

WHEREAS, economist Lyndon LaRouche and many opponents of managed care, including the Physicians for a National Health Policy, have condemned these policies; now therefore,

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE LEGISLATURE OF ALABAMA, That the Alabama House of Representatives hereby condemns the stated policy of President Obama, Peter Orszag, Economic Advisor Larry Summers, and others to enact murderous cuts in services through their health care reform program; and

BE IT FURTHER RESOLVED, That we call upon the Congress of the United States to repeal the Health Maintenance and Resource Development Act (HMO Bill) of 1973, and return instead to the successful Hill-Burton Act of 1946, as passed in the U.S. Congress by Senator Lister Hill of Alabama. Hill-Burton in combination with extended and upgraded medicare coverage for the population will guarantee health care for all our citizens.

Social Security: Trash the Reports!

by Paul Gallagher

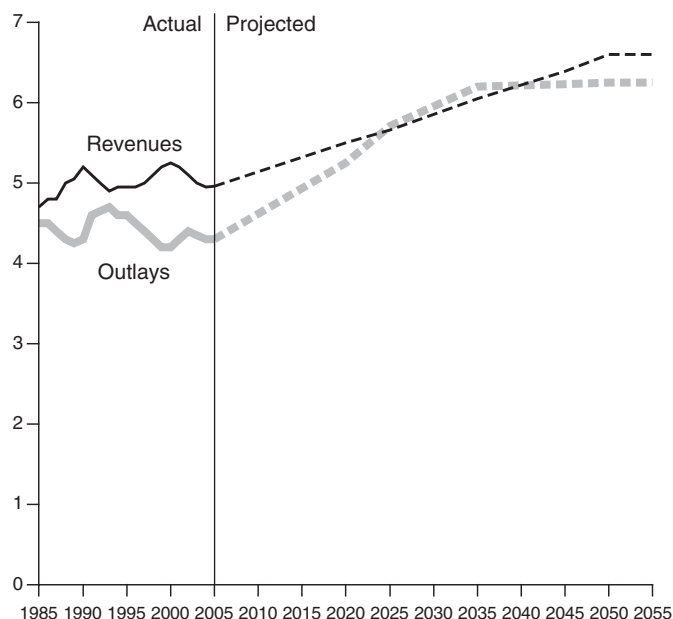
U.S. Treasury Secretary Tim Geithner's menacing statement May 13 on the release of new Social Security/Medicare reports—"The President explicitly rejects the notion that Social Security is untouchable"—is a pure threat to cut benefits. It is *not* an honest comment on the Social Security and Medicare Trustees' report released May 12, because that report showed absolutely nothing except the collapse of the economy that is underway. Reverse that collapse, with actually competent recovery policies—bankruptcy reorganization of the financial sector and sustained massive investment in modern infrastructure building and jobs projects—and the report is rendered essentially meaningless. Social Security's solvency, especially, is a matter of sustained creation of jobs.

The Trustees' report makes a purely mathematical projection, and claims that Social Security will be ex-

FIGURE 1

Forecast of Revenues and Outlays, If New Job Creation Is Always 1.5%/Year or Higher, 2005-2050.

(Percent of GDP)



Sources: Congressional Budget Office, "Outlook for Social Security, June 2004"; *EIR*.

hausted in 2037, four years earlier than previously mathematically projected; and that Medicare will be exhausted in 2017, two years earlier.

But as *EIR* demonstrated four years ago ("Bush's 'Math' Lies," *EIR*, March 4, 2005), these annual reports do not forecast the future condition of these trust funds or these entitlements. That future is determined by jobs, and income: How many jobs are created, how well-paying those jobs are, and whether the U.S. "income gap" is getting bigger or being reduced.

The U.S. economy is losing 4 million jobs a year. Turn that around and *create* a net 2 million jobs a year. Keep that rate of job creation (about 1.5% annually) going through modern infrastructure public works investments of \$1 trillion a year, as proposed by Lyndon LaRouche. The result? Social Security would continue generating surpluses effectively indefinitely (see **Figure 1**). The figure simply continues the same relationship of jobs growth to Social Security revenue growth, which obtained from 1985-2000.

The same principle applies to the Medicare trust fund. Create decent jobs, and the problem goes away.