

Editorial

Right Idea, But The Wrong Men

In the midst of multiple crises, President Bush met with Alan Greenspan and Robert Rubin on Sept. 19, behind closed doors, on what to do about the nation's economic collapse. The singular call for Rubin — President Clinton's Treasury Secretary, not Bush's — showed that the President, or some around him, have realized that the administration's economic axioms are being torn away by the financial crisis like a sail in a hurricane, and *they must change U.S. economic policy.*

It's becoming obvious to all but the hardest-core ideologues, that you can't fight a depression mudslide, such as the one now burying the remains of the U.S. industrial economy, by cutting taxes on the capital gains nobody is earning any more! The budget policies of both parties have been swept away, not by the Sept. 11 attacks and their aftermath, but by the collapse of the Wall Street debt bubble which was under way long before before them.

If President Bush has decided, even at the desperate last moment, on an "outreach" across parties in search of a dramatic change in economic policy, his idea is a good one. But, he's not meeting with the right man, nor on the right subject.

Certainly Alan Greenspan, the doomed and irrelevant ex-"maestro," cannot help him. Greenspan's interest-rate cuts, which Lyndon LaRouche forecast in March could never work, have now finally exploded in his face.

From Sept. 12 onward Greenspan has cut Fed discount and interbank rates to "Japan levels" — effectively, near zero — and flooded the banking system with liquidity. But markets are still sinking; Treasury bond interest rates are ominously rising; the dollar is falling; U.S. corporations' debt is crashing on their heads; layoffs are cascading at such a rate that one forecast looked for weekly unemployment claims near 500,000 per week for the coming weeks. Greenspan has "lost it," with no idea what to do.

On Sept. 8, LaRouche commented, "The crash I forecast is on. It's time for all good Democrats to propose public spending on economic infrastructure proj-

ects: like high-speed and maglev rail." Even as he said it, leading Republicans, panicked by the collapse, were beginning to propose a "bootlegger's turn" on budget policy: spending the Social Security trust funds to stimulate the economy. But they understand neither how to generate new government credits for depression-recovery measures, nor what to spend them on.

The President needs to call Lyndon LaRouche. There is no one else who can really tell him what has to be done to give the economy a fighting chance to recover from this crisis. The subject of that discussion: Presidential action to convene a New Bretton Woods monetary conference, as LaRouche has outlined the terms. The need for an urgent bankruptcy-reorganization of the masses of debt which nations are destroying themselves attempting to pay. The application of this principle for bankrupted but productive industries — such as the U.S. airline industry currently — and the issuance of new, gold-reserve-backed credits for the expansion of economic infrastructure. Above all, U.S. participation in the construction of the high-technology Eurasian Land-Bridges, the driver of economic survival for all the nations of Eurasia and Africa.

Now, with so many leading diplomats and heads of state travelling to meet with the U.S. President, and to meet with each other over the U.S. crisis, the world's nations are waiting for the potential of fundamental changes in policy from the United States. The subject of those meetings — as LaRouche proposed on a live radio interview Sept. 11, literally as the deadly attacks on New York and Washington were occurring — should be those fundamental changes in policy, which can prevent terrorist "irregular war" from continuing, and reverse the global economic collapse which is feeding it. LaRouche is uniquely the thinker to guide the approach to these meetings.

Now President Bush may have realized, that the very survival of the U.S. economy, long enough for the U.S. to act to stop terrorism, also depends on making these policy changes, and quickly. The President needs to call on Lyndon LaRouche.