

## Worldwide backlash against the Conservative Revolution

by Edward Spannaus

The rapid tumble of Newt Gingrich in the United States in recent weeks, along with the mass strike ferment in Europe centered in France, represent the two most dramatic manifestations of a global reaction against that most reactionary of movements: the Conservative Revolution.

This backlash is the big story of 1995, taken together with President Clinton's war-and-a-half against the British. While in the arena of foreign policy, Clinton has outflanked British geopolitical maneuverings in the Balkans, Northern Ireland, and the Middle East, domestically he has shown a significant ability to stand up to the murderous budget-cutting demands of the Conservative Revolution adherents in the U.S. Congress.

The heritage of the "Conservative Revolution" of the 1920s and '30s, as *EIR* has documented over this past year<sup>1</sup>, is today demonstrated most explicitly in the programs of the Mont Pelerin Society; these policies consist of the most brutal forms of monetarist austerity and slashing of social services under the labels of "deficit reduction," "deregulation," and "privatization."

What Gingrich and French Prime Minister Alain Juppé are trying to implement is virtually identical to the slash-and-burn policies which the International Monetary Fund (IMF) has been imposing upon developing countries for years, and which now are being promoted for Europe under the guise of the 1991 Maastricht Treaty for European Union, and for the United States under the guise of "balanced budget" policies.

The same sort of policies have also provoked a backlash in the countries of the former Soviet bloc, where communist

or reformed communist parties are coming back into power, in reaction to IMF-dictated "shock therapy" programs which have devastated the industrial and agricultural capabilities of those nations.

### The 80% factor

Addressing a conference of the Schiller Institute in Germany, in December 1994, *EIR*'s founder Lyndon LaRouche spelled out the lessons of the 1994 U.S. mid-term elections which had just returned a "Conservative Revolution"-oriented Republican majority to the Congress. LaRouche predicted that the vast majority of Americans would soon come to realize what the Conservative Revolution represented.

"Eighty percent of the people of the United States will now soon be aware, consciously, that *this is their mortal enemy*, the person who is going to deny them the right to life by taking away the funds, as pensions, as Social Security funds, as health care funds, by which they maintain life," LaRouche said. "And there will be a revulsion against the Conservative Revolution which exceeds anything, in terms of the passion exhibited during the recent U.S. mid-term elections."

Then, LaRouche laid out the battle plan for 1995-96: "We are going to *destroy*, over the period of the next 18 months, the Conservative Revolution in America. We're going to crush it politically. And we will have some help in doing that, from people who have to join us in crushing it, in their own vital self-interest."

In fact, by November 1995, "Crybaby Newt" had become an object of public ridicule, and by the beginning of December, Gingrich was "benched," committing himself to take a lower profile and stop shooting off his mouth so much—a promise he naturally found difficult to keep.

1. See "Why the Renaissance Must Prevail Over the Conservative Revolution," *EIR*, Jan. 1, 1995; and "Phil Gramm's Conservative Revolution in America," *EIR*, Feb. 17, 1995.

## The reaction to Gingrich

The first major defeat to the Conservative Revolution occurred in the 1994 mid-term elections, with the destruction of Oliver North's candidacy for the U.S. Senate in Virginia. North's defeat, spearheaded by LaRouche's associate Nancy Spannaus, not only kept North out of the Senate—where he would have been working side-by-side with Phil Gramm—but it also showed sometimes-defeatist Democratic Party activists what a hard-hitting attack and a determined mobilization can do.

The next nodal point was Sen. Edward Kennedy's (D-Mass.) speech on Jan. 11, in which he upbraided his fellow Democrats for running away from the President and from the issues for which the Democratic Party has traditionally stood. "If we become pale carbon copies of the opposition and act like Republicans," he said, "we will lose, and deserve to lose."

Ten days later, President Clinton told the Democratic National Committee that they must mobilize for the battles ahead, and he affirmed the importance and the constitutional role of the U.S. government, in the face of Gingrich's calls for a Jacobin "revolution" against the federal government.

Indeed, after the "100 Days" ended on April 5, almost none of the "Contract with America" had been enacted into law. Perhaps the most important defeat suffered by the Gramm-Gingrich gang was their loss on the Balanced Budget Amendment. And those measures which were passed in the House, found much tougher going in the Senate. Indeed, it was the Republicans' inability to get their drastic cuts in entitlements through the Congress by normal procedures, which led them instead to try to blackmail President Clinton into accepting them, by their shutting down of the government in November and again in December.

## The reaction builds

During a Dec. 20, 1995 radio interview with "EIR Talks," Lyndon LaRouche identified three crucial events which helped to catalyze the reaction which Gingrich's proposals and policies have provoked. First was the Oct. 4-8 visit of Pope John Paul II to the United States, in which the pope preached against the culture of death. The second element was the Oct. 16 Million Man March, called by Minister Louis Farrakhan of the Nation of Islam, and supported by a broad-based group of African-American leaders. The third point was the Oct. 25 election of a new leadership in the AFL-CIO, which, LaRouche indicated, "signalled a change in AFL-CIO policy, and labor policy more generally, toward a more combative attitude against the attempt to wipe out the American wage-earner, effectively, or reduce him to coolie status."

These things resulted in a very rapid rise of opposition to Gingrich, LaRouche noted, "and Gingrich is now about as popular in the United States, as Hitler, or he's getting in that direction, very rapidly."

The downfall of Gingrich, LaRouche explained, "is a

result of the fact that the American people—just as the people in France who moved against the Maastricht conditionalities—do not think we ought to try a Hitler-style, fascist economics. And that's what Gingrich represents: fascist economics. We're getting a popular reaction against fascist economics, as people realize that Gingrich is, in effect, a mass killer."

## Economics and politics

Similarly, the key issue behind the mass strikes and protest marches which paralyzed France in early December is the austerity measures imposed as conditions of the 1991 Maastricht Treaty, which mandates strict criteria for those nations which seek to form a European currency union. The treaty calls for "convergence" among member states of their national inflation rate, public debt level, annual government deficits (not more than 3% of GDP), and for "stable" foreign exchange rates.

Ironically, Maastricht also demanded, in effect, a seven-year balanced budget. Stage One had actually begun in July 1990, with coordination of the "convergence criteria, and all convergence criteria are to be met by the beginning of 1997.

The specific trigger for the French public sector strikes was the efforts of Prime Minister Juppé to eliminate the so-called "social welfare deficit" in two years by increasing taxes, reducing benefits, and raising eligibility requirements for pensions. Also at issue in the French strikes, as in the Belgian strikes which followed, were plans to restructure the State railway system by reducing jobs and benefits—all part of meeting the Maastricht conditions.

In a Dec. 7 interview with "EIR Talks," discussing the French strikes, LaRouche said that the Maastricht conditions there should be seen as a continuation of what Gingrich and others are trying to do in the United States, by imposing austerity and reducing entitlements.

And in fact, as various sources in Europe had noted, the smashing of Gingrich, and President Clinton's resistance to murderous cuts in entitlements in the United States, were important factors in stimulating resistance to austerity measures in France and elsewhere in Europe. "The defeat of Newt Gingrich . . . has spilled over into Europe," LaRouche noted. "And the fact that Newt is getting the boot, in the United States, has encouraged forces in Europe to resist similar kinds of measures there. All of this occurs somewhat beyond the power of human will, in the fact that the entire monetary and financial system in the world is on the verge of collapsing entirely."

"That's not a prediction," LaRouche said, "that's a diagnosis."

"And as a matter of diagnosis, the entire international monetary system, and [the] financial system attached to it, is provably on the verge of a total disintegration," LaRouche concluded, and this is likely to take place before the next Presidential election in the United States.