

Economic, military crisis scares Dems

by Leo Scanlon

The Dec. 11-12 gathering of the Democratic Leadership Council (DLC), a political city of the colony of Virginia, offered the first chance for the "moderate" Democrats to float the issues and strategies they will take into the 1988 election. The two days of discussions and panel presentations revealed that this group of Democratic elected officials is beginning to react to something the LaRouche Democrats brought to the fore in the 1986 elections: This country is facing the greatest economic and military crisis in living memory, and any political movement which doesn't recognize this will have no access to the American electorate.

Organized and chaired by Charles Robb, ex-governor of Virginia, the DLC is the think tank backing a group of presidential hopefuls including Richard Gephardt, Sam Nunn, and Joe Biden. It characterizes itself as the moderate wing of the Democratic Party. Unfortunately for the Democrats, the principal military strategy document presented to the conference, authored by Senators Sam Nunn (Ga.), (Tenn.),

lation to Soviet superiority. "Defending America, Building a New Foundation for National Strength" is the ambitious title of the document which re-hashes the worst features of the Packard Commission reforms, and echoes the structural proposals, most associated with Gary Hart, which would make the U.S. military incapable of representing a threat to the Soviet forces arrayed against our European allies.

Sam Nunn argued that the problem with U.S. negotiating policy at the MBFR talks, is that the discussion has ignored the threat posed by the Soviet main battle tank, which Nunn asserts is just as deadly as an ICBM. So, Nunn proposed that we insist that the Soviets reduce their tank forces to a level at which they no longer pose a threat of invasion in Western Europe! Unaffected by reality, Nunn went on to assert that he has discovered that the Europeans are advocates of nuclear weapons, as shown by their reluctance to undertake a buildup of conventional forces to offset the Soviets.

"We have problems of cooperation with the Europeans," he raved. "For example, we negotiated an arrangement where we would build a number of aircraft which would be stationed in Europe, and the allies were to build the shelters. Well, we built and deployed the planes, and two years later there has

not been one shelter built. Furthermore, we maintain a 60-day supply of ammunition in Europe, and the allies only have two weeks. So if a battle starts, we will be left holding the bag while the flanks collapse at the end of two weeks, and in the meantime we bear the expense of maintaining all that extra ammunition. . . ." His so-called solution: Simply reduce the rate of production of military goods, and "pray for an arms control breakthrough."

Senator Gore, whose wife heads the Soviet-sponsored "Peace Links" organization, recommended that the nation reconsider SDI if the Soviets stop violating the ABM and SALT treaties, and agree to reductions in offensive systems.

Neither Gore nor Aspin had anything other than a shocked silence when asked to comment on the explosive revelations of Soviet ABM break-out made by Defense Secretary Caspar Weinberger just hours before their panel in Williamsburg. But other Democrats present stressed that defense is a top priority with the voters. Governor Hunt of North Carolina noted that he had always thought that "jobs was the issue we would rise or fall on, until the last election, when I saw the effect that a 30% difference between us and the Republicans on defense had . . . it killed us." To these desperate elected officials, Sam Nunn appears, for the moment, to be "pro-defense."

Wright: back to colonial America?

Texas Congressman Jim Wright, the new Speaker of the House of Representatives, offered a legislative agenda which is motivated by his recognition of the industrial calamity which is the U.S. economy. His proposal centers on a call for a bipartisan mobilization to rebuild the nation's industrial capacity. "It is my great hope that the current shock of falling so suddenly and steeply behind in world markets will do for all of us what Sputnik did in the 1950s and Pearl Harbor did in the 1940s, and we will use our inherent strengths of mind and will to respond to the challenge."

"We are losing our industrial base," he warned. "The American factory system and our system of renewing our productive capacity through machine tools has been declining. American agriculture . . . is declining . . . for the first time since we were an infant nation stretched along the Eastern seaboard, we are beginning to export raw products into other countries who make them into finished goods and sell them back to us. That's not our destiny, that's the destiny of a declining nation. I'm not ready to consign us to an ash-heap of has-beens!"

"We now owe \$200 billion of debt to other countries. More important, we are selling raw products to be processed and refined and manufactured into finished goods and returned and sold on our markets. That's the classic definition of an undeveloped country, the definition of a colonial possession, and we certainly do not need to come to Williamsburg to allow ourselves to be accepted as a colonial possession!"

'We are losing our industrial base'

Excerpts from a speech by Rep. Jim Wright (D-Tex.), Speaker of the House, at the Democratic Leadership Conference in Williamsburg, Va., on Dec. 11-12.

The first imperative in the 100th Congress will be to come to grips with our American trade deficit and the steady decline in American competitiveness. This may be the dominant economic issue for the remaining years of the 20th century.

The trade deficit—an estimated \$170 billion in 1986—is the prime symptom of that failure, a failure which has transformed this nation in four short years from the world's largest creditor nation to the world's largest debtor. We now are \$200 billion in debt to other countries. And it certainly is no accident that the rise in our trade deficit has coincided with our poor performance in economic growth.

It has something to do, most certainly, with the decline in real wages. It is linked indirectly to the fact that the average 30 year old couple has a harder time today buying a home—or even an automobile—than their parents had.

Failure to deal with this crisis—to idle away precious time expecting it to correct itself—could doom future generations of Americans to a steadily declining standard of living and eventual status as poor inhabitants of a once rich land.

We are losing our industrial base, the American factory system and our system of renewing our productive capacity through machine tools has been declining. American agriculture . . . is declining. . . . For the first time since we were an infant nation stretched along the eastern seaboard, we are beginning to export raw products into other countries who make them into finished goods and sell them back to us. That's not our destiny, that's the destiny of a declining nation. . . .

. . . I for one am not prepared to participate in the industrial and economic decline of this nation, nor to concede that our legacy must be confined to that of a service economy which produces little. . . .

I am prepared to recognize . . . that our nation is in trouble, and am prepared to participate in actions necessary to confront this issue and solve it. . . .

We will welcome the participation of the administration

and Secretary Baker in this effort. All of us—the Congress, the administration, and the forces you represent—must join together if we are to be effective. . . .

To this end, some of us already have had earnest conversations with key officials in the Reagan administration, urging them to take a close look at the gruesome statistics and to reconsider their formerly intractable opposition to any and all trade legislation. . . .

Our intent, our goal, is to make America competitive in a world no longer composed of independent national economies. The flow of capital is international and uncontrolled today—perhaps even uncontrollable. . . .

. . . We need to ease export controls, invest in an educational renaissance in which math, science and foreign language instruction flourishes at all levels. . . . Only some 54,000 young [students] graduated from American colleges and universities with degrees in scientific, mathematics, and engineering disciplines. Japan, with half our population, was graduating 77,000, half again more. Russia was graduating 300,000 people it calls engineers; while the nomenclature is not anywhere near comparable, the fact is that they graduated 300,000 young Soviet citizens with some degree of technological competence. We were graduating 54,000, and a great many of those were exchange students from other countries, they were not American students.

Another example might be the fact that Japan has in the United States today, and I don't see where this is a problem—I'm somewhat envious of them in this respect I suppose—Japan has in the United States today some 10,000 business representatives of Japanese firms, selling Japanese goods. All of them speak excellent English, while by contrast the United States has in Japan only some 500 representatives of American business firms, and only a tiny handful can speak *any* Japanese at all. What does that tell us? It tells us that we ignore education at our peril, and we're foolish in the extreme if, ignoring education, we then wonder why we are falling behind in world trade. . . .

As you no doubt have observed, I believe that the federal government has a vital role to play in the battle to restore America's productive capacity and America's competitive advantage. But please do not assume that I think government must play the only role or even the dominant role. Government's function is to create a climate conducive to success. . . .

The status quo is unsustainable. Time is much too precious to waste. Should we go into a recession, God forbid, the pressures on the Third World and the major debtor nations could be immensely and perhaps even irreparably destructive.

It is my great hope that the current shock of falling so suddenly and steeply behind in world markets will do for all of us what Sputnik did in the 1950s and Pearl Harbor did in the '40s, and we will use our inherent strengths of mind and will to respond to the challenge. . . .