

discontent would remain. The public gives no sign that it endorses fighting inflation on the backs of the unemployed.

However, it is not only the electorate, but business leaders who have nothing in principle against "fighting inflation on the backs of the unemployed" who are bolting. What *EIR* has emphasized in its reports of LaRouche-Riemann computer-econometric simulations has slowly dawned on an increasingly large business group. The implications of a no-recovery recession are the continued growth of Soviet military power while America struggles to maintain its current low standard of preparedness; the galloping erosion of the Atlantic Alliance due to the divergence between the American recession and the relative prosperity in Europe, due in part to expanded trade with the Soviet Union; and the inability of any conventional policy to yield predictable results under present conditions.

Many, although not all, of Carter's supporters from the 1976 campaign are persistently urging his removal. There is no way to read "business sentiment," because the flow of information and analysis that usually mold a predictable "Business Roundtable" standpoint has been choked off by the unpredictability of events. Of course, these events were highly predictable to those who looked in the right places, but that short list included no members of the administration. Contrary to the *New York Times'* statement of the problem, the issue is not merely the alienation of the electorate, but the ability of the man in the White House to guide the nation out of a profound and potentially fatal crisis.

As Treasury Secretary Miller and Federal Reserve Chairman Volcker indicated in public statements this week, the Administration will stick to the "anti-inflationary" tack for the moment, until it has dug the conventional six feet for burial underneath the White House. The Treasury has prepared contingency plans for tax abatement, but a tax cut of the magnitude discussed by the Joint Economic Committee, at \$25 billion, is an insignificant possible factor in the economic situation.

The only really serious discussion of economic alternatives involves a set of proposals originally discussed quietly by Rep. Henry Reuss (D-Wisc.): "dirigistic" intervention into specific industries to forcibly raise basic productivity. However, the Administration has no apparatus for such a program, let alone authority to persuade Congress to make a go of it. The authors of such a proposal, in any event, have little concrete idea of how it might be applied. Therefore the possibility of a Rooseveltian response to the economic crisis by the administration must be ruled out; the only possibility is a half-baked, rapidly aborted move in that direction.

On these criteria, Carter will add to the weekly list of unemployment claimants as of Aug. 11.

Reagan can't get the blue-collar vote

When the primary and caucus season got under way, the various political pundits were talking about Ronald Reagan's brand of "conservative Americanism" being able to take the blue collar vote away from the Democrats. In the early primaries this certainly seemed to be the case, with droves of blue collar Democrats crossing over to vote for Reagan in Illinois, Wisconsin and in New Hampshire. This prompted talk of Reagan being a new "Wallace phenomenon."

But as the primaries have worn on, Reagan's blue collar vote began to disappear into the "none of the above" or "not voting" categories.

What happened? The economic crisis caught up with Reagan.

In the beginning, workers listened to Reagan's vague prescriptions about the economy—he stated openly that he would say nothing specific until the fall of 1980—and workers hoped against hope that those prescriptions would eventually be formulated into some fresh, workable ideas. As the unemployment lines grew and auto plants closed, even the vague ideas of "Reaganomics" began to grate.

The May 20 Michigan primary, where Reagan suffered his most overwhelming defeat, shows the depth of disillusionment of labor. Officials of the United Autoworkers would like to have people think that it was their efforts to show their members that Reagan is anti-labor that proved decisive. While Reagan and his advisors may indeed be anti-labor, the UAW had similarly mobilized against Wallace and Wallace did very well in Michigan. It was Reagan's statements—"his firm belief"—that the auto industry was suffering from a good and deserved dose of free enterprise and warranted no special aid, like the Chrysler bailout, that turned workers away from the GOP candidate.

Reagan organizers should not have been surprised when after handing out several thousand leaflets for a pre-primary meeting in Flint, Mich., only 18 workers showed up—perhaps the lowest turnout of the campaign. Nor should Reagan people have been surprised when no auto workers showed up at the polls May 20, handing the hapless George Bush an overwhelming victory.