

1 million kilometers of modern roads, and several thousand kilometers of new waterways are needed—will require all available industrial capacities of the participating nations, and, as new capacities have to be created, the different countries should work in a division of labor, and thereby balance existing three-way trade flows through so-called clearing-houses. A newly founded Eurasian Development Bank could take over this task.

This conference in Beijing is taking place in an extraordinarily important historic context. The strategic reality affecting every region, is the fact that the presently hegemonic financial system is in the end-phase, before its collapse. If this system, bankrupted through decades-long mistaken economic and financial policy, is not reorganized through an orderly bankruptcy procedure, and replaced by a new system, the entire planet is threatened with a new dark age, best compared to the collapse of civilization in the fourteenth century. The threatening global collapse, can be compared to the collapse of earlier dynasties.

Ultimately, any solution for the crisis, must include a central aspect: that the American President, as leader of the currently most influential nation, pursue this reorganization. He

must use the emergency powers of the Presidency, and put the U.S. Federal Reserve into bankruptcy receivership, and under the supervision of the U.S. Treasury. According to Paragraph 1 of the U.S. Constitution, the President can obtain the right from Congress to issue, in the tradition of the late President Franklin Roosevelt, several trillion dollars worth of credit for financing well-defined infrastructure projects to overcome economic depression. The administrations of George Washington and James Monroe are precedents for establishing a National Bank.

At the same time, the President must convene an emergency monetary policy meeting, of the principal nation-state powers, for the purpose of establishing a new international monetary system, based on stabilized parities of currencies, to the purpose of fostering a global revival and expansion of agricultural and industrial production, based upon capital-intensive, energy-intensive modes of investment, in scientific and technological progress.

The Renaissance ahead of us

These problems cannot be solved at this conference, but we can and must consider how the economic reconstruction

Tennenbaum presents LaRouche's economics

Schiller Institute representative Dr. Jonathan Tennenbaum, in his presentation to the international symposium, called for the creation of a system of infrastructure development corridors from the Atlantic to the Pacific. He stressed that in planning Eurasian land-bridge development going into the 21st century, we must discard "GNP" and related statistical methods which—especially given the huge speculative "bubble" in the world economy today—give a monstrously distorted picture of economic reality. Instead, we must use the criteria provided by the science of physical economy.

Tennenbaum presented the concept of "density functions," illustrating them by a comparison of the United States, West Germany, and Japan (before the present depression) in terms of per-capita and per-square-kilometer energy requirements. By concentrating on combined development of basic economic infrastructure within the 100-150 kilometer-wide corridors defined by the "Eurasian bridges," we obtain the relatively greatest rate of increase in the physical productivity of the Eurasian economy as a whole. The same criterion of "density functions"

applies also to the choice of technologies for infrastructure development. Tennenbaum stressed the importance of building chains of new, nuclear-powered industrial cities along the Eurasian bridges, emphasizing the role of the High Temperature Reactor (HTR) technology. We also need to develop high-density, automated freight transport systems based on magnetic levitation, he said.

Tennenbaum attacked the Thatcherite policies of indiscriminant privatization as "irresponsible and dangerous." The gigantic scale of infrastructure investments required today, can only be achieved through the use of "Hamiltonian" modes of productive credit-generation by sovereign nation-states. The fact is, that large-scale investments in basic infrastructure—with emphasis on increasing levels of technology—are the most profitable form of investment which exists for a national economy as a whole. Well-designed investments of this type will be paid back many times over, by the resulting expansion of the tax base. Multilateral trade agreements, with emphasis on the development and sharing of advanced technology, will play a crucial role in development of the Eurasian "infrastructure corridors," providing favorable conditions for tapping the capabilities of the military-industrial complex in the former U.S.S.R., for example. But to clear the way for this, we urgently require a reorganization of the presently bankrupt world monetary and financial system, Tennenbaum concluded.