

Editorial

The U.S. economy can recover

There is only one possible basis for a recovery of the U.S. economy from the Bush depression. This is the method used by President Kennedy to revive the United States from the combination of recession and doldrums caused by the Eisenhower administration policies. The United States paid a high political price for allowing the coverup of the Kennedy assassination, but it suffered an equal blow economically.

Once Kennedy was conveniently out of the way, the Johnson administration began to implement a policy to transform the United States from an industrial giant to a post-industrial slum. Johnson's Great Society was based upon a semi-automated economy in which an increasing portion of the people would become poor as the industrial sector of the economy was reduced.

This was also the time when hedonist values began to replace a family-oriented society, with the introduction of the rock-drug-sex-liberation counterculture, and neo-malthusian, anti-scientific, anti-technology policy of opposition to scientific investment and to technological progress generally.

We are now in the process of a disintegrating financial and monetary system; it is not exploding, it is disintegrating in the way a Hawaiian volcano, for example, disgorges its remorseless mudslide day after day, week after week. This and that flake off; every day we wake up, our financial and monetary system has shrunk; a new airline has crashed; a new industry has crashed; four or five banks have crashed; and more and more people are unemployed—or, as the government puts it, fewer and fewer people in the U.S. population are employed.

The Bush administration is facing a situation similar to that faced by the Hoover administration during the 1931-32 period, and, strange to say, George Bush appears to be repeating all of Hoover's mistakes.

This time, the economic basis of Anglo-American global political power is disintegrating, as we see in President Bush's frantic efforts to terrorize the world into submission to the aura of power which still attaches to the United States.

The U.S. economic collapse cannot be viewed as something in itself, apart from the current global strategic situation. The United States may still appear to be a superpower, even the only superpower, but the truth is that, since 1970, the basis of this power has been eroding to the point where it is now rapidly becoming a second-rate power, albeit still dangerous. In rates of replacement of worn-out infrastructure, 1970 was a turning point for the U.S. economy.

For a while the downslide was covered by inflated figures, the overvaluation of the income of banking or finance generally, administration, and services, which created the appearance of a new form of prosperity. It was prosperity for a few, perhaps, but for an ever-larger percentage of the population, it was downhill all the way.

Traditionally, the wealth of the United States has depended upon technological progress in agriculture, infrastructure, and manufacturing—or industry generally. That technological progress has been the engine of national growth. As the United States turned away from such policy, toward a policy of so-called administration and services, the rate of real domestic poverty has grown, and at the same time U.S. foreign policy has increasingly aligned with British imperialist designs to recolonize the world. This is a policy to steal what is no longer produced at home.

In 1982, Lyndon LaRouche offered the Reagan administration a program which would have allowed the U.S. to bail out the banking system; this program was rejected by forces around the Reagan administration at that time, including George Bush, Henry Kissinger, and Citicorp's Walter Wriston.

The U.S. can still recover, but only by repudiating once and for all the policies epitomized by the Bush administration, policies which have actually been destroying the U.S. economy since 1965. What is needed now is a major infrastructure program, coupled with massive investment in space and energy development. What is needed is the policies and person of Lyndon LaRouche, leading the United States to recovery.