

# LaRouche tour in Southwest, calls for building a federal-state partnership

by Mel Klenetsky

The wind chill hit 30° below as the campaign caravan of presidential candidate Lyndon H. LaRouche zipped past the working oil rigs outside the Oklahoma state legislature. Political temperatures would certainly start to rise as LaRouche began his multi-city tour of Oklahoma and Texas. Soon the Oklahoma City press corps would be abuzz with the fact that LaRouche was to address, separately, the Oklahoma State Senate and House.

With the New Hampshire primary just six days away, political pundits were hard put to explain LaRouche's appearances in Oklahoma and Texas from Thursday, Feb. 10 on through Sunday, Feb. 14. As the sequence of campaign forums, press conferences, and political appearances unfolded, the historic significance of LaRouche's campaign tour became manifest. Beside unloading one political bombshell after another, which began to shake even the most ossified of the Texas press corps, LaRouche began to define a campaign strategy leading up to the Super Tuesday (March 8) primaries and beyond, which held out the potential of bringing this nation back to the principles of a federated republic, as defined by the U. S. Constitution.

LaRouche's conception began to be enunciated with his separate 10-minute addresses to each house of Oklahoma's legislature, where he defined the financial and economic crises now facing the nation. Most striking was LaRouche's call for a new partnership between the Executive branch and the state legislatures. LaRouche indicated that we are facing a John Law-style financial bubble of trillions of dollars, which cannot be prevented from popping, even with full-scale government intervention.

LaRouche also explained how he, as President, would declare a national economic emergency, empowered to do so by the Constitution, which would allow him to protect the value of the U. S. dollar and U. S. bonds, while keeping the regional banks open, so that citizens involved in capital improvements and capital goods production, in the areas of the physical economy, would have the credit they need to keep the economy of the country from collapsing.

LaRouche asked the state senators and representatives to draw up a list of activities, within the categories of capital goods and capital-goods improvements in infrastructure, in-

dustry, agriculture, and exports, and to identify individuals and groups of entrepreneurial interests that would step forward to meet the challenges. He explained that he would issue \$2 trillion in credit, at 1-2% rates, in the form of U. S. Treasury notes, to be lent by the Federal Reserve to the regional banks, earmarked for these categories of the physical economy. Given the power to do so by Article I of the Constitution, and improving on the policy that FDR used to get us out of the Great Depression, when he issued War Production Credits for categories of physical production, LaRouche intrigued the legislators as he asked for their participation in drawing up the menu of projects their economy needed.

LaRouche's addresses were met by standing ovations, both before and after his presentations. In the House, a motion was quickly approved to have his remarks entered into the record. Gene Stipe, the dean of the Oklahoma Senate, introduced LaRouche and explained the policy of welcoming presidential aspirants who come to Oklahoma to speak before the Senate. On the House side, John Monks made the introductory remarks. Oklahoma educational television filmed the entirety of LaRouche's remarks and played them across the state.

That evening NBC television, proven antagonists of LaRouche's efforts, made a pathetic effort to undermine his impact, by showing a film clip of legislators walking through the doors of the legislative chambers, claiming they had staged a walkout. There was no walkout, everyone stayed, and the only sign of disagreement that might have occurred was that one or two legislators remained in their seats as LaRouche received standing ovations from both houses. Senators and legislators asked about NBC's portrayal of a walkout were flabbergasted.

## 'It's simple'

In campaign forums in Oklahoma City, Houston, and Dallas, and a speaking engagement at Rice University in Houston, before a cumulative total of 500 people, LaRouche delineated the importance of restoring this concept of federated power outlined by the U. S. Constitution. Some supporters traveled for more than two hours across the snowy,

bramble bushed terrain of western Oklahoma and the flat eastern plains, braving hazardous weather, to hear LaRouche in Oklahoma City elaborate on the economic importance of a federal-state partnership.

In his words: "It's simple. We can calculate at various levels, what the tax revenue base collapse in the state of Oklahoma might be, based on the loss of families and personal income, and can even calculate the impact of that on state and local revenue. Now, we need to turn around the other way and say, 'Well, how much lending power [do we need,], given that we have lending power at 1%, for medium-to long-term loans, and we have some tax and credit investment incentives. So we encourage people to invest in infrastructure projects, water projects, power projects, transportation projects, sanitation projects, educational, hospital, medical facilities—capital facilities are needed, and that sort of thing. . . . And remember, we're talking about \$2 trillion a year . . . divided among states. . . ."

"Instead of the usual image of people trying to give something to their constituents, the porkbarrel idea, it works the other way, the way it always should work. The problem with trying to implement a recovery is not the problem of giving money away. The problem is to find state and local programs, and federal programs, and farmers and industrialists, who will invest and make the investments work, so that the total of these investments will bring you up to the level at which the state budgets will work. So, it's like fundraising. You're out there saying, 'Look, we need another industry in this part of the country. Who's willing to invest to bring us up this amount in this part of the country. . . . Who's willing to say they'll make it work?'"

In his Dallas forums, LaRouche continued to develop the importance of this bipartisan federal-state partnership. LaRouche reported that one of the problems in Washington, D.C. these days is the failure of Congress to respond to its constituents. Congress and the state legislatures have become alienated and antagonistic to each other. Congress responds to national, Washington-based political action committees, rather than its own constituents. LaRouche explained how his economic recovery program would forge a new relationship between the President and state governments, as the state projects lined up against the federally provided credit got the economy moving again.

LaRouche also indicated that the Democratic National Convention in Atlanta, Georgia will draw on delegates chosen from caucuses, primaries, and party elected officials, many of whom are in the state government. This last category comprises between 20% and 30% of the delegates sent to Atlanta. LaRouche becomes an increasingly attractive candidate for the presidency for these elected officials for two reasons. First, the state legislatures have a much better sense of the collapse, compared to Congress. Second, another crisis like Black Monday will lead to massive drops in state and local tax-revenue bases. He estimates this to be more than a 50% drop.

## Political bombshells

LaRouche dropped lots of political bombshells. One so startled a Houston reporter, that he asked LaRouche to backtrack five questions. LaRouche had predicted that President Reagan would be indicted for his role in the Iran-Contra affair shortly after he leaves office next year. *Houston Post* and *Houston Chronicle* articles on the press conference were headlined with this forecast. LaRouche also indicated that Bush was in "deep kimchee" on this question, explaining that he felt that the President and vice president, while morally wrong on the Iran-Contra issue, probably did not violate any law, but this may not be the interpretation of the special prosecutor.

The candidate imparted a strong sense of hope and courage to his constituents. First, he outlined how *there is no other candidate*, and delineated the basic predicament we find ourselves in. Exemplary were his Houston remarks: "What you've got is the bottom of the barrel, one critter in the bottom of the barrel, and that's me. You ought to have hundreds of candidates who are qualified and prepared for the presidency—they don't exist. What you've got is me, this poor old geezer from the bottom of the barrel. . . . Otherwise, you've got nothing. Now that's wrong. It's wrong for a republic to ever be in such jeopardy that any person becomes indispensable to the well-being of that republic.

"Some of you are old enough to remember. . . . Remember back in 1939-40. . . . What did we do? We hired people who were practically on the Salvation Army soup line, people who had lost skills. They looked grey around the face, and grey around the eyes. Where did we put them to work? Well, we took an old building or part of a building, which had been lying around or had been used for warehouse storage space. We said, 'Now that's factory space.' We went around and we scrounged for a machine tool or a machine—sometimes we took the machine tool right off the dump—and got it working again.

"The fellow with this business went down to the local bank, terrified, asking for a war production loan. . . . With this broken-down fellow he'd hired off the Salvation Army line, with this broken-down machine, in a building that didn't function and hadn't been used, he went down with this piece of paper, this precious contract—sub-sub-sub-contract. He went to the banker and said: 'I understand I can get a loan, on the basis of this contract to produce.' And he did.

"From that beginning in 1939-40, by 1943, despite the fact that we had about 16 million of the labor force in uniform, we had achieved a level of output per capita which was an international miracle. That's all I propose to do. We can do it again."

With these kinds of addresses, and back and forth questions from excited supporters, LaRouche outlined how to deal with the crises, why he must be the next President of the United States, and how that can be achieved through the upcoming primary fights and efforts at forging bipartisan coalitions in support of a state-federal partnership.