LaRouchePAC's Citizen Primer

The **American System** Realignment of the **United States**







First Principles for **Taking the Nation Back**

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Our Republic faces the greatest threat to its existence since the Civil War, and possibly ever. The preservation of our Republic will depend heavily on the emerging political realignment of the United States, in which the producers of the nation rally to rebuild the nation and give our Founding Principles a "new birth of freedom." It is not only a "Lincoln Revolution," reflecting what Abraham Lincoln created in 1860; but it must become a Lincoln, Lyndon LaRouche, Donald Trump realignment, because the ideas of each are crucial to its success.

This LaRouche Political Action Committee primer is intended to provide some basic guidance to better prepare this emerging movement to run the nation and the economy. We aim to recruit candidates and leaders who are committed to these principles. Whether it be running for school board to fight for a Classical curriculum, or educating the base of the Republican Party on Lincoln's principles, or running for state or national office to fight for a return to the American System—this is the vital work to be done now.

(Ensuring election integrity by eliminating the potential for massive vote fraud must be an indispensable element of our current activity, and other vital concerns such as relations with other nations and border security are immediately important as well. But the purpose of this primer is to address those unique areas of American System economic policy which would otherwise be left unaddressed.)

The American System

The political realignment will not work without an economic realignment, which unites the producers, the builders, and the creators, against the speculators and parasites of Wall Street, Silicon Valley, the City of London, and those who do their bidding inside the Beltway.

This means a recommitment to (and, in many cases, a rediscovery of) the American System of Political Economy, which was written out of our history long before the current

effort to nullify the great accomplishments of our Founding Fathers and other seminal leaders. We are, in a sense, introducing a political-economic language which has not been spoken for more than a century.

Abraham Lincoln outlined the core elements of the American System in 1832, when running for state legislature, "I am in favor of a national bank. I am in favor of the internal improvement system, and a high protective tariff." As President, he reestablished a national banking system with his Greenback policy, and launched the great nation-building project of the transcontinental railroad. Fundamentally, he understood that human creativity was the driving force of economic progress.

Donald Trump became the first President since William McKinley (assassinated in 1902) to utter the words "American System," in speeches in Kentucky and Ohio in early 2017. Trump's instincts championed that approach, including his emphasis on the importance of working men and women, his vision to restore the U.S. as a "manufacturing superpower," and his commitment to rebuild infrastructure. "I am a builder," he said in Ohio in 2018.

Lyndon LaRouche advanced the American System by discovering the physics of the relation between technological advance and increases in the productive powers of labor, quantified by his metric of "potential relative population density." LaRouche's economic program for the U.S.A. calls for reestablishing a national banking and credit system, supporting manufacturing and infrastructure projects, and channeling our national energies into the frontier areas of space exploration and fusion power, which will lift up the productivity of our economic platform and our workforce.

Two Views of Man and Two Systems

"Two systems are before the world.... One looks to pauperism, ignorance, depopulation, and barbarism; the other in increasing wealth, comfort, intelligence, combination of action, and civilization. One looks towards universal war; the other towards universal peace. One is the English system; the other we may be proud to call the American system, for it is the only one ever devised the tendency of which was that of elevating while equalizing the condition of man throughout the world."

—Lincoln's Economic Advisor, Henry Carey, from his Harmony of Interests, 1836

The British Empire was—and is—a continuation of an oligarchical system, extending back through recorded

history. Such empires view human beings as beasts, seeking to control and cull them like cattle or sheep, using war, money, and ideologies as their tools. They view sovereign nations as challenges to their power.

Lyndon LaRouche put forward the contrary view of man in a 2000 speech:

"But with the birth of Christ and the leadership role of his Apostles, there was a new conception of man and society, which was based largely upon the foundations of the Classical Greek tradition; especially the ideas associated with the work of Plato ... the idea that man is not an animal. Man, unlike any other species, is capable of willfully increasing our species' power in and over the universe This is possible because we have a power which is called, technically, cognition, the power to discover universal physical and other principles, to prove that those principles are correct, and to apply those principles in ways which enable us to increase man's power in and over the universe, and to improve the conditions of life of the human being."

The American Revolution and the establishment of our Constitutional Republic created a system of government that made the conception of man, in the image of the creator, its governing principle. Our first Treasury Secretary, Alexander Hamilton, established an economic system the *intention* of which is to foster man in the creator's image.

Embedded in our Constitution and Hamilton's policies is the principle of sovereignty, both political and economic.

Abraham Lincoln fought to preserve our Republic's sovereignty in the face of a "Civil War" in which the Confederacy was backed and supported by the same British Empire we fought the Revolution against. Lincoln knew that the abolition of slavery required a unified, sovereign nation.

Donald Trump celebrated the principle of sovereignty in a 2019 UN speech, "The future does not belong to the globalists. The future belongs to patriots. The future belongs to sovereign and independent nations." He further celebrated that idea at the 2017 APEC Summit, describing a "beautiful constellation of nations, each its own bright star."

Lyndon LaRouche designed a new international economic framework to replace globalization—a "New Bretton Woods" system, centered on the principle of national sovereignty—and called for the major powers of the U.S.A., Russia, China, and India to align to free the world from the financial grip of central banks and the global monetary elite.

The American System and LaRouche's Economics in Action

Fundamental to this newly revived American System policy is the rejection of the idea that money is the metric for economic policy-making, but rather, mankind's unique ability to discover and invent, what Alexander Hamilton described as increasing "the productive powers of labor."

Abraham Lincoln, in one of his several speeches on "Discoveries and Inventions," delivered in the late 1850's, said:

"All creation is a mine, and every man, a miner.... In the beginning, the mine was unopened, and the miner stood naked, and knowledgeless, upon it. Fishes, birds, beasts, and creeping things, are not miners, but feeders and lodgers, merely. Beavers build houses; but they build them in nowise differently, or better now, than they did, five thousand years ago.... Man is not the only animal who labors; but he is the only one who improves his workmanship. This improvement, he effects by Discoveries, and Inventions."

Donald Trump stood before the gathered would-be elites of the world at the Davos World Economic Forum in January 2020 and challenged their anti-human world view by asserting the power of the human mind to transform the economy:

"But to embrace the possibilities of tomorrow, we must reject the perennial prophets of doom and their predictions of the apocalypse.... The great scientific breakthroughs of the 20th Century—from penicillin, to high-yield wheat, to modern transportation, and breakthrough vaccines—have lifted living standards and saved billions of lives around the world.... We continue to embrace technology, not to shun it. When people are free to innovate, millions will live longer, happier, healthier lives. For three years now, America has shown the world that the path to a prosperous future begins with putting workers first, choosing growth, and freeing entrepreneurs to bring their dreams to life."

Lincoln and Trump are addressing, as did Alexander Hamilton in his "Report on Manufacturers," the ability of the human mind to generate scientific discoveries and develop associated technologies which enable mankind to transform his relation to the natural world in a way no animal species can.

Lyndon LaRouche turned this understanding into a science of economics, measured by the ability of mankind to support more people at higher standards of living in a given land area, or what LaRouche called increases in "potential"

population density." Returning from a 1994 trip to meet with leading scientific thinkers in Russia, Lyndon LaRouche summarized the core aspects of a science of physical economy:

"The characteristic feature of successful physical economies is the increase of the potential population density of society, in per capita, per household, and per square kilometer terms. The cause of this increase is predominantly those changes in the productive powers of labor which are typified by investment in improved technologies, as the possibility of such (physical) investment is conditioned by requirements for use of sources of power and improvements in the development of the environment used for this purpose."

President Trump's mission to return Americans to the Moon by 2024, the Artemis program, is a leading example of the economic policies needed. Developing a permanent human presence on the Moon will provide technologies and breakthroughs that will revolutionize the economy and productivity back on Earth. Moreover, the Moon will become the new frontier in an interplanetary economy, with lunar resources developed for the lunar, space, and Earth dimensions of human activity. For example, the lunar surface contains vast quantities of the best fusion fuel known to man—a special type of helium, known as Helium-3—which is nearly absent on Earth. Fusion is the power source of the future. Every pound of fusion fuel provides a million times more energy than a pound of coal, oil, or natural gas, and between the fusion resources on Earth and on the Moon, a nearly unlimited supply of energy is available.

But, as we aim for the Moon and the commercialization of fusion, we also have the immediate challenge of rebuilding U.S. infrastructure, manufacturing capacity, and skilled labor. We need a massive expansion of advanced nuclear power plants, a national high-speed rail grid, major water projects, and an upgrading of the rest of our basic infrastructure, including our decayed urban infrastructure.

The Difference Between Credit and Money

Before those fiscal conservatives (whom we hope to cure) become faint at the thought of massive budget deficits incurred to finance such nation-building activity, it becomes necessary to introduce the fundamental difference between a system based on money, and one based on productive credit. Imperial systems, with their central banks, run on the basis of money, wherein value is nominally located in the money, which they, of course, control. A properly organized

credit system, such as the one described by Alexander Hamilton in his reports on Public Credit and National Banking, affords sovereign governments the power to create credit and to direct it so as to create new wealth, which will then extinguish the debt.

Such is the purpose of a National Bank, as opposed to the current Federal Reserve/central banking system. The United States is almost unique among nations, in that central banking is unconstitutional, and that, as Lincoln did with the Greenback policy, we have demonstrated the power of national banking. This is how to finance those specific projects which will increase the physical wealth of the nation by improving the productive powers of labor, with emphasis on advances in science and technology. Most such projects would not be financed from budget expenditures (think "operating budget"), but rather, would be financed by the utterance of such national credit (think "capital budget").

This distinction between a sovereign nation's right to run its own credit system and globalist imperial money systems is the real conflict in economics, not the populist, but false, divisions between communism and capitalism, or liberal Keynesians versus Austrian School and fiscal conservatives, such as Von Hayek and Milton Friedman. Those latter all use money as their metric, and ignore the primary mission of developing and improving sovereign nations, which is not surprising, since all of those concepts are artifacts of British imperial economics.

Most Americans would be shocked to look at economic discourse in our country during its first 100 years or so. Our Founding Fathers never used the term "capitalism" for a very simple reason: it was popularized, much later, by Karl Marx, who was on the payroll of the British Empire's premiere institution, the East India Company. In another example, Congress conducted no budget discussions until the 20th Century, because there was no federal budget until British-agent Woodrow Wilson ushered in both the Federal Reserve and a national budget process. Prior to that, the focus of the Congress was the authorization of appropriate nation-building projects which would cause actual physical growth (and thereby return enough revenue to the Treasury to run budget surpluses, which was a matter of course when American System policies were being pursued).

Prior to the destruction of U.S. education, the American System was understood to be the alternative to the British System, and, after Lincoln's economic successes, was emulated in Russia, Germany, France, Japan, and China, to name but a few nations.

Today, the American System provides the basis for both rebuilding the U.S.A. and creating a global system of sovereign nations freed from the scourge of globalist empire (LaRouche's "New Bretton Woods" proposal). In that mission, Russia and China are our allies, not adversaries.

Educating the Citizens of a Republic

To govern a nation according to the principles of the American System, our society and culture must be organized around a commitment to the future, realized through the nourishing of the minds of its citizens, and especially its children. Toward the conclusion of his 2014 "Four New Laws to Save the U.S.A. Now," Lyndon LaRouche contrasts such an outlook to the hedonistic or green or racially-divided policies of today. (As you read this, you can add Biden-Harris to the list of criminal administrations.):

"The healthy human culture, such as that of Christianity, if they warrant this affirmation of such a devotion, for example, represents a society which is increasing the powers of its productive abilities for progress, to an ever higher level of per-capita existence. The contrary cases, the so-called 'zero-growth' scourges, such as the current British empire, are, systemically, a true model consistent with the tyrannies of a Zeus, or, a Roman Empire, or a British (better said) 'brutish' empire, such as the types, for us in the United States, of the Bush-Cheney and Obama administrations, whose characteristic has been, concordant with that of such frankly Satanic models as that of Rome and the British empire presently, a shrinking human population of the planet, a population being degraded presently in respect to its intellectual and physical productivity, as under those U.S. Presidencies...."

Such an education must be a Classical education, which purpose is to teach children how, not what, to think; and more importantly, how to discover. It is obvious that evil dogmas, which define man by his physical characteristics, such as critical race theory or the "green ideology," which teaches that man's existence and activity is a threat to "nature," have no place in an education system fit for human progress.

Toward 2022 and 2024

Going into the next election cycles, we must recruit a new generation of leaders, from outside the environs of the Washington swamp, and the global elite's policy institutions.

In March Donald Trump attacked the Wall Street Journal for its globalist policies and its betrayal of working men and women; he has taken on the establishment's control of the RNC, and taken aim at the "never met a war they didn't like" policies of the likes of Liz Cheney. It is clear that his intention is to shape the Republican Party around the policies which led to his 2016 revolutionary election victory. Those policies of nation-building and ending perpetual wars won over the support of blue-collar workers and independents. But, under constant attack throughout his Presidency, Trump was prevented from fully implementing those "game-changing" policies.

This is where you come in. Together, we must change the very language of economic discussion, by building a movement conscious of the difference between the American System and the Wall Street-globalist-imperial policies of the British System, a movement which is prepared to fight to finish the American Revolution.

We hope this "primer" makes you eager to learn more and to join this fight.

What responses are you getting? How are you using this primer?

Let us know: 510-726-8228 or lpac.co/fdbk

