

State of the Union: Don Regan 'Hooverizes' Reagan

by Webster G. Tarpley

On the Friday after he delivered his State of the Union message, President Reagan carried out the futile and self-destructive gesture of vetoing the Clean Water Bill, which had passed the House of Representatives by a margin of 406 to 8, and which had been approved by the Senate in a similarly lopsided 93 to 6 vote. The day before Reagan's veto, he had received a letter from 76 senators—well over the two-thirds margin that is required to override a veto—urging him to reconsider his announced commitment to reject the measure.

Nevertheless, acting out of ingrained ideological obsession and on the advice of White House Chief of Staff Don Regan, the President insisted on the veto. Don Regan's directing is rapidly completing Reagan's Hooverization, from popularity to scorn. In justifying the veto, Reagan called the Clean Water Bill a "budget buster" of waste and pork barrels, and said that his veto was being affixed to the bill in the full knowledge that it would be speedily overridden. The President added that he did so in order to send a message to the markets of the United States and the rest of the world that his administration is going to be fiscally responsible. He threatened the Congress, should it continue on its present course, with the responsibility for derailing his "great recovery." With that the weakened President was set up for a veto override by the following Tuesday.

Don Regan and his bureaucratic retainers, known as "the mice," have an uncanny but perhaps spontaneous instinct for acting out the Hoover profile. Earlier the week of Jan. 26, the administration proposed to abolish the Temporary Emergency Food Assistance Program (TEFAP), which spends about \$50 million per year to distribute surplus cheese, butter, flour, rice, honey, dry milk, and corn meal to millions of destitute Americans. The administration wanted instead to use some \$29 million of this money to pay for salary increases

for the bureaucrats of the Department of Agriculture. It turns out that storing the food is more expensive than giving it away, and the request was unanimously rejected by the Senate Appropriations Committee.

Don Regan is also an expert on procuring bad relations with Congress. On the day of the State of the Union speech, the White House told Republican congressional leaders the President would sign a bill for emergency aid to the homeless that was \$50 million over what he had considered acceptable. Previously, the White House had urged the legislators to court public opprobrium by voting against the very same bill.

Hearings at the Senate Appropriations Committee Subcommittee on Labor, Health, Human Services, and Education turned into a shouting match that pitted Republican Sen. Al D'Amato (N.Y.) and Florida Democrat Lawton Chiles against Department of Education official John Walters. Walters was attempting to defend the almost \$1 billion in cuts in the War on Drugs appropriation that the Don Regan mice have included in the administration budget. "For God's sake, get in the real world," D'Amato yelled at the witness. "Is that all the hell that needs to be spent?" chimed in Chiles. "You don't care. You don't give a rip. You don't think we count. Have you ever read the Constitution? You don't think Congress exists."

It was thus not surprising that President Reagan's meeting with Speaker of the House Jim Wright (Tex.) and Senate Majority leader Robert Byrd (W.Va.) also turned acrimonious. The President's opening gambit was the assurance that he would veto the Clean Water bill, and from there on it was all downhill. The meeting went "very confrontational" as the Democrats promised to pass a trade bill, predictably punitive in thrust, by April or May. The Democrats took it as an affront when Reagan refused to confer with them in a meeting in

which tax increases might be on the agenda. "I think it's the opening gun of 1988," contributed Sen. Bob Dole (Kan.), whose own presidential campaign has long since left the starting gate.

A bipartisan group of Senators, including Republicans John Heinz III (Pa.) and John Chafee (R.I.) and Democrats Dale Bumpers (Ark.) and Patrick Leahy (Vt.), introduced legislation to compel the administration to respect the limits written into the unratified, expired, and violated SALT II accords of 1979, which President Reagan correctly repudiated last May, and which both the United States and the U.S.S.R. have exceeded. In December, 57 senators signed a letter calling on the President to abide by the terms of the defunct accord.

In sum: Just a few days after both sides had exchanged their vows of bipartisan cooperation, the Irangated and Hooverized President Reagan, stubbornly negating all economic reality and now elementary political reality as well, was locked in bitter struggle with a Congress aware of the economic depression ravaging its constituencies, but drifting, because of its inability to identify and attack the causes of that depression, toward highly dangerous trade war measures and suicidal defense cuts.

That combination, under conditions of aggravated world crisis, could prove fatal to this nation and to this civilization. The chances of a better outcome now depend on the increasing power of the campaign of Democratic presidential contender Lyndon H. LaRouche.

Reagan apes Herbert Hoover

Reagan's State of the Union Address, apart from the reassurance offered by his apparent recovery from surgery, was a catalog of lost opportunities. Reagan reaffirmed his hated policy of rapprochement with Iran. He claimed to have vanquished inflation—not an extraordinary feat in a depression, as Herbert Hoover found out. He trivialized the Soviet threat as something located in Afghanistan and Nicaragua, with no reference to the impending Soviet ABM breakout and Ogarkov's missile exertions. While he pleaded for further aid to the Contras, whom the Washington bureaucracy now views as ripe to be dumped, his defense of the Strategic Defense Initiative was purely *pro forma*, and did not incorporate any significant material from Caspar Weinberger's recent speeches. Neither the rapid experimental progress in the SDI program, nor the perspective of deciding in favor of initial deployment in the near future, was mentioned.

Rather, the President recited from his usual *cahier de doléance*: The deficit is too big because the federal government spends too much; a balanced budget amendment to the Constitution should be passed; a line-item veto for the President is long overdue; the Gramm-Rudman deficit reduction targets must be strictly respected, and not tampered with, as some Democrats desire; there must be no tax increase. Some new verses were added to the litany of Reaganomics: A program of welfare reform through "state-sponsored, com-

munity-based demonstration projects" to slay the "welfare monster"—more murderous austerity. The speech contained no mention of the AIDS pandemic, nothing to defend the U.S. alliance system or oppose Trilateral decoupling, nothing on trade war and the collapse of the dollar. References to education and "competitiveness" were fluff.

The Democratic reply, delivered by Wright and Byrd, was more interesting. Wright talked about the "staggering trade deficit," about the decline in the standard of living ("downward mobility"), about "educational mediocrity" and illiteracy. He developed the image of the Port of New York exporting junk metal and waste paper. He cited the "desperate condition" of the family farms, the worst since the Great Depression. Wright's merit is to deflate the big lie of the Reagan Recovery, demoting that fabrication from ontological statement to lying demagoguery, even for Washington institutions. Wright was also useful in debunking Reagan's claims to be helping education, pointing out that the President's budget cuts 28% of federal spending in this category. He also hit at the hypocrisy of the administration's war on drugs cuts.

Wright's proposals verged on dirigism in advocating incentives for investment in the modernization of aging industrial plants. His evocation of the G.I. Bill was apt. He advocated a highway bill to create 165,000 jobs—a modest New Deal-style infrastructure item. But then he came back to that "comprehensive trade bill," based on "free trade and "fair trade": "America has the right to insist that other countries treat American-made products the same way we treat their products"—a nightmare of Smoot-Hawley in the midst of a world depression. There were still no real solutions: nothing about Volcker, credit policy, debt moratoria.

Dump Don Regan

But the more the general frustration builds, the better the chances that Don Regan may finally be ousted. The Senate Intelligence Committee has released its report, which Sen. David Boren (D-Okla.) is summing up for television audiences. Boren is saying that the report proves the existence of a parallel government which has existed at least since the time of the Lumumba assassination in the Congo in the early 1960s. Boren is highlighting the role of Michael Ledeen as an agent of that government, as a private citizen working part-time for the NSC who can command audiences with Israeli Foreign Minister Shimon Peres. Boren is pointing to the difficulty the secretaries of state and defense had in meeting the President, while Oliver North and his Contra pals could walk into the Oval Office at the drop of a hat, thanks to the good offices of Don Regan. So there may be substance in a *Boston Globe* report that Shultz, Weinberger, and James Baker of the Treasury have signaled to the President that he must choose between them and Don Regan.

The *Globe* notes that although Regan survived the first attempt to dump him, back in December, a second attempt is now being mounted, backed up this time with the threat of mass resignations from the cabinet.