CONCLUSION: *FINALLY, THE REAL KARL MARX!* HOW THE NCLC ENTERED “THE NEW DARK AGE”
In the late 1970s as Lyndon LaRouche shilled for the Liberty Lobby, endorsed Holocaust Denial, and singled out Jewish investment bankers and one corgi-loving monarch as the ultimate source of world evil; not surprisingly some labeled him a fascist, crypto-Nazi, neo-Nazi or just a plain old Nazi with or without a swastika. His writings were portrayed as “coded” – meaning that they were written in such a way that only the inner elite – so to speak – would be clever enough to grasp his Nazi worldview. Given that LaRouche’s ideas are often so far-fetched and convoluted and his jargon so twisted and opaque, it is all too easy to imagine that he is writing in some kind of code or palimpsest-like manner that both conceals and reveals his stalwart dedication to the ideals and principles of National Socialism.

Yet that there is something fundamentally implausible about this charge, not in the least because it implies that LaRouche actually believes in the superior genius of someone else – in this case Adolf Hitler. It should also be noted that countless former members of the NCLC -- including top members of the group’s National Executive Committee (NEC) who dealt with LaRouche on a daily basis for decades – never believed that he was a “Nazi.” The idea that the NCLC was a secret Nazi organization – albeit one paradoxically filled with Jews -- risks mirroring LaRouche’s penchant for constructing sinister master plots by non-existent “dark forces.” What is most disturbing about LaRouche is the simple thought that he might more-or-less really believe what he says.

Full-blown “LaRoucheism” first emerged in the late 1970s after the NCLC leader jettisoned the last vestiges of Marxism
and embraced a conspiratorial worldview premised on an anti-Semitic “One Worldist” conspiracy theory involving an oligarchic plot to impose a “New Dark Age” on mankind. Nor is there anything “coded” when it comes to LaRouche’s expressing his beliefs. As we have seen, in the fall of 1977 LaRouche first began claiming that the Queen of England “in reality” was the living representative of a millennia-long matriarchal conspiracy of witches, Olympian oligarchs and Jewish usurers to keep the rest of us yokels condemned to an eternal state of “rural idiocy.” This same cabal also invented the “Anglo-Dutch liberal system” to suppress the rise of republican democratic institutions. They further conspired to distort scientific progress, even going so far as to promote “deliberate hoaxes” such as Newtonian physics.

To anyone standing outside the Labor Committee’s tiny but remarkably intense gravitational field, the fact that the organization had embraced such views suggested a different historical paradigm: In reverting to a demon-riddled view of reality the NCLC embodied the very same superstitious magical way of thinking that it accused its countess enemies of promoting. The Labor Committee, in short, now was trapped in its own self-inflicted “New Dark Age” of paranoia and ignorance.

In this, our last chapter, I wish to return one last time to some of the issues first examined in the introduction to our study to better understand just how the Labor Committee became so demon-haunted. To do so, we must examine somewhat more systematically the way LaRouche’s earlier Marxist belief in the Asiatic Mode of Production (AMP) helped shape the organization’s ultimate fate.

Marx first developed his AMP concept to describe societies that more or less exist outside of history.¹ They are ruled by a bureaucratic caste which oversees a vast aggregation of
fundamentally backward “commune” formations whose surplus value is extracted largely by “tax farming” methods and corvee labor. These societies are often called “hydraulic,” meaning that they revolve around major state-supported irrigation systems. This social formation is both highly backward but also highly stable. Even if particular dynasties come and go, the basic mode of production never changes. One textbook example of an AMP society was ancient Mesopotamia whose very existence depended on the maintenance of a complex irrigation system for both the Tigris and Euphrates rivers in order to insure the continual reproduction of agricultural surplus.

In any society defined by the AMP, the key idea always to keep in mind is that the “ruling class” isn’t a class but a “caste.” Marx believes that once society evolves past the stage of primitive communism, a ruling class emerges that is defined by its direct private ownership of the means of production which in pre-industrial societies fundamentally meant control over the land and the surplus the land generates.

The AMP, however, is Marx’s one great exception. Because the state essentially owns everything collectively, there is no differentiated class structure. The state – while ostensibly ruled by an all powerful absolute monarch – actually is controlled by a state bureaucracy. This bureaucracy first emerged in antiquity out of the ruling priest caste. The temple priest/bureaucratic caste can develop limited advances in scientific thinking in fields such as mathematics, astronomy or hydraulic technology. However, the AMP’s entire cultural superstructure rests on the unchanging “primitive village commune.” Hence the society is fundamentally “static.” More important, it is in the self interest of the “ruling caste” to ensure that the vast mass of the population remains mired in ignorance and superstition
so that their rule will remain unchallenged by republican forms of society that in the West first emerged in ancient Greece.²

Marx’s ideas about the AMP remain highly controversial; most contemporary Marxists dismiss his views as an expression of mid-19th century High Victorian “Eurocentrism.” Under Stalin the Marx’s ideas on the AMP were simply suppressed. The AMP was only “rediscovered” following Karl Wittfogel’s famous 1957 book *Oriental Despotism* as well and the subsequent publication of a famous section of the *Grundrisse* entitled *Pre-Capitalist Economic Formations*.

As we shall see, the mind-boggling twist LaRouche added in the late 1970s was his claim that England – long considered the birthplace of modern capitalism -- actually wasn’t a capitalist society at all. He now argued that the English elite actually preferred to rule over the rest of the world using essentially an AMP/feudal “hybrid” imperial model. British intellectual pop icons like H.G. Wells and Bertrand Russell now became ideological “high priests” in Britain’s alleged decades-long conspiracy to prevent the emergence republican-based forms of industrial capitalism especially in America and Germany.

LaRouche then argued that the British “oligarchic conspiracy” today used both the “New Age” and environmental movements to ideologically condition the population at large to abandon any belief in industrial progress and accept the need for a return to a “zero growth society” – in other words, to actually welcome the AMP/feudal hybrid model. By promoting the idea of a “zero growth society” – as well as by their general hatred of Western science and technology, not to mention the very idea of “Progress” – anti-nuclear radical environmentalist
“fundis,” New Age drug and counter-culture airheads, Gaia-worshiping feminists, and dopey pro-peasant Maoists all served as anti-Enlightenment “Malthusian propagandists” for a world long desired by the “oligarchy;” a world that would devolve -- by deliberate design -- from advanced industrial capitalism into a “post-industrial” quasi-feudal/AMP-like New Dark Age.³

CAREY, RICARDO AND MARX

To place LaRouche’s ideas into historical context, it is useful to begin our narrative in early 1977. During that time, the NCLC launched an initial critique of Marx’s economics based on a reexamination of the work of the 19th century American Whig economic theorist Henry Carey, whom Marx described as the only serious American political economist of his time.⁴ For the NCLC the issue was whether or not Marx was wrong in Capital to choose England as his model for capitalist development. In the preface to the first edition of Volume One of Capital, Marx wrote:

The physicist either observes natural processes where they occur in their most significant form, and are least affected by disturbing influences, or, wherever possible, he makes experiments under conditions which ensure that the process will occur in its pure state. What I have to examine in this work is the capitalist mode of production, and the relations of production and forms of intercourse that correspond to it. Until now, their locus classicus has been England. This is the reason why England is used as the main illustration of the theoretical developments I make.⁵

By making the English experience paradigmatic, the NCLC argued that Marx failed to address different paths to capitalist industrial development, a critique that was also related to Carey’s attack on both Ricardo and Malthus.
Drawing from Carey, the NCLC said that a credulous Marx gave far too much credit to David Ricardo’s ideas on political economy, and in particular his theory of rent which Ricardo had derived at least in part from his friend Malthus. A 25 January 1977 *New Solidarity* article entitled “Smith to Ricardo: The Rise of Monetarist Economics” outlines the basic issue:

The view that English “classical economists” Adam Smith and David Ricardo were spokesmen for an emerging English industrial capitalism is a myth which, unfortunately, Karl Marx’s writings have helped to perpetuate.

Certainly, Marx uncovered devastating flaws in Smith and Ricardo’s “labor theory of value.” Most notably, he dissected their failure to properly account for the role of constant capital – the proportion of total social output allocated for the maintenance and expansion of productive plant, equipment and raw materials – and the continual devaluation of constant capital brought about by the development of new technologies. But Marx chalked up these fundamental errors in classical economics to mere “confusion” and pro-capitalist ideological blinders. He did not question Smith and Ricardo’s basic commitment to industrial progress.

In his *Theories of Surplus Value*, Marx presents a critical but sympathetic portrait of the “scientifically honest” Ricardo when comparing him to Thomas Malthus, an unashamed advocate of genocide and defender of landed aristocratic privilege. The apparent contrast is entirely deceptive, however. Not only was Ricardo Malthus’ closest personal friend, but Ricardo’s major work, *The Principles of Political Economy and Taxation,*
is essentially a Malthusian treatise, in which Ricardo denies the possibility of unlimited industrial growth.

Like Carey, the NCLC argued that if England truly were the center of capitalist progress why was its first and oldest colony, Ireland, condemned to unbelievable backwardness? As for Ricardo’s Malthus-inspired ideas on ground rent, hadn’t Carey pointed to key technological innovations pioneered by the famous German chemist Justus von Liebig -- who invented the modern chemical fertilizer industry – which once and for all refuted Ricardo’s views on ground rent. So why hadn’t Marx argued along similar lines as well?\(^6\) Even worse, Communist parties ever since Marx’s time had repeated his initial error. Hence they were intellectually and ideologically unable to make the correct distinctions between the really progressive and regressive factions of capitalism with the objectively progressive “smokestack baron” faction identified with industrial progress and technological innovation while the backward (quasi-feudal or “mercantilist”) faction essentially remained coupon-clipping Malthusians.

The Soviet Union, in particular, had thrown its political backing to the anti-growth “liberals” who opposed industrial development either because the Russians had been flat-out duped or because “the sly peasants in the Kremlin” (to use a favorite LaRouche phrase) were secretly delighted that the Western elites were abandoning any commitment to advanced industrial progress and turning against both the development of nuclear power and fusion energy since such policies could only help strengthen Russian military and technological prowess over time.

Clearly the NCLC’s theoretical interest in the history of political economy was far more than theoretical. Throughout the 1970s, the sect tirelessly promoted Third World debt
cancellations. It argued that the vast debts that Third World nations had contracted with leading American banks were destroying these nations since money that should have been used for industrial development now was being funneled into the repayment of unpayable debt service. Leading New York banking institutions ("the Rockefeller financial group") and with their lapdogs in both the IMF and World Bank insured that vast areas of the Third World would remain permanently trapped in the same dire conditions of poverty, disease, and starvation that England had condemned Ireland to for centuries. The logical component to this argument was that this exact same austerity policy that New York had applied to the Third World to prop up its paper holdings would now increasingly be applied to America as well. In short, America would now suffer the same decline in industrial progress and living standards because the same financial logic dictated the increase in austerity both at home and abroad to insure the continued repayment of unpayable debt. It was just this view that made the NCLC so "ultra-left."

Looking at the United States’ own history as a model, the NCLC argued that in the 19th century leading London banks like Barings and Rothschild deliberately propped up the anti-Whig Southern slave-based system because England wanted to insure that America remained a raw materials producer rather than a competitor in heavy industry. For the same reason, the British had a vested interest in seeing that Biddle’s Second Bank of the United States be destroyed. Nor did they hesitate to encourage populist – even quasi-Jacobin -- "anti-Establishment" rhetoric from the likes of an Andrew Jackson if it meant killing the Second Bank of the United States.

As a leading Philadelphia-based Whig Party economist, Carey clearly understood the role England played in deliberately fostering underdevelopment. Karl Marx,
however, did not. Nor did Marx appreciate just how the “free trade” theories of the Manchester School ignored England’s very own “protected tariff zone” -- the British Empire. Marx not only utterly misunderstood the significance of anti-Manchester economists like Carey and List; he actually had gotten the story of political economy almost exactly backwards because he still credulously took the Manchester School/East India Company propagandists and ideologues at their own word as honest thinkers.

In spite of the digs at both Baring and Rothschild, however, the idea that England somehow currently “controlled” the United States or that the Queen of England was at the center of some millennia old conspiracy stretching back to Babylon never appeared in the pages of New Solidarity. The NCLC “line” in both economics and politics from 1973-74 to the fall of 1977 was premised on the belief that the American Empire had long replaced England as the major capitalist power. True, the “Eastern Establishment” WASP elites still mimicked older English ideas about colonial rule and looked to London as a model. There was a “special relationship” and a real “Anglo-American Establishment” that was run by an “old boy” WASP elite. Yet all real power rested on American financial wealth. The British, at best, remained a kind of intellectual and cultural resource for their primitive but virile American cousins; a role not unlike the one the Greeks played in Imperial Rome. The real reason the “special relationship” remained special was because New York had now become the new center for Manchester School economics. Hence the resistance to the rule of Manchester in Manhattan meant both rediscovering Carey’s “American system of economics” as well as finally “fixing” Marx’s one real blunder.

FINALLY, THE REAL KARL MARX!
As part of the Marx rethink, the NCLC translated and published Rosa Luxemburg’s *The Industrial Development of Poland* in 1977. The sect also issued two anthologies — *The Political Economy of the American Revolution* in 1977 and *The Civil War and the American System* in 1978. As late as 1978 one can still see the Labor Committee attempt to unite Marx and Carey in Alan Salisbury’s introduction to *The Civil War and the American System* when he writes:

> Although Marx, in his theoretical work, rejected Carey’s Harmony of Interest, which, in essence, was Carey’s proposal for the cooperation of industrialists, laborers, and farmers under an American System [of economics], in point of fact, Marx’s actual political practice defended the American System forces against the British free traders and their social reformers and assorted liberals associated with them. Hence, the hatred bestowed on both Marx and Carey by British liberals which continues to this day.9

In 1977 the NCLC also published a book entitled *Energy Potential: Towards a New Electromagnetic Field Theory* which included partial translations by two works by the German mathematician Bernard Riemann. The book was dedicated to the memory of the great 19th century *British* scientist Michael Faraday.

In the fall 1977 issue of the *Campaigner*, LaRouche also published an article entitled “The Karl Marx Karl Marx Did Not Know.” It came with this note:

> The following article is the opening chapter of *Finally, The Real Karl Marx!*, a book documenting the important influence of the American Revolution and its leaders – particularly Benjamin Franklin – on the German
institutions and thinkers who shaped the world outlook of Karl Marx. Other chapters in the book, to which occasional references are made in this article, will include “Gneisenau and Scharnhorst: The Break,” and “The American Influence on the Young Beethoven.” Additional appendices in the book will include “The Civil War – The Last Attempt to Establish a Capitalist Republic,” by Alan Salisbury. Several authors are collaborating with Mr. LaRouche on Finally, The Real Karl Marx!, which is scheduled for publication by University Editions, a division of Campaigner Publications in 1978.

Needless to say, this book never was published. Instead, in August 1977 -- just as the NCLC was on the brink of launching its major reinterpretation of Marx -- LaRouche suddenly began blaming the British monarchy and Jewish bankers for what later would be dubbed “the New Dark Ages Conspiracy.”¹⁰ In the late summer of 1978, LaRouche even began publicly indulging in Holocaust Denial. Then in December 1978 the NCLC published Dope, Inc.: Britain’s Opium War against the U.S. whose three main authors were Konstandinos Kalimtgis (“Gus Axios”), NCLC “Economics Desk” head David Goldman, and Jeff Steinberg, one of the two directors of the NCLC’s “Security Staff.” Dope, Inc. gave credence to The Protocols of the Elders of Zion and came with a back cover “blurb” from far right CIA contract agent Mitch WerBell.

LaRouche now argued that the British system of capitalism wasn’t simply a poor historical model for capitalist development in general but that Britain never had been truly capitalist in the first place. In his 1979 book Will the Soviets Rule during the 1980s? LaRouche writes:
Marx, proceeding from the delusion that early nineteenth century Britain was the model-of-reference for industrial-capitalist development, built that assumption into his *Capital* as a de facto axiom of the entire construction. He compounded this blunder by adopting Adam Smith and David Ricardo as the notable successive approximations of scientific reflection on the internal evidence of the British model.

Britain was not, and is not, an industrial capitalist society. From the accession of James I in 1603, until the overdue beheading of Charles I, and from the 1660 Stuart Restoration, industrial capitalist development has occurred within a British economy ruled by what Karl Marx would have otherwise tended to define as “feudal” classes and class interests. Therefore, the effort to adduce laws for industrial-capitalist development from the British model involves a mixing of two directly antagonistic processes – one capitalist, the other “feudal” – under the homogeneous heading of capitalism.¹¹

Under the influence of evil Engels, Marx also failed to attack the pernicious Rothschilds:

Under, most importantly, the Anglophile influence of Friedrich Engels, Marx during the mid-1840s had ridiculed those German figures who pointed to the importance of the Rothschild’s influence, power, and role, and had written an incompetent diatribe against Friedrich List.¹²

In this same text, LaRouche even asserts that Hitler was a cat’s-paw of this same Anglo-Jewish conspiracy:

For example, it is conventional “wisdom” that Hitler was created by German industrialists. In fact, he was created
partly by Vienna welfare centers funded by Schiff-linked Zionist bankers like Konigswarter and Epstein. There Hitler was introduced to the swastika cult and the British-made Odin, Thule and Ostara cults. . . . Hitler was “brought north” chiefly by interests tied to New York and London financial potencies, including Warburg and Morgan. It was Warburg protégé Hjalmar Schacht who put Hitler into power, with backing from the London and New York banking communities.13

Hitler, in other words, was an Anglo-Jewish agent!

CASTEING DEMONS?

LaRouche’s truly ugly anti-Semitic (not to mention just plain stupid) views mark the true birth of “LaRoucheism” and his final (and somewhat less than fond) adieu to the organized Marxist tradition.14 Yet as bizarre as LaRouche’s ideas were, they emerged as the poisoned fruit of research he first undertook sometime in the late 1950s and early 1960s. As we have referenced in an earlier chapter, while LaRouche was still inside the SWP he wrote a long manuscript entitled “The Origins of Caste.” He recalls that his study had been “prompted by a discussion focusing on whether or not the Chinese People’s Republic was characterized by the domination of a bureaucratic caste.”15 In *Dialectical Economics*, LaRouche states that the results of that study “became the approach to theoretical economics developed in the present text.”16 (My emphasis)

In *Dialectical Economics* LaRouche also emphasizes how much his own ideas on caste radically differed from those of Trotsky:

> In the socialist movement, the problem of defining a social category or *caste* was raised by the development of the Soviet bureaucracy, from approximately the
period of the New Economic Policy, and especially from the onset of the Stalin bureaucracy. Two lines of systematic study of this issue developed. The first compared the Soviet bureaucracy with bureaucratic formations within the German Social Democracy, along lines explored earlier by Weber and [Robert] Michels. This led to Trotsky’s formulation, in which the Soviet bureaucracy was likened to a trade-union bureaucracy risen to state power.

LaRouche continues:

The second approach, that emphasized by the author, uses the cases of commune societies (e.g., Mesopotamian city-states) in which the priest-caste emerged as a distinct social formation without acquiring “property rights” to the means of production. It is also the approach that subsumes both lines of investigation which is ultimately most fruitful. In any case, such explorations have demonstrated that caste is a distinct social category, distinct from class. What is essentially involved is the alienation of the equivalent of universal labor as the function of the caste (its reproductive basis), without the accompanying alienation of the material domain or actual productive forces subject to this universal labor.17

Although LaRouche’s prose here is characteristically convoluted, he clearly means the AMP model which resurfaced in 1957 with the publication of Oriental Despotism. As we have already noted earlier, LaRouche’s interest in Mesopotamia was also rooted in his Protestant fundamentalist past. Recall that in his 1982 opus Religion, Science and Statecraft: New Directions in Indo-European Comparative Philology, he writes:
I must confess an orientation to historical philology prompted during childhood by my environment of Bible-thumping evangelical Quakerism, a Scottish-American grandfather, the Reverend George Weir of Ohio, who was variously directly and indirectly responsible for starting an enduring interest in Mesopotamian archeology. This interest led me, during the 1950s, to what I considered more or less conclusive proof that the original language of Sumer must have been interconnected with the pre-Vedic languages of the dark-skinned population of India. Much of my own work in economics was premised earlier in efforts to reconstruct images of the rise and fall of Mesopotamian civilization. (my emphasis)

In *Dialectical Economics*, LaRouche discusses Mesopotamian civilization and its development of merchant’s capital and bills of exchange this way:

Mercantile capitalism has been in existence, with ups and downs, since at least as early as the Hittite period. The most conspicuous difference between mercantile capitalism and modern capitalism is that modern capitalist production is the principal means for producing both capitalists’ new wealth and the basis in production of material means of continued existence of most of the capitalist world’s population. . . . Furthermore, although mercantile capitalism played a highly important mediating role in bringing about the otherwise fated collapse of the Achaemenid [Persian] and Roman empires, it was not the dominant or characteristic form of those societies, but existed as a more-or-less parasitical or symbiotic growth within non-capitalist societies.
Mercantile capitalism is “parasitical” in relationship to the real economy precisely because “tax farmers” have no direct productive relationship to the agrarian economy or any practical long-range incentive to increase production through technological innovation. They simply squat on top of the real economy and extract tribute through the direct exercise of raw force. For this reason LaRouche also asserts that:

All forms of capitalism, including the mercantilist forms, come into existence in the mode of an agreement between a capitalist and a party of armed men to extract a mass of wealth from a third party naively termed “the victim,” juridically known as “the debtor.” Capitalists come into being as bandits, pirates, and Mafiosi, whether in ancient Ionia and Tuscany or in the building of the Great American Fortunes. To shed the larval form of capitalist – the employer of a band of thugs – and elevate the looted person to the dignity of “debtor,” the hooligan must either establish a state, conquer a state, or enter into collusion with a state. . . . Capital is always a political fiction, mainly a patent or charter granted to certain persons (capitalists) by a state, licensing them to extract designated wealth from designated persons. . . . modern capitalism is a reification of an embryonic political principle of Achaemenid tax-farmers . . . . \(^{18}\) (my emphasis)

As we have already seen, LaRouche in his “Feuerbach” writings on Catholicism also claimed that “Madonna” worship directly perpetuated ancient pre-capitalist belief systems, above all, those of both ancient Babylon and Egypt. Hence in the Feuerbach *Campaigner*, he writes:

It is with this “mother’s religion,” the superstitious cult of witches and such, that the Catholic Church
compromised [the Greek-inspired “Logos Principle”] to become the “Mother Church.” In this is located the secret of idolatry, headed by the cult of the Virgin Mary. The Virgin Mary is the archetypical witch, the mother of witches – the Madonna whose secret self is “The Whore of Babylon.”

Sounding a bit like Max Weber may have sounded after a week long bender, LaRouche asserts that Catholicism was a hopelessly compromised backward quasi-cult religion filled with relics, mysteries, miracles, and superstitions and, as such, clearly stood in the way of human progress. In arguing this way, it is clear that LaRouche provided a “materialist” (indeed “Marxist”) rationale for his family’s deep hatred of Roman Catholicism. It is also clear that in Catholicism LaRouche saw the forces of the “Old Dark Age” still hard at work in the shadows of modernity.

Starting in the autumn of 1977, however, LaRouche publicly inverted or “transubstantiated” his vicious old anti-Catholicism into a vicious new brew of anti-Semitism and Anglophobia. Now the Very High Anglican and Very Proper Queen of England found herself newly anointed as the High Priestess of the Rather Risqué Cult of Isis. In a 14 August 1979 issue of New Solidarity, LaRouche even may have reached the apex of “urban idiocy” when he opined that the Queen of England “is a worshipper of the temple of Isis and regards herself as a high priestess of Isis. . . . the Queen of England is theologically the modern reincarnation of the Whore of Babylon.”

As seems self-evident, with his newly minted absurd views about England, LaRouche actually preserved his core beliefs but only now he transferred his projections from the “Old Dark Age” cabal based in Vatican City onto a new imaginary cabal in the City of London. However LaRouche knew he
could never claim the British monarchy was a “caste”-based social structure so he very much modeled his new foe on his old one. Like the medieval church, the “British oligarchy” was a “mercantile feudalist” structure which deliberately preserved its quasi-feudal/AMP worldview against the challenge of modern capitalist industrialization and its continual revolution of the means of production in pursuit of relative surplus value in much the same way that the Vatican – the flagship institution of the “Old Dark Age” -- had long encouraged feudal elites and fought the rise of first Protestant and later Enlightenment-driven ideas of secular modernity.

LaRouche more or less even abandoned his own crude form of Marxist economic determinism – i.e., the notion that the threatened financial collapse dictated the need for “Schachtian austerity measures” by the elite – for a Godzilla-sized conspiracy theory. He now postulated (if that is the right word) the existence of a continual conspiracy that stretched from the Hanging Gardens of Babylon to Piccadilly Circus. This conspiracy’s raison d’être always had been to impose a “New Dark Age” quasi-AMP model on the rest of humanity.

With LaRouche’s new plunge into anti-Semitic and Anglophobic conspiracy theory, the “madness of one person” now truly became “theory.” The NCLC’s final transition from a Marxist political sect originally inspired by the student protest movement of the late 1960s into a crackpot cult was now complete. And so too, then, is our examination of the rise and fall of the National Caucus of Labor Committees.

CONCLUSION: THE CULT MODE OF PRODUCTION

Chairman Mao once famously wrote: “A revolution is not a dinner party.” But neither is it a buffoonish food fight. With
this in mind, I finally would like to briefly address the last
great mystery that surrounds the Smiling Man from a Dead
Planet: Why would anyone still take him seriously?

For LaRouche, the static world of the mixed AMP/Feudalist
Mode of Production/”New Dark Age Conspiracy” now not
only illuminated all of human history but further validated his
belief in his own genius. All of recorded history (not to
mention much of pre-history) could be seen as a titanic
class/caste struggle between landed oligarchies who – in
order to maintain “static” forms of society -- invented
“synthetic religious cults” to brainwash their subjects. They
were locked in eternal combat by proto-industrial “anti-
entropic” factions who developed science against magic and
fought to invest social surplus in technological and cultural
innovations to revolutionize the mode of production and by
so doing overcome otherwise inevitable Malthusian-like
“limits to growth.” Although this struggle is more or less
timeless, its full dimensions are known only to the “inner
elites” on both sides of this eternal clash between good and
evil, light and dark, Prometheus and Zeus, Lucifer and
Satan.19

For Karl Marx, however, Western society in particular was
distinguished (rightly or wrongly) from all others all by the
existence of private ownership of the means of production; a
fact that he believed insured a modicum of political,
economic and cultural freedom in the West. Following
Hegel’s lead, Marx claimed that in “Asiatic” societies, by
contrast, the emperor or sultan held total power. One could
be the Grand Vizier and the second most powerful man in the
Ottoman Empire on one day and be dead the next precisely
because the Grand Vizier could not pass down property
through inheritance. Everyone in such a state with the sole
exception of the emperor was – at least in theory -- the
emperor’s private property; the Grand Vizier was the literal
“slave of the Sultan.” In such a society, only one man was truly “free.”

Whether Marx was correct or not in his views obviously is a topic far beyond the scope of this study. What is relevant is the curious fact that both political and religious cults, in their way, are frequently structured in an AMP-like way. The supreme leader rules the cult with his various – and all too disposable -- chief lieutenants and not so grand viziers. These well-trained sycophants serve at the supreme leader’s whim. Nor are cult members encouraged to own real private property or even to have children. All activity is aimed at generating income for the cult under conditions frequently resembling the economics of “primitive accumulation.” The cult leader, of course, serves as a high priest/ruler whose every pronouncement is to be greeted with appropriate awe by the worker ants below. Power always is concentrated at the top of the social pyramid and power always flows down and never up.

Ironically, then, LaRouche’s fantasy about a sinister cabal run by a high priest who uses fantastic ideological concoctions to keep his enslaved followers generating surplus value until they drop curiously illuminates the “political economy” as well as the inner workings of the parallel kingdom of the NCLC under the Cult Mode of Production that first arose during the Grim Reign of King Lyndon the First.
Marx believed that only the West had followed a four stage history: 1) primitive communism; 2) slavery; 3) feudalism; and 4) capitalism. In contrast, the AMP had branched off from the initial universal category of primitive communism to become its own independent mode of production.

This is also one reason why in the late 1970s LaRouche embraced Alexander the Great as a supreme hero of the ancient world because he allegedly first brought Greek enlightenment into the supposedly barbarous Achaemenid Empire.

From its inception in the mid-1960s, the NCLC strongly embraced scientific progress. Not only had LaRouche been influenced by the cybernetic and automation revolutions in the 1950s but the NCLC attracted highly trained scientists who rejected the environmentalist movement’s resistance to technology. As far back as 1970, the NCLC published the Journal of Ecology and Development as a Marxist response to the environmental movement. It was highly critical of “limits to growth” works like Paul Ehrlich’s once famous 1971 book, The Population Bomb as Malthusian propaganda. There is even NCLC discussion of the need for fusion power as far back as the late 1960s. The NCLC was also influenced by a “progressive” view of human history first popularized by V. Gordon Childe, a quasi-Marxist archeologist whose works were once extremely influential.

The NCLC almost certainly first discovered Carey by reading Marx.


7 Still as I have indicated in my general introduction to this study, there were some early warning signs of what was to come. In a 31 August 1976 issue of *New Solidarity*, LaRouche claimed that 1) the Rothschilds were really “mercantilists” and not capitalists; 2) the Rothschilds supported Hitler; and 3) “more Jews died because of Rothschild policy than any other single cause over the last 100 years,” a truly incredible claim. A 28 September 1976 *New Solidarity* article was entitled “The Six Million: Rothschilds against the Jews.” Yet *New Solidarity* at times also promoted the idea that the City of London and the Rothschilds were supporting a new European monetary system against the Rockefeller interests. A 27 May 1977 article claimed just that. On 29 June 1977, *New Solidarity* ran an article headlined “Britain Breaks with the Dollar” that praised the City of London. On 2 August 1977, the paper ran another article claiming that there was now a separation of the pound sterling from the dollar.

8 This theory became codified during 1973-74 in a series of long theoretical articles that appeared in the NCLC journal *The Campaigner* and were commonly referred to as the “Tavistock Campaigners.” These articles argued not for the hegemony of the British Empire but attempted to show just how the Rockefeller financial group in the United States had inherited the British imperial mantle.


10 As I have already indicated, Carey’s leading German acolyte, Eugen Dühring, was an anti-Semite whose Carey-inspired economic views combined with his own complicated beliefs in autonomous economic cooperatives played a major role in the economic thinking of the early German SPD, even though the Berlin SPD leadership rejected Dühring’s anti-Semitism as a crackpot quirk of his personality. Dühring’s influence grew so great that Wilhelm Liebknecht begged Marx and Engels to write an attack on him – a request that Engels reluctantly fulfilled in *Anti-Dühring*. On Dühring, see Alexander Jacob, *Eugen Dühring on the Jews* (Brighton, England: 1984 Press, 1987). Jacob is a well-educated bitter anti-Semite. For a brief but very useful look at Dühring, see Richard Adamiak, “Marx, Engels, and Dühring,” *Journal of the History of Ideas*, 15:1 (Jan.-March 1974).

11 Lyndon LaRouche, *Will the Soviet Union Rule During the 1980s?* (New York: New Benjamin Franklin House, 1979), 182-83. For those readers familiar with the bitter debate between E.P. Thompson and Perry Anderson over the course of modern English history, some of LaRouche’s arguments sound a bit like Perry Anderson if Perry Anderson had previously ingested a ton of LSD.
The new “turn” would trigger yet another crisis inside the NCLC when in the next few years members of the sect who still strongly identified themselves with the larger “Left” more or less left the NCLC.

The debate inside the National Office’s Intelligence Staff involved one of the leaders of the American Sector named Bob Cohen, a highly quarrelsome and unstable individual who maintained close personal ties to a leading member of the group’s Security Staff. Cohen had been a critical figure in the development of the NCLC’s belief in a Rockefeller-centered Anglo-American “old boys” cabal; a view that remained hegemonic from 1973 until it was first challenged (and then replaced) during the period starting from the fall of 1977 to sometime in 1979.

Cohen and some other Intelligence Staff members argued that the new “British-Jewish” line mirrored Nazi and other anti-Semitic arguments. A small clique of National Office cadre, however, aggressively promoted the “British conspiracy” line. This clique claimed that conventional estimates of British financial power failed to incorporate the Commonwealth nations. When that was done, the extent of British-linked corporate domination of the markets in gold, diamonds, and other raw materials alone was astonishing. Not to see the extent of British economic power by limiting one’s views to just the island of England was absurd and an example of “caveman” thinking.

This clique really did believe that the British oligarchy and the City of London controlled U.S. policy. Although they were in no way anti-Semitics, they remained willfully oblivious to the fact that similar arguments had been used by anti-Semitics even when this fact was repeatedly pointed out to them simply because they believed such arguments were bogus attempts to discredit their original arguments via false analogy and innuendo. Member of this clique never believed in the validity of the writings or theories of Alfred Rosenberg, Francis Parker Yockey, etc. They also left the organization in the middle of 1979 because of the NCLC’s links to figures like CIA contract agent Mitch WerBell as they also saw themselves as very much on the left.

The overt anti-Semitism introduced into the NCLC came directly from orders from LaRouche. It was principally implemented by the group’s “Security Staff” (and three individuals in particular: Paul Goldstein, Jeff Steinberg, and Scott Thompson). They had served for years as LaRouche’s personal liaison to the far right and had carried out various covert “black operations” unknown to the membership at large. On a day-to-day basis, the Security Staff answered to LaRouche’s “number two man” in the American operation, “Gus Axios” -- who himself quit the NCLC sometime in the early 1980s. The Security/Axios
“Praetorian Guard” first emerged in 1973 when they coordinated a series of violent attacks on members of the American Communist Party. This same group was also responsible – again acting on orders from LaRouche – for the creation of *Dope, Inc.*

15 When LaRouche conducted his research on “caste,” the SWP was caught up in an internal debate led by longtime member Arne Swabeck, who supported the development of Maoist peasant communes in the 1950s. In the early 1960s Swabeck tried to get the SWP to take a more pro-Chinese position and in 1967 he quite the SWP and joined the pro-Chinese Progressive Labor Party (PLP).

The “caste” versus “class” argument also had a long history in Trotskyism, particularly with regard to Russia. One reason for the 1940-41 split between the Socialist Workers Party and Max Shachtman’s Workers Party was that the SWP followed Trotsky in supporting the Soviet Union as a “degenerated workers state” dominated by a bureaucratic caste. The Workers Party argued that the new Stalinist caste was far more despotically than any capitalist ruling class precisely because this caste collectively controlled the state even though they lacked individual juridical ownership. This debate also involved a book by a former Shachtman supporter and future anti-Communist James Burnham entitled *The Managerial Revolution* as well as an even more obscure work by a strange Italian quasi-fascist Trotskyist named Bruno Rizzi whose book is entitled *The Bureaucratization of the World* (New York: Free Press, 1985). This argument also overlaps the critique of both Nazism and Stalinism as “totalitarian societies.”

16 *Dialectical Economics*, 450.

17 434.

18 *Dialectical Economics*, 38-39. *Dialectical Economics* was published in 1975 before the “turn” to Carey so LaRouche had yet to divide capitalism into “good industrialists” versus “bad financiers” which explains his blanket indictment of capitalism as a whole.

19 In the 1980s LaRouche added a whole new dimension to the conspiracy (dubbed “Third Rome”) when he claimed that a diabolical priest caste of Greek Orthodox monks from the famous Mount Athos monastery in the Chalcidice secretly controlled Mikhail Gorbachev’s Kremlin.