Real Evolution: the Self-developing Biosphere, Human Credit Systems and the Noösphere

According to its own champions, the modern doctrine of "environmentalism" is rooted in the work of British naturalist Charles Darwin (1809-1882).[1] The neurotic, third-rate scientist Darwin, in turn, claimed Parson Thomas Malthus (1766-1834) as his own spiritual father. This gloomy parson had claimed that the human population expands geometrically (2, 4, 8, 16,…), while food supplies grow only arithmetically (1, 2, 3, 4,…). Thus, according to Malthus, there was necessarily an incessant struggle for existence in which only the strong survive. Darwin declared that the resultant "war of each against all" led to the "survival of the fittest", a process of "natural selection" that gave rise to new species.

Said Darwin: "[T]he Struggle for Existence amongst all organic beings throughout the world … inevitably follows from their high geometrical powers of increase…. This is the doctrine of Malthus, applied to the whole animal and vegetable kingdoms. As many more individuals of each species are born than can possibly survive; and as, consequently, there is a frequently recurring struggle for existence, it follows that any being, if it vary however slightly in any manner profitable to itself, … will have a better chance of surviving, and thus *be naturally selected*."

In the atmosphere of the England of his day, where the Anglican church still held enormous power (half the graduates of the great universities of Cambridge and Oxford, for instance, became priests), and which maintained—at least formally—the doctrine of man as *imago Dei* (created in the image of God), Darwin hesitated to apply the full implications of his 1859 magnum opus *On the Origin of Species by Means of Natural Selection, or the Preservation of Favoured Races in the Struggle for Life* to the *human* race. Only after decades of relentless propaganda by his supporters to the effect that man was indeed "simply another animal", as implied by Darwin's *Origin*, did Darwin, in his 1871 *The Descent of Man and Selection in Relation to Sex*, come roaring out of the closet to claim that his "favoured races" dogma applied to "human races as well".

Particularly important in preparing the ground for this later proclamation was the work of Darwin's first cousin and cothinker, Sir Francis Galton, in founding the pseudoscience of eugenics. Galton coined the term "eugenics" from the roots meaning "well-born" in Greek. Already in 1869 he had published the book *Hereditary Genius*, in which he argued that mental qualities were biologically inherited; that the white race was the biologically best endowed to dominate the world; that the English were the cream of the white race; and that the Darwin family itself was living proof of this principle. Darwin wrote to his cousin, "I do not think I have ever in all my life read anything more interesting and original…. I congratulate you on producing what I am convinced will prove a memorable work."

In his *Descent of Man*, Darwin wrote: "I have hitherto only considered the advancement of man from a semi-human condition to that of the modern savage. But some remarks on the action of natural selection on civilised nations may be worth adding. This subject has been ably discussed by Mr. W. R. Greg, and previously by Mr. Wallace and Mr. Galton. Most of my remarks are taken from these three authors." Alfred Russel Wallace had ostensibly "co-discovered" the theory of evolution with Darwin, while Greg is often credited as the "co-inventor of eugenics" with Galton. Like Galton, Greg, whom a biographer called "one of the chief assailants of Christianity in his day", argued that the British were a "superior race", destined to rule the world and to wipe out any other races standing in the way. Darwin's *Descent* attempted to "prove" that the mental powers of human beings are no different than those of the higher apes.

Earth, seen from space, presents a blue-green face that's unique in our solar system, because of the activity of living matter. Plants carry out photosynthesis in tiny chlorophyll molecules, in chloroplasts (inset, right); they use the sun's energy to generate chemical energy, making food that fuels the self-developing biosphere.

Killing the "Unfit"

Following Malthus, Galton and Greg, Darwin bemoaned that modern society interfered with the "natural selection" of the fittest:

"With savages, the weak in body or mind are soon eliminated; and those that survive commonly exhibit a vigorous state of health. We civilised men, on the other hand, do our utmost to check the process of elimination; we build asylums for the imbecile, the maimed, and the sick; we institute poor-laws; and our medical men exert their utmost skill to save the life of every one to the last moment. There is reason to believe that vaccination has preserved thousands, who from a weak constitution would formerly have succumbed to small-pox. Thus the weak members of civilised societies propagate their kind. No one who has attended to the breeding of domestic animals will doubt that this must be highly injurious to the race of man. It is surprising how soon a want of care, or care wrongly directed, leads to the degeneration of a domestic race; but excepting in the case of man himself, hardly any one is so ignorant as to allow his worst animals to breed."

Like Malthus, Darwin advocated genocide as the solution to the propagation of the unfit.

And Malthus, like Darwin, had discovered nothing: he had plagiarised the 1790 book of a Venetian monk named Giammaria Ortes, *Reflections on the Population of Nations*. Ortes's masters in the Venetian oligarchy that had ruled most of the world for centuries and had sponsored the rise of the British Empire itself, by the middle of the 18th century were hysterical over soaring population growth on the newly settled continent of North America. Benjamin Franklin's beautiful 1751 pamphlet, *Observations Concerning the Increase of Mankind*, in which he forecast that the population of America would soon overtake that of Britain itself, especially incensed and challenged them.

From time immemorial, empires have practised "population control" (genocide) in order to keep subject populations in check. Thus did the Roman emperors, the Byzantine rulers who succeeded them, and the Venetians, whose monetarist empire emerged *circa* A.D. 1000 and soon ruled the world. The Venetians, in turn, sponsored the rise of the City of London-centred British Empire, following the 1688 Glorious Revolution (the invasion of England by Venetian asset William of Orange). It was anchored on the Bank of England (1694) and the fast-developing dope- and slave-running British East India Company (BEIC), the largest monopoly in world history.

From shortly after the consolidation of British world hegemony against France in the Seven Years' War of 1756-63, the kingpin of the BEIC was Lord Shelburne, Prime Minister of Britain in 1782-83. Shelburne and his young protégé and successor as Prime Minister, William Pitt, assigned Malthus to plagiarise Ortes, in order to justify the BEIC's policies of genocide at home and abroad.

When the BEIC set up its Haileybury College in 1805 to train administrators for its world-girdling empire, Malthus was installed in what history books call the "world's first chair in political economy". Generations of BEIC employees, trained by Malthus, oversaw systematic genocide throughout the British Empire, killing tens of millions in India alone, and forcing them to grow the opium with which the BEIC mass-poisoned the people of China.

Continuing that grand tradition of genocide, King Edward VII knighted eugenics-promoter Galton in 1909 for his "service to the Empire" in inventing this new "scientific" rationale for managing the empire. Darwin's son Leonard succeeded Galton as the second and longtime chairman (1911-28) of the British Eugenics Education Society, the first such organisation in the world; other of Darwin's sons and grandsons were Society activists as well.

"Darwinism" went on to become the cornerstone of the new British imperial science that emerged early in the 20th century: "ecology". The name was coined by Darwin's chief propagandist on the European continent, the notorious German racist and eugenicist Ernst Haeckel.

Darwin's work was known to be humbug even in his lifetime. It achieved fame only because it was championed by the British Crown's Privy Council, the ruling body of the British Empire. Typical were the efforts of Privy Councillor Thomas Huxley, known as "Darwin's bulldog".

In fact, the British did not dare publish Darwin's *Origin* until 1859, just after the death of the universal genius Alexander von Humboldt, the greatest naturalist of the first half of the 19th century. Contrary to Darwin's notion of each in struggle against all, Humboldt's master work, *Cosmos: A Sketch of a Physical Description of the Universe*, had demonstrated universal harmony and the "progressive development of vegetable and animal life on the globe", culminating in the emergence of man—of the creative human mind, as the pinnacle of this vast creation:

"From the remotest nebulae and from the revolving double stars, we have descended to the minutest organisms of animal creation, whether manifested in the depths of ocean or on the surface of our globe, and to the delicate vegetable germs which clothe the naked declivity of the ice-crowned mountain summit; and here we have been able to arrange these phenomena according to partially known laws; but other laws of a more mysterious nature rule the higher spheres of the organic world, in which is comprised the human species in all its varied conformation, its creative intellectual power, and the languages to which it has given existence. *A physical delineation of nature terminates at the point where the sphere of intellect begins, and a new world of mind is opened to our view*." (Emphasis added.)

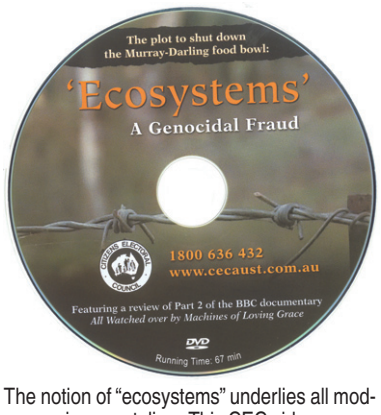
Even apart from his advocacy of eugenics and his claim that man was merely another animal, Darwin's theory had enough holes in it to embarrass a slice of Swiss cheese. He claimed that each species gradually evolved into another through minute, favourable changes, mysteriously appearing in this or that individual and being transmitted to progeny via the "survival of the fittest", with the result of entirely new species. Yet already in Darwin's time, biologists, geologists and naturalists were well aware of the clear evidence, in geological and paleontological remains from hundreds of millions of years, of repeated sudden *mass* extinctions of species, whereupon *new* species would suddenly appear with markedly different characteristics than those previously dominant.

The "Second Law of Thermodynamics"

Simultaneous with their sponsorship of Darwin, Galton and the new "science of eugenics", the Privy Council and British Royal Society cooked up another hoax, one which today underpins the "equilibrium" and "balance of nature" axioms of environmentalism: the Second Law of Thermodynamics.

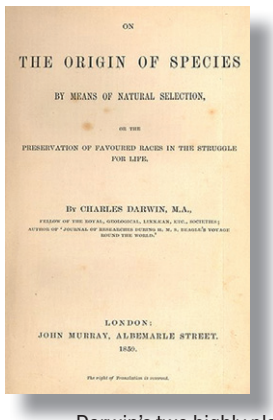
Spokesmen for the British imperial priesthood of science, such as Rudolf Clausius and Lord Kelvin, took valid, valuable work on heat-powered machinery done by the statesman and genius Sadi Carnot (1796-1832) and exploited those limited, very specific principles of abiotic machinery in concocting the "Second Law of Thermodynamics", which they then claimed to be a law of the Universe as a whole. In essence that "law" states that machines run down, unless you constantly add new energy to them: that over time, energy-charged (heated) particles will gradually lose their heat and hence their ability to perform work. This is called entropy: the system continually runs down; unless it is externally recharged, its heat energy will eventually dissipate to nothing. In this "heat death", also called an "equilibrium" state, the system has no ability to conduct work, and therefore undergoes no further change.

In the early 20th century Sir Arthur Tansley, the Cambridge University protégé of Bertrand Russell who



The notion of "ecosystems" underlies all modern environmentalism. This CEC video proves that it is a witting lie, cooked up by the notorious British imperialist and eugenicist Sir Arthur Tansley in 1935. His fraudulent contention was that Nature is always in a mechanistic "equilibrium".

For a free copy call toll-free 1800 636 432 or write to: CEC, PO Box 376, Coburg, Victoria 3058.



ON

THE ORIGIN OF SPECIES

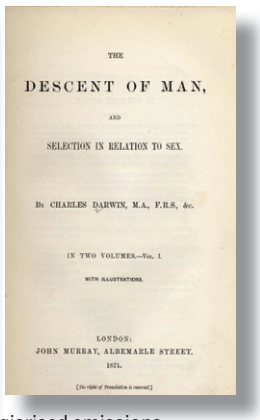
BY MEANS OF NATURAL SELECTION,

OR THE

PRESERVATION OF FAVOURED RACES IN THE STRUGGLE FOR LIFE.

BY CHARLES DARWIN, M.A.,

LONDON:
JOHN MURRAY, ALBEMARLE STREET.
1859.



THE

DESCENT OF MAN,

AND

SELECTION IN RELATION TO SEX.

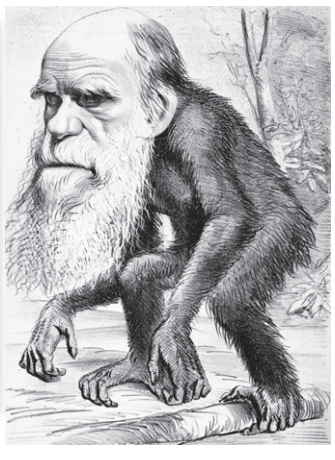
BY CHARLES DARWIN, M.A., F.R.S., &c.

IN TWO VOLUMES.—VOL. I.

WITH ILLUSTRATIONS.

LONDON:
JOHN MURRAY, ALBEMARLE STREET.
1871.

Darwin's two highly plagiarised emissions.



Sir Arthur Tansley, founder of the British imperial science of "ecology".

basically invented the British imperial science of "ecology" (he coined the term "ecosystem" in a famous 1935 article), applied the Clausius/Kelvin construct to "Nature", and the Universe as a whole. That is, Tansley proposed that the entire Universe, including all processes on Earth, is simply the product of inanimate flows of energy that are inevitably winding down.

Tansley concocted his argument in collaboration with two other Russell associates, the devout eugenicists and imperialists H.G. Wells and zoologist Julian Huxley. They were desperate to discredit the work of the great Ukrainian-Russian genius, the founder of the science of biogeochemistry, Vladimir I. Vernadsky (1863-1945).[2]

The Real Science of Nature: Vladimir I. Vernadsky

Tansley et al. constructed the British imperial science of "ecology" from inanimate energy flows, considering Earth to be basically a typical closed "thermodynamic system" (with perhaps a little new energy added from the Sun, a reality difficult to deny). Vernadsky, in contrast, began by exploring the Cosmic origin of the Earth and its characteristic features, especially the biosphere. The very first paragraph of his book *The Biosphere* outlines how he thought about this:

Russian biogeochemist V.I. Vernadsky

"The face of the Earth viewed from celestial space presents a unique appearance, different from all other heavenly bodies. The surface that separates the planet from the cosmic medium is the biosphere, visible principally because of the light from the sun, although it receives an infinite number of other radiations from space, of which only a small fraction are visible to us. We hardly realise the variety and importance of these rays, which cover a huge range of wavelengths. Our understanding is full of gaps, but improved detectors are rapidly expanding our knowledge of their existence and variety."

Thus our Earth is intimately tied to the farthest reaches of the Cosmos by virtue of the radiations that come from those far out regions. And our biosphere has developed from those radiations.

"The biosphere may be regarded as a region of transformers that convert cosmic radiations into active energy in electrical, chemical, mechanical, thermal and other forms. Radiations from distant stars enter the biosphere, but we catch and perceive only an insignificant part of the total; this comes almost exclusively from the sun. [And of that we receive only one half billionth of the total solar output]. The existence of radiation originating in the most distant regions of the cosmos cannot be doubted. Stars and nebulae are constantly emitting specific radiations, and everything suggests that the penetrating radiation discovered in the upper regions of the atmosphere … originates beyond the limits of the solar system, perhaps in the Milky Way, in nebulae, or in stars [of a certain variable type]…."[3]

Vernadsky then states: "It is living matter—the Earth's sum total of living organisms—that transforms the radiant energy of the sun into the active chemical energy of the biosphere. Living matter creates innumerable new chemical compounds by photosynthesis, and extends the biosphere at incredible speed as a thick layer of new molecular systems."[4]

Vernadsky documented the activity of life, that is, living organisms, including microorganisms like bacteria, plants (which carry out photosynthesis), and higher forms of animals. All have acted for *hundreds of millions,* if not *billions* of years to transform that biosphere.

Living organisms absorb or ingest material (both living and inert) and solar radiation from the surrounding environment, integrate those transformed substances into their own bodies, and excrete material outside. When an organism dies, the organic material is deposited again in the environment, often in another place and with different combinations and concentrations of chemical elements.

Vernadsky identified in living organisms the "biogenic migration" of atoms—the transfer of inert material and energy to a living body, where it is transformed and functions for some period of time, and then is excreted or left behind as a different product. The rate at which this happens within the biosphere is also called "biogenic flux".

The vast deposits of minerals on the Earth today, as well as the chemical composition of the Earth's atmosphere, and its oceans, soils and surface formation down to a considerable depth, resulted from living processes. Thus, Vernadsky concluded, the biosphere, including its present system of weather and climate, is a natural product of processes of living matter, or the principle of life.

The principle of *life*, the physical principle governing our biosphere and manifested in the constantly expanding totality of living matter, defies the Second Law of Thermodynamics. Vernadsky argued this point explicitly in his *Essays on Geochemistry,* in a passage about "the growth of active geological energy and the complete change of the biosphere" that occurs with the development of new species:

"Clausius's entropy does not really exist; it is not a fact of being, but a mathematical expression, useful and necessary when it allows the expression of natural phenomena in mathematical language. … The deviation [from so-called laws of entropy] by such an essential phenomenon as living matter and its influence upon the biosphere shows that life does not stay within the premises for which entropy is stated."[5]

Moreover, Vernadsky wrote, mankind not only has emerged as a lawful process within the biosphere, but is creating entirely new elements and physical processes that are transforming the biosphere itself: through the powers of the human mind, the Earth is entering a "bright new geological epoch", that of the "Noösphere" (after *noös*, Greek for "mind").

Beginning with his famous 1922-23 lectures in Paris, Vernadsky developed his concept of the noösphere in ever more profound and optimistic ways, exemplified by the 1938 article in which he said:

"We are living in a brand new, bright geological epoch. Man, through his labour—and his conscious relationship to life—is transforming the envelope of the Earth—the geological region of life, the biosphere. Man is shifting it into a new geological state: Through his labour and his consciousness, the biosphere is in a process of transition to the noösphere. Man is creating new biogeochemical processes, which never existed before. The biogeochemical history of the chemical elements—a planetary phenomenon—is drastically changing. Enormous masses of new, free metals and their alloys are being created on Earth, for example, ones which never existed here before, such as aluminium, magnesium, and calcium. Plant and animal life are being changed and disturbed in the most drastic manner. New species and races are being created. The face of the Earth is changing profoundly. The stage of the noösphere is being created. Within the Earth's biosphere, an intense blossoming is in process, the further history of which will be grandiose, it seems to us. In this geological process—which is fundamentally biogeochemical—a single individual unit of living matter, out of the totality of humanity—a great personality, whether a scientist, an inventor, or a statesman—can be of fundamental, decisive, directing importance, and can manifest himself as a *geological force.* This sort of manifestation of individuality in processes of enormous biogeochemical importance, is a new planetary phenomenon. It emerged, and began to manifest itself ever more sharply and profoundly in the course of time, *during the most recent tens of thousands of years,* on the background of billions of years of the prior history of the biosphere, when this phenomenon did not exist."[6] (Emphasis added.)

Human Physical Economy—Lawful Evolution of the Universe

Admitting that yes, indeed, mankind has become the dominant force on the planet over the past few hundreds or thousands of years, today's British high priests of environmentalism hysterically maintain that this new epoch, which they call the Anthropocene Era (after the root *anthropos*, meaning "man"), is disastrously disturbing the pristine equilibrium of Nature which had existed basically unchanged (only spiced up with a little slow Darwinian evolution) for hundreds of millions of years before the unfortunate appearance of mankind. The following sections of this feature report will systematically dismantle this British imperial hoax, step by relentless step.

Most dramatic are the recent breakthroughs on the real nature of evolution, made by Lyndon LaRouche's Basement scientific team. These findings, which amplify Vernadsky's own proof that the biosphere is winding up, not down, are based upon LaRouche's own breakthrough discoveries in the science of physical economy: a healthy growing economy is the result of the never-ending discovery and application of new, ever more energy-dense technologies to the process of production. This precisely matches the history of the biosphere itself.

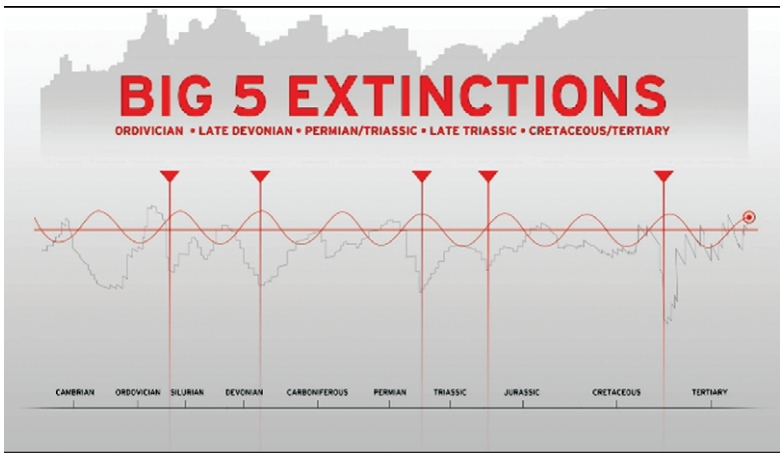
Indeed, Vernadsky himself testified that he developed his concept of the noösphere not as a religious or philosophical idea, but, rather, it was grounded in his work on physical economy during World War I. At that time he headed efforts under the Commission for the Study of Productive Forces (KEPS) (in existence 1915-30) to survey Russia's vast natural resources for possible mobilisation in that war, which the British Empire had started.

The founding fathers of the USA understood, as LaRouche has developed in greater depth, that no matter how abundant such resources, they can only be shaped and set into motion as part of a healthy, growing human economy through a *system of public credit*, as opposed to the privately controlled *monetarist systems* around which all empires are constructed. Our article on a Credit System **(page 12)** addresses this principle.

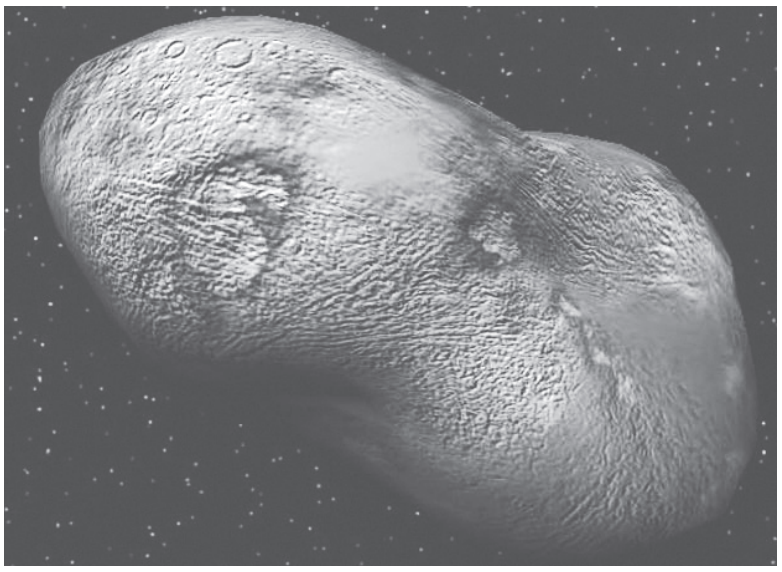
The Special Report on pages 15-18 demonstrates how the British invented modern environmentalism, precisely to prevent such public credit-pivoted, unlimited expansion of the physical economy. They seek to preserve their privately controlled monetarist system and their political power. And that power is invariably exercised through "population control"—genocide—as championed by Ortes, Malthus, Darwin and all modern environmentalists.

Our Milky Way galaxy moves through the Universe "face on", not "edge on" like a frisbee. As the solar system moves above the galactic plane (that is, forward in the direction of the whole galaxy's motion), Earth is exposed to a greater density of cosmic radiation.

FIG. 1



Mass extinctions coincide with the 62 million-year cycle of our solar system's movement above the galactic plane. Approximately 62 million years have passed since the last mass extinction.



The asteroid Apophis. Mankind must master and deploy power sources of ever rising energy flux densities, not only to provide a decent standard of living for all members of the human race here on Earth, but to secure the very existence of the human race. For instance, were an asteroid of only 140 metres in diameter to strike Earth, it would release 100 megatonnes of energy—twice that of the USSR's 1961 test of the Tsar Bomba hydrogen bomb, the largest thermonuclear weapon ever tested. Only a tiny percentage of Near Earth Objects, which are asteroids and comets passing close to Earth, have yet been tracked. One of those is the 350 metre asteroid called Apophis, pictured above, which will fly by the Earth in 2029 (coming closer than the orbit of many communications satellites). On its next return, in 2036, the possibility of a collision may be greater and is a matter of intense discussion among scientists. We must develop the energy densities not only to deal with such threats, but with potentially even deadlier ones, given that the Earth is now crossing above the galactic plane on its roughly 62 million-year cycle—a cycle which has corresponded with the last five mass extinctions on Earth.

Great Galactic Cycles Shape Evolution

Our solar system moves through the Milky Way galaxy in two prominent cycles: it rises above the plane of the galaxy once each 62 million years, and passes through one of its spiral arms every 145 million years. Depending on where the solar system is in these cycles, it (and therefore the Earth) absorbs greatly fluctuating influxes of cosmic rays, and experiences variations in gravitational forces, both of which are primary factors shaping the evolution of life on Earth.

The 62 million-year movement of our solar system above the plane of the galaxy has coincided with cycles of dramatic mass extinctions of existing species on Earth, but also with the emergence of new ones. In this process, 98 per cent of all species which have ever existed on our planet have become extinct, but each extinction paves the way for new, more highly organised and complex life forms, of which the human species, emerging only some three million years ago, is the most advanced. As our solar system now moves above the galactic plane again, we face another likely extinction event, one that could wipe out mankind, unless we apply human creativity to master the scientific principles needed to survive.

If the Greenies succeed in stopping all science and technology, they will ensure mankind's extinction. Only humans have the ability to transcend this galactic threat, and become an immortal species. But that will happen only if we act like human beings and utilise our divine-like powers of creativity, and not like animals, as under the present dictatorship of Green Fascism.

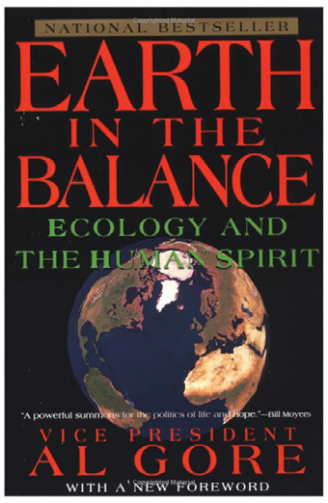
Notes

1. This exposé of Charles Darwin and the British oligarchy's creation of "Darwinism" is drawn from CEC National Chairman Ann Lawler's devastating address, "The Humbuggery of Charles Darwin", delivered at the CEC National Conference of 23-24 July 2011. For her full remarks, see *The New Citizen*, October/November 2011, pp. 19-25. http://cecaust.com.au/greenfascism
2. See Craig Isherwood, "The Noösphere of Vernadsky and LaRouche", *The New Citizen*, October/November 2011, pp. 26-34. http://cecaust.com.au/greenfascism
3. Vladimir Ivanovich Vernadski (Vernadsky), *The Biosphere*, tr. David B. Langmuir (New York: Peter Nevraumont Publishing Company, 1998), p. 47. Phrases in square brackets are editorial additions for clarity.
4. Ibid, p. 50.
5. Vladimir I. Vernadsky, *Geochemistry and the Biosphere* (Sante Fe: Synergetic Press, 2007), p. 215.
6. V.I. Vernadsky, "On the Fundamental Material-Energetic Distinction between Living and Nonliving Natural Bodies of the Biosphere", *21st Century Science and Technology*, Winter 2000-2001, p. 20-29.

The *Real* Science of Evolution

In the LaRouchePAC-TV Weekly Report of 2 May 2012, Creighton Cody Jones and Benjamin Deniston summarised the investigations of LaRouche's Basement team on the subject of actual evolution, in particular on whether the Universe winds up, or winds down as per the Second Law of Thermodynamics. Jones opened with the observation that the 7 May release of the Club of Rome report "2052: A Global Forecast for the Next Forty Years" was nothing but a new version of their original 1972 Limits to Growth *book, a hoax arguing that world resources were finite and diminishing, and therefore the human population must be slashed. This was not a scientific issue, Jones observed, but a political one—and an ancient one, at that, typified by the Olympian god Zeus's reputation for sponsoring genocidal wars, like the famous Trojan War, in order to save Mother Earth (Gaia, as she was called by ancient Greece's oligarchical cult of Apollo) from overpopulation by the human race.*

Cody Jones: I will read from a poem of the 6th century B.C., called the *Cypria.* It is about the mentality of Zeus.



Green fanatic Al Gore's 1992 book *Earth in the Balance: Ecology and the Human Spirit* applied the quack notion of "equilibrium" to the Earth, and even to the human economy. It became a cult bestseller.

"There was a time when the countless tribes of men, though wide-dispersed, oppressed the surface of the deep-bosomed Earth, and Zeus saw it and had pity and in his wise heart resolved to relieve the all-nurturing Earth of men by causing the great struggle of the Ilian war, that the load of death might empty the world. And so the heroes were slain in Troy, and the plan of Zeus came to pass."

And so, you see, from the beginning that was the policy of the oligarchy. Zeus represented an anti-human, anti-population policy. The idea of Mother Earth as the thing which takes precedence has been there since the beginning of the oligarchical system. Zeus was a Greenie. Zeus was the first environmentalist and the first genocidalist.

Now, the oligarchical sophistry has developed since then. To give a sharper picture of some of this history, [I'll mention] a fellow we've been looking at recently, Arthur Tansley, who was a disciple of Bertrand Russell. He was the one who coined the term "ecosystem", based on what he claimed was an insight he gained from a discussion with [Sigmund] Freud about the nature of the human mind as being like a machine, an electronic machine. Tansley extended that to say that the entire Earth, all the living things on the Earth, could be modelled and understood as being like an electronic machine, a mathematical system. And so, he developed this idea of "ecosystems."

Tansley then became a close collaborator of Julian Huxley. Together, they created the ecological movement after World War II. **(See article, page 15.)** This was the same Julian Huxley, who when founding UNESCO, lamented that ideas like eugenics had fallen out of favour because of the Nazis. He said that it would take some time, but eventually it would be possible slowly to get people to accept and adopt these ideas of eugenics and population control. That's really the core, the heart of the environmentalist movement, of the ecology movement. It has always been the adopted policy and strategy of the oligarchy, to induce people to accept this idea that man is inherently a destructive force; that, really, the most serene thing is Nature. And that if Nature had its way and were allowed to do what it wanted to do, without man interfering, it would tend to move towards this "perfect balance", this "perfect equilibrium". Hence, the title of Al Gore's book, *Earth in the Balance.*

"Equilibrium": Rationale for Genocide

What they've done, in all their models, is to try to model the future of the planet and humanity, based on thermodynamics, systems analysis, and the idea that ultimately all systems want to move towards this equilibrium state. Anything that interferes with the move toward that equilibrium state, or throws that off, they say, is bad. Which means that technology is inherently bad, population growth is bad, humanity is bad.

That's the policy that they have: control man, bestialise man, cull the herd, keep a small, limited number that they, as the elite, can roll over. In effect, you convince the population to accept and *want* that policy! Because that's supposedly what's in the best interests of the planet.

Now, contrary to this, is what we've been discovering and developing, which is that the actual natural tendency, the natural directionality of life, of the biosphere, is *not* towards an equilibrium state; it's always towards an increase in *dis*-equilibrium. And this does not mean some arbitrary disequilibrium, but rather a directionality toward growth, toward complexity, toward an increase in energy flux density of the system. It means that the system as a whole, is a developing, growing, creative system! The characteristic of the creative mind is the characteristic which governs the biosphere, and, indeed, the Universe as a whole.

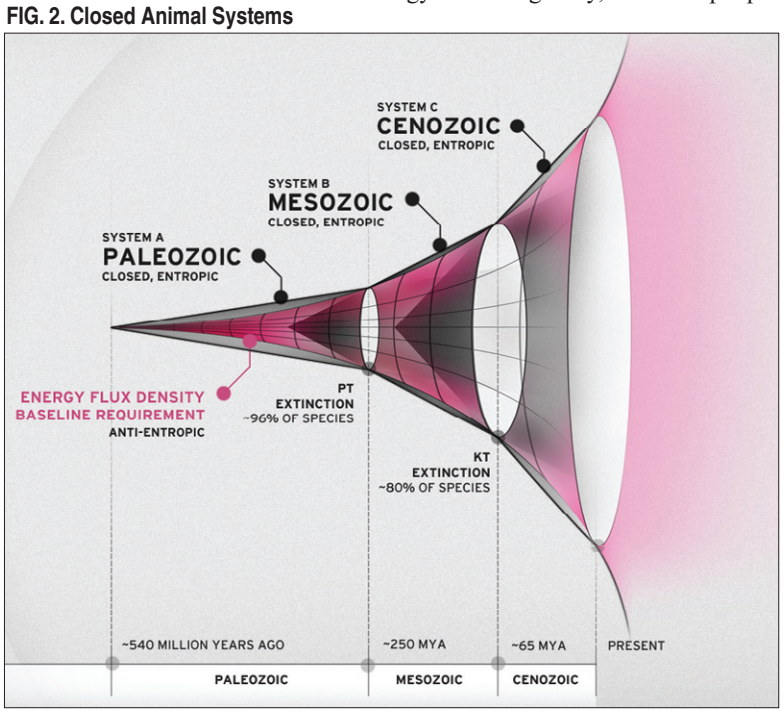
A Dynamic, Developing Biosphere

To point out some aspects of this, we have here a diagram we've been using a lot lately **(Fig. 2)**, which is a heuristic depiction of the kind of growth function, embodying the characteristic of the biosphere as a whole. If you look at the system as a whole, it has always moved toward growth.

What you see with the growing of the cones is what you could consider an increase of energy flux density. Per area or per unit of time, the amount of energy per unit (or, it might be material per unit, talking in terms of the biogenic migration of matter), the amount flowing through that cross-section of area, is constantly increasing. It's increasing not just simply as a linear process, but as a function of a constant introduction of new, in effect, technologies into the biosphere. New forms of life come into the biosphere, which are more energetic, more capable of transforming nature. The relationships among different types of species, or between different kingdoms of life, become more connected, more dynamic.

The trend has always been—though it's been a certain kind of linear increase in energy flux density, a growing increase of energy flux density—a function of these nonlinear jumps, these transfinite jumps. They are a function of the introduction of the equivalent of biological technologies into the system. And this is punctuated by these various mass extinction points. But the mass extinctions represent a transition point, moving out of the old system, which was no longer capable of continuing the growth function, and into the new system, which was then able to continue the process of anti-entropic development.

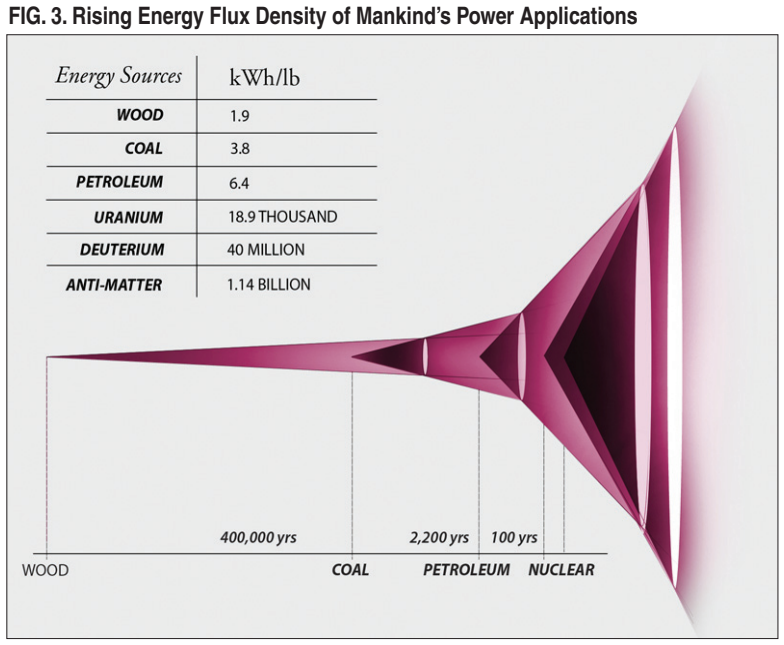
FIG. 2. Closed Animal Systems



The above depiction shows three "closed" ecological systems: the Paleozoic, the Mesozoic and the Cenozoic. Each such relatively fixed system eventually reaches a boundary condition in its development, given that animal species are unable to wilfully change and "keep up" with an anti-entropic, self-developing Universe (represented by the larger, "horn" figure which subsumes all three fixed systems). Certain newly emerging characteristics—new "technologies" that embody higher energy flux densities—are introduced by the Universe at first as minor features (represented by the small end, the apex of the successive cone) of the dominant system, prompted by the future state of expanded, more complex existence towards which the Universe is always tending—not by random Darwinian competition among animals or species of any given system. New species "suddenly" appear, because any fixed system necessarily runs into conflict with this self-developing Universe and therefore reaches a collapse point, an extinction event.

Vertical grey lines mark the three largest mass extinctions of the last half-billion year period, around 540, 250, and 65 million years ago (MYA), respectively. These extinction events were destructive only relative to the fixed system being surpassed. The new system expands outward, developing to a new level of complexity, as the prior system largely vanishes and dies out. Man is the only creature who can wilfully create and adopt new technologies, not only to keep up with the changing biosphere, and avoid extinction, but also to be the force that shapes the biosphere into the future.

FIG. 3. Rising Energy Flux Density of Mankind's Power Applications



These cones represent mankind's control of technologies with rising energy flux densities (expressed here as kilowatt hours generated per pound of fuel consumed, kWh/lb). They mimic, and continue, the rising energy flux densities of the biosphere itself over the last 500 million years, as depicted in **Fig. 2**. To propose to stop or reverse man's development of ever more powerful energy sources, as does the oligarchy and its greenie morons, is to violate the laws of the biosphere itself—which produced man in the first place—and to advocate genocide.

That's the true nature of the biosphere. It never goes towards equilibrium. It's always going *out* of equilibrium, into a state, or direction, of change. This is precisely, generally, the kind of function we see in human economy, when we think about a healthy human economy.

The Further Development of the Biosphere: Man as Creator

Take an image of the development of different types of power sources over the last 400,000 or 500,000 years **(Fig. 3)**, where we've moved from wood to coal; then coal to petroleum; petroleum to nuclear. After nuclear, we then have the potential to go into thermonuclear and ultimately matter-antimatter [reactions].

The effect has been similar to what we've seen in the biosphere: an increase in overall energy flux density, an increase in the power of man to transform the world around him, to support more people at ever higher standards of living, and to create the ability for creativity, the *source* of those changes, itself, to become more powerful!

In effect, you have a function whereby *creativity* is creating the conditions for its own self-development to a more powerful state, where it is creativity for itself, so to speak. And you see, as time progresses the rate at which these new technologies, these transformations are introduced, is constantly increasing. So you have a constant increase of the density of these transformations, with each transformation leading us into a completely new, transfinite domain of the power of man in the Universe, which *is* the lawful system.

This reflects, to an extent, what we've already seen in the biosphere, but with some fundamental differences, in the sense that here *one* species, the so-to-speak super-species, mankind, is doing it as a wilful process. Ben, maybe you can go more in depth into the nature of the animal system.

Vladimir Vernadsky: Life *Transforms* the Biosphere

Ben Deniston: Sure. Just to underscore the point you opened with, the policy of the oligarchical system, what they're trying to do right now, by definition is a guaranteed extinction policy. This is the type of activity that will guarantee the extinction of any type of life that follows this fixed-system mode.

To get into it, we have to go back and start with the work of Vernadsky, with his distinctions among the so-called phase-spaces: you have non-living; you have living, which is completely separate from non-living. You don't get living processes just from the properties of the abiotic. And you have another, qualitatively fundamental distinction between simply animal species, and the human species.

Thus when you look at life, you're looking at something that Vernadsky rigorously defined as being completely unexplainable from the standpoint of abiotic physics, abiotic activity. Taking his work, if you're looking at life and the concept of the biosphere, and you look at the rate of activity of life on the planet Earth and compare that with any rate of activity of nonliving processes, life is qualitatively—not just a little bit more here or there, but qualitatively—more powerful, qualitatively more distinct.

The entire surface of the Earth, its atmosphere, oceans, and soils, are completely shaped by the activity of living processes. And you have qualitative changes that would never happen apart from the activity of life itself; and a rate of activity that would never occur outside of life. Thus Vernadsky insisted that if you're going to study life, you can't just look at the individual discrete organism. Biology's useful, but if you're just trying to abstract a single species or a single organism, outside of the context of the biosphere as a whole, you lose a picture of what's actually operating, acting, in the study of life. If you really want to get to the *principle* of the nature of life—what is the underlying process we're dealing with here, and what is the environment in which the human species exists, you've got to take this conception of the biosphere: the interconnection of activity, the interconnection of life.

For example, you mentioned the idea of the "biogenic migration of atoms". That is a fundamental metric for looking at the activity of life as a distinct phase-space in the Universe. If you want to measure the activity of life, Vernadsky shows, you don't want just to look at what one single species does, but at the rate at which life as a whole transforms the face of the planet.

Imagine the entirety of the atmosphere, which is being constantly changed and shaped and created by life; the entirety of the oceans, constantly being shaped in their character and energetic characteristics by the activity of living organisms. You have an image of this completely interconnected system of the biosphere,

where the living organisms are the driving factors in shaping this entire system of the Earth.

Now, if we take that back and look at how it's progressed over the history of life, then you can really begin to get an illustration of what we're talking about. We've looked a number of times at this question of the rate of increase in the number of species over the past 500 million year period **(Fig. 4)**. You immediately see the quantitative increase, throughout this entire period. The fossil record shows a continuous increase in the number of different species that existed. So you have a simple quantitative increase in life over this period. But if you take it into further resolution, we see that we also have a very clear *qualitative* increase: not just an increased number of species.

Rising Metabolic Rates of Species

Take a characteristic: one thing we've focused on is the question of metabolic activity. If you take Vernadsky's ideas on the biogenic migration of atoms, and you're looking at how life as a whole is constantly shaping the surface of the Earth, you can see the expression of that activity for a single organism, in this question of metabolic rates: how much oxygen they have to consume, what the respiration rate is, how much food they have to consume, how much water they have to consume. It gets abstract, if you look at it just as a single thing, the property of one organism, but if you recognise that as an expression of the *whole* system of life—how life can transform the planet, expressed in the individual organism—then you can see that the rate of activity of the individual organism expresses this totality of effect, the totality of life.

Jones: The individuals reflect the total process.

Deniston: Right. Start with Vernadsky's principle that life is a distinct phase-space; that you can't isolate the individual organism, but you look at life as a whole, acting as a harmonic integrated system of the biosphere. Now, take that property of metabolic rates as an expression of energy flux density. What's the rate at which life is transforming the face of the planet? Take that as a metric; it's kind of a shadow of this process.

Then look at the history of life, from that standpoint. We have this division here **(Fig. 5)**. We take the biodiversity record, this total number of species record, and divide it into the types of life that have generally lower metabolic rates, lower consumption, lower energy requirements; and then the types of life with generally higher metabolic rates, higher consumption, higher activity, more energetic forms of life. And we get this general division.

Now, take it one step further, to get to something really significant here. If you now, instead of just taking this division as we see it here, focus on the *proportion* at any given time, the ratio, what's the ratio of lower energetic forms of life to higher energetic forms of life? How does that ratio change? We get something here, that immediately takes us back to this heuristic image of the cones that you showed earlier. If you take these ratios, you see that these exact same three systems appear.

Rising Energy Flux Densities

From the Ordovician period up through the Permian, for a few hundred million years, you have a relatively stable ratio, with the majority of life being of a generally lower energetic character, and a minority of a higher energetic character. But then you have this relatively sharp transition period, where you get an increase of the ratio of more energetic forms of life. All of a sudden, you have a step up, to [having] more forms of life that have higher metabolic rates, higher energy requirements.

This correlates with a general higher rate of activity of the biosphere as a whole. If the individual organism is more energetic, more active, it's going to be transforming the atmosphere at a higher rate, it's going to be transforming the ocean at a higher rate, and you're going to get a faster rate of flux of atoms through the whole biosphere. So what you see here is like a shadow, indicating this more general principle of energy flux density: what's the density of flux of energy of life, of the energy of the life system of the biosphere.

Around 65 million years ago, we go to a third stage, where you have the more energetic forms of life, now becoming the dominant form, and there's now the highest proportion of this ratio of total animal life on the planet **(Fig. 6)**.

So, you immediately get this idea of what you're saying about there being no fixed system. It is moving toward more disequilibrium, moving toward higher energy consumptions. This is completely contrary to everything these guys are saying. And it demonstrates that any attempt to do what these genocidalists, the British Monarchy, this environmentalist faction, is like looking up the definition for the extinction of life. Look it up and follow it play by play, and that's exactly their policy.

The Role of Mass Extinctions

We have marked the biggest mass extinctions over this period. What you would think, on the face of it, were totally chaotic, destructive, devastating events, if you look at them from the standpoint of the whole process of life, they actually express the transitions to *upshifts* of the whole system. Moving from the Paleozoic system to the Mesozoic system, you have the Permian mass extinction, which is thought to be the *biggest* mass extinction. Upwards of 95 to 98 per cent of all species that existed in the Permian period were wiped out, eliminated.

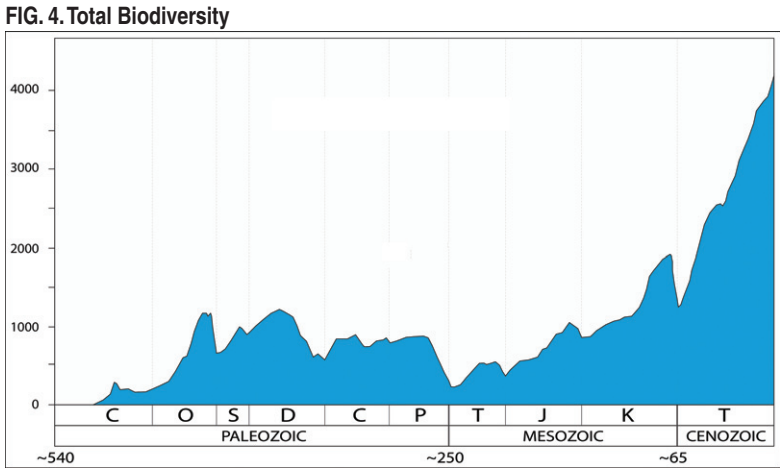
But that actually marks a transition. It wasn't just a chaotic destructive event. It expressed a transition to a much higher-level system.

Jones: It actually looks like the biggest change towards a *positive* direction. The greatest mass extinction was actually the greatest leap in the positive direction.

Deniston: Exactly. And the forms of life that followed and progressed, are the more energetic forms of life. And you see it again, with the Cretaceous-Tertiary, 65 million years ago, that mass extinction here **(Fig. 6)**. So, you see the mass extinctions, and extinctions generally are shadows or expressions of a process of anti-entropic development, characterised by increasing energy flux density. And if you just look at the history of life, as life, on the Earth, and the Earth interacting with our solar system and our galactic system **(Fig. 1, page 7)**, that is the principle of progress, that's the laws of progress that we know: that life is constantly moving towards higher states of energy flux density.

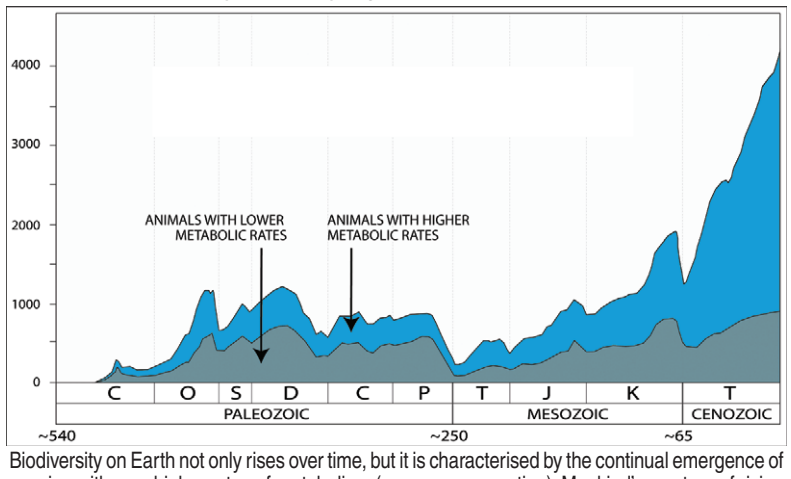
Now, as you said, *we* are the only species that can wilfully create those types of changes. If we want to continue to exist as a species, we have to utilise the unique powers that mankind has, that no mere animal species has, to wilfully increase our own energy flux density, wilfully increase our own dominance and transformation of the planet. As *life* has done this, we can do it in a qualitatively different way. We can do it only through the wilful action of the creative mind.

FIG. 4. Total Biodiversity



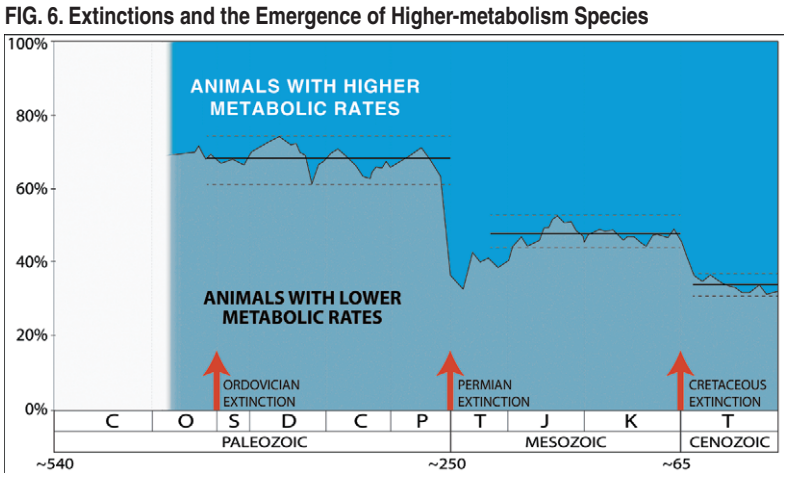
The oligarchy and its green stooges claim that the biosphere is always in a delicate state of "equilibrium". This graph of the geological and fossil record of the Earth over the last 540 million years shows exactly the opposite: a soaring, *dynamic* rise in biodiversity over time (number of different species, genera, etc.). The letters above the Paleozoic/Mesozoic/Cenozoic eras, respectively, demarcate geological periods within those eras, beginning with the "explosion of life" in the Cambrian period (C), followed by the Ordovician, Silurian, Devonian, Carboniferous, and Permian periods; then the Triassic, Jurassic, and Cretaceous (usually designated by "K" for its German name, *Kreidezeit*) periods of the Mesozoic era; followed by the Tertiary period of the Cenozoic era.

FIG. 5. Total Biodiversity Divided by High and Low Metabolic Rates



Biodiversity on Earth not only rises over time, but it is characterised by the continual emergence of species with ever higher rates of metabolism (energy consumption). Mankind's mastery of rising energy flux densities (with changing power sources: wood, coal, petroleum, nuclear fission and fusion, and matter-antimatter reactions) continues this *natural* creative process of the biosphere itself.

FIG. 6. Extinctions and the Emergence of Higher-metabolism Species



Each mass extinction of animals with relatively lower rates of metabolism paves the way for the emergence of animals with higher ones. The biosphere thereby becomes naturally more "energetic", more complex over time. Unlike any previous species (98 per cent of which are now extinct), mankind continues this creative process through the wilful powers of the human mind. Mankind thus becomes the first potentially immortal species, providing we get rid of the oligarchy and its greenies and don't let them blow us all up in a nuclear world war.

From Ocean to the Land: Paving the Way for Man

Four hundred and fifty million years ago the Earth's dry land, viewed from space, would have appeared barren, unlike the green globe we see today. Beyond the life-filled oceans, mats of algae or lichen were the only living things on the rocky plains and mountains.

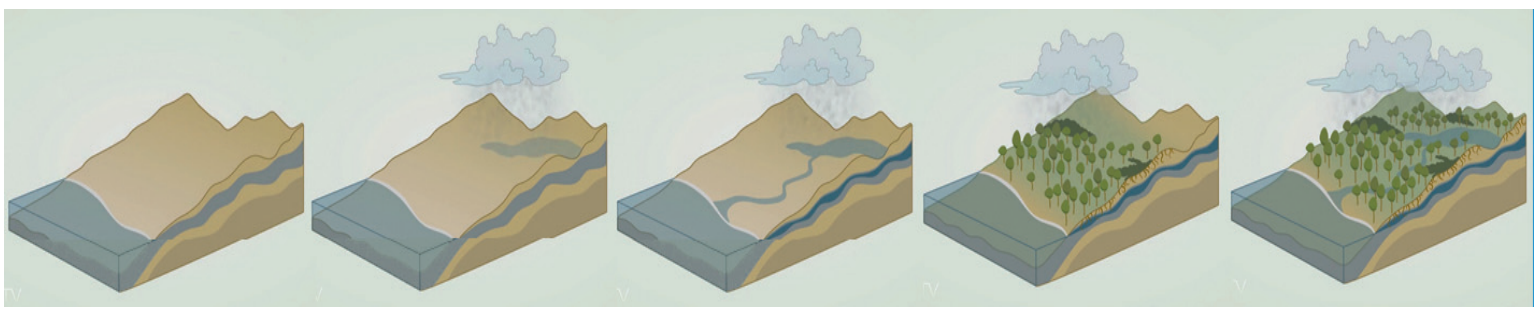
With no fertile soil and little atmosphere or moisture, nary a weed poked up between boulders. Solar radiation bounced off the Earth, until the first plants to develop vascular systems (internal plumbing), a waxy cuticle to keep water in, and robust root systems such as had been unnecessary in the ocean, began to flourish on the land. The development of leaves, with a larger surface area for photosynthesis, and the appearance of the seed further advanced the march of the plants.

Thus began the hydrological cycle, which counteracted the drying winds and moistened the air flow, enhancing plant life's ability to multiply. Root systems and enriched soils allowed greater moisture retention by the land. With photosynthesis, elements from water and the atmosphere were cycled through the plant mass, becoming nutrients, down into the soil, and back again. Over time this transformed the geochemical composition of soils and propelled the break-up of rock formations. The bodies of dead plants (dead biomass) assisted as much as the living, in the further development of soils and evolution of mineral diversity. Together with enhanced rain and nitrogen cycles, this further encouraged vegetation on our planet. Layers of green, initiated at the margins of the continents, moved steadily inland.

Greater and faster evapotranspiration into the atmosphere created cloud cover and storm systems, leading to lightning, which produced nitrogen oxides and gave off electromagnetic radiation—also crucial for regulating plant and animal life, as well as the biosphere as a whole.

The transformation of solar radiation by plant life thus built an entirely new infrastructure across the Earth's surface. Other biospheric technologies, such as the watertight skin of reptiles (which were no longer tied to moist environments, as their amphibian cousins were), allowed life to move from the ocean onto land. Development of the shelled egg also helped life to depart from a purely water-dependent life cycle (such as that of the amphibians with its tadpole stage). Thermoregulation and warm bloodedness were further innovations, freeing the metabolic activity of living organisms from dependency on the ambient temperature. The series of "technological revolutions" continued upwards, towards the emergence of mankind.

Had the greenies been there 450 million years ago, no doubt they would have forbidden the start of such a radical transformation of the environment—the emergence of the biosphere itself!



Life begets life: when plant life moved onto land it drew in moisture-rich air from the oceans, fuelling extensive precipitation and evaporation cycles. This process created the preconditions for even more vegetation and, more importantly, for animal and human life to exist on a previously hostile planet. Graphics from "The Hypersea Platform", larouchepac.com/hypersea-2011.

Further Reading/Viewing

Video

"The Ecology of Anti-Entropy"
larouchepac.com/ecologyofantientropy

"To Be or Not To Be: A Galactic Question"
http://larouchepac.com/node/18166

"The Hypersea Platform"
larouchepac.com/hypersea-2011

"A Vernadskian Law of Evolution"
http://larouchepac.com/vernadsky-evolution

"The Green Scale Movement"
http://larouchepac.com/node/19104

"Electromagnetism and Life as an Evolutionary Process"
http://larouchepac.com/node/22434

"Towards a Fusion Economy"
http://larouchepac.com/node/21347

Written material

"Planetary Defense: An Extraterrestrial Imperative"
www.larouchepac.com/planetarydefense

"Self-Developing Systems and Arctic Development: Economics for the Future of Mankind"
cecaust.com.au/pubs/pdfs/arctic.pdf

"Mass Extinctions as Shadows of Anti-Entropic Growth"
http://larouchepac.com/node/21941

EVOLUTION'S NEXT STEP: NATIONAL BANKING
The Power of Public Credit to Advance Mankind and Develop the Universe

By Robert Barwick

As humanity stands at the frontier of space travel and controlled thermonuclear fusion energy, we have the power to direct the next evolutionary upshift of the biosphere. For the first time in geological history, the creativity that is characteristic of the Universe and which drives biospheric development has a *conscious* agent, in mankind, whose creative powers are opening an entirely new geological era. The great Russian scientist Vladimir I. Vernadsky named it the Noösphere.

Human beings use science and technology to harness and deploy natural resources in a way that increases man's power over nature, and transforms nature's ability to support life. We can green deserts, harness rivers and split atoms. Mankind's next challenge is space travel and the colonisation of the Moon and Mars. Yet the physical economic breakdown crisis into which the world has plunged is dragging humanity backwards, threatening the lives of billions of people in a new Dark Age and thermonuclear war. To reverse this collapse and organise the economy to fulfil mankind's destiny, the nations of the world must abandon all the "free market" delusions that have caused the present crisis, and instead turn to the system of *public credit*, embodied in national banking, that has driven the extraordinary progress of humanity over the past two centuries, despite the enormous power of the world's London-centred oligarchy and its Wall Street appendage over that same period.

Crediting Man's Immortality

In response to a request, following his 30 September 2011 TV address, to elaborate on why "the process of building physical wealth is the basis for a restoration of our credit as a currency", in opposition to a mere monetary system, Lyndon LaRouche explained the unique, creative and immortal nature of mankind, among all other living species, and the role of human credit systems in securing that immortality:

"You're talking about an investment by more than one generation. All of the great projects, which we need now, as in the past, too, are projects which require multigenerational investment. They require the incurrence of a debt which spans generations. …

"Mankind has something that no animal has, the power of creativity, the power of introducing a higher state of organisation, by the human will, and no species on this planet otherwise, has ever been able to do that! …

"The point is to have a purpose in life, which transcends death. And this is only possible through the creative powers of mind of the human individual. And therefore, this leads to what? It leads to something that no animal knows: credit. Credit: because the things we invest in, are the things we create, things which transcend the death of people, of individuals, the investment of a life in a transition to a new life which is a continuation of the old, even though the persons who were succeeding one another have died.

"So therefore, the idea of credit is not a physical or financial conception. The idea of credit, first of all, is human. And no species known to us, other than human beings, knows what credit is! It doesn't exist for anything except for human beings, to our knowledge.

"Therefore, we design a monetary system, or a financial system, based on a system of credit, which means the development of one individual, who transmits something which is of use to a second generation, and this is not a process of continuation, it's a process of development! And the unit of development is what we should call 'credit'.

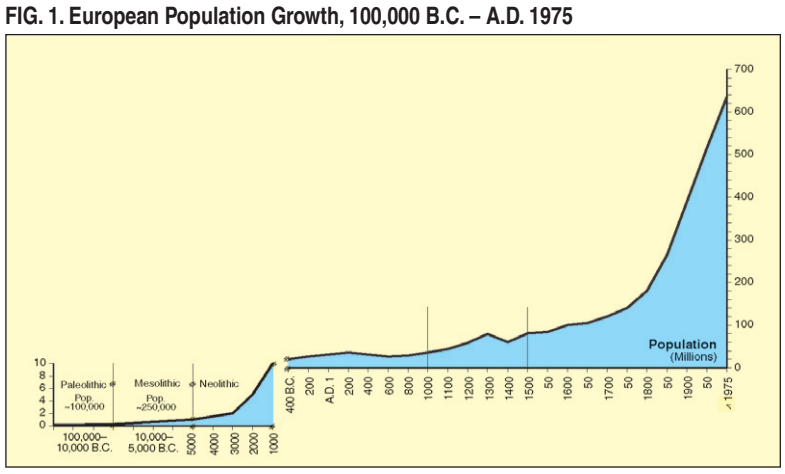
"Now, this was something that has been understood for a long time by some people. But this system, this concept of credit, is unique, as a worked-out system, to the United States. The Massachusetts Bay Colony, for example, was a system of credit! The system authored in the founding of our Constitution was a system of credit. And the system of credit is not a monetary system, it's not a cash collection! The system of credit is the transition, and the continuation, of the activity of a life, through the transmission of a continuation of an effort, an intended effort, to a second life, and a life beyond that!

"Credit is history. Credit is human history. … A human credit system is the advancement of mankind, the powers of mankind, the accomplishments of mankind, from generation to generation. And the connection among the living, and the living that follow them, and the living that follow them, is credit. That's the true meaning of credit—that we pledge something to the future! We praise and protect something which was given to us, from the past, for the future!

"And the idea of an economic system, a true economic system, a physical economic system is that: the system of credit. But the content of credit is not cash, the content is not money, the content is not notes and bills of exchange: the content is human creativity, from generation to generation.

"People die, but humanity must never die. And once we have that concept, we've got it right."

FIG. 1. European Population Growth, 100,000 B.C. – A.D. 1975



Population growth began to take off as Europe emerged from the feudal dark ages into its Renaissance in the 15th century. Sovereign nation-states, first established at that time, became the institutions that could promote the "Common Good" of a rapidly growing population through economic development.

National Banking: Securing the Common Good

National banking is the means by which governments can direct public credit into developing the physical economy of the nation. It is the government's responsibility to raise the living standard of its citizens, anchored upon infrastructure projects for advanced power, water, transportation and health and education systems. These cumulatively serve as a "platform" for the development of the high-technology manufacturing and agricultural industries that ensure the economy's ability to meet human needs.

From the time that France in the 15th century emerged from the feudal dark ages of Europe as the first sovereign nation-state in modern history, good monarchs such as France's Louis XI (1423-83) used their wealth and power to organise their kingdoms for the good of *all* their people—the "Common Good" as Louis XI called it. This was the purpose for which the American colonies launched their 1776-81 revolutionary war against the British Empire, and which they sanctified in the "General Welfare" clause specified in the Preamble to the U.S. Constitution, which governs the interpretation of any particular clauses within that constitution. Our Australian Labor Party was founded in the 1890s upon that American precedent, even taking the American instead of British spelling for "Labor" to declare their commitment to what they called the "Common Good".[1]

But such governments committed to the Common Good threatened the system of *empires*, a world order that stretched back to Babylon and even earlier, whereby a tiny ruling oligarchy controlled private monetary systems for their own benefit, and to control the masses of the population. From A.D. 1000 on, such empires were successively headquartered in Venice, Amsterdam, and then London. They wielded enormous power through privately owned central banks, stock markets, and their domination of world trade through such global, genocidal behemoths as the Dutch and British East India Companies, both of which continued Venice's role as the hub of world trade, and its command of the world's gold and silver bullion markets.

The American Founding Fathers overthrew that ancient oligarchical system, to establish the first republican system of government in the world, declaring the "general welfare" of *all* citizens as the raison d'être of the state. To establish their new government and secure the commitment to the general welfare, the Americans established the institutions of *public credit* and national banking as the bedrock of their republican system of government.

Alexander Hamilton

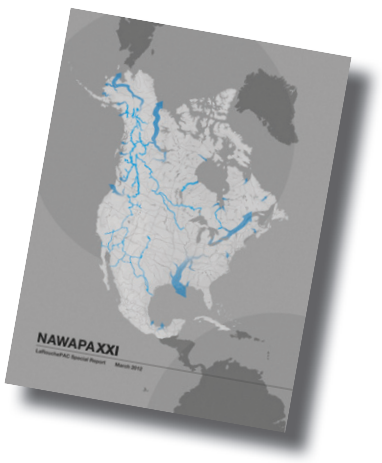
The American experience provides clear proof that the principle of national banking and public credit is inseparable from national sovereignty. Britain's imperial rule was based on its monetary empire, centred in the privately owned Bank of England and British East India Company. The Massachusetts Bay Colony challenged this system already in 1652, by establishing its own mint to issue its own currency—the Pine Tree Shilling. Though issued in silver, that currency was not based on the value of gold or silver bullion (whose world supplies and prices were controlled by the Bank of England and the BEIC), but by the colony's ability and intent *to develop its physical economy*. Typical was the Colony's construction of the Saugus Iron Works, the world's most advanced such industrial project at the time. The British Empire not only forbade such sovereign control over the colony's finance, but revoked the Massachusetts Bay Company's self-governing charter in 1684 and sent in a British military governor to rule the colony.

But American patriots led by Benjamin Franklin continued to advocate a sovereign currency system, as did Franklin in his 1729 *A Modest Enquiry into the Nature and Necessity of a Paper-Currency*. Franklin, a scientific genius hailed the world over for opening the door to man's control over electricity, as well as a political leader, taught America's Founding Fathers that only a sovereign system of credit could secure the political sovereignty for which they launched their revolution in 1776. General George Washington's young aide-de-camp, and later inaugural Secretary of the Treasury, Alexander Hamilton, conceived of a system of public credit both to finance the war, and then to consolidate the American victory. Even as victory hung in the balance, Hamilton wrote to his key collaborator, the financier Robert Morris, about what was required to win first the war, and then the peace:

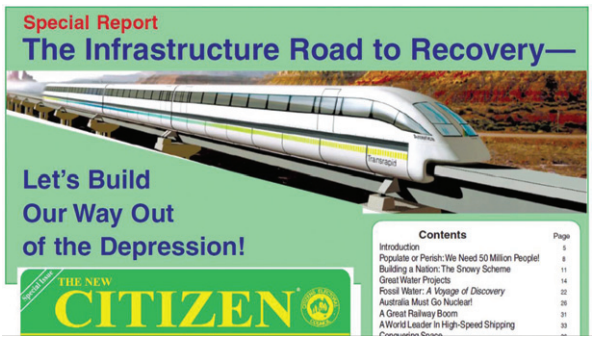
"A plan must be devised, which by

The NAWAPA Driver for a U.S. Recovery

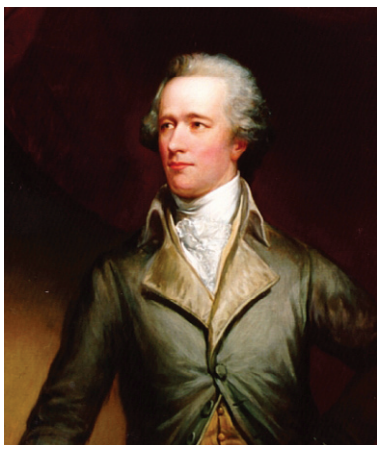
The North American Water and Power Alliance, first proposed in the 1960s, is the sort of multigenerational great infrastructural project of which LaRouche spoke in his 30 September 2011 remarks on credit systems. Updated by LaRouche's Basement scientific team over the last two years as "NAWAPA XXI" (for the 21st Century), the project is "shovel-ready", and will completely transform the economy of the United States (and much of western Canada and northern Mexico). Far larger than the great Tennessee Valley Authority water and power project which U.S. President Franklin D. Roosevelt constructed to help reverse the 1930s Depression, NAWAPA XXI will double the present U.S. irrigated acreage west of the Mississippi River; encompass a vast system of new dams and reservoirs, high-speed rail lines, nuclear power plants and even entire new cities; provide six million jobs in the USA alone, and propel the United States out of the present global depression. NAWAPA's impact on the U.S. economy will be mirrored in Australia by the 18 Great Water Projects proposed by the Citizens Electoral Council in consultation with some of the nation's top engineers. (See "The Infrastructure Road to Recovery", *The New Citizen*, February 2002. http://cecaust.com.au/main.asp?sub=pubs&id=ncv5n4.htm)

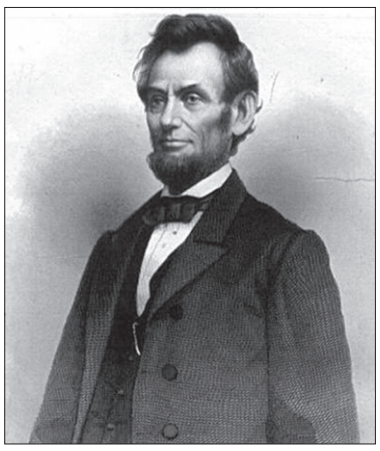


The LaRouche Political Action Committee issued the NAWAPA XXI report in March 2012 as an updated guide to U.S. and global economic recovery.



In consultation with some of the country's top engineers and water experts, the CEC in 2002 released plans for a series of 18 Great Water Projects, in this *New Citizen* Special Report. They would largely drought-proof the nation, greatly mitigate floods, and launch a national economic recovery, all for a mere $40 billion—less than the cost of the recent floods.





Alexander Hamilton (l.), the first U.S. Treasury Secretary, founded the American System of national banking. Two generations later, President Abraham Lincoln's revival of American System credit policies while achieving victory over the British in the U.S. Civil War, 1861-1865, unleashed astonishing nation-state building around the world.

incorporating their means together, and uniting them with those of the public, will, on the foundation of that incorporation and union, erect a mass of credit that will supply the defect of monied capital, and answer all the purposes of cash; …in its progress, have the most beneficial influence upon its future commerce, and be a source of national strength and wealth. I mean the institution of a National Bank.

"The tendency of the national bank is to increase public and private credit.... Industry is increased, commodities are multiplied, agriculture and manufactures flourish, and herein consists the true wealth and prosperity of the state….

"It is in a national bank, alone, that we can find the ingredients to constitute a wholesome, solid, and beneficial paper credit." (From *Letters to Robert Morris 1779-1781*.)[2]

Hamilton's plan became the Bank of North America, which was indispensable to winning the revolution. But even after signing the Treaty of Paris in 1783, the formal peace between the new American republic and Britain, the British continued their aggression through other means: by trade and currency warfare against the thirteen American colonies, all of which had been bankrupted by the war, leaving their sovereignty still in peril. But in 1789, following the ratification of the U.S. Constitution and the inauguration of the newly constituted federal government, President Washington appointed Hamilton as his Treasury Secretary, to organise a public credit system as the bedrock of the new nation.

Hamilton's first act was to establish the public's faith in the credit of the U.S. government by issuing an ironclad guarantee that America would honour all of the debts which its colonies had contracted to win the war, and not to just cancel them, as many had called for because their magnitude made their repayment appear impossible. Hamilton insisted, instead, that such loans were the "price of liberty", and must therefore be honoured by the new nation. He floated new loans to pay back the original debts, but directed the newly-expanded currency of which those loans were comprised in such a fashion as to be able ultimately to extinguish them: the expansion of America's physical economy, its infrastructure and industries, would generate the revenue to repay the debt. Thus secured, certificates of U.S. debt became a paper currency that could be exchanged for goods and services, which the public valued equally to gold and silver coins; but supplies of the latter were limited, and they were always subject to financial warfare by the British, who controlled the value and supplies of gold and silver, as had the Dutch and Venetians before them.

In three groundbreaking reports to the U.S. Congress—the January 1790 *Report on Public Credit*, December 1790 *Report on a National Bank*, and December 1791 *Report on Manufactures*—Hamilton elaborated his intent to develop the physical economy of the United States as the very essence of national sovereignty.

So informed, the U.S. Congress in 1791 passed Hamilton's legislation to establish a national bank, the First Bank of the United States. Its defining feature was that specified in his *Report on Manufactures*, that "the creation of a debt should always be accompanied by the means of its extinguishment," i.e., that public credit would be harnessed to develop the physical economy of the new nation. Less than twelve months after its establishment, Hamilton in December 1791 reported to Congress on the beneficial impact the bank had already had. "Industry in general seems to have been reanimated," he said, and "there appears to be in many parts of the Union a command of capital, which till lately, since the revolution at least, was unknown".

By securing the national debt upon an expansion of the real physical economy of infrastructure, and of agriculture and industry, Hamilton explained that that apparently huge debt had become a "*public blessing*", in that its certificates served as a reliable, expanded money supply. They were as "good as gold", and so facilitated a still further expansion of the new nation's physical economy.

The British Empire Strikes Back: Aaron Burr and Wall Street

Humiliated by its defeat and panicked that America's republican constitutional and public credit principles would unleash similar revolutions on the European continent and around the world, the British Empire schemed to crush America's sovereignty from within and without. One of their chief agents was Aaron Burr, who established the private Bank of Manhattan in 1799 on Wall Street—already then a hub of British-backed private financiers and slave- and opium traders—to attack Hamilton's national banking policies.[3]

In 1804, the expert marksman Burr assassinated Alexander Hamilton in a provoked duel. Soon thereafter, Burr wrote to the British Ambassador to Washington to offer his services to split up the United States by organising sectional rebellions, for which he was tried for treason in 1807. He fled to Britain, where he stayed in the home of Jeremy Bentham, Lord Shelburne's chief intellectual hired gun and the British East India Company's ideologist.

In 1811, Britain's agents in the USA ensured that the 20-year charter of the First Bank of the United States was not renewed. Then came the War of 1812, in which Britain invaded and burned down Washington, D.C. before being defeated once again.

In the absence of a national bank, the British once again launched all-out trade and financial warfare against the American republic, as Bentham's associate Henry Brougham (later Baron Brougham and Vaux) bragged of this warfare in a famous speech in the House of Commons on 9 April 1816, which included Britain's "free trade" dumping of every conceivable product upon America, even at a loss, to wipe out America's domestic manufactures: "Every thing that could be shipped was sent off; all the capital that could be laid hold of was embarked. … it was well worth while to incur a loss upon the first exportation, in order, by the glut, to stifle in the cradle those rising manufactures in the United States, which the war [of 1812] had forced into existence contrary to the natural course of things." The "natural course of things" meant that the British planned to keep America as merely a weak raw materials producer for the Empire—precisely as they have done to Australia today **(see page 20)**.

In disguise, Burr snuck back into the United States during that war to continue Britain's financial and political subversion of the young republic. With no national bank, and after five years of financial chaos pivoted upon British economic warfare, the U.S. government in 1816 chartered the Second Bank of the United States along virtually identical lines to the first. It stabilised the financial system, and provided the means for an extraordinary economic development program of steel manufacturing, railroads and canals, called "internal improvements".

National banking, combined with Hamilton's other major policy initiative of high tariff protection to foster manufacturing, became known worldwide as the "American System", in opposition to the "British System" of free trade and privately controlled "central banks".

In 1832, future president Abraham Lincoln based his election campaign for the Illinois legislature on his support for the American System. "I am humble Abraham Lincoln," he said. "I am in favour of a national bank, the internal improvement system, and a high protective tariff." Elected president in 1860, on the eve of the British-sponsored Confederacy's declaration of succession and resultant civil war, Lincoln revived the American policy of public credit by issuing the famous "greenbacks" to finance the war, following the refusal by Wall Street financiers to make loans to the U.S. government to suppress the Confederate rebellion. In the midst of that existential crisis for the American republic, Lincoln delivered his immortal Gettysburg Address, in which he dedicated the site where the Union had won a crucial battle against the Confederacy, to the purpose for which he was leading that war: to ensure the continuance of the American System, that "government of the people, by the people, for the people, shall not perish from the earth."

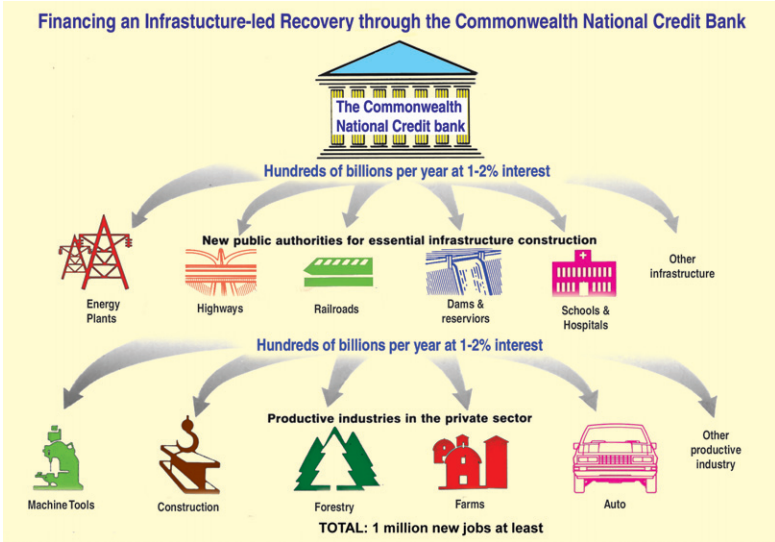
As the British had feared, the American System inspired people all over the world to desire sovereignty, including among Britain's own colonial dominions. In Australia, the Rev. Dr. John Dunmore Lang enthusiastically championed American-style republicanism in his 1852 book, *Freedom and Independence for the Golden Lands of Australia*. To head off this potential, the British fabricated a democratic reform which they called "responsible government" (actually, a parliamentary façade of handpicked members of the British-created "squattocracy"), behind which the oligarchy's private control over the financial system remained intact. This was the typical British system, as summarised by in 1852 by British Chancellor of the Exchequer and future prime minister William Gladstone: "The hinge of the whole situation was this: the government itself was not to be a substantive power in matters of Finance, but was to leave the Money Power supreme and unquestioned."

National Banking in Australia: the Commonwealth Bank

Many other nations took their lead from the United States and employed various forms of public credit institutions for directing economic development; Australia went so far as to establish a dedicated, Hamiltonian-style national bank—the Commonwealth Bank of Australia. In two distinct phases, from its inception in 1911 to 1923, and then from 1942-49, the Commonwealth Bank proved the power of national banking: it directed the public credit of Australia into the development of great infrastructure and crucial industries, including the Trans-Australian Railway; it financed Australia's participation in WWI; and it financed the miraculous war-time economic mobilisation of WWII which transformed Australia from an agrarian backwater into an agro-industrial powerhouse, including the postwar great Snowy Mountains Scheme. Just as in the United States, the rise and fall of the Commonwealth Bank is the story of Australia's battle for national sovereignty.

The American-inspired patriots of colonial Australia who fought for nationhood knew that national banking was the determining issue. Australia's labour movement was born out of the bloody 1890 maritime and shearers' strikes against the London banks, pastoral houses and shipping companies that controlled the colonial economy, and whose stranglehold would unleash the devastating crash of 1893. Already in 1891, NSW's Labor Electoral League, one of the components which would form the Australian Labor Party, enshrined a commitment to national banking in its electoral platform, alongside a demand for "The federation of the Australasian colonies upon a national as opposed to an imperialistic basis…."

FIG. 2. Financing an Infrastructure-led Recovery



The CEC's proposed national bank will direct credit to develop the infrastructure and industries that form the productive base of the physical economy, which will put all of the unemployed, underemployed, and currently misemployed (financial traders, etc.) to work in real, productive jobs.

It was the expatriate American ALP politician King O'Malley who gave the Labor Party its deep appreciation of the workings and the significance of national banking. In 1908 O'Malley convinced the federal Labor Party conference held in Brisbane to adopt a detailed national banking proposal in its fighting platform. In a five-hour speech in Federal Parliament the following year, O'Malley emphasised the importance of a national bank for Australia's sovereignty:

"We are legislating for the countless multitudes of future generations, who may either bless or curse us. … We are in favour of protecting, not only the manufacturer, but also the man who works for him. ... I propose the institution of a government national bank for managing the finances of the Commonwealth and the States. … Cannot honourable members see how important it is that we should have a national banking system … —a system that will put us beyond the possibility of going as beggars to the shareholders of private banking corporations? The movement of the money volume is the vital monetary problem—the master-key to the financial situation. Through the control of this movement prices may be made to rise or fall or remain substantially steady. … Such power is an attribute of sovereignty … and ought to belong to none but the sovereign people exercised through … Parliament and Government in the interests of the whole people."

O'Malley triumphantly proclaimed the precedent for his proposed new national bank. "I am the Hamilton of Australia", he declared. "He was the greatest financial man who ever walked the earth, and his plans have never been improved upon. … The American experience should determine us to establish a national banking system which cannot be attacked."

Labor vs. the Money Power

To force the ALP caucus to implement the national banking policy, over the opposition of Melbourne's British-controlled Collins Street banks, O'Malley formed what he called the "Torpedo Brigade" among Labor MPs. O'Malley and his allies pushed through the *Commonwealth Bank Act* in December 1911, and O'Malley personally handpicked Denison Miller to run the new national bank, exhorting him, "You have a chance to make history, Brother Miller, Australian history, which will become world history. Think the matter over deeply. And accept the job. Decide to make history—I'm sure you're the man to do it." In his 1962 book, *The Great Bust*, former New South Wales Treasurer and later NSW Prime Minister Jack Lang documented the terror which Miller and the Commonwealth Bank had struck into the British oligarchy, until Miller's untimely death in 1923:

"In Australia the war had been financed by the then newly established Commonwealth Bank. It had found all the money to keep the armies abroad, and also to finance the producers at home. It had financed the Commonwealth Shipping Line deal for Hughes. Denison Miller had gone to London after the war had finished and had thrown a great fright into the banking world by calmly telling a big bankers' dinner that the wealth of Australia represented six times the amount of money that had been borrowed, and that the Bank could meet every demand because it had the entire capital of the country behind it. The Bank had found £350 million for war purposes. A deputation of unemployed waited on him after he arrived back from London at the head office of the Commonwealth Bank in Martin Place, Sydney. He was asked whether his bank would be prepared to raise another £350 million for productive purposes. He replied that not only was his bank able to do it, but would be happy to do it. Such statements as these caused a near panic in the City of London. If the Dominions were going to become financially independent of the City of London, then the entire financial structure would collapse."

Lang went on to describe the City of London's intention to bridle the Commonwealth Bank, by creating a supranational banking structure that would take control over the finances of all nations, constituting a de facto world

NSW Premier Jack Lang, a firebrand in the fight against the Money Power, whose clear insight into the City of London's imperial agenda made him a threat who had to be removed. The British Crown sacked him in 1932, and an estimated crowd of 3-500,000 turned out in Sydney to protest.

King O'Malley (l.) and Sir Denison Miller, the fathers of Australia's Hamiltonian national bank.

government. The subjugation of the banking system of Europe today, under the European Stability Mechanism (ESM) demanded by London and related financiers, is a dead ringer for the process exposed by Lang:

"Basically it was a problem of banking. Some formula had to be devised which would enable such local institutions as the Commonwealth Bank of Australia to be drawn into the City of London's net. The financial experts studied the problem deeply. Out of their deliberations emerged the plan to centralise the control of all banking throughout the Empire by channeling it directly into the supervision by the Bank of England. The Bank of England was to become the super Bankers' Bank. … The Bank of England took up the idea of Empire control most enthusiastically. It was even decided to aim at a World Bank, to be run by the League of Nations, which would control the credit of the world. The grand idea was that one single Board of Directors would make the decisions which would determine the economic policy of the world. The bankers were to be the supreme rulers. Naturally, the Governor of the Bank of England expected to be at the apex of the system. If, for example, the Bank of England could control the Commonwealth Bank of Australia there should be no impediment in the way of controlling the government of the country as well. … The death of Miller removed at a critical moment the one man capable of defending the citadel of Australian financial independence."

Notwithstanding the remarkable accomplishments of the Commonwealth Bank, its mere twelve years of operation, before private financiers seized control of it following Miller's death, were not enough for the Bank to break the British monetary stranglehold on Australia. Frank Anstey, one of O'Malley's former Torpedo Brigade members and the mentor of future prime minister John Curtin, showed in his 1921 book, *The Money Power*, that the issue was understood to be national sovereignty:

"Australia is a mere appendage of financial London, without distinct economic existence. ... London is, so far, the web centre of international finance. In London are assembled the actual chiefs or the representatives of the great financial houses of the world. The Money Power is something more than Capitalism. ... These men constitute the Financial Oligarchy. No nation can be really free where this financial oligarchy is permitted to hold dominion, and no 'democracy' can be aught but a name that does not shake it from its throne."

Indeed, when Miller died in 1923 the London banks directed the Australian government to hand control of the bank to a board of private businessmen, who promptly turned off the tap of public credit. During the Great Depression, the privately controlled board of the Commonwealth Bank refused to follow a government directive to issue credit for public works—a plan to alleviate the 30 per cent unemployment, on the successful model being applied by U.S. President Franklin D. Roosevelt. This defiance of government policy, by the board of the bank, caused such a scandal that in 1936 a Royal Commission was established to investigate banking in Australia. The commission found that the government should be the ultimate authority over the banking system, findings ignored by the Lyons-Menzies governments.

In a 1937 speech to the Labor Party's election campaign launch in Fremantle, WA ALP leader John Curtin reiterated Anstey's 1921 warning that there could be no Australian sovereignty without government control over the nation's finances. Curtin demanded restoration of the Commonwealth Bank's original charter, and that the Bank be freed from the vice of private financiers and put back under government control: "If the Government of the Commonwealth deliberately excluded itself from all participation in the making or changing of monetary policy *it cannot govern except in a secondary degree*." In 1939, on the eve of the war, the aging King O'Malley again went to bat to re-establish the Commonwealth Bank under its original purpose and charter, as opposed to its domination and speculative misuse by private financiers. In his pamphlet *Big Battle*, O'Malley insisted that the individual rights people believed were theirs could not be guaranteed without sovereign control over credit, and that the purpose of national banking was to facilitate the creation of tangible, physical wealth, as opposed to the inevitably disastrous "fog wealth" of private banking speculation:

"Permanent wealth is produced by the slow process of industry, combined with skill and the manipulation of capital. Fog wealth is produced by the rapid process of placing one piece of paper in the possession of a bank as a collateral security for two pieces of paper. Some of the enormous quantity of paper which is being created now will sooner or later collapse. But with the Commonwealth Bank capable of sustaining legitimate credits, there can come no panic which will again destroy the market value of intrinsic values, ruin debtors, deprive workers of work, and produce general distress. Oh! Would that I possessed the power to arouse the Australian people to the imperative importance of reviving the Commonwealth Bank!"

Fabian Society "internationalists" Nugget Coombs, Bob Hawke and Paul Keating were all key to the destruction of Australia's national bank and national sovereignty.

Only Glass-Steagall Can Stop the Financial Rot

When JP Morgan Chase owned up in early May to a derivatives blowout of at least $3 billion, a chorus of voices around the world immediately demanded the return of Glass-Steagall, U.S. President Franklin Roosevelt's 1933 banking regulation. From its enactment in 1933 to its repeal in 1999, the *Glass-Steagall Act* (named in the U.S. style after its Congressional sponsors, Senator Carter Glass and Representative Henry Steagall) forbade any cross-ownership between Wall Street's investment banks, and the deposit-insured commercial banks which held the savings of the American people. The Glass-Steagall "firewall" quarantined the daily financial affairs of the real economy from crises on Wall Street, and put a brake on the Wall Street investment banks, which knew they would not be bailed out.

Following the 1999 repeal of Glass-Steagall, directed by Wall Street flunky U.S. Treasury Secretary Larry Summers, the Wall Street investment banks had a free-for-all, snapping up commercial banks to gain access to their huge deposit base. JP Morgan Chase is one such example: JP Morgan had been one of America's most powerful investment banks, while Chase Manhattan was one of the biggest commercial banks. The banks, bloated through such mergers, became "too big to fail", holding the American people hostage to the financial crimes of Wall Street: unless the banks were to be bailed out of their derivatives losses, their collapse would wipe out the savings of millions of depositors.

President Franklin D. Roosevelt signed the *Glass-Steagall Act* on 16 June 1933, protecting commercial banks from Wall Street's predatory speculation.

The February 2011 findings of the official U.S. investigation, the Financial Crisis Inquiry Commission (FCIC), the so-called Angelides report, blamed the post-2007 crisis on the 1999 repeal of Glass-Steagall and the 2000 deregulation of derivatives, declaring, "The greatest tragedy would be to accept the refrain that no one could have seen this coming and thus nothing could have been done. If we accept this notion, it will happen again."

The LaRouche movement in the United States has been mobilising during the past five years for a return to Glass-Steagall. The Angelides report reflected growing momentum in that direction. In April 2011, Democratic Representative Marcy Kaptur introduced into the U.S. Congress a bill to reinstate Glass-Steagall; her bill, House Resolution 1489, has 62 co-sponsors. (President Obama's allies in Congress blocked two previous attempts, including one co-sponsored by former presidential candidate John McCain.) Glass-Steagall is front and centre of the political debate in debt-stricken Europe, where dozens of political figures, legislative resolutions, and media have called for application of a separation of banking functions.

After the War

The Commonwealth Bank was indeed revived by John Curtin and Ben Chifley during and immediately after WWII, with stunning success. But the British Crown's Privy Council overturned Chifley's bank nationalisation legislation, which had been passed by both houses of Parliament in 1949, and soon Labor was out of power for the next 23 years. During that period Prime Minister Sir Robert Menzies, a professed admirer of Hitler and Mussolini during the 1930s and a notorious lackey of the anglophile Melbourne financier Sir Staniforth Ricketson, finished off what was left of the Commonwealth's function as a national bank.[4] He established the Reserve Bank as an independent central bank with control over the nation's finances, and appointed as its first governor a British-educated Fabian, H.C. "Nugget" Coombs. As Minister of Post-War Reconstruction, Coombs had ripped up most of Labor's grand postwar reconstruction plans. He gloated of the globalist control over banking when he said of himself, "I am a member of the international freemasonry of central bankers."

Remnants of a public credit policy continued to exist in Australia, through the Commonwealth Development Bank, the Australian Industry Development Corporation (AIDC), and the various state banks, which enabled the federal and state governments to direct lending into farming, manufacturing and small business. In 1981, under the direction of a cabal of investment bankers centred in Hill Samuel Australia (later renamed Macquarie Bank), a subsidiary of the City of London's Hill Samuel & Co., Ltd., the Committee of Inquiry into the Australian Financial System (the Campbell Committee) demanded sweeping banking deregulation, including the elimination of all such public credit institutions. To its eternal shame, it was the Labor Party, under Fabian traitors Bob Hawke and Paul Keating, that delivered on the City of London's demands upon assuming power in 1983.

Keating deregulated the banks, exposing Australia to the predations of foreign banks; floated the dollar; amalgamated unions to bust their bargaining power; annihilated manufacturing by slashing tariffs (to "enhance competition"); and privatised major public assets, including the Commonwealth Bank. As revealed in *Keating: the Inside Story*, by John Edwards, Keating declared his intention to dismantle every aspect of the advanced agro-industrial economy that "old" Labor governments had used public credit to build up, proposing that Australia's economic future should be almost solely that of a raw materials exporter, with whatever shards of manufacturing might manage to hang on with low or no tariffs: "Minerals, wool and wheat—that's our long suit. And we have to make secondary industry competitive." Three decades after Keating began this assault on Australia's economic sovereignty, his intention for Australia has been realised. As is documented on **page 20** of this newspaper, Australia today has become a vast raw materials quarry, but an industrial and agricultural wasteland, while the Australian people are burdened by massive debt and skyrocketing living costs. In April 2012, the CEC launched the latest phase of our decades-long campaign to restore Australia's sovereignty,[5] with the resolution "The Future of Australia: Develop or Die" **(see page 20)**.

Notes

1. The fight by "old Labor" for national banking and the Common Good, from the 1890s through the Queen's sacking of Whitlam in 1975, is fully documented in the CECs pamphlet, *The Fight for an Australian Republic: From the First Fleet to the Year 2000*, December 1999, 72 pp.
2. *NAWAPA XXI*, a LaRouchePAC special report (March 2012), gives full details how Hamilton organised public credit to secure the American Republic, and then as the cornerstone of the U.S. constitutional system (Section III: How NAWAPA XXI Will Restore the System of Public Credit, Part 1: Alexander Hamilton's National Banking System of Public Credit).
3. Anton Chaitkin, *Treason in America: From Aaron Burr to Averell Harriman*, Second Edition (New York: New Benjamin Franklin House, 1985); Robert Ingraham, "A Foreign Agent Within Our Midst. LaRouche Explains: Why We Don't Need Wall Street", *Executive Intelligence Review* 28 October 2011, pp. 9-18. These sources document the centuries-long treason of Burr and his Wall Street associates and successors. The year 2000 merger of the British-founded J.P. Morgan & Co. with Chase Manhattan, the lineal descendant of Burr's Bank of Manhattan, to create the "too big to fail" J.P. Morgan Chase, continues their long and vicious tradition.
4. In the early 1930s Ricketson and the rest of the British-backed major businessmen and financiers in Australia formed mass fascist armies, the Old and New Guards, modelled on Hitler's and Mussolini's Brown and Black shirts. These private armies of 100,000 well-trained, well-armed men planned to seize power if ALP state or Federal governments would not capitulate to private finance. Most famous was the New Guard's clash with NSW Premier Jack Lang, who refused to pay British bondholders while Australians starved; an armed seizure of power, planned by the Sydney-based New Guard, was averted only when the King's NSW Governor Sir Philip Game sacked Lang on 13 May 1932. These fascist armies were reconstituted after World War II with the intent to seize power if the Chifley-led ALP government nationalised the banks. Such legislation did pass, but was overturned by the Crown's Privy Council in London, once again averting an armed showdown. The "Money Power" and the leadership of these private armies then formed the Liberal Party, installing the pro-fascist Menzies at its helm. For an in-depth history of this fight to the death between "old Labor" and the Money Power, from the 1920s through the 1950s, see "On the Eve of the Crash: Defeat the Synarchy – Fight for a National Bank", *The New Citizen*, April 2004.
5. Key publications include *Sovereign Australia: An Economic Development Programme to Save Our Nation*, CEC, 1992, 46 pp.; *Sovereign Australia, Part II: The Legislative Programme to Save Our Nation*, CEC, 1994, 60 pp.; and *What Australia Must Do to Survive the Depression,* CEC, 2001, 332 pp. (contains *The Commonwealth National Credit Bank Bill*, ready-to-enact draft legislation to re-establish a national bank).