WORKERS VANGUARD No. 90

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2 January 1976

Economic Outlook Bleak

Explosive Struggles Ahead!



Angry workers converge on speakers platform to shout down Hubert Humphrey at April 26 AFL-CIO "March for Jobs" in Washington.

At the conclusion of November's economic summit meeting in Rambouillet, France, which brought together the heads of government of the world's six most powerful capitalist nations, U.S. president Ford declared optimistically, "As the result of the work we have started, the people of our countries can look forward to more jobs, less inflation and a greater sense of economic security." But back home, after a few months of relatively strong recovery in mid-1975, government statistics were telling of a renewed downturn in what is already the worst depression since the 1930's.

For the last two months the official Commerce Department index of leading indicators has fallen. Capital investment and housing construction remain at slump levels. And the prestigious

University of Michigan survey of consumer sentiment indicates that far more people are today skeptical about a strong recovery than earlier this year. Otto Eckstein, a member of the Council of Economic Advisors under Lyndon Johnson, expressed the increasing pessimism of bourgeois economists: "It's still a recovery, but the forward momentum seems to be fading" (Business Week, 24 November).

Not only are the prospects for the future gloomy, but conditions facing working people remain intolerable. While the unemployment rate has edged down since the bottom of the depression, it still remains well above 8 percent, higher today than during any year since the late 1930's. After real earnings of American workers have already fallen in 1973, 1974 and now

1975, inflation has once more accelerated sharply and threatens to send real wages plummeting again.

An Inventory Cycle...

In the course of the capitalist business cycle, with the profit rate declining, a point is reached when The owners of the means of production are no longer able to realize the expected value and surplus value embodied in saleable commodities. Contrary to standard textbooks on the virtues of the free market system, when this "overproduction" occurs, capitalists do not immediately cut prices (and profits) in order to sell and reproduce their existing level of output. Rather, at this point an explosion occurs, an economic crisis in which they cut production, laying off workers, and work down inventories while seeking to

maintain prices that will yield a normal rate of profit. Thus changes in inventory levels are the most volatile element of a typical capitalist conjuncture.

The several months of economic upswing in the U.S. last year were partly based on an accumulation of inventory stocks. But this was in response to temporary factors and not indicative of an improvement in the longer-term outlook. When the Arab oil boycott burst the 1972-73 boom two years ago, inventory levels were abnormally low. Thus during the early months of the depression certain sectors (e.g., steel) deliberately built up their stocks. In addition, corporate managers generally underestimated the severity of the depression and failed to cut back production as rapidly as sales were continued on page 9



<u>Kissinger's Latest Near East Gambit</u> **U.S. Explores "PLO Option"**

DECEMBER 28 In order to please Israel, the consumately nationalist U.S.backed state created through forcible dispersal and continued oppression of the Palestinian people, imperialist loudmouth and American ambassador to the United Nations Patrick Daniel Moynihan may continue to sneer at the Palestine Liberation Organization (PLO) as that "amorphous terrorist organization." But to get Syrian agreement to a six-month extension of the 1,192-man UN "Disengagement Observer Force" in the Golan Heights, Moynihan agreed to a UN Security Council meeting on January 12 "to continue the debate on the Middle East problem including the Palestinian question" at which the PLO would be represented. And to get Egyptian agreement to an extension of UN forces in the Sinai, the U.S. had to strong-arm the Israelis into ceding some oil wells and strategic passes in the desert.

The Sinai "disengagement" is the product of U.S. Secretary of State Kissinger's "step by step" diplomacy, or "a piece of land [someone else's] for a piece of peace" as it was called by bourgeois pundits. According to the petty-bourgeois radical Guardian of 24 December:

"Syria's carefully timed move of tying renewal of the UN mandate to this further legitimization of the PLO was a brilliant diplomatic maneuver. It effec-tively undercut Kissinger's 'step-bystep' strategy of trying to divide the Arab countries and to separate the Palestinian question from the other outstanding question in the Middle East: the return of those territories seized by Israel from Egypt, Syria and Jordan in the 1967 war. It also served as a dramatic refutation to Egypt's 'go it alone' strategy that resulted in the ignominious Sinai withdrawal agreement which Kissinger has so assiduous-ly negotiated between Egypt and Israel in September.'

Nonetheless Egypt at least got oil and the passes while the "piece" of diplomatic recognition granted the PLO was invitation to a debate in which the U.S. has veto power over any decisions actually reached. Nonetheless the Sinai disengagement and the fact that Moynihan did not accede to the Israeli desire for a U.S. veto of the PLO invitation represents a shift in U.S. policy toward the Near East and the PLO in particular.

The rabidly right-wing Israeli daily Yadiot Aharonot responded to the Security Council decision by calling for the expulsion of the UN forces and "plac[ing] the Israeli forces on alert for



what may transpire." But after a sixhour meeting the Israeli Cabinet announced it would accept the six-month extension of UN forces, while boycotting the January 12 Security Council "debate." To propitiate those zealots in the Zionist establishment whose views are reflected in Yadiot Aharonot the Israeli government announced it would permit additional Zionist "settlements" in the Golan. There are already 18 such "settlements," each one representing an act of naked territorial annexation.

Zionist Atrocity

To further please the Zionist hawks, perhaps even beyond their uglier dreams, on December 2 Israel launched a massive aerial terror attack against Palestinian refugee camps in southern and northern Lebanon. In this vicious provocation, the worst in the sordid seven-year history of such attacks, 109 refugees were massacred, two-thirds of them women and children. Zionism, like all nationalism, is racism.

Back at the glass menagerie of despots and hypocrites, the Israeli-inflicted bloodbath was duly denounced. A UN Security Council debate was convened on the raids; against the opposition of the U.S. the PLO was invited to participate. On December 8 the U.S. vetoed a resolution condemning the raids, but even Movnihan was forced to state during the debate that the U.S. government could "neither condone or excuse" the attacks.

Even the major Israeli bourgeois daily Ha'aretz moaned that the raids "merely fueled the present anti-Israeli campaign in the works." Major General Aharon Yariv, former chief of Israeli intelligence and "Arab expert," called the attack "self-defeating." "I would have to say it was a mistake," said Yariv, then in Washington to beg for more military hardware from Congress (Newsweek, 15 December).

Although sometimes embarrassed by the use to which Israel puts American arms, Congress will see to it that Major General Yariv does not return home empty-handed. The Israeli state continues to be useful to U.S. rulers in dividing the Arab masses and diverting them from the class struggle against their own exploiters into a jihad against Zionism. As long as Israel contributes to the political stability of the reactionary sheiks and colonels-who are either agents of imperialism or are temporarily holding out for a better price-then U.S. imperialism will see to the security of Israel. But the increased diplomatic isolation of Israel, reflected symbolically in the UN General Assembly's empty anti-Zionist resolutions (and, more importantly, in the fivefold increase in the price of oil!), makes Israel something of a liability in the cold calculations of finance capital: Contributing to the growing rift, between Israel and its imperialist patron is the increased U.S. willingness to consider the "PLO option," especially if that option were translated into a Bantustan-like "mini-state" in the Jordanian West Bank. The major imperialist powers have learned that neocolonial "self-government" is cheaper and more stable than direct military occupation, and in the West Bank it is U.S. coffers which pay the bills of Israeli occupation. Such a mini-state would be either a vassal of the Hashemite Kingdom of Jordan or a client of the feudal petroleum sheiks of the Arabian peninsula to which the PLO is already mortgaged.



Bombed-out Palestianian refugee district in Beirut.

It came as no surprise that the PLO condemned as a U.S.-Zionist plot the recent kidnappings of OPEC ministers in Vienna by the "Arm of the Arab Revolution." The PLO, dependent as it is on the OPEC offertory (the "alms of the revolution"), must be concerned not to bite the hand that feeds it. The future of a PLO-governed West Bank is graphically portrayed in today's frontpage New York Times photo of PLO leader Yasir Arafat in Damascus consoling ARAMCO's Saudi King Khalid for any anxiety His Highness may have felt over the fate of his Harvardeducated oil minister.

"Solving" the Refugee Problem

Additionally, a PLO reservation in the West Bank could serve as a dumping ground for the Palestinian refugees in Jordan, Syria and Lebanon who contribute to the instability of those fragile, reactionary regimes. Although in the 1970 "Black September" civil war Jordanian King Hussein's army, the legacy of British imperialism's Arab Legion, murdered 10,000 Palestinians and crushed their nationalist commando movement, the Hashemite ruler has by no means quelled opposition to his regime among the Palestinians who make up a majority of Jordan's population. Previous to the 1974 Rabat conference of the Arab League which proclaimed the PLO the "sole legitimate authority" of the Palestinian people, Hussein stood for complete reannexation of the West Bank (originally annexed by his grandfather Abdullah in the 1948 war). After Rabat, Hussein acquiesced to the idea of a vassal ministate in the West Bank where Palestinians opposed to Hashemite absolutism could have token self-rule. More pressing is the fate of the 300,000 Palestinian refugees in Lebanon. Although they are stateless and deprived of all citizenship rights, the Palestinians are still seen as a threat by the Maronite Christian elite. The relative privilege of the Maronite Christian population in Lebanon is based on the unwritten 1943 "National Pact" which distributed government posts and funds in post-independence Lebanon between Christians and Muslims in a ratio of six to five. This deal between the religious and clan leaders of the various religious sects also established that the Maronites, the largest single sect, would get the post of presidency (which included the power to appoint all ministers including the prime minister and to dissolve parliament) and the army chief of staff. However there is now a Muslim majori-



Phalangist snipers in Beirut.

CORRECTION

December 20, 1975

To the Editor:

Your account of the paranoid anti-communist frenzy whipped up by Olga Madar at the national CLUW conference in Detroit [WV 89, 19 December] was accurate except for the report of the incident which took place at the picket line organized by the Committee for a Militant UAW to protest the "Breakfast with Bella Abzug." The kicking of demonstrators and leaflet-snatching you described was done not by Olga Madar but by the CLUW press secretary who was desperate to stop the demonstration before reporters inside the breakfast could get wind of it. I was standing by the dining room door handing out leaflets when Madar came out blustering about getting together a flying wedge to crash the line. She was not able to kick the demonstrators, mainly because she got to the door too late and was being held there by her henchmen who were telling her to calm down because they had already called the Cobo Hall guards.

WORKERS VANGUARD

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Lisa Diamond Militant Solidarity Caucus UAW Local 906, Mahwah, N.J.

IWP "Unemployed Conference" Therapy Cult Crawls After Dr. Spock, Dinko

The Barnum and Bailey founding convention of the "Nationwide Unemployed League" (NUL) held in New York on December 27-28 embarrassed many of its own members by declaring political support for both Andy Dinko, 'oppositionist" clown of the National Maritime Union (NMU), and Dr. Benjamin Spock, vice-presidential candidate of the People's Party.

The conference, which was dominated by the International Workers Party (IWP), a psychotherapy cult on the lunatic fringe of the left which split from the ultra-paranoid Labor Committee of Lyn Marcus, drew only slightly more than 100 participants, including supporters of the Revolution-

(a component of the NUL) on December 24 outside the New York NMU hall, occurred only five days after Dinko had distributed a leaflet boosting one of his court suits and on the same day that one of his supporters brought a cop into the union hall and demanded the arrest of a union officer for using obscene language. Although a joint Dinko-Unemployed Council bulletin did criticize Dinko's past reliance on the courts, he has never in principle repudiated this practice (nor the rest of his anti-union, flag-waving, red-baiting history), much less raised anything remotely resembling the NUL "program" in the NMU.

Throughout the conference the IWP thoroughly isolated itself from its



Andy Dinko

ary Socialist League (RSL), the Labor Party League and the New-Left leftover Red Balloon, along with a few community organizers and trade unionists.

The IWP's cynical attempt to pass off Andy Dinko-a character who ran for the NMU presidency in 1973 on a program of bringing cops and courts into the union, with a campaign spiced up by mariachi bands and free booze liberally dispensed from his "Dinkmobile"—as a serious union militant clearly reveals the organization's alienation from the labor movement.

"partners" by heavy-handed bureaucratic techniques. The IWP-dominated presiding committee refused the RSL permission to motivate its alternative program before the convention and allotted a grand total of 24 minutes for floor discussion on the proposed program and constitution! The last straw (or what would have been the last straw if any of the participating organizations had an ounce of political integrity) came near the end of the conference, when it was announced that although the presiding committee had never discussed inviting Benjamin Spock to address the body-and although representatives of other non-member organizations, such as the Spartacist League, were denied speaking rights-Spock was to be offered the podium. The subsequent voting to admit Spock and to endorse the presidential campaign of the People's Party, a pettybourgeois party descended from the Peace and Freedom Party, was deeply split. Only the IWP voted to support Spock's candidacy, even though it characterized him as petty-bourgeois (to which Spock retorted that he was bourgeois)! The Dinko and People's Party incidents demonstrate that the program adopted by the NUL, though welllarded with radical-sounding demands-for defense of plant occupations, expanded trade with the "workers states," support for all working-class and national liberation struggles against U.S. imperialism, etc.-is only a tissuepaper covering for economism

Last March when the SL announced that it would not at that time participate with the IWP in organizing a national unemployed league, it cited several political differences between the two groups, not the least of which was the fact that the IWP viewed such a league as a get-rich-quick alternative to programmatically based struggle within the unions against the labor bureaucracy which passively acquiesces to mass layoffs and refuses to organize the unemployed. The SL also criticized the IWP's unwillingness to concretize abstract slogans like "full productive employment" with demands for militant class-struggle, such as a shorter workweek at no loss in pay, nationalization of industry without compensation, factory occupations against layoffs and unemployed committees linked to the trade unions.

These fatal flaws remain, but they have presented no barrier to other selfproclaimed revolutionary organizations. The Red Balloon and the Labor Party League remained in NUL to the end. The RSL, while denouncing the

IWP for favoring "the reorganization of capitalism along more efficient lines," nonetheless participated on the presiding committee of the conference (finally departing only during the election of officers), thus earning the dubious distinction of trying to set up an organization whose major component it viewed as "defenders of capitalism"!

As for the IWP, its organizational high-handedness and political atrocities will probably deprive it ultimately of the support of even the most hardened opportunist formations in the NUL. Perhaps this will serve as a rude awakening for the IWP membership, which has too long remained isolated from the realities of the class struggle. Many IWPers were completely ignorant of Dinko's pathetic political history at the moment when their leadership was declaring political solidarity with him. The IWP leadership's cynical cohabitation with such erratic compromised elements --intended to bring the NUL a mass audience in a hurry--will only further repel any serious militants who come into contact with this crackpot reformist sandbox.



Supporters of striking Capitol Packaging workers demonstrate

As Gene Herson of the NMU Militant-Solidarity Caucus (M-SC) pointed out in the meeting, Dinko's trade-union "opposition" had consisted of gutter-level, sensationalist allegations directed at union officials, particularly charges of various sexual adventures, and a series of ostentatious court suits directed not only at the union bureaucracy but at opposition groups such as the Militant-Solidarity Caucus. Herson cited cartoons published by Dinko which used stars of David to identify Jewish union officials, Dinko's physical violence directed at other oppositionists, and his public statements that the rank and file would have to drive communists out of the union.

The IWP argues feebly that the old Dinko has been "transformed." This miraculous transformation, supposedly consummated at a demonstration called by Dinko's Rank and File Committee and the New York Unemployed Council at Sears and Roebuck in downtown Chicago, December 20, calling on shoppers to boycott products of the Alberto-Culver Corporation, which owns Capitol. OCAW Local 7-507 is now entering its fifth month on strike with the barest minimum of support from the International union leadership and a meager \$25 per worker in weekly strike benefits. Violence has broken out on the picket lines as the Local's black vice president was run down and killed by a scab trucker. The courts let the driver off with a token fine and have since banned mass picketing.

The consumer boycott was originally called by OCAW leaders, but predictably they did nothing to build it. With the approval of the official local union strike committee, a recently formed Strike Support Committee—which brings together unionists from other Chicago-area plants and several left organizations, including the Spartacist League-organized the December 20 picket to publicize the strike. Marching in solidarity with Capitol strikers were members of the UAW Local 6 Labor Struggle Caucus, whose signs called for victory to the Capitol strike and urged transportation workers to refuse to handle ("hot-cargo") Alberto-Culver products.

2 JANUARY 1976

Frenzied Thug Attack in Berlin

West German Maoists Squirm Over Chinese Support to NATO

When, after years of phony left posturing, China's "Great Helmsman" threw the rudder hard right last year to hail West Europe as a bulwark against the "two superpowers" (the U.S. and USSR), some continental Maoists were understandably embarrassed. Especially in West Germany-where German militarism remains an emotionally charged issue and it is the bourgeois right wing (from Christian Democrat Franz Josef Strauss to the neo-Nazi Nationalzeitung) that seeks an anti-Soviet alliance with China-Peking's support for strengthening NATO forces has elicited reactions ranging from embarrassed silence to partial disavowal of Chinese foreign policy by erstwhile Mao loyalists.

But the sizable right-Maoist groupsthe KPD (Communist Party of Germany, not to be confused with the pro-Moscow DKP, the German Communist Party) and the KPD/ML-have unashamedly endorsed this latest in a long series of betrayals flowing from the Chinese brand of "peaceful coexistence" with imperialism, going so far as to hold pro-NATO demonstrations. KPD/ML head Ernst Aust even brought a court suit against West German defense minister Georg Leber, charging Leber with "neglecting" Germany's military "preparedness"; Aust demanded that the army be strengthened to ward off the "social-imperialist" Russians and East Germans!

Faced with internal disgruntlement, the Maoists need to rally their ranks. To harden their members against Trotskyist criticisms of China's pro-German imperialist policies, they have now sought to draw lines in blood. On November 6, under the slogan "Anyone who attacks the People's Republic of



China attacks all peoples," the KPD and KPD/ML (and their student groups, the KSV and KSB/ML respectively) tried to break up a West Berlin public meeting called by the fake-Trotskyist Gruppe Internationale Marxisten (GIM), German section of the United Secretariat (USec).

Armed with iron bars, wooden clubs and stones, about 250 Maoist supporters attacked a united-front defense squad of about 80 formed by the GIM, the centrist Spartacusbund (SpB) and the Trotzkistische Liga Deutschlands (TLD, Trotskyist League of Germany, section of the international Spartacist tendency) about half an hour before the meeting was scheduled to begin. Five people, including at least one Maoist, were hospitalized. Despite the size of the attacking force, as the public began arriving they joined with the defense guard, eventually driving the Maoist thugs out of the Technical University building where the meeting was held.

USec Opportunists Tail Stalinism

Breaking with their policy of deliberately ignoring the TLD in their press, both the GIM and Spartacusbund grudgingly acknowledged the TLD's defense of the meeting, as did the USec (Intercontinental Press, 8 December). The GIM and SpB now hope to capitalize on the widespread disenchantment with Mao, but at least one Maoist group has preferred to direct its "polemics" against the TLD, which openly calls for a proletarian political revolution in China to oust the Stalinist bureaucracy. In contrast, the fake-Trotskyist centrists have endlessly vacillated on Mao, cuddling up to the popularity of "Third Worldist" moods in the European left milieu.

The USec revisionists have for years refused to expose Chinese foreign policy as the product of a conservative, nationalist bureaucracy which sees its survival contingent on deals with imperialism rather than international proletarian extension of the revolution. Instead, the USec has characterized the Chinese and Vietnamese Stalinists as "centrists," lending credence to Mao's attempts to be more verbally "leftist" than his Russian counterparts. They cannot explain what lies behind C policies without exposing their own bankruptcy. The Trotskyists of the TLD have devoted a special issue of their public organ, Kommunistische Korrespondenz, to refuting the Maoists' "arguments." The TLD links Mao's egregious line toward NATO with the Trotskyist analysis of China as a bureaucratically deformed workers state, and calls for unconditional military defense of all the deformed workers states against imperialism combined with the struggle to oust their parasitic, sellout ruling cliques and install proletarian rule through soviets. In particular it stresses the continuity of the policies of the "Great Organizer of Defeats" (Stalin) and those of the Great Chairman of Betrayals (Mao), a connection which USec majorityites (as well as Healyites and the French OCI) have always denied.

organization in West Germany. A KSB/ML wall poster at Berlin's Free University in early December singled out the TLD to attack Trotskyism over precisely those questions on which the USec and SpB capitulate: the call for political revolution in China, opposition to all popular fronts, Portugal. This same wall poster made a "self-criticism" of the gangster attack on the GIM

JOINT STATEMENT IN DEFENSE OF WORKERS DEMOCRACY

In response to the attack by the KPD and the KPD/ML on the GIM meeting of 6 November 1975 in Berlin, the undersigned organizations state that free and open political discussion and debate are a vital question for the socialist and workers movement. Only the confrontation between opposing political positions in serious debate guarantees that the correct political position will be spread.

The undersigned organizations state their readiness to defend the possibility of a democratic confrontation among socialist tendencies through united actions—defense of meetings, demonstrations, literature tables, paper sales, etc. We call on all organizations on the left and in the workers movement to sign this statement.

We emphasize that working-class organizations must fight against every attack by the bourgeois state which aims at cutting off the democratic rights of socialist organizations or at destroying them. In this sense the meeting-room ban against the KPD (or KSV) and the KPD/ML imposed by the Technical University must be fought against, as an attack on the organized left.

The undersigned organizations commit themselves to common technical discussions concerning mutual defense against reinforced state repression. this right against attack by the Maoist "fatherland defenders" (*Arbeiterkampf*, 12 December).

In contrast to the TLD, the GIM's main political response to the Maoists (in a special Berlin supplement to its paper Was Tun) still views the Chinese as in some way progressive with respect to the Russians. It proclaims "support" to the Maoists where they are "a step ahead of the Russians" (namely on "the integration of politics and the economy"!), while "criticizing the policy of the Chinese CP leadership where it is incorrect," in particular its "catastrophic foreign policy." This partial critique is less severe than the criticisms raised by some of the semi-Maoist organizations!

The GIM is particularly incensed at the Maoist charge (in an 18 November KSV leaflet) that Trotskyists criticize the Vietnamese NLF as "nationalist" and oriented toward an alliance with "its own bourgeoisie." Far from criticizing the NLF as "counterrevolutionary," says the GIM, the "Fourth International" (i.e., the USec) has praised the "revolutionary practice" of the NLF. Except for the USec's presumption to represent the continuity of Trotsky's Fourth International, this is correct. It is the international Spartacist tendency that has consistently denounced the counterrevolutionary popular-frontist policies of the Vietnamese Stalinists.

As for the call for political revolution in the Soviet Union, this is mentioned in the Was Tun supplement only as a "historical" demand of the Trotskyist movement. The GIM pleads with "all comrades who are prepared to make a self-criticism" (of the attack on the GIM meeting) to "construct together the revolutionary party on the ruins of this disastrous split within the left." For the USec, the Maoists are part of the "new mass vanguard" which will make the revolution in spite of itself; thus even defenders of NATO who assault GIM meetings are treated as prodigal sons.

The Spartacusbund pursues a similar policy. Limiting itself to denouncing some of China's more extravagant sellouts, the SpB "reply" to the Maoists ("Was wollen die Trotzkisten wirklich?": undated broadsheet of the SpB's "left" Berlin local) does not call for political revolution in either the USSR or China.

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The TLD is increasingly seen by Maoists as the only serious Trotskyist Berlin, 18 November 1975

Gruppe Internationale Marxisten Spartacusbund

Trotzkistische Liga Deutschlands

meeting as "wrong" and "unsuccessful."

The KSB/ML did not renounce the Stalinist tradition of bureaucratic suppression of workers democracy (particularly against opponents to their left), but it noted that "many democraticminded fellow students" considered Trotskyists as part of the left and admitted that the November 6 incident brought about widespread solidarity with the victims of the Maoist attack. Another group, the semi-Maoist Communist League/North (KB/Nord), which criticizes Chinese foreign policy, was forced to state that it supported "in principle the right of the Trotskyists to state their opinions" and even admitted the theoretical possibility of defending

Defend Workers Democracy!

The Mao-Stalinist gangster attack created such a furor that the KPD and KPD/ML found themselves temporarily isolated within the Berlin left milieu. Two leading radical bookstores which normally carry all left papers temporarily refused to carry their press. And an "Action Committee Against the Berufsverbot" (the law depriving suspected radicals of state employment), which includes significant numbers of unorganized radicals, expelled the Maoists and announced it would not work with them in the future.

Although the GIM and SpB opposed Technical University authorities' attempts to bar the KPD and KPD/ML from obtaining meeting rooms on campus, as the beginning of further attacks on the left, they failed to fight the efforts emanating from within the radical movement to read the Maoists

out of the left. The GIM supported the exclusion from the "Action Committee." Only the TLD correctly linked the need for political struggle to the unconditional defense of workers democracy.

The TLD has good reason to be skeptical of the GIM, which yells long and loud about workers democracy but only when convenient. To take but one example, Sybille Plogstedt a GIM supporter who fled from East Germany, apparently without learning much about the anti-revolutionary import of political suppression has refused to allow comrades of the TLD to speak in discussion periods at GIM public meetings (Kommunistische Korrespondenz No. 3, June 1974). The TLD cosigned a statement with the SpB and GIM while calling on these organizations themselves "to really stand up for the principles of workers democracy, that is, for example, for the GIM to revise its attitude in the 'Committee Against the Berufsverbot'....'

The struggle to build a world party capable of leading the working class to power---the struggle to reforge the Fourth International-is above all a struggle for coherent Trotskyist policies and program. In their frenetic search for short-cuts, the revisionists oscillate between conciliating Stalinism politically in order to get "close" to the Maoists and blunting the defense of the democratic rights of these same organizations when they are out of favor in the left milieu. The politics of expediency are a cynical betrayal of Trotskyism and a crime against subjectively revolutionary elements among the Maoists who, shaken by Mao's NATO line, are beginning to look for the answers which only Trotskyism can provide.

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Sostre Pardoned Free Joanne Little, Carter and Artis!

DECEMBER 29-During the last month, four victims of judicial frameups have received national attention as their supporters demanded immediate freedom for Martin Sostre, Rubin Carter, John Artis and Joanne Little. Although there had been reports of executive clemency for the first three in annual Christmas pardons-and Little's lawyers mistakenly expected her bail to be routinely extended during appeal of an earlier conviction-only Sostre is



Martin Sostre



due to be released soon. Protests and urgent appeals must continue to raise a clamor for the release of the others as well!

Martin Sostre's seven-year fight for freedom has finally ended in victory. Imprisoned since 1968 on a police drug frame-up, he has been granted clemency by New York governor Hugh Carey. Supporters of Sostre had feared that Carey would grant only partial clemency: dismissing the time remaining on his sentence for the drug rap but not a more recent one-to-four-year term for allegedly assaulting guards when Sostre protested the humiliating and painful rectal examinations regularly inflicted on prisoners. Sostre's plight united many-clergymen, prison reform groups, writers, lawyers, left and defense organizations-who demanded that Carey grant full clemency to Sostre.

Throughout his years in prisonmore than half of them spent in solitary confinement-Sostre relentlessly petitioned for new trials for himself and also won important democratic steps for prisoners: the right to sue for damages when arbitrarily placed in solitary and to receive radical literature, among others. He also successfully challenged the validity of all-white parole boards. For his activities in jail, Sostre became a target for prison guard harassment. Last June a court determined that Sostre's life was endangered if he remained in state prison and he was transferred to a New York City federal jail.

That Sostre is finally free after his unjust conviction is a long-overdue victory. That he was imprisoned at alland consistently denied new trials, despite the recanted testimony of the prosecution's main witness-is a damning indictment of bourgeois justice.

N.J. Governor Byrne Stalls on **Clemency for Carter and Artis**

Supporters of Rubin "Hurricane" Carter and John Artis have been demanding that New Jersey governor Brendan Byrne grant clemency to these two innocent men charged with a 1966 barroom murder of three whites in Paterson, N.J. After eight years behind bars, these victims of a police frame-up and cover-up continue to assert their innocence. As in the Sostre case, here, too, prosecution witnesses have admitted to lying in order to have their own sentences for burglary softened, and to collect an offered \$10,500 "reward" for identifying Carter and Artis as the two gunmen. Although in the past requests for a retrial were denied, a hearing will now be held January 12 to decide whether a new trial is warranted. But despite all the revelations of irregularities-including withheld police evidence that Carter and Artis passed a police lie detector test on the night of their arrest-and despite ever-widening protest against their unjust imprisonment, so far no action has been taken by the New Jersey governor to grant clemency. Now a new witness—whose testimony was earlier rejected as wholly unreliable-has been surfaced to claim that Carter and Artis were accessories to the 1967 shooting. Enough of this



Mark Sennett **Rubin Carter**



Joanne Little

ridiculous manufactured "evidence"! The Partisan Defense Committee urges WV readers to immediately telegram Byrne to demand that he stop the stalling and grant clemency for Carter and Artis. Send telegrams to Governor Brendan Byrne, State House, Trenton, New Jersey. For further information on this case, contact: Hurricane Defense Committee, 565 Fifth Avenue, Room 721, New York, NY 10017.

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Joanne Little Jailed Again

In North Carolina, Joanne Little once more faces trial and has now been denied bail while a 1974 breaking-andentering conviction is appealed. It is this charge which first placed her in jail, where she was sexually assaulted by her jailer who was killed in the ensuing struggle. Although bail was granted during and after her widely publicized trial on the murder charge, the state court of appeals has given no reason for its recent, apparently unprecedented, denial. Little has been sent to a North Carolina state women's prison and her lawyers are considering appealing the bail denial to the state supreme court or to a federal judge who can release her. Joanne Little must not be abandoned by her many supporters-urgent protests must demand that she be immediately released and the charges dropped!

2 JANUARY 1976

Nazi Scandal Blocks Coalition Government in Austria

VIENNA—Scarcely a week after parliamentary elections were held this fall, all Austria was agog as Nazi-hunter Simon Wiesenthal accused Friedrich Peter, leader of the extreme right-wing Freedom Party (FPÖ), of having been an officer in an SS Death Battalion during World War II. The normally sedate tenor of national politics in this insular central European state was shattered as the head of government, Socialist chancellor Bruno Kreisky, vehemently defended Peter and insinuated that Wiesenthal, head of the Jewish Documentation Center, had collaborated with the Gestapo. Wiesenthal shot back with a court suit against Kreisky alleging defamation of character.

For the next two months the Vienna press was dominated by fallout from these sensational charges and countercharges. But when libel hearings against the press were opened on December 3, neither of the principals showed up in court. By the next day Wiesenthal had withdrawn his suit and Kreisky declared the matter finished.

What was involved in this dispute which sent so many sparks flying before it was adroitly swept under the rug? Peter had long admitted being a member of the Waffen SS, elite shock troops supposedly representing the cream of Teutonic manhood. Now Wiesenthal charged that Peter had joined the SS voluntarily; and not in 1941, as the FPÖ leader claimed, but on 9 November 1938. At that time the Waffen SS did not yet exist and Heinrich Himmler's Schutzstaffel was a private Nazi army specializing in "night and fog" terror operations. The date is doubly significant for that very night was the infamous Kristallnacht, when synagogues and Jewish businesses throughout Germany and Austria were destroyed and scores of Jews slaughtered by the SS. It is hard to imagine that the new recruit would have been left out of this well-organized pogrom.

Moreover, the regiment to which Peter belonged during 1941-42—the 10th Regiment of the 1st SS Infantry Brigade—was active not in the front lines but in "mopping-up operations" aimed at liquidating opposition to the Hitler regime in occupied areas. Peter's zeal was such that in short order and without any front-line experience he was singled out for officer training. This was normally impossible in the Waffen SS except in cases of "extraordinary accomplishments as a soldier and leader."

What these "extraordinary accomplishments" would amount to can be gathered from an official "War Diary" found in Czechoslovakia which dispassionately lists, day by day, the numbers of Jews, gypsies, civilians aiding the Red Army, and partisans whom the SS was systematically assassinating. Peter's unit was credited with more than 10,000 executions on Russian territory. And although the FPÖ leader disputes the authenticity of the "War Diary," it has been admitted as evidence by West German courts in trials of former Nazis. Interned after the war by the Americans for his SS membership, Peter was released in 1947 and joined the Socialist Teachers Association of Upper Austria. But this apparent change of political course did not prevent him from writing for Wiking-Ruf ("Call of the Vikings"), the organ of ex-SS members in West Germany. In one article he declared, "I am not one of those people who claim to have been pressed or forced into service, but admit today as well that I joined the SS

voluntarily" (quoted in *Volksstimme* [Vienna], 30 November 1975).

Kreisky Defends the "Elected Representative of the People"

These revelations about Peter's unsavory (to say the least) past not only raised quite a few eyebrows but drove Chancellor Kreisky to an impassioned defense of the FPÖ leader as a man who had been "repeatedly elected a representative of the people." Stating that he did not want to hear any more of this "ancient history," Kreisky impugned Wiesenthal's veracity, accusing the latter and his supporters of being a "sort of political Mafia." When Wiesenthal countered with his court suit, the Socialist Party (SPÖ) chairman unleashed a barrage of hysterical attacks, more or less directly accusing Wiesenthal of having been a Nazi agent: "For someone from the Jewish community to have survived the General Government [in Poland under German occupation] is an extraordinary piece of luck" (quoted in Kleine Zeitung, 22 October).

At a press conference on November 10 Kreisky was even more explicit: "I can understand that he [Wiesenthal] wanted to save his life then, but he does not have the moral authority to point an accusing finger at others My opinion was and is that he was an agent.... He has no right to mix in Austrian politics. This man must disappear." Kreisky, who is also of Jewish ancestry, added: "I had a different relationship with the Gestapo than he had." Asked if he was accusing Wiesenthal of being a Gestapo agent, he replied: "I claim that in the time I am speaking of he lived openly, not underground, and was not persecuted. That speaks for itself. There were many other Nazi agencies besides the Gestapo." Kreisky based his statements on unspecified "secret documents" available to him as federal chancellor.

Abandoning his carefully cultivated image as a diplomatic man of distinction, Kreisky pugnaciously announced to the astounded public that he welcomed the suit and had been waiting for just such an occasion to expose Wiesenthal's activities. He was prepared to renounce his parliamentary immunity and insisted on a test in the courts. In a flourish of bravado he vowed, "either my colleagues release me from my immunity or I shall resign my seat in Parliament. This Wiesenthal affair is one case I am determined to carry through to the end" (Kurier, 18 November).

But Kreisky was quite aware that his SPÖ colleagues would never permit him to endanger their lucrative ministerial and bureaucratic posts by placing the head of government on trial in such an explosive case. Abandoning the notion of a court test, a few days later the chancellor hit upon the idea of a parliamentary committee of investigation, in which he could conveniently appear as prosecutor rather than defendant. But even this was too much for the SPÖ's Parliamentary Club, which suggested that no committee would be needed if the suit were simply withdrawn. With powerful interests now determined to clamp down on the embarrassing dispute, Wiesenthal quickly knuckled under. Thereupon Kreisky declared, "for me this takes care of the affair."

grandiloquent gestures is not, as the Viennese media have suggested, some peculiarly Austrian genius for "Durchwursteln" (muddling through). Rather, the sudden fizzling out of the cause célèbre came about as one party to the dispute had attained his ends and the other realized his cause was unsalvagable. On both sides it was far more than a personal vendetta or individual reputations that were at stake.

For Kreisky, FPÖ boss Peter was an important political ally. Expecting a



Austrian chancellor Bruno Kreisky



Nazi-hunter Simon Wiesenthal

the social weight to control the Socialists and preferred a coalition with the ÖVP. (Such a "concentration government" had ruled the country from 1947 to 1956.) The Jewish petty bourgeoisie, in turn, could not be indifferent to the prospect of the FPÖ, a haven for unregenerate old Nazis, sitting in the cabinet.

In the October elections the Austrian Bolshevik-Leninists (ÖBL), a sympathizing section of the international Spartacist tendency, called for no support to the Socialist candidates since the SPÖ was obviously preparing a class-collaborationist coalition (see WV, No. 81, 17 October). However, this was contested by the local extension of the centrist German Spartacusbund, which ridiculed the idea that the SPÖ was angling for an alliance with the FPÖ, citing Kreisky's statements that he was seeking an absolute majority and dismissing the local "trial coalition" as



Former SS officer Friedrich Peter

irrelevant (*Spartacus* [Vienna], September 1975). Kreisky's victory speech and particularly his violent reaction to Wiesenthal's revelations are further proof that the SPÖ did indeed intend to set up a "small coalition."

Wiesenthal's gambit worked. Since Kreisky was trying to pass off the FPÖ as the equivalent of the West German Free Democrats, and as Peter was generally supposed to be leading a "liberal" wing of his party, the revelation of the ugly grimace of the SS skull and crossbones lurking behind the mask of a smiling family man had tremendous impact. Finally seeing that he was beaten, at a November 27 press conference the Socialist chancellor drew back from his coalition talk. While admitting that he had discussed the matter with Peter-of course, only privately-Kreisky claimed to have told the FPÖ leader that the Freedom Party "is too conservative and only its young members are liberal."

The Frustrated Coalition

The explanation for the unexpectedly rapid and tranquil denouement of this high political drama played out with loss in the October elections, the Socialist leader had broached the idea of a "small coalition" should the SPÖ lose its absolute majority. This was already foretold in joint foreign trips by the FPÖ and SPÖ leaders, and in a "trial coalition" in one locality. The West German news magazine Der Spiegel (17 November) reported that Peter "would have become vice-chancellor" had the Socialists lost their parliamentary majority. Even on election-day evening, in his television victory speech, Kreisky announced his intentions to bring "personalities out of other political camps"-i.e., Peter-into the government.

For Wiesenthal, known to be close to the leading Austrian capitalist party, the People's Party (ÖVP), it was a question of blocking the entry of the FPÖ into the government. The bulk of the bourgeoisie felt the tiny Freedom Party lacked

Stalinists Defend Austria's "Reputation"

An interesting sidelight to the Kreisky-Wiesenthal affair was the despicable role played by the small Communist Party (KPÖ). The party's central organ, Volksstimme (1 November), quoted KPÖ chairman Franz Muhri's lament: "SS-Peter Damages Austria's Reputation"! The article goes on to denounce the FPÖ mainly for its "denial of the existence of an Austrian nation and the programmatic adherence of this continued on page 10

Hassan II Makes Deal With Juan Carlos I **Morocco Invades Spanish Sahara**

In a note of historical irony, the final weeks of Generalissimo Francisco Franco's life were marked by a resumption of colonial unrest in the same region where he began his murderous career. Franco first came to public attention by suppressing the Rif tribal uprisings in the 1920's, later using Spanish Morocco as the jumping-off point for the 1936 officers' revolt which brought him to power. As the aging dictator lay dying in Pardo palace last fall, disputes flared up over Madrid's largest remaining African possession, the Spanish Sahara. In recent days this sandy wasteland again appeared in the world press as troops from neighboring Morocco and Mauritania moved in to replace departing Spanish forces. The invaders were resisted by guerrillas of the Popular Front for the Liberation of Saguia, Hamra and Rio de Oro (Polisario Front).

Spanish Sahara is sparsely inhabited, with only two or three small towns and a total population of 40,000 to 80,000, overwhelmingly nomadic and tribal in composition. The area is a remote corner of the vast Sahara desert with, as Savid El Ouali, secretary-general of the Polisario Front, put it, "no factories, no roads, no schools, no money" (Le Monde, 14-15 December). Aside from a few oases along trading routes, the territory held little interest for surrounding states until large phosphate deposits were discovered in the 1960's.

With the liquidation of the last remaining colonial holdings in the 1970's, several such extremely backward, remote and amorphous areas have been put up for grabs (the most recent being Portuguese Timor), and it is hardly surprising that their more advanced neighbors move in to grab the booty.

Morocco is concerned to gain control of Saharan phosphate mines, particularly since the Alouite monarchy already provides 35 percent of the world production of this important mineral, whose price has recently quintupled (Jeune Afrique, 14 November). Algeria is additionally interested in obtaining an outlet to the Atlantic which would make its rich iron ore reserves in the isolated Tindouf area commercially exploitable.

The "Green March"

The October-November "Saharan crisis" was an entirely stage-managed affair designed to pave the way for a neo-colonialist partition of the territory to the mutual benefit of Morocco and Mauritania, while preserving Spanish economic interests and freezing out Algeria. Moroccan king Hassan II assembled an "army" of 350,000 volunteers (unarmed, of course) for a national crusade, a "Green March" into Spanish Sahara. But after marching only six miles across the border without meeting any opposition from Spanish forces (who had conveniently withdrawn), the Koran-carrying crusaders were suddenly stopped and then sent home on royal command. The outcome of this maneuver was the tripartite agreement signed by Morocco, Mauritania and Spain on November 14. In his first major act of state, Spanish prince (now king) Juan Carlos had flown to the Spanish Sahara in order to assure military officers that the "honor" of the Spanish army would be preserved in any accord. Now his government agreed to leave the Sahara by the end of February. Secret arrangements were made for joint exploitation of the phosphate and a pretense will be

made of "respect[ing] the freely expressed aspirations of the Saharan populations" (as called for in a UN resolution) by staging a referendum after administration has already been taken over by Mauritania and Morocco.

One of Hassan II's main arguments in persuading Juan Carlos I of their common interests was the need to keep out the supposedly "revolutionary" Algerians. Washington, which considers Algeria a Soviet pawn, certainly played its role in arranging this power play. But unfortunately for the pair of kings, Boumediene pulled out his ace and demanded to be cut in. After Algeria threatened to cut off its vital oil to Spain, Madrid decided to play its cards more diplomatically. Nonetheless it has proceeded to withdraw Spanish troops even faster than foreseen in the tripartite agreement (the last are due to leave in a few days), and Morocco and Mauritania have quickly moved their armies in.

The Polisario Front

Algeria's much stronger military forces are poised to strike, and could easily overrun the disputed territory. However, for the moment the reported fighting has been carried out exclusively by the Polisario Front. Matching rifles against tanks, the Front has been driven from the towns and the villages. As of December 23 it held only the border post of Mahbes, next to Algeria, and in the south Mauritanian troops suc-

At first supported by Mauritania, then by Libya, it now relies extensively on its Algerian backers. But armed only with automatic rifles and a few machine guns and mortars, the Polisario is no match for the more than 12,000 Moroccan troops now in the Spanish Sahara. It will only come to power in the baggage cars of the Algerian army, if at all.

In the Saharan dispute the first responsibility of revolutionary Marxists is to demand the immediate withdrawal of Spanish forces, as well as Spanish withdrawal from the nearby Canary Islands and the Mediterranean enclaves of Ceuta and Melilla in northern Morocco. Without pretending that the Ergueibat, Tecnan and smaller tribes represent a nation-being at best an embryo at the very earliest stages of formation -communists recognize the right of the Saharan population to selfdetermination, and therefore demand the removal of all foreign armies from the territory.

Clearly our attitude would be different if a revolutionary workers state were present, and one can only regret that the Soviet Union could not absorb, for example, a revolutionary Afghanistan, Inner Mongolia or Sinkiang during the early years of the Russian Revolution. On the basis of workers rule in the key proletarian centers the framework could be established for the harmonious national development of the various peoples and more advanced tribes in the remote reaches as in the Soviet central Asian republics or Mongolia. In conObrero, 18 November). This in no way differs from Juan Carlos' willingness to hold a "consultation" under the auspices of Moroccan tanks, and it is certainly not self-determination.

The Communist League of Spain (LCE, linked to the reformist minority of the fake-Trotskyist United Secretariat) calls for self-determination for the Sahara and demands the withdrawal of Spanish troops while opposing the tripartite pact (Combate, 22 November). However, the Revolutionary Workers Party of Spain (PORE, section of the Vargaite LIRQI) actually opposes the right of self-determination of the populations of what it terms "Moroccan Sahara." It portrays Hassan's "Green March" as a concession to the antiimperialist sentiments of the Moroccan working masses, only criticizing the king's lack of determination to pursue his crusade (Aurora, 17 November).

This is totally inverted. Hassan dispatched the impoverished masses to sleep among the sand dunes and minefields as an escape valve to diffuse the social pressure building up with the return of thousands of unemployed Moroccan workers from Europe. The "Green March" was in no sense a blow against colonialism, but simply a ploy to obtain a greater share of the spoils when the Spanish army exits. Perhaps the PORE, via LIROI's Moroccan section, has succumbed to the "critical support" from various Moroccan nationalist opposition groups to Hassan's phony crusade.

Our recognition of the right of the Saharan population to selfdetermination does not imply any political support to the petty-bourgeois nationalists, who simply seek to pick up a few crumbs from the imperialists by administering a neo-colonial bourgeois state.

The Polisario Front is now heavily dependent upon Algeria, which is as uninterested in permitting Saharan independence as are all the other vultures circling over the desert territory. The Algerians called for maintaining the presence of Spanish troops (just changing their helmets for the blue insignia of UN "peacekeeping forces"), and for a joint administration, including Spain, with all the surrounding states! In the event of a military confrontation between Morocco and Algeria over the Spanish Sahara, the victory of either will subordinate the right of selfdetermination of the Saharan populations, and Trotskyists would call for a policy of revolutionary defeatism on both sides just as in the 1963-64 Morocco-Algerian border war. In the earlier conflict, the revisionist "United Secretariat" called for an Algerian victory, because at the time it' was pushing the illusion that the nationalist regime of Ahmed Ben Bella was a "workers and peasants government," and hailed the non-existent Algerian "socialist revolution" (World Outlook, 25 October 1963). Just as the task of revolutionary Trotskyists at that time was to unmask the "revolutionary" pretensions of the Ben Bella regime, so today the interests of the impoverished tribal and peasant populations of the Saharan desert will only be served by a policy of no support to the nationalist demagogy of any of the states, and the forging of revolutionary Trotskyist parties based on the urban proletariats of Morocco and Algeria, with the internationalist perspective of a socialist federation of the Maghreb (Northwest Africa).



Beginning of Moroccan "green march" into Spanish Sahara last October.

ceeded in driving Polisario guerrillas trast, forced annexations under capital-

from the fishing port of La Güera with heavy casualties on both sides (New York Times, 27 December).

It is clear that the overwhelming majority of the Saharan population now supports the Polisario insurgents. This was admitted by Spanish military authorities, and at the first reports of an impending Moroccan invasion they cordoned off the "native quarters" of the colonial capital, El Aiun, with barbed wire, conducting entry and exit searches in order to prevent any proindependence actions. When the Moroccan army occupied northern villages in early December, virtually the entire population fled, the women and elderly to refugee camps and the men to the guerrillas.

The Front was founded in 1973, but has its origins earlier, in a Sahara Liberation Movement founded during the late 1960's by Saharan ex-students who had studied in Morocco and Spain.

ism simply create or perpetuate national oppression, including the most barbaric genocidal massacres.

In response to controversy over the Sahara question, however, the Spanish Communist Party (PCE) of Santiago Carrillo has put forward a position fully capitulating to the national chauvinism of its own bourgeoisie. Carrillo & Co. do not call for immediate withdrawal of Spanish troops, and tacitly go along with the Francoist government's tripartite deal to hand power over to the Moroccans and Mauritania. In an article intended to appeal to disgruntled army officers, the PCE denounces the Francoist regime "for its incapacity ... to defend the interests and the dignity of Spain particularly in this Saharan affair." It calls only for an orderly Spanish withdrawal, "freely contributing, transferring power to a provisional government or authority which would organize a popular plebiscite" (Mundo



Unemployment lines in Detroit. Inner city jobless rate is estimated at 40 percent in the U.S. auto capital.

Detroit News

Depression Ravages Detroit

DETROIT, December 27-The giant Goodyear Tire signs that tower over Detroit freeways, continually ticking off the count of new car production, have slowed considerably since the U.S. auto industry began its long tailspin in the early months of 1974. This city, the center of the industry, was hit earlier and cut deeper by the current depression than any other American metropolitan area. Last February the jobless rate in the region soared to 16.4 percent, and despite the much-heralded economic upturn the official rate is still running above 13 percent. Among black workers in the inner city, unemployment is estimated at an astronomical 40 percent!

A look at the decaying social conditions in Detroit, particularly the intersection of the economic depression with the explosive racial question, tells a great deal about the human meaning of these statistics. When the depression landed, Detroit was already in an advanced state of decomposition. In the past quarter century, the city's population has dropped from 1.9 million to 1.3 million. "White flight" to the suburbs, fires and highway construction have left vast areas of the city virtually abandoned. Since 1960 more homes have been destroyed than built.

Public transportation is woefully inadequate, among the worst in the nation according to a recent survey. A rapid transit system has long been blocked by opposition from the auto companies. Transportation to the suburbs, where much business and industry have fled in recent years, is virtually non-existent.

The foul stench of capitalist crisis permeates every aspect of life. Twentyfive percent of Detroit's population lives below the federally recognized poverty line. Long lines of laid-off workers queue up daily at the offices of the Michigan Employment Security Commission to collect unemployment checks averaging \$65.61 a week (with a maximum of \$106). The supplemental unemployment benefits, which represent a thin economic cushion for unemployed auto workers, ran out this spring at both Chrysler and General Motors. (Chrysler resumed payments in late September, but the fund is still extremely low.) Rumors of hiring at a plant spread quickly, and within hours employment offices are packed wall-towall with applicants. Despite the pickup in sales, major auto makers have announced that total employment in the industry will come nowhere near the peak it reached in 1973. Since then the auto labor force has been slashed by nearly 100,000 and most

of this year's scheduled production increases will be met through speed-up and automation as many plants are retooled for smaller models. Chrysler, largest employer in the city, is now in the process of carrying out thousands of new layoffs. The sharp drop in the official number of laid-off auto workers from 275,000 in February to 68,000 in November is not simply the result of expanded production. When auto workers' seniority and recall rights expire, they are simply dropped from the company rolls. Thus, the auto industry and its capital, Detroit, face



Detroit ghetto explodes in anger

streets, the city recreation department furloughed 264 employees for a month, did not open a number of municipal swimming pools and postponed the opening of golf courses for a month.

The few cultural amenities in Detroit have fallen under the ax as well. This summer the Detroit Institute of Arts was closed for several weeks for lack of operating funds. Today its collection is only open on a rotating basis, room by room. The city library has severely cut back its hours, virtually eliminating evening hours when working people, including many part-time students, have their only chance to use it. Two historical museums are closing.

The limited opportunity of black youth to get a college education is imperiled by attacks on Wayne State University (WSU), whose largely black student body of 38,000 is almost entirely drawn from the immediate Detroit area. With a meager endowment and less affluent alumni, WSU is far more vulnerable to the severe budget cuts imposed upon it by the state than the wealthier and more prestigious schools like Michigan State. Despite budget cuts which have already forced the layoff of 500 university employees and a tuition increase of 10 percent last June, the university administration claims that it is near bankruptcy. The WSU board of governors recently voted to close Monteith College, an experimental program with several hundred students.

"Progressive" Young Slashes Jobs, Services

Faced with this bottomless social decay, concentrated in the lumpenized ghetto areas, it is little wonder that, following the killing last summer of a young black by a racist bar owner, black youth reacted against this outrage with two nights of fighting against the police who released the killer. However, the disturbances were contained as liberal black mayor Coleman Young quickly mobilized every black cop in the city and activated his numerous personal friends and supporters in black community organizations to prevent a repeat of the 1967 riots when much of the city went up in flames. In a city dominated by small-town, back-slapping politics, Young maintains his hold on the black population largely through close personal ties to reformist elements in the community. But Young's popularity among blacks (and hence his usefulness to the bourgeoisie) is likely to go the way of black mayors in Newark and Gary as depression-ravaged Detroit is further immiserated by the brutal impact of auto layoffs (with their spillover into rubber, glass and other feeder industries) and the long-term stagnation caused by industrial and small business relocation, a decaying housing stock and a shrinking tax base.

Young, elected by a narrow margin in 1973, a few months before the auto industry came unglued, has already effected a city austerity program to rival even New York's. Conservative Republican senator Robert Griffin recently made the comparison explicit, holding up Young, a Democrat and self-styled advocate of economic progress, as the very model of fiscal responsibility:

- "During the current crises, Griffin said, New York has reduced its payroll by 31,000, or about 10 percent. During the same period Detroit has cut its payroll by 20 percent.
- "New York has agreed to cut its \$12.3 billion budget by about 1.6 percent, Griffin said. But that is 'nowhere near' the 8 percent budget cut made by Detroit, he pointed out. "Frankly,' Griffin told his colleagues, 'I
- find it hard to take [NYC] Mayor Beame seriously when he pleads we can do no more"."

Detroit News, 6 November

Detroit lost \$11 million in income taxes alone during fiscal year 1974-75. Compelled by state law to maintain a balanced budget, Young began laying off thousands of municipal employees and cutting vital social services. Another 3,800 city workers are paid directly out of federal funds and could easily lose their jobs as the result of Ford's budgetcutting policies.

The Fruits of Labor Reformism

The agony of Detroit's poor and working people is a standing indictment not only of the bankruptcy of black liberals but also of the inability of the labor bureaucracy's class collaboration to defend the workers. No other big city political machine has been as effectively and totally dominated by the unions as the Detroit Democratic Party has been by the United Auto Workers. It is no accident that Coleman Young is himself a former auto worker. While successfully backing liberal candidates for city and state office, passing "open housing" and other reform measures, the UAW officials entrenched in the Democratic Party and committed to capitalist property rights could do nothing to prevent the erosion of the city economy through plant obsolescence and relocations. Instead of forming an independent workers party to crack the power of the auto companies, they offered tax breaks and other incentives in an unsuccessful effort to continued on page 10

after killing of black youth last August.

permanent structural job losses of huge proportions.

Massive Social Decay

The economic crisis is also felt in the decline and disappearance of municipal government services. Ghetto streets, already pock-marked by overgrown lots and boarded-up houses (some 10,000 of them owned by the federal government), will deteriorate further as the result of several hundred layoffs in the fire department.

Preventive repairs and maintenance on 650 city-owned buildings were nearly eliminated. Despite garbage-strewn streets, last year the city went without its usual summer force of 100 extra street sweepers. Alleys are repaired only when they become totally impassable.

While ever-increasing numbers of unemployed youth were out on the

Struggles Ahead

(continued from page 1)

falling. The result was that between October 1973 and January 1975 inventory holdings actually jumped 26 percent (U.S. Department of Commerce, *Business Conditions Digest*, November 1975).

In the winter of 1974-75, businesses began a massive inventory liquidation which accounted for the sharp *second* downturn of the depression. This process of drawing down inventories bottomed out and reversed itself slightly in the summer/fall of 1975. Another once-over factor leading to higher inventory accumulation last summer was stockpiling of steel in anticipation of the October price increase. Thus the present recovery is based on an inventory cycle resulting from purely shortterm phenomena.

...and an Export Drive

A second factor contributing to the recovery was a sharp improvement in the U.S. balance of trade. In the summer/fall of 1974, the U.S. was running a \$3.1 billion trade deficit. During last winter, imports were slashed (partly through curbs on foreign oil), while export levels were maintained in the face of falling world trade. So during 1975 the U.S. managed to produce its greatest balance of trade surplus in years.

How was this remarkable turnabout accomplished? Very simple: by a classic "beggar-thy-neighbor" trade policy widely used during the 1930's, competitive monetary devaluation. The Treasury Department manipulated exchange rates so that American exports became cheaper in foreign markets, while foreign imports were higher priced within the U.S. During the fall/winter of 1974-75, the value of the U.S. dollar fell against every major world currency, including the British pound and Italian lira. Between September 1974 and January 1975, the dollar's value declined 14 percent against the West German mark and 20 percent against the French franc (Federal Reserve Bulletin, September 1975).

This sharp competitive devaluation was successful. Between last March and September, the U.S. achieved a balance of trade surplus of \$14.2 billion (annual rate). Moreover, this surplus accounted for over 30 percent of the increase in national income during that period. But one nation's balance of trade surplus must be other nations' deficits. So the American recovery, which was touted to pull the world economy out of the mire of depression, actually kept West Europe's head under water longer.

Although the Rambouillet economic summit generally confined itself to a hohum recognition that the world capitalist economy is in bad shape, West German chancellor Schmidt and French president Giscard d'Estaing did try to put the arm on Washington to stop its competitive devaluations and return to stable exchange rates. While Ford made a meaningless verbal concession on this point - promising to close the barn door after stealing the horses - the *New York Times* (18 November) accurately summarized the meeting's outcome: "None of the countries involved made any substantial concession on what it judged its own current interest for the sake of the combined interest."

Investment and Housing Slump

The factors producing the recovery this past summer and fall are entirely ephemeral —an inventory cycle and a trade surplus achieved through exchange rate manipulation. Every serious bourgeois economist recognizes that unless the recovery feeds into a capitalinvestment and/or housing construction boom, it must collapse.

The prospects for a strong increase in new plant and equipment are virtually nil, given the enormous existing excess capacity. Fixed capital investment naturally fell during the depression and *continued to fall* during the first months up somewhat during the 1975 recovery, but it remains weak by historic standards. During October the number of building permits issued, the best index of future construction, declined noticeably. The reasons are not hard to find: interests are at historically high levels (9 to 10 percent) in an industry which is acutely sensitive to credit terms. These rates, in turn, reflect the pessimistic caution of bankers concerning the future of the economy and the tight money policy of the Federal Reserve Board under Arthur Burns, supposedly designed to keep inflation in check.

Mass Unemployment Continues, Inflation Accelerates

During its first months, the recovery seemed to be whittling down unemployment. Between May and September the unemployment rate fell from 9.2 to 8.3 percent. However, in October the rate jumped back to 8.6 percent. And while it fell again in November, this means the effect of the upturn on unemployment has been nil for the last few months.

The unemployment rate is actually a



Wildcatting West Virginia coal miners march in Charleston demanding the right to strike.

of the recovery. Between late 1973 and the third quarter of 1975, capital spending fell 17 percent. Government estimates are that this decline has been arrested in the fourth quarter.

The latest Commerce Department survey indicates that businessmen plan to increase capital spending in current dollars by roughly 2.5 percent during the first half of 1976 (*Wall Street Journal*, 5 December). However, the prices of capital goods and construction costs will increase at least 2.5 percent during this period and probably more. In other words, investment in plant and equipment is likely to remain constant or fall in the next months.

The housing picture is not much better. Housing construction did pick

shadowy statistic, since it doesn't reflect those who have stopped looking for work and are therefore out of the active labor market. A more significant statistic is that of employment. Between May and October 1975, the number of wage and salary earners employed increased from 76.5 million to 77.5 million, or 1.3 percent; during the same period, the average workweek lengthened from 38.9 to 39.8 hours, or 2.3 percent. In other words, the increased demand for labor power required by the recovery of production has been achieved primarily through a lengthening of the workweek, rather than by new hires and recalls from layoff. Thus there are now thousands of plants on overtime while a significant fraction of these firms' labor force remains laid-off. From the standpoint of the bourgeoisie, the most disturbing aspect of the recovery has been the immediate and rapid acceleration of inflation. The wholesale price index, which had declined slightly in the winter of 1974-75, jumped 7.8 percent from April to October. In the last few months consumer prices have reflected the same pressure. In August the consumer price index increased by only 2.4 percent on an annual basis; by November the annual rate was running at 8.4 percent (New York Times, 21 December). Federal Reserve head Burns expressed dismay at the current situation: "If an unemployment rate of 8 or 9 percent is insufficient to bring inflation to a halt, then our economy is no longer working as we once supposed" (New York Times, 16 December). It is indeed unusual for inflationary pressure to show itself in the early

months of recovery from a deep depression. Labor is cheap and abundant and there are no production bottlenecks; productivity should increase rapidly. Certainly the present accelerated inflation cannot be blamed on rising labor costs. Real labor compensation per hour has remained unchanged throughout the recovery, and is well *below* the level attained during the 1972-73 boom. Moreover, labor productivity has increased smartly, so that unit costs are falling.

What is the cause of the accelerating inflation? It is mainly an attempt by capital, particularly in the monopolistic sectors, to increase profit margins. During the first nine months of 1975, the share of profits in national income rose from 8.2 to 10.0 percent, while the share of wages and salaries fell from 76.1 to 73.5 percent, quite a significant shift by historic standards. In addition, rising prices are the other side of the U.S. balance of trade surplus. A lowervalued dollar means that all imports are more costly in the U.S. market, and this country's imports are heavily weighted by key intermediate products such as oil and iron ore.

NYC and the Political Economy of Fiscal Austerity

The near bankruptcy of New York City-and the fiscal difficulties of numerous states and municipalitiesshould not be seen as a fluke only accidentally related to the world depression. Nor should Ford's eleventh-hour "rescue" be seen as a guarantee that a state or big city government will not default in the next period. The rulingclass forces pushing for a radical cutback in government spending-those favoring letting New York go brokeare by no means restricted to right-wing ideological dogmatists à la Milton Friedman. Harold Wilson's Labour government in Britain is today carrying out an austerity program that makes Ford look like a spendthrift liberal, a program expressly designed to transfer labor and finance from the state bureaucracy to private capital. Increasingly, powerful sections of the bourgeoisie, motivated by sound objective reasons, favor this type of fiscal austerity,

During the post-war period, state employment in the U.S., Britain and Italy (but not in West Germany or Japan) has expanded very rapidly, for differing reasons each having an important political component. As the present depression reveals such a poor return on private capital, important sections of the bourgeoisie view the large government bureaucratic expenditures as no longer tolerable.

They see the state sector as heavily parasitic resulting from the pressure of vested interests that now must be fought. For example, the inflated Italian state bureaucracy is the key to the Christian Democrats' patronage system, an important factor keeping that party in office without a coalition with the Communist Party. For the past few years, Italy's most powerful industrialist, Giovanni Agnelli of Fiat, has campaigned to slash the state bureaucracy, knowing that this might mean having to take the Communists into a coalition.

WORKERS VANGUARD

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The Expansion of Local/State Government Employment

From 1946 to 1974, state and local government employment in the U.S. increased from 3.3 to 11.6 million, concentrated in the big cities (U.S. Department of Labor, *Handbook of Labor Statistics*, 1975). This rate of increase far exceeded that for federal government employment or any other major sector of the economy. The explosion in the size of the local government bureaucracy over the past

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Struggles Ahead

(continued from page 9)

30 years can be accounted for by three main factors.

One reason for the absence of great class struggles in the U.S. is the widespread belief that everyone's children can enter the middle class. There is considerable political pressure for easy access to college education which is seen as the way out of the working class. During the past generation, the U.S. educational system has produced an enormous population of liberal arts graduates with no real productive skills. It was seen as too socially dangerous to allow a large fraction of college graduates to be unemployed, as is the case in Latin America, or to drift into workingclass jobs. So there has been a tendency to absorb college graduates into the state bureaucracy, expanding it unnecessarily and requiring Bachelor of Arts degrees for jobs that can be handled by any literate person who knows simple arithmetic.

Second, big city government employment is central to the ethnic-centered patronage system upon which the Democratic Party rests. The importance of Democratic Party city government for upward mobility of the Irish is a well-known fact of American social history. The civil rights movement, followed by the ghetto rebellions of the mid-1960's convinced the ruling class of the need to recruit black bureaucrats to handle the violently discontented ghetto masses. Since it was politically impossible to replace white government employees with blacks, the total state bureaucracy was greatly expanded in the mid/late 1960's, a phenomenon symbolized by the "poverty pimp."

The U.S. differs from all other advanced capitalist countries by its huge lumpen and semi-lumpen population, largely black and Spanish-speaking. The West European equivalent of the Southern black, Mexican and Puerto Rican peasant immigrants to the U.S. inner cities is foreign workers who are sent back to the Balkans or North Africa when there are no jobs for them. A major function of the relatively large local government bureaucracy in the U.S.-from cops to welfare workersis to keep the black and Latin lumpen population under control. Thus, the policy of fiscal austerity directly relates to the nature and intensity of racial oppression in this society. Those rulingclass elements who favor a radical cutback in big city government expenditure are willing to risk ghetto violence on the scale of Watts, Detroit and Newark in the mid-1960's, for the sake of augmenting private capital in the longer term.

There is no way in which the labor and finance now expended through the state bureaucracy can be smoothly transformed into private capital. Fiscal austerity must have a depressive effect in the short term. Any layoffs reduce consumption demand, which has a cumulative impact. Furthermore, given the U.S. federalized system, a systematic policy of fiscal austerity is likely to lead to state and city defaults or loan rescheduling which will disrupt the entire financial system, even including solvent elements. It is only in the longer run that reduced taxes would generate higher private investment and lower government borrowing would induce easier credit generally. To the classic ways in which a depression restores the rate of profit and the conditions for expanded reproduction contemporary capitalism has added another: fiscal austerity, a radical reduction in government employment and social services.

best, a slow recovery will have some small impact on mass unemployment. Just as likely is an economic downturn again by spring. In either case, accelerating inflation will continue to cut living standards, while an important section of the ruling class is seeking to further depress the economy by major cutbacks in government employment and basic social services. Only a real wage offensive undertaken by the trade unions can reverse this bleak prognosis.

The American bourgeoisie has been able to weather the past period of economic instability largely through the faithful services of the labor bureaucracy. These lackeys of capital have stifled any militant response to the mounting miseries which an outmoded social system foists off on the working people. Suppressed and betrayed by the Meany Woodcock union tops, divided by racist demagogues like Wallace and Hicks, the American workers have suffered two years of depression in relative passivity.

But this situation cannot and will not continue. The ruling class itself is becoming increasingly nervous about the labor bureaucrats' ability to check the working class in the face of prolonged economic dislocation, inflation and unemployment. Recent legislation submitted to Congress, like the S-1 bill, is designed to give the state augmented powers to crack down on the left, a precaution against the outbreak of sharp social struggles.

A key to unlocking the suppressed potential for class battles remains the race question. The growth of racist, ultra-rightist fringe groups is an ominous portent indicating once again the danger that the petty bourgeoisie and more backward elements of the working class can be duped into turning their frustration against blacks. Yet the selfevident poverty of the black and Spanish-speaking populations makes them less convincing scapegoats than Jews in pre-World War II Germany.'

That the Meany/Woodcock bureaucracy can maintain its brittle stranglehold over the mass organizations of the working class is testimony to the weakness and political wretchedness of the American left, which prostrates itself before the labor traitors as the latter grovel before the ruling class. The manifest disgruntlement of the workers cannot be indefinitely restrained, neither by an ossified and isolated union bureaucracy nor by bourgeois rulers who are widely discredited and despised among all layers of society.

The objective blows which continue to rain down on the heads of working people will compel renewed outbursts of dissidence and militancy. Strike struggles and fissures in the union bureaucracy will break out. The task of the communist vanguard is to prevent these outbreaks from being dissipated in isolated actions or channeled into new reformist movements. Rather, the elemental struggles of the proletariat must be directed toward cutting the working class loose from the capitalists' sinking ship, through building an independent workers party to lead the fight for a workers government which alone can stop the endless cycle of depressions, by expropriating the bourgeoisie and laying the basis for a rationally planned economy of production for use, not profit.

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Detroit.... (continued from page 8)

keep jobs in the city.

The pro-capitalist bureaucrats could do nothing to prevent "white flight" to the suburbs and racial polarization within the city itself because they have no program except a few more dollars in federal aid or higher taxes to fight the root economic causes of racial antagonisms within the working class: substandard housing, poor education, disappearing jobs, declining social services, etc. Instinctively feeling the difficulties of common struggle when hamstrung by a conservative union leadership, and prey to the vicious racial demagogy of rightwing bourgeois politicians, many white workers see themselves pitted against blacks for a share of the decreasing economic pie.



Daily World

Detroit mayor Coleman Young

However, the history of turbulent struggles that built the industrial unions in the 1930's testifies to the possibilities of working-class unity. An indication of the enormous strength of auto workers and the speed at which militant labor action can galvanize the pervasive social antagonisms into a working-class offensive was given by the wave of wildcat strikes that swept Detroit plants in the summer of 1973. The massive black proletariat concentrated there smarting under the lashes of both racial and class oppression, enjoying fewer illusions in the UAW leadership and American society in general-gave a brief display of the potential militancy underlying the apparent surface passivity.

These workers and the many like them throughout the American proletariat will spearhead future assaults on the bastions of capitalist class rule. But future victories, and the ultimate destruction of American capitalism with all

Nazi Scandal...

(continued from page 6)

party to a 'community of the German people and of German culture'." Although there were tactical differences with Kreisky (the KPÖ called on Peter to leave public life, the SPÖ leader called on Wiesenthal to do so), both social democrats and Stalinists agreed that the dispute damaged the democratic reputation of *bourgeois* Austria.

The KPÖ's sterling defense of the honor of a rump state carved out of the old Hapsburg empire by Wilsonian diplomacy naturally led it to echo Kreisky's call for burying "this ancient history." In a contribution by its editorin-chief, the 15 October Volksstimme stated, "It is today a matter of indifference whether someone was a Nazi or belonged to the SS in his youth....we Communists are totally against 'dishing up these old tales'." When a disgruntled reader wrote in objecting that the SS was an "organization of murderers" (Volksstimme, 26 November), the KPÖ organ responded with platitudes about the need to "rehabilitate former criminals."

The bourgeois workers parties, Stalinist and social-democratic alike, have shown once again that their disgusting solicitude for the reputation of the exploiters is equalled only by their unconcern for the needs of the working people. ■

Squeaky ...

(continued from page 1)

perhaps a homicidal maniac. But these are matters of psychiatric, rather than criminal, concern.

We have no interest in seeing "Squeaky" and "Sally" punished for their bizarre and pointless acts directed against imperialist chief Ford. It is Ford who is the criminal-Ford who is spearheading the capitalist assault on the living standards of the working class and the poor, who has whipped up ferocious racist attacks with his antibusing demagogy, who is trying to cover up CIA assassination plots and domestic spying. For his crimes against the U.S. and international working class, from the Vietnam war to the imperialist power play in Angola, Ford should be imprisoned. But this genuine act of justice awaits the class rule of the victorious proletariat. Free "Squeaky"! Free "Sally"! Jail Gerald Ford!■



Sharp Class Battles Ahead

The sufferings of the working people during a period of depression will not be alleviated in the coming months. At



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British Chrysler

(continued from page 12)

combat the sprawling international monopolies. False panaceas like import controls pushed by their respective bureaucracies serve only to pit British against American workers, Japanese against German.

Phony Workers Participation Scheme

The British union leadership is championing another fraudulent "solution" to economic catastrophe: "workers participation" in management decisions. Long a standby of European social democracy, workers participation has reached its heights in German "codetermination" schemes where workers' representatives sit on management committees at the factory and board of directors level. Faced with the iron laws governing capitalist enterprise, such participation cannot give the workers control over production but only serves to implicate them in responsibility for cost-cutting productivity drives.

To ease the bitter pill of speed-up and rationalization, workers "participation" was offered by Chrysler management in Britain after a pay strike at the Stoke plant earlier this year. Sweetening the medicine with outright bribery, Chrysler offered two £50 lump payments to every employee for consideration and acceptance of the plan. What workers participation at Chrysler will mean in the wake of the government's bail-out is already being shown at the British Leyland Motor Corporation.

The Wilson government rescued this largest private employer in Britain with a projected £1000 million bail-out last spring, accompanied by a participation scheme. Wilson stated his intentions in an address to the Confederation of British Industries last May: "We have made clear that in the massive investment assistance to British Leyland the performance of the corporation will be strictly monitored and co-operation in terms of both industrial peace and manning and productivity problems will be an essential part of that performance" (cited in Workers Press, 22 November).

Lord Ryder, head of the National Enterprise Board established to administer the aid, rapidly translated Wilson's "monitoring" into direct threats. He recently warned that unless there were sharp increases in productivity he would shut off the cash flow, throwing tens of thousands of Leyland workers into the streets. On top of this, management is saying that its nearly 160,000-strong workforce must be cut to 120,000 to make the corporation profitable.

The role of the worker participation committees is simply to ensnarl the trade unions in complicity with speedup and layoffs. The expressed goal of the committees is to assist in "more efficient production." Moreover, the committees have no power, management retains the final decision on all matters, no votes are allowed, and there is a minority of workers' representatives on them. (The Ryder plan gratuitously assigns foremen, superintendents, work-study men and plant cops to the "trade-union" side of the committees.) Their class-collaborationist intent being so clear on the British left, only the CP has managed to see in them "a step toward workers control." Numerous reports indicate that it was Stalinist influence that swung acceptance of workers participation at a two-day joint stewards meeting at the Leyland Cowley plant.

posed factory occupations, workers control of production and the nationalization of Chrysler to the Labour Party's schemes. But literary orthodoxy quickly gave way to opportunist appetite as the "participation" committees went from proposals to reality.

The International Socialists (I.S.), notorious for its economist "rank and filism," has played an opportunist and thoroughly cynical role. Socialist Press, newspaper of the Workers Socialist League (WSL), has revealed that while the LS. formally opposes the workers participation committees, the LS.supported "rank-and-file" paper Levland Worker supports running candidates for them!

Similarly, the I.S.'s Socialist Worker recently reported on an I.S.-backed "Rank and File Carworkers Conference" without once mentioning the speed-up committees. Yet the WSL reported that the main speaker, Albion Motors steward Willie Fay, stated that he voted for participation at his plant and urged all militants to get on the committees. According to the WSL, other I.S. supporters seconded his remarks and only one, from the Rover-Triumph plant whose workers-more perceptive than the I.S.-voted down workers participation a few days later, remarked that perhaps it might be "a bit too soon to go in" (Socialist Press, 26 November).

Even more hypocritical are the political bandits of Gerry Healy's Workers Revolutionary Party (WRP). For months Healy's daily rag Workers Press has railed against the participation committees as something akin to fascist corporatism. Only after the WSL exposed in late November that a prominent WRP supporter at the Leyland Cowley plant, Tom White, had run for and been elected "provisional deputy" (alternate) to the committee there, did the WRP finally acknowledge his campaign. A self-indicting article in the 2 December Workers Press admitted that White had initially voted against participation and declined nomination, but then gave in to "pressure" from other stewards who favored participation! There could hardly be more concrete testimony to the opportunism which lies beneath the WRP's infamous organizational sectarianism.

Trotskyists do not, under all circumstances, oppose running for committees which include management representatives. Participation in standing committees with management, for example, may sometimes be necessary to negotiate workers' demands or grievances. At another level, Trotsky discussed the possible opportunities in situations where weak, bonapartist governments in industrially backward countries offer the workers representation in the management of nationalized industries. Such tactical possibilities are not foreclosed within an overall strategy of the independent political and organizational mobilization of the proletariat. But entry into powerless consultative committees whose only purpose is to share joint responsibility for speed-up and layoffs ("productivity bargaining" as the *Economist* politely calls it) is an unprincipled act not in the least justified by momentary shifts in consciousness of more backward workers.

union bureaucrats at the Ad Hoc Committee, and 128 stewards at one manipulated stewards meeting finds himself in opposition to that mass movement."

Socialist Press, 26 November

The WSL's principled position against the speed-up committees stands in sharp contrast to its opportunist stand on the Labour Party. Catering to the illusions which many militant workers have toward the Tribune group, the WSL repeats the old Healyite slogan "Make the Lefts Fight!" At the same time, it attacks the WRP from the right for its decision to run candidates against the Labour Party in last year's elections. This propagandistic tilt toward the Benn/ Mikardo wing expresses an inability to project the building of a mass revolutionary workers party in opposition to the BLP and a tendency (deeply rooted in the history of the British proletariat) to become an organic faction within the Labour Party.

Wilson's party is a bourgeois workers party whose leadership is completely committed to the capitalist system. The Labour bail-out of Leyland and now Chrysler demonstrates the reformist BLP's reluctance to make any encroachments on capitalist property, even abandoning its own limited reformist program of nationalizing failing firms.

While it is perfectly appropriate to advance the call for workers control and the expropriation of Chrysler in the context of Labour in power, it is also crucial, as Trotsky explained in the Transitional Program, to tell the British working class that it must rely on its own revolutionary strength, and to link these slogans with the necessity of a workingclass seizure of power, which can never be accomplished through the BLP. Neither the Wilsonite wing nor the Tribune "lefts," busily engaged in an orgy of chauvinism, will break with the decaying capitalist order. Only the creation of a workers government, based on workers councils and led by a British Trotskyist party, section of a reborn Fourth International, can accomplish the revolutionary transformation of British society.

"PLO Option"...

(continued from page 2)

ty in Lebanon, with the most downtrodden and oppressed sect, the Shi'ite Muslims, being probably the most numerous. Therefore even Sunni Muslim bourgeois leaders like the present prime minister, Rashid Karami, oppose direct universal suffrage. To enfranchise the Palestinians-or merely to take a new census of the Lebanese population-would require a social revolution.

The Maronite stormtrooper Phalange calls for the expulsion of the Palestinians and has engaged in vicious terrorist attacks on the refugee population. The current civil war was precipitated by a Phalange massacre of a busload of unarmed Palestinians. The war has resulted in 6.000 fatalities thus far (out of a total population, including refugees, estimated at 3.3 million). Beirut, after Tokyo the most densely populated city in the world and containing half the Lebanese population, has been devastated through intercommunal fighting. In addition to simple sadism, one aim of the Phalange is to effect forced population transfers creating a homogeneous Maronite political entity. No doubt these Christian Zionists would not be sorry to see the Palestinians in Lebanon voluntarily pack up and leave for a West Bank ministate.

but how" (Newsweek, 15 December). The 9 December New York Times reports that Kissinger, in a secret message to Israeli Foreign Minister Yigal Allon, sought to get Israel to drop its boycott of the January 12 Security Council debate. There is no doubt that the U.S. is considering the "PLO option," especially since the Rabat conference, and the prospect of a ministate "solution." But the U.S. cannot simply force Israel to publicly talk with the PLO, much less withdraw from the West Bank, as some Israeli "doves" and left-wing Zionists propose. The Zionist state is entirely dependent for its existence on simultaneously presenting itself to the Hebrew-speaking people as their protector and maintaining a policy of geographical expansionism.

In addition to the 18 Zionist settlements in the Golan Heights, Israel has constructed 37 in the West Bank, and there are plans to build some 20 more. Even the "doves" demand as a precondition to negotiations that the PLO "recognize the existence of Israel" (i.e., recognize the inviolability of at least the pre-June 1967 borders) and renounce terrorism. Even Arafat, the pliant consort of sheiks, French foreign ministers and American congressmen, could not agree to that without losing control of the PLO.

The Ford administration cannot openly pressure the Zionists and the PLO to "recognize" each other without undercutting both Rabin and Arafat. Nonetheless, the significant rightward accommodation of Arafat combined with the increased diplomatic isolation of Israel has placed the "Palestinian question" on the agenda for both the UN Security Council and the American bourgeoisie.

The national rights of the Palestinians will receive no victorious resolution through the diplomatic maneuvers of the Syrian Ba'athist regime or the Security Council debates. A West Bank mini-state that would be either a vassal of the Hashemites or a client of the oil sheiks will not end the national oppression of the Palestinians. The Palestinian right to self-determination poses pointblank the need for socialist revolution throughout the Levant-in Lebanon, Israel, Jordan and Syria-and can only be realized through a common struggle of the working people of the Near East, overcoming all the existing "confessional," religious and national barriers which today stand in the way of proletarian unity and foster the repeated rounds of nationalist genocide.

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Fake Trotskyists Join Speed-Up Committees

With the transparency of the attacks at Leyland and Chrysler, it has been easy for most of Britain's selfproclaimed "Trotskyist" groups to denounce workers participation and strike a militant posture. Many counter-

2 JANUARY 1976

The Fight Against the British Labour Party

The WSL, largely composed of exmembers of Healy's tyrannical organization, has correctly exposed its opponents' two-faced capitulation to Labour's participation schemes. But its orthodox position on this question appears to be in large measure a direct reflection of the shop-floor militancy of British trade unionists. Describing the significant degree of hostility and distrust with which the Ryder plan was met at several Leyland plants, the WSL chides the WRP:

> "This is the reality of the mass movement. But Healy, starting from surface impressions—the votes of 31 trade

U.S. Considers the "PLO Option"

In a statement delivered to Congress in November, U.S. Deputy Secretary of State Harold Saunders said: "The issue is not whether Palestinian interests should be expressed in a final settlement

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WORKERS VANGUARD

Labour Government Bails Out U.S. Monopoly Expropriate British Chrysler!

DECEMBER 28 - Doggedly persisting in various stop-gap patchwork schemes to shore up British capitalism (the weakest economy among advanced capitalist countries today) at the expense of his working-class supporters, Prime Minister Harold Wilson successfully beat down opposition from his own Labour Party ranks and pushed through a massive government subsidy for the failing U.K. subsidiary of the Chrysler Corporation. While the Tory opposition in parliament advocated letting the company go under in order to rationalize glutted auto production, and Labour's rank and file demanded a government takeover, Wilson opted to bribe Chrysler into keeping its plants open by offering up to £162.5 million (about US \$340 million) in loans and aid.

Eager to appease Britain's blueblooded ruling class and international finance capital, the Labour Party leadership has lately approached the question of nationalizations with a temerity that would place it well to the right even of Christian Democratic parties on the continent. It was reported that Chrysler (facing enormous severance payments and other liabilities in case of a shutdown) was actually willing to hand the entire operation over to the government without cost (*New York Times*, 24 November), but Wilson refused!

Saddled with mounting unemployment (over 1.25 million already) and the highest inflation rate in Western Europe (25.6 percent this year), the reformist British Labour Party (BLP) has taken a sharp right turn in recent months. The Wilson government has adopted an austerity program as viciously antiworking-class as Richard Nixon's 1971 New Economic Policy. With the support of the Trades Union Congress (TUC) bureaucracy, Labour has imposed a ceiling of £6 per week on wage increases, initiated a national speed-up drive and begun slashing social services. The Labour "new industrial strategy" announced on November 5 will siphon government funds from social welfare programs to bolster the competitive position of the country's more "profitable" sectors of industry.

Wilson's Tight-Rope Act

In the short run, the decision to salvage Chrysler is in sharp contradiction to this economic "game plan." The teetering, American-owned company hardly falls into the category of strong British firms targeted for subsidies. The conservative *Economist* noted in its 8 November issue:

"If the government truly believes in investing in success, Chrysler is the last place it should choose to put money. Over the last decade Chrysler/Rootes has lost £43.8 m[illion], while Vauxhall [General Motors' British subsidiary] lost £300,000 and Ford made £215.4 m[illion]."

The reversal of policy over Chrysler provoked sharp criticisms from Wilson's opponents within the Labour Party, and his new Industry Secretary, Eric Varley, threatened to resign in protest. The temper of the dispute can be gauged by the London *Times*' publication of a letter denouncing the deal which was written in mid-December by the late Labour Member of Parliament (M.P.) Maurice Edelman as he lay on his deathbed.

But, while Wilson feared to alienate his capitalist masters by any further extension of government ownership, he was equally fearful of the potential political consequences of the shutdown. Chrysler's most unprofitable plant is at Linwood near Glasgow. The Labour Party, which lost its one-vote majority in Commons with Edelman's death, has been steadily losing seats to the Scottish National Party. The closing of the Linwood plant would quickly become a major issue in the nationalists' drive to dislodge Labour support in Scotland and could well topple the government.

In addition, the 25,000 auto workers facing layoffs threatened militant resistance to the move. The Linwood workers demanded that the government nationalize their plant and voted to occupy it if closure threatened. Shop stewards at the Coventry engine plant voted on December 1 to prepare for a plant seizure, and Ryton workers empowered their stewards to take "all necessary action" to stop the shutdown.



Mass meeting of Chrysler workers at Coventry in November.

Wilson understands how fragile is the social peace imposed upon the workers by their class-collaborationist misleaders. The Labour Party must maneuver carefully, or its combative trade-union base will explode despite the best efforts of the TUC bureaucracy to maintain labor discipline. Even with the several hundred million dollar giveaway to the U.S. company, the union tops have their hands full trying to soft-pedal the projected loss of 9,000 jobs at Chrysler as the result of cost-cutting consolidation.

Labour's Protectionist Frenzy

With a significant financial commitment to Chrysler, the government will be under renewed pressure to impose import controls to safeguard the investment. Controls for a number of feeble industries have been discussed at the cabinet level for months, but Wilson has stalled, counseled by major capitalist spokesmen who rightly fear retaliation by competitors in the Common Market, the United States and Japan.

Britain's enormous balance of payments deficit is the corollary of a staggering economy, burdened by low labor productivity and obsolescent plant equipment and facing an increasingly cut-throat imperialist market. International competition is thrashing British industry on its own turf: imported cars now account for 40 percent of Vauxhall stewards on November 23 demanded the exclusion of foreign-built GM cars in the Vauxhall range.

Import controls are not an answer to anarchic capitalist competition but a sign of its intensification. Trade restrictions serve only to bolster capitalist prices and profits while exporting unemployment. They are a tactic in an escalating trade war which, in the absence of international proletarian revolution, will lead to World War III. For the trade-union and BLP "lefts" to line up British workers behind their "own" capitalist rulers only deepens the divisions that sap the proletariat's international strength.

The union bureaucracy in all the industrial capitalist countries serves as labor lieutenants for each national ruling class. When the world auto market collapsed in 1974 and hundreds of thousands of American auto workers were laid off, Leonard Woodcock, president of the United Auto Workers (UAW), reversed the union's traditional support for free trade and called for import quotas. The UAW pressed Congress to investigate the "dumping" practices of foreign automakers and initiated a virulently nationalistic "Buy an American Car" campaign, complete with bumper stickers, billboards and radio ads.

The UAW's turn to protectionism was prepared by years of grossly antiinternationalist practices. Despite common membership in the International Metalworkers Federation, the UAW bureaucracy has never lifted a finger to help auto workers in Europe or Japan. In 1963, when the workers of UAW Local 600 offered money to the stewards at the British Ford complex at Dagenham to aid their organizing a union of auto and ancillary trade workers, Walter Reuther threatened the Detroit workers with an injunction. During the 1971 British Ford strike, the company was able to successfully route shipments of crankshafts to the Cologne, Germany, plant through its Windsor, Ontario, plant, with the full knowledge of union leaders. Only by linking arms in the struggle for parity in wages and working conditions through coordinated labor action can the workers of different countries



Ford Facts

British unions' calls for import controls will only hurt labor in the long run, spurring similar moves in other countries, such as UAW's "Buy American" campaign shown above.

the British market (compared to about 20 percent in the U.S.) and Chrysler's share of sales has been driven down from 12 percent to under 7.

The most vociferous clamor for import controls has come from the Labour "lefts" grouped around the newspaper *Tribune*. Spokesmen like former Minister of Industry Eric Heffer and M.P. Ian Mikardo have joined the chauvinist chorus which includes the TUC leadership. Predictably, the crassly opportunist British Communist Party (CP) has toadied to this line, hailing the TUC's call for import restrictions as "long overdue" and a "matter of urgency."

Most dangerous, this protectionist campaign is having an impact on rankand-file workers. A recent meeting of Clydeside shipyard and factory stewards pledged support to the Chrysler workers while also calling for import controls. And a general meeting of

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