

Clinton Campaign Pulls Nation Back From Brink

Lyndon LaRouche's national spokeswoman Debra Freeman was Harley Schlanger's guest on The LaRouche Show web radio broadcast, on Jan. 12, 2008, along with LYM members Meghan Rouillard and Michael Steger. Here is an edited transcript.

Harley Schlanger: In case you missed it, let me inform you that the world changed this last week, in ways that were both visible and unmistakable. First, and most visible was the dramatic shift in the U.S. Presidential campaign, with the results in the New Hampshire primary last Tuesday....

Secondly, was the push for an independent Presidential bid by billionaire, and fascist, New York City Mayor Michael Bloomberg. This was given a boost by 17, mostly former, elected officials—and has-beens and never-was—in a so-called bipartisan forum in Norman, Oklahoma.

And also unfolding this week, was the open push for dead-ly budget cuts by California Gov. Arnold Schwarzenegger. Arnie, who refers to Bloomberg as his “soulmate,” virtually ac-

knowledgeed in his speech to the legislature on Thursday, that he knows that these cuts will kill people, but he said that “fiscal responsibility” (which is his name for killer cuts), is a virtue.

So, during the first full week of 2008, we’ve seen exactly what Lyndon LaRouche has been forecasting, since he said in his July 25, 2007 webcast, that the financial system has already collapsed. That there will be a coordinated effort by the City of London to impose Mussolini-style fascist policies, corporatist policies, with Bloomberg chosen to play the role of Mussolini. And that, at the same time, there’s a potential for a Franklin Roosevelt reflex, a return to the anti-Depression policies of the American System.

The victory by Hillary Clinton in New Hampshire, was based on her emphasis on economic issues, particularly action to stop foreclosures, and reflects the growing support nationally for Lyndon LaRouche’s Homeowners and Bank Protection Act.

So, joining us today, to discuss these dramatic developments, will be Debra Freeman, the national spokesman for Lyndon LaRouche. Also, we’ll hear from Meghan Rouillard, from the LaRouche Youth Movement, who was in New Hampshire in the two weeks leading up to the primary; and Michael Steger, who recently returned to Los Angeles from several months in Washington, D.C....

Now, clearly, as Lyndon LaRouche said, a change occurred in New Hampshire. So, what happened?

Freeman: Well, in the aftermath of the Iowa loss, a number of events were set into motion, and they were ironic, at first. Because Hillary’s loss in Iowa didn’t come as a particular surprise to anyone. She never expected to win there, and in fact, she came out of the Iowa caucuses with only one delegate less than Barack Obama; which, really, by some people’s estimate, would have been looked at as a draw.

But, what the response in the media was, was that Hillary had suffered a stunning defeat. And even before the candidates boarded their planes for New Hampshire, an extraordinarily vicious media campaign was unleashed, declaring, virtually the end of the campaign! Poll numbers were coming out, showing an incredible surge by Obama [see Debra Freeman’s article, “Clinton’s Fight for Invisible Americans Can Save the U.S.,” *EIR*, Jan. 18, 2008, for her analysis of the election campaign]....

But at the heart at all of it, really was the fact that Hillary was the only candidate who was prepared to speak directly on the foreclosure crisis....



Hillary for President web page

Since Hillary Clinton's stunning victory in the New Hampshire, where she shifted her focus to the general welfare, every other candidate is now forced to respond to those issues. Clinton is shown here campaigning in Iowa in December.



The LaRouche Youth Movement's organizing in New Hampshire for the Homeowners and Bank Protection Act (HBPA), helped to shape Hillary Clinton's shift in orientation to the lower-income 80%. Shown, LYM members perform Bach's motet, "Jesu, meine Freude," in Boston.

A 90-Day Moratorium on Foreclosures

Schlanger: She had already endorsed a 90-day moratorium, I believe, on foreclosures.

Freeman: She had endorsed a 90-day moratorium, and with a potential for a three-year moratorium on foreclosures. But it was not front and center in what she was doing. But after this meeting [with Bill and Chelsea Clinton and close advisors—ed.], it became the center of what they were doing. It was noted with a response that Bill Clinton gave on Monday night [Jan. 7], in response to a question about the subprime mortgage issue, where he not only gave a fairly elaborate presentation of the history of the crisis, but he went after the hedge funds. And she just continued to hammer away at these central points. And the fact is, when she said, on election night, that in listening to people of New Hampshire, she found her own voice, I think it may have been one of the most honest statements that she has made during the course of the campaign....

And you know, the results in New Hampshire were startling: She won 47% of the vote to Obama's 32% among those with incomes under \$50,000 a year. Among young people between the ages of 25 and 29, she won a clear majority of the votes.

But more importantly than the dynamic of New Hampshire itself, or of Hillary's campaign, per se, the fact of the matter, was that by doing what she did, it forced the issue. And right now, two things occurred: One, is that if they thought they had a cakewalk to dictatorship with this Bloomberg candidacy, that just went out the window. Number two, they got the exact *opposite* result than they intended! Which is that, now, every other candidate is forced to respond to the issues that Hillary has defined....

Support for 'Firewall' Act Grows

Schlanger: Now, as you mentioned the mobilization of the LaRouche Youth Movement and forces associated with

Lyn in particular, we had new developments in the last couple of days, with the opening of state legislatures: Rhode Island, Missouri, and Maryland, in each of those three states, there's been the introduction of a resolution in support of LaRouche's Homeowners and Bank Protection Act. Some people wonder—I hear this all the time—"Well, if there's something done on a state level, or a city council passes a resolution, does that get up to the Congress? Do the Presidential candidates know about it?" What about that, Debbie?

Freeman: Absolutely, yes. And what you have to keep in mind, is that at the same time that we're mobilizing

the base of these Congressional representatives and Presidential candidates, we are also very visible, and very present in Washington, where it's simply fear and denial, by at least some people, that is stopping them from just endorsing Lyn's policy.

Each and every time—each and every time a state legislature, each and every time a city council, or a county council, passes a resolution in support of the HBPA, it brings us that much closer, to forcing the issue with the U.S. Congress. And I think that Hillary's recent move does that as well. Because it is the first time, that somebody has stepped forward and has spoken in recognition of the crisis; and also, if you look at the features of what she's calling for, she is making clear that this is not just a peculiar subprime mortgage crisis, but that this is an across-the-board economic crisis.

But, I can assure people, that there is nobody anywhere in the United States, who is too small to have an effect on the overall mood on Capitol Hill at this time. And you know, these guys are not going to move, unless they are forced! And this is precisely the kind of action that does force them. And I think that the kind of dynamic that we've been able to unleash in the state of Pennsylvania, where you have scores and scores of elected bodies considering and passing the HBPA, is something that we want to create in states all across the nation....

Schlanger: Let me turn to Meghan Rouillard, who is joining us today. Meghan had a chance to organize in New Hampshire, was involved in some very significant exchanges on policy with various candidates. Meghan, why don't you give us a report from New Hampshire?

Meghan Rouillard: Sure. I'd start by saying the work that we did in New Hampshire, the idea was initially by no means to track or follow any of the candidates who were up there. It was simply a continuation of our mobilization from here in Boston, around LaRouche's Homeowners and Bank Protection Act, and we have extended ourselves into the states

of Connecticut, Rhode Island, Massachusetts, and New Hampshire as well. So, we figure there's a politicized environment up there, and we should go organize these people with LaRouche's literature and policies.

We probably attended and organized people at about 20 of the Democratic candidates' events up there, with the intention of shaping the mind of the election process. Now, the first thing that we realized is that nobody else is doing that. None of the campaigns actually had any literature, at all, for the voters....

The LaRouche 'Presidential Campaign'

Schlanger: And so, Meghan, we were out there then with the various pamphlets that the LaRouche PAC has put out recently, then?

Rouillard: Right, and the population of New Hampshire is very interesting, because there is a real familiarity with LaRouche as a Presidential candidate, and with his ideas, except this is the first year, where he is not running for President. But when we told the people there, "Look, LaRouche has crucial economic policy advice for the next President of the United States, whoever it may be," people were grabbing the stuff up. And at some of the events of candidates like Edwards and Obama, there is a little bit more to joke about, because there was really zero substance at all, when it came to a discussion of economic policy. So, that was a large part of what we were able to do, and the electorate very much appreciated it.

One thing I would just add, is that there were what I thought some useful exchanges with Hillary Clinton. We attended a lot of her events, and I'll just give an example of one of the first events that we attended up there, in Manchester. Now, this is before this shift that LaRouche has noted in Clinton's campaign, in the days before the primary. And it was an event for women and their daughters. You were only supposed to ask questions about "women's issues," and this type of thing. It was a relatively large audience, and I was able to ask the first question that anything to do with economic policy; and just brought up the fact that it was very good that she had come out with a plan to halt foreclosures, which she hadn't talked about during the event itself. And one thing I noticed was that the people in there, when I was asking this question, everybody turned around, a lot of people were nodding their heads. And I said, "Look, it's very good that you've called for this, but what are you going to do about the much larger banking crisis, and the fact that banks are actually insolvent?"

She was very eager to respond, and actually gave a very long answer, one of the longest answers that she gave during the event. And not only outlined her call for a moratorium on foreclosures, but also she said, "Wall Street is not happy about my policy." And she said, there are banks in Shanghai and Abu Dhabi who have securities that are based on these mortgages, and these interests cannot come first.

The exchange in and of itself is important, but also after the event, I had a couple people come up to me afterwards,



Office of the Governor

California Gov. Arnold Schwarzenegger announced that he plans to deal with a \$14.5 billion budget deficit by cutting aid to the poor, the elderly, the blind, the disabled. In a recent speech to the legislature, he all but admitted that the cuts will kill people, but added that "fiscal responsibility" is a virtue.

and just thank me for asking the question. And then, there was another event several days later, with Bill Clinton—this is actually before what was initially referenced, where he had a relatively in-depth discussion of the subprime mortgage crisis; this also happened a couple days prior, in Rochester, where he was asked about this. We were preparing to ask him a question, and then somebody in the audience asked him about this. He gave a very long answer. And the next woman who asked him a question, was an extremely elderly, sick woman, who got into the auditorium, and basically said, "I don't really have a question for you, I'm just letting you know that in a couple of weeks, I'm basically going to have to live on \$300 a month, and how am I going to survive?" And he was visibly shocked by that, I think, and moved.

So, these are just a couple of the things that we noticed in the days even prior to the shift that occurred at the beginning of this week.

Clintons Are Looking at FDR Precedent

Schlanger: Debbie, from your past experience with the Clinton Administration, the administration of Bill Clinton, and the work you've done: It's clear that in Hillary's campaign the last few days, the idea of speaking for the "invisible Americans" is a real echo of Franklin Roosevelt's "forgotten man." To what extent do you think that Bill and Hillary Clinton, and the people around them, are looking at this FDR precedent?

Freeman: Absolutely.

It's very conscious, especially on Bill's part. You have to keep in mind, that in Bill Clinton, what you're dealing with is

someone who, above everything else, is a student of history and a true intellectual. And he is well aware of the fact that the magnitude of this crisis, far surpasses the crisis that we faced in the '30s, coming into the Second World War. That is something which is very much on their minds. And we know for a fact, that many of the people in the campaign are looking very closely—in addition to looking at Lyn's work—at many of the relief packages that were put together by FDR.

Also, keep in mind, that Bill Clinton, both during his Presidency, but also very significantly since his Presidency, he also has a certain global picture. He has spent an extraordinary amount of time in Africa, and in Asia, and he's well aware of the depth of the catastrophe in those places; but he also knows there's no solution to it in those places, that the solution can only come inside the United States. So, I think that that also has a very big impact.

But the reference to the "invisible men and women" was by no means an accident. It was an intentional harkening back to FDR....

Schlanger: Speaking of FDR versus Mussolini/Hitler, Michael Steger is with us in Los Angeles. Michael's a veteran of campaigns going back now five years, where the LaRouche Youth Movement has been the *only* consistent force that's been in the street, prodding and smacking the Democratic Party to come out against Arnie, in a consistent way. Schwarzenegger this week announced that he's going to deal with a \$3 billion deficit for the next six months, and \$14.5 billion and growing deficit for next year, by cutting aid to the poor, the elderly, the blind, the disabled; slashing \$4 billion from education. And of course, Arnie, as we've pointed out, is a bad actor, who was brought in by George Shultz, and the same Felix Rohatyn that Debra's been talking about, who is the wreck-er of the Democratic Party.

So, Michael, give us a sense: We're going out against supposedly the popular actor. What do we find, when we go out and make these comparisons of Schwarzenegger and Bloomberg to Mussolini?

Michael Steger: People recognize, his draconian austerity is modeled on Hitler and Mussolini, and as you put it yesterday, it really is, that he thinks of himself as a Hitler, but really he's just more of a Mussolini: He's kind of an overgrown meathead, who they recognized that he had the stomach to do what was necessary, that's why he got the job....

Schlanger: But people are aware that he came out with this slashing of the budget?

Steger: Yes, people know it, and people generally recognize that the Democratic Party in California, really, since he made his kind of about-face, instead of calling the Democratic Party wimps, and attacking the firefighters, nurses, and teachers as "special interests"; after his referenda were defeated in 2005, he switched in 2006 to be so-called, this "post-partisan collaborator" with the Democratic Party environmentalists. And now the Democratic Party is stuck here in California, led

by people like Pelosi and Feinstein on the national level, where they've capitulated to this type of leadership.

And so now, what we're facing is, Schwarzenegger going for complete austerity against the lower 80% of California citizens, and they know it! What they want to see is people taking leadership and recognizing what the real problem is, and that's what we're doing out in the streets.

'Bushvilles' in California

Schlanger: And people are aware that there are "Bushvilles" springing up in California.

Steger: That's right. There's a Bushville down in Ontario, California near Orange County. And the economic crisis out here is severe—a \$14 billion deficit—I've heard this is *half* of the total state deficits across the country! And it's very real. I think statistics like, 20% of the new jobs over the last five years come in real estate areas, of home construction, mortgage lending—these people are all out of work. You go to organize in Orange County, or Los Angeles, even in affluent areas, people are telling you, "You know, I'm out of work. I was in construction, I was in real estate, I was in finance, I was in mortgages. I'm facing foreclosure. I can't pay my rent, I can't pay this." And it's generally hitting a large portion of the population. It's very real out here.

And Schwarzenegger's policies are killing people. They have over I guess the last three years. One of the first things he did, was cut a state program for children's health-care. So his mentality is, as you said, "fiscal responsibility, like compassion, is a virtue." So, he really sees that it's his job, that if he has to kill people, he's the guy to do it. And that's what we're going after....

Schlanger: Meghan, as I understand it, besides Rhode Island, there's now motion in New Hampshire for the Homeowners and Bank Protection Act.

Rouillard: Yes, and this is interesting. It was actually at a Bill Clinton event in New Hampshire that we met a very feisty New Hampshire state representative—because they actually have two representatives, who [are supporting it]—there is a bill in the New Hampshire state house, which is going to be voted and discussed during this month. And then, at one of these events just this past week—we didn't know either of the women who had sponsored this; we met a very feisty representative who wants to be an ally of ours, and wants us to go up there and organize. We also have a vote coming up early next week in the Rhode Island state house. *And*, we're now getting motion in the Massachusetts state house, which is very important, because the Democratic Party in Boston, Massachusetts has had a very severe Felix Rohatyn problem in the recent period. But the work that we've done in the city councils, for example, has now allowed us to get things moving there.

Schlanger: Well, it's not at all surprising that in two of the



EIRNS/Michael Steger

Californians, even in formerly wealthy areas, are facing job losses and home evictions. Here, LaRouche Youth Movement organizers interview a resident of "Tent City," also known as "Bushville," in Ontario, east of Los Angeles.

bluest states in the country, Massachusetts and California, you have Rohatyn deployed to wreck the Democratic Party. Debbie, what can you tell us about this Rohatyn/Shultz collaboration over the years?

Freeman: This goes back, as I said, to the aftermath of the Social Security fight, when it was clear that we were faced with the potential loss of the auto industry, and most importantly of the machine-tool sector as tied to that industry. We were involved in a massive drive nationally, and a massive drive on Capitol Hill, and we were getting a very good response. And then, suddenly, there was an intervention by Nancy Pelosi, at the behest of Felix Rohatyn, and in fact, that support for the LaRouche proposal began to wane.

Right around that time, I happened to find myself as a guest at a Washington, D.C. reception, and one of the other guests was none other than Felix Rohatyn. And over drinks we were chatting, and he was not too pleased to kind of be my captive there for a while, but really he didn't have too much of a choice....

But one of the things we were chatting about, was Franklin Delano Roosevelt, and what FDR would have done, if faced with a similar crisis. And Rohatyn got extremely exasperated, and responded that "FDR was fine for then, but that was then and this is now." And the situation now, is that you have private, financial institutions, whose annual budget far outweighs that of so-called—and that "so-called" was his term, not mine—sovereign nations. And that therefore, why should these nations have more of a say than these financial institutions?

Schlanger: So, it's explicit, then?

Freeman: Absolutely explicit! It was one of those instances where I was shocked, but not surprised. We knew that this was his position, but I never expected him to come out and say it publicly, and to say in front of other people! But he was emphatic about it, and he fought for that position.

Pelosi: A One-Woman Wrecking Operation

Schlanger: This is a continuing thing with him. Didn't Pelosi just invite him to present to the Democratic Party why they should go along with Bush's so-called "foreclosure" bill, instead of what LaRouche is saying, and what the Clinton campaign is moving towards?

Freeman: Yes! Well, she invited him to a quote/unquote "leadership meeting," where this was adopted. However this so-called "leadership meeting"—just to give you an example of how Pelosi does business—did not include Congressman

Charles Rangel of New York, who happens to be the chairman of Ways and Means! Now, that is without question the single-most powerful committee in the House of Representatives, and *nobody* has a discussion of a leadership issue, especially a leadership issue on an economic question, without the involvement of the chairman of Ways and Means. But Pelosi *knew* that there was no way that Charlie Rangel would go along with it—so she conveniently "forgot" to invite him!

The question of Nancy Pelosi, is not the subject of our show, but this woman, in her absolute stupidity and incompetence, has done more damage to the Democratic Party, than that imbecile Bush could do in his wildest dreams! She has been a *one-woman wrecking operation*. And she has left the party *extremely* demoralized. She's come very close to breaking the spirit of the Congressional freshmen; I think the only thing that really stops that is our continued fight and our continued presence.

But this woman is an *absolute* disaster, and she really is just the lapdog of Felix Rohatyn. Because she has no thoughts of her own, so whatever he tells her to do, is what she does! And hopes that the money comes in as a result....

Schlanger: And Debbie, just to conclude: We've seen, as we've been discussing for the last hour, an incredible shift this week: There's no reason to believe you can put the genie back in the bottle now.

Freeman: Absolutely not. But the way to guarantee that, is for us to continue the mobilization that we've unleashed....