



## THE REAL ISSUE OF PRODUCTIVITY; — CATCHING UP TO CHINA AND THE 'EURASIAN POWER'

August 16, 2016—Will the United States revive the scientific creativity and economic productivity to collaborate peacefully, over the long term, with China's progress?

Will Europe decide to leave what Helga Zepp-LaRouche calls the "suicide pact" with Obama and a NATO command planning for wars with both Russia and China? When will Europe join instead with Eurasia's New Silk Road of great infrastructure projects — not to mention deep space exploration and fusion power development?

Those are the real questions citizens should be involving themselves in — not the disasters who are currently running for election.

The announcement today that German fusion researchers are joining a Russian national laboratory in developing a new "polarized deuterium" fuel for fusion power shows the creative direction for Europe's best capabilities, for example. The result can leapfrog over the recent breakthrough in Germany's fusion program — but those result have already been far exceeded by China's. China is making technological innovation and growth the theme of the G20 meeting it will chair on Sept. 4-5 in Hangzhou. The same is true of Putin's Eastern Economic Forum in Vladivostok Sept. 2-3.

The Eurasian nations are pulling together in a process capable of winning peace as well as development; and it is leadership actions initiated by Russia's President Vladimir Putin which have largely made that process possible.

It has put the United States in front of a choice — and it is not the choice between two Dick Cheney impersonators for President.

The IMF on Aug. 12 forecast China's annual economic growth could fall to 6% by 2020. Were this true, then the United States — if guided by a revolutionary new presidency deploying national credit for new infrastructure, space exploration, and fu-

sion technologies — could hope to catch up with China's growth by that time!

U.S. and Federal Reserve officials have at last admitted recently that they are worried by the very low productivity of the U.S. economy, as well as its very low growth. The Obama economy has exhibited unprecedentedly low productivity growth, no matter how measured.

A common measure of "productivity" merely divides GDP by hours worked. By that measure, labor productivity growth has never reached even a 1% annual rate since Obama signed his "stimulus act" in his first year in office. U.S. economic growth has been a pitiable 1.2% for the past 12 months.

But real labor productivity increases come from scientific and technological advances, and education. The National Bureau of Economic Research (NBER) report on the very high productivity growth during Franklin Roosevelt's presidency says, "This was due to the very strong growth in electric power generation and distribution, transportation, communications, civil and structural engineering for bridges, tunnels, dams, highways, railroads, and transmission systems; and private research and development." The challenges of all this modern infrastructure-building produced technological advance in large numbers of industries, and R&D was sharply increased.

Economists grade the 1930s, '40s, and the Apollo Project '60s as the peaks of real productivity growth in U.S. history — nearly 3%/year improvement in productivity.

According to the San Francisco Federal Reserve and the NBER, George W. Bush's eight years saw such growth at 1.0% annually; Obama's near-eight years, 0.75%.

Time to create a new presidency, and try to catch China.