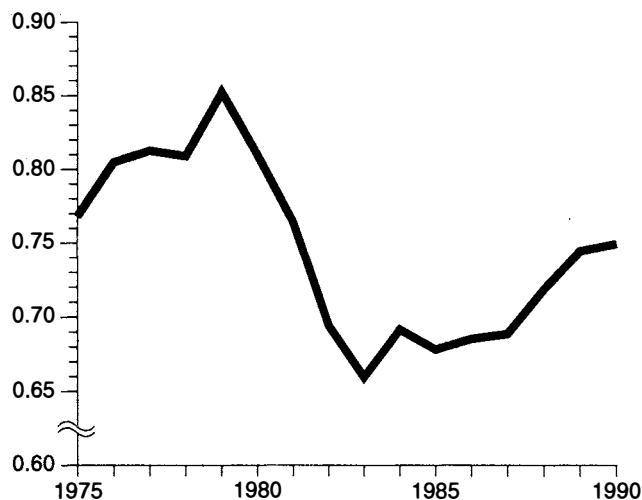


## World seaborne total trade volume

(metric tons per capita of world population)



Sources: OECD, *Maritime Transport* 1989, 1990, 1991; U.S. Department of Commerce, *Statistical Abstract of the United States*.

since most of the costs of a flight are incurred in carrying passengers. Air freight is used to move very high-value cargo. Apple Computer, Inc., for example, moves 20% of its inventory by air freight. But, from a record 10.275 billion ton-miles in 1990, the amount of freight carried by U.S. airlines in 1991 declined to 10.204 billion ton-miles—and that's at the same time that U.S. airlines have expanded rapidly overseas.

### The capital goods sector

This atrophy of world trade is all the more remarkable, considering the enormous amounts of capital goods the developing-sector countries need to help them build the electrical generating and transmission systems, water management systems, sanitation systems, transport systems, and industrial base they so desperately need.

Examine, for example, U.S. exports of capital goods. The United States exported nearly 30,000 farm tractors a year in the 1970s, with 38,092 recorded in 1977. By 1983, the number of farm tractors exported had fallen to 10,609; by 1987, it had fallen by half again, to 5,731. Meanwhile, exports of crawler construction tractors—bulldozers—fell from 6,902 in 1979, to 3,111 in 1982, to 1,913 in 1986. In 1990, only 1,660 crawler tractors were exported from the United States.

For most of the 1970s, the United States exported 500 to 700 rail locomotives a year. In 1981, the U.S. exported only 195 locomotives. After struggling back up to 504 locomotives exported in 1986, the number collapsed again, to 106 in 1988.

## LaRouche: 'There's no recovery, anywhere'

*Independent presidential candidate Lyndon H. LaRouche made the following comments in a campaign statement on Aug. 5, 1992, released at the National Press Club on the occasion of the announcement of the Rev. Jim Bevel as LaRouche's vice-presidential running mate:*

It is an understatement to say that what is happening presently and what has been in process since 1987—October 1987, to put a specific date to it—has been the worst economic depression worldwide in the 20th century.

People talk about recovery. There is no recovery. It is occurring *no place*. What there has been and is, is a resistance to this depression in western continental Europe and in Japan and in a few other spots in Asia, such that these countries are collapsing at a much slower rate so far than have been the English-speaking countries which have been leading the collapse outside of the former Soviet empire. . . .

There's no solution to these problems unless one speaks of a high-tech industrial recovery based on large-scale investment in infrastructure. We're talking about \$600 billion to \$1 trillion a year, not of debt, but of credit issued through the mechanisms of Section 8, Article I of the U.S. federal Constitution, to state and federal authorities, and to vendors to those state and federal authorities, for large-scale water projects, for large-scale transportation projects, for large-scale energy projects, for improvements of our medical system and facilities, for improvements of our school facilities, and in addition to that, large-scale credit for vital sections of industry, to push ahead with new technologies and to diversify their industry, such as the auto and aerospace complex, in order to save what the United States is losing most essentially in the tool-making industry.

We no longer have the ability, or are rapidly losing the last vestige of the ability, to produce new technology. We will be importing technology if we can get it, if we can afford it, from Europe and from Japan, and even from some Third World countries, at the present rate.

*From an Aug. 12 statement:*

We are now, this month, in a new downturn of an ongoing worldwide economic depression, which has been in progress since the October 1987 stock market crash. While the stock prices on the New York Stock Exchange still tend to go up or float at a fairly high level above the so-called 3200 Dow Jones Index level, the fact is that U.S. financial instruments are worth less and less every day—and because also the depression is spreading through every part of the world.



*Lyndon LaRouche and his wife Helga Zepp-LaRouche tour the Goddard Space Center in Maryland, in 1981. "We are rapidly losing the ability to produce new technology. We will be importing technology, if we can get it, if we can afford it, from Europe and from Japan, and even from some Third World countries, at the present rate."*

*From a Sept. 17 statement "On the Breakup of the Currency Blocs":*

On Sept. 16, 1992, sixty-one years after the opening of the Great Depression in 1931, nearly to the day, the British government once again plunged the world officially into a catastrophic global economic depression. Simply said, what happened was, it became impossible to continue to defend the inflated value of the British pound even until the 20th of September, when the Maastricht European monetary agreements were scheduled to be voted up or down in France. Every effort, every resource available, or politically available, was used to try to pull these currencies of Europe into their existing Exchange Rate Mechanism system. Resources did not exist; it could not be done. It failed. We are now officially in a new world depression, as we were through the British floating of sterling in September 1931, sixty-one years ago. . . .

And so far, most of the governments of the world, and most of the political parties, including the leading political forces in the United States, are still making the same kind of silly mistakes which were made 61 years ago, which plunged us into the depths of a depression then, and will assuredly do so now, unless those policies are changed. . . .

What we must do is to put aside every lunatic who proposes that the solution for this situation is austerity. Those

who propose to increase taxes and cut budgets are dangerous lunatics whose proposals, if implemented, will drive us into who knows what—a pit of despair. . . .

*From an Oct. 7 campaign statement, "The Fed and Banks Swindle":*

Unlike George Bush, Clinton, and Perot, I intend to reform the Federal Reserve System, to bring it back into conformity with Article I of the Constitution.

What is happening today, for those who think the Federal Reserve System is a model of competence, is the following. Major banks, many of which I believe to be bankrupt, and to have been virtually bankrupt for a year or so, and other financial institutions which are either bankrupt or on the verge of it, in point of fact, are borrowing large sums of money from the Federal Reserve System on short term, at a 3% interest rate. They are taking this money, turning around and loaning it to the federal government in the form of long bond U.S. debt, at 8% or higher. Thus, they are getting 5% on Federal Reserve money, for which they did not pay, out of your government and out of your tax dollar and off the backs of your grandchildren, if things go on this way.

I propose to bring that swindle I just described to a screeching halt. And I dare any of my competitors—Bush, Clinton, or Perot—to say that they are willing to do the same.