Wage stagnation, economic insecurity sources of voter anger, says Clinton

by William Jones

President William Clinton, speaking at Georgetown University on July 6 on "Responsible Citizenship and the American Community," stressed that wage stagnation and economic insecurity are the sources of voter anger and frustration. While British-spawned propaganda blames President Clinton and the federal government for the discontent of the population, President Clinton pinpointed declining incomes as the real problem. There are "real reasons for ordinary voters to be angry, frustrated, and downright disoriented," but these reasons are rooted in economic insecurity, Clinton said.

The speech marks a significant shift in outlook on the economy. Although prior to the 1994 elections, Clinton was stressing the economic "recovery," in recent months he has increasingly emphasized the decline in real wages and the fact that the "recovery" is not being felt by most working people. In the Georgetown speech, he explicitly cited the 1994 elections as representing a turning point in his thinking.

A two-decade trend

President Clinton expressed his disappointment with the results of that election. "I kind of felt sorry for myself," he said. "And then I realized, how could they [the voters] possibly feel anything in two years? . . . These income trends are huge, huge trends—sweeping over two decades. Fast international forces behind them. Trillions of dollars of money moving across international borders working to find the lowest labor cost and pressing down [wages]. Untold improvements in automation—so fast that you just can't create enough high-wage jobs to overcome the ones that are being depressed in some sectors of the economy."

While the "aggregate indices" say "that the economy has done well—almost 7 million new jobs, the stock market is over 4,500—the median income, the person in the middle has declined with all the downsizing. More and more people are temporary workers," the President said.

"This is the only advanced country in the world where there's a smaller percentage of people under 65 in the workforce with health insurance today than 10 years ago," Clinton said. "Millions of American people go home at night from their work and sit down to dinner and look at their children and wonder what they have done wrong. What did they ever do to fail. And they're riddled with worries about it. Millions more who are poor have simply given up on ever being able to work their way into a stable lifestyle."

'Failure is not an option'

"I believe we face challenges of truly historic dimensions," the President said, "challenges here at home perhaps greater than any we faced since the beginning of this century we are about to finish and the dawn of the industrial era." In meeting those challenges, "failure is not an option," he said, quoting NASA flight control director Gene Kranz, who used the expression when faced with the task of bringing the damaged Apollo-13 spacecraft back to earth in 1969 (recently popularized in a new box-office hit movie).

President Clinton underlined the need for such a determined attitude in order to solve the problems facing the nation and the world today. "You read the Declaration of Independence and the Constitution," the President said. "This country is an idea. And it is still going now in our 220th year because we all had a sense of possibility. We never thought there was a mountain we couldn't climb, a river we couldn't ford, or a problem we couldn't solve. . . . You have to believe in possibility. And if you're cynical, you can't believe in possibility."

A more sober economic assessment

The President has adopted a more sober, and realistic view of the economic scene, warning of the many difficulties that lay ahead, which stands in sharp contrast to the disastrous 1994 Democratic congressional campaigns. In 1994, the optimistic references to the "X number of months of continuous economic recovery" characterized all too much the political slogans from the Democratic side. The disastrous results of the 1994 elections served as a wake-up call for the Democratic Party, a warning that it would be the kiss of death in a period of serious financial convulsions like the present, to base an electoral strategy on optimistic figures drawn from the "leading economic indicators." The Federal Reserve's recent lowering of the interest rates, a measure the Clinton administration has been quietly urging

for some time, indicates that there is considerable concern that the "economic upswing," so glibly touted by administration spokesmen, is not something administration policymakers are really counting on.

The coming global financial collapse, not dealt with at the recent Group of Seven summit of leaders of major industrial nations in Halifax, has tended to also color the political rhetoric. If the world financial system unravels during President Clinton's first term, as seems likely, he will have to make the tough choices for emergency measures to meet that crisis, and his reelection will largely be determined by his ability to deal with it. If the financial blowout is delayed until after the 1996 elections (a less likely option), he will have to prepare the population for the mobilization needed to carry out the type of emergency measures outlined repeatedly by physical economist Lyndon LaRouche. President Clinton's attempt to contrast his theme of "responsible government" to the Republican attempt at making "government" a bogeyman, without clutching at the straws of the "leading economic indicators" as proof of administration success, could provide the psychological and political basis for the needed measures to be taken as the financial blowout erupts.

In 1994, many Democrats learned to their bitter disappointment the foolishness of trying to play to the same tunes as their Republican counterparts. This was underlined by Sen. Edward Kennedy (D-Mass.) in a speech on Jan. 11 at the National Press Club, in which he indicated the problems many candidates created for themselves by pretending to be something—Republicans—they weren't. "I reject such qualifiers as 'new' Democrat or 'old' Democrat or 'neo' Democrat," Kennedy said. "I am committed to the enduring principles of the Democratic Party, and I am proud of its great tradition of service to the people who are the heart and strength of this nation: working families and the middle class." If Democrats try to be like Republicans, as many Democratic incumbents tried to do in November, they will always lose, he explained.

Kennedy himself had been behind in the polls initially and was a particular target for elimination by Republican strategists, but succeeded in winning his election on classical Democratic issues by a sizeable margin. "I ran as a Democrat in belief as well as name," he said. "This turned out to be not only right in principle; it was also the best politics. I talked about the issues that mattered to working families and about what I had tried to do to address their needs and concerns. If we be what we traditionally have been, we can win." He urged Democrats "to prove to working families and average citizens that we are on their side fighting hard for them," rather than adapting to the GOP agenda.

Real alternatives needed

In 1991, President Clinton presented his "New Covenant" speech at Georgetown University that became the hallmark of his successful 1992 Presidential campaign. On Nov. 8, 1994, he gave the Carroll Quigley lecture, a memorial lecture named after the Irish-American Georgetown history teacher who was a seminal influence in the development of the President's political philosophy. In that lecture, President Clinton extended the olive branch of cooperation to the Republicans, giddy in their euphoria over winning majorities in both houses of Congress. Returning to Georgetown (his alma mater) now, the President presented a similar offer of cooperation, as a means to bring the country together. Although it seems unlikely that Republicans, caught up in election fever, will respond any better to the President's offer than they did in November, the voters, to whom the message is ultimately addressed, may feel differently.

In his recent speech at Georgetown, Clinton attacked his opponents for harping on a populist "anti-big government" line without posing any real alternatives, whipping up hysteria rather than appealing to reason. "Americans don't want 'just say no' politics," Clinton said. "If they can get the truth, they'll make the right decision 99 times out of 100. And we have to offer an alternative. And so do they [the Republicans]. . . . When we differ, we should say what we're for, not just what we're against."

On the surface, his message was one of bipartisanship, calling for "more conversation and less combat," and for finding "common ground" rather than reverting to the "extremism of rhetoric and excessive partisanship." "We can't restore the American Dream unless we can find some way to bring the American people closer together," the President said, evoking the spirit of the "conciliator" in contrast to the "attack dogs" of the Conservative Revolution.

But Clinton also lambasted the "anti-government" rhetoric of his Republican opponents, who "communicate more and more with people" in "30-second ads designed far more to inflame than to inform." While saying that there must be an effort to change government in order to make it more effective, he warned against attempts to "eviscerate" government. "We have tried weak government, nonexistent government, in a complex industrial society where powerful interests that are driven only by short-term considerations call all the shots," President Clinton warned. "We tried it decades and decades ago. It didn't work out very well. It didn't even produce a very good economic policy. It had something to do with the onset of the Depression."

In order to meet these challenges, the President said, "we've got to challenge every American in every sector of our society to do their part. We have to challenge in a positive way and hold accountable people who claim to be not responsible for any consequences of their actions that they did not specifically intend—whether it's in government, business, labor, entertainment, the media, religion, or community organizations. . . . None of us can say we're not accountable for our actions because we did not intend those consequences."