

## LaRouche program poses dilemma to Washington

by Nicholas F. Benton

Lyndon H. LaRouche, Jr., the controversial anti-Establishment presidential candidate, has placed crisis-ridden official Washington in an inescapable dilemma. In a series of press conferences in the Midwest, Mr. LaRouche outlined specific economic reforms and called for a bipartisan coalition, regardless of who supports whom for President, to rally support for these reforms, to enable President Reagan to exercise his constitutional authority and declare a national economic emergency.

The LaRouche measures have been placed on the table as the only set of economic policy proposals so far which could break the budgetary and economic constraints under which the Executive and Legislative branches find themselves laboring, to no tangible result.

"We need federal government action now," LaRouche has stated. "The President must declare a national economic emergency, and use his stand-by authority now, using his regulatory powers to stop the chaos in the financial markets. Then, he and the Congress must act quickly, to launch a real economic recovery. I have just issued two important open letters to members of both major parties and to trade-unionists, stating what must be done to start a real economic recovery"—"federalization" of the Federal Reserve, issuance of hundreds of billions of dollars in Treasury notes through the private banking system, as credit to keep farms, factories, and associated banking institutions in operation.

An aide to one senior House Democratic leader conceded to a LaRouche campaign representative in mid-November that "a man running on a program like that would get elected President." Another remarked, "If only LaRouche were not under indictment, he would be a very credible contender for

the White House with a program like this." The LaRouche representative replied, "Now perhaps you understand why he has been unjustly indicted."

### A crumbling administration

LaRouche's authoritative pronouncements from Iowa Nov. 12 contrasted sharply with Washington's sense of being overwhelmed by events. The Reagan administration's ability to respond to the crisis is crumbling under the pressure of Wall Street demands and self-imposed ideological constraints. The administration has shown a willingness to sell out on almost every dearly held issue in a meaningless effort to reduce the federal deficit, avert economic collapse before the next election, and restore some "public confidence." But concrete measures, there are none.

President Reagan and his new defense secretary-designate, Frank Carlucci, have expressed their willingness to undo the seven years of hard-fought defense preparedness achieved under outgoing Secretary Caspar Weinberger, all in the name of reducing the deficit.

The President is desperate to sign a deadly, Intermediate Nuclear Force (INF) treaty with the Soviets during the scheduled Dec. 7-10 summit with Soviet General Secretary Gorbachov in Washington, even at the expense of putting off deployment of the Strategic Defense Initiative (SDI), to beyond the point at which it could deter the Soviet drive for world domination.

Right now, the Reagan political agenda, as well as the nation's vital security interests, are being decimated. Either past prejudices are put aside, and LaRouche's program is looked at objectively on its merits, or Reagan will not survive

into the spring without altogether surrendering his powers to govern, or unleashing a full-blown depression, or both.

### The cave-in

The collapse of President Reagan on the defense budget has amazed even his most severe critics. It began the day after the "Black Monday" Oct. 19 stock market crash, when he announced a call for a bipartisan, bicameral "budget summit" to cut deeply into the federal deficit, since this is what Wall Street demands—even if it will do nothing to prevent the oncoming "big one" LaRouche has now forecast.

"Everything is on the table except Social Security," Reagan said categorically, gripping Weinberger's resignation note in his pocket.

When the talks began to stalemate after two weeks, White House spokesman Marlin Fitzwater groveled before the press corps in an attempt to demonstrate that the President was willing to do "almost anything" to reach a compromise with the Democrat-controlled Congress on budget cuts.

On Nov. 13, Fitzwater bleated that the administration's "flexibility" knew no bounds. There was then only one week to go before the Nov. 20 deadline for the Gramm-Rudman deficit reduction law's "automatic sequester" to kick in, ending all negotiations with an across-the-board \$23 billion cut,

"I emphasize again that it was President Reagan who initiated these [budget summit] talks; it was President Reagan that moved from saying 'over my dead body' to a flexibility on tax increases; it was President Reagan who moved from a \$312 billion defense figure to something in the \$290s," Fitzwater said.

Fitzwater's depiction of the President's willingness to slash the defense budget echoed the remarks of Carlucci before the Senate Armed Services Committee a day earlier. Very unlike Caspar Weinberger, Carlucci stated that he "understood" the budget constraints that Congress and the President were working under, and as defense secretary could be counted on to be cooperative and not to ask "too much" for defense.

This "bureaucratic outlook" was anathema to Weinberger, whose eyes would shoot fire at anyone who suggested he be "more reasonable" in his defense requests or more conciliatory toward the needs of Congress to compromise in working out its budget. "My job," Weinberger always said, "is not to come up here with a figure that I think you will accept. My job is to tell you what we need, based on what the enemy is arraying against us. If I tell you anything less than what we actually need, no matter how unpopular that may be, then I am abrogating my duties as your defense secretary."

So, in his first day of confirmation hearings before the Senate, Carlucci's conciliatory attitude in the face of sharp questioning from the committee chairman, SDI foe Sam Nunn (D-Ga.), showed why Weinberger wanted the Pentagon's number-two man, William Taft IV, to get his job instead of

Carlucci. Carlucci lived up to his billing as the kind of man that Secretary of State George Shultz prefers running the Pentagon. Needless to say, after only one day of questioning, Carlucci was confirmed by a unanimous vote of the Armed Services Committee, and was expected to get a similar unanimous vote within a week by the full Senate, eager to get Weinberger out of his job before Thanksgiving.

On the INF treaty front, Fitzwater again exposed the lengths to which the White House is willing to go to reach a swift accord with the Soviets. At his Nov. 13 briefing, Fitzwater joked about the inability of the administration to produce its annual report on Soviet treaty concompliance on time. The report is mandated by Congress to be ready by Dec. 7, the same day that Gorbachov is scheduled to arrive in Washington for the summit.

According to a leak in the *Washington Times*, there are plans in the White House to delay the release of the report in an effort to "avoid embarrassing Gorbachov" prior to the summit.

When asked by *EIR* if this report were true, Fitzwater's assistant, Dan Howard, said, "Every year we've done this report, we've never met the deadline." Fitzwater then interjected, in a jocular tone, "We never met it before, and by God, we're not going to meet it now."

*EIR* asked, "Is there a special effort being made to get it ready on time this year, because of the summit coming up?"

Fitzwater, still laughing, responded sarcastically, "Yes, special effort. Sure, Nick!"

Fitzwater recanted only after I interjected, "With all due respect, with the INF treaty signing coming up, isn't the whole question of the credibility of our verification effort called into question by the kind of lighthearted response to the issue of whether or not we're even capable of meeting a deadline on the report on Soviet treaty non-compliance, especially when it's the same people who will be responsible for reporting on the INF treaty verification?"

In addition to the lack of concern for the verification issue reflected in Fitzwater's remarks, both comments by Carlucci before the Senate committee and the joint statement issued by Reagan and Soviet Foreign Minister Eduard Shevardnadze at the conclusion of their meeting last month, make it clear that the administration is now willing to put off plans to test and deploy its SDI at the earliest possible time.

Carlucci told the committee he would not object to efforts by the Congress to slash \$1.4 billion or more off the original FY88 SDI budget request of \$5.4 billion. Reagan, for his part, has said that the timetable for deployment of the SDI, defined in terms of a new agreement prohibiting either the United States or Soviet Union from withdrawing from the Anti-Ballistic Missile (ABM) Treaty, is now "flexible" based upon negotiations with the Soviets.

This, despite massive documentation of Soviet violations of the treaty, ominous evidence of their preparations to deploy a nationwide ABM system soon.