

EIRSpecialReport

'Otherwise, the nation will not survive'

by Lyndon H. LaRouche, Jr.

Since approximately 1966, the government, political parties, and growing percentages of the general population of the United States have been living under the illusions set into motion by President Johnson's "Great Society" policy. Johnson began the process of tearing down the research and development policies on which the continued prosperity of the nation depended.

The dollar began to collapse within two years of Johnson's capitulation to the Malthusian policies of McGeorge Bundy, Robert McNamara, and so forth: the dollar began to collapse in the Johnson crisis of February-March 1968. The dollar was shaken with the Penn Central and Chrysler thumps of 1970. Then came the predictable up-valuation of the German mark during the spring of 1971, and the collapse of the dollar and Bretton Woods agreements in the crisis of August 1971. Connally, Volcker, Kissinger, and George Shultz made matters worse in the monetary negotiations of 1972, and Shultz and Kissinger paved the way for the present international financial crises with their role in shaping the Rambouillet monetary summit of 1975.

Not only did the government and parties fail to learn the lesson from the slide into monetary disaster. Beginning late 1969 and 1970, McGeorge Bundy's friends pulled together the nucleus of an instant mass anti-nuclear energy movement out of retreats left over from the anti-war ferment and New Left projects of the 1960s. The brutal 1972 nominating convention of the Democratic Party put the party in the hands of the anti-technology Malthusians. What remained of our high-technology sector by the time of Jimmy Carter's election was ruined, in four years of a Trilateral Commission government.

The long drift into the decay and rubble of a "post-industrial paradise," has destroyed our ability to produce wealth to such a degree that our national economy, and those of most of Western Europe, could never recover from the present worldwide economic depression by any ordinary means. We have had more than 16 years of "consumerism," "environmentalism," and "don't try to teach children anything which would force them to think." Now, the bill for those curious



Courtesy of Lockheed

In 1939, these P-38 Lightnings were being produced at a rate of 6,000 a year. By 1944, output was more than 96,000 a year.

pleasures has been presented—it is a bill much larger than our nation has apparent means to pay.

It is said that unemployment is in excess of 10 percent of the labor force. It is a pretty accurate figure, if you ignore about half of the actual unemployed not counted by the Bureau of Labor Statistics: youth unemployment, “unemployed benefits exhausted,” cutbacks from full-time to part-time employment, and so forth.

One by one, over the recent 10 years, many of our leading cities have been collapsing into municipal bankruptcy as tax bases shrank; under trends of the past 10 years, vital urban infrastructure, railroads, electrical generating capacity, and so forth, would simply collapse into non-existence, and most never be rebuilt.

If we pulled together every penny our nation has available for investments, and concentrated that investment fund in purchasing capital goods for goods-producing jobs in agriculture, industry, transportation, and basic economic infrastructure, we simply never could catch up with the rates at which farms, industries, and municipalities are collapsing unless we used most of that investment fund only for investment in the most advanced kinds of technology available today.

We must learn the lesson of the 1930s. President Roosevelt’s programs over 1933 into 1939 really did nothing to end the Great Depression; Roosevelt’s programs did make the depression less chaotic, easier to endure, but did nothing to cause an actual recovery—until the mobilization of 1939-43. The levels of economic recovery we accomplished as a na-

tion, by 1943, stunned the world. We made many bad mistakes in the financial management of the last world war’s effort, for which we paid a painful price during the late 1940s—but we did recover from the Great Depression, and enjoyed general prosperity, by and large, into the middle of the 1960s, until Johnson’s “Great Society” began to tear it all down.

The time has come when we shall not survive as a nation, unless we learn from both the successes and mistakes of the 1939-43 Roosevelt recovery-boom. What can save our nation from ruin now—the only thing which could stop the growing misery in the nation—is to concentrate as much investment as possible in bringing the most advanced technologies in the world today into the civilian economy. We need at least 4,000 billion watts of new generating capacity over the rest of this century—if we are going to recover; much of it must be nuclear energy. With high-powered lasers and similar kinds of technologies, we can double or treble our per capita output of wealth over the rest of this century. We must combine a concentration of investment in these job-creating advanced technologies with what we can learn from the successes and mistakes of the 1939-43 recovery.

National Security Council staffer Norman Bailey recently delivered a short address at a European conference, in which he indicated administration thinking in that direction. Richard Freeman’s study of the 1939-43 Roosevelt recovery reminds you that what Mr. Bailey outlined is a highly workable, proven solution to the greatest problems facing our nation’s economy today.