

Editorial

The shame of America

It is a national disgrace that there appears to be broad-based support between the Democrats and Republicans for ending so-called entitlement programs. In other words, they agree, with the enthusiastic concurrence of Ross Perot, that American working people should be forced to face grinding poverty without any social safety net to support them and their children. Soon we will see the beggars going from door to door, about whom Perot likes to tell sentimental family stories.

"Entitlements" include Social Security, Medicare, Medicaid, unemployment compensation, food stamps, Supplemental Security Income, veterans compensation, farm price supports, Aid to Families with Dependent Children, and civilian, military, and railroad retirement pensions.

The United States is now in the midst of a depression which threatens to become far worse than any of this century. This is the result of a decision following the assassination of President John F. Kennedy to transform the United States from a nation poised on the frontiers of space, to a "post-industrial society." A mythology of a "New Age" of personal liberation was created to replace a work ethic and the acceptance of responsibility for the well-being of one's fellow men and women and their children, born and unborn. The vitality and very existence of U.S. industrial might was deliberately eroded.

There is no question but that unemployment and the growth of welfare rolls, the bankruptcy of state and local government, and the huge federal budget deficit are all byproducts of the failed economic policies of a succession of administrations in the United States—Democratic as well as Republican. There is also no question that the kind of ruthless austerity which is being proposed will not reverse the economic decline of the United States, but only further impoverish its hapless population.

One aim of present U.S. electoral politics is to convince Americans that ending entitlements will somehow reverse the depression, and to batter them into accepting the inevitability of the planned brutal austerity. Indeed, entitlements are being ended at the

state and local level. The most dramatic case is in California, a state which has the ninth largest economy in the world.

As of now, a deadlock between the state legislature and the governor has led to a situation in which California can no longer pay its bills. Not only are state employees being paid in worthless scrip, but state payments to medical institutions and nursing homes are being withheld as well. To make matters worse, the Bush administration is withholding federal funds until the present crisis is resolved.

In the early 1980s, California looked to be the paradigm for high-technology industry. At that time California had a budget surplus. The California high-tech economic "miracle" was eroded by a combination of Federal Reserve chairman Paul Volcker's high interest rates and the speculative binge of the 1980s. In the last year and a half, cuts in defense spending have added over 100,000 layoffs, but the roots of California's troubles go further back.

California was built by major infrastructural investment, especially in the areas of fresh water management and irrigation. Failure to invest in programs to ensure a continued, adequate supply of water, are now adding to the economic woes of the state. It is not California or other states' budget deficits which are the problem, but the failure to use tax money to support major infrastructural investment which can guarantee the forward thrust of technology and the productivity of the work force.

Balancing the budget at the cost of the destruction of infrastructure of a nation and the destitution of its population, is to start a downhill trend from which there can be no recovery. Trying to pay for such investments by triaging a part of the population by cutting social support payments, is equally unacceptable.

In contrast, Lyndon LaRouche, now running for President as an independent, has called for a major investment program in public works, to immediately create 3 million new jobs. This would have the effect of rebuilding the tax base and creating a \$1 trillion ripple effect through a rejuvenated economy.