

alized. South America is a vast region, we need transportation over a vast region. This is one of the greatest opportunities for the development of high-speed rail systems, including passenger rail systems with potential speeds of 400-500 km per hour. This is a real solution to some of our problems.

We require an improved communications grid, though that is less of a priority than transportation, power, and water management systems.

The point to be emphasized is that the degree to which clean water is available per square kilometer, the degree to which power is available for consumption per capita and per square kilometer, the degree to which efficient general transportation, especially of goods, is available per square kilometer and per capita—is the degree to which the preconditions for successful economic development, the preconditions for the development of productivity, are met. Therefore, long-term investment in the maintenance and improvement of basic economic infrastructure, these categories, plus education and medical facilities, these are the preconditions for successful agricultural and manufacturing development. We have to have a balanced program of this type.

The point is also that the state is the agency which is responsible for basic economic development. That is the principle upon which the federal Constitution of the United States was premised. One of the key weaknesses of the American Confederation prior to 1787 and 1789, was that as long as you had privatization and only local and state development of basic economic infrastructure, you had chaos in those United States, to the point that the nation as a whole was about to disintegrate. Washington and others recognized that national public works under the direction of the federal government, were necessary to the security as well as the economic development of the nation. This meant, as I've indicated, the development of water management systems, the generation and distribution of power, the development of general transportation, then roads and canals, later railroads, and of course, communications, as was understood by Alexander Spotswood, Benjamin Franklin, and others in developing the postal service. These are the essentials of commerce.

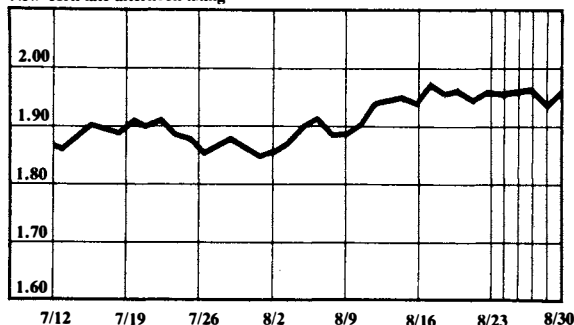
The national government, together with state and local governments, is responsible for economic infrastructure either as government public works or as government-regulated private utilities.

Those kinds of measures, and steps to implement them, taken within the first 72 hours of an emergency, by a national government, would mean a successful process of transition was under way, out of the cannibalistic chaos into which the crumbling IMF system is pushing the world, and into a sane world of economic recovery, based on sound principles of physical economy. It would mean a junking, once and forever, of the so-called dogmas of socialism and free enterprise, and a return to the American System of political-economy.

## Currency Rates

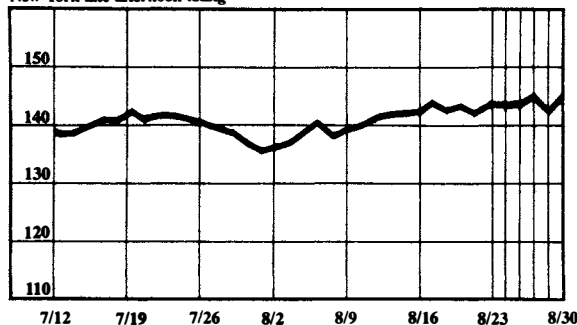
### The dollar in deutschemarks

New York late afternoon fixing



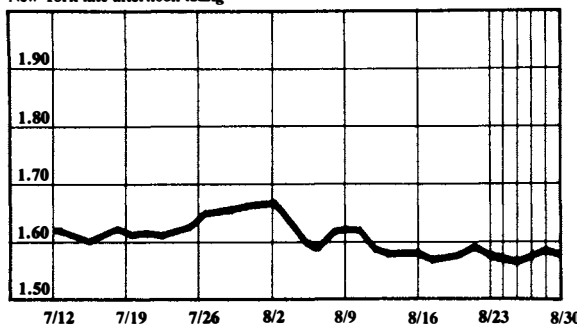
### The dollar in yen

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing

