

For Reagan and advisers, day of reckoning has gone

by Nicholas F. Benton

With the United States Senate vote to override President Reagan's veto of the Highway Bill, the odd economic doctrine of Reaganomics has been finally accorded its decent burial. As a result, this country, in the middle of its worst economic crisis, has no economic policy.

The result is one of those vacuums that nature has long been known to abhor. The Senate vote has called attention to a vacuum of policy which only Democratic presidential candidate Lyndon LaRouche knows how to fill. Even though the vote to override in the Senate was by a margin of only one—and that achieved through a crafty manipulation of procedures by Sen. Robert Byrd to effect a vote-switch by a single Senator—the world saw President Reagan literally begging 13 members of his own party for votes. This came only two days after spokesmen for the administration gave a flat “no” to a proposal by visiting French Prime Minister Jacques Chirac to feed the starving Third World with agricultural surpluses from the advanced sector.

As a result of the veto override, the \$88 billion Highway Bill was passed and 800,000 highway construction jobs were preserved. Also, the states are now empowered to raise their speed limits on rural sections of the interstate highways above the present oppressive and unrealistic 55 mile per hour federal norm. The United States, over \$3 trillion in arrears on its national infrastructure maintenance by *EIR* estimates, will now act to ensure that some major bridges and freeway overpasses don't fall down.

The third kick

For President Reagan, it was his third kick in the teeth for picking a fight with the one force he has usually had on his

side—the national consensus. Observers are beginning to wonder: It usually doesn't take that many kicks to get even a stubborn mule to budge.

First, there was the catastrophic defeat the Republicans suffered at the polls in November. Despite an aggressive personal campaign by the President, the Republicans lost control of the Senate, giving the Democrats control of both houses for the first time since Reagan took office. “Reaganomics,” which has accounted for a precipitous collapse in domestic living standards during a heralded “recovery,” was responsible. A record trade deficit, the collapse of farm and industrial sectors, and the growth of domestic consumer debt—all the fruits of “Reaganomics”—led to a revolt at the ballot box.

Second, there was the Clean Water Act, which the 100th Congress took up on day-one. It had passed in September, but Reagan killed it with a “pocket veto”—holding onto it until Congress adjourned. Bent on delivering a swift message to the President, the Congress again passed the bill, and when the President vetoed it again, overrode his veto by an overwhelming margin. It was no “porkbarrel,” as the administration insisted. It was \$19 billion in desperately needed sewage treatment and flood control facilities. The override was only the second on an important bill in the six years of the Reagan presidency.

The Housing Bill, which passed the Senate in early April, promises to be the next confrontation. The President has already said it costs too much, even though it does not include a dime for any new housing.

The week before his devastating setback on the Highway Bill, Reagan was invoking playing-field images and rhetoric,

promising a relentless fight to maintain the Gramm-Rudman-Hollings deficit reduction target, which for the Fiscal Year 1988 budget is supposed to be \$108 billion. On his radio show March 30, Reagan shouted the slogan that cropped up on campaign buttons being passed around the White House the week before, "108 in '88!"

The economic agenda of "Reaganomics" is in a shambles. There was a pall on the faces of White House press spokesman Marlin Fitzwater and his assistants, who were in the middle of a briefing to the White House press corps when the results of the Senate override vote, 67-33, came in at 2:30 p.m. April 2. His President having made a personal visit to Capitol Hill in the morning to appeal to the 13 Republicans who were planning to vote against him, and having stated, publicly, "I beg you for your vote," Fitzwater could only smile half-heartedly and assert that "there was glory in losing in this case," and that "we will be back to fight again."

The President, Fitzwater insisted, did not lose face by failing in his personal appeal to those in his own party who deserted him. "On the contrary," he said, "he gained because he showed his determination to make the fight despite the risk."

No one would have been surprised to see Reagan do this, had Don Regan still been his Chief of Staff. But Regan was gone, and former Senate Majority Leader Howard Baker, a man with great experience at reading the mood of Congress, was in as the President's closest adviser. Baker told the President not to do it. So did the leading Senate Republican, Minority Leader Robert Dole. So, according to sources, did the President's new National Security Adviser, Frank Carlucci, and Secretary of Defense Caspar Weinberger. But Reagan did it, anyway.

Why? When there is no Don Regan to blame for misleading the President, the blame falls on the President himself. Surely, the President's actions on this one, including his eleventh-hour visit to the Hill, demonstrate that, unlike his apparent behavior during the Iran/Contra affair, he knew exactly what he was doing. This is the assessment of insiders: The President is a pure ideologue on economic matters, who is personally convinced that a constitutional amendment to balance the budget is necessary, and that "free market" economics defines how the world ought to be run.

Lacking a Don Regan to guide him this way, he will do it on his own. If he looks around his cabinet room for reinforcement, he is most likely to find it coming from his old friend, Attorney General Ed Meese, the man who wears a necktie with miniatures of Adam Smith scattered over it.

New setbacks

Ronald Reagan stands at a low ebb in his presidency, with more veto overrides to come, and much more yet to come out on the Iran/Contra affair. Weakened further by the reports that he failed to act when defense intelligence experts warned him in 1985 about poor security at the Moscow em-



bassy, Reagan now faces the prospects of having his second nominee for CIA director rejected.

FBI director William Webster, nominated by Reagan to fill the CIA post when he had to withdraw the nomination of Robert Gates because of his association with the Iran/Contra affair, has been called to testify on the affair before the joint Senate-House committee. Webster will prove to be much more vulnerable in the scandal than is Gates, since it was he who joined with Meese and Trott to order, among other things, the quashing of an investigation into Southern Air Transport, the airline used by Col. Oliver North.

The continued inability to find a replacement for Webster to head the FBI reflects both fear that Webster will not be confirmed by the Senate for the CIA job, and that a raging faction fight is ongoing inside the administration which has yet to be resolved.

The President will not survive many more kicks in the head. If the ones he's already suffered haven't been enough to convince him to change policy, along the lines proposed by Chirac and U.S. Democratic presidential candidate Lyndon LaRouche, there are already ominous signals of what the consequences of his demise will be.

For example, the House Armed Services subcommittee voted to decimate the budget for the Strategic Defense Initiative from the requested \$5.2 billion to \$3.3 billion, and this with the absurd proviso that SDI research be contained within the strict limits of the ABM treaty. They also eliminated all funding for the anti-satellite testing program. These votes came barely a week after the Secretary of Defense Weinberger asserted that the Soviets have broken out of the ABM treaty altogether.

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