

A Grid Of Incompetence

The following is a grid of the response of elected and non-elected government officials and their staffs, financiers, and industrial leaders in the U.S. and Western Europe, to IPS and U.S. Labor Party questions concerning their policy towards Italy and the economic crisis. In each case, it was demanded that these individuals take responsibility for stopping the Wall Street ordered rape of Italy and to solve the economic crisis. It should be noted that a significant number of those contacted simply hung up the phone or otherwise avoided expression of their incompetence on these issues. Those responses are not reported here.

U.S. Senators

Frank Church (D-Idaho) — presidential candidate: "If they (the Italians) don't get their debts paid, they'll go bankrupt. . . and if they don't pay their debts, they get no more credit."

Office of John Pastore (D-RI) — aide: "So what if it's Mussolini's program. The Italians are constitutionally incapable of governing themselves. I know because I'm Italian."

Office of Hubert Humphrey (D-Minn) — aide-Joint Economic Ctte.: "You sneaky devils. . ."

Henry "Scoop" Jackson (D-Wash) — presidential candidate: "I'll let the Labor Party take care of Italy."

Birch Bayh (D-Ind) — presidential candidate: "I don't care what your candidate is doing in Italy. I'm here (Buffalo) to open my campaign office. . . I don't seem to know what I feel about this situation."

Office of Harrison Williams (D-NJ) — aide: "Yes, we know the New York banks caused the Italian crisis. But Senator Williams is in the district and I can't do anything about it."

Office of the Senate Foreign Relations Ctte. - Don Henderson — staff: "You claim the choice is between fascism and a debt moratorium. No one here sees those choices, there are other alternatives. . . I can't name any right now. . ."

Representatives

Office of Donald Riegle (D-Mich) — aide: "Yes, we know the New York banks caused the Italian crisis. . . No, we won't tell you what we're going to do — if anything."

Office of Lucien Nedzi (D-Mich) — aide: "Why should we talk to the Labor Party. We're Democrats."

Office of Robert Duncan (D-Ore) — aide: "I can't see how this concerns Oregon."

Office of Shirley Chisholm (D-NY) — aide: "So you're telling me there are rats in Niger — we've got rats here."

Mario Biaggi (D-NY): "(Slave labor?) Well, some kinds of jobs are necessary."

Office of Chris Dodd (D-Conn) — aide: "That's somebody else's problem."

Don Rostenkowski (D-Ill): "I'm in favor of a debt moratorium for Italy, but talk to Representative Anunzio, he can do something. . . I'm in favor of Humphrey-Hawkins (\$50 per week jobs legislation), too."

John Siberling (D-Ohio): "Not only do I support the Humphrey-Hawkins legislation, but I'm a co-sponsor. . . We have to get these public works programs through. . . programs for youth coming out of school. . . When I was a kid the President had guts. . . Look you guys, I'm for capitalism and we want to put welfare people to work. . . Debt moratorium would destroy the banks, peoples' savings, and the world economy. . . (Throw out the welfare bums?) That's what we're trying to do. . . The economy is getting better. I'll never let this country go communist."

Office of Donald Bonker (D-Wash) — aide-Int'l. Relations Ctte.: "You said there would be nuclear war Jan. 31, and it didn't happen."

Non-Elected U.S. Government Officials

Seymour Miller, Director of Int'l. Monetary Affairs, U.S. Commerce Dept.: "All very interesting, but I've got to get back to work."

Office of the Ass't Secretary for Economic Affairs, U.S. Commerce Dept., Mr. Kromiez, Staff Economist: "I wouldn't be interested in more material. My field is domestic economy. . ."

Government-Related Think-Tanks

Institute for International Policy — Foreign Policy Specialist: "How do you come up with a policy when the IMF can't function anymore and the whole system has broken down? The Third World is waking up to their freedom just like the blacks in the South did. This is revolutionary. . . Policy? That's the question of the year. Congress has no idea of the magnitude of the debt problem. The IMF? The whole thing is breaking down. . . ha ha ha ha ha. . ."

Newspaper Editors

Office of James Reston, Editor-Columnist, New York Times — Ass't David Dunlap (Ghost-writer): "Debtors cannot declare a debt moratorium. Debtors can only declare a default. Only creditors can declare a moratorium. And

creditors can use force! . . . Anyway, you said there was going to be a nuclear war, and now it's mid-Feb. . . I think nuclear war is inevitable."

The Wall Street Journal — Lead Editorial, Feb. 10: "We don't need any new banking laws and regulations. . . With or without further 'reform' the banks will be as sound as a dollar. . ."

Finance and Industry — U.S.

Chase Manhattan Bank (New York) - Executive: "We will do everything possible to survive. What you propose (a debt moratorium and the IDB) is rational, but if we go with it, it will mean an end to our power. . . You don't expect us to give up our guns. Even if it means nuclear war, we prefer to go down with our sinking ship. You might say we're a corpse that refuses to be buried."

Lehman Brothers (New York) — Executive: "The consequences of doing what you propose are so horrible to us that we will go on doing what we are doing, despite all the dangers."

Continental Illinois National Bank (Chicago) — Executive: "I know about Italy. . . but I'm very busy."

Continental Illinois National Bank(Chicago) — Executive: "We can live with an Italian debt moratorium."

Continental Illinois National Bank (Chicago) — Foreign Exchange Dept.: "This is fundamentally not a dollar problem. It is a problem of the EEC currencies, of distortions within the float. We are looking for a revaluation of the Deutschmark and a devaluation of the French franc and the Belgian franc. . . They'll just have to. . ."

First National Bank (Chicago) — Foreign Exchange Dept.: "We don't know what the hell is going on. If we did, we would be out there making money instead of talking on the phone to you."

Professor Robert Triffin (Yale University) — Advisor to leading banks: "The situation is totally out of control. . . The IMF has collapsed. . . We must move to the SDR as reserve currency."

Finance and Industry — Europe

Commerzbank (West Germany) — Executive: "No Comment."

Gute Hoffnungschütte (West Germany's largest machine tool company) — official: "No one here can speak about this today."

AEG Telefunken (West Germany) — Executive: "Because we don't see any possibility of a Deutschmark revaluation, we don't see any need to comment."

Warburg-Brinkman, Wirtz and Co. (West Germany) — Herr Brinkman: "The U.S. stock markets are buoyant. . . It's terribly dangerous and highly unadvisable to talk about a crisis. . . It's nothing new. . . we've grown accustomed to dollar crises. . . There are all sorts of things happening in the U.S., things dug out of the dark; it's human nature. . . Your duty is to do everything you can to calm the markets. . ."

Dresdner Bank (West Germany) — Executive Kurt Richebächer: "Okay I agree Italy is the key case. . . We'll have other moratoria. . . Now what's the next step after moratoria? . . . You're always so black and white. . ."

Herr Lausen, State Finance Minister, Schleswig-Holstein (W. Germany): "Debt moratorium in Italy? I'd like to do that too. But what can I do?"

Swiss Banking Corporation — Executive Tulio Pelli: "This debt moratorium is absolutely new for me, even as a rumor it's very bad, I don't expect anything like that. . . Now I am on the board of Montedison International and I know Cefis (Italian pro-debt moratorium head of Montedison). . . There's nothing like what you say. . ."