

deliver large amounts of food directly to the state distribution system. This network has 2,000 food distribution centers, and a system of food ration coupons, and, according to all accounts by aid visitors, it is functioning well and smoothly, and could do the job of reversing the debilitation, malnutrition, and death rate as rapidly as possible.

Politicizing famine

Up to now, international response has been limited. "It is very difficult to get aid for this country, because the crisis was turned into a political issue," said Käthi Zellweger, the director of the Catholic Church organization, Caritas. This is more than true. Political circles around former British Prime Minister Margaret Thatcher and former U.S. President George Bush want to isolate North Korea and to exploit the crisis for their plans to destabilize China. A war in Asia would be very helpful for their intentions to contain China and destroy the European Land-Bridge project. The Thatcher-Bush crowd have managed to block any significant aid for many months, using the argument that food assistance would only help maintain the "Stone Age Communists" in Pyongyang in power.

The crisis in North Korea marks a moral crossroad: If the world community will not come up with sufficient food aid rapidly, the people of North Korea will perish. And with it, human civilization will go under. A human society that allows such unspeakable atrocities to happen while watching it on TV from their easy chairs, has lost its moral fitness to survive. In this case, the North Korean crisis will be just the prelude for a worldwide descent into the maelstrom, at the end of which only some hundreds of millions of people may remain.

Right now, the exact opposite of such a horrifying picture could easily become as true. If we mobilize our dormant resources in industry and agriculture to solve a breakdown crisis like that in North Korea, if we replace today's policies of looting, with economic reconstruction and expansion, we lay the foundations to nourish, clothe, and house a constantly growing world population—in short, to grant a human existence to every human being. The beginning of such a turn is already under way with the Eurasian Land-Bridge, the huge infrastructure program in which the great economic powers like the U.S.A. and the European Union, finally have to become a part.

ing food for North Korea, is getting rid of the World Trade Organization, whose policies are destroying food production on behalf of the commodities cartels. She briefed the reporters and local leaders present, on the Korea crisis in the context of the financial disintegration facing the entire world, stressing that it is essential for the United States to convoke a new New Bretton Woods conference, at which nation-building financial reorganization plans can be laid. She reported on the role of the Eurasian Land-Bridge in its fullest conception, as a crash program for global development.

Her briefing in Koreatown was moderated by Simon Lim of the Korea Study Group, and head of the Koreatown Schiller Institute. Many local business and Chamber of Commerce leaders pledged to work immediately on moving the United States to act on North Korea food relief. Lim stressed that the United States is the leader of the world, and that there will be no aid on the level necessary without the United States. Moreover, if the United States moves to provide aid, and to back the Eurasian Land-Bridge, it will be the basis for economic development and peace.

'Plan of Action' issued

The Schiller Institute released a "Plan of Action" on June 12, specifying how to move 1.8 million tons of food aid for delivery to North Korea; and how food emergencies must be met in Central Africa, eastern Europe, and all other points of need, with no "trade-offs":

"The World Trade Organization provisions that went into effect Jan. 1, 1995, should be declared null and void.

The WTO provisions oppose the sovereign rights of nation-states to protect and increase agricultural output, and to provide for their own national food security by developing their farm and economic output potential, and maintaining food reserves. (The WTO rationalization is that such practices 'distort free market trade,' and 'global outsourcing' for food.) In fact, the WTO system fosters scarcity of food and other vital commodities, and functions in service of the market-rigging practices of the commodities cartels.

"Mobilize for *increased* output in agricultural regions around the world. Among the factors necessary, are the following:

- End the export quotas on European Union commodities. . . .
- End the set-asides and restrictions on land area, and quotas and penalties that currently limit production in the United States, the European Union, and elsewhere.
- Dump the EU milk quotas.
- Dump the land lock-up in the United States, called the 'Conservation Reserve Program,' that has just put 16 million acres of farmland into 'non-food' use, on top of over 20 million acres in lock-up.
- Mandate commodity prices for farmers, based on the traditional 'American System' of parity prices, to stabilize farms and production.
- Mobilize credit and sources of essential inputs—fertilizers, farm chemicals, quality seedstocks, etc.
- Press anti-trust actions to break up the commodities cartels' food and agriculture control."

Official unemployment rate is an attempt to hide economic collapse

by Richard Freeman

On June 6, the Bureau of Labor Statistics of the U.S. Department of Labor announced that in May, the level of unemployment in America had fallen to 6.534 million workers; further, that the unemployment rate had dropped to 4.80% in May, from 5.24% in March, and 4.93% in April. The May unemployment rate, the BLS said, was the lowest since 1973.

The BLS unemployment rate is a hoax. Using exclusively BLS data, *EIR*'s economics staff used two alternate methods to calculate America's real unemployment level. By the first method, *EIR* calculated 15.753 million workers unemployed; by the second, 25.206 million workers unemployed. These levels are, respectively, approximately 2.5 and 4 times the official unemployment level.

The BLS unemployment figures are an attempt to cover up the ongoing economic collapse. As a result of the British financier oligarchy's imposition of post-industrial economic policies on the United States in the mid-1960s, a giant, speculative financial bubble grew, while the U.S. physical economy was sucked dry. The economy, and the related household consumer market basket, have fallen by 50% over the past 30 years. As a share of total employment, the number of operatives engaged in productive activity—manufacturing, construction, agriculture, power generation, transportation, and so on—fell by half. Instead, two types of jobs proliferated: low-paying full-time service and retail jobs, and part-time jobs.

It is the proliferation of non-productive full-time and part-time jobs, that is trumpeted as the "U.S. job-creating model." The British financier oligarchy markets this model to other nations, telling Germany, France, Japan, and other industrial nations that they are too concerned about preserving their old industrial jobs, and that they should adopt the U.S. model, because this would lower their unemployment. But, adoption of this model brings deleterious effects, including *higher* unemployment.

The British-controlled media have promoted the BLS reports. One day after the BLS May unemployment report was released on June 6, the *New York Times* covered the story as its lead item on its front page under the headline, "U.S. Jobless Rate Declines to 4.8%, Lowest Since 1973: Healthy Economy Hailed—Stocks and Bonds Soar and Interest Rates Fall." Apparently, the BLS report did everything but eliminate tooth

decay. The *Times* article quoted a report by Bruce Steinberg, chief economist of America's biggest investment bank, Merrill Lynch, which stated, "The best of all possible economies keeps rolling along."

Here, we look at the level of real U.S. unemployment, which, under current economic policies, is deeply rooted; we also examine the deteriorated quality of jobs in the United States.

Real unemployment

The BLS determines its official level of unemployment from the responses to its monthly "Household Survey." This surveys only 50,000 households out of 100 million U.S. households (0.05%). If, in response to the "Household Survey," a worker says that he was unemployed during the survey's reference week (the second week of the month), and that he had actively sought work during the four weeks preceding the reference week, he is designated as officially unemployed. The BLS extrapolates from the results of the survey, to arrive at a national unemployment level.

But, there are two other groups that should be counted as unemployed, which the BLS excludes. The first category is the group which the BLS classifies as "part-time for economic reasons," defined as those workers who would be working *full-time*, but for the fact that full-time jobs simply don't exist. This is the economic reason that they are working part-time. **Figure 1** shows that, in May, there were 4.019 million workers who worked "part-time for economic reasons." (The BLS does not report all "part-time workers for economic reasons" on a "seasonally adjusted basis," but only on a "seasonally unadjusted basis." Since the BLS presents the figures for total civilian employment on a "seasonally adjusted basis," *EIR* sought to bring the "part-time workers for economic reasons" into conformity with the other numbers, by putting them also on a "seasonally adjusted basis." The best approximation is to sum up the "seasonally unadjusted" figures for "part-time workers for economic reasons" for the first five months of 1997, and divide by five. This creates a best estimate, for May, for "part-time workers for economic reasons" on a "seasonally adjusted basis.")

The second category of excluded unemployed, is the group which the BLS classifies as "want a job now," which