

Resolution 2012-14

Restoring the System of Public Credit

In 2007-2008, the United States Congress missed the opportunity to attack and eliminate the speculation based financial system. The financial bubble created over decades had finally burst, but proposals to protect the real economy from the collapse of fictitious asset values were ignored or blocked.

The failure to implement available solutions in the interest of the nation led to a continuous series of financial bailouts by the Bush and Obama administrations, forcing City, State and Federal governments to initiate and carry out severe austerity measures on behalf of the speculative investment banks in the United States and Europe. Hospitals, schools, police forces, and other forms of vital social infrastructure have continued to disintegrate, and millions of American families have lost their livelihoods, including long term employment in productive jobs, life's savings, and homes.

Consequent of the continued bailout policy of 2007-2012, the last vestiges of the machine-tool sector, heavy industry, and other potential infrastructure building capacities have almost entirely disappeared. The United States has little time left to utilize the productive legacy of an older generation once central to great national undertakings, and pass this knowledge to a new generation.

A plan of action must be implemented which can make up for decades of lack of investment in infrastructure and industry, utilizing the skill and technological capacities which still exist before they finally vanish, and address the immediate crisis threatening the existence of the United States economy with the imminent blowout of the Euro-zone, by instating emergency measures creating adequate financial barriers and banking regulation.

Such a plan is immediately available, as presented in the LaRouchePAC Special Report [NAWAPA XXI](#), which proposes:

- a) **re-implementing the Glass-Steagall Act of 1933**, which would revive the separation between commercial banking and the securities business, as proposed in HR 1489, with the intention to directly enact
- b) a restoration of the **U.S. System of Public Credit** by means of the construction and requisite methods of funding of [NAWAPA XXI](#).

The [NAWAPA XXI](#) plan includes the following:

i) **A water and power proposal employing a vast number of industries** involved in material and machine production which are vital for the United States to develop and salvage, as well as new infrastructure routes stretching most of the continent, providing millions of Americans and Canadians long term employment, and training a new generation of highly skilled workforce; its construction will provide the basis to industrialize northern Canada and Alaska for the first time, while reviving the once proud rust belt state economies of the U.S.

ii) The utilization of 11% of the runoff of Alaska, Yukon, and British Columbia, as a permanent source of water to double food production in the U.S. Southwest and Northern Mexico, turn would-be flood waters in one area into the means of fighting drought in another, bring water to the dry Canadian Prairie provinces, create an industrial resource canal throughout the heartland of Canada, and halt the water wars between the western states.

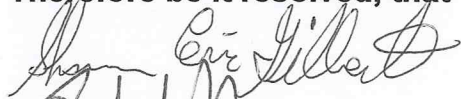
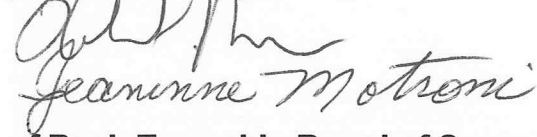
iii) This project would massively increase in the economic activity of the U.S., Canada, and Mexico for a generation. Mexico has already initiated water projects that would connect with NAWAPA XXI, while previous generations of political leaders in Canada have endorsed the proposal. NAWAPA XXI would provide a model for co-operation between sovereign nation states that would benefit all parties involved.

iv) In the System of Public Credit, existing or newly created Public Debt by the government is funded according to the timetable required for industrial and infrastructural growth, through the means of a Bank of the United States and related branches serving as credit lending institutions for internal improvements and industry. In this system, the anticipated future value of Public Debt associated with the infrastructural and industrial projects circulates as currency in the present.

This system has been used in past infrastructure and industrial mobilizations to build the nation and combat financial oppression, and was established by Alexander Hamilton in his success in turning monetary debts into circulating credit through the use of the Constitutional Powers of Congress and the Bank of the United States, and later applied in Nicholas Biddle's directing of the second Bank of the United States under President John Quincy Adams, Abraham Lincoln's Greenback-based national banking system, and Franklin Roosevelt's use of the Reconstruction Finance Corporation.

Under the proposed plan, the government's coordination of the vast economic activity and state and federal revenues which NAWAPA XXI's construction will create, will generate enough activity to make feasible sufficient credit emissions through a new credit lending institution to revive the U.S. economy as well as actualize any valid state, municipal, and federal debts after Glass-Steagall and an associated banking re-organization.

Therefore be it resolved, that

of Rush Township Board of Supervisors,

Chairman

Supervisor

Supervisor

Date July 19, 2012

Schuylkill County,

hereby endorses the [NAWAPA XXI](#) plan, and urges members of the

Pennsylvania Congressional delegation to act on this proposal.

Secretary 