

An avalanche for LaRouche seen building

LaRouche Democrats Debra Freeman of Baltimore, Maryland, and Pat O'Reilly of western Minnesota polled 20 to 40 percent of the vote in Democratic Party congressional primaries held Sept. 14. With final results still coming in from rural counties of Minnesota, and the count still unofficial in Baltimore, the totals as of this writing are: O'Reilly—37 percent in Minnesota's 6th congressional district; Debra Freeman in Maryland's 3rd congressional district—21 percent; and Lawrence Freeman—9-10 percent in Maryland's 7th congressional district.

According to the chairman of a leading Democratic Party political action committee, "the depression is the big influence behind the beginning of an avalanche of support" for the controversial Democratic Party figure, Lyndon H. LaRouche, Jr.

"Since spring of last year," reported National Democratic Policy Committee Chairman Warren Hamerman on Sept. 17, "Manatt and Kirkland have been attempting to push LaRouche [who chairs the NDPC's advisory board] out of the Democratic Party. The basic issue has been that LaRouche has demanded an end to the policies of Federal Reserve Chairman Paul A. Volcker, while Manatt and Kirkland have been mobilizing a defense of Volcker." Charles T. Manatt is the Democratic National Chairman, and Lane Kirkland is an associate of the Trilateral Commission as well as the president of the AFL-CIO.

"As the depression worsens," Warren Hamerman reports, "Manatt's and Kirkland's efforts to deploy the political machines against LaRouche have begun to backfire. As one New York trade-union official stated week before last, if LaRouche would lose a popularity-contest in the AFL-CIO Executive Committee, Kirkland would lose by a bigger mar-

gin among the members of the AFL-CIO.

"The election results recently tell only part of the story," Hamerman added. He indicated that an all-out effort had been launched to defeat two congressional candidates linked to LaRouche, in the Sept. 14 primary elections in Maryland and Minnesota. "Up to the middle of last week, both those candidates were estimated by news media as either neck-and-neck or possible winners. Despite the all-out machine effort, Mrs. Freeman carried an unofficial 20 percent of the vote and Pat O'Reilly 37 percent. We have a similar situation with a congressional candidate in New York, Fernando Oliver, while the office of Sen. Pat Moynihan has conceded that a LaRouche candidate, Mel Klenetsky, has an estimated 30 percent support against the Senator at present.

"These results indicate that LaRouche represents between 20 and 40 percent of the Democratic Party vote in many parts of the country, even against all-out party machine opposition," Hamerman estimated, adding that the picture in the field, "on the local level," is much more impressive. "The situation that first comes to mind from the recent history of the Democratic Party, is the strength of the reform-Democratic insurgency about a year before it began to take control of large chunks of the Party around the nation.

"As we might expect," he reported, "the spectrum of support for LaRouche-linked candidates is the same President Franklin Delano Roosevelt used to have." He indicated labor, farmers, and black and Hispanic minority grouping as the most significant numerically, "added to the acceptance LaRouche has among some business and professional layers." LaRouche has approximately the same opponents as F.D.R., according to Hamerman, "what F.D.R. used to call the 'economic royalists.' The Harriman and Kissinger people

really hate him.

“It’s ironical,” he added. “Here’s LaRouche, who’s devoted his career in public life to stopping a new depression. Now, it looks as if a depression is what might sweep him into the White House in January 1985.”

The NDPC-backed campaigns

O’Reilly and Debra Freeman had appeared on half-hour television broadcasts with Lyndon LaRouche during the week before the election, and endorsed his proposals to stop the new Hoover depression by implementing a new gold-backed monetary system.

During his pre-primary broadcast on behalf of the Freeman and O’Reilly congressional bids, NDPC leader LaRouche went directly to the issues which are forcing themselves into the thinking of Baltimore’s unemployed industrial workers and Minnesota’s near-bankrupt farmers alike. “This is not merely a replay of the Depression which Coolidge and Hoover gave us back in 1931-32,” LaRouche said. “This is much more serious.”

Neither the Democratic or Republican Party leaderships, the Congress, nor the White House know what to do to avert this crisis, said LaRouche. He then summarized his emergency action program, based on the economics of first U.S. Treasury Secretary Alexander Hamilton. LaRouche urged Congress to federalize Paul Volcker’s now-independent Federal Reserve system, and issue gold reserve-backed government currency notes for lending through the private banking system to “farmers, to industries, and to people and projects which are building infrastructure—railroads, waterway projects—and also, to export high-technology American capital goods to the developing sector.”

“Vote for candidates who represent that point of view,” LaRouche told Minnesota and Baltimore’s voters. “Send a message to Washington—give the capital, the Congress, the White House, a sharp kick where they need it most.” The message of support for LaRouche’s anti-depression program reached Washington on Sept. 14. Both in the nation’s capital and internationally, it is also being seen as a tally on behalf of LaRouche’s proposal for the Ibero-American use of the debt bomb against its creditors at the International Monetary Fund and the Swiss-based banks, and for the Hamiltonian economic measures taken by Mexican President José López Portillo following his spring consultations with LaRouche.

A shock for the DNC

The Democratic National Committee had indicated before the primaries that it hoped to hold the NDPC-backed candidates to under 10 percent of the vote. “If they tally in the double-digits, we’ll have to change our strategy,” a DNC spokesman told reporters. That strategy has been primarily one of malign neglect, by which the DNC convinces the major media and their local puppet-candidate to ignore the LaRouche Democrat, except for a few slanderous references. Above all, the DNC has tried to ensure that the economic

program put forward by the National Democratic Policy Committee and LaRouche does not receive media coverage.

The DNC strategy received its first rude shock when LaRouche Democrat Steve Douglas polled over 20 percent in the Democratic primary for governor of Pennsylvania in May of 1982. The Freeman-O’Reilly vote confirms the pattern established in Pennsylvania—strong disaffection of the labor-farmer-ethnic base of the Democratic Party from the leadership’s cosy deal with Federal Reserve Chairman Paul Volcker, and rapidly growing receptivity to the LaRouche program to reverse the depression.

Both the Debra Freeman race against incumbent Barbara Mikulski, and the O’Reilly contest against a former state senator, Jim Nichols, forced the DNC-backed candidates to “fight for their political lives.” Sections of the local media in both areas were forced to concede the possibility of upset victories, so close was the battle.

The Freeman campaign—eagerly anticipated as early as July as a battle between “the beauty and the beast” on a local rock station—concentrated its attack on Miss Mikulski’s rabid promotion of the Carter administration’s *Global 2000* program for worldwide genocide and depopulation. Miss Mikulski’s constituents, who are primarily Polish or other white working-class voters, were shocked to hear that behind the Congresswoman’s liberal concern for the environment was a plan to promote depopulation by returning women to the home to carry out cottage industry, thereby bringing “production” back into the home, wiping out unions, and reducing their incentive to raise children.

Relying on her anti-industrial supporters at the *Baltimore Sun* and the Anti-Defamation League, Mikulski refused to debate Freeman, or comment on the issues of how to reverse the current depression for most of the campaign. Eventually, however, she began to face major defections within her local Democratic machine, to the point where certain local candidates put Freeman on their local promotional ticket.

Up through election day Mikulski was visibly destabilized. The Freeman campaign was able to field 175 pollwatchers on election day—a fact that wiped the smile off Miss Mikulski’s face at every polling place she decided to visit on election day.

The O’Reilly campaign was equally heated on the issues of the economy and Christian morality. O’Reilly’s slogan, “You Don’t Have to Be Gay or Kill Babies to Be a Democratic Candidate,” went to the heart of the Democratic Farmer Labor Party program that his opponent Nichols was supporting. The DFL, the party of Hubert Humphrey and Walter Mondale, actually passed at its last convention platform planks that endorse marijuana decriminalization, abortion, and gay rights. This turn in the party had already driven thousands of conservative Democrats out of the party into the arms of the Milton Friedman-dominated Republicans.

O’Reilly, a family farmer who had run for Congress before and received 33 percent of the vote, was campaigning in a heavily Republican, predominantly farm district. Although

he put on his television ad with LaRouche in three cities, he still was financially unable to cover the entire district, and the DFL in the cities was heavily mobilized against him. But, as in Baltimore, where the remnants of the old-line Democratic Party machine were wiped out in the Sept. 14 primary, Minnesota's DFL was already in a state of disarray. Mondale's second in the state, state Attorney General Warren Spannaus, was defeated by former governor, non-machine-endorsed conservative Democrat Rudy Perpich in the gubernatorial primary.

O'Reilly was hit especially hard by the DFL on the ground of "working with outsiders," a reference to NDPC and LaRouche support. Instead of retreating to local politics, however, O'Reilly responded by calling on Minnesotans to take up LaRouche's economic proposals on an international scale as the only solution to their local difficulties. Over 40 percent of the farms in the area are under threat of foreclosure, and recently the area has once again begun to see 1930s-style penny sales, where farmers band together, shotgun in hand, to prevent repossessed farms from being sold off to other owners. O'Reilly found receptive ears for his proposals that the farmers stop being obsessed with local debt-relief, and support the measures of López Portillo, which provide a model for dealing with the Federal Reserve and an opportunity for farm export markets that are now collapsing for lack of trade credit.

The O'Reilly campaign apparatus was composed of three constituencies—members of the National Farmers Organization; the Minnesota Citizens Concerned for Life; and local representatives of the DFL who were disaffected with the state apparatus. It is a machine that no one expects to go away.

Incumbents fail to challenge Volcker

by Graham Lowry, U.S. Editor

Private surveys circulating in Congress show that America's collapsing economy is the leading issue on voters' minds, with ruinous high interest rates at the top of the list of economic woes. But both the Democratic and Republican leaderships, even with the day of reckoning at the polls approaching, remain firmly committed to protecting the number one enforcer of America's Second Depression—Federal Reserve Chairman Paul Volcker.

Democratic leaders of the stripe of Senate Minority Leader Robert Byrd and House Speaker Tip O'Neill are proceeding with the final phase of a strategy to Hooverize President

Reagan, according to a scenario put together at the December 1980 conference of the Socialist International in Washington. Key to that strategy on the part of corrupt Democratic leaders is to ensure that nothing be done to prevent a major U.S. economic collapse, and then blame the ruin resulting from Volcker's usury on President Reagan.

Reagan's continuing embrace of Volcker's Friedmanite lunacies has produced exactly the effect the Socialist International sought. That result was demonstrated Sept. 9 and 10 when out of sheer concern for their electoral hides, Republican Congressmen deserted the President in droves to overturn his veto of the supplemental appropriations bill in both the House and Senate. Driven by the spectre of a crushing defeat for the President and his adherents in November, 81 Republican Representatives and 21 Senators voted to override the veto rather than support further cuts in politically sensitive social programs. Only two Republican Senators up for election in November voted to sustain the veto.

Democrats scrap phony anti-Volcker fight

The Democratic leadership on the Hill, especially Senator Byrd, has repeatedly maneuvered to contain constituency demands for getting rid of Volcker and his policies, and the week of Sept. 13 acted as Volcker's bidding to scuttle even a contrived "anti-Volcker" posture built around a bill introduced by Byrd in the Senate and a parallel measure in the House. Cooked up as a legislative hoax to deflect voter demands for the Fed chairman's head, the bill would simply have required the Fed to announce targets for interest rates consistent with "sustained economic growth." It had no provisions for congressional mandating of cheap credit for productive purposes, nor any power to force the Fed even to hit its own targets.

To lend credence to the bill, which even its promoters said privately could not pass the Senate, the *Wall Street Journal* and *New York Times* gave it simultaneous and prominent coverage Sept. 10, portraying the legislation as "a serious threat" to the Fed's "independence" and its fiscal austerity policy. Staunch Volcker defender Rep. Henry Reuss (D-Wisc.), a sponsor of the House version of the bill, then sent a letter to the White House asking for the President's support, and waved the predictable letter of rejection around as proof of Reagan's responsibility for high interest rates.

Even this limp gambit by the Democratic leadership to appear as opponents of Volcker's depression has been shelved as too risky, especially given the danger that an increasingly angry electorate might force any such public posture of opposition into an actual policy fight. As a source close to Byrd put it Sept. 15, reporting the decision to abandon the bill, "We don't want any hotheads undermining Paul Volcker when we need him."

Retailing a widely disseminated line originating at the Swiss-based Bank for International Settlements, the Senate staffer declared that nothing must be done to "destabilize the Fed" because "we want the Fed to discipline the banking system in this country."