

Carter's policy is incompetent

Stevenson says he and LaRouche agree on monetary system

On Feb. 9 before a host of stunned reporters at a press conference at the Illinois Manufacturers Association meeting in Chicago, Sen. Adlai Stevenson III (D-Ill) disassociated himself from the policies of the Carter Administration and indicated he favors efforts to build a new monetary system. By so doing, Stevenson indicated that he was in agreement with the efforts of such European leaders as French President Giscard d'Estaing and West German Chancellor Helmut Schmidt to implement the European Monetary System. At the same time, he indicated that he had "shared areas of concern" with the U.S. Labor Party Chairman and 1980 presidential candidate Lyndon H. LaRouche, whose economic proposals played a significant role in shaping the EMS.

Calling for the U.S. to develop "export fever" to renew its commitment to America's traditional leadership in scientific, technological and economic growth worldwide, the senior Illinois Senator said he is "keeping all options open for a challenge to Carter in 1980."

Stevenson made his extraordinary statement in a televised news conference here Feb. 9 before addressing a conference on Technical Innovation and Economic Growth, sponsored by the Illinois Manufacturers Association. Stevenson's remarks signal the first of a wave of political shocks expected to reshape the context for the 1980 presidential campaign since Lyndon LaRouche announced his candidacy in Washington, D.C. Jan. 15.

As LaRouche predicted, the old rule books of American politics are in the process of being torn up as his presidential bid focuses national and international pressure on realigning U.S. policy — to break the "special relationship" to London and orient to the European Monetary System powers in Paris and Bonn. The LaRouche candidacy, countering the blatant lunacy of Carter's "China Card," has forced this first jolt to the U.S. political scene.

In recent weeks, Stevenson has issued increasingly strong denunciations of Carter Administration foreign and domestic policies. The Senator stated several times that there is a growing "constituency in America for a new national direction in keeping with our Founding Fathers' principles" and that a "new major third party" may be on the horizon "that will reshape American politics and policies."

Earlier, Stevenson had indicated that he himself might join or run on a third party presidential ticket for 1980. But today he said that he does not intend to head such a ticket

although his mail has been running 5 to 1 in favor of a third party presidency.

He warned, however, that the danger of "a continuing failure on the part not only of the current President and Administration but also the leadership of both Democratic and Republican parties" could force him to consider challenging Carter in the Democratic primaries, a decision he would make by April 1.

"Need to build a new monetary system"

At his news conference today, Stevenson was asked by EIR's Mitch Hirsch to join with the U.S. Labor Party's LaRouche and others to "alert the American people to the danger to our nation represented by the dangerous incompetence of Jimmy Carter" and to seek new ways of mobilizing the population behind the new monetary and economic policies required to ensure a peaceful and prosperous future.

Stevenson replied that "Of course I shall continue to try to alert the nation and to change the course of our policies... Although I may not be fully informed of Mr. LaRouche's entire program, and so there may be some significant differences between myself and Mr. LaRouche... I know there are several areas of shared concern. For example, of the concern shared by Mr. LaRouche, myself, and others for our monetary system; yes, we agree here on the definite need to build a new monetary system..."

Senator Stevenson further added that "historically, when major political parties fail to see the world around us as it really is, when they fail to provide the nation with competent and innovative leadership, then new parties emerge: such was the case with President Lincoln and the early Republican Party." He noted that "if the two major parties continue to fail us... then we will have to see such a new party emerge... It will have a major impact that will change the shape of American politics... This is important, because, to me, politics is not a game, as it is unfortunately to most politicians. Especially presidential politics must be a process by which capable leadership emerges to help reach for new directions and decisions to shape the future course of the nation and the world for our posterity. This is what a presidential campaign should achieve."

The role of LaRouche and the USLP in shaping the reorientation of American policies was evident in other comments Stevenson made at today's press conference. He

called for a restoration of U.S. commitment to the "advancement of science and the application of new technologies," and announced that he will soon introduce legislation to spur this commitment, including removing the Jackson-Vanik amendment to trade legislation to facilitate vastly expanded trade with the Soviet Union. Echoing proposals of LaRouche's party, Stevenson said that the key to overcoming the U.S. trade deficit is to create "an export fever" based on high-technology exports.

Stevenson on growth and innovation

Returning to the question of how to reach these goals identified by LaRouche, Stevenson said, "There is nothing fundamentally wrong with our country or our economy. . . . Our problems stem solely from a failure of leadership."

Following are excerpts of Senator Adlai Stevenson's speech to the Illinois Manufacturers Association Feb. 9:

Last year the U.S. trade deficit reached \$28.5 billion. The dollar declined. The international monetary system collapsed. The nation continued to suffer from inflation and unemployment.

Conventional wisdom assigns the trade deficit to oil imports. But nearly 40 percent of that deficit is with Japan and Japan is not an oil exporting country. It is more dependent on foreign oil than the United States Instead of facing up to the challenges of a new era, Washington is serving up prescriptions better suited to the behavior of markets and nations in the 18th century. Instead of revitalizing the U.S. economy by reviving our flagging productivity and competitiveness, it proposes to depress the economy further

Instead of stimulating U.S. exports, there is talk of restraining demand for imports, reducing trade and commerce around the world as well as at home. This is economic and political folly. World economic growth, trade expansion, technical assistance and financing for developing economies are not the stuff of charity. They are elements of a realistic approach to economic interdependence in an unstable world.

In the decades after the Civil War, industrialization and the opening of the West soaked up the "greenbacks" printed to finance it. Inflation is an invention of recent times. We did not suffer escalating prices until we lost some of our vision and self-confidence. And I daresay we won't defeat inflation until we again become a nation of builders, producers and inventors. (The Administration) is killing in-

vestment with 13 percent interest rates and suppressed demand for goods and services — even though excessive demand is not the source of inflation. . . . This is a rich and resourceful country, but it is not well led. Our spirit of adventure and invention may be drying up. Nations fail when that happens. If all we can offer ourselves by way of inspiration is a balanced budget in 1981, then surely the decline has set in.

The United States must arouse itself. If it is to prosper, restore its authority in the world and rise to high endeavors, it must maintain a preeminent capacity to push ahead the frontiers of knowledge and apply the results. It has the intellectual capacity to advance science and technology. It has the financial resources for productive investment. It has the entrepreneurial and marketing skills for world trade. But the will may be sapped by the outdated orthodoxies of economics and politics, inadequate financial incentives, excessive regulation, and all the pressures to cope with the immediate at the expense of posterity.

After two years of hearings and studies by the Senate Subcommittee on International Finance, I will soon issue a report that documents the erosions of our competitive position. I will also introduce legislation to establish a strong export policy for the United States. I want to generate an export fever. . . .

The growth industries in our country are law, accounting, consulting and of course government itself. The U.S. manufacturing sector, once the most vital in the world, languishes. In steel and other sectors, American companies have failed to adopt technologies whose feasibility and payoffs have been clearly demonstrated by the Japanese and West Germans. High risk ventures that over a long term lead to new markets and new industries have been discouraged. Industry is shifting investment from basic research and innovation to minor product and process development. Executives plan for the next year's profit and loss statement and neglect the next decade.

. . . The time has come to put the adversarial relationship between government and industry behind us. Other nations are not so fastidious about cooperation. They coordinate industrial research and development activities so that companies can share information and avoid duplication of effort in order to push ahead. . . . Imagine what we might accomplish if we set our minds to developing technologies not alone for military and other government objectives, but for our commercial and industrial might. I will propose institutes to bring industry, government, and universities together in a new cooperative effort to identify markets, develop the processes and products to exploit them and create new enterprises.

This notion of cooperation for private and public gain is at odds with the laissez faire attitudes of the right and left. It may fall victim to the prevailing tendency to cast every issue in black or white.

. . . What is needed are some new approaches. The time has come for political leaders to see the world around us as it really is, and to speak to these truths. Only then can we hope to recapture the spirit and courage that built America.