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CONGRESSMEN BADILLO AND DELLUMS ISSUE CALLS FOR DEBT MORATORIUM

March 18 (IPS)—U.S. Representative Herman Badillo (D-NY) and Ron Dellums (D-Calif) have in the past week become the first members of congress to launch an open public fight for debt moratorium as the only solution to the fiscal crisis afflicting cities and states throughout the country.

Badillo raised the issue for the first time on the floor of the House yesterday morning in a speech calling for support of his Municipal Bankruptcy Bill. Badillo called on Congressmen to study material on debt moratorium which he had inserted into the congressional record.

On CBS-TV's "Public Hearing" show in New York March 14, Herman Badillo reiterated his previous call for a three-year moratorium on New York City's debt: "I support a total moratorium on all (city) debt," Badillo said. "The city is a disaster from (the 'bailout') having cut at least 25,000 jobs and putting at least 500 million dollars not toward reducing the deficit - but only to pay debt service. The banks aren't giving any money now and they themselves aren't able to do so!"

Speaking at an open meeting in Berkeley, Calif., March 13, Cong. Dellums said: "I want to say that I fully agree with the U.S. Labor Party's stand on debt moratorium. My friend Ken Meade introduced it into the California Assembly this week. I agree with the idea of debt moratorium philosophically and politically. I will be meeting with three or four economists in Washington, and if I can put it into the proper form, I will introduce the debt moratorium into the House of Representatives."

At the state level, four legislators are considering debt moratorium legislation or bills to memorialize the U.S. Congress to pass the Labor Party's Emergency Employment Act (EEA) which would declare a moratorium on local and state debt, establish minimum standards of living, and extend credits to maintain services and expand industrial production nationally.

* State Assemblyman Ken Meade, a close associate of Rep. Ron Dellums, introduced into the California Legislature March 11 the Emergency Employment Act memorialization legislation and a bill which calls for a 24-month suspension of state debt. At his Sacramento press conference March 9, Meade attacked the "Era of Limits" economic program of California Governor Edmund G. Brown as an "abdication of responsibility" and disaffiliated himself from the Democratic Party. These bills "will pierce the notions of limits to growth," Meade said.

* The Emergency Employment Act nearly passed the Washington State Legislature's Financial Institutions Committee March 12, with unprecedented open backing from major industrialist forces in the Northwest and portions of the state's Democratic and Republican

leadership. Losing by a vote of 5-4, the EEA was kept alive by a committee vote against an attempt to shelve the legislation.

* Connecticut Senator Wilber Smith, a member of the Legislative Black Caucus, introduced debt moratorium legislation into the Connecticut legislature last month. Testifying March 9, Smith told the legislators: "Debt is rising exponentially while services are being cut. It's time we told the taxpayers the truth about the growth in debt. We need an orderly process of bankruptcy instead of confusion and chaos. Some people look at what's going on in Europe right now and say 'So what?' But if Italy, France, and Britain go down the drain, so do we. Some people ask 'Well, what about the banks?' Well, they're already bankrupt. We need a new credit-issuing institution...We are responsible not to the banks, but to the aged, the sick, the unemployed, the workers. You can look at New York and see that Big Mac is no solution at all."

* The EEA memorialization bill has been introduced into the Massachusetts State Legislature.

* City Councilman Albert O'Neil of Boston introduced debt moratorium legislation into council, Feb. 23, and councilman Luis Olmedo of New York City has announced his intention to introduce similar legislation into the New York City Council.

-- 30 --

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