

CHINA, FOR EXAMPLE:

A Certain World Map

by Lyndon H. LaRouche, Jr.

June 2, 2011

*A feature, titled “Schumpeter: Bamboo Innovation,” which had appeared in the “Business” section of the May 7, 2011 edition of **The Economist**, had prompted me to present my contrasting view on the present global strategic-economic outlook, that as soon as immediately pressing obligations would be satisfied. I had thought such an unusual communication to what might be considered as one among my traditional intellectual adversaries, **The Economist**, were warranted by the exceptional fact that the prospects for the British system in what had been its present form, had now become implicitly hopeless for even the near term. Under such circumstances, what had once appeared as unlikely alternatives, have now become the choices which offer competence, and, perhaps, even the survival of a nation.*

We are, after all, rivals, so to speak, in the proverbial same, presently rather leaky world-economic ship.

The great, world-wide crash of the present monetarist system, is now on. The immediate situation for Europe, were virtually hopeless, unless what might seem sudden and radical changes were adopted in much of the world at large. So, the inherently indigestible, monetarist waste must be neatly cancelled, and a fresh start now promptly launched on the basis of more solid stuff than the present financial fluff.

*What **The Economist**’s circles would have surely rejected summarily as hateful, a resumption of the original U.S. Glass-Steagall law of 1933, is now the only viable option for the world at large. I had therefore intended, since reading the piece in the indicated, May 7th edition, to respond to the following effect.*

Prefatory

That doctrine named “creative destruction,” the doctrine of such most notable followers of Friedrich Nietzsche as the Nazi fellow-traveller Werner Sombart, and Joseph Schumpeter, has gained such increasing influence in the world at large presently, that the global system of economy, and much of the world’s population, now lurches at the brink of a threat of even its own prospective, self-induced demise. The time presently remaining is short.

Thus, the presently looming threat of a general breakdown-crisis of the trans-Atlantic region, and beyond, has been promoted by the Schumpeter dogma’s direct influence on presently ongoing practices of the wretched Obama team and its confederates. Ironically, the actually Marxist roots of Schumpeter’s scheme are overlooked by most, but, nonetheless, had been already noted by relevant scholars as having been the effect of those, such as those authors of the French Revolution’s Terror, who had, after all, created the British Museum’s

and Adam Smith's Karl Marx, rather than the other way around.

The related, present effects of such influences, include a global strategic-economic map, in which the U.S.A., Russia, and China define the principal internal boundaries of the economy of the world as a whole. So, Europe west of Russia, is immediately dominated, presently, by the role of the British policy introduced to Europe in the wake of "the fall of the Wall," as by the officially proclaimed demands of Margaret Thatcher, François Mitterrand, and George H.W. Bush, and, more emphatically, the post-1946 legacy of Bertrand Russell's schemes for, first, his 1946 scheme for "preventive nuclear" warfare, and, secondly, Russell's subsequent dealings with a de facto accomplice, Nikita Khrushchov, the latter since the famous London-keyed, 1950s meeting of "World Parliamentarians for World Government."

Ironies such as those are the most delicious, and most important, when they are real.

In the meantime, the pattern of "creative destruction" moves on.

Following the assassinations of both President John F. Kennedy and, later, his brother Robert, the election of President Richard Nixon had compounded the skein of disastrous cultural and physical-economic effects, up to the presently threatened disintegration of the trans-Atlantic economic region's systems of national economy. So, the trans-Atlantic region of the world's economy has entered, in Summer 2007, into a present form of a hyperinflationary breakdown-crisis, one tantamount, in effect, to that of Weimar Germany 1923, now, this time, on a probably more or less global scale.

In the resulting state of world affairs, speaking strategically, the U.S.A. remains still a leading factor, such that at any point, a politically very vulnerable President Obama could be toppled from office, according to Sec-



In the current global-strategic map, China plays a crucial role, along with the U.S.A. and Russia, while Western Europe is presently dominated by the British imperial monetarist influence. Shown: The launch of China's Chang'e One Lunar Satellite, October 2007.

tion 4 of the Twenty-fifth Amendment to the U.S. Federal Constitution, leading into his discharge at some nearby time of the relevant sort of events. Presently, either Obama's role is soon finished, or, in the alternative, the U.S.A.'s existence were soon finished. That threatened eventuality would send the world as a whole, chain-reaction style, into a general dark age, a darkness beyond the imagination of most.

All this is aggravated by a largely galactically induced modification of the planet's weather and tectonic systems during the present and coming several years.

We must not overlook the fact that there are those persons and circles, which would accept their own extinction, rather than concede to a rescue which they would hate. Before actually jumping into doom, such people should pause to consider the existential consequences carefully.

Meanwhile, a seemingly shabby economy of Russia still has a stubbornly persisting potential for becoming a leading factor in mankind's effort to avoid a disaster. China, for example, is a more weighty factor in the world's physical economy at the moment, while India, while less actively involved in the global issues of the present strategic-economic situation, is not to be over-

looked for its important potential. Unless, and until continental Europe, generally, abandons Tony Blair's notion of "governance," the Europe of the "bail-out" world, is an echo of what one able writer described, back in the days preceding the Hitler dictatorship, as "a seventh-class funeral": a man draped in a sheet, holding a lantern, and carrying a spade over his shoulder, marching by night toward his own self-interment.

In such a situation as then, and now, what is, is what is defined by that which is not. Hence, the crucial, relatively unique significance of the U.S.A., Russia, China and India, as strategic pivots of general recovery from a presently crisis-ridden world reality. The world now depends on the realization of the strategic solution among sovereign nations, which needs to be first defined, before any actual solutions could be realized.

Such are the boundaries of the world process at the present moment. That much said, explore what I had just merely outlined as strategic-economic reality. There are available remedies, but they have been kept off the table of active diplomacy for the alleged reason that they had been considered to be more or less "unthinkable;" and, thus, ignored by relevant monetarist authorities, as realities which the ranking dupes of the present madness had sought, passionately, to evade.

I. The History of the Matter

There are remedies for the presently perilous global situation. Consider the most essential facts of the matter.

Consider a Mediterranean littoral under the superimposed influence of what is known as "the oligarchical principle" associated by Aeschylus with the cult of the Olympian Zeus. Most notably, consider that oligarchical tradition which is associated with the occupation of Mediterranean regions by a specifically maritime culture which had established its reign even prior to what are generally considered as historical times of record. That culture, so inclined, had established what is known as "the monetary principle," which had been derived as an expression of the generality of a maritime form of Mediterranean oligarchical supremacy.

This intrinsically oligarchical form of rule as a maritime-pivoted, monetarist system (e.g., "maritime power"), has dominated the world increasingly, and "geopolitically," throughout a more and more extended form of monetarist hegemony over most of the planet.

This has been a monetarist role derived from the heritage of a "genetically" maritime form of reigning oligarchical, hence monetarist, cultures.

Although this oligarchical tradition, which has been inherent in monetarism, had been challenged, as, notably, by Charlemagne's great reforms, and otherwise, at other times, and in other places, the times have undergone qualitative changes. The great ecumenical Council of Florence, while otherwise thwarted during the later decades of that same century, had left a mark in science and other features of statecraft which could not have been eliminated as a participating factor in modern history up to the time of the present threshold of a general economic-cultural breakdown-crisis of the trans-Atlantic region, and beyond.

So, it came to be the present case, that, now, the only significant challenge to the dominant role of monetarism during the recent three centuries, has been that typified by the transport of such originally European conceptions as those of the Renaissance circles associated with crucial Renaissance figures of modern science such as Filippo Brunelleschi and Nicholas of Cusa. This was the Cusa whose contributions found expression in that Seventeenth-century, English-language colonization in North America, a colonization which had been founded by the Mayflower party, and had been led into more notable expressions by the Winthrops and Mathers. This was the colonization which had begun, essentially, with a notion of the alternative to a monetarist system, the alternative known as a credit system, as the latter practice is typified by the use of the Pinetree Shilling of the originally chartered Massachusetts Bay Company.

The essential difference between the two contending systems, a monetarist system versus a credit system, lies in the oligarchical principle's emphasis on money as the standard of nominal economic value. This practice of monetarism is to be as contrasted with the role of credit-for-actual production and physical productivity-related principles as typified by both the original Pinetree Shilling and that adoption of Alexander Hamilton's notion of a credit-system which had prompted the crafting of the U.S. Federal Constitution. The notion of a credit-system was consistent with the practice of national banking by the Federal Constitution of that U.S.A. *as a Federal system*; this was the notion which had later saved the victorious, young, now-independent states of North America from bankruptcy. This was done through the creation of the constitutionally-defined Federal credit-system as a system embedded in

the original Federal Constitution of the United States of America, most notably the Preamble of that Constitution.

The notion of this Federal Constitution had deep roots in the birth of modern civilization.

The Cusa Revolution Itself

With the deaths of such as Socrates and, then, Plato, the oligarchical principle of such as Babylon, the Achaeans and the cult of Delphi, had seized, and then absorbed the power which emerged in the guise of the

The only significant challenge to the dominant role of monetarism during the recent three centuries, has been that typified by the transport of such originally European conceptions as those of the Renaissance circles associated with crucial Renaissance figures of modern science such as Filippo Brunelleschi and Nicholas of Cusa.

Roman Empire. This was the empire established through the negotiations between Octavian and the priests of the cult of Mithra on the Isle of Capri.

Despite certain interesting sorts of exceptional periods of developments, later, as that case is typified by Charlemagne's reforms, the systemically underlying characteristics of the Roman empire remained the scheme of the Mediterranean-centered system, until the great ecumenical Council of Florence and the revolution in science made by Nicholas of Cusa; all this, with a certain special kind of credit to Filippo Brunelleschi.

So, what would emerge as actually the Fourth Roman Empire, as developed under the intrusion by William of Orange, became the basis for what became the British empire of the British East India Company, as established under the hand of the post-"Seven Years War" Lord Shelburne and his role in launching the imperial monetarist role of the British Foreign Office.

To understand the systemic changes which persist within the bounds of trans-Atlantic hegemonies today, we must take into account two principal changes in the passage from a medieval to a modern Europe over the

course of the Fifteenth Century and its tumultuous outcomes.

The first of these changes to a modern European civilization, is centered, in retrospect, today, in the changes in notions of physical principle introduced, partly by Brunelleschi, but, more by the effects of Nicholas of Cusa's **Concordancia Catholica** (the modern European form of nation-state) and **De Docta Ignorantia** (modern physical science). The old European systems left over from both Aristotle and the New Dark Age, could not be extended into the life of a modern Europe. A new age, the modern age, had emerged, that around, chiefly, two mutually contending, qualitative revolutions: Cusa's and Paolo Sarpi's.

II. Sarpi & the New Venetian Party

Whereas Sarpi, like his notable follower Bertrand Russell, had radically modified, rather than actually cancelled Aristotle, the new system of modern Europe differed qualitatively from the earlier replicas of the likeness of a Roman Empire as a system. An ancient empire now cast in the role of a pimp in modern European attire.

The nature of a series of changes in the course of development of modern European cultures, emerged as follows.

Since the impact of Nicholas of Cusa, as in his key role in what would become the launching of Christopher Columbus's great expeditions, the threat of the establishment of a system of scientific progress could no longer be stopped altogether. Military considerations of the Sixteenth and Seventeenth centuries alone, could not be overlooked as among the contributing causes; the effect of the circulation of Niccolò Machiavelli's writings on the definition of modern military strategy, was sufficient influence, and also evidence on that account. The pathetic failure of the prolonged Council of Trent, produced, by its own default, the Sarpi essential to that founding of The New Venetian Party, whose flag would later usher William of Orange into the rape of the British Isles.

Sarpi had thus been reincarnated, so to speak, as Lord Shelburne's adopted agent, Adam Smith. So, Sarpi had begotten, among others, Adam Smith, and, with that, the official status of the system of rule by the weapons of pleasure and pain, the weapons of the presently failing system of "modern philosophical Liberalism."

The principled nature of that failure of modern European culture is most clearly demonstrated, in the emphasis on “pleasure and pain” as being Smith’s only permitted standard for the herding of the human cattle. The result has been the ordinary processes of judgment prescribed for public deliberations in the British Isles and beyond.

This brings this discussion to the kernel of the issue of scientific method to be considered here: the inherently deadly folly of the substitution of a doctrine of “pleasure and pain” for the alternative of continued reliance on science and the closely related principles of Classical artistic composition as typified by the work of Johann Sebastian Bach and his faithful followers.

Admittedly, Classical culture exists among the British Isles; but, the system which rules there has expressed the pleasure-pain system. Indeed, the custom of the United Kingdom, as expressed by the relevant, most notable doctors of law, has recognized the authority of an imperial system, in which the empire reigns supreme, while mere kings, or the like, are merely local magistrates of a certain territory within the superior reality of the empire as such. Hence Tony Blair’s imperialist notion of traditional Roman imperial “governance.”

This brings us into confrontation with the domain of the folly of those who are deluded into faith in those meager bounds of pleasure and pain on which the doctrine of contemporary philosophical liberalism relies. That is a liberalism which incurs that folly whose guidance makes fools and ready victims of what should have been fostered in the becoming of individual human beings who are, implicitly, competently sovereign in their own essential nature.

My emphasis here, is on my commitment to the subject of a science of physical economy: *the principle of a credit system, rather than a monetarist system.*

The distinction between the two systems, is fundamental (i.e., categorical), not a matter of difference among approximations, nor over differences in monetary expectations. In the former, the monetarist system, the physical resources of human existence are restricted by a monetary aggregate; whereas, in the latter, in the credit system, the use of that which can be expressed in money-terms, is defined by the effective commitment to a net physically definable input and output.

Which is to say, that monetarism is the expression of the attempted colonization of mankind which does not submit to the principled nature of the distinction of man, a voluntarily creative species, from the mere beasts.

In the past half-billion of years of known forms of life within our Solar system, especially in the record of Earth itself, recurring cycles have destroyed entire categories of living creatures, a destruction which had made way for a more highly developed set of interdependent species. In this entire process, the existence of our species, mankind, for merely a few millions of years, has been unique as a consciously creative species, and therefore less subject to the forces of extinction which have tended to remove, or have actually removed leading species. Indeed, it is mankind itself which adopts and preserves species which were otherwise faced with a process of extinction.

It is those voluntary noëtic powers specific to our species, which are probably the only source of hope for the continued existence of our species, lest we go in the fashion popularly associated with the galactic patterns which brought about the mass extinctions of the dinosaurs. It is mankind’s specifically noëtic potential, as expressed through advances into conscious dominion in the use of nuclear-fission, thermonuclear fusion, and so-called “matter-antimatter” reactions, which portends our access to those higher powers for existence which are, to the best of our present knowledge, specific to the noëtic powers of our species.

The Credit System

The systemic quality of error in monetarist systems, lies in the presumption that a value is determined in terms of an elementary quality of a quantity of money, which refuses to recognize the fact that the essential nature of relative value is essentially physical, rather than monetary. The broad measure to be employed to this effect, is most conveniently expressed in terms of *energy-flux density of power, per capita and per square kilometer of standard units of territory.*

To achieve the same standard of living, measured in per capita terms, per square kilometer of mean territory, a continuing upward development in the available *energy-flux-density, per unit of cross-section of applicable power,* is required. Thus, already, nuclear-fission and early phases of applied thermonuclear fusion, are presently required to ensure a constant quality of human existence, per capita and per square-kilometer-cross-section of power.

This also means the requirement of developing the typical human individual into a person capable of wielding that quality of increasing energy-flux-density per capita and per square-kilometer-cross-section, as from

nuclear-fission power, to thermonuclear-fusion, to what is classifiable, in presently conventional terms of reference as matter-anti-matter reactions. Such, for example, were already the implications of the concluding, third section of Bernhard Riemann's habilitation dissertation, and also the implications of the ontological arguments of such as Max Planck and Albert Einstein.

This same argument defines humanity as a creative

It is those voluntary noëtic powers specific to our species, which are probably the only source of hope for the continued existence of our species, lest we go in the fashion popularly associated with the galactic patterns which brought about the mass extinctions of the dinosaurs.

being, one whose participation in principled discoveries and their applications, defines what should be considered as the natural obligation of mankind.

Mankind is designed in its known special capability for performance, as emphasized by V.I. Vernadsky's definition of the Noösphere, as the special nature of mankind's potential, per capita, for advancement of man's power expressed within the universe. Mankind, if only potentially today, is the only known, potentially immortal species in the known universe. We, through our changing ourselves through the qualitative stages of evolution to higher states of practice, are unique in our relative capability to become, willfully, a higher quality of life, through rising to higher levels of expressed power, per capita and per square kilometer of territory.

Such notions as these must be the standard of reference for a physical-economic policy of society now. We have collapsed so far, during the time since the assassination of John F. and Robert Kennedy, that we must race to seek to "catch up" with the ground we have lost during the course of the recent decline in the economy, per capita and per square kilometer, over the course of the 1965-2011 interval, especially the disastrous collapse of the 1971-2011 part. We must, in other words, reverse the effects of the post-World War II decline in energy-flux density per capita and per square kilometer, over the course of the post-World War II interval to date.

The Present Galactic Challenge

Among my collaborators, the known characteristics of our galaxy are, when duly considered by us today, beneficial and terrifying at the same time. In that domain, "keeping up with the Joneses" is a hearty sport. Nonetheless, prudence demands that we come to understand our species' abilities and risks on this account. So, the ionosphere is a great gift, and yet a participant in the process of earthquakes and mass-murderous features of climates. The challenge we must meet is to acquire appropriate capabilities of knowledgeable practice for dealing with such contingencies.

On this account, to come to the greatly needed, better understanding for practice, we must abandon the foolish worship of a system of pleasure-pain. There is a specific aspect of physical-scientific practice to be taken into account for this purpose. The leading and functionally related issues involved are, most notably, the following.

First, there is no hope of the continuation of civilized life on this planet, without a shift from a monetarist, to a credit system. This means the cancellation of an enormous, and now wildly escalating mass of purely fictitious monetarist aggregates formed in the tradition of such as John Law bubbles. That waste-matter must be simply wiped off the books of governments and their economic systems, by dumping such waste matter into the category of gambling debts, this done by way of using a U.S.A. relaunching of the original Glass-Steagall law, to set the pattern for extending that into the trans-Atlantic system, and the establishing of a fixed-exchange system globally, in the form of a credit system.

Second, that emergency reform-action should be informed by my notion of physical-economic "platforms," rather than the accustomed notions of "infrastructure." This means aggressive expressions of increase of the energy-flux density of systems of power, using the markets created by expenditures for "platforms" development as the driver for the private sector of agriculture, manufacture, and trade. An included emphasis on long-term physical-capital improvements of definable "platforms," will create the market and technology-drivers for the national and world economic systems.

Thirdly, given the fact that mankind has been known to have existed on this planet during a span of only several millions of years, we do not share the "biological memory" of species from many tens of mil-



Wikimedia Commons/R. Clucas

With our planet now having entered a tumultuous interval of increased violence of natural forces, “we must turn our concentrated attention on that species feature of our nature which distinguishes our species from that of the beasts: human scientific and related creativity.” Shown: an eruption of Mt. Redoubt in Alaska, April 21, 1990.

lions of years of experience of life-forms known to have once existed on Earth. We are currently entering a tougher state of galactic, and, therefore, Solar affairs, with emphasis on the wipe-out of the dinosaurs, in favor of much more efficient higher species, such as the mammals and, ultimately, mankind itself. The crucial matter of fact in all this area of policy-shaping, is the uniqueness of those creative powers of humanity which V.I. Vernadsky associated with the concept of a noösphere.

Mankind has the presently continuing potential, of creating synthetic features built into environments, by means of which, mankind is enabled to resist those tendencies of virtually inevitable species-extinctions typical among lower forms of animal life.

As my associates have shown, in their publications, the essentially characteristic principle of anti-entropic evolution of species, finds its crucially important expression in the use of the willful forms of human individual creativity to produce the effect in society generally, of man’s potentially willful advance to expressions which, in their effect, are humanity’s willfully enabled rise to conditions of development which are comparable to upward evolution of species among the lower genotypes of animal life.

Science-driver programs, in that sense of things, are the natural characteristic embedded in the novelty of the human species.

Nor it is necessary, that we think of our species as inherently limited to our planet. The space program set into motion in Germany during the late 1920s and 1930s, has had the effect of opening our mind’s eyes to the reality of what might be done on this account.

Consider the fact that our planet has entered a tumultuous interval of increased violence of natural forces on this planet. The challenges of seismic catastrophes, violent forms of weather, and challenging surges in Solar activity, are precursors of an

improved foresight among us. What we have done in the exploration of space, since the initiative associated with President John F. Kennedy, has been, most essentially, mankind’s challenging the confining limits which must be surpassed to continue human life safely on Earth, within our Solar system, and beyond.

In all of this, and of related considerations, we must turn our concentrated attention on that species feature of our nature which distinguishes our species from that of the beasts: human scientific and related creativity, with special emphasis on the roots of mankind’s actual discoveries of universalizing principles whose emergence lifts mankind’s nature upward, as if to becoming a still higher species. Creativity of this nature is a true great good in and of itself, if for what seems often only a delightful sort of creative play. Indeed, it is through the truly Classical forms of artistic composition, that the morality and intellect of mankind is raised out of a customary gutter or cesspool, to a view of the beauty of what mankind’s achievements of virtual immortality can be.

The wonderful challenge now immediately before us, is the shift from man as a mere earthling, to mankind in the Solar system, and, on to the galaxy.