

Steinberg with a gift of a metal sculpture of bull testicles! Steinberg returned it, telling Arnie to quit his machismo game-playing.

While Steinberg and the leaders of both parties, in both legislative branches, have pledged to do whatever is necessary to reach an agreement before July 1, it is clear that Schwarzenegger is prepared to do whatever he must to prevent any resolution from occurring. The state Controller, John Chiang, is preparing IOUs, which would be the first time the state had to use these registered warrants since 1992. Chiang said there has been nothing like this since the Great Depression, while his spokesman said that issuing IOUs is almost an admission of guilt that we can't pay our bills.

While Schwarzenegger continues to play a dirty, obstructionist role, literally cheering on the disintegration of the state, others are trying to sound the alarm. Los Angeles County Supervisor Zev Yaroslavsky said, of the current crisis, "This is the beginning of a state-wide meltdown," while Republican State Senator Bob Dutton said, "Everybody's talking about jumping off the cliff. We're already off the cliff."

Federal Responsibility

Clearly, there is no solution for these state crises on the state level. States are mandated to balance their budgets, and borrowing in the middle of the meltdown of revenues and employment is risky, if available. What is required is what Lyndon LaRouche proposed back in December 2002, as California was being devastated by the Enron ripoff.

LaRouche proposed two sets of legislation: First of all, a national infrastructure program, which he's sometimes called a "Super-TVA," to remind people of the TVA development under Franklin Roosevelt. This legislation would provide Federal credit for desperately needed infrastructure projects.

Second, LaRouche called for the repeal of all of those changes in Federal law, that took us away from a fixed-exchange-rate international monetary system, to a floating-exchange-rate system; away from a protectionist policy to a free-trade policy; and into massive deregulation.

"Only by using that authority, and by putting the financial system into bankruptcy reorganization, using Federal credit to generate real physical growth, as Roosevelt did, will we be able to avoid the otherwise inevitable plunge into a deep New Dark Age."

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Murtha's 'Earmarks for Dummies'

FDR-Style Economics Rattles Soros Hyenas

by Anita Gallagher and Jeff Steinberg

As EIR reported in its June 12, 2009 issue ("Soros Crowd Behind Smears Against Murtha"), a gaggle of George Soros-funded groups, in league with the corrupt media, took the occasion of Rep. John Murtha's annual "Showcase for Commerce," to escalate their slander campaign against the 18-term House of Representatives veteran. We reproduce here, his remarks, which shed light on why he so angers the crowd that is intent on obliterating the legacy of President Franklin Roosevelt.

June 19—Rep. Jack Murtha (D-Pa.) presented his central Pennsylvania district as a case study in Franklin Roosevelt economics, in two speeches he delivered at the Annual "Showcase for Commerce" in Johnstown May 28-29. The Showcase included 170 employers, who set up 215 booths, demonstrating their latest technologies; hundreds of skilled employees of defense, health, and other contractors and subcontractors, elected officials from all levels of government, and his constituents.

Murtha's remarks were also directed to a pack of press hyenas, who were eager to savage Murtha for "earmarks" of money for local economic development projects. As *EIR* reported in its June 12 issue, George Soros, the speculator who worked for the Nazis in Hungary, and called that time "the happiest period" of his life, is funding the apparatus that is attacking Murtha. Murtha is a target because he embodies the FDR tradition. Sources have also told *EIR* that Murtha's defense industry constituency represents an independent source of funding for Democrats—outside the control of the Obama White House apparatus—which City of London interests want to eliminate. And Soros has been designated to run the political hit, through attack groups bankrolled by his Democracy Alliance.

Murtha opened the 19th Annual Showcase for Commerce with these remarks:



www.house.gov/murtha

In his 19th Annual Showcase for Commerce speech, Rep. John Murtha pointed out the many hard-won benefits to his district from so-called “earmarks,” that the enemies of the FDR tradition have attacked him for. Here, Murtha dedicates the National Drug Intelligence Center in Johnstown in 1993.

‘We’ve Had a Stimulus Package for a Long Time’

Welcome to you all. I want to compliment JARI [Johnstown Area Regional Industries] and the Chamber of Commerce, but I would be remiss if I didn’t also compliment State Senator John Wozniak, and the three state representatives for the work they do, because the work we do is from the bottom up.

When we first started this Showcase, we had 24% unemployment. The Federal government has come to our aid a number of times. We’ve had a stimulus package here for a *long time*. When we first started in 1977, we had a flood—actually, there was a flood in 1936, when President Roosevelt came in and built a viaduct, and said there will never be another flood in Johnstown. Well, we actually got 14 inches of rain in 8 hours; and we had another flood in 1977. President Carter stepped up. We passed legislation. Frank Pasquerilla flew me back to Washington; he [President Carter] signed the legislation, and we rebuilt the Johnstown area. We had

thousands of people out of their homes, and we got them back into their homes without any kind of a problem. We said, “We’re cleaning the place up: Get a shovel.” We went to work. All the people went to work.

But this Showcase has been the key to our economic *survival*. I went by to make sure the airport was still there [laughter]. That airport—when we started out, we put an earmark in. The earmark was the highway—an access road. When we put the access road in, then the Galleria came about, with about a thousand or so employees. Lowe’s came, and Home Depot came in, and we had to do the sewage and water. Sewage and water is something nobody likes to talk about, or think about. We couldn’t expand, even though we lost 12,000 steel jobs and about the same number of coal jobs, and another three jobs for every one of those jobs. We had to diversify; we couldn’t do it without the sewage and water. So the state legislators and myself worked on sewage and water for years. Hundreds of millions of *earmarks* went in, to put sewage and water in—so we could attract business; so we could build homes; so we could expand everything. We’ve done pretty well. Our unemployment now is about the same as the national average.

Let me tell you something. It’s come because of you. When we first started this thing, we would have small businesses bring in a few spare parts. But none of us understood how to get it done. But we’re quick learners. Now we have a diversified, high-technology industry; we have manufacturing; we have white-collar; we have the National Drug Intelligence Center, and we have 5,000 people working around the airport. DRS [Integrated Manufacturing Solutions, Inc.] alone has saved \$1.5 billion on one contract. These contractors come in here because of me, but I’ll tell you this: They come in because you save them money and you do quality work, and that’s what brings them back year after year, and I applaud that.”

Western Pa.: Backbone of the Industrial Revolution

In the closing breakfast May 29, Murtha emphasized the role of industry in defense, and his own background:

I grew up on Bridgeport Street in Mt. Pleasant. On our street, we had ten people that served in World War II—on one street. Some of them also went to the Korean War. Western Pennsylvania was the backbone of the

industrial revolution. And, during World War II, we produced the steel; we produced all the things that were needed. We overwhelmed the Germans and the Japanese. As a matter of fact, in one year, the United States produced 83,000—in 1943—83,000 airplanes. We produced 30,000 tanks in one year, and that's more than Germany produced in the entire war. So, the industrial capacity of the United States was as important as anything else we do. We had 16 million people under arms. I remember going out and having a victory garden; I remember all of those things. All of us did it together, and we worked together, and the military might and the industrial might of this country made a difference.

Well, since that time, times have changed substantially, and defense has changed substantially. We rely more on the National Guard and the Reserve. For instance, the Pennsylvania National Guard, under the leadership of [Major] General [Jessica L.] Wright, has been deployed more times than any other National Guard in the whole country. And she just told me that Gen. [Raymond] Odierno was complimenting the Stryker unit [the only National Guard unit in the U.S. which has the Stryker armored combat vehicle], which I was able to bring to Johnstown. For some reason, they decided to put it in Pennsylvania—not Johnstown—but all of Pennsylvania. And they were complimenting that unit on what a good job they're doing there. They're professionals, and they're bearing a heavy burden. . . .

It took me years to learn, after Korea and Vietnam, [that] military might wasn't the only answer. We had to have diplomatic help. We had to work with the State Department. The State Department was reduced in size; reduced in foreign service officers; reduced over the years. They weren't able to respond as they should, because we started to depend too much on the military. Now, the military still is going to be a key to our national defense; it's going to be the key to projecting power and influence, but, the State Department is going to play a bigger role. And we put more money into the State Department this last year.

Now, this area here has played such an important role over the years in our national defense. And what we've been able to do, as the steel industry declined—and I said this yesterday—how important it was that the national government interceded. You go back to the flood of 1936: President Roosevelt came in and

built a viaduct. The flood of 1977, President Carter, at my request, passed special legislation. So, all these things happened. We couldn't have done it by ourselves. And when we lost all those steel jobs, President Reagan—who was a free trader—said we need to stop subsidized steel. The flood was one thing; but it was a lot more impact when we lost the steel jobs—12,000 steel jobs, and of course, about the same number of coal jobs. So, the Federal government has been absolutely essential to the survival of western Pennsylvania. . . . We know how important it is, sewage and water projects. . . .

I see our troops coming out of Iraq. I believe that we can get them all out. I don't believe that they should leave 40,000 or 50,000 in Iraq. We're never going to be able to deploy troops, and leave them home for a lengthy period of time, unless we get them all out of Iraq. And I think we can do it from the periphery. . . .

Here's what I see is going to happen in national defense. There'll be less money for national defense, just because things are winding down. Our weapons systems are much more lethal than they used to be. We don't need 83,000 airplanes today, because the targets we go after are so precise, and the weapons systems are so accurate today, that our systems, expensive as they are, are very effective. So, we need to concentrate on software and technology.

What we're trying to do is to make sure the troops have what they need. . . .

The Congress is a diverse group of people. . . . I always say, "Even if they might not vote with you this time, they may vote with you the next time. . . ."

My great-grandfather fought in the Civil War. His father fought in the Revolutionary War, on my mother's side. They came from Washington County. Two or three of them were involved in each of the wars. My dad and three of his brothers were in World War II. Three of my brothers were in the Marine Corps. They're all sergeants, and they said sergeants run the Marine Corps. In my family, the women ran the family. My great-grandmother lived to be 96, and when she passed away, my grandmother ran the family. And my mother ran the family, and now my wife says, "Take the garbage out." You know, it's time to take the garbage out. But my great-grandmother, when I was six years old, said, "You're put on this Earth to make a difference." We have made a difference in this area, and I'm proud of everything that we've done."