

# Stands krakket gennem LaRouches økonomiske program efter Hamiltons principper. LaRouchePAC Internationale Webcast, 14. oktober, 2016.

*Hr. LaRouche har leveret den klare recept, såvel som løsningen. Vi begyndte at forklare dette sidste fredag med vores særlige webcast med Paul Gallagher (dansk: Glass-Steagall: Det presserende første skridt); men vi er gået videre med at forklare dette spørgsmål. De Fire Økonomiske Love efter Hamilton, som Lyndon LaRouche udarbejdede for næsten to år siden, og som begyndte med genindførelsen af Glass-Steagall, men som omfatter en recept, der er en meget præcis og videnskabeligt funderet fremgangsmåde for, hvordan man totalt skal reorganisere og genoplive ikke alene USA's økonomi, men også skabe et helt nyt, økonomisk paradigme for det transatlantiske system, i harmoni med det, der allerede stråler ud fra Eurasien. I sammenhæng hermed har hr. LaRouche prioriteret de fire, økonomiske rapporter, som blev skrevet og forelagt Kongressen af vores første finansminister, Alexander Hamilton, i 1790'erne ved selve den amerikanske republiks fødsel. Disse fire rapporter er: »Rapporten om statslig kredit«; »Rapporten om statslig bankvirksomhed«; »Argumentet for forfatningsgrundlaget for Nationalbanken«; og »Rapporten om varefremstilling«.*  
<https://larouchepac.com/20161013/alexander-hamiltons-four-economic-papers>

*Engelsk udskrift:*

Friday LaRouche PAC Webcast October 14, 2016

## HAMILTON'S FOUR REPORTS AND LAROCHE'S FOUR LAWS – BASIC NECESSITIES FOR MANKIND'S CONTINUED EXISTENCE

MATTHEW OGDEN: Good evening; it is October 14, 2016.

My

name is Matthew Ogden and you're watching our weekly Friday evening webcast here from [larouchepac.com](http://larouchepac.com). I'm joined in the studio today by Benjamin Deniston from the LaRouche PAC Science

Team; and we're joined via video by Kesha Rogers from Houston, Texas; and Michael Steger from San Francisco, California.

Both

of whom are leading members of the LaRouche PAC Policy Committee.

Now, I just want to begin our broadcast here today by re-emphasizing exactly what Mr. LaRouche has been emphasizing every single time we've spoken to him this week. That it cannot

be said enough that the American people scored a major victory against Obama with the defeat of his treasonous veto of the JASTA

bill and the overwhelming veto override that was delivered as the

final act of the United States Congress before they left for their districts. This only demonstrates what the American people

are capable of when they overcome whatever fear, whatever intimidation has come from this Barack Obama administration; and

we can see that it's been a force for seven and a half years to

try to intimidate the American people out of taking their country

back and acting in their own self-interest. But Obama's decision

to ally with the British-Saudi treason terror faction and to veto

this JASTA bill, demonstrated who he was; it demonstrated his true colors. And the American people drew a line in the sand and said, "Enough is enough! No more of this."

You can look at what has happened in the weeks following that event. We are now directly involved through missiles and bombing in the war in Yemen; this is the decision by Barack Obama to become involved in yet another unnecessary foreign war. We are siding with the genocide and war crimes of the Saudi regime there in Yemen. The lies and the propaganda that are coming out of the Obama White House against Russia, and the actions that Russia is taking in alliance with the Syrian government in attempting to defeat ISIS and the terrorists in Aleppo are unprecedented; along with the completely unfounded propaganda and lies about so-called Russian cyber warfare and hacking and all the rest.

You can see the utter denial of the fact that we are right on the verge of a complete blow-out of the entire trans-Atlantic financial system. All you have to do is read the headlines of the major financial press to see that even {they} are admitting that Deutsche Bank is more leveraged than even Lehman Brothers was at the time of its collapse; and that Deutsche Bank could, in fact, be the next Lehman.

So, all of these three items combined should show you, as we emphasized earlier this week on the Policy Committee show on Monday, that you would have to be completely out of your mind not

to see how close we are to the combined threat of a complete blow-out of the financial system and the very real threat of the eruption of a nuclear war. Even Mikhail Gorbachov is saying we are closer to a Third World War than we have ever been before. This is the remaining months in office that Obama has.

What Mr. LaRouche has delivered as the prescription, as the solution, is very clear. We began to elaborate this last Friday during our special webcast with Paul Gallagher; but we've continued to elaborate this question. The four Hamiltonian economic laws, drafted by Lyndon LaRouche almost two years ago, which begin with the re-institution of Glass-Steagall, but contain a prescription which is a very precise and scientifically grounded approach to exactly how to completely reorganize and revive not only the United States economy, but to create an entirely new economic paradigm for the trans-Atlantic system in accord with what's already emerging out of Eurasia. In conjunction with this, Mr. LaRouche has put a premium on the four economic reports that were written and submitted to Congress by our first Treasury Secretary, Alexander Hamilton, in the 1790s at the very birth of the United States republic. These are: the "Report on Public Credit"; the "Report on National Banking"; the "Argument for the Constitutionality of the National Bank"; and the "Report on Manufactures".

So, as a key component of our show today, Ben and I in conjunction with Kesha and Michael are going to elaborate a little more on what is the contents, what is the substance of

those reports from Alexander Hamilton; and then, how do they translate today in the four economic laws of Lyndon LaRouche, with a major emphasis on how a breakthrough in terms of man's exploration of space and everything that that entails in terms of the great economic leap and scientific revolution for mankind, is the application of the Hamiltonian principle for today.

But before we get to some of that more detailed discussion, I think we should just revisit a couple of the urgent points in terms of the current mobilization. The channeling of the spirit of the JASTA victory into the mobilization for the re-institution of Glass-Steagall and the proceeding toward the entirety of the four LaRouche economic laws.

BEN DENISTON: Plenty can be said, but I would just emphasize – you said it already, but I think given the state of our nation today; and I hate to mention the elections, but this is really a form of psychological warfare. This is not an election; this is a Jerry Springer episode, this is insane. But, as Matthew cited, look at what we did with JASTA. That did not require either of these candidates to do anything on that; that was an action demonstrating the institutions of the United States, the republican system of the United States. The integration between the work that we've been leading and the work the 9/11 victims' families have been leading on the ground,

working with various institutions, various regions of the country as a totality came together and slammed Obama, slammed the British, slammed these degenerate Saudis on this issue; in spite of the insanity leading the Presidential election process. So, that's the spirit we need to take right now to the current Glass-Steagall fight. This financial system is collapsing; as was said, you can see that in any major press at this point. There is no solution left in the monetarist framework the way these guys are playing it. Bail in; bail out; QE; they've been playing these games for years now, and they're reaching the end. This can't keep going; we need a reorganization of the system. If we're not going to have a Presidential candidate who's going to take the lead on that, that doesn't matter; we need to make it happen. We're not going to wait 'til after the election; we're not going to wait for one of these ridiculous fools to take the lead on this. We're going to make it happen. That's what we did with JASTA; that happened.

So, people who are cynical out there – we did it! That happened. It can happen again, and it needs to happen again. Glass-Steagall is going to completely cut off Wall Street; this is going to be a massive revolution in the United States, a massive shift of power in the United States away from the interests of Wall Street and international finance back to the sovereignty of the United States. It is the necessary indispensable first step for opening up this full recovery

program. But I think people need to have the urgency of getting this through now. Again, don't let your friends, your associates, the people you're talking to, fall into this cynical pessimism; which is really being pushed at this point, with the Jerry Springer show – aka these debates. These things can change; we can get these laws through. There's already huge momentum around the country on Glass-Steagall; there's growing recognition of LaRouche's Four Laws as the necessary next steps. So, I think the message to take away at this critical time is go out and move! This is the time to make this happen.

MICHAEL STEGER: Yeah, I think that's right. I think it's important to take a look at a couple of things in the context of this Hamilton question. Because it was about two years ago that Mr. LaRouche launched the Manhattan Project with the key focus of Alexander Hamilton at the foundation of that, as well as a commitment towards a Classical renaissance. And what we saw in the process of these last two years, was the mobilization of a key part of the American population – the New York City area; because of the questions of Glass-Steagall and of Wall Street implicitly, and the question of 9/11. There was a mobilization of that population around an optimistic vision of the country, both through Hamilton's policies, really the foundation of Hamilton setting forth the most advanced conception of human economy as a scientific practice that has been conceived yet. Mr. LaRouche said this himself, that what he took as the Four

Laws was essentially a patenting of what Hamilton had set forth in these documents. Both the power of the Federal government, and the means and mechanisms by which you can develop and foster a perpetual growth of the human species. But I think it's also important – because I think this is something that too many Americans overlook, either voluntarily, but more so involuntarily, because of the black-out in the media; that in June of 2014, we saw consolidated what Xi Jinping had put out as an international policy at the end of 2013, which was the New Silk Road perspective. In June 2014, that was consolidated by the BRICS; and largely what we've seen, given the attempts to undercut Brazil and South Africa, but we've seen an increasing level of coordination and collaboration between Russia, China, and India, that has fundamentally shifted world history. We are talking about a fundamentally new economic system; one that looks at the very policy Mr. LaRouche laid out beginning in the 1970s. At the core of that, is the question of an International Development Bank; or what the BRICS have entitled the New Development Bank. Or as a LaRouche-Hamiltonian conception of a new international credit system; that is there.

Now, not only is that economic perspective there; it is recruiting nations like Japan, the Philippines, Australia, Canada. Many nations joined the Asia Infrastructure Investment Bank; nations like Egypt, and Iran. But there is also a very clear strategic component; we see this specifically in Syria. We see what Russia has done to confront Obama's war agenda. Then



the coordination between Russia and China, India, and increasing numbers of other nations throughout Eurasia. This is a unique opportunity for the American people to create a new Presidency that looks to realign with Russia, China, and these major nations. All of the propaganda against Putin, all the attacks, the lies, the mass of lies against Putin coming out of the Obama operation right now in the Presidential election is a mass cover-up of what really exists for the American people; which is a chance to go back to a LaRouche-Hamilton perspective in economic policy in the United States with very key collaborators internationally. That really is shaping the intervention we made around JASTA, both the Manhattan Project and this Russia-China intervention. The BRICS is larger, but those nations most specifically. We really have a unique opportunity to shut down this London-Wall Street financial system, which for 50-60 years and longer, essentially, but since the end of World War II has been a mass genocide program in Africa, in South America. Forced sterilizations; imposed famines; scientific frauds like global warming, the ozone layer, or human overpopulation; all of these things have been concocted as ways of undermining and destroying the human economic growth potential.

And we now see a potential today to change that. An intervention by the American people like we saw with JASTA, around this LaRouche-Hamilton perspective is absolutely key. But I think this global perspective is essential to that, to

understanding why we can be so optimistic today.

OGDEN: Yeah, I think that if you go and look at what was presented last week, Paul Gallagher presented a clear picture in terms of the proximity of the complete breakdown of this financial system; and the causes for that, the reason for that. The insanity of 0% interest rate QE bail-in, bail-out regime that has reigned since 2008; but really since the repeal of Glass-Steagall in 1999. The fact that what would be a productive economy has been completely drowned and suffocated by a shark tank – as he characterized it – of this just robbery, looting, criminal practices and complete insanity as it reigns in terms of economics. The fact that Mr. LaRouche is on the scene, and has for 50 years what has now been adopted in part by several major nations on this planet – I think most clearly evidenced by the policies of the Asia Infrastructure Investment Bank and the New Silk Road projects coming out of China. We have the ability to bring Alexander Hamilton's principles to bear on this current situation. The vacuum of leadership in the face of this total meltdown of the financial system gives us a great opportunity for optimism. In fact, through reasoned leadership of the type that was exerted in the midst of this fight for JASTA, but which was really a fight against the entire imperial apparatus that has dominated this country since 9/11; you can in fact create a

policy revolution of a type which has not been seen for a long time, especially since John F Kennedy with his commitment to the space program. But really not since Franklin Roosevelt in the full extent of that kind of economic approach.

I think we should revisit these four economic principles of

Mr. LaRouche before getting a little bit more deeply into the content of the Hamilton economic reports. We begin with [No.1] the principle of Glass-Steagall, re-instituted exactly as Franklin Roosevelt did it. It proceeds directly from there, that

through a restored actual commercial banking system in which you

have the Treasury of the United States restored to its original

intended role, as Alexander Hamilton created it; the power of the

Presidency, as Abraham Lincoln demonstrated very clearly through

his use of the Greenbacks and also his national banking bills of

1863 and 1864, can reorganize this banking system, from the top

down, to restore it to its original intent; that it should be used for the productive investments of productive enterprise in

the United States and the improvement of productive enterprise.

But that's not enough! What you have to have from that standpoint, is [No. 2] a scientifically-grounded and principled

understanding of how credit, through the mechanisms that were provided by Alexander Hamilton, must be directed to {increase} the productive powers of your labor force. [No. 3] What are the

specific projects? What are the specific investments? What are

the specific cutting-edge discoveries that must be pursued that  
in a scientifically provable and knowable way that will increase  
the productive powers of your labor force, both individually and  
as a whole? And that has to be defined from an understanding, as  
Mr. LaRouche has uniquely developed it, of the principle of  
energy-flux density, not a one-to-one labor power, as manual  
labor per individual member of your society, but the application  
of technology and ever-higher forms of technology, to create the  
increases of productive powers of labor, upon which progress in  
your society depends.

And then, No. 4, what are the specific future-oriented drivers that express the unique character of man? What makes man  
different from a beast? How is mankind, as Vernadsky would define  
it, a unique and distinct species, distinct from all other forms  
of animal and other kinds of life? And, what is our imperative,  
as that sort of species? I think it is no better expressed than  
in the space program, as it was conceived and elaborated, as  
Kesha has emphasized, by Krafft Ehricke, who Mr. LaRouche  
directly mentions in that "Four Economic Laws" paper of two  
years ago.

So, that was elaborated on the webcast last week.  
We've got,  
I think, a little bit more specificity for especially that  
third

economic law, but I think between what Ben and I have, and then the discussion with Kesha and Michael, you can see the resonance between what Mr. LaRouche is addressing in these four economic laws, and what Alexander Hamilton originally laid out in the content of those four economic reports that he drafted to Congress in the 1790s.

BEN DENISTON: You had some quotes from those reports that you want to read?

OGDEN: Sure, we can start with that.

DENISTON: Okay.

OGDEN: Let me bring up on the screen the first slide from these Hamilton reports. [Slide 1] I'm going to focus mainly on the "Report on Manufactures." This was written in December 1791, but, as I mentioned earlier, this is merely one out of four, and in the "Report on Manufactures," actually, Hamilton refers repeatedly to his other three reports, "On the National Bank," "The Defense of the Constitutionality of the National Bank," and "On the Public Debt," or, "On the Public Credit."

I think the "Report on Manufactures" is a very important and useful place to start, because it really is nothing less than the study of the science of how the human mind, through its application by means of technology, can in fact increase the potential population density of any given economy or any given nation. This is the way that Mr. LaRouche came at this, but in fact it's very much demonstrated and laid out, explored, in an

exploratory way, in this "Report on Manufactures."

Quickly, the context of the "Report on Manufactures" – you could really call it Hamilton's "Defense of Manufactures," in the context of what was becoming a prevailing but fraudulent argument, coming from circles such as Thomas Jefferson circles and others. That the United States, as a new nation, should merely be an agrarian economy, an agrarian economy in one form or another – landlords and peasants – or just an infinite extension of agricultural lands westward, and just depend on the product of the soil as the driver of the economy. Hamilton said, this is false, this is a fraud, this must be addressed, and he wrote the "Report on Manufactures" to address this.

What Hamilton elaborates is that in fact an economy which is dependent merely on agriculture will be able to support far less people at a far lower standard of living and a far lower density of population, than an economy which also includes manufacturers, science, technology, and the application of that, through technology. A kind of argument generally used, said that anybody who was not farming and was doing something else, like manufacturing, would be producing less food, and so we would have fewer people; we would be able to support fewer people. Hamilton destroys this argument, saying in fact that it's the other way around: the more division of labor that you have, if two people are just doing agriculture, they can only support themselves.

If

instead one of them is engaged in agriculture and one in manufacturing, not only can they support the two of them, but they can support themselves and others.

Let me go back to that first slide, with that quote. Hamilton says, the purpose of this report is "to evince that the establishment and diffusion of manufacturers have the effect of rendering the total mass of useful and productive labor in a community greater than it would otherwise be." So, you can see, he's very clear in what the purpose of this study is.

Next slide. [Slide 2] He says "It may be inferred that manufacturing establishments not only occasion a positive augmentation of the produce and revenue of the society, but that they may contribute essentially to rendering them greater than they could possibly be without such establishments." So, without the use of manufacturing, the ability of the economy would be lesser than it would be with manufacturing establishments.

He says there are seven reasons for this. I'm not going to elaborate all seven, but you can see on the screen on the next slide [Slide 3] the seven reasons he has listed: "(1) The division of labor." I touched on that briefly. "(2) An extension of the use of machinery." We'll elaborate on that a little bit more. "(3) Additional employment to classes of the community not ordinarily engaged in the business." "(4) The promoting of emigration from foreign countries." That's an apropos point. "(5) The furnishing greater scope for the diversity of talents and dispositions which discriminate men from each other." We'll touch

on that a little bit more. That's an important one. "(6) The affording a more ample and various field for enterprise." And "(7) The creating in some instances a new, and securing in all, a more certain and steady demand for the surplus produce of the soil." This one is actually often overlooked, but Hamilton says this is the most important one, and I think it will be appropriate for what Ben's going to get into.

Let me elaborate just a couple of these ones. We're going to take a look at No. 2: "An extension of the use of machinery." Here's what Hamilton says about that. This is the next slide. [Slide 4] Alexander Hamilton says, "The employment of machinery forms an item of great importance in the general mass of national industry. 'Tis an artificial force brought in aid of the natural force of man; and, to all the purposes of labor, is an increase of hands; an accession of strength,{unencumbered, too, by the expense of maintaining the laborer}. He's saying you have an increase of hands, almost artificial labor, and you don't need to feed that labor.

Next slide. [Slide 5] [Hamilton continues,] "May it not therefore be fairly inferred, that those occupations, which give greatest scope to the use of this auxiliary, contribute most to the general stock of industrious effort, and, in consequence, to the general produce of industry?" So, that's the use of machinery in manufacturing.



Let's take a look at the next slide. [Slide 6] This is where he elaborates the point [No. 5] "As to the furnishing greater scope for the diversity of talents and dispositions, which discriminate men from each other." He says, "It is a just observation, that minds of the strongest and most active powers for their proper objects fall below mediocrity and labor without effect, if confined to uncongenial pursuits. And it is thence to be inferred, that the results of human exertion may be immensely increased by diversifying its objects. When all the different kinds of industry obtain in a community, each individual can find his proper element, and can call into activity the whole vigor of his nature. And the community is benefitted by the services of its respective members, in the manner, in which each can serve it with most effect."

Next slide please. [Slide 7] He continues, "If there be anything in a remark often to be met with – namely that there is, in the genius of the people of this country, a peculiar aptitude for mechanic improvements, it would operate as a forcible reason for giving opportunities to the exercise of that species of talent, by the propagation of manufactures."

OK; next slide. [Slide 8] In this one, he's elaborating his point [No. 6] about "affording a more ample and various field for enterprise." This is quoted, but I think it's very important. He says, "To cherish and stimulate the activity of the human

mind,  
by multiplying the objects of enterprise, is not among the  
least  
considerable of the expedients, by which the wealth of a  
nation  
may be promoted."

Next slide. [Slide 9] He continues, "Even things in  
themselves not positively advantageous, sometimes become so,  
by  
their tendency to provoke exertion. Every new scene, which is  
opened to the busy nature of man to rouse and exert itself, is  
the addition of a new energy to the general stock of the  
effort."

Next slide. [Slide 10] He continues, "The spirit of  
enterprise, useful and prolific as it is, must necessarily be  
contracted or expanded in proportion to the simplicity or  
variety  
of the occupations and productions, which are to be found in a  
society. It must be less in a nation of mere cultivators, than  
in  
a nation of cultivators and merchants, less in a nation of  
cultivators and merchants, than in a nation of cultivators,  
artificers and merchants.

Next slide. [Slide 11] I want to put special emphasis  
on  
this one, because I think it opens up the point that Mr.  
LaRouche  
was exploring in his Four Laws paper about physical chemistry.  
Alexander Hamilton says under this one [Point No. 7], the  
heading  
of "As to the creating, in some instances, a new, and securing  
in  
all a more certain and steady demand for the surplus produce  
of  
the soil." Hamilton says, "This is among the most important of  
the circumstances which have been indicated. It is a principal  
mean, by which the establishment of manufacturers contributes

to  
an augmentation of the produce or revenue of a country, and  
has  
an immediate and direct relation to the prosperity of  
agriculture."

Next slide. [Slide 12] "It is a principal mean by  
which the  
establishment of manufactures contributes to an augmentation  
of  
the produce or revenue of a country."

Next slide [Slide 13] After elaborating a little bit  
why  
it's advantageous to have a domestic market rather than just  
depending on foreign markets for your produce and products, he  
says:

"It merits particularly observation that the  
multiplication  
of manufacturies not only furnishes a domestic market for  
these  
articles which have been accustomed to be produced in  
abundance  
in a country; but it likewise creates a demand for such as  
were  
either unknown or produced in considerable quantities. The  
bowels as well as the surface of the Earth are ransacked for  
articles which were before neglected. Animals, plants, and  
minerals acquire a utility and value which were before  
unexplored."

Then, jumping forward quite a bit, I just wanted to go  
to  
Hamilton's conclusion of the entire paper, after discussing  
public credit and national banking. [Slide 14] He says:

"In countries where there is a great private wealth,  
much  
may be affected by the voluntary contributions of patriotic  
individuals. But in a community situated like that of the  
United

States, the public purse must supply the deficiency of private resource. In what can it be so useful as in promoting, prompting, and improving the efforts of industry?"

So, just before Ben picks it up, I just want to emphasize that what Alexander Hamilton is exploring, is the science of how the human mind can increase the productive powers of labor and through that, by means of the application of technology and principles that were hitherto unexplored or undiscovered, can increase the potential population density of a nation or an economy. I think this seventh point, which he puts the most premium on, is the role that manufactures can play in spurring the discovery of resources that we didn't even know were resources before. What had been previously considered just rocks or otherwise, become the most valuable resources – minerals, fuels, coal, oil, uranium; the most valuable resources for your economy. I think Alexander Hamilton would be particularly excited if he knew about the potential of the Moon to be mined for a resource that I'm sure they did not have any conception of in 1791 – helium-3 – as a source of fuel for nuclear fusion, for example. So, I just wanted to give a little bit of actual content of Alexander Hamilton's Report on Manufactures; and maybe we can use that to contextualize a little bit of what Ben's going to present here.

DENISTON: People should know, we are making these – in their totality – available on the LaRouche PAC website. This is admittedly some pretty heavy material for some of our viewers, but this is really what's needed right now. I would just

emphasize looking where we are in the United States right now, and again, a lot of people know Glass-Steagall needs to happen; a number of people have a sense of having some sovereign control over our money supply. But what Hamilton understood and what LaRouche understands, is what is the science of growth. You can have sovereign control of your money, you can cut off destructive speculation like Wall Street; you can throw that in the trash. But how do you create growth? How do you actually create a more productive economy in totality? That is what Hamilton understood; that a true credit system can facilitate these increases in the productive power of labor. That's what the American people need to understand right now; that's what we have a chance of joining internationally with what's going on around the world. But it's going to require that the United States return to our understanding of these core principles. I wanted to just take a second and pull a little bit out of what Mr. LaRouche defined as his Third Law in his policy document; and just go through a couple of historical examples to put a little bit more of a picture on this relation of the actual understanding of the productive powers of labor and the critical role that Mr. LaRouche has defined in his work furthering Hamilton's own understanding to a new degree. Mr. LaRouche's work on what he defines as "energy flux density".

But if we can go back to the slides, I have the full quote of Mr. LaRouche's Third Law up there. [Slide 15] Again, the policy document as a whole is available on our website. I just

wanted to read this and then go through a couple examples. Again, the First Law being Glass-Steagall; the Second Law being a national banking system, as Hamilton had defined. And then he presents a Third Law with this national banking system:

"The purpose of the use of a Federal credit system, is to generate high-productivity trends in improvement of employment with the accompanying intention to increase the physical economic productivity and the standard of living of the persons and the households of the United States. The creation of credit for the now urgently needed increase of the relative quality and quantity of productive employment must be ensured this time once more, as was done successfully under President Franklin Roosevelt or by like standards of Federal practice used to create a general economic recovery of the nation, per capita. And for rates of net increases in productivity and by reliance on the essential human principle which distinguishes the human personality from the systemic characteristics of lower forms of life; the net rate of energy flux density of effective practice. This means intrinsically a thoroughly scientific, rather than a merely mathematical one; and by the related increase of energy flux density per capita and for the human population when considered as each and all as a whole. The ceaseless increase of the physical productivity of employment, accompanied by its benefits for the general welfare, are a principle of Federal law which must be a paramount standard of achievement of the nation and the individual."

I think really, again, illustrates Mr. LaRouche's work

furthering this scientific understanding of economy really rooted in the work of Hamilton and those who continued this American System tradition; but applying a new scientific understanding to it. If we go to the next slide [Slide 16], I wanted to highlight a study that was done under Mr. LaRouche's direction back in the '80s. Mr. LaRouche has a long history of trying to educate the American people and institutions about real economics. I thought this was just one example, but I think it may be a helpful, specific case study to try and put some depth to the idea of the productive powers of labor and the relation of energy flux density to the productive powers of labor.

So, what do we mean by that? This is one expression of that; this is a measurement of the productivity of iron throughout the history of the United States up to 1975. Iron being by weight the most-used element by mankind as a whole. Obviously, it's the main component of steel, so this is a major part of any modern economy, is iron production. This is a rather fascinating study, where Mr. LaRouche said, don't just look at tons produced; don't just look at people employed. Look at the relation between productivity – how productive is your average laborer producing iron – and energy flux density; what's the actual energy density per time used in the actual manufacturing process of blast furnaces? If you examine this historically, you get this very fascinating and clear demonstration of what Mr.

LaRouche is talking about in terms of energy flux density and productivity. You see a consistent increase in the tons produced per average iron worker per year in this case is the actual number being used; measured against the energy flux density of the production process. The energy per area, per time; so the concentration and density of energy used in the blast furnaces to produce this iron. And you see a dramatic, many-fold increase in how productive each individual worker is as a direct function and relation of the increasing energy flux density of the productive process.

More interesting, you see this kind of comes in successive waves; and each of these waves is associated with – you'll get a rise for a certain period, and then the productivity increase will tend to level off. Then, you'll get a new technological revolution; you'll move to a higher energy density fuel, for example. Moving into better forms of coal was one example of this; types of coal that have more energy per mass, per weight.

Or moving to coke – a derivative of coal that can operate at higher temperatures and enable higher production rates. Or moving to higher technologies in the more recent period of injection of pure oxygen into the process to create even more heat and a more intense productive process. There are various technologies associated with each of those steps; you have increases in technology, increases in the energy density of the fuel producing the process. You can kind of measure that together as expressed in energy flux density; and you can see that to really understand progress – but also these qualitative



shifts in progress; these leaps that occur, these are the kind of metrics we want to look at.

When you talk about this idea of – it's not a question of the number of people you have employed; it's a question of what's the capability of your labor force to produce the goods needed at higher rates or efficiency, etc. So, I think it's just one useful case study to give some concept of the relationship between the productive powers of labor and energy flux density.

It doesn't show it in this graphic, but as I think many of our viewers wouldn't be surprised, these metrics have gone down significantly since 1975; since we really settled into a post-industrial economy which has led us to this collapse process – the abandonment of this real industrial, forward-oriented economic policy.

If we go to the next graphic [Slide 17], it's just another illustration of the same thing from the same study; but it's also just interesting to note that with each of these successive leaps, you also get higher rates of productivity per amount of energy. So, this is literally the productive output of iron per amount of energy put in. This idea that energy as a scalar value in and of itself means something is not true. The amount of energy you're using does not necessarily tell you what your economy can do, how productive you can be; but it's an issue of energy flux density. Higher energy flux densities, the same amount of energy measured in just scalar, quantitative terms becomes much more productive; because you're employing it with

higher technologies and at higher energy flux densities.

This is just one example. Similar studies can be done in various sectors of the economy; but this is the type of process that enables the productive section of your economy to continue to – as Mr. LaRouche said in the concluding section of this Third Law: "[T]o continue this process of ever increasing the productivity and ability of your labor force to produce more goods, higher quality goods, that are needed to support society." Those are the metrics that we need to understand that the credit must facilitate and go to.

I just wanted to highlight one other illustration of this energy flux density issue, but on a national scale. If we return to the slide [Slide 18], you can also see this in terms of the economy as a whole. This is a study that we developed in the Basement Team looking at the history of the United States; looking at what you could consider one metric for the energy flux density of the nation as a whole. Now, we're looking at the use of power per capita; not just what any one individual uses, but everything that goes into all forms of transportation, manufacturing, agriculture. You take the net energy investment in totality across the entire nation, average it per capita. Then here we have it divided by power sources. You can clearly see the history of the growth of the United States very clearly expressed in the increasing energy flux density of the nation.

You clearly see the Great Depression illustrated by a significant drop in the energy flux density – measured in per capita terms – of the nation. You see a dramatic rise in Franklin Roosevelt's mobilization coming out of the New Deal programs into the World War II mobilization; you clearly see that reflected in this graphic. What's the next dramatic rate of increase? Well, it's certainly associated with Kennedy's space program, starting there in the early '60s you see a dramatic leap in rate of increase of energy flux density of the nation as a whole.

Then what do you see since then? This leveling off and collapse, which is directly associated with the collapse we're seeing now today in the United States; expressed in these physical metrics. You see that what should have been an explosion of nuclear fission power was suppressed to just that tiny, red segment there. If you could see it – you might not be able to at all – there's a little green tiny layer on the very top there which is wind, solar, geothermal all combined. So, if you think you're going to support the US economy on Green technologies, you're living in a fantasy. All of the massive subsidies and investment and propping up these things has barely done anything to contribute to our actual net energy flux density for our country as a whole.

This is where we are today; this is one expression of the collapse. This is the process we have to reverse. Maybe just to illustrate one last example, I think it's really worth

comparing  
this with the next graphic [Slide 19]; which was the forecast  
by  
the Kennedy administration in the '60s. It was forecast that  
this process would increase; and the next major component  
would  
be the rapid expansion of nuclear fission power. You'd get  
this  
interesting process of these waves of fuel sources being used  
and  
then surpassed as society moves to the next level. The gray  
on  
the far right, if you haven't read it yet, that's mostly  
wood-powered; in very early times, wood was the main energy  
source. That was superseded by coal, as you can see in the  
brown. That began to fall off as other fossil fuels – namely,  
gasoline, diesel, and natural gas – became a major component  
of  
the economy. As you can see, under a healthy orientation, it  
was  
understood in the early '60s by the Kennedy administration,  
that  
that should then fall off, and we should see a rapid expansion  
of  
nuclear fission power as the next wave. So, this is what a  
healthy growth process would have looked like. This is the  
kind  
of process we need to return to; and as Mr. LaRouche says,  
increasing the energy flux density of the nation, of the  
productive powers of labor, of the labor force, these are the  
kinds of metrics we need to be looking at. Today, that means  
fusion power. It's not illustrated in the graphic here, but  
if  
we're going to overcome those 30-40 years of stagnation, if  
we're  
going to overcome the dramatic collapse in the productive  
capabilities of our labor force; we can't just continue what

was

done before. As you've seen in all these historical examples, we

need to go to the new leaps in technology, the new leaps in energy flux density, to drive the greatest increase in the productive capabilities of the labor force.

Then you have a system that will work; then the Four Laws

will work. Now, a national bank will work; now, Glass-Steagall

will work, because it will facilitate this physical growth process. As we've talked about, this means fusion power, this means the space program. It's no accident that in those graphics

we were looking at, the period of the space program is very clearly expressed in both of those; driving the increase in the

productive powers of labor, even in industries not seemingly related to the space program. But you see that driver program reflected in this iron production, for example; you see it reflected in the totality of the national energy flux density.

Which brings us to Mr. LaRouche's Fourth Law; a fusion drive

program. As he's increasingly emphasized, that is truly integrated with a real space program. So that has to be the front end of a recovery program. That'll come with all kinds of

things: rebuilding our infrastructure; rebuilding the national

transportation system; power systems; all kinds of soft infrastructure. But it has to be understood as unified around this increase of your productive capabilities; that's how an economy works.

That's what Hamilton understood, as Matthew showed us. Smash the idea that we should be just agrarian, or should we be

manufacturing? If you take people away from the other – a

complete lack of understanding of the synergistic relation of actual human revolutions in technology; revolutions in the very nature of mankind's relation to the environment more generally, which are driven by real creative discoveries, creative thought, real unique human growth. This is the message, the unifying conception that the American people need to understand and rally around, if we're going to get out of the mess we're in now. It's not going to come from any form of monetarist jiggering of the system; it has to be rooted in a real understanding of the true science of human growth, of human progress.

I know that might be a lot to throw at our viewers today, but this is the historical challenge that we're facing. We have it in our history; we have it in Hamilton; we have in Lincoln; we have it in Franklin Roosevelt. We have it in a more developed form than even them, with Mr. LaRouche's work. But it's on us to bring this to bear now as the revolution needed in the United States.

ROGERS: Before we close out, let me just add one principle from the standpoint that the underlying principle at the foundation and at the core of Hamilton's four Reports and LaRouche's Four Laws gets right at the heart of formation of our US republic and the formation of Union as Hamilton saw it. It is what is defined directly in the US Constitution, but more

directly in the Preamble to the Constitution; the idea that Hamilton was instrumental in developing. This conception that "We, the people of the United States, in order to form a more perfect Union, establish Justice, ensure domestic tranquility, provide for the common defense, promote the General Welfare, and secure the blessings of Liberty to ourselves and our posterity, do ordain and establish this Constitution of the United States of America." What's at the core of that is the principle of the General Welfare; which is directly under attack right now by the actions of Obama. That is explicitly shown in the attacks on not only the General Welfare of the nation, but attacks on this very principle of the increase of the productive powers of your society, and on the creative and productive powers of the human mind. You can see this most explicitly in the insane recent announcement by President Obama advocating the United States go to Mars under the direction, should we say, and direct support of private industry. But in a recent conference President Obama was in – the White House Frontiers conference – the key person he was there with was a man by the name of Atul Gawande. This is a person who's been promoting the idea that the population doesn't need health care, we need to cut healthcare; we need to kill off more people. That's what's at the core of the attack on the General Welfare of our nation, is this idea of population reduction – killing off of the population.

When you look at what it was that was understood by Alexander Hamilton on this question of advancing the productive powers of labor, that was most directly expressed over a century later after the death of Alexander Hamilton, with the birth of a great pioneer by the name of Krafft Ehrlicke. Krafft Ehrlicke's understanding of the increase in the formation of a more perfect union and the productive powers of labor, came with the understanding that it was not until mankind left the confines of one small planet – Earth – and actually went out into the far reaches of our Solar System and developed the Solar System. He called explicitly for developing the Solar System through the increase in the productivity of society, the increase of manufactures, and the increase of everything that Ben just went through very thoroughly in his remarks.

I think what we get back to again, which was very clearly understood by Alexander Hamilton, as Mr. LaRouche in the foundation of his policies on physical economy, and by Krafft Ehrlicke, is at the heart of this is the conception of, and the principle of, the human mind. The human mind in the power of reason. What I wanted to do is just read a quick quote from Krafft Ehrlicke on this conception of the reasoning of the human mind at the foundation of this very principle of what increases the productive powers of labor in our society – or throughout our universe.

He says: "We are cosmic creatures by substance; by the energy on which we operate, and by the restless mind that



increasingly metabolizes information from the infinitesimal to the infinite. And on the infrastructure of knowledge, pursues its moral and social aspirations for a larger and better world against many odds. Through intelligences like ourselves, the universe – and we in it – move into a focus of self-recognition. Metal ore is turned into formation-processing computers, satellites, and deep space probes; and atoms are fused as in stars. I cannot imagine a more foreboding, apocalyptic vision of the future than a mankind endowed with cosmic powers, but condemned to solitary confinement on one small planet."

He goes on to take the principle which Alexander Hamilton had defined in his four Reports, in his Report on Manufacturing, and applies that to the development of space; particularly to the development of our sister body, the Moon. He says that the manufacturing and the development of the process which would organize the increase of society, the formation of a more perfect union, off of the planet, would actually start with the development of the Moon. And he says: "Lunar industry should be viewed as an organism that over time evolves to progressively more complex capabilities and generates sufficiently strong foundations for expansion. Lunar industry must be broad-based and diverse if it is to last. The need for economic feasibility and early returns will require a skillful interplay between market, consumer-oriented products and services, and infrastructural investments such as transportation, energy, and surface-space installations that expand food production and diversity in industrial productivity."

So, I think what is essential to understand is that Hamilton's conception was not something that was confined to one period in time, one period of history. It wasn't confined to one planet. It was actually organized – as was later understood by Krafft Ehrlicke – to the idea that man cannot be confined to one planet. If we are going to truly form a more perfect union, we have to get off the Earth and develop the entirety of the Solar System and universe we live in. And only the human mind can do that.

OGDEN: Well said. I think Hamilton would concur with that one. We can only encourage to do your own reading of these four Hamilton Reports; and as Ben said at the beginning of the show, we did make those four available on the LaRouche PAC website. There's a big picture of Hamilton; you can click on it. It's got links to the four separate reports by Hamilton; each one is a nicely formatted pdf. You can print them out and read them on your own. I would also just emphasize that [larouchepac.com/fourlaws](http://larouchepac.com/fourlaws) is the place where you can find LaRouche's paper from close to two years ago, as you can see on the screen. This contains the four principles of LaRouche. Put those two together, and I think if you can do the work, we can create the educated citizenry that's necessary to put these policies into practice.

So, the urgency of the mobilization for Glass-Steagall absolutely persists; we are right on the cusp of a complete meltdown of this financial system. The Glass-Steagall mobilization is one which must be generating the kind of activity that we had during the JASTA mobilization. That victory rendered the Obama regime impotent. Don't fall for the bluster and the intimidation; don't give in to the fear that the Obama administration is attempting to project right now. We had a revolution in this country with the override of the JASTA veto; and it's a completely new situation. If we maintain that kind of sense of victory and urgency, we can continue to make some very incredible breakthroughs.

I'd like to thank Ben; thank you, Kesha; thank you, Michael.

Please stay tuned. Obviously, we're going to just elaborate these discussions much more in the days to come. Thank you very much, and good night.