

Political committee to rally Democrats for economic recovery

by Katherine Notley

Warren J. Hamerman, the chairman of the National Democratic Policy Committee (NDPC), announced Oct. 26 that his organization plans to publish a pamphlet reprinting his July 14, 1983 testimony against the renomination of Paul A. Volcker as chairman of the Federal Reserve. The pamphlet includes written material that was submitted to Sen. Jake Garn's (R-Utah) Banking Committee, detailing emergency measures the President and Congress need to take to get the country out of the collapse brought about by Volcker's policy for "controlled disintegration" of the economy.

"I delivered the *only* testimony from a national organization in opposition to the renomination of Paul A. Volcker as chairman of the Federal Reserve," said Hamerman, whose multi-candidate political action committee has been one of the fastest growing since its founding. The NDPC was founded by Democrats in August 1980 "who opposed the renomination of the Carter-Mondale ticket in large part because of its commitment to the bone-crushing austerity policies of Paul A. Volcker. Among the founders of the NDPC were 'LaRouche Democrats,' 'FDR Democrats,' 'Jackson Democrats,' 'Kennedy Democrats,' civil rights leaders such as the esteemed Hulan Jack, trade union leaders, farm leaders, and scientists."

Hamerman enumerated the documents published in the Senate Record that appear in the pamphlet, including two items by Lyndon H. LaRouche, Jr., then the chairman of the Advisory Council of the NDPC: "LaRouche Opposes Volcker Reappointment," and "A Programmatic Policy for Recovery," which consisted of three items of proposed national legislation, The U.S. Bank Act of 1983-84; The U.S. Tax Reform Act of 1983-1984; The U.S. Foreign-Banking Act of 1983-1984 (see **Documentation**).

Hamerman's summary continued, "A 15-page prepared written testimony by myself summarized Lyndon LaRouche's argument in detail, that the brutal austerity policies of Paul Adolph Volcker, if not changed immediately, would lead to a financial-monetary crisis before the end of the 1980s. Furthermore, this financial crisis would be exploited by the Soviets, who wished to sabotage the Strategic Defense Initiative (SDI), which had been officially announced by President Reagan only four months before I delivered the testimony. In my written text, I presented, as well, a detailed summary of a policy document entitled *Operation Juárez* authored by Lyndon LaRouche the previous summer.

There were also "17 pages of telegrams supporting the NDPC opposition to Paul Volcker's mismanagement of the U.S. and world economy. International telegrams were included from the president of the Union of Engineers of the State of Rio de Janeiro in Brazil, the president and general secretary of the UTRABOC trade union of Colombia, other trade unions, agriculture and industrial leaders from West Germany, Italy, and Sweden, as well as from Gen. Revault D'Allonnes of France. Telegrams from around the United States, which were introduced into the Senate Record, included statements from labor leaders, NAACP and other civil rights organization leaders, farm organization leaders and political leaders. . . .

"In my introductory oral testimony I stated,

Mr. LaRouche demands that Paul Adolph Volcker not be confirmed for a second term as Chairman of the Federal Reserve System, as I do as well in the statement which I am submitting, on the grounds of the national security of our Republic as well as the national sovereignty of our allies and trading partners in Ibero-America, Asia, Africa and Europe. . . . We are currently in the midst of a worldwide economic depression that at any moment could ignite into a full-fledged global financial crisis. Mr. Paul Volcker is the symbol of the cause of that worldwide depression. He is so viewed by the nations of Ibero-America, Africa, and Asia. He is viewed as a Malthusian mechanic who, if in the position of Federal Reserve Chairman, would institute policies which would cripple the economic well-being of those nations.

"In my oral testimony, I also presented an analysis of why the Russians would wish to exploit the financial weakness of the United States to sabotage the Strategic Defense Initiative in the budget-cutting surgery room of the U.S. Congress."

While the NDPC's package will center around Hamerman and LaRouche's 1983 testimony, the economic analysis and program dates back seven years, from LaRouche's economic legislation proposed during his 1979-80 presidential campaign. Said Hamerman, "Because of today's urgent financial crisis following the 'Black Monday' stock market crash," the pamphlet will include an introduction by presidential candidate LaRouche, an Oct. 23, 1987 "urgent

open letter 'On the Crash of 1987-1988' to Democratic Party and trade union figures.

'The DNC is snoring'

One day after LaRouche issued his open letter, and in response to a discussion with the Democratic presidential candidate, Hamerman announced that the NDPC was prepared to serve as the rallying point for all Democrats who demanded emergency political action to deal with the current financial chaos. Hamerman's Oct. 24 statement, headlined "The DNC Is Snoring Away After the Stock Market Crash. If You Want Emergency Policy Action, Join With the NDPC!" is the only other contemporary piece included in the pamphlet.

"The DNC is snoring away and Chairman Kirk is in deep slumber, despite the fact that the 'Black Monday' stock market crash signals that we have entered the greatest financial crisis in our nation's history. Simultaneously, President Reagan and his administration are pathetically marching step-by-step down the same pathway as Herbert Hoover did.

"We know that Wall Street and their international banking allies will move quickly to try and 'solve' the financial chaos by extracting blood, bone, sinew, and nerve from our citizenry. We also know that the Soviet Union will seek means to exploit our financial weakness to their strategic advantage.

"In this great crisis, the NDPC is prepared to step forward and become the vehicle to rally the traditional constituencies of the Democratic Party. We have three immediate objectives.

"Firstly, we must ensure that the living standards and interests of our nation and our constituencies are defended.

"Secondly, we must lead our nation out of the wilderness of the two-decades-long 'post-industrial society' policy which has caused the current financial crisis.

"Thirdly, we must at last say a final farewell to the nightmare of the McGovern Reforms in our Party and institutionalize in our Party statutes a restoration of those traditional values and policies of the Democratic Party which allowed us to lead our nation out of the 1930s depression, lead our civilization to victory over tyranny in World War II, and lead our mission to place a man on the Moon in the 1960s. . . .

"Today, I am announcing that I am placing the NDPC on a full-scale political mobilization and committing its resources to the following specific actions:

"1) We cannot wait until the summer of 1988 for our Party platform, especially its emergency economic planks. The NDPC calls for an open debate *now* on the 1988 Democratic Party Platform, and will bring this debate to the top of the agenda of every Party or local club meeting, union gathering, and so forth. The NDPC is prepared to publish materials, prepare policy slide shows, sponsor meetings, and serve as a clearing house for national Democratic Party debate on emergency economic planks to reorganize our national economy, while protecting the standard of living of our farmers,

workers, small industries, and putting our unemployed reserves back to work.

"2) The NDPC is prepared to back citizen candidates for federal, state, local, and party office who are in common agreement with the policy objectives outlined in this statement.

"3) The NDPC is prepared to defend candidates from being capriciously excluded from ballot access because of their commitment to the broad policy objectives in this statement.

"4) The NDPC is prepared to sponsor an open and thorough review of the Party rules and procedures, so as to re-establish traditional 'pre-McGovern Reform' guidelines.

"5) NDPC members, supporters, and volunteers are encouraged to organize rallies, meetings, and events . . . to recruit more and more citizens to these perspectives."

Hamerman proposed that LaRouche's Oct. 23 open letter can serve as a discussion guideline for the policy substance of Democratic Party political action. "Mr. LaRouche proposed that the following actions must be taken, even long before the January 1989 inauguration. . . .

"1) The President must declare a national economic emergency.

"2) The President must use the regulatory powers of government, to defend the value of the U.S. dollar, defend the value of U.S. government bonds, and ensure that even seriously troubled local banks continue to conduct ordinary day-to-day business under such measures of medium-term reorganization as may be required.

"3) The President must employ his emergency powers to 'federalize' the Federal Reserve System.

"4) An emergency tax-reform must be included as part of the emergency actions. This must include restoration of investment tax-credit incentives. . . . It was the combination of the Kennedy round of tax-credits with the technological stimulants spilling over from aerospace research and development, which caused the Kennedy recovery to be the most vigorous of the postwar period to date.

"5) Sound economic objectives of maximizing the physical output of our farms and factories, as well as encouraging exports, must be pursued. . . .

"6) We should foster technological development. Despite the severe constrictions on federal expenditures . . . we should adopt the proposed Moon-Mars space exploration and colonization program as a technology-driver for the U.S. economy's growth of productivity."

Hamerman concluded, "We must return, in short, to the days before the tyranny of the 'KGB Democrats,' the 'Hong-Kong economy Democrats,' and those 'pro-sodomy Democrats' who took over the party with the assistance of the FBI and Justice Department who targeted and chopped up traditional Democratic machines. We must return to the days when the Democratic Party stood for a strong dollar, strong civil rights, and traditional public health, strong industry and agriculture, a rising standard of living *and* a strong defense."