

# National News

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## Rubin warns default will affect all programs

If the U.S. Treasury is forced to default on national debt obligations, as House Republicans are threatening, it will affect all government programs, not just debt service payments, Treasury Secretary Robert Rubin warned on "Meet the Press" on Jan. 7. "If we went into default, if we did not have the resources to meet our obligations, then we could not make timely payments on all of the programs that Congress has already approved, so that the entitlement programs, Social Security, Medicare, and the rest, and the discretionary programs would no longer be in a position to receive timely payments," he said.

Rubin said that the Treasury can manage through mid-February, but he said that the Treasury has not yet figured out what to do beyond that point. "We have not yet found a measure that is fully compliant with all the requisite statutory authorities, that we obviously will only act in accordance with, but we are working full bore to find a measure that will get us through that period."

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## Education privateers meet growing opposition

A new report by the National School Boards Association has found that the majority of 3,000 school board members from 354 districts surveyed nationwide, are hesitant to release control of their academic programs to private education management firms, the Jan. 10 *USA Today* reported. The study is a setback to Wall Street financiers' attempts to use so-called "education management organizations" ("EMOs"), to get their hands on education dollars.

Schools reported that employee reluctance to work with private firms is the chief reason for their failure, followed by poor performance by contractors, lack of clarity in contracts, and lack of financial savings.

Some 45% of districts involved in forms of privatization cited hoped-for savings as

their top reason for moving to privatize services, followed by improving management efficiency (29%) and improving or maintaining facilities (28%). Support services, such as cafeteria management and bus service, have found the greatest inroads in the "contracting out" of services with school districts.

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## Some Democrat primaries may be cancelled

Various ballot-related shenanigans are threatening cancellation of Democratic Party Presidential primaries in some states. Democratic Presidential candidate Lyndon LaRouche recently attributed these actions to a faction in the Democratic National Committee. LaRouche said that, given that he expects Clinton to win the nomination, and that he has already announced that he will then back Clinton in the general election, it is clear that some people are worried about a strong showing of support for his candidacy and his policies at this time.

LaRouche warned that another casualty of these shenanigans will be President Clinton. This faction is preventing Clinton, who can talk to citizens effectively, from campaigning, LaRouche said, and this will hurt him in the general election in November. Among the instances that have been reported around the country:

In South Dakota, the Democratic Party has refused to sanction the state's Feb. 27 primary. The Jan. 13 *Daily Republic* of Sioux Falls reported that the reason for the abrupt cancellation was that the South Dakota primary comes "too early in the election cycle to suit the Democratic Party's rulemakers." More likely, is that LaRouche had qualified for the ballot. Convention delegates will now be selected in caucuses, scheduled for March 9.

In Arizona, state Democratic Party Chairman Sam Coppersmith (who penned a recent slander of LaRouche), is instrumental in moves to cancel the Feb. 27 party primary, according to the *Phoenix Republic*. Party officials are reportedly agitated that LaRouche could be the top Democratic vote-getter, and are said to be concerned because they claim that state law binds their delegates to support whichever candidate wins the primary. Coppersmith said the

party is planning to hold its own primary, paid for with party funds, on March 9.

In Delaware, a new law has been rushed through the state legislature which places all candidates who qualify for matching funds on the primary ballot. This would automatically place Clinton's name on the ballot, as well as a host of Republicans who had not applied for the ballot in Delaware because of both parties' displeasure with the closeness of Delaware's Feb. 24 primary to New Hampshire's Feb. 20 primary. The bill was backed by Gov. Pete du Pont (R) and state party chairman Gary Hinds. Previous to the rule change, only LaRouche and an 85-year-old former governor, drafted as a favorite son to "stop LaRouche," were on the Democratic ballot.

President Clinton's name has been withdrawn from the March 19 Michigan primary, according to the secretary of state's office. Clinton was the only Democrat on the ballot, because the secretary of state had refused to place LaRouche's name on the ballot as a "nationally recognized candidate."

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## Farm Bureau seeks probe of meatpacking cartel

Cattle prices are so low, that the American Farm Bureau, a pro-free trade farm organization heavily involved in the business of insurance, called for a government investigation of concentration in meatpacking, at their recent convention, the Jan. 12 *Omaha World Herald* reported. "The action is an unusual one for the American Farm Bureau Federation, which has long been a voice against government interference in the marketplace. For the bureau to take such a position reflects the depth of concern among farmers over depressed cattle prices," the paper commented.

Cow and calf raisers sustained losses of \$80-150 per cow in 1995. Cattle feeders averaged profits of \$2 per cow. Packers, however, announced record profits throughout 1995, according to the Jan. 8 *High Plains Journal*. The annual average spread was \$104 per head. Retail profits averaged \$500 per head.

Farm Bureau President Dean Kleckner told a press conference that a monopoly situ-

## Briefly

**THE VATICAN** daily *L'Osservatore Romano* denounced the use of the death penalty in the United States, in an editorial on Jan. 16. "It is simply a logic of revenge, of vendetta," the editorial stated. It urged the adoption of alternative punishments that "conform more to human rights and do not damage justice."

**UTAH** has announced a plan to re-introduce firing squads as a means of executing prisoners sentenced to death, the Jan. 14 *Washington Post* reported.

**MARGARET THATCHER** will keynote a dinner of the Freeman Hospitals and Health System in Joplin, Missouri on Feb. 6, to give the 1996 Freeman Quality in Medicine Award. The speech comes as doctors in Britain are condemning Thatcherite policies as responsible for the crisis in British hospitals.

**LYNDON LAROUCHE** qualified for the Democratic Presidential primary ballot in Louisiana and Mississippi on Jan. 12, bringing the total number of states on which he is qualified for the ballot to 17.

**EDUCATION** topped voter concern in a recent USA Today-CNN-Gallup poll, the Jan. 10 *USA Today* reported. Republican pollster Ed Goetas said, "Two-thirds of the people think their children will be worse off than they are, and see a good education as key to survival." Democratic pollster Celinda Lake added, "Voters are anxious about the economy . . . and see a good education as something that can have a positive impact."

**ALAN BLINDER**, vice chairman of the U.S. Federal Reserve, has informed the White House that he will not accept a second term at the Fed. Some in the Clinton administration were once hopeful that Blinder, who is seen as being more concerned with unemployment than inflation, would replace Fed Chairman Alan Greenspan, whose term expires in March.

ation exists, which means the government must step in to investigate. He also called upon the Agriculture Department to order large packers such as IBP, ConAgra, and Cargill to publicly disclose cash and contract prices every five days, instead of every two weeks.

Sen. Tom Daschle (D-S.D.) has a bill before Congress, which is supported by Agriculture Secretary Dan Glickman, which would form a commission to investigate packer concentration. It is bottled up in the Gingrich-controlled House.

The media and packers claim that the record low prices are due to oversupply. Farmers have demanded an investigation of the Chicago Mercantile Exchange, charging that the price is manipulated by the packers on the exchange. The Commodities Futures Trading Commission has cleared the packers of this charge, claiming that their investigation showed that during the relevant trading periods, the packers owned more "buy" than "sell" contracts. However, a new study by Schiller Institute chapter leader Don Eret, shows how the packers have been systematically colluding to drive down prices. The results of the study were published Jan. 22 in the weekly newspaper *New Federalist*.

### Kevorkian ready to start 'suicide clinics'

Jack "Dr. Death" Kevorkian, the unemployed Michigan pathologist who is responsible for taking the lives of 26 known victims, is preparing to start his own nationwide chain of "obitoria," i.e., "suicide clinics," starting in California, according to Geoffrey Fieger, an accomplice and attorney of Kevorkian, the Jan. 17 *Los Angeles Times* reported. Desperate, suicidal victims would come to these locations, to be killed using Kevorkian's "mercitron" suicide machine. Fieger said Kevorkian has received enough money, through a \$20,000 Sovereign Fund award and a \$50,000 donation, to fund the clinics.

After Kevorkian's involvement in the killing of several California residents, who either traveled to Michigan or received Kevorkian's "help" via the mail, the California Medical Board and state authorities revoked

Kevorkian's California medical license. Since then, Fieger said, Kevorkian gives special preference to California patients and is "coming out to California to prove how utterly impotent [the state is] in stopping his work."

California Deputy Attorney General Thomas Lazar says he'll be waiting: If Kevorkian should ply his trade in the state, he will be arrested.

### Living standards are declining, author warns

Jeffrey Madrick, author of the book *The End of Affluence*, warned that the sense of frustration and anxiety expressed by most Americans over their economic futures have a basis in fact, however much economists and conservative politicians may wish to deny it, in an op-ed in the Jan. 16 *New York Times*.

Madrick pointed out that U.S. productivity growth since 1973 has been only about 1% a year, less than half the historic rate of 1870 to 1970. "Had productivity grown at more than 2% over the last 20 years," he said, "the typical American family would have earned roughly \$60,000 more in that time and better than \$5,000 more in 1995 alone. There would be no federal deficit at all at current levels of government spending, but rather a substantial surplus from which to meet our social obligations or reduce taxes. Instead, average wages and salaries have more or less stagnated since 1973, something they hadn't done over so long a period since the Civil War."

It is clear, he said, "that, if we hope to improve growth or even maintain current rates, we must place more of our resources in capital investments, research and development and education."

He concluded: "Healthy growth has been the glue that has held an otherwise diverse and often discordant people together since the nation's beginnings. Without it, a growing number of citizens feel, with good reason, that they are losing control over their lives. This is not business as usual in America. It is a reversal of our national experience."