

Illinois legislature unanimously votes for Volcker's resignation

In an historic decision the State of Illinois General Assembly unanimously passed House Joint Resolution Bill # 67 in a special session called by State Representative Larry S. Bullock. The resolution called for a lowering of interest rates set by the Federal Reserve or for the resignation of the recently appointed Federal Reserve Chairman Paul Volcker.

Bullock, a democrat from the 22nd district in Cook County, introduced the bill Wednesday in the House where it received bipartisan support from the Republican and Democratic leadership. In rapid succession the Senate unanimously endorsed the bill as well.

The mandate of the Illinois legislature against the policies of Paul Volcker is now sparking similar activity in legislatures around the country. Lyndon H. La-Rouche, Democratic candidate for President and the only candidate so far to oppose Volcker's policy, sent a telegram of congratulations to the State legislature.

Last Monday, October 29, on the 50th anniversary of "Black Friday," Larry S. Bullock held a press conference in the State of Illinois Building in Chicago. Bullock warned that the spiraling interest rates promoted by Paul Volcker, chairman of the Federal Reserve, might very well lead the nation to a repeat of the great depression of 1929. Bullock announced that he would introduce a resolution in the General Assembly calling on President Carter and Congress to reverse Volcker's policy or demand Volcker's resignation.

On Wednesday morning the rules of the House were suspended in an emergency session, so that the entire House could vote on the resolution. One hundred and seventy-seven state representatives—Democrats and Republicans—endorsed the resolution. The Senate passage occurred on the next day.

Bullock shared his concern over Volcker's policy with religious and civic organizations in Cook County. Reverend Ben Butler, head of the Missionary Baptists Ministerial Conference, which has over 400 ministers

servicing a congregation of over 200,000, joined Mr. Bullock at the press conference. Also present were Nathaniel Clay, communications director of Operation Push, Tony Travis, village of Maywood Trustee, and Reverend Hiram Crawford, powerful black southside leader who first endorsed Jimmy Carter and Mayor Byrne in their election campaigns.

Reverberations in Chicago

Mr. Bullock submitted his resolution to the General Assembly with 30 cosponsors, both Republicans and Democrats. He had the entire support of the Cook County delegation, which has started to work in a political fight against the austerity measures now being called for by Mayor Byrne.

The state's unanimous endorsement of Bullock's resolution is a rebuff to Mayor Byrne, who has just endorsed Ted Kennedy. Kennedy and his economic advisors like Walter Heller have consistently supported Volcker's tight credit policies.

Byrne's endorsement of Kennedy at this early date is unprecedented in Cook County politics. Chicago normally enters Democratic presidential conventions uncommitted or with a favorite son candidate, in order to gain bargaining leverage for the city's interests.

Mayor Byrne and Governor Thompson alienated large sections of the Illinois democratic delegation when they shelved the Crosstown Expressway, a project of the late Mayor Daley's to revitalize the city, and defeated the tax-override efforts of the Cook County Democrats. The unanimous endorsement of the Bullock resolution is one sign that Byrne does not command the loyalty of Cook County Democrats.

Mr. Bullock will go to Washington, D.C., next week to meet with the Illinois congressional delegation on the implications and activities to be carried out in view of the mandate that his resolution has been given.

Implications for presidential race

Growing resistance to Volcker's policy has been effectively catalyzed by the efforts of Democratic presidential candidate Lyndon H. LaRouche. LaRouche is the only candidate that has opposed Volcker's "fiscal austerity." On Oct. 17, Mr. LaRouche issued a memorandum and held a press conference calling for Volcker's impeachment. Citizens for LaRouche, LaRouche's campaign committee, distributed 200,000 leaflets nationwide targeting trade unions, auto, realtors, legislators, homebuilders, and small businessmen.

In the last 10 days resolutions similar to Bullock's were issued by Ralph Greene, secretary-treasurer of Local 713 of the Federal Printers Union in Washington D.C., unanimously endorsed by AFL-CIO Mason Tenders Local 23 in New York City, and introduced into the Baltimore City Council, where it has been sent to the finance committee to be put into bill form. In Buffalo, Cleveland, Pennsylvania, and Massachusetts, city councilmen and state legislators are considering introducing similar resolutions.

LaRouche sent a letter of congratulations to Bullock the day the resolution against Volcker passed the Illinois House. LaRouche noted that the cosponsors of the bill represented business, labor, farm, and minority constituencies, and gained support across not only party lines but from supporters of Reagan, Kennedy, and LaRouche. "Your bold leadership has spearheaded an inspiring action by the state legislature," stated LaRouche. "As I am certain you fully appreciate, today's action by combined Republican and Democratic forces of the Illinois State Legislature may prove to be the spark which leads our nation away from the brink of a threatened deep recession. ... The essential goodness waiting to be called forth from the majority of our citizens was efficiently represented both by your own initiative and by the support mobilized in behalf of that initiative."

—Mel Klenetsky

Be it resolved: Volcker must resign

Representative Bullock introduced the following resolution to the Illinois General Assembly Oct. 30. Due to bipartisan action by the Illinois Democratic and Republican party leaderships, the resolution was passed unanimously the following day, and has since gone to the Senate, where it also passed in a unanimous vote.

WHEREAS, Federal Reserve Chairman Paul Volcker has initiated a loan interest rate approaching nearly 15 percent; and

WHEREAS, this policy is leading to possible urban disintegration by forcing real estate, construction, savings and loan institutions and auto dealerships into economic chaos; and

WHEREAS, the city of Chicago and other cities in Illinois are facing deficits under Paul Volcker's policies which deny cities access to credit markets; and

WHEREAS, Paul Volcker has stated before the Congressional Joint Economic Committee that the "standard of living of the average American has to decline"; and

WHEREAS, Paul Volcker's policies caused the National Association of Home Builders to place an ad in the *Washington Post* stating "Big corporations and big government will survive the tight money policy at the expense of the young and elderly, and the poor and the disadvantaged, working people and small businessmen"; and further stated that the Federal Reserve policy will have these disastrous effects on the housing field alone: \$24 billion in wages lost; 1.1 million units fewer housing built in 1980, compared with 2 million units in 1978; 675,000 jobs lost in the building trades; and 818,000 jobs lost in related industries.

THEREFORE BE IT RESOLVED that the Illinois congressional delegation request that Federal Reserve Chairman, Paul Volcker immediately lower the interest rate levels and loosen his tight money policy to ensure that the necessary credit is available for productive investment and to maintain present employment levels, or that President Carter and the U.S. Congress accept Mr. Volcker's resignation.