

Editorial

We Can Create a U.S. Recovery

“If a single national facility, along the lines of what was done under the Franklin Roosevelt Administration’s Harry Hopkins and Harold Ickes, were established by the U.S. Congress, as a Federal authority with the mission to coopt the reserve capacity associated with the auto industry, especially the crucial machine-tool-design sector, for the indicated transportation and power objectives, the U.S. economy would rise rapidly to a level significantly above breakeven, up from the disaster, the collapse which looms today.”

This concept, enunciated by economist Lyndon LaRouche in a memorandum published in this issue’s *Feature* package, points the direction for an actual recovery of the United States economy. Thus, it presents the agenda not only for the U.S. Congress coming into 2006, but also for those increasingly politically oriented men and women who are looking to the Congress to solve the deepening disaster which characterizes their conditions of life, and is about to get much, much worse.

The cruel reality cannot be hidden by all the lying statistical reports. The story is told in the increase in homelessness, the increase in hunger, the utter devastation of the Gulf Coast, the mass closings of auto plants and suppliers, the creation of virtual bankruptcies of cities and towns which depend for the majority of their revenue on those now-threatened factories, to name only a few areas. The result of this takedown of the physical economy, which leads to fiscal collapse, is then compounded by the corruption of an Administration insanely committed to foreign wars of aggression, very costly wars.

But it is obvious that there are two totally different approaches to solving this problem. On the one side, there are the Synarchist bankers, the species which created monstrosities like Hitler and Mussolini, who, while recognizing the bankruptcy of the economy, seek to maintain their own power, the power of money, at the expense of the productive power of the people and the nation. This is the Rohatyn model, which, as LaRouche expresses it, is the way *not* to create a recovery. It may appear to be more “fair” than the meat-ax

which has been taken to social programs by the Cheney Administration, but it is just another route to a brutal bankers’ dictatorship.

The other method of approach is that of the American System of political-economy, as defined in principle by the U.S. Constitution, and in practice by the tradition of Alexander Hamilton, Abraham Lincoln, and Franklin Delano Roosevelt. Under this approach, money power is subordinated to the demands of reviving the physical economy, to the point where the economy is once again producing enough to not only provide for its current needs, but for progressing to higher standards of living. The crucial point to be reached is called “breakeven,” where output begins to supercede input.

The projects which LaRouche has laid out, on both transportation and power, will in fact bring the U.S. economy above breakeven. If we take the capacity of the auto industry, which is hardly being utilized, and the additional available capacity of the machine-tool sector, and start retooling for these projects, we will not only provide needed employment, but urgently required inputs to repairing our collapsed infrastructure. Large infrastructure projects, such as high-speed rail corridors, and mass production of nuclear power plants, will dramatically increase the productivity of the economy as a whole.

What we are seeking here is not the results of particular projects per se, but the recovery of the economy as a whole. We will be building a solid foundation for the U.S. dollar, creating a strong, expanded tax base for our communities, and establishing conditions for new technological breakthroughs in the future. It will take the allocation of Federal credit for a long-term payoff, but it *can* be done.

It’s time the American public once again learned economics, real economics. It will take expanded production, led by productivity-generating large infrastructure projects, and to put the economy back on the real road to recovery. The sooner we put it in place, the sooner we will be on our way to the kind of future we would want for our posterity.