## **Exercise** Economics

## Forget Speculators; We Need Machine-Tool Operators

by John Hoefle

Oct. 24—The world has far too many speculators, and not nearly enough machine-tool operators. We need producers, not parasites, if we are to reverse the current collapse into a New Dark Age.

At this late stage, anyone who is fixated on money is missing the point. The global monetary system is dead, and the attempts to revive it through hyperinflationary money-pumping are destroying not only the value of the dollar, but the chain of production upon which human life depends.

It is this chain of production, which is of immediate, crucial concern. As the productive base of the world disintegrates, in the wake of the monetary collapse, the level of population that that economy can support—what Lyndon LaRouche calls relative potential population density—falls with it. When that potential falls below the level of the existing population, as it has today, people begin to die.

The policies of the Anglo-Venetian imperial elite, and the attempts to save its collapsed system through the bailout swindle, are, in effect, killing people, and doing so deliberately. The overriding policy, as Britain's Prince Philip has openly boasted, is to reduce world population by two-thirds. That is genocide—deliberate genocide.

The only way to stop this genocide is to launch a global emergency recovery program, one based on rebuilding the world's productive capacity. That means The LaRouche Plan (see *EIR* Oct. 16, 2009), to shut down the parasites, restore financial sanity, and recommit humanity to scientific and technological progress. It means a return to the American System, not only for the United States, but for the world as a whole.

## **Machine Tools**

Machine tools fabricate the machines which turn scientific concepts into real-world products. They make science real, and without a vibrant machine-tool capability, there is no progress. In 2004, LaRouche proposed to take the excess machine-tool capacity in the U.S. auto sector, and put it to use rebuilding the nation's infrastructure and manufacturing capacity. That program was defeated by the oligarchy and its stooges in Washington, and as a result, much of the nation's auto-related machine-tool capability has been lost.

With auto on the way out, the last bastion of the machine-tool sector is the aerospace industry, and it is fading fast there, too. Nowhere is that more evident than in Wichita, Kansas, the self-described "Air Capital of the World," where much of the nation's aerospace equipment is produced.

Aviation Week, in its Oct. 16 issue, called Wichita "a potent symbol of industrial decline," and wondered if it were becoming the "next Detroit." In mid-2008, the aircraft industry had record backlogs and global orders, the magazine said, but then, "it all came crashing down,

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with a suddenness and severity that no executives had foreseen, even in their worst-case models.... In less than a year, Wichita's three business jet producers—Cessna, Hawker Beechcraft and Bombardier's Lear-jet—have shed about 12,000 jobs, or nearly 30% of the local aerospace workforce, and watched billions of dollars of backlog vanish."

"It is as bad as I've ever seen it for that industry, and I've been doing this for 34 years," International Association of Machinists president Tom Buffenbarger told the magazine. "In September 2008 we had 9,000 openings in Wichita for machinists, aircraft-certified welders, avionics electricians and aircraft sheet-metal people. And today we have 11,000 [union member] layoffs. That's a shift of 20,000 jobs right there."

Sales of machine tools and related technologies plunged 68% during the first eight months of this year, compared to the same period of last year, according to a report by the Association for Manufacturing Technology and the American Machine Tool Distributor's Association. What sales there are, are mainly of foreignmade equipment, as American production of machine tools has all but died.

The issue is not only the tools themselves, but the existence of a skilled workforce that knows how to make the tools work. When these workers lose their jobs, even if they take other jobs, the nation loses skills which are vital to the recovery effort. That is true not only for machine-tool operators, but for all sorts of skilled, blue-collar, work. We are rapidly losing the skills necessary to save ourselves and our fellow man from the horrors which are already upon us.

This devastation of a key component of physical production can be laid directly at the feet of the Brutish Empire, the parasitic financial policies of which have blown up the world economy. It can also be laid at the feet of the fascist financiers of the Obama Administration, and its deadly bailout scheme.

The world is falling apart, and the suffering of the people of the planet is growing rapidly. The shrinkage of the machine-tool sector is a harbinger of further collapse, reflecting yet another downshift in manufacturing overall. It is similar in effect to the cutbacks in world shipping, especially the decline in raw materials and semi-finished products. The whole world economy is winding down, and the result will be measured not only in declining levels of goods and services, but in the loss of jobs, the loss of human potential, and in death. A disaster of world-historic

proportions is playing out before our eyes.

If we are to survive, we must change the way we approach our work. White-collar jobs, whose numbers zoomed with the rise of the post-industrial society, are for the most part not productive, in the economic sense. We have far too high a percentage of our population employed as lawyers, financiers, clerks, and paperpushers, and far too low a percentage employed in building infrastructure, manufacturing, and the like. What we need is more blue-collar workers, who know how to build things, who know how to make the machinery of civilization work. We need more scientists and engineers, to discover new physical principles and turn those discoveries into technologies to benefit all of mankind. We need to return to working for a living, instead of manipulating money and shuffling papers.

## The LaRouche Plan

In these circumstances, the only subject worth discussing is the physical-economic collapse, its implications, and what can be done to reverse it. And the only solution for that collapse, is the plan developed by La-Rouche.

That solution begins by admitting that the financialization and globalization of the planet has not only been a failure, but is the disease which must be eradicated if we are to survive. We must return to the principles upon which the United States was founded, which represented then—and still do today—the high-water mark of Western civilization. The concept that all men are created equal; that all men are born with the right to life, liberty, and the pursuit of happiness; that the role of government should be to protect the general welfare of all the people, rather than some self-appointed elite.

The U.S. was founded as the antidote to the disease of oligarchism which infects much of the world today, including many within its own ranks. We in the U.S. must return to that conception, so that we may lead the world away from a New Dark Age and into a new Renaissance. We have it within us, as part of our culture, and it tends to surface in times of crisis. We must draw upon the strength it provides, to see us through these dark times.

The argument of the empire's financiers is that we must save them, in order to save ourselves. This is plantation economics. We do not live off the crumbs from the tables of the elite; it is they who are living off us. No more. We need production, not parasites.

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