

Bush Democrats begin to make their move

by Nancy Spannaus

President Bush may not know it yet, but the 1992 electoral campaign has indeed begun. And the President himself, despite his nominal popularity, is very likely to be replaced.

Bush's backers in the financial establishment have made it abundantly clear, at least in their private journals, what they think the domestic program of the United States has to be. From that standpoint, George Bush comes up wanting, not the least for the fact that he is a frenetic, unstable, raging maniac. He can do a lot of damage in the time he has left, but his days are numbered.

Just as this becomes painfully obvious, a number of Democrats in the establishment's stable have begun to threaten to announce their candidacies after Labor Day. At the top of the list seems to be Sen. John D. Rockefeller IV, molded in the unlikely guise of a pro-labor West Virginia Democrat. Then come Sen. Albert Gore of Tennessee, former Sen. Paul Tsongas of Massachusetts, Sen. Tom Harkin of Iowa, Gov. Bill Clinton of Arkansas, and the ever-looming New York Gov. Mario Cuomo.

Should anyone be surprised that the programs of these "Democrats" are a variant on the same kind of fiscal austerity that has been the rallying cry of Bush Republicans? The Democrats are no more a "grass-roots" party than the Republicans these days, and the programs of these characters prove it. Unless there is a move by constituency organizations to "take back" the party with a program that rejects every aspect of the programs of the last 25 years, even the removal of Bush might usher in a worse regime of fascist austerity and police-state rule.

Council on Foreign Relations speaks again

Leading establishment spokesmen have not minced any words in criticizing the Bush administration's performance

on what they call the "domestic agenda." First there was William Hyland, editor of the Council on Foreign Relations' quarterly, *Foreign Affairs*; then Peter Peterson, the investment banker who has taken the point in calling for budget and social security austerity and who now heads the CFR. The same theme was struck in the Summer 1991 issue of *Foreign Affairs*, in an article by Robert Hormats.

Hormats, a former assistant secretary of state who is now vice chairman of Goldman, Sachs International, entitles his piece "The Roots of American Power." He argues:

"It is an ominous sign for the future, then, that today U.S. domestic savings are close to a historical low and that investment in education, industry, infrastructure and vanguard technologies is inadequate. While the United States is likely to maintain military preeminence for years to come, savings and investment shortfalls raise concerns about America's future capacity to produce the resources, technologies, and trained people necessary to maintain its current overwhelming military edge. Consequently, there is reason for alarm about this country's ability a decade or two from now to fight a Gulf-type war—or any other war—so successfully and with so few casualties. Without this confidence, the United States could become reluctant to act decisively, and other nations might become more willing to challenge American interests."

What is Hormats's solution? Primarily to break the "special interest groups" who are allegedly preventing the effective mobilization of "human resources." This will mean "making the controversial decisions needed to change course." In particular, like Peterson, Hormats wants to take on the powerful voting strength of the elderly which helps them resist large cuts in their benefits, and impose other "savings" that are supposed to allow the rebuilding of the real economy.

The Bush Democrats echo

With the Hormats and Peterson arguments in mind, it is difficult not to hear the words of the aspiring Democratic candidates as echoes of their masters' voices. While Democrats have not made a major move in Congress on economic policy, their rhetoric is inching in that direction.

The first salvo of the Democrats against Bush's economic Achilles' heel was the bill to extend unemployment benefits in states with official unemployment rates of over 8%. While it looks as though this bill will pass, Republicans are moving to adapt it as an administration bill and take away its political steam. It's a minimal step, given the collapse in the number of unemployed who are currently eligible for benefits, in contrast to the 1960s.

The second is oriented around a so-called comprehensive health plan, something that every working person and businessman in this country would like to see. So far, however, the guts of this plan is nothing more than "cost-cutting," and not against the insurance companies. Any extension of coverage for health care is going to be linked with rationing proposals based implicitly on the Nazi idea that someone (i.e., the government) will have to decide whom we have the resources to keep alive, and whom we'll condemn to die. It will be Peterson's idea of sacrificing the elderly, allegedly for the sake of the young.

The third prong of the Democratic program, if it can be so dignified, is a push for an infrastructure program. And what is the cutting edge of this proposal but a 5¢ per gallon gasoline tax. That's not going to accomplish much, but it is recognizable as a prominent aspect of Peterson's domestic austerity program.

The fact is that the Democrats are stuck with trying to score economic points against Bush at the same time that they want to maintain Bush's fiscally austere approach. They even aspire to be tougher in their austerity approach. One Northern Virginia congressman, for example, gave a speech July 26 in which he argued that the Democrats' program had to be to tie eligibility for *all* welfare, housing, and health care assistance to job and education programs. Talk about slave labor!

Of course, the Democrats are also going to try to score points by talking about the scandalous savings and loan crisis, and other dramatic speculative excesses of the Reagan-Bush years, as well as "bashing" Germany and Japan. But, rather than putting forward an alternative directed credit policy, they are saying "trust us, our austerity program will be better than theirs."

On the scandal front

What the Democrats lack in economic clarity, of course, they make up for in righteous indignation. There is no question but that they have Bush in a very tough spot on a number of scandals—ranging from the Iran-Contra drug-running mess, to the police-state actions of the Justice Department,

to the October Surprise. And they are beginning to play these matters to the hilt.

At present, the administration is facing a barrage of hearings in September and October, which could blow up in its face. These are broadly seen as kicking off the 1992 election campaign, as in fact they are.

The problem is, that every single one of these scandals has been subject to coverup by the Democrats as well, because of their own participation. Leading Democrats knew about the drug running by Oliver North, were complicit in the police-state measures against leading Democrats like Lyndon LaRouche, and took their own payoffs from corrupt arms dealers and bankers like the Bank of Credit and Commerce International (BCCI). Unless they are willing to clean house totally, they cannot pursue these scandals fully. The Bush side will have the blackmail to stymie them.

The LaRouche alternative

Given the financial and political instability into which the incompetent and immoral economics of the last 25 years has thrown the United States and the world, there is every possibility that the controlled game which the establishment is planning will fall apart. With major cities and states going into bankruptcy, the chance of all incumbent politicians losing their political futures is not inconceivable. Bush could be out of office by Christmas; John D. Rockefeller and Al Gore could be spurned as the establishment politicians which they are.

But where is there an actual alternative to the anti-progress, anti-human austerity policies of the last 20 to 25 years? Someone who does not simply indulge in rhetoric about the "good old days," but understands the need to use national credit to reverse the global depression? Such an alternative policy is only available in the person of, and Democratic Party grouping around imprisoned economist Lyndon LaRouche.

The fact that LaRouche's candidacy, already registered with the Federal Election Commission, is seen as "impractical," is a testament to the continued unwillingness of constituency leaders to understand how radical a shift is required in national policy. The disaster of the last 25 years was the lawful result of the axioms of the post-industrial society, whose advocates were Republicans and Democrats, liberals and conservatives. To reverse it will require junking all the programs that resulted, and re-adopting the approach of Alexander Hamilton, Abraham Lincoln, and Friedrich List. Under that approach, credit was guided by the need to increase the creative potential of the population, in ways that varied from infrastructure construction to fostering projects on the frontiers of science.

George Bush, the quintessential representative of the Anglo-American establishment in the U.S., must be politically destroyed. But if a Bush Democrat gets into office, we will still be kissing our freedoms and our future good-bye.