

Editorial

A Market Crash Might Save Your Family

There is the story about the young executive of an “IT” firm who sat in his office one afternoon, hoping the news would come through that he’d lost his job. He had put aside his concern over having no income, because he was convinced that the hoped-for merger in which he’d be laid off, would raise the company stock enough to make a lot of money on his stock options. His wife, perhaps thinking of their young children, was not so sure, but she wouldn’t let on about it.

And then there’s the even more up-to-date tale of the Californian who sat in *his* darkened office one afternoon while the power was off, counting the savings on the company’s electricity bill, while his employees went off to their darkened homes to count their, smaller savings there. “If only,” thought this executive, “the company had some propane stored, or an electricity *contract*, we could sell it and really make a killing!”

It is reported that when Federal Reserve Chairman Greenspan sat down for crisis meetings with California officials in December, his advice was to “just let the market do its work.” Now, after a month of watching “the market” hit with the destructive force of a hurricane, no leading public official, either in California or in Washington, has yet been able to pull the trigger and say, “re-regulation.” Even those officials now denouncing deregulation as a failure and a disaster, have not, with the same breath, said, “Let’s re-regulate.”

So we have the simultaneous spectacle of the Germans, the inventors of fine meats, clamoring to give up meat and string up the farmers who grow it for them; and Americans, with the world’s most electric-power intensive economy, shutting off their own lights, as the legislators and citizens of California strove mightily to do all during the “gay ’90s,” and finally have succeeded. There is no question who is acting the greater fools.

California is teaching the nation the raw truth of what Lyndon LaRouche insisted, in his forecasts of this

economic breakdown, during the later 1990s: The higher Greenspan’s stock markets soar, the greater the destruction of the American economy, and the worse off the foolish investors in those markets are. The actions taken to drive up the “shareholder value” of those markets, directly destroy human lives.

Never have the stocks of those conglomerates which produce and sell natural gas, electricity, and so forth been higher, even amid the Nasdaq collapse, than now! And never has the United States, since the darkest days of the Depression, been closer to a generalized energy crisis, with people freezing to death, as now in Russia, and with “Third World”-style daily blackouts. More, the now-desperate attempt led by Greenspan to keep the markets from collapsing, has triggered hyperinflation, and demands outright falsification of the employment and inflation statistics, robbing tens of millions of people of cost-of-living increases. And worse still, public officials who are afraid of “the markets’ reaction,” hold back from doing what they publicly acknowledge must be done.

It was not “the markets” that tamed the Colorado and the Columbia rivers, transformed the Tennessee, strung transmission lines out into the rural areas and drove forward the irrigation and power systems which made California, for example, the model it became. That was done by Franklin Delano Roosevelt’s nation-building approach as President. LaRouche’s leadership demands the country return to that approach, in which the principle of the general welfare, not “shareholder value,” governs.

The markets, like their “master” Alan Greenspan, are finished. The fall of these superinflated asset markets on Wall Street is not a “loss to investors”—it is a gain for the 80% of Americans whose conditions of life are, and have been in decline. Let them collapse and, as LaRouche has recommended, come back and breathe some of the fresh air of reality.