

payroll tax applies.

An “American Marshall Plan” mobilization of productive jobs—infrastructure, industrial, and scientific employment—would raise the wages and salaries that are within the Social Security tax (a manufacturing job pays twice, on average, what a retail job pays, for example). And let us not forget that with that kind of job creation, there are 15 million American workers “sitting on the sidelines” right now—unemployed, dropped out of the labor force, forced to work temp or part-time. If even two-thirds of those Americans were productively employed “FDR-style” in a jobs-creation recovery, they represent five years worth of the needed growth of the labor force to put Social Security further into surplus, on top of the natural labor force growth and immigration.

Finally, the actuaries are assuming an extraordinary further increase in the average American lifespan, which is not occurring now, but would be based on future “medical miracles,” according to Chief Actuary Stephen Goss. This guess certainly increases the forecast Social Security benefits to be paid out. But it would be welcome; a longer life and higher

living standard of the elderly, as Italian government economist Nino Galloni has shown, increases the demand for production, and jobs, among the labor force. And it makes it likely that more elderly Americans will choose to keep working productively past the retirement age.

These actuaries’ forecasts about Social Security have become markedly more pessimistic, for no good reason. The so-called “demographic facts” which are held up today as meaning big future deficits, were well-known and taken into account in 1983. “It’s a less optimistic estimate today,” a former Chief Actuary told the *New York Times* in January.

Well, U.S. economic performance under George W. Bush might be enough to make anyone pessimistic.

So Bush has now become “self-fulfilling prophet” of doom for the Social Security system. Stop Bush’s privatization drive, get rid of him and Dick Cheney, launch a serious recovery program for the physical economy of the United States, and Social Security will be found to have a long life-expectancy and no serious ailments.

‘Ready-To-Go’ Projects

In the 1990s, the National Association of Mayors issued periodic reports, titled, “Ready-To-Go,” describing needed state, regional, and local infrastructure projects. In a Feb. 20 speech (see *Feature*), Lyndon LaRouche said that if a concerted mobilization of those projects is done now, with Federal credits, the dollar collapse can be stopped.

Senate Minority Leader Harry Reid (D-Nevada), told the National Press Club on Jan. 31, that America should have a domestic Marshall Plan. “Every city in America has blueprints stacked up, waiting to have the money to do something about sewer systems, water systems, bridges, dams, highways. . . . And if we spent \$10 billion on the infrastructure of this country, we would create half a million new jobs. These are high-paying jobs, and the spinoff from these jobs would be significant.” Reid pointed out that economic infrastructure investment had sunk since 9/11.

Reid spoke on the issue at the Tahoe Forum, at Sierra Nevada College, Aug. 18, 2001.

America’s infrastructure affects our economy, our public health, our environment and our overall quality of life. It needs our immediate attention. Yet it is neglected because repair and construction costs accrue in the short-term while the benefits are long-term. . . . It is time to make some necessary and unavoidable decisions. Time

is not on our side. . . .

More than a third of American roads are in poor or mediocre condition, costing drivers an estimated \$5.8 billion in repairs every year. More importantly, the poor state of our roads contributes to as many as 13,800 highway fatalities each year. To keep them safe, the U.S. Department of Transportation estimates we need to spend an additional \$50 billion more on our highways annually. Twenty-nine percent of our nation’s bridges are structurally deficient or functionally obsolete. School buses must stop at many [bridges] and unload the children, and then reload on the other side.

Our airport capacity has increased 1% in the last decade, while air traffic has increased 37% in that time.

The nation’s 5,400 drinking water systems face an annual shortfall of \$11 billion. . . . The Environmental Protection Agency has estimated that nearly \$300 billion will be needed over the next 15 years to upgrade and expand our existing infrastructure to ensure the safety and purity of our water supply. America’s 16,000 sewer systems face an additional \$12 billion annual shortfall. Many are more than 100 years old.

And maybe worst of all, due to aging or outdated facilities, or overcrowding, 75% of our nation’s school buildings are inadequate.

America needs to embark on a modern day Marshall Plan—to rebuild our cities and our towns—creating a surge in economic vitality that will allow America, the greatest nation in the history of our world, to continue on its highway of wisdom, freedom and responsibility.