

Editorial

The July Turning-Point

The elevation, at the turn of the month of July, of Italy's "Tremonti Plan" for economic infrastructure from a national recovery strategy, to Italy's "New Deal"-type proposal for Europe-wide growth, was a crucial change in European policy and a historical turning-point, no matter how obscured by the media's focus on the staged fireworks at Prime Minister Berlusconi's speech in Brussels.

All over Europe, in governments, trade unions, business associations, and political parties, the debate over measures of economic recovery from the Depression has been relaunched at a higher level by the initiative of Italy—which holds the EU Presidency for the rest of this year. It outlined a strategy of 70 billion euros annual investment in new economic infrastructure through the European Investment Bank. Italian Finance Minister Tremonti made it clear that the plan named after him a) is being advanced because the whole world economy is in a "downward spiral," a systemic crisis, and b) has the perspective of making the major new transport routes of Europe into infrastructure-development corridors connecting to Eastern Europe and Asia.

The Tremonti Plan reflects the impact of the interventions in Italy by economist and Democratic Presidential candidate Lyndon LaRouche. Behind it, are the proposals in the Italian Senate, and already passed by the Chamber of Deputies, for a New Bretton Woods monetary conference as LaRouche has proposed it since 1997. The door of Europe is opening to the idea of the Eurasian Land-Bridge development strategy as the engine of economic growth for the world, as Lyndon and Helga LaRouche have fought for that idea since the 1989 breakup of the Soviet empire.

European governments are taking sides, from Sweden to Spain; Russia's reaction to this plan for truly productive expansion of euro-based credit, will be important. Extreme free-market factions have mobilized to try to stop the Italian initiative from implementation; but their resort to *ad hominem* attacks on Berlusconi or national slurs against Italy demonstrate, that they can-

not directly attack the urgency of an "FDR turn" in economic policy. They are trying to sabotage it; they cannot deny its necessity. Their counter-policy of severe budgetary austerity, and rounds of tax cuts in imitation of President Bush's already-failed economic strategy in the United States, look more ridiculous with each new wave of layoffs and business bankruptcies.

Europe is in deep depression, with mass official and disguised unemployment everywhere, and the most vital infrastructure, such as electricity production, beginning to suffer breakdowns. Every production- or growth-oriented business, labor, or political force now has a clear rallying point: Implement *and greatly expand* the Tremonti Plan; move to a New Bretton Woods conference to make long-term, low-interest credits available internationally for the Eurasian Land-Bridge development corridors. LaRouche's work has made this turn possible.

Beyond the turning-point in European economic policy which the Tremonti Plan points to, there is the more important global turn now possible, to make the Eurasian Land-Bridge the engine of growth out of the depression. Led by China's own "New Deal" of international construction, many of the nations of Asia—as in the Southeast Asian Greater Mekong River basin plans—have been seeking to launch cooperative infrastructure "Great Projects." Europe has been the barrier to Eurasian development corridors. While new transport technologies like the maglev railroad have been put into operation in China, for example, plans for them have been scrapped in Germany again recently. If the Tremonti Plan is grasped, and expanded—its investment targets are still far too small—the "European door" to the Eurasian Land-Bridge will be open.

None of this will change the crucial role of the United States in any global economic recovery. That depends on solving the *strategic* threat first, by LaRouche's mobilization to get Vice President Cheney and his neo-con gang out of office in Washington. Then a Rooseveltian leadership from LaRouche can bring the United States into a New Bretton Woods policy.