right.

**Fuchs:** You know, I might say, nuclear power is part of infrastructure. Or, the rail that you would use to speed up the ability to use and disperse the iron; or the infrastructure of education. These are all part of your economy, but recently, Mr. LaRouche has veered away from the use of the term "infrastructure."

**Jones:** He actually outlawed it, I think.

**Fuchs:** He outlawed it?

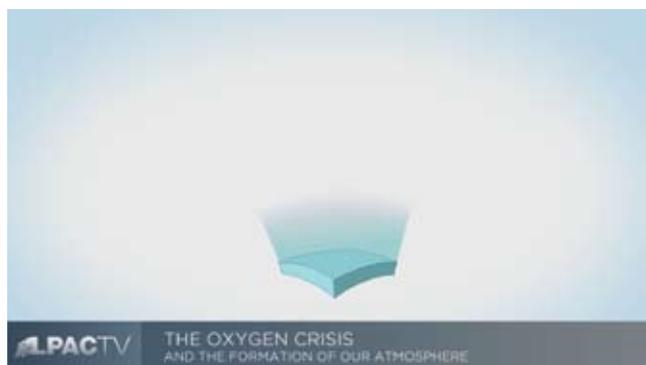
**Jones:** Yeah. [laughs]

**Fuchs:** And, he's gone towards what he's terming a platform, or a platform economy.

**Jones:** Right.

FIGURE 9

### Oxygen begins to move out of the oceans, into the atmosphere



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### Not Infrastructure, but Platforms

**Fuchs:** Could you say what that is?

**Jones:** Yes, definitely. And I think the best way to get at that from an economic standpoint, is to go back to our animations, go back to where we left off.

Now, where we left was, at the point that the cyanobacteria had sort of taken the reins of control in the oceans, pumping out this oxygen, causing this mass extinction of other little single-celled organisms. Now, as a certain point, through this pumping of the oxygen into the oceans, the oceans become fully saturated: Everything that can bind with the oxygen, such as the iron in other materials, has done so. It's all precipitated out. The water itself is now fully saturated. So, at that point, as they continue to produce more oxygen, it starts to gas out of the oceans.

So, now the oxygen starts to move out of the oceans, into the atmosphere (**Figure 9**). Now, as it moves into the atmosphere, one of the real fundamental shifts that occurs, is that you're getting the standard form of oxygen, in the form of  $O_2$ ; we have two oxygens. And, as that now starts to come into contact with the UV radiation again, which the animals were using, coming into the Earth's atmosphere, it interacts with the oxygen, breaking up the doubled oxygen, which then, those single ones are then minding with the other double ones which haven't been broken up, forming  $O_3$ , what we call "ozone." And so, you start to get formation of an ozone layer.

Now, as that builds up more and more, and becomes more and more robust, you have now created a situation, where you've got an ozone layer, which is now beating back to a certain extent, much of that UV radi-

FIGURE 10

### The ozone layer and UV radiation



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ation (**Figure 10**). You have this process where the UV, which is very deadly, very harmful to organisms—it can break up DNA, it leads to cancers, all kinds of stuff—is now being beaten back by this ozone layer. You're getting this constant process of UV coming in; it's breaking up the  $O_3$ ; it's reforming. But in the process, it's keeping this very harmful UV radiation from getting down and taking out many of the creatures on the planet.

So, that's one side of it: Because, now, with the oxygen in the atmosphere, you get the buildup of an ozone layer, and you've now got this protective cover around the Earth, which now allows life to flourish in a much more robust way.

For example, now, you have the ability, the coming together and the formation of multicellular organisms, where, if you look at some of the work of people like Alexander Gurwitch—who you've done some work on—who was looking at, in multicellular organisms, one of the modes of coordination, one of the modes of regulation, is mediated through internally generated UV radiation.

**Fuchs:** Yes, UV range radiation.

**Jones:** Right, exactly. Which we need to look more into, but there's a definite relationship between the internal UV radiation and the external.

But now that these creatures are shielded, they're able to start to come into much more developed complexes, multicellular organisms. Those organisms are now able to move out of the oceans. One of the leading ways they protected themselves, was staying relatively deep in the oceans. UV can, at most, penetrate about 100 meters into the ocean, so below that, they're

fairly protected. But now, with the ozone, many creatures can start to move out of the oceans, onto land, which now, they have an ability to access other ranges, useful ranges of radiation, in a different way. They're able to now carry out massive changes on the land structure.

So you get that kind of a total transformation of the biosphere now taking place, because oxygen has now been introduced into the biosphere.

The other side is, that oxygen, as we said earlier, is a very highly reactive substance. But, in having been able to figure out ways to use oxygen, internally, now, organisms had a much higher energy-flux dense source of energy for their own metabolism. So, now having an oxygen-rich atmosphere that they could deal with, they're now using oxygen to carry out a much higher metabolic rate of activity, more complex creatures.

And so, because of the introduction of this oxygen, you've had a complete transformation of the biosphere of the Earth. Everything is now different: New species are able to emerge. We were able to move out of the oceans onto land. There's a new fuel source.

So you had a revolution in the character of the biosphere, where it's moved from a lower level, of organization, of development, of ability to carry out transformative work, and has now upshifted to a higher level. We've gone through a fundamental, nonlinear revolution, in the ability of the biosphere to now carry out work, and to be creative, so to speak.

**Fuchs:** And that's the platform?

**Jones:** Yes, this gets at what Mr. LaRouche means by a platform concept. That by, for example, introducing nuclear power into your economy, in conjunction with high-speed rail, in conjunction with the extended NAWAPA project, by introducing new, fundamental principles of discovery into your economy, it's not just simply a process of, you're adding something to an existing state, which is what most people discuss when they talk of infrastructure—you know, slap a rail here, build a bridge here. You're just adding little additions to an already-existing state and nothing's really changing. But the platform concept, is that you introduce, through the introduction of new fundamental principles—both scientific and cultural principles—which, maybe, we'll get at later. But by doing that, you introduce a revolutionary change in the state of existence of your economy. Now, all your internal relationships have changed, as a function of the introduction of that new idea. The

way you do everything has changed. And you've created a higher potential to do work, to be creative.

### **What This Has To Do with Glass-Steagall**

**Fuchs:** Okay, so, in our instance, we have our economic crisis—I don't know if it's of the epic proportions of the oxygen crisis, it probably is—but what does this have to do with the Glass-Steagall?

**Jones:** Well, very simply, by implementing Glass-Steagall, by carrying out sort of a mass extinction of derivatives and debt, you've now created the conditions whereby you can get back to that principle upon which this nation was founded: Which is an idea, which says, we're not adherents to money. We're, in fact, actually going to free our population, from the kind of debt slavery that they've been put under, through the current monetary system, which is like what you have with states, and municipalities: They're slaves to paying back the debt to the system. So you've eliminated this debt slavery.

And what you now move towards is a credit policy, which says that, we're going to generate credit, to, one, bail out the states; but generate credit which is going to direct the flow of human activity, direct the flow of resources, direct the flow of technologies towards the creation of that kind of higher-state platform. By introducing nuclear power and these things, by introducing high-speed rail, we're going to introduce this towards the building up of things like NAWAPA, where now man starts to intervene to transform the biosphere, changing weather systems, changing climate, changing our electromagnetic relationship to our environment.

So, what Glass-Steagall means is that, in effect, Glass-Steagall is freedom, in a certain sense: You're freeing the nation from its obligation to this debt slavery, and you're doing it in conjunction with the creation of new, federally generated credit, with the intention to create a better future. It really all gets down to the idea of intention. Intention, in this sense, is everything.

So, what this is all about, is that, like we saw with the iron: It's limited, but it got to where it is through a process, a creative process in the universe, in the biosphere. That process also led to the creation of the ozone, created new conditions for life to flourish in new ways. So, what we're doing is, we're saying, we can learn and understand, from how the universe naturally is oriented. We have to recognize that man must necessarily bring his activity into coherence with that kind of process. And, in fact, if we don't do that, then we only move backwards.



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*The NAWAPA Platform: When new, fundamental principles, such as nuclear power in conjunction with high-speed rail, are introduced into the economy, then, we are not just speaking of “infrastructure,” but the means to transform the biosphere.*

And I think it’s a funny thing that Mr. LaRouche has said that to stand still, you have to progress. Which I think is clear, in, say, this iron example—that the iron got how it is, through a process of development.

Now, we’re drawing that down. If we just continue to act in the same way as we have been acting, we’re actually going to be moving backwards, relative to a universe which is naturally inclined to move forward, to progress, always moving from one successive stage to another. If we just try to hold onto one stage, say the stage that built up the iron formation, we’re drawing it down. The universe is oriented in a different direction.

So, if you do the same thing, you’re actually going to be moving backwards, relative to a universe which is moving forward. So, if you want to just stand still, relative to that universe, you necessarily must be progressing, at least at the rate that the universe is progressing, if not superseding it, which human creativity, uniquely, is capable of doing.

**Fuchs:** So here’s what a lot of people out there are thinking: People, right now, are afraid of what will happen, if we lose the current cache of money, if we go with Glass-Steagall and go with wiping out these trillions of dollars. What I think you’re saying, is that, instead of being afraid of money, or afraid of what will

happen to their bankers if we go ahead with the Glass-Steagall, that they should be thinking along the lines of value not being in money, as money, but value being located in that process, of the development.

**Jones:** Right.

**Fuchs:** Money as a bailout, money as money, in a bank as such, doesn’t have value, because you’re not doing something like this with it, because you’re not progressing.

**Jones:** Right. The fundamental thing that Lyn has pointed out, is, to a large extent, the problem is cowardice, you know, the Hamlet syndrome: “Conscience doth make cowards of us all.” And it’s the fear of breaking from a certain kind of slavery, a fear of what the perceived authorities might say, if you were to do that, which keeps people cowardly.

But the reality is, that, not to do this, means that, as he said, “you are betraying the nation.” Not to go with Glass-Steagall, you’re betraying humanity. You’re betraying the universe...

**Fuchs:** And you’re going against the universe.

**Jones:** Exactly. I mean, we exist, in the universe as part of the universe. But in a certain sense, the universe exists as part of our willful creative capabilities. We human beings are the only thing that we know of in this universe, which are capable of willfully directing its activity, with the intent to create higher states of organization, higher states of order. Where, we see in the biosphere, a natural tendency towards higher states of organization, nothing in the biosphere itself, is willful of that process. That little cyanobacteria wasn’t conscious of the kind of revolution it was creating through the pumping out of this oxygen. Human beings are! Each human being is capable of being fully self-conscious of an act of bringing about revolutionary change, to effect a higher state of organization for mankind *in* the universe, to the benefit of acting as co-creators in this universe.

And to get back to Glass-Steagall, that’s what Glass-

Steagall implies. Glass-Steagall implies that we're going to move away from an animalistic state of existence, where we're adherents to an arbitrary authority, to an evil idea of monetarism, and say, we're going to free mankind, and get back to an idea that says that, the creative intention of mankind is what's going to drive and determine our economic activity. Value is going to be determined as a creative principle: We value something because it contributes to enhancing the creative capabilities of mankind. Anything that doesn't do that Wipe it out. It has no legitimate right to exist in our universe.

### Fostering Willful Human Creativity...

**Fuchs:** Let me ask you something on that. In Mr. LaRouche's upcoming paper,<sup>1</sup> he describes that insight into economics. It's quite revolutionary to have an understanding of economics that has this characteristic of distinguishing human beings willfully acting on the universe, from human beings being a subject of their circumstances and of their universe. And in his new paper, he says that his notion of economics stems largely from his own experience in physically productive economic processes; but also, in his understanding of the works of Bernhard Riemann and Vladimir Vernadsky, who both addressed this question of the human mind and the development of the universe. Would you elaborate more on that?

**Jones:** Yes, I can go into a bit. There's a couple sides to it. If you take one aspect of what Mr. LaRouche has really keyed in on, with Riemann's work in particular, was that Riemann was probably the first to explicitly state the idea, that we are not bound to a mathematics or a geometry, which is derived from our sense-perceptions, from a sense-generated geometry, as you have with Euclid, a follower of Aristotle: That, for example, as you start to go into the indefinitely small, infinitely small, or as you go out to the astronomical, there's no reason to assume that the characteristics of the physical space-time in those dimensions, so to speak, has anything resembling what we just naively interpret through our senses.

And so, in a certain way, we started to free mankind from the idea that truth, or reality, lies in sense-experience, but rather, as he said, we must go to the domain of

physics, we must go into the domain of experimentation. Can you generate an experiment, which demonstrates your understanding of a certain universal principle, your understanding of an ability to control and harness some universal quality of the universe that you're operating in? So, that's one thing that Riemann did.

Now, you put that in the context of Vernadsky's discovery, who really made this, elaborated this idea, that the universe as we know it, is broken down into three nested phase-spaces: the abiotic, the biotic, as we've been discussing, and then, the noëtic, the highest being the noëtic, the ability for human willful creativity and the byproducts of that kind of activity.

Now, if you look at this, from the standpoint of, say, Riemann's development of the Dirichlet principle, where Riemann developed this idea, from Dirichlet, that—we talked about this with the biosphere—as you move from successive phases, from one to the next, you're always looking at nonlinear, revolutionary changes, from one bounded characteristic, where all of your processes are determined by what are the principles which are bounding, in organizing the internal characteristics of the process. As you move to the next one, it's a function of having introduced some new principle, some new boundary condition to the process, which now transforms all of the internal relationships of your process, as they priorly existed, and this is his development of his idea of Dirichlet's principle, and the idea of the Abelian function. So, that's one side of it.

Now, you take that, and apply that to our understanding of, say, these nested phase-spaces of Vernadsky, the abiotic, the biotic, and the noëtic, and you recognize that they, themselves, are constantly going through these upshifts, to higher phase-spaces, but organized from the top-down, such that, that which organizes the three phase-spaces, or is characteristic of all three of them, at the highest level, is the noëtic, is that which is characteristic of the human mind—such that, if we want to gain the insights into the abiotic and the biotic, we must necessarily do it through gained insight in the way that the human mind functions. Because it's that characteristic of human mind which is going to be reflected in the lower phase-spaces. And it's often in the way that it's reflected in the lower ones, where many of the paradoxes in those phase-spaces arise.

And it's really only, that we can we resolve those paradoxes, if we, in a sense, can step outside of that domain itself, and see them in light of the creative principle of the human mind, which is really the principle which is

1. Lyndon H. LaRouche, Jr. "Our U.S.A., Our Traitors & today's British Empire: The Crucial Atlantic Triangle," *EIR*, Feb. 11, 2011 (<http://tiny.cc/fogzx>).

characteristically bounding the universe as a whole.

And so, it's this kind of idea, of moving away from a commitment, again, a certain kind of a slavery to the senses, and towards an idea, that that which really is ontologically true, that which has real ontological substance in this universe, is not material, as we can touch it, taste it, see it, smell it, etc., but what is ontologically existent, is that which is characteristic of creative mind. And that it's through insight into creative mind that we gain insight into how man can further enhance and control, the other subsumed phase-spaces of this universe.

And that becomes economics, that becomes the real *fun* side of economics, the human side of economics.

**Fuchs:** Yes, I think that's what Lyndon LaRouche has discussed a lot, with the question of culture.

**Jones:** Exactly.

**Fuchs:** That, if you're considering, how do you as a society, promote the development of the discoveries of principle, that reflect themselves in increasing energy-flux density, reflect them in higher platforms, or higher states of existence, higher conditions of life, that you are looking for certain material conditions, that support that, the things which have previously been discussed as infrastructure—the rail, the soft infrastructure, your education, health care, these things. But your intention is not this material stuff. Your intention is, an unseeable principle of the development of the mind, and the development of ideas, none of which is something that you can write down, or even document as such.

You have, in musical composition, the idea that the composition doesn't live on the page, it lives in the mind of the composer, and in the mind of the competent performer.

**Jones:** Right.

### ...Or Succumbing to Jacobin Chaos

**Fuchs:** And that's what you're discussing when you're discussing economics.

**Jones:** Yes, exactly. That's the substance of it. And that's, I think, ultimately where the discussion has to go. I mean, this is what, I know, Mr. LaRouche is fighting with, daily—getting this across to the population, getting it across to us: Of recognizing that mind, the creative human mind, *is* the substance of value in this universe, and you have to constantly be fighting to figure out how to develop that, how to recognize it.

And as you said, it's not something which is going

to come through, in any literal utterance, or any literal interaction with something, but it's always that which is in between, that which is generating the paradoxes as they're presented to our senses.

And yes, I think that's where the fight needs to go: Otherwise, what's our alternative? We see it, as Mr. LaRouche pointed out, with this Tucson incident. This was not just a single event, in a vacuum, but what was represented in Tucson, was really just an expression of the characteristic dynamic of what we have in society today, a nihilistic society.

**Fuchs:** Especially of that generation: You have the 15- to 25-year-old generation; they've had George Bush and Barack Obama leading their country for most of their adult, sentient life, and these guys don't have a sense of identity where there's much value to anything. So you have, potentially, a 25% of that age-grouping that could break forth in some sort of incident like in Tucson, and this is what Lyndon LaRouche is describing as the potential for a French Revolution-type chaos in response to the present crisis, unless you have the appropriate leadership come in.

**Jones:** Right, and you get Glass-Steagall.

**Fuchs:** And, unless you have Glass-Steagall.

**Jones:** Because Glass-Steagall means, putting people to work, giving the nation a mission, taking young people, training them in skills, to be part of the NAWAPA buildup, and it means, changing the culture of the United States, by giving it an identity, an identity which says, "We're going to do, now, what Franklin Roosevelt had intended at the end of World War II. We're going to lead the development of the world, towards a higher state of existence."

With that, you start to bring in an identity to the population of the United States, which is an identity of an immortal human being, one which says, "My identity is not in what I consume, my identity is not in my opinions, my identity is in, what am I going to do with my life while I'm here, which is going to contribute to this process of development, contribute to the development of mankind?" And Glass-Steagall and the NAWAPA, and the credit policy that goes along with that, open that up.

**Fuchs:** Good. Well, I think that's a substantial coverage on that area for today.

**Jones:** And there'll definitely be many more discussions of this type to follow.

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- **NAWAPA: "The Next Evolutionary Step for the Human Species,"** a Basement Team Roundtable, EIR, Aug. 27, 2010 (<http://tiny.cc/f14hd>).
- **"Learn from NAWAPA: Mind or Body?"**  
by Lyndon H. LaRouche, Jr., EIR,  
Aug. 20, 2010 (<http://tiny.cc/iovad>)
- **"NAWAPA, from the Standpoint of Biospheric Development,"**  
by Sky Shields et al., EIR,  
Aug. 13, 2010  
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