### **EXECONOMICS**

# Planned Disintegration Hits American Cities

by Carl Osgood

July 23—American cities are going to Hell. Because of the Wall Street and City of London control over U.S. economic policymaking, cities are collapsing. Wave after wave of layoffs are hitting all city agencies, especially police and fire departments, those agencies that are necessary for maintaining public safety and order, at the same time that the need for those services is increasing, as a result of the ongoing economic collapse.

Cities cannot maintain deficits or create credit as a mechanism to produce the material means for their own existence. That power, under our Constitution, belongs to the Federal government, and, as Lyndon LaRouche has noted on many occasions, the Federal government has the responsibility to use that power to promote the general welfare, as specified in the Preamble.

However, the present Obama Administration is a tool of the British Empire, the real enemy of the United States, and, instead of promoting the general welfare, it is imposing policies of dictatorship, to include the economic destruction of the U.S.A. The policy is not exactly new, but has now evolved to the point where, if President Obama is not removed from office soon, many American cities will be facing death in a very short period of time.

#### The 'Big MAC' Model

To understand the policy, and the fact that it is *deliberate*, and not some accidental by-product of some

other policy, one must take a look at the policy of "planned shrinkage" that was imposed on New York City in 1975 by the Big MAC dictatorship, led by Lazard banker Felix Rohatyn. That dictatorship has become the model for the wrecking of American cities from Lawrence, Mass., to Stockton, Calif. In New York, that meant creating a financial crisis which would then be used as the justification for the fascist measures that would follow, exactly as Adolf Hitler used the Reichstag Fire as justification for his rule by decree in 1933.1

The true nature of the bankers' policy for New York was brandished by the financier oligarchy itself, in a Nov. 14, 1976 *New York Times Magazine* article by Roger Starr, a spokesman for the banker and real estate interests, and a member of the *Times* editorial board. In that piece, Starr wrote that "Planned shrinkage is the recognition that the golden door to full participation in American life and the American economy is no longer to be found in New York."

Starr advocated the reduction of the city's population from 7.5 million to 5 million people. How were the unwanted 2.5 million to be forced out? By declaring parts of the city "virtually dead," and denying basic services, including fire and police protection, schools,

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<sup>1.</sup> For the full story on the Big MAC dictatorship, see "How LaRouche Fought New York's Fascist Financial Dictatorship, 1975-1982," by Richard Freeman, *EIR*, July 27, 2001.



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Fire and police departments are being gutted, in hundreds of towns and cities across the country, leaving communities at risk. Here, first responders work to put out a fire in Mt. Vernon, Ill.

health, and even subway stations, to those parts, making them unliveable. "Our urban system is based on the theory of taking the peasant and turning him into an industrial worker," Starr wrote. "Why not keep him a peasant?"

The destruction of New York began with the deindustrialization of the city, under the rubric of the "postindustrial society." Between 1965 and 1975 New York lost 328,000 manufacturing jobs, or 42% of its total manufacturing jobs. This was accompanied by Mayor John Lindsay's implementation of the financiers' plan to use arson as a tool of "urban redevelopment." Under Lindsay, 35 fire companies were eliminated or relocated out of the targeted neighborhoods, and 2,400 firefighters were laid off, a policy that was continued under Big MAC. After a fire station was closed, the neighborhood would be hit by arson, driving out the mostly poor, minority populations. Health services, and hospitals and police protection were similarly denied to targeted neighborhoods. These measures established the pattern for what is happening today in nearly every municipality in the country.

With the policy successfully imposed on New York, Rohatyn's bankers proceeded on to the deindustrialization of every other city in America. Cities like Buffalo, Pittsburgh, and Detroit are notable examples, but the process has spread everywhere. With industrial plants closed, and millions of skilled workers thrown on the scrapheap, tax revenues have dried up, and cities have begun to collapse. The "planned shrinkage" of city services has now reached a logical extreme, with the widespread takedown of police and fire departments. Neighborhoods are being left to burn, and citizens are being left at the mercy of an out-of-control crime rate.

Here are some elements of the national picture.

## The Takedown of Fire Departments

A popular target of city managers looking to cut costs has been fire departments. Closing of firehouses and reducing truck crews

from 4 firefighters to 3 (and in some cases, even 2) are common measures following layoffs. On July 8, the city of Lawrence, Mass. laid off 23 firefighters and closed a fire station, the third one since last August. A year ago, the city employed 130 firefighters. Today, it has 72. Response times have increased from an average of 3 minutes, to 6-7 minutes, said acting fire chief Brian Murphy.

"If this city were on a six-minute response time throughout history," Murphy told the *Lawrence Eagle-Tribune* on July 12, "there wouldn't be a city left. That kind of time just doesn't work in a city of 10,000 people per square mile." Murphy pointed out that, "One of the reasons why firehouses were strategically located throughout the city was to cut down on the time to get to a fire. Seconds actually make a difference between life and death." He gave the example of a fire, last January, that started in a trash barrel but quickly became a two-alarm fire. "Our biggest fear is conflagration losing a whole neighborhood," he said. "Once a fire gets past the first building, it's tough to stop. And it can prove catastrophic."

Murphy's point about time is backed up by a study by the National Institute of Standards and Technology, released April 28, that shows how crew sizes and arrival times influence the saving of lives and property.

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The study, conducted with Federal funding and in cooperation with the fire departments of Montgomery County, Md. and Fairfax County, Va., found that larger crews complete basic firefighting and rescue tasks faster than smaller crews. Specifically, the study found that four-person crews were able to complete 22 essential firefighting and rescue tasks in a typical residential structure 30% faster than two-person crews, and 25% faster than three-person crews. The tasks included getting water on the fire, and search and rescue of occupants. "Fire risks grow exponentially," said NIST's Jason Averill, one of the principal investigators in the study. "Each minute of delay is critical to the safety of the occupants and firefighters, and is directly related to property damage."

And yet, cities all over the country are moving ahead with closing fire stations and laying off firefighters without seriously considering the consequences. White Plains, N.Y. lost half a city block, on July 9, because, according to news reports, the fire department was only able to get six men on the fire in the first 15 minutes. Two weeks earlier, the city had laid off 9 firefighters and 12 police officers, in a futile effort to balance its budget. As a result, the fire department did not have enough firefighters on duty to handle both that fire, and another that broke out at the same time at an electrical substation. The downtown fire ultimately required 60 firefighters to bring it under control, including aid from six surrounding communities.

#### **Laying Off Police Officers**

Oakland, Calif. consistently ranks among the top ten U.S. cities with the highest crime rates, yet on July 13, the city laid off 80 police officers, more than 10% of the entire force. The layoffs came after talks between the city and its police union broke down on the issue of job security. The union, after making concessions on wages and benefits, asked the city for a three-year moratorium on layoffs. City officials said that any guarantee beyond one year was "financially irresponsible."

"Losing four officers last year was a shock to us all [a reference to the March 21, 2009 slayings of four police officers], and we haven't really recovered from that yet," said Dominique Arotzarena, president of the Oakland Patrol Officers Association. "And now, we're losing another 80 officers, this year. Not by the hand of a gun, but by the hand of a pen."

With its reduced manpower, the Oakland police will no longer respond to non-emergency calls. Instead,

people calling with non-life-threatening situations will be redirected to an online system called "cop-logic," to file a report. Most of the crimes reported through this system will merely be recorded for statistical purposes and will never actually be investigated. Among the 44 crimes in that category are burglary, theft, embezzlement, extortion, vandalism, identity theft, and illegal dumping.

Other cities, many also with historically high crime rates, are threatened with being hit as hard or harder than Oakland. On July 16, the *Newark (N.J.) Star-Ledger* reported that Mayor Cory Booker was threatening to lay off 181 to 263 police officers, if the union did not agree to wage and benefit cuts. On July 21, police union officials announced that the budget of Trenton, N.J. Mayor Tony Mack calls for the layoff of 111 police officers, 79 firefighters and 187 other city workers Oct. 1.

Stockton, Calif. is in an uproar because the city laid off 18 police officers on July 1, and is threatening to fire 40 more, if the city loses a lawsuit against it by the fire-fighters' union. The police department is already in the process of shutting down its narcotics unit, with all that implies. To protest the cuts, the police union has put up billboards saying "Welcome to the 2nd most dangerous city in California. Stop laying off cops."

When cities make layoff decisions, the police and/or fire unions are often blamed for not accepting concessions on wages and benefits. But the unions did not cause the municipal fiscal crisis.

In 1975, at the outset of his Big MAC dictatorship, Rohatyn went on television, and told New Yorkers that "The pain is just beginning. New York will now have to undergo the most brutal kind of financial and fiscal exercise that any community in the country will ever have to face."

Rohatyn lied. *Every* community in the United States is now being forced to undergo that same suffering and pain, and people will die as public safety is withdrawn, and replaced by chaos and destruction. The justification is based on the fraudulent claim that "we have to balance the budget." But, no city can solve its fiscal problems within the context of its own budget, when those problems have been caused by the takedown of the U.S. industrial base as part of a *national policy*, one that has been continued by the Obama Administration.

Nothing short of the restoration of the Glass-Steagall principle, combined with the LaRouche Plan to bring back industrial jobs, and rebuild the real economy, will save America's cities and towns.

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