

Tax cut elixir: bad economic medicine

by ROBERT LEKACHMAN

Old soldiers delight in refighting their more successful campaigns. For the liberal Democrats who rather successfully managed the economy during the halcyon days of the New Frontier and Great Society, the 1964 tax cut was that rare phenomenon, an economic experiment which worked as its designers predicted. Promoted as a stimulus to an economy growing too slowly, the tax slash nearly closed the gap between existing and full employment Gross National Product. Moreover, until the calamity of full-blown Viet Nam escalation, this fiscal approach to the Nirvana of full employment proceeded within the context of very nearly stable prices.

No wonder that Walter Heller and Arthur Okun, two of the three last Democratic Chairmen of the Council of Economic Advisers, now advocate another dose of the old elixir. Indeed as a limited response to 1974's unthrilling combination of recession and trotting (if not galloping) inflation, an immediate tax cut is superficially plausible, particularly if the benefits are concentrated upon low and moderate income families. We might as well do something about aggregate demand and employment, even if not much can for the time being be done to tame the inflationary demon until a series of supply shortages are mitigated. With good luck harvests will be bountiful, the anchovies will stay put (now that they have returned) off the coast of Peru, Earl Butz will be thwarted in his persistent attempts to limit farm production and drive food prices still higher, energy supplies will increase and gasoline prices fall, and inflation will sullenly simmer down to 6-7 per cent, half the present alarming rate.

Although conventional Keynesians interpret tax reduction as inflationary, the importance of shortages in this particular inflation is sufficiently unusual to imply that neither credit tightening nor tax increases, the conventional remedies, are likely to contain inflation short of a recession of catastrophic dimensions.

The old soldiers advance as an additional argument the impact of expensive gasoline and home heating oil. Higher energy prices subtract from family budgets \$8-\$10 billion, the equivalent of a tax hike of the same size, with, of course, the interesting difference that the proceeds enrich King Faisal, the Shah of Iran, and the giant oil companies rather than the American Treasury. Finally, tax cuts might moderate union wage

demands and avert a new inflationary spurt stimulated by the efforts of unions to restore their members' eroded standards of living.

Viewed from the left, this apparently reasonable and certainly benignly-motivated liberal reflex is a disaster. All desirable health, education, housing, and anti-poverty efforts cost federal money. Yet during the last decade, Democrats and Republicans have com-

(Continued on page 7)

Maalot massacre

The murderous attack by Arab terrorists upon the children of Maalot is an act of savagery which must surely horrify all mankind. I condemn it unequivocally.

The politics of the raid were as mistaken as its methods were bloody: to disrupt peace negotiations and to keep the Middle East in a turmoil which is supposed to benefit the Palestinian people. That this aim is pursued by the murder of children only serves to emphasize how wrong it is.

A negotiated settlement of the conflict, providing secure borders for Israel and recognition of Arab rights, is in the interest of the immediate parties concerned, including the Palestinian Arabs, and of the world. The seemingly endless spiral of terrorist provocations, followed by Israeli retaliation, and punctuated by full scale wars cannot be permitted to go on. It is intolerable for both Arabs and Israelis; it brutalizes some to the point of making them the murderers of children; it threatens a revival of the Cold War between the superpowers over the Middle East. The Israeli government demonstrated moral courage as well as realism in refusing to break off negotiations even under such monstrous conditions. I hope that the Arab leaders will not allow terrorist groups to deter them from continuing their new policy of negotiating with Israel.

We, as Americans concerned with the Middle East, must mourn the children of Maalot and rededicate ourselves to the struggle for peace, which is the only real guarantee of the lives of Israeli and Arab men, women and children.

M.H., May 19, 1974

Rebuilding the coalition

by DAVID SELDEN

Item: On May 15, the Senate defeated, by a 47-46 vote, the Gurney Amendment, which would have sharply curtailed the use of busing for school integration.

The Great Coalition we're all concerned with was very active on this fight, and we won. It was a victory (limited and narrow, and it will have to be repeated, but a victory) over racism. For, if we are interested in integrated schools, there is no alternative to busing. To say that a school district cannot bus is a racist act. If liberals and trade unionists run for cover on this one, then our chances of ever reassembling the coalition which won the great civil rights victories of the early '60s are gone.

Fortunately, on May 15, we weren't running for cover. Instead, we were all on Capitol Hill fighting—the AFL-CIO, unaffiliated unions, the NAACP, the Urban League, various liberals and liberal organizations. For this one day, for this one fight, we forgot about our disagreements over the war in Vietnam, over McGovern, over the issues that drove apart the Great Coalition of the '60's. And it all had an effect. We even swung at least one Senator who had never voted with us on busing before.

Unless we can have more of this kind of cooperation among the elements of the Great Coalition, I'm very pessimistic about the future. If you think Watergate is enough to insure liberal victories, think again. Conservatives could pull together for a national appeal, and if we don't, 1976 could be a repeat of '68 and '72. We have to get past the silliness that we can reconstitute the coalition, but without "certain kinds" of unions or "certain kinds" of liberals or "certain kinds" of civil rights organizations. Nor should we delude ourselves into thinking that captive or subsidized front groups can substitute for real, grassroots organization.

Perhaps it's time for the elements of the old coalition to call a general amnesty. If we don't get back together, the outlook for future battles is bleak. □

Newsletter of

THE DEMOCRATIC LEFT

Michael Harrington, *Editor*

Jack Clark, *Managing Editor*

The following people helped to put this issue out: David Bensman, Gretchen Donart, David Kusnet, Becky Meier, Deena Rosenberg, Mike Sabeski, Mark Schaeffer, David Tam.

Signed articles express the views of the author.

Published ten times a year (monthly except July and August) by the Democratic Socialist Organizing Committee, 31 Union Square West, Room 1112, New York, N.Y. 10003.

A special offer

Energy crisis study packet, consisting of:

"Capitalism, Socialism and Energy," by Michael Harrington: A National Energy Program from the UAW; The Energy Crisis: the AFL-CIO program; and *The American Oil Industry: A Failure of Anti-Trust Policy* by Stanley Rutenberg.

Available for \$4 from the NEWSLETTER of the Democratic Left, 31 Union Square, Room 1112, New York, N.Y. 10003.

Walking the picket line

Take the money and scab

The United Mine Workers, immersed in a strike against Duke Power's Eastover Mines in Harlan County, Kentucky, recently uncovered a major scandal which may help them settle the 11 month old strike on favorable terms. The rival Southern Labor Union, the current collective bargaining agent for the Harlan County miners, was allegedly caught bribing two UMW strikers to lead a back-to-work movement. When the two miners were initially contacted by SLU officials, they asked the UMW for advice. The Mine Workers suggested they play along, and the resulting offer was caught on camera and tape. The two were assured that Norman Yarborough, Eastern president, would be co-operative in lifting the blacklist against the two miners. SLU officials handed over \$140 in cash and promised that \$5,000 more was on the way if the strike were ended. The Mine Workers have turned the evidence over to federal authorities, and they're asking the National Labor Relations Board to nullify the SLU's contract and permit "bona fide labor organizations" to represent the Eastover miners.

SOCIALISTS AND HOUSING—DSOC Vice-chairman Julius Bernstein noticed at May's Washington D.C. conference and national board meeting that there are a lot of socialists around who know a lot about housing and tenants' issues. Former chairman of the Boston Housing Authority himself and long active in Massachusetts civil rights and labor causes, Bernstein decided that the experts should get together. As he explains it, "Everyone in the housing field is developing the liberal program. We want to get a few steps ahead of that. The workshop discussion we had on housing raised some interesting possibilities about new means of financing housing and so forth. I'd like to follow up on it." Bernstein is acting as a co-ordinator for a socialist task force on housing. Anyone interested should write him at 27 School Street, Boston, Mass. 02108.

New possibilities for the French Left

by MICHAEL HARRINGTON

François Mitterand's near victory in last month's French elections holds out real possibilities for the French Left.

"This time the nation is really cut in two: mathematically, politically, sociologically and, to be sure, traditionally," as Jacques Fauvet of *Le Monde* put it. The "world of youth and labor" voted by an immense majority for Mitterand. Indeed, there were those in François Mitterand's campaign who believed that, had the Gaullists fulfilled their repeated pledges of giving the vote to the 19-20 age group, the candidate of the Left would have then won. (They were probably being over-optimistic: if the youth had the ballot and turned out in the same incredible proportions as the rest of the nation—83.7 percent—Mitterand would have indeed triumphed. But it is more likely that they would have turned the race into a dead heat.)

Mitterand made remarkable gains among two traditionally conservative groups in French politics, women and Catholics. (Arlette Laguiller, a Trotskyist and feminist candidate, came up with a remarkable 2.35 percent of the vote in the first round, which put her ahead of all the minority leaders except the polite Poujadist, Jean Royer.) But although Mitterand did well in the traditional Left areas in the Midi and the North, he apparently lost some socialist support there because of his alliance with the Communist Party in the campaign.

The socialist front with the Communists was, of course, one of the most important aspects of the entire campaign. On the whole, it was an extremely positive and hopeful event.

For a generation now, the French Communist Party has been isolated from the mainstream of French politics. A world unto itself, it came to have certain organizational resemblances to the European social democracy prior to World War I. It was, as Annie Kriegel described it in a classic study, a party and a counter-society. Until quite recently, it was also one of the most rigid and Stalinist of the European Communist parties. Only a few years ago, it expelled Roger Garaudy, a rather mild heretic by the standards of, say, the Italian or the Swedish Communists.

Democratic socialists could thus hardly have any sympathy for the politics or structure of the French C.P. Yet there was, and is, another enormous factor to be taken into account. The French Communists command the loyalty of roughly half of the Left electorate; they are among the most dedicated trade unionists; they speak for some of the most important sectors of the French working class. Ever since De Gaulle threw the Communists out of the government—and it should be remembered that they held ministerial posts in the immediate post-war period—a crucial question has been posed: is it possible to assemble an effective Left majority without the Communists, i.e. without a major sector of the French working class? The answer is no.

From 1947 on, most socialists tried to deal with this

problem by making coalitions with the moderate Center-Right against the Gaullists and Communists. This "third force" strategy had a certain political logic on the basis of the divisions arising out of the Cold War (a period when the CP was most ferociously Stalinist). But it basically failed because the constantly changing and often unprincipled parliamentary coalitions of the Fourth Republic were unable to face up to fundamental issues. In 1954, Mendes-France did act decisively and took France out of Indochina, but that was the exception to the rule. So in 1958, the bankruptcy of the old third force politics brought De Gaulle back to power (with the support of some of the socialists).

The Gaullists tried to place themselves above the traditional political divisions in France, speaking in the name of a classless nationalism. This rhetoric allowed them to grant Algerian independence and thereby to liquidate the colonialist heritage which had all but destroyed the Fourth Republic and its socialists. It also permitted them to entrench the rule of French capital and, in their defensive moves against American economic power, to make an alliance with the Russians. (Moscow, Jacques Amalric reported in *Le Monde*, was rooting for Giscard and even made official contact with him during the campaign.)

So in the late Sixties the socialist Left was forced to examine the possibility of a bloc with the Communists. The Right-Center alliance had proved a disaster, and the notion of revitalizing the Center itself turned out to be fruitless, as Gaston Deferre, the socialist leader, discovered in the 1969 election and as Jean-Jacques Servan-Schreiber, who backed Giscard last month, demonstrated in his erratic and fruitless efforts to revive the Radical Socialists. Mitterand, who had emerged as the leading socialist in the Sixties and who began to rebuild the socialist movement itself, attempted to work out a Common Program with the Communists. The effort succeeded in 1972 and produced a document calling for extensive nationalization, democratic controls on the economy, socially oriented planning and the like.

One need have no illusions about the Communist apparatus, a good part of which was trained and disciplined in the worst of Stalinist schools, to recognize that this development was progressive. The only way that the mass of workers who followed the Communist lead could be brought back into French politics—and into contact with democratic socialist ideas—was through such a coalition. Indeed, there were, and are signs that the Communists were concerned that they were losing out in the deal. The Socialist Party, which had deteriorated in the Fifties and Sixties has revived, a fact which, *Le Nouvel Observateur* reported, frightens the CP strategists. So strong had the Socialist Party become that when Mitterand announced that Deferre, a long time enemy of the CP in the South, would be his choice for prime minister, the Communists made no public objection.

Finally the French events could have some other

positive effects in Europe. The defeat of the Italian Right on the issue of divorce opens up the possibility of socialist action with the Italian Communists, a party which was never as Stalinist as the French C.P., and which has strongly denounced the Soviet invasion of Czechoslovakia, the hounding of Russian dissidents and the like. There are, to be sure, many problems remaining. The switch from Brandt to Schmidt has moved the German Social Democrats somewhat to the right and, even under the best of circumstances, they

are, for domestic political reasons, understandably fearful of communist-socialist fronts. Still, one gets the impression that the old Cold War constellation of French politics has begun to break up and, even if that did not produce a Presidential victory, it is a most welcome development. Mitterand's alliance was, and is, problematic and involves dangers. But it is the only way to break the French Left out of its ghetto and to bring democratic socialist ideas to Communist workers. It is a good beginning. □

Record arms budget marks 'generation of peace'

by JAMES CONROY

John Mitchell once offered us a prescient piece of advice—watch what the Administration does, not what it says. While trumpeting the arrival of detente with the Soviet Union and improved relations with the People's Republic of China, constantly reminding us that for the first time in many years no American troops are engaged in combat anywhere in the world, and proudly proclaiming the dawn of "a generation of peace," the Nixon Administration sent to Congress the largest military budget in the world's history. When the Atomic Energy Commission's weapons program and supplemental requests are included in the calculation, the military budget for fiscal year 1975 exceeds \$100 billion (including some down payments on new weapons systems spread over several years).

Secretary of Defense James R. Schlesinger offers several explanations, including inflation, higher pay scales, Middle East war expenses, Soviet arms momentum, and the need for "bargaining chips." Each of these has been addressed by critics of the new Pentagon budget. Perhaps it's best to begin with a look at a blatant new attempt at budgetary chicanery which even raised the eyebrows of Senator John Stennis.

Budgetary shell game

On February 22, 1974, the Joint Economic Committee of Congress released a staff study entitled "A Comparison of the Fiscal 1974 and 1975 Defense Budgets." That study opens with the observation that "anyone trying to understand the year's defense budget is faced with two major problems."

The first problem is the "supplemental" request calling for funds to cover unexpected expenses incurred during the previous year. Supplemental funds, although provided after the fact, are included in the '74 budget for accounting purposes. Normally, supplementals cover unforeseen overruns and emergency spending in the previous year's budget. This year's supplemental request for \$6.2 billion includes such legitimate items as fuel price increases (one half billion), pay increases (\$3.4 billion), and the cost of the Middle East war (\$.2 billion). But the remaining \$2.1 billion is a "readiness" supplement for the purchase of new weapons which have nothing to do with emergencies and should rightfully be added to the 1975

budget. This sleight of hand inflates the '74 budget by \$2.1 billion while simultaneously lowering '75 requests by the same amount, a spread of \$4.2 billion which distorts the relative size of the two budgets.

The second distortion is the \$2.2 billion for emergency aid to Israel last year. Although that expenditure was a one-shot item, contributing nothing to the readiness of our own forces, the Pentagon included it in "baseline" expenditures for 1974. The baseline refers to spending on permanent, ongoing American forces. Putting emergency aid to Israel in the baseline category exaggerates what was spent on U.S. military forces last year and, again, distorts the comparison of the 1974 and 1975 budgets.

A Joint Economic Committee study concludes that after adjusting for inflation and pay increases, the 1975 request exceeds that for 1974 by almost \$6 billion for baseline defense. The Pentagon's budget for 1974 totaled \$80.7 billion. The 1975 figure of \$92.9 billion plus a supplemental of \$6.2 billion equals \$99.1 billion—an 8 percent increase in real dollars.

What happened to the "peace dividend"?

Reasonably enough, military expenditures have usually declined sharply after wars. Naively assuming that the post-war Administration would behave reasonably, many anti-war activists argued that, in a peacetime economy, resources squandered on war in Southeast Asia could be devoted to domestic needs. The Indochina war was costly. Budgetary outlays from 1965 to 1973 totaled over \$135 billion. For 1975, the cost of supporting South Vietnam will be "only" \$1.9 billion. What happened to the "peace dividend"?

Much of that money has been shifted to the development of new and superfluous strategic weapons systems, foremost among these the B-1 bomber and the Trident submarine. If the Air Force prevails in its battle to produce a fleet of 244 B-1 bombers, the American taxpayer will eventually shell out an estimated \$15 billion in research and development and procurement costs. As always, that estimate is subject to upward revision. It went up by \$1.3 billion to the present cost level last March. At current projections, each of the planes will cost \$61.5 million.

The Air Force has not proved a need for the B-1. The new aircraft is designed to replace the B-52, with improvements in performance and speed. Late model B-52's are fully capable of penetrating Soviet defenses and can carry the same armaments as the B-1. More-

James Conroy is national education director of SANE.

over, the Anti-Ballistic Missile treaty has insured the reliability of land-based and submarine-launched missiles, relegating bomber forces to the status of an expensive and increasingly unnecessary "hedge."

Not to be outdone, the Navy is attaching first priority to the most costly single weapons system of all, the Trident submarine. Incredibly, *each* Trident will cost an estimated \$1.3 billion. The Navy wants to build a fleet of them to replace the Polaris submarines now in operation. No one, not even the Navy, disputes Polaris' essential invulnerability. With a 30-year life span, the Polaris fleet is serviceable well into the 1990's. Any one of the 41 Polaris subs is capable of inflicting devastating damage on the military and industrial resources of any enemy.

How can the Navy justify a staggering expenditure for an unnecessary new fleet of submarines? The only semblance of an answer is the Navy's insistence that the Soviets may realize a breakthrough in anti-submarine warfare which would threaten Polaris' present invulnerability. How Trident would be immune to such a mystical breakthrough is unspecified.

Inflated military spending for an inflated economy

In hearings before the Defense Subcommittee of the House Appropriations Committee, Chairman George H. Mahon (D-Texas) presented Secretary of Defense Schlesinger with information Mahon had received "on good authority" that something in the area of \$5 billion had been added to the military budget at the last minute "to help out the economy and to help out the aircraft industry." Schlesinger replied that the Chairman was indeed right: an artificial stimulus to the economy had been tacked on, but the dollar value of the addition was closed to \$1.5 billion.

Whatever the amount, a needless boost in military spending to aid a faltering economy is as economically unsound as it is devious. A 1972 Bureau of Labor Statistics study, "Projections on the Post-Vietnam Economy, 1975," showed that defense spending is a relatively poor stimulus to the economy. The B.L.S. estimated that \$1 billion spent on defense projects yields an average of 75,812 jobs, while the same amount spent on education would yield 104,010 jobs.

The very nature of military related industry contains the reasons for this disparity. Although a defense contract produces jobs, its product is static; it contributes nothing to the quality of life or the health of the economy. You can't eat a machine gun, you can't live in it, you can't wear it, and you can't travel in it. Unlike machine tools and other products, military hardware generates no new jobs. Cost overruns, government bail-outs and product failures are all standard economic spin-offs from military spending. A healthier economy is not.

The Russians are coming!

This year, Secretary Schlesinger hosts a return engagement of the now-familiar Pentagon thriller, "The Russians Are Coming!" Citing a buildup in Soviet armaments and the need to negotiate "from a position of strength" at the SALT talks, Schlesinger calls for increased spending to match Soviet momentum. If

we want to match the Soviets, we need a reduction of U.S. armaments, not an increase. Former Defense Secretary Robert McNamara said in 1967 that the "most meaningful and realistic measurement of nuclear capability" is the number of separate nuclear warheads. In 1968, the U.S. commanded 4,200 strategic warheads. We had increased that number to 7,100 by 1973. In the same period the Soviet arsenal increased from 1,200 to 2,300 warheads. Pentagon claims to the contrary, arms experts insist that the U.S. Air Force and Navy are superior in quality and readiness to their Soviet counterparts. While the Soviet army is larger than our own, U.S. combat experience in Korea and Vietnam has bred a substantial tactical advantage. Moreover, the probability of a U.S.-Soviet ground war approaches zero.

Any claims that the U.S. needs "bargaining chips" at SALT II should be held up to the light of previous experience. The proponents of an ABM system insisted that such a system would be most valuable as a negotiating tool. When the SALT I agreement limited the number of ABM sites to two in each country, the U.S. had not yet built any and immediately proceeded to do so. The SALT I "bargain" resulted in the construction of a new weapons system. Once such weapon systems have been launched, the vested interests in contracts, jobs and expanded Pentagon controls are extremely difficult to unravel. Negotiators would have a difficult time delivering on agreements to dismantle existing weapons systems.

Gearing up for the long haul

Ever since Pearl Harbor, the American military has operated in a constant state of mobilization. Our military policies have been set in a crisis mentality. The results include a tragic experience in Southeast Asia, the emergence of "the military-industrial complex," several trips to the brink of nuclear disaster, a self-described role as the world's policeman (described by others, including our own allies, as the world's bully), the neglect of pressing domestic needs, and an Administration which covers burglaries, wire taps, character assassinations and other assorted atrocities under the blanket of "national security." If there is hope for the future, for the realignment of a society now geared to the demands of the military, massive expenditures on the implements of war must cease.

On May 15, 1952, General Douglas MacArthur recognized that "our country is now geared to an arms economy which was bred in an artificially induced psychosis of war hysteria and nurtured upon an incessant propaganda of fear. While such an economy may produce a sense of seeming prosperity for the moment, it rests on an illusionary foundation of complete unreliability and renders among our political leaders almost a greater fear of peace than is their fear of war." For most of our political leaders, an even greater fear is that of defeat at the polls. By making military spending a prominent issue in the upcoming elections, the anti-militarist constituency can contribute much to the long-haul effort to cut military spending and military commitments while preserving the legitimate interests of our nation. □

The Sub-Saharan famine and international aid

by GORDON K. HASKELL

Disaster in the Desert, Failures of International Relief in the West African Drought, by Hal Sheets and Roger Morris. A special report for the Carnegie Endowment for International Peace.

The peoples living on the southern borders of the Sahara face historic catastrophe. Clinging precariously to an uncertain existence in the best of times, five straight years of drought have reduced hundreds of thousands to unemployed refugees huddled in sub-subsistence level camps. That fate or worse threatens millions more in the months ahead. For hundreds of thousands, the sole source of livelihood, the cattle which traditionally grazed the vast marginal Sahelian scrub and grasslands, has already perished. For others, the skimpy dry-farm agriculture has been ruined by encroachment of the desert and the consumption of seed to ward off famine.

A number of countries—most recently joined by the oil producing lands of Africa and the Middle East—have launched large-scale relief programs. Private agencies, like CARE and the World Catholic Relief Service have joined in the relief effort. Yet dismal reports of starvation, epidemic diseases and general hopelessness continue to filter back.

Disaster in the Desert tries to answer just what has gone wrong. Hal Sheets and Roger Morris' charges against the United States Agency for International Development for lassitude, indifference and bungling sparked a front-page New York Times article.

Morris and Sheets write in a tone of high indignation. And certainly on the ethical plane, high indignation is in order. The United States could, after all, take its military budget or the money spent each year on cigarettes, liquor or vacation travel, and with any one of these sums feed every man, woman and child in the Sahel better than the Sahelians have ever eaten before. But that fact is not too helpful in formulating a politically possible aid policy. As *Disaster* points out, this African region is almost at the very bottom of everyone's economic, political and geographic priority lists. That neither the Russians nor the Chinese have shown any interest makes it far easier for American policy makers to remain indifferent.

Exactly what kind of responsibility should the U.S. government take for the people of this remote, marginal area? Once we move beyond ethical abstractions—we should be our brothers' keepers (or at least, helpers)—the practical question must be addressed: to what extent, under what conditions, can and should the U.S. intervene in a disaster like this?

One of the points made by Sheets and Morris is that A.I.D. officials did too little to "alert" or "inform" the governments of the countries concerned of the magnitude of the drought disaster, as it developed. But we must ask: if a government is ignorant of the magnitude of a massive national disaster which has been building over a five to eight year period, what difference will it make if they are "alerted" by foreign

functionaries in their midst? The incapacity to find out what is happening in their own land is a sure sign that they would be as unable to act effectively on such information as they were to gather it in the first place.

The drought is going into its sixth year. There is no reason to believe that it will suddenly stop. If the Sahara is indeed shifting two hundred miles to the south, we will be faced with an unprecedented mass migration requiring *new* kinds of relief measures.

Some measures have been taken. From 1968 through mid-1971, the United States contributed more than \$13 million for drought relief to the area. According to Sheets and Morris, "other donors supplied roughly \$3 million, with Canadian contributions accounting for half of that aid."

In addition, "from 1966 to the Fall of 1972, Sahelian states were included in the West African smallpox and measles eradication program of the U.S. Public Health Service . . . More than one hundred U.S. physicians and other experts participated in that effort . . ."

The United Nations Food and Agriculture Organization maintained more than one hundred officials working on agricultural or livestock improvement programs from 1968 to 1972.

It appears that all this had no effect on the growing disaster. In fact, efforts to conquer disease and to increase cattle herds during the preceding decade actually *increased* the magnitude of the suffering.

International aid can help in the face of disasters like earthquakes, floods, cyclones or wars, which uproot people and fling them into refugee camps. Given a minimum of political stability and social responsibility in the ruling classes, a rapid infusion of food, materials for shelter and reconstruction, and a longer-term program of assistance, which strengthens and supports the efforts of the native population, can be enormously helpful in restoring normal economic life. Under favorable circumstances, it can even turn into a stimulus to productivity and growth.

But it is a different thing to fashion a program of aid which can support and eventually restore a vast, truly blighted portion of the world. As we move into the last quarter of the 20th century, the preponderance of the evidence seems to indicate that the currently unique tragedy of the Sahel may face us in even larger, and politically far more vital areas. The immediate "cause" will not be encroachment of the Sahara on its borderlands. Exponential population growth in India, Indonesia, and parts of Latin America can turn out to be just as effective "causes."

How *much* should we help? How can we make our help meaningful and effective? What political mechanisms will we have to develop to make possible prompt, generous and effective responses to challenges the like of which our world has never experienced?

Time and again, we in the developed world and especially in the U.S.—where each baby born will use eight hundred times as much of the world's energy, food and other resources as each baby born in India—will have to answer these questions. □

Tax cut debate...

(Continued from page 1)

peted to cut taxes, in 1964, 1965, 1969, and 1970. That rivalry has cost the Treasury in a full-employment year no less than \$45 billion. The actual situation is even worse because general revenue sharing sends to state, county and city governments \$8 billion annually which instead of increasing community services frequently reduce property taxes. Conservatives like Milton Friedman (who often seem brighter than their liberal counterparts) have long realized that once taxes are reduced it is exceedingly difficult to raise them again for any unwarlike reason. For the conservatives, tax cuts are a particularly good thing because the smaller the resources available to the federal government the less that can be spent on social pro-

Democrats 'Down East'

"As Maine goes, so goes Vermont" was the famous refrain of 1936 when these two New England states were the last bastions of resistance to the New Deal. Democrats were almost non-existent "Down East" then and for a couple of decades after that. Now things have changed, and the state's three top office-holders are liberal Democrats.

Like our counterparts all over the country, Maine Democrats were badly split in 1972, particularly at our state convention where McGovernites and Muskie backers traded invective. This year's convention was different and might offer some brighter possibilities.

There were bitter controversies, of course, especially over the homosexual rights and amnesty planks (both passed narrowly). But the delegates agreed overwhelmingly on, among other things: a \$2.75 hour minimum wage; repeal of section 14(b) of Taft-Hartley (a federal law which curtails union organizing); enactment of the full range of collective bargaining rights for public employees, including the right to strike; endorsement of the Farmworkers' grape, lettuce and wine boycotts; a condemnation of the Kennedy-Mills "compromise" on national health insurance. Another economic plank which was defeated narrowly called for the nationalization of the oil industry.

Finally, a new constituency entered the political process, raised its issues and provoked no backlash. Some American Indians from the Penobscot tribe attended the convention for the first time. They attended the platform hearings on Indian affairs, and as one of the Indian delegates later explained: "We didn't like what we heard, so we wrote our own platform." The convention passed it unanimously.

—Harlan R. Baker

grams and the smaller the danger of big city "radicals" pushing new programs through Congress.

Why liberals should aid and abet this conservative game plan is hard to explain by any theory less embarrassing than liberal dimness of wit. Senator Kennedy's original health plan was sharply criticized on the ground that it cost too much. Yet its full cost plus that of such desirable innovations as a Negative Income Tax guarantee of decent minimum subsistence and a public employment program of decent size would appear financially feasible in 1974 if taxes were as high now as they were in 1963. Even at present reduced tax rates, a few years of normal economic growth will generate the needed revenues. But no amount of growth can finance needed social spending if the tax cut habit spreads. The habit will become an addiction if conservatives (out of principle) and liberals (out of expediency) combine further to shrink the federal revenue base.

What ought to be done is not all that hard to describe. The place to start is with the proposition that unemployment is nastier and more inequitable even than inflation. Unemployment weakens unions, strengthens employers, and accentuates existing maldistribution of income and wealth. Minority, female, and young workers find it harder than ever to achieve the job equality guaranteed by the civil rights statutes. Unemployment divides and full employment potentially unites unions and minority workers, for in a time of full employment affirmative action plans are far less menacing to white males than they are in the middle of a scramble for scarce work.

1974's first priority is job creation. The preferred route to full employment is federal support to new jobs in schools, hospitals, parks, museums, police departments, and the rest of the government services which can usefully engage the energies of millions of additional men and women, often in jobs more satisfying than those offered in the private sector. The quality of daily life is unlikely to improve dramatically until the public sector achieves something of the esteem now enjoyed by private business, and something of the financial prosperity which surrounds American corporations.

\$10 billion for public jobs means approximately a million new jobs. There is no reason at all why the program could not be financed on an equitable, noninflationary basis. Windfall taxes on the giants, termination of some of the more egregious tax dodges, elevation of estate levies, and restoration of progression to the personal income tax structure could enrich the Treasury by an amount several times \$10 billion.

Accordingly radicals must oppose tax cuts this year even if tax reduction is the only politically feasible course of action Congress might follow. Passage of such a measure mortgages the future and substantially diminishes the opportunities open in 1977 to a reasonably enlightened Democratic administration.

In general, tax cuts are bad medicine. After a decade of indulgence, more of the same threatens to be fatal to further social progress. □

Jimmy Higgins reports...

THE BATTLE FOR THE SENATE—Most Washington observers agree that the House is almost certain to vote impeachment; White House strategists seem to concur. Thus, when Senator Eastland of Mississippi asked the Atomic Energy Commission for faster action on a nuclear power plant for his state, the AEC staff received a note that "the President really needs Eastland." So, Nixon is working hard to get 34 Senators needed to keep him in office. But contrary to published reports, resignation has not been completely ruled out. *The Wall Street Journal* quoted one former Nixon associate to the effect that the President would resign if the Soviet Union or China were exploiting his weakness to take advantage of the United States and start World War III.

HEALTH CARE—Jimmy Higgins was wrong: Rep. Martha Griffiths, despite earlier favorable comments about Nixon's new health legislation, has not abandoned the original Kennedy-Griffiths health security bill. Senator Kennedy, meanwhile, is trying to conciliate the Left to his switch. He told a meeting of the Massachusetts Committee for National Health Insurance that he still favors his old bill but doesn't think it politically viable. More important, he openly disagreed with co-sponsor Wilbur Mills by stating flatly that Kennedy-Mills would not be open to further compromises with the Administration's version of health insurance.

IN COMMON BATTLE—A major rift has developed in the Left's response to Watergate. Although both agree that campaign reform is needed, Common Cause activists and the leaders of labor political action efforts are bitterly at odds over what kind of legislation should be enacted. In March, the "citizens' lobby" issued a detailed report listing which "special interests" had spent how much on behalf of whom in 1972. The release also took note of the war chests that were already built up for the 1974 elections. The groups listed ranged from the National Association of Manufacturers to Americans for Democratic Action. The release and the resulting press coverage emphasized "big labor" and big business. Trade union politicians, from Al Barkan to the most die-hard McGovern backers, were uniformly miffed. They understandably resented being lumped with the big business tycoons and the dairy cooperatives as villains of Watergate. In several states, the bad feelings have escalated into open warfare as CC and state labor bodies lobby against each other on campaign reform.

CALIFORNIA has seen the sharpest battle yet over a popular referendum, known as Proposition 9. Prop. 9 is a far-reaching proposal which would limit campaign spending, set up a fair practices commission to monitor campaigns and forbid any registered lobbyist from donating to a political campaign. That last provision has raised the ire of John Henning, Secretary-Treasurer of the California AFL-CIO. As chief lobbyist and head of political action for the state federation, Henning would be forced to choose between those two roles if the new law passes. To stop Proposition 9, California labor has joined a business-dominated coal-



ition for "free speech," and withdrawn its endorsement of gubernatorial candidates Jerome Waldie (a Prop. 9 supporter) and Jerry Brown (not supporting Prop. 9 but making noises about reform—thus alienating both labor and Common Cause).

WHERE IS THE "YAFIA" NOW? That's what Congressional investigators are asking about the platoon of 84 \$100-a-day consultants hired by former Office of Economic Opportunity Director Howard Phillips last year to dismantle the War on Poverty. Called the Yafia, because they were recruited from the conservative Young Americans for Freedom, the consultants saw their mission ruled illegal by a federal judge and their qualifications ruled dubious by the General Accounting Office. By January, they had all been dumped. But now staffers from GAO—Congress' investigative arm—report that the Yafia has returned, this time to dismantle Health, Education, and Welfare programs. And one Capitol Hill source reports a more ominous trend—HEW consultants are being recruited not only from YAF, but from the Central Intelligence Agency.

Please enter my subscription to the *Newsletter of the Democratic Left*

Regular Subscription \$5 Student rate \$2.50

Sustaining Subscription \$10

Name.....

Address.....

City..... Zip.....

Send to *Newsletter of the Democratic Left*
31 Union Square West, Room 1112, New York,
N.Y. 10003.

From each according to his/her ability . . .