

## How Not To Spur Global Development

*Appearing on the editorial page of the New York Times June 21 under the above headline was the following Congressional attack on the Trilateral Commission's monetary policy.*

To the Editor:

The policy of rapid expansion of the German and Japanese economies to solve worldwide balance-of-payments troubles, which you recommend in your editorial of June 1, "The Virtue in Trade Deficits," fails to meet the test of practicality.

The Governments of Germany and Japan know far better than anyone else just how far they can go in expanding their economies before they run into socially and economically unacceptable inflation, with its attendant risk of recession and unemployment...

... The implication of your recommendation that Japan and Germany continue with floating exchange rates and eliminate or reverse their current account surpluses is that they ought to eliminate or reverse their capital account deficits — that they should stop lending and start borrowing! Such a

policy might aid those third-world nations which would furnish exports to Germany and Japan. However, it would injure those which are deepest in debt and need to restructure or renegotiate their loans. These countries do not want to see an end to German and Japanese lending. Still less do they want to compete with German and Japanese borrowing.

Recent economic experience has taught us that general economic expansion is not the only way to handle a trade surplus. The reduction of tariffs and quotas on imports, and the free flow of capital to deficit nations, would do more to spur worldwide economic development. Inflation in Germany and Japan would simply lead to a future recession, and severe damage to world development.

John H. Rousselot, M.C.  
Clarence J. Brown, M.C.  
Garry Brown, M.C.  
Washington, June 13, 1977

*The writers represent, respectively, California's 26th, Ohio's Seventh and Michigan's Third Congressional Districts.*

## USLP Demolishes Kennedy, S-1 At Senate Hearings

WASHINGTON, D.C., June 21 — Sen. Edward Kennedy (D-Mass) today tried to defend his notorious Criminal Code Reform Act (S. 1437) in the face of U.S. Labor Party testimony which established the fundamentally unconstitutional and anti-republican nature of the legislation.

Testifying before the Subcommittee on Criminal Laws of the Senate Judiciary Committee, Labor Party representative Susan Kokinda charged that the Criminal Code Reform Act embodies a "social contract" or "Animal Farm" notion of society in which the government must impose "order" upon the anarchistic behavior of individuals. This stands in complete opposition to our constitutionally grounded notion of a republic, Kokinda said, which defines a national interest as continuing scientific progress and industrial growth, and seeks to mobilize the wilful impulses of the population in accordance with that national interest. "A crime," she said, "can then be defined in the context of that which transgresses the national interest — such as that of the use of marijuana which impairs the higher order functions of the human mind."

Challenged on the fundamental world outlook of his legislation, rather than whether this or that section was repressive enough, Kennedy tried to argue his case. He defended decriminalization of marijuana on the grounds that alcohol is much more dangerous than pot, but still

legal. While the Senator appeared to be speaking from profound self-experience, his argument was demolished with the scientific evidence on marijuana's harmful effects. He then tried to defend his "social contract" notions by claiming that outbreaks of anarchy in U.S. history, such as the Shay's Rebellion in the early days of the Republic, were justified. The Senator was reminded by Kokinda that the Founding Fathers answered the problem of the Shay's Rebellion not by drafting an Orwellian criminal code, but by carrying out a massive political-economic educational program which resulted in the acceptance of the U.S. Constitution.

Pointing to the fruits of his family's work in the 1960s, Kennedy next attempted to argue that, while crime increased in that decade, the unemployment allegedly fell — and, hence, crime had no relationship to economic progress.

Kokinda finished her testimony, and finished off Kennedy, with the charge that Congress has abrogated its responsibilities by allowing the Carter energy program to survive in any form, and by failing to reestablish a concept of national interest based on Hamiltonian policies, "Instead, you are building yourselves a better Animal Farm through which to control the resulting breakdown of our Republic."

Kennedy had no further response.