National News

James Galbraith attacks Federal Reserve's myths

Economist James K. Galbraith, the son of John Kenneth Galbraith (former adviser to President Kennedy), delivered a presentation in Washington May 14 entitled, "Who Made Alan Greenspan God Anyway?" Addressing the Economic Strategy Institute, he refuted some of the absurdities now promoted by the Federal Reserve Board and Greenspan, including the laugher that increasing employment and wage levels must lead to inflation.

Using charts going back to the late 1950s, Galbraith argued, "We are facing a paradox: You read in newspapers that the economy is doing fine, but in the same newspapers, you also read that people believe they are worse off today than they were yesterday." By historical standards, he said, the economy is not doing that well.

Galbraithemphasized that public expenditures on vital infrastructure, even in the nation's capital, have been "deeply neglected since the early 1980s.... Now, are we in fact so poor, that we need to make a mess of the place we live in, by neglecting them, by refusing to spend on streets, bridges, and water systems, on schools and other public facilities, on libraries and cultural facilities? I don't think so. I don't think that there is any economic necessity for doing that."

Queen's knights infest D.C. National Cathedral

At an obscene oligarchical ritual, performed May 11 at the National Cathedral in Washington, D.C., the American Society of the Order of St. John of Jerusalem swore allegiance to Britain's Queen Elizabeth II, and founded the first "priory" of the Order in the United States. Costumed bigwigs from various branches of the Order trooped about to blaring trumpets, before a flag with lions rampant, and a ceremonial sword upon the altar.

A "mandator" then asked the Grand

Prior (a cousin of the Queen), "Your Royal Highness: whereas Elizabeth the Second, by the Grace of God, of her divers Realms and Territories Queen, Head of the Commonwealth, Defender of the Faith, the Sovereign Head of our Order, has been pleased to sanction the constitution of a Priory of our Order in the United States of America, is it the wish of Your Royal Highness that such a Priory be constituted?" The Grand Prior responded: "It is."

John Rozet Drexel IV, "Knight of Grace of said Most Venerable Order," was then installed as Grand Prior of the U.S. Priory, "in the name of Her Majesty Queen Elizabeth, the Sovereign Head of our Most Venerable Order." The ceremony included a prayer for the Queen, "that under her we may be godly and quietly governed," topped off by the knights singing the British anthem, "God Save the Queen."

LaRouche takes 13.8% in West Virginia primary

Democrats in West Virginia on May 14 gave Lyndon LaRouche his highest vote yet in a two-way primary race with President Clinton. According to the unofficial statewide tally, LaRouche received 41,240 votes, or 13.82%, despite a continuing media blackout, and an attempt to sabotage LaRouche's campaign by corrupt elements in the Democratic Party, led by Democratic National Committee Chairman Don Fowler.

In the May 14 Nebraska primary, LaRouche won 10,255 votes, or 11.19%, in another two-way contest with President Clinton. The West Virginia and Nebraska results brought LaRouche's total vote to more than half a million (523,493) in the primary elections to date.

In a statement issued May 15, LaRouche declared, "Taken together with other election results since the end of February, the votes cast in Nebraska and West Virginia show a solid trend. I represent now more than 10% of the Democratic Party vote for the coming, November general election. This represents the probable margin by which the November 1996 Presidential and congressional elections will be won or lost.

"A more precise estimate of my cam-

paign's present and future influence must take into account the fact, that, up to this date, there has been a virtually total blackout of even the mere fact of my candidacy by all network television news, all international press agencies, and most leading daily press throughout the United States. This has continued despite the fact that I won a larger vote than Republicans such as Pat Buchanan and Steve Forbes in primary elections. If one takes into account what my vote would have been had there not been a virtually total blackout by the leading television and print news media, my candidacy is a major factor in the coming general election."

LaRouche concluded, "Right now, the Democratic National Committee is considering seriously, whether to dump National Chairman Don Fowler, or risk losing both the 1996 congressional and Presidential elections."

Despite the blackout by the major news media, LaRouche—alone among all contenders in both parties—has appeared on three prime-time, half-hour television broadcasts nationwide, paid for by his campaign. A fourth broadcast is scheduled to appear on the Fox television network on Sunday, June 2, at 9:30 p.m. EDT. The program will emphasize LaRouche's proposals for urgent changes in U.S. policy toward Russia, where the candidate recently concluded a week-long series of high-level discussions.

N.J. bill would penalize corporate 'downsizing'

Legislation was filed in the New Jersey General Assembly May 2, which would require corporations to make financial compensations to laid-off employees and affected communities. The proposed Job Destruction Penalty Act applies to corporations with over 100 employees, which make permanent layoffs of more than 25 workers. The bill would require that those laid off be paid two months' severance for every year of service; and that communities be compensated at a rate of \$4,000 per employee, for the resulting loss in jobs and tax revenues.

The bill itself, which is backed by the state's AFL-CIO Industrial Union Council, documents the depth of the depression in

78 National **EIR** May 31, 1996

New Jersey, once among the leading industrial states in the nation. One-third of its manufacturing jobs have disappeared since 1979; and total manufacturing employment has fallen below 500,000 for the first time since before World War I.

Between 1988 and 1994, New Jersey's 100 largest firms reduced their total payrolls by 65,000 jobs, or 12%; and 27,000 layoffs were announced in 1995, more than double the number in 1994. From November 1991 through February 1996, some 474,000 laidoff New Jersey workers exhausted all available state and federal unemployment benefits, without being able to find new employment—giving New Jersey a "benefit exhaustion rate" of 47%, the highest in the nation.

New Jersey's home mortgage foreclosure rate is also the highest in the nation, as is its average per-capita debt. Housing construction during the 1990s has dropped to the lowest level since World War II.

Nurses denounce threats to safe hospital care

Thousands of hospital nurses rallied in the nation's capital May 10, demanding federal legislation to protect hospital patients from the cost-cutting schemes of hospitals, HMOs, and health insurers, aimed at dismantling the traditional system of safeguarding patients with qualified nursing staff.

According to the march's organizer, registered nurse Laura Gasparis Vonfroglio, over 10,000 hospitals are restructuring patient care, using low-paid, unlicensed aides to replace professional nurses. Despite the fact that most patients today enter hospitals sicker than ever before, hospitals are cutting costs by "de-skilling" their workforce, while increasing the workloads of their few remaining nurses.

Hospitals currently pay millions of dollars to consultants, to help them cut costs. The most experienced and educated hospital nurses are increasingly replaced by unskilled aides who, after a few days training, are assigned to take blood, or insert catheters, or check ventilators and heart monitors. In a number of cases, patients have reportedly died, when aides ignored the monitor alarms or fell asleep.

Additional millions have been spent on plans to "retrain" nurses to care for patients with only untrained staff. One plan urges nurses to "construct a vision"; "empower the center"; and "construct a new architecture." Another adapts the American Airlines method of tracking luggage, to tracking hospital patients.

Predictably, hospitals are now chronically short of qualified staff. Nurses are required to work overtime, with few days off; to work double shifts and swing shifts in the same week; and to fill in wherever there are shortages. A cardiac-care nurse, who has none of the skills or experience needed to save the lives of premature infants, might be put in charge of NICU. Meanwhile, should a critically ill infant die, that nurse is legally responsible. Nurses who refuse mandatory "floating" are fired.

Maurice Strong named to White House tech panel

The Toronto Globe & Mail reported May 14 that Canadian arch-genocidalist Maurice Strong has been appointed co-chairman, with Vice President Al Gore, of the White House Conference on Technology. Strong is already serving as special adviser to World Bank President James Wolfensohn.

The Globe & Mail claims that Maurice Strong is "now perhaps the most influential Canadian in Washington." Strong organized the United Nations' 1992 conference in Rio de Janeiro to promote a global environmentalist dictatorship, and was the official secretary general at the proceedings. Immediately thereafter, given charge of Ontario Hydro, the largest public utility in North America, Strong fired 10,000 highly skilled workers within a year, and canceled all nuclear and hydroelectric energy development projects.

Strong told the *Globe & Mail*, "I'm now working on a major project to 'green' private investment—to set up voluntary guidelines and criteria for private investment in various sectors, forestry, tourism, mining, oil and gas." Commenting upon rumors that he could become the next secretary general of the United Nations, Strong said, "I do not have to head it, in order to save it."

Briefly

ZERO-SUM ECONOMIST Lester Thurow says benefits for the elderly must be slashed to save democracy. "Democracy is not yet a survival-of-the-fittest species," He wrote in the *New York Times* May 19; but it "is going to meet its ultimate test in the elderly. If democratic governments cannot cut benefits that go to a majority of their voters, then they have no long-term future. No other investments can be made until those benefits are brought under control."

JOHN KERR, Britain's ambassador to Washington, wants the United States to have more confidence in the United Nations—and pay its "arrears" to the global body. "We British are especially interested in this," he said at a recent press conference, "since the money goes to peacekeeping, for which we have a particular responsibility."

REP. MAJOR OWENS (D-N.Y.), denouncing the Republican budget plan which passed the House May 16, warned that, "by continuing to insist that the Medicaid entitlement be eliminated, [it] poses a clear and present threat to the health and life of millions of Americans. By abandoning health care to the states, the Republican budget opens the door to decentralized genocide."

AMERICAN WORKERS have increasingly been reduced to below-poverty wages, according to the U.S. Bureau of Labor Statistics and the Economic Policy Institute. In 1993 dollars, the portion of the U.S. labor force earning less than \$5.20 per hour, soared from 4% in 1979 to 11.5% in 1989, and hit 13% in 1993.

THE ROUTE taken by civil rights marchers from Selma to Montgomery, Alabama in 1965, has been designated by Congress as a national historic trail. Backing the measure in the House May 14, John Lewis (D-Ga.), who was badly beaten on the march, said, "This route made a contribution to opening up the democratic process for all Americans. I feel blessed that I had a little role to play."