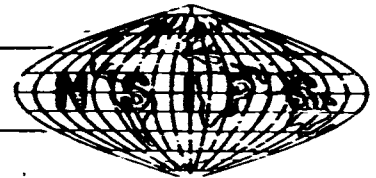


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U.S. Political Newsletter

Ford Group Begins Assault On Carter De-Industrialization

Allies To Push Pro-Growth Program

WASHINGTON, D.C., July 16 (NSIPS) — James Lynn, Director of the U.S. of Management and the Budget and one of President Ford's most trusted advisors, blasted the genocidal program of Ford's Democratic Presidential opponent in a press conference here today. "Jimmy Carter is running on a program of deindustrialization," Lynn said. "The Republicans will be running on a pro-growth program."

Lynn's statement is only one of the more public indications of dramatically intensifying opposition to Wall Street's ravaging zero-growth policies among the Republican Party's regional industrialist base, with business interests in the United States' Midwest farming and industrial heartland, centered in Chicago and known as the "Chicago faction," at the forefront.

The stumbling block for the pro-growth, anti-Wall Street industrialist forces remains their capitalist's fear of taking a firm stand for the one measure required to decisively finish off their Lower Manhattan enemy — the debt moratorium.

Republican officials and industrialists are responding to the U.S. Labor Party's program for debt moratoria and fusion-based development with serious discussion and thoughtful questions, in stark contrast to the fascist filth and "peanut gallery" atmosphere that predominated at the just-concluded Democratic Convention. The U.S. Labor Party will testify at the August 10 GOP platform hearings in Kansas City and U.S. Labor Party Presidential candidate Lyndon LaRouche, will probably address the hearings on at least one topic.

Breadth of Opposition

Lynn's statement at the press conference today was immediately preceded by an open declaration from another close Ford advisor of the Ford Administration's opposition to Secretary of State Henry Kissinger's efforts to use food as a weapon against drought-stricken Eastern Europe. In response to a Labor Party question on the subject, Allen Greenspan, chairman of Ford's Council of Economic Advisors, responded, "You can ask the State Department about it. Its part of the Administration — or at least its supposed to be. The Administration puts no restrictions on grain sales."

Meanwhile Republican Rep. Esche of Michigan has introduced a bill into the house which is the pro-growth Republicans' answer to the leading slave-labor plank in the Carter platform, the Humphrey-Hawkins bill. Countering the Humphrey-Hawkins measure's emphasis on low-technology sweat labor, the Esche bill calls for tax incentives to corporations which purchase capital-intensive plant and machinery.

On the further fringes of this industrialists' anti-Wall Street coalescence are representatives of the Southwest defense sector, who are (at the least) adamantly opposed to the corporatist "social

engineering" being pushed by the New York banks. Reflecting this opposition, the latest plans for standardization of arms production among firms in the U.S. and NATO's European members — a foot in the door for full Wall Street consolidation and control — has suffered an important setback at the hands of U.S. Deputy Defense Secretary Clements, with previous moves to standardize parts production by U.S. defense firms already scotched by the Defense Department. According to the New York Times this week, Clements (who hails from Texas) put the kibosh on former Defense Secretary James Schlesinger's plans for U.S. use of West Germany's Leopard II tank, announcing that the relevant contracts would instead go to U.S. firms. The Leopard II scheme had been a key part of Schlesinger's original arms standardization drive.

Defense Secretary Donald Rumsfeld, instated by the anti-Rockefeller "Halloween Massacre" that unseated Schlesinger and one of the most important links between the President and the Chicago faction, took another swipe at Rockefeller intimate Schlesinger in a July 14 speech here to the American Conservative Union, condemning as "stupid" the doctrine of "limited nuclear war" identified with the ousted Defense Secretary.

Always sensitive to any attempts to curtail the grain trade, Chicago faction spokesmen are now also showing that they are keenly aware of the national security threat posed by Kissinger's insane threat to meddle in internal socialist sector affairs by withholding needed food shipments. A high official of a large Midwest agricultural implements firm warned that Kissinger is "using the West German press as a bludgeon" against the Soviets and the Ford Administration, and reported intense lobbying on Chicago's part to counter this.

A leading Chicago economist, already well aware of Kissinger's plans in East Europe, labeled them "extremely dangerous" and in addition warned that Peru and Mexico had to be watched very carefully in light of their debt situation and of Kissinger's provocations. After outlining the programmatic alternative to Wall Street's austerity — massive trade credits to allow Third World purchase of tractors and other advanced agricultural equipment and supplies from the U.S., and the easing of immigration laws so that Mexican workers can work in the U.S. — the economist betrayed his faction's continuing weak point by proposing that the unpayable debt be...rescheduled.

The Chicago faction, and with it the GOP, continue to waffle on the crucial strategic question of debt moratorium and a gold-backed transfer ruble system to replace the bankrupt Dollar Empire. On Capitol Hill last week an aide to a leading GOP Congressman asked a Labor Party organizer point blank, "What would you do if you were us?" When told, he questioned again, "Well — but can we do all that without the debt moratorium?"

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