

Editorial

An Emergency Infrastructure Plan Now!

It was nearly four years ago, in the Fall of 2002, that Lyndon LaRouche issued a plan for a crash program of national infrastructure building. Packaged under the concept of a "Super-TVA," LaRouche's proposal called for emergency Federal credit issuance, to be directed into huge infrastructure projects in the areas of transportation, power, and waterways, as the indispensable prerequisite for putting the U.S., and world, economy back on track, into recovery.

It's taken a lot of time, but there serious discussion of this perspective has finally begun. Notable are the recent plans put forward by Congressman Dennis Kucinich (D-Ohio), for a national infrastructure bank, and by Sen. Hillary Clinton (D-N.Y.), for a national commission to discuss action on critical national infrastructure. While one could identify flaws in both of these proposals, they are both important steps toward facing the crucial topic which must be at the center of the U.S. political debate.

Nothing conveys the emergency quality of what must be done, however, as well as the crisis in the auto industry, which is currently being set up to be dismembered. Carried out correctly, emergency action to save the auto sector could be the pivot for implementing the full national infrastructure program which is required. A memorandum issued by Lyndon LaRouche on March 9 outlines the specifics of how that could be accomplished:

"By Act of Congress, the Automobile Manufacturing Industry, as broadly so defined, is taken under the temporary protection of the Federal Government of the U.S.A., as a matter of most crucial strategic significance for enabling the resurrection and further development of the national economy of the U.S.A., as a measure deemed essential to the general welfare of the nation for its present population and posterity. The included economic and social requirement is that the productive capacity so preserved must be maintained in those states and local communities in which the automotive industry and its principal suppliers have been situated during the recent decade and a half.

"The qualitative upgrading of the technologies used in the design of automobiles and related products, will

be a continuing, included feature. A targeted level of one-quarter to one-third of present levels of manufacture by U.S. enterprises operating under this temporary protection will continue to produce for the auto industry. The remainder of the capacity of the industry and its principal supporting elements should be devoted to a functionally integrated development of the national space-exploration and development initiative, as associated with NASA, and with missions centered in, and compatible with the function of power, mass transportation, and related matters of national, regional, and local infrastructure.

"It should be the intention of such prime legislation, that the concentration of Federally created credit, as capital of investment, in this large, and rapidly expanding section of the national economy as a whole, shall be an economic driver for many leading sectors of the economy. The impact of this must be a reversal of the preceding decline of the U.S. economy from an agro-industrial power, to a so-called, 'cheap-labor'-based 'services economy.'

"These combined intentions, must envisage the restoration of the Hamiltonian conception of national economic development, a shift accomplished by the establishment of a well-defined capital budget, as distinct from an annual operating budget, of the Federal Government. Federally created lines of medium- to long-term credit for capital improvements in matters of national economic and related strategic importance, should be made either directly by Act of Congress, or controlled through a special lending authority created by Act of Congress. The private banks would be encouraged to participate in approved loans to private enterprises for this purpose.

"In the course of time, the effects of this program must be sorted out, such that either some elements are retained as instruments of government ownership and operation, or established as enterprises operating within the private sector."

Sound impossible? FDR did it through his Reconstruction Finance Corporation, as we elaborate in this issue. If Congress gets its act together, and listens to LaRouche, it can be done again.