

Interview

Traditional Democrats challenge Volcker, Socialist International



Warren J. Hamerman, the chairman of the National Democratic Policy Committee (NDPC), was interviewed by EIR on July 30. The NDPC is a multi-candidate political action committee, independent of the Democratic National Committee. Its advisory committee is chaired by Lyndon H. LaRouche, Jr., the founder of EIR.

EIR: What do you think is the most fundamental policy question facing the Democratic Party today?

Hamerman: The most crucial policy issue challenging the entire American nation at this time is the question of instantly ending the high interest-rate policy of Paul A. Volcker at the Federal Reserve before our economy is choked into a full-scale depression greater than that in the 1930s. On July 28 the United States Senate unanimously passed a resolution by a vote of 100-0 introduced by Senator Chiles [D-Fla.] which demands that the President and the Federal Reserve act to ensure the availability of low-interest credit to small businesses and productive enterprises. The bill was entitled: "Resolution Regarding the Protection of Small Business, Financial Institutions, Farms and the Housing Industry." The bill clearly identifies high interest rates as a direct threat to America's commitment to economic growth. Further, it spells out the clear and present danger to the very survival of thrift institutions, farms, and small businesses when credit is diverted from productive investment into corporate takeovers. The unanimous passage of the Chiles resolution followed by one day attempts by Senators Exon [D-Neb.] and Bradley [D-N.J.] to pass an amendment to the Reagan tax package, making the third year of the tax cut contingent on the lowering of interest rates to 10.5 percent. Senator Melcher [D-Mont.], who has been holding hearings on the economic impact of high interest rates, is planning to introduce a joint resolution into the House and Senate demanding that interest rates be brought down. Senators Boren [D-Okla.], Chiles, Exon, Nunn [D-Ga.] and Bennett Johnson [D-La.] have sent a letter to President Reagan urging him to take immediate action against high interest rates. Furthermore, on the same day that the Chiles resolution passed the Senate by a vote of 100-0, on July 28, the House of Representatives overwhelmingly passed by a vote of 403-

17 House Concurrent Resolution No. 160 which begins: "It is the sense of Congress that current interest rates are needlessly and destructively high." The House resolution was cosponsored by Reps. Henry Reuss and St. Germain.

EIR: Where did all this motion come from?

Hamerman: Beginning in October 1979, Lyndon LaRouche, our advisory committee chairman, first began discussing the necessity to change the Volcker high interest-rate policy. In fact, during the 1980 presidential campaign, LaRouche ran in 16 state Democratic primaries, and gave several nationwide television addresses which directly focused attention on this issue. In time, even Ronald Reagan was stirred up to make several campaign assertions opposing high interest rates. However, just before he took office Reagan capitulated to the Volcker crowd. Reagan, under pressure and threats, made a deal that he would "go along" with Volcker's high interest rates in return for the Volcker crowd's applying its muscle to pass the Reagan budget and tax programs. Now the President has a near-depression collapse on his hands. He is repeating every mistake made by Herbert Hoover and his Treasury Secretary Andrew Mellon in the spring and summer of 1929.

Since Reagan's capitulation to Trilateral Commission member Volcker in December 1980, Lyndon LaRouche and the National Democratic Policy Committee, have been on a nationwide mobilization to focus and channel opposition to the Volcker policy from 50 states directly into the U.S. Senate and Congress, forcing the issue through constituency pressure. We organized several special lobbying events where scores of leaders from labor, agriculture, banking, and business visited their congressmen and senators in teams of 10 to 25 to demand action on this question. In fact, in the six weeks before the Senate and House resolutions passed, we in the NDPC distributed over 4 million leaflets nationwide to break the pressure-hold on the President.

There is also an international dimension to this issue. As a result of Volcker's policies, our neighbor Mexico is suffering under interest rates of between 30 and 40 percent, while in continental Europe, France, West Germany, and Italy are suffering from economic and social

chaos caused by the effects of America's high interest rates. West German Chancellor Helmut Schmidt has been attacking the U.S. high interest rates for months and made a fight on this issue at the recent Ottawa heads of state summit. The Socialist International in Europe headed by West German provocateur Willy Brandt, French President Mitterrand, Italy's would-be "Il Duce" Bettino Craxi, and Sweden's Olof Palme, is only making political gains in Western Europe because of the economic convulsions caused by America's high interest rates. Paul A. Volcker, a member of the notorious Trilateral Commission, is wrecking the Western alliance.

EIR: Does the Socialist International have a foothold in the United States?

Hamerman: The Socialist International of Willy Brandt has a full-scale offensive on to take over the Democratic Party and transform it into a European-style social democracy. This is being organized top-down by the British Labourite Harriman wing of the Democratic Party. Last Dec. 5-7, in Washington, D.C., the Socialist International held a conference entitled "Eurosocialism and America." Brandt, Mitterrand, Palme, Wedgwood Benn of Britain, and a host of Eurosocialists were there along with their American colleagues in the Democratic Party. The Americans included William Winpisinger [president of International Association of Machinists]; Rep. Ron Dellums [D-Calif.]; feminist Gloria Steinem; Jeremy Rifkin and Gar Alperovitz of the Institute for Policy Studies, [IPS]; Michael Harrington, the head of the Democratic Socialist Organizing Committee [DSOC]; and hundreds of others. Then on Memorial Day weekend in Philadelphia, the official wing of the Socialist International in America, the Democratic Socialist Organizing Committee, held an implementation conference. Over 40 elected officials in the United States are official members of DSOC. These include Congressman Dellums, Minneapolis Mayor Don Fraser, Ed Wallace and Ruth Messinger of Ed Koch's New York City Council, and Detroit City Councilman Mary Ann Mahafferty. Already three DSOC members sit officially on the Democratic National Committee: William Winpisinger, president of the International Association of Machinists, Jerry Wurf, president of AFSCME, and Jolene Unsoeld from Washington State. In the state of Washington, DSOC has formally backed Karen Marchioro in the election for state Democratic Party chairman. Even in Kansas, four members of DSOC officially sit on the Kansas State Democratic Committee; these four are now redrafting the Kansas State Democratic Platform. Can you imagine a Socialist International platform for the Democratic Party of Kansas?

EIR: How is this process occurring?

Hamerman: The Harriman wing of the Democratic Party is consciously controlling this process. Old Averell's

new wife Pamela C. Harriman is a British-born socialite and the mother of Winston Churchill III by a previous marriage. She has formed a new political action committee called **Democrats for the Eighties** whose members include Averell Harriman, Robert Strauss, Edmund Muskie, Stuart Eizenstat, Topsy O'Neill, Robert C. Byrd, Bill Clinton and Henry McPherson, formerly of the New York Council on Foreign Relations. Pamela C. Harriman has been holding sessions in her house—one for labor, one for foreign policy, and so forth—and the entrance fee is \$5,000 to her PAC.

In addition, there is a very insidious organization called the **Committee on Party Renewal** which is explicitly dedicated to transforming both parties—but especially the Democratic Party—into a European-style social democracy. Many in this committee want to totally overthrow the American Constitution and force America to adopt a British parliamentary system. A number of state Democratic chairmen, DNC members, and executive directors are actually on the Committee for Party Renewal and they even carried through a series of reforms at the August 1980 Democratic Convention.

Carol Casey, the director of the Committee for Party Renewal, and also the chairwoman of the Vermont Democratic Party, once remarked: "If I had my way every one of the Boll Weevils [the 40 or so Southern conservative Democrats—ed.] would have a Democratic Party opponent in the next primary. I would purge them. I would put up candidates against them and make sure that funds were cut off. I think the Democratic Party could be transformed into a British Labour Party. My personal feeling is that there should be some way for the national Democratic Party to say, 'No, George Wallace, you cannot run as a Democrat' or 'No, Lyndon LaRouche, you are not a Democrat,' and you can't compete in our primary."

Pamela C. Harriman and others from the Democrats for the Eighties have gone out to the media calling for a purge of conservative and traditional Democrats.

There is another organization in this same orbit. It is called the **Democratic Conference** and it is headed by Minneapolis Mayor Don Fraser who has had personal meetings with Willy Brandt to plot the best way to transform the United States Democratic Party into a Socialist International asset. This group is especially interesting because current Democratic Party Chairman Charles T. Manatt was a member of this committee and worked closely with Fraser.

EIR: How do these committees operate on the state level?

Hamerman: The Committee for Party Renewal has two state organizing pilot projects going on right now—one in Connecticut where after the death of traditionalist Gov. Ella Grasso there has been a complete restructuring of Democratic institutions under way.

The second target state is California, where Party Chairwoman Nancy Pelosi actually is a full-scale member of the Committee for Party Renewal's California organizing project. In California, the fruity Gov. Jerry Brown, and the Jacobin radical Tom Hayden have wrecked the Democratic Party.

Tom Hayden has infiltrated the Democratic Party with an organization he calls the **Campaign for Economic Democracy** [CED]. At the last California State Democratic Convention, Hayden directly controlled 419 delegates. Hayden's CED has taken over the majorities in two city council governments—Santa Monica and Chico. Hayden's slate also took over the leadership positions in the Orange County Democratic Party. Hayden is well financed. He gets official California state funds, arranged by Jerry Brown, through several front groups for solar power which Hayden directs. Actually, Hayden also gets funds from the Department of Energy in Washington which were arranged when James Schlesinger headed the department. Hayden also gets grants from the U.S. Department of Commerce set up during the Carter administration. On top of that he married into actress Jane Fonda's money.

A few days ago a big scandal hit the front page of the *Los Angeles Times* exposing that one of the biggest Democratic Party fundraisers in Los Angeles was laundering illegal drug money through his bank and then conduiting the funds into political campaigns. The Democratic Party fundraiser, John Gabriel, heads Garfield Bank. He took in huge amounts of "hot" drug money and wire-transferred them to Bermuda, Liberia, and Panama. Then the "laundered" money was transferred back to the bank and was given as political contributions to none other than Gov. Jerry Brown and the very important Congressman Dymally [D-Calif.]. Dymally is on the board of Tom Hayden's Campaign for Economic Democracy and he, himself, is implicated in the Jim Jones massacre, as is the promarijuana Jamaican Prime Minister Edward Seaga. This is all very interesting, because the current chairman of the Democratic Party was also a banker from Los Angeles.

EIR: What has been the attitude of Democratic Party Chairman Manatt to the Socialist offensive?

Hamerman: In virtually every state in the country Democrats cannot understand why Chairman Manatt is trying to further dissolve the party. There is a strange pattern on several key questions. Right now the Democratic Party treasury is nearly bankrupt, while independent political action committees are flourishing. There are over a dozen PACs. Pamela C. Harriman has the Democrats for the Eighties; television producer Norman Lear heads a PAC called **We the People**, which is actually run by Tony Pedeste, William Winpisinger's personal man for years; Warren Beatty, the brother of Shirley

MacLaine, is the front man for a PAC being cooked up by Miles Rubin, the owner of Calvin Klein jeans; the Kamber group has the **Progressive Political Action Committee**; Moe Udall has a PAC called **Independent Action**; Walt Mondale has the **Committee for the Future of America, Inc.**; Ted Kennedy has his **Fund for a Democratic Majority**; Henry Steele Commager and Hans Morgenthau head the **National Committee for an Effective Congress**; and, of course, on the traditionalist side, Lyndon LaRouche heads the advisory committee of the **National Democratic Policy Committee**. By the way, there are scores of additional PACs for trade unions, businesses and for various issues.

But let's return to the strange pattern of Chairman Manatt's behavior. Manatt has more than ignored Lyndon LaRouche's proposal in the interest of party unity to coopt all the PACs onto the DNC. Instead Manatt was involved in excluding the PACs and their ideas. He helped to engineer a resolution at a recent Democratic executive committee meeting in California to attempt to overthrow the open-door tradition of the Democratic Party by passing a resolution attempting to exclude LaRouche's NDPC. But Manatt is going even further. He is allowing the dissolution of the power of the party's county chairmen. It was at the same meeting in California, where Manatt was personally present, that the resolution against the PACs was passed. They also passed a resolution to take power away from the county chairmen. Many questions are now being asked about Manatt around the country.

After the debacle of Carter, did the Democratic Party make a mistake in selecting banker Manatt as its chairman? As leader of the Democratic Party, why has banker Manatt not spoken out against the Volcker high interest rates? Is Manatt serving the American Bankers Association or the Democratic Party? Why is he looking the other way as the Socialist International and Harriman crowd advances in its design to drive the traditional Democrats out of the Party? Why did the DNC at its recent Denver meeting, with Manatt present, block the NDPC's resolution condemning Paul Volcker's high interest rates?

EIR: What is the objective of the Socialist International?

Hamerman: They want to overthrow the American Constitution and transform the United States into a British parliamentary system. This is treason. They themselves are quite open about this. Professor James MacGregor Burns is a former cochairman of Carol Casey's Committee on Party Renewal; he is also founder of Don Fraser's Democratic Conference and a leader of the **Project '87** constitutional "sprucing up" group which Ted Kennedy, Henry Reuss, and Lloyd Cutler are mixed up in. James MacGregor Burns has actually said we are in a crisis of governance, and expects "there may well be a dramatic

crisis in America that rivals the crises of Vietnam and Watergate. It could be an economic crisis that the country simply could not cope with. It might be an international economic

the past few years. It could be the kind of crisis facing Britain now. Putting aside whether you like what the [British] Parliament does about these riots, there's no question about the Parliament's ability to act. Parliament can act. The people won't sit by and debate, if they have the power to act, like they would here. We are looking at the problem of a deadlock in democracy. We are looking at making a horse-and-buggy constitutional system work in the 20th century."

Henry Reuss has introduced five amendments authorizing the Congress to transform various aspects of the U.S. Constitution. Lloyd Cutler, the former White House counsel authored a widely circulated article for the Council on Foreign Relations calling for a strong parliamentary system in America. Old Averell Harriman, even if he can no longer hear so well, has been associated with such projects for decades.

EIR: Is there any resistance to the Socialist International?

Hamerman: Absolutely. The underlying political reality of the traditionalist-oriented rank and file of the Democratic Party is asserting itself. One good example is that the NDPC, the traditionalist wing of the Democratic Party around LaRouche, is growing very rapidly. In the past six weeks we have increased the circulation of our *NDPC Newsletter* from 5,000 to 20,000 and have more than doubled our membership. The exemplary case of reality asserting itself can be seen in the recent Philadelphia special election for the seat of Abscam victim Raymond Lederer.

In the election, ultraliberal David Glancey, the head of the Democratic Party in Philadelphia, had the full backing of liberal Mayor Bill Green and the entire official Democratic Party machine of Philadelphia. Even Ted Kennedy and Walter Mondale both personally traveled to Philadelphia in the days before the election to campaign for Glancey. With this support Glancey raised over \$200,000 for his campaign and spent close to half of it on television and radio. Glancey's opponent, Democratic State Senator Joe Smith, forced to run on both the independent and Republican lines, with one-third the funds, ran an "old-style" precinct-by-precinct, door-to-door campaign with the backing of labor. Smith smashed Glancey by over 7,000 votes! On election night Congressman-elect Smith said, "The politics that I've learned is the politics of the neighborhood. This was a victory that was put together by the labor movement, and they better take a big bow." Smith also had the backing of all the traditionalist Democrats who had been framed in Abscam convictions over the past years. This process is beginning to shape up throughout the country.

EIR: Where else are traditional Democrats fighting?

Hamerman: In the state of California, we in the NDPC have catalyzed a head-to-head direct confrontation with the Hayden-Brown forces by distributing over 1 million leaflets. A bipartisan Ad Hoc Committee Against Tom Hayden has been formed. The County Board of Supervisors of Tehama County, north of Sacramento, has passed a resolution calling for Jerry Brown to resign as governor over his mishandling of the fruit fly affair. There is a major battle going on there among traditional Democrats to prevent Hayden and the Cesar Chavez gang from gerrymandering the election districts.

Also, on the West Coast, in the state of Washington, we are in the middle of a major war to prevent the Democratic Party from being destroyed by the King County ultraliberal crowd around Seattle. The election for party chairman is about to occur. Karen Marchiaro is backed by the Democratic Socialist Organizing Committee. Over the past year this crew has decimated the traditional Democrats. Gov. Dixy Lee Ray and Rep. Mike McCormack, both national leaders in the fight for fusion energy and advanced technology, were defeated. Two of Washington's most prominent moderate Democrats—State Senate Majority Leader Gordon Walgren and State Speaker of the House John Bagnariol—were convicted of trumped-up racketeering charges. Democratic Party representation in the congressional delegation has been decimated. The Democratic Party no longer controls the state legislature.

We in the NDPC put out a full dossier exposing the frameup of Walgren and Bagnariol as part of the national drive of the Socialist International and Trilateral Commission against traditional Democrats. The release of the NDPC dossier has stimulated a firestorm of television, radio, and newspaper coverage throughout the state on the eve of the election.

Down in Texas certain Democratic Party fundraisers are refusing to send funds to the national party until the DNC takes concrete action against the Socialist International crowd. In Michigan, traditional Democrats are fed up with the way Morley Winograd, Ken Cockrell, and Leonard Woodcock wrecked the party and the city of Detroit. The Democratic Party in Michigan has been destroyed. Recently they opened new party headquarters in downtown Detroit and only 30 people showed up for the opening. In Cleveland, the Democratic Party is split.

Finally, on July 12 in Princeton, Wisconsin, on a sweltering day of 100 degree temperature, Lyndon LaRouche drew an audience of 600 citizens to hear his announcement of his availability as a candidate for the 1984 Democratic presidential nomination. This event was held in a Republican stronghold and drew an audience larger than the number of registered voters in the town! There is no doubt that we can restore the pre-1968 Democratic Party.