

Editorial

Senators, Have You Seen The State Budgets?

Over the weekend of Aug. 18-19, the Democratic Party leadership announced with great fanfare, that it has found a new way *not to fight for the general welfare of Americans, and to deny that the problem is economic depression*. Instead, the Democratic leadership announced it intends to spend the Fall campaign season, attacking President Bush for a tax cut which the same Democratic leadership supported only a few months ago, in everything but degree. This decision by Sen. Tom Daschle (S.D.), Rep. Richard Gephardt (Mo.), and others would be comic, if it were not a continuing tragedy. It brings to mind the courtier Osrick in *Hamlet*, who would repeat whatever a nobleman (in the Democrats' case, whatever the popular opinion polls) said to him: "I thank your lordship, it is very hot. . . It is indifferent cold, my lord. . ." and so on.

Only this Spring, the Democratic leaders were "going along to get along," agreeing that a tax cut was just what the ailing economy needed, and haggling only over the amount of such a cut. Now they've discovered that the tax cut has destroyed the surplus and is threatening Social Security.

The huge, endless budget surplus—which Al Gore preached and praised much more loudly than George W. Bush during the 2000 campaign—is all gone. But Lyndon LaRouche, in the same campaign, insisted that there was no budget surplus, but only an oncoming financial crash about to sweep the budget away. The Democrats insisted that was impossible, suppressed LaRouche's campaign, stole his votes and delegates, and gave them to Al Gore.

LaRouche was right, and Gore was wrong about the "surplus" and the economy; but the Democratic leadership will not admit that, and without admitting it, they cannot lead a fight for recovery from the depression.

Thus the latest ridiculous Democratic "practical tactic"—so transparent that it will evaporate by the Fall—is to charge Bush with losing the non-existent surplus, by a tax cut.

Have none of the Senators noticed the current condi-

tion of the *state* budgets of the nation, including those of their own states?

Let Senator Daschle read our report on the collapse of the states' budget "surpluses," on page 10 of this issue—or let him go back to our May 4, 2001 issue, where precisely this development was accurately forecast. Huge holes have suddenly opened up in the budgets of at least half the American states—because they enacted tax cuts? No, because the collapse of stock capital gains, business sales, the employment of workers and the worth of their 401(k) pensions, has suddenly knocked the stuffing out of the states' revenues. They have been hit, one and all, by economic depression.

This the Democrats deny—not only their national leaders, but many, if not most, of the local elected officials and organizers who are, along with those they represent in their constituencies, directly bearing the brunt of it. "It can't be getting that bad. . . Things are going down, but it'll turn around again, it's got to. . . I can't be thinking about that. . ." they say. While they keep saying it, the Democratic Party is disqualifying itself as a leadership for Americans who are—if they will admit it themselves—scared to death of the economic collapse.

Compare the Democratic leadership's latest announced campaign "posture," with what a real leadership should be fighting for: national re-regulation of energy and other industries ruined by deregulation; reopening and rebuilding the disappearing hospitals and public health capabilities of the nation; reconstructing economic infrastructure as FDR once did; above all, demanding the United States convene a New Bretton Woods conference to replace the chaotic and sinking international financial and monetary system—without that, real recovery from this economic collapse cannot take place.

These are the serious matters on the nation's and world's agenda. They mark the difference between LaRouche's leadership, and the antics of the Democrats who will try anything but to face reality.