

LaRouche blasts U.S. Congress for treason

by Susan Welsh

The current U.S. Congress, which voted up the Gramm-Rudman bill to destroy what is left of the U.S. economy, is "the worst Congress in at least 100 years," charged Lyndon H. LaRouche, Jr. in his State of the Union speech on Jan. 29. "Any citizen who doesn't do something about the Congress this year, has no one to blame but himself or herself. This Congress has to be roasted! If there's anything in the Congress, humanly, which is salvageable, it is half-baked and needs to be thoroughly cooked!"

LaRouche, the only announced candidate for the 1988 Democratic presidential nomination, threw out this challenge to an audience of 150 congressional candidates, diplomats, government officials, and press, gathered in Arlington, Virginia. The meeting was sponsored by the National Democratic Policy Committee, a political action committee which is currently backing 123 candidates for the House of Representatives and 14 for the Senate.

LaRouche had originally intended his speech to be a reply to President Reagan's State of the Union message, which was scheduled to be delivered the evening before. But since the President postponed his speech for a week because of the tragic explosion of the space shuttle Challenger, LaRouche commented, "Now, we're going to switch it around and let the President reply to my State of the Union address. It's probably better." LaRouche declared his full support for the President in his response to the Challenger disaster, and said he would await the results of a commission of inquiry before commenting further.

The Gramm-Rudman disaster

LaRouche reported that Soviet General Secretary Mikhail Gorbachov must be very happy today, surveying the wreckage of the U.S. economy. Unless the Gramm-Rudman bill is promptly repealed, along with the terrible, but less-noticed Rostenkowski tax-reform bill, the U.S. economy will blow

out during 1986. "President Reagan, under such conditions, would be very lucky to compare himself with Herbert Hoover. This means that at present, in terms of our defense, the gut of the logistical capability of the U.S. defense forces is being destroyed right now, as a result of the first round of Gramm-Rudman."

Compare this sober evaluation to the cheerful endorsement of Gramm-Rudman which President Reagan was preparing to give in his address. He told a meeting of lobby groups in Washington on Jan. 28, "There's no question that Gramm-Rudman-Hollings is going to demand some hard choices. But I am confident that our budget makes the right choices, and that it deserves your support. . . . Thomas Jefferson said that the Constitution has one glaring omission: It has no proviso prohibiting the federal government from borrowing money. It's about time we caught up with Thomas Jefferson, and made that a fact of life."

As the day of the President's State of the Union address neared, a not-so-behind-the-scenes battle was raging in the administration over which speechwriters would finalize the President's message. What the President's own views might have been, was scarcely even mentioned in the extensive press treatment of the factional brouhaha. Donald Regan, the White House chief of staff and principal representative of the Eastern banking Establishment, who runs the "palace guard" around the President, announced in a television interview on Jan. 26 that Reagan's theme would be, "America is not only back, it is going forward." Asked about reports that President Reagan would seek to exempt defense from budget cuts, Regan replied, "Let's put defense in perspective. Gorbachov is coming here later this year." There would be no need for special treatment for defense, he indicated, if "the state of the world" improves.

Following this interview, Regan assigned his aide Al Kingston, to tone down a draft speech prepared by presidential

speechwriter Bently Elliot. Kingon excised certain "hard-line" phrases, including a reference to Soviet arms-control violations, from the original draft, prompting protest from Press Secretary Pat Buchanan.

This is the "palace guard" that is responsible for shaping the President's economic policies, and has been since the first days of his administration. LaRouche commented in his speech that President Reagan cannot strictly be blamed for the disastrous economic policy which is now being enacted in his name. "President Reagan has not caused the disaster," he said; "as a matter of fact, in economic policy, despite all the talk, President Reagan has done absolutely nothing. Reaganomics does not exist! It is merely rhetoric. The policies of the Reagan administration are nothing but a continuation—in economics—of the policies of the Carter administration. . . . This policy was written down for Carter, under the direction of Cyrus Vance, Zbigniew Brzezinski, and similar fellows, back during 1975 and 1976, in a series of studies called *Project 1980s*. . . . So the President is no more to be blamed for the depression which his policies are threatening to bring about now, than Herbert Hoover was to be blamed for the policies of Calvin Coolidge; he had merely continued them."

The defense budget

Where does the defense budget really stand under the Gramm-Rudman regime? President Reagan assured the Washington lobby groups that his proposed 1987 budget, which will be submitted by the administration shortly, "will go forward with the bare minimum that we need in defense spending growth, and without increasing taxes."

Wrong! said LaRouche. If you look at the actual rate of inflation, and deflate the defense budget by that amount, you find that "the big defense build-up under Reagan" never occurred, and in fact, "since 1982, the Reagan administration has been *cutting* the defense budget! There has been no growth in defense, over this period.

"Remember that the Soviet Union is spending, on direct military war preparations, \$25 billion a month. Not for defense, for *war*! The United States is about to cut out petroleum, bullets, shells, and similar items, from U.S. procurement. . . . That's what the initial round of Gramm-Rudman means: They're cutting below the bone! On the next round, in October, unless this thing is repealed, they'll take out \$50 to \$80 billion. And that means units, that means the U.S. position in Europe, it means the U.S. position in the Pacific; it means that the military is a hollow shell, what's left of it. And we're headed for a confrontation with the Soviets in the next couple of years. Under these conditions, what's the future of the human race? Under these conditions, we're gone!"

Even President Reagan himself had admitted to the lobby groups that "while doing our best to improve the nation's defenses, we've compromised with the Congress and given in on every defense budget since September 1982." The

President warned that to cut the defense budget now "would put at risk the developing nations of the Third World, including growing democracies like El Salvador and Ecuador, and would endanger the defense of Western Europe. It would cripple our hopes of successful arms talks with the Soviets, and we can't permit this."

Defense Secretary Caspar Weinberger put the question in much starker terms, warning on Jan. 30 that Gramm-Rudman would have a disastrous effect on defense. In a speech to the Economic Club of Detroit, he declared, "We are entering a period in which national strategy may be held hostage to the accountant's pencil, in which the desire for reduced deficits and domestic comfort overwhelms our common sense . . . and compels us to shrink from our obligation to resist the most tyrannical forces in the world. . . . Concern with the deficit has caused a wavering of Congressional commitment to national security. . . . Concern over the deficit without an appreciation for the [Soviet] threat endangers our ability to maintain the [strategic] modernization program. This is myopia, pure and simple, and, frankly, it is a poor excuse for serious strategic thought."

Yet Weinberger emphasized that he agreed with the aims of the sponsors of Gramm-Rudman; his complaint was that the budget-cutters' axe was hitting defense and social programs equally. He said he was "deeply concerned by the failure to discriminate between defense, which exists to ensure our freedom, and domestic programs, which exist because of our freedom. They are simply not equals and should not be treated as if they were."

What Weinberger ignored

LaRouche's presentation shows why Weinberger's own approach is myopic, in its failure to recognize the causes of the economic crisis, and the actual solution. There cannot be a question of choosing between cuts in defense and cuts in health care, education, and infrastructure development. Instead, LaRouche called for an in-depth industrial mobilization like that carried out by Franklin D. Roosevelt from 1939 to 1943.

"We cannot solve our problems, unless we increase our tax revenue base," he stressed. "We cannot increase our tax revenue base without having a genuine recovery. Not the phony recovery that didn't happen, that they keep talking about in recent years. That means employing more people. It does not mean fast-food stands; it does not mean messenger boys; it does not mean people passing out flyers for massage parlors. It means, people employed in producing useful goods and services: genuine wealth. And when people produce genuine wealth, and per-capita income increases, the tax revenue increases, without having to raise taxes—or tax rates. Then, you can pay for government; the private sector can begin to pay for its own requirements; and we can get out of this mess. We will not do it, however, without government credit, or government-steered and government-created credit, to get the private sector, and government, moving again."