

Editorial

October Breaking Point

Three months ago, Lyndon LaRouche warned that with the Sept. 30 end of the fiscal year for U.S. financial institutions, the economy would crash as early as October, unless LaRouche's explicit policies to prevent it were implemented. The banks would have to close out their books, revealing their utter bankruptcy—despite the trillions of dollars in government bailout money—and panic would set in.

October has come, LaRouche's proposals were *not* implemented, and indeed the economy is at a breaking point. The signs of that are not in the airy-fairy realm of the stock market, but in the speed of disintegration of the physical economy and in the political domain, where demands for fascist austerity have taken a leap forward.

In his "Now, October" document, published in *EIR* on Oct. 9, 2009, LaRouche explained what he meant by an October breaking point, and what must be done to head it off. He wrote:

"Thus, when I speak, or write of a breaking-point downward in the October state of the U.S. national economy, my standard is that of the test of implicit non-reversibility of a qualitative downshift in the productivity of that economy as presently composed. This means a condition which can not be escaped by any means short of a qualitative change in the present organization of the structure of that economy. In this present case, that means a required shift from the present, monetarist, form of a hopelessly bankrupt form of economy under the thumb of the Federal Reserve System, to re-establish the rule of the credit system specified in the U.S. Federal Constitution. . . .

"[I]n any case, an implicitly irreversible, significant downshift in the level of financial support of population and institutions, under post-September 30th conditions, would be an irreversible,

probably fascist-style political down-shift of the entire U.S. economy, which would be sufficient evidence that the next phase of general collapse of both the U.S. economy, and also, therefore, the world economy at large, has occurred. In other words, either a precipitous collapse in the market, or a sharp turn toward pro-fascist modes of austerity, would suffice to prove that a qualitative change with the characteristics of a breakdown-crisis has been confirmed."

There are two particularly dramatic aspects of this downshift today.

First, is the move toward a fascist "Hitler-health" policy, expressed in the passage of the Obama Administration's (Baucus) bill by the Senate Finance Committee on Oct. 13. This bill, which includes the "death panel" of experts who will decide who lives and who dies, is by no means guaranteed of ultimate passage; but those who voted for it have been duly warned by LaRouche: They are making themselves the defendants in a future Nuremberg Tribunal, for crimes against humanity.

Second, is the Mexican government's Oct. 10 *Blitzkrieg*, on orders from London and the IMF, against one of its own electricity companies. The entire labor force of 44,000 was terminated, and the move was planned, as the government admitted, to break the union contract and make way for deeper wage-gouging.

It's LaRouche's "Triple Curve" graph that tells the story: If you print dollar bills to bail out the soaring financial aggregates (driving down the dollar, as is now occurring), then the physical economy goes into a nosedive. That is what we are seeing now, more than ever before. Only fascist measures make that possible today. And only determined resistance, following LaRouche's guidelines to the "T," can stop it.