

Newsletter of

# THE DEMOCRATIC LEFT

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Edited by MICHAEL HARRINGTON

## Labor Left poses alternatives for Britain

by ROY BENNETT

Labor took office in Britain in 1974 for the third time since World War II. This election was unique, for Labor presented and campaigned on a genuinely bold program, calling for extensive expansion of the nationalized sector, establishment of a comprehensive planning program and labor participation in planning and management.

In 1964 the Wilson government, with far less ambitious expectations, was thrown into headlong retreat

Labor government accomplishment—the welfare state—from Tory attacks.

In the years Labor was out of office (1969-1974) the Party's Left gained strength. By 1974 it had a majority at the Annual Conference, a majority on the National Executive Committee and support from major unions and their leadership.

As a result of their expanding influence, Left leaders were appointed to a number of prominent positions in the program writing committees. The White Paper that emerged was the most ambitious, socialist-oriented paper in the Labor Party's history. (The White Paper is the official program of the Party and is taken much more seriously by the British electorate than a party program in the United States.)

The paper, "The Regeneration of British Industry," called for "extending public ownership to the profitable manufacturing industry. . . ." Its objectives were:

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### Democracy '76

More than three hundred trade unionists, community activists, liberals and radicals are expected to participate in the Democratic Socialist Organizing Committee's National Issues Conference January 31 and February 1.

As has been reported here before, major papers for the conference have been prepared on: full employment and national planning; energy and public ownership; income redistribution and taxation; housing and the urban crisis; and national health care. "We want to explore new approaches in all of these areas," said conference coordinator Marjorie Gellermann, "and we want to begin fashioning a program we can fight for in the Democratic primaries and at the Democratic convention."

The conference will also launch DSOC's first national project, "Democracy '76." Gellermann will coordinate the work of the project, which aims at having a programmatic impact in the Democratic Party.

The March NEWSLETTER will contain fuller reports on the conference and the project.

by a massive balance of payments and budget deficits, threats of a run on the pound by international bankers, and an inexperienced and timid leadership. As a result, that government accomplished little except for re-nationalizing the steel industry and protecting the first

## Presidential scorecard: from Iowa to N.H.

by JIM CHAPIN and JACK CLARK

About 17,000 voters in a state with more than two and a half million people succeeded in making Jimmy Carter the Presidential front-runner on January 19. Now that the Iowa precinct caucuses, the first test of the long election year, are over, the Democrats can look to New Hampshire for some narrowing of their enormous field. And journalists can hazard risky guesses about who will and who will not survive. More important, politically aware people can begin to assess, even in the vacuous politics of 1976, where the major candidates stand.

The Iowa results are a clear plus for Carter, even though the state was conceded to him in advance. He showed himself able to attract an impressive variety of support. He took union support that was properly Bayh's, right-to-life votes that were supposed to be

*(Continued on page 4)*

# Angola: why we should stay out

by MICHAEL HARRINGTON

The United States should not intervene, directly or indirectly, with troops or cash, in Angola.

I am against such involvement for a number of reasons—above all because it would associate us with the racist regime in South Africa, a move which is not only immoral but politically stupid and counterproductive as well. I say this even though I believe that the Soviets and their Cuban agents are engaged in a typically imperialist maneuver in Angola. The three contending movements in that country all have their own tribal and territorial bases; each one has credentials in the struggle against the Portuguese. (Some evidence I have seen suggests that the most recent entry to that battle was the MPLA, i.e. the Soviet-supported group.) The Russians are not intervening against colonialists but simply in order to impose the victory of their own faction in an internal struggle. It could be *their* Vietnam.

But what about the Cold War geopolitics which Ford, Kissinger and Moynihan are using to justify our

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## Capital quotes

Will the Bicentennial See the Death of Free Enterprise? . . . Free enterprise is dying, some businessmen feel. Richard A. Riley, president of the Firestone Tire and Rubber Company, has pronounced it already dead.

Another executive, a 50-ish industrialist, said, 'At the rate we are moving toward socialism, all corporations will be nationalized by the year 2000.' He was responding to a survey on the future of business in American society conducted for the American Management Association.

Unless something is done to halt 'the systematic destruction by Federal and state government of the ability to make profits, the word corporation will be something to be studied in Latin class along with buggy whip,' a chief executive in his 30's said to the A.M.A.

—New York Times  
January 4, 1976

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moving into Angola? I would not dismiss it simply because it is so eerily reminiscent of the unconscionable Vietnam rhetoric, though that certainly makes me deeply suspicious of it. For I do not subscribe to a blanket opposition to all American intervention throughout the world. I am, for instance, utterly committed to our military support for Israel's right to a secure existence.

However, given the specific facts in Angola, I am basically and unalterably against intervention there. Let me cite a strange source on my behalf—a sophisticated, imperialist publication which supported America in Vietnam to the insane and tragic end. If even the London *Economist* understands that an Angolan adventure would be disastrous, one has the right to hope that Henry Kissinger might get the message. I do not, of course, share the *Economist's* assumptions; I quote it to show that despite its method, even this journal comes to my conclusions.

"There is oil," the *Economist* wrote in the December 27th issue, "most of which will stay underground now that the Gulf Oil Corporation [which is tilting toward the Russian-backed MPLA] has announced a suspension of its activities. But America can probably live without the coffee and diamonds and other minerals produced by Angola. More worrying for strategists is the prospect of Russian bases in Angola. Yet that concern might apply equally to Mozambique . . . or to any of 20 states that share the west African coastline. A coup d'etat . . . could turn any of them pro-Soviet. . . . The military battle now in train in Angola will not necessarily decide who governs it—that itself distinguishes Angola from what happened in Vietnam. It is no reason to be complacent about Angola, but it is a reason for not investing large resources there just to thwart the Russians. Furthermore, if that policy failed, it would have served only to lodge Angola more firmly in the Soviet grip." Finally, the *Economist* adds that when Kissinger talks of establishing American "credibility" in Angola, he evokes "memories of Vietnam" which this magazine now fears.

So even the shrewd imperialists are against American involvement in Angola. All the more reason that the Democratic Left, without adopting a simplistic and universal anti-interventionism, should be a thousand times more militant in opposing this adventure. □

Newsletter of

## THE DEMOCRATIC LEFT

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# Texas farmworkers challenge power structure

by RICHARD GREENE

AUSTIN—A movement of farmworkers throughout South and West Texas is radically challenging the entrenched power structure in this state and offering hope of improved living standards to thousands of Chicanos.

The Texas farmworker movement had its beginnings in 1966 and 1967 when strikes hit the entire Rio Grande Valley. Strikers marched from the Valley to the state capital gathering thousands along the way. By the time they reached Austin, the farmworkers had built the biggest protest march in Texas history. John Connally, governor at the time, refused to meet with the strikers. Instead, he sent the Texas Rangers, notorious throughout South Texas for their brutality and racism, to the Rio Grande Valley. The Rangers broke the strike with beatings and arrests. Six years later a federal court ruled that the Rangers had overstepped their authority and had violated the farmworkers' civil rights.

Since 1966-67, farmworker leaders have worked on building the United Farm Workers boycott and increasing social services to the people of South Texas. Last summer, strikes broke out again. In May, farmworkers struck in Hidalgo and Starr counties, the locus of the greatest strike activity in the 1960's. On May 26, an Anglo foreman fired at a group of strikers without warning. Eleven strikers were wounded. Later he bragged to the news media that local law enforcement officials had encouraged him to fire at strikers if he thought they were on his property. He was not indicted, but all 11 of the people wounded were indicted for "inciting to violence" and "criminal trespass." The indictments were handed down though several eyewitnesses claimed the strikers were on public property.

Following the shootings support for the strike surged among Texas melon pickers. At peak, over 3,000 workers were on strike. Over 200 families maintained an unbroken strike throughout the summer. Organizers from the Texas Farmworkers Union followed the melon harvest from South Texas through West Texas and into the Panhandle. Everywhere they were confronted with the kind of law enforcement that had been demonstrated in the aftermath of the Rio Grande Valley shootings. In Pecos, 46 strikers were arrested for trespassing on area officials had told them was a public road.

Last fall, workers in the citrus groves joined the strike. In September, 20 permanent employees of Sharyland Groves went out on strike. Their demands included higher wages, better working conditions, and the firing of an abusive foreman. They went out on their own—and then asked the Texas Farmworkers Union to represent them. Many of the workers have worked at Sharyland for up to 12 years. The growers have long maintained that only migrant workers are involved in strike activity and that the permanent employees are loyal to the growers.

The struggle in Texas is integral to the national farmworker movement. Over half of all migrant farmworkers in the United States begin their migrations in Texas.

Experience with the union in Texas will prepare farmworkers for union organizing in other parts of the country. Several of the strike leaders have worked with the UFW in California. Antonio Orendain, leader of the Texas Farmworkers Union, had worked with the UFW for several years and was a UFW Secretary-Treasurer.

The Texas movement is important, too, because it strikes at the heart of the Texas power structure. Sharyland Groves is owned by Allan Shivers, for example, a former governor of Texas, and still a major power in conservative circles. Shivers was perhaps the most openly reactionary and anti-labor governor in recent Texas history (quite a feat considering other Texas governors). Other important Texas political leaders are major landowners in the Valley, including Senator Lloyd M. Bentsen. Valley landowners are major financial patrons of conservative politicians of both parties. Many leading businessmen began building their fortunes in Valley agriculture. National and multinational corporations are also involved in South Texas agriculture. Royal Crown Cola owns Texsun Corporation, one of the largest producers of grapefruit. If the farmworkers can stand up to Texsun, this will portend a major shift in political and economic power in Texas.

The farmworker struggle is crucial in the awakening of increasing numbers of Chicanos to the nature and source of their oppression. The events surrounding the farmworkers strikes are making clear to many the racist nature of Valley social structure. Chicanos call the Rio Grande Valley *El Valle de Lagrimas* (the Valley of Tears). The strikes are showing them that they can strike back at the system. Through the strike they are developing the political awareness and organizing skills necessary for future struggles.

The growers have always tried to divide the Mexican American workers from the Mexicans. With its emphasis on the unity of all workers, the TFW has done much to combat this. Antonio Orendain has a radio program, *La Voz del Campesino* (The Voice of the Farmworkers), which is beamed into northern Mexico. Consequently many Mexican workers have either refused to cross the border to work or have crossed over and immediately joined the strike. Last August, a delegation from the TFW met with farmworkers from the Independent Farmworkers' Central of Mexico to discuss common strategies and goals. Some melon growers, such as Griffin and Brand, Inc., operate on both sides of the border, which makes them effective targets.

While the TFW is carrying on with strikes in the citrus industry, it is also building support for a bill, similar to the California law allowing elections in the fields. The chances for passage in the near future look slim, but growing legislative support is drawing more attention to the struggle of the farmworkers.

Anyone wishing to contribute to the Texas Farmworkers' struggle can send checks to:

Texas Strike Fund  
P.O. Box 1493  
San Juan, Texas 78589

□



## Presidential politics . . .

(Continued from page 1)

Shriver's, McGovern support that should have gone to Udall or to Harris, conservative votes which Jackson or Bentsen should have tied down. It's the stuff that Democratic victories are made of, and if Carter can carry it over to New Hampshire and Florida, he may be on his way to locking up the nomination.

Exactly what that would mean for the Democratic Party or the country is unclear. If the Democrats on the whole are fuzzy on the issues, Carter is the personification of that fuzziness. Where does he stand on inflation? on corporate power? on right-to-work laws? on the the role of the public sector? Carter has not gone out of his way to make any of his positions on issues like that clear. He has fudged and evaded on some issues. Though he's "pro-labor" in Iowa, in New England Carter can't make up his mind about "right to work" laws.

Still, he's a formidable candidate. His new face, his anti-politician approach, his favorable media image all help. But he could come down as fast as he's come up. The media which created him may now set out to destroy him. On the same day in the last month, Carter got hit from both sides as he was attacked by syndicated columnists Evans and Novak and *Village Voice* writers Cockburn and Ridgeway. The lack of clarity on issues helps the anti-politician image, but if his stock starts to plummet, it also guarantees that he won't have the issue-oriented cadre or the organized Democratic groups (like labor and liberals) to help him through. A totally successful Carter candidacy would lead to an unpredictable Presidency. He's solidly in the tradition of political entrepreneurship established by Richard Nixon and continued by Jerry Brown. His appeal is personal and not passed through any blocs within the Party. Carter stands in the great tradition of demagogues of the Center.

### On the Left

On the Party's Left, there are still three contenders, but probably not for long. Morris Udall, caught for the last several months between Harris and Bayh, is fading quickly. Like Muskie, he seems to be everyone's second choice (at least on the Left). So his claim to having a broad base is well-founded. But that's not enough to get him through. A strong showing in New Hampshire could revive his sagging fortunes, and especially if Bayh and/or Harris fade, give him a shot at the nomination. But without a clear victory in the first primary, Udall will make a fine Senator from Arizona.

Fred Harris has staked out the ground to Udall's left with his populist rhetoric. Not surprisingly, private and public polls show little support for his nineteenth century economics of trustbusting. Still, he has the support of many Old and New Leftists who do not agree with his solutions but credit him with posing the right questions. The Massachusetts primary will be crucial to Harris' chances. His low budget and low expectations campaign (one radio announcer called his third place finish with 10 percent of the vote in the Iowa caucuses

"surprisingly strong") will probably keep him going until the convention, but he still has to be rated a long-shot for the nomination.

The reverse side of that coin is represented by Birch Bayh, the third and perhaps most formidable liberal contender. He's putting together what some have called a junior varsity Muskie strategy, i.e., he's coalition building in the primaries, tying together regulars and reformers, reaching out to major blocs in the party. His support from organized labor is impressive: the Communications Workers back him as do many regional UAW officials and members of the UAW national staff. Bayh is clearly in the lead for support of liberal labor; only Henry Jackson rivals him in labor support, and the unions backing Bayh are more politically active.

So what's the problem? Like Muskie, Bayh may not survive. He's avoiding many of the pitfalls of Muskie's campaign (spreading himself too thin in the primaries, for example), but he faces other problems. He's counting on a good showing in the New York primary on April 6. How does he keep his name before the public between now and then? Major efforts in Massachusetts and New Hampshire could be crippling, if they're unsuccessful. But two months is a long time to wait for publicity. If Bayh can hold on and come into the convention with a credible number of delegates, he's got a strong shot at the nomination.

### The three S's

Besides having alliterative names, Shriver, Shapp and Sanford share something else in common: their Presidential campaigns appear to be going nowhere. Pennsylvania Governor Milton Shapp has advanced some of the most interesting ideas, but his campaign in New York had some strange effects. First, he attacked Harris in strong terms, costing the latter some valuable support. Then at the NDC convention, Schapp joined forces with the stop Bayh effort and helped block a liberal endorsement for the Indianan. After all that, he withdrew from further campaigning in New York. Look for similarly murky results from Shapp's entrance in the Pennsylvania primary. Unless he wins big (in which case predictions about his candidacy going nowhere are off), he's certain to confuse things.

Pollster Patrick Caddell has said of Sargent Shriver that he's never seen a candidate with so much potential less likely to use it. The Iowa caucuses where Shriver was supposed to finish in the running on the strength of the right-to-life vote illustrates the problem: Carter simply took his entire constituency away from him. The Kennedy legacy isn't enough to pull him through without the dedicated campaign workers and the focus on issues. Shriver needs a strong showing in the Massachusetts primary to stay in the running.

Terry Sanford recognized the futility of his candidacy, and on January 21, as we were going to press, withdrew from the race.

Lloyd Bentsen has faded, and Henry Jackson has picked up strength since the NEWSLETTER surveyed the field of candidates in the fall. Bentsen's Presidential campaign has clearly folded and his remaining national

campaign is basically for the Vice Presidency. He'll focus on caucus states in the South and Southwest, but it is widely and accurately reported that he might run into trouble in his home state of Texas.

Senator Jackson still sits atop the most formidable war chest of any of the candidates. And now, after a long delay, Jackson's campaign strategy is emerging and his candidacy is picking up strength. Some private polls have indicated that Jackson may take Massachusetts, which would be a surprise boost for his campaign. He is expected to do well—and must do well—in New York where he has been gaining support from large parts of the regular Democratic organization and where he will benefit from division on the Left. An aggressive Jackson campaign in Florida is expected, aimed mainly at diminishing Carter whom Jackson sees as a chief competitor.

Generally, Jackson is staking out hard-line conservative positions on issues like foreign policy and bus-ing. He's generally avoiding the caucus states (though he spent 6 days in Iowa and got not one delegate for his pains), because as his manager puts it, 70 percent of the delegates are selected in the primaries. Yet he's not even entering all the primaries. He's staying out of Illinois in deference to Mayor Daley, and why he stayed out of New Hampshire, we'll never know. It's an unfathomable strategy. If Jackson does extremely well, he'll enter the convention with perhaps 900 delegates, far too few for a first ballot victory. Then he presumably will want to strike a deal. With whom? Unlike Hubert Humphrey, he's hardly the logical consensus candidate. Daley would rather be in the middle of a power deal rather than on the far right side, and Carter has other deals he can strike. The one person left for Jackson to bargain with is George Corely Wallace. But any deal between them would almost certainly split the Democratic Party and both the Wallace and Jackson camps.

And what of Wallace himself? There have been some media predictions that he's fading. We hope so, but suspect that the prognosis is wishful thinking. If Wallace has become too familiar a Presidential contender, the Florida and North Carolina primaries should show it. Don't expect a strong Wallace showing in Massachusetts, though. Private polls have shown him weak there, and Wallace's allies in Boston are politicians who are clearly on the right wing fringes of city politics.

Some third party possibilities remain for Wallace, and on those, two points need to be remembered:

- he won't bolt if he does poorly in the primaries; he wants a constituency to lead out;
- if he does bolt and run on his own in November, he'll probably (if past performance holds) hurt the Republicans more than the Democrats. He's made it clear that he will not endorse a liberal Democrat under any circumstances. Are we better off with him sitting it out in the Democratic Party or taking off for an independent candidacy? We choose the latter.

Talk of a Humphrey nomination persists. Because it's being talked up in the right circles, renomination

of the 1968 standard bearer remains a live option. *The Christian Science Monitor* surveyed 123 party leaders in mid-January. Sixty-two of them saw Humphrey as the "most likely" to be nominated.

As a non-candidate, he's been terrific. Using the chair of the Congressional Joint Economic Committee, Humphrey has lashed out at Administration policies from an informed perspective, and he's begun to pose alternative policies more clearly than any of the announced contenders. Most recently, he's taken on the "new liberals," like Governor Brown and Dukakis, and defended welfare state spending against those who would have us "lower our expectations." On foreign policy, the area where Humphrey had been anathema to the party's Left, he has at least partially redeemed himself by leading the fight against aid to Angola.

Ironically, the one aspect of a Humphrey candidacy which most attracts the pros, the prospect of a well known and popular Presidential nominee, is, at least according to pollster Caddell, the Minnesota Senator's weak spot. Caddell predicts that Humphrey would lose to either Reagan or Ford and that Democrats would fare much better with a lesser-known figure.

#### Senators and Governors

Humphrey's Senate colleagues, Edmund Muskie and Edward Kennedy are still being mentioned as Presidential possibilities. Kennedy seems genuinely uninterested, and people are beginning to take him at his word that he is not a candidate. Muskie, now that he is freed from facing a serious re-election challenge in Maine, is again emerging as a possibility. Like Humphrey, he's unlikely to campaign but would certainly accept a draft. At least one other Senator, Frank Church of Idaho, aspires to the White House. Recently, Church has been lobbying members of the New York Congressional delegation to head independent slates in their district on his behalf. The reception to that idea has been distinctly cool. But Church is proceeding with plans for a national campaign. He's hired staff, and the word around Washington is that he'll enter the late primaries.

Visions of FDR's move from Albany to Washington are tempting several governors with Presidential thoughts. Brown of California, Carey of New York and Grasso of Connecticut all hope to bring some loyal delegates from their own states to the convention. Then, if there's a deadlock. . . . They're probably all overly optimistic about their chances for the top spot, but any one of them might be called on to balance the ticket as Vice President. None of them would add much personal lustre, and if we have a Vice President Brown, Carey or Grasso in 1977, the Left should hope for the health of the President.

While all these candidates are sorting themselves out (we have neglected the vital subject of money which will help do much of the sorting) on the Democratic side, Reagan and Ford continue to do battle for the Republican nomination. If they fight long enough and hard enough, the Democrats just may pull together and benefit, for a change, from the unhealed wounds of the Republican primaries. □

## British Left...

(Continued from page 1)

- “to nationalize, over a five year period, in whole or in part, 25 of the 100 private manufacturing firms that do 50 percent of the nation’s business”;

- “to establish a State Sector large enough to act as a competitor to leading domestic and multi-national companies”;

- to establish a “National Enterprise Board” consolidating all public holdings and to take a share interest proportional to the firm’s net worth in firms or industries that receive any financial aid from the government. (Over the past 25 years, large loans and grants subsidized the private sector totally without benefit to the state. This provision would put an end to the welfare system for big capital);

- and to establish a formal written “planning agreements system” to plan the overall economy and to tie together the public and private sectors.

The program, if enacted, would shift the balance of economic power—which still markedly favors private enterprise—to the public sector. Although some 25 percent of employment and 50 percent of investment are government, it is easy to exaggerate the degree of public economic power. The government controls electricity, gas, coal, steel, the railroads, trucking and communications—all older traditional industries. And most public employment and investment is in the service, not manufacturing, sector.

Therefore, the White Paper emphasized socializing the new, profitable growth of the private sector, bleeding public enterprises. This practice—establishing very low prices for fuel, energy, transportation for the benefit of private enterprise—led to a widespread belief in the inherent inefficiency of the public sector, when in fact, it subsidized the profits of the private sector.

In 1959, for example, under Tory control, the private sector averaged 14.9 percent return in private manufacturing, while the public sector’s gas industry averaged 3.3 percent, coal earned 1.6 percent and transportation 1.3 percent.

### Blown off course

Once again, as in the first Wilson government, unexpected events thwarted the implementation of Labor’s 1974 program. What was a recession for most countries was a crisis for Britain. The welfare state structure of benefits kept the economy from collapsing and human distress at a remarkable minimum. But the government could do no more. The fall in foreign trade and a colossal new balance of payments deficit carried over from the Tories made the British inflation the worst in Europe and frustrated efforts to extend nationalization.

The fundamental problem of the British economy is its parasitic character, growing out of its once superpower colonialist status. British industry—once the world’s leader—has been allowed to deteriorate. Its

antiquated, outmoded plant is uncompetitive with its Common Market partners. Since the turn of the century, big capital has preferred to invest heavily aboard and live on high profits from overseas. British industry refused to install newer technology and the relative efficiency of British workers declined. Management’s efficiency dropped as Britain declined as a major industrial power.

The Left today regards big capital’s continued refusal to invest in domestic industry as a capital strike, contending that the only answer is the substitution of government investment and ownership.

An unexpected flood of nationalizations by default characterized 1974 and 1975. These disrupted planned nationalization by intent. The government, for example, found itself taking an 85 percent interest—almost \$4 billion—in Leyland Motors (the General Motors of Great Britain) to keep the company from bankruptcy. The government loaned one-third of a billion dollars to Chrysler Corporation in a very controversial move to save 50,000 jobs. It rejected nationalization at this time—offered by Chrysler—for a variety of reasons, including lack of management resources. The shipbuilding and aviation industries, both “dying ducks,” are also slated for immediate nationalization.

Not all take-overs have been by default. Soon the state will acquire 51 percent of the North Sea petroleum industry, as called for in the party program. Within two years this rich holding will solve Britain’s chronic balance of payments deficit and provide a huge new source of national revenue. The conservative magazine *Economist* estimates that with corporation tax, excise tax, royalties and the 51 percent government ownership, 80 to 85 percent of all income from the North Sea will go to the government. This formidable amount will total over one-half of all current British manufacturing profit.

Unfortunately, while the oil benefits accrue to the future, its costs are in the present. Faced with new requests for financial salvage by sinking enterprises and a 25 to 30 percent inflation rate, the Wilson government curbed nationalization, froze prices and wages (wages more effectively than prices) and called upon the Left to support the emergency program.

The major leaders of the Left reluctantly agreed to go along, conceding that Wilson was carrying out at least part of the original program within a framework of real crisis. This concession produced serious differences and even splits within the Left.

### Anatomy of the Labor Party

Even before the crisis exacerbated the differences, there were three wings of the Labor Party. The Left has a majority in three of the five power centers that make up the Labor Party—in the Constituency Parties, in the Annual Party Conference and in the Trade Union Congress. The Right and Center have a dominant majority (two-thirds) in the Parliamentary Labor Party and the Cabinet.

The leading force on the Left is the Tribune Group, a cohesive quasi-membership group of about 80 to 100 Labor members of Parliament. They take their name



from the weekly newspaper, *Tribune*, founded 40 years ago by the late Aneurin Bevan, a leader of the Party's Left. The paper is a center for the tactical and strategic discussions of the group and its followers in the Constituency Parties and the labor movement. Michael Foot is the managing director and Jack Jones, the nation's most powerful labor leader, is on the Board of Directors. The paper has an intellectual and labor following.

The Cabinet is artfully balanced among the three major groupings. The Left has Michael Foot as Minister of Labor and Tony Benn (once considered a possible rival for Wilson's position) as Minister of Energy, Peter Shore, Economic Advisor and Minister of Trade, and Barbara Castle, Minister of Education.

Wilson's Center has Dennis Healy, Chancellor of the Exchequer; James Callaghan, Foreign Minister; Harold Lever, Economic Advisor; and Eric Varley, new Minister for Industry.

On the Right is Home Secretary Roy Jenkins; Anthony Crossland, theoretician of the Right, who opposes nationalization as unnecessary for socialism; Reg Prentiss, Overseas Minister; and Shirley Williams, Secretary of Environment.

This tripartite coalition, despite widespread predictions to the contrary, has persisted through the unexpected storms of the past one and a half years, with some adjustment.

#### Two views

The essential difference between the Right and the Left of the Party is in their views of what can be accomplished by a new government in a crisis situation. The Right argues that the economy must first be set right before one can expect to make any important changes. Through two administrations they have contended that stabilization must precede change. This, they hold, is especially true of programs requiring capital investment, expansion of social services or creating jobs in a period of falling employment. They contend that priority must be given to defensive measures even though it may mean sacrificing movement toward democratic socialism. They emphasize the ability of domestic and international bankers to disrupt British currency and de-stabilize the entire economy. They believe the government must follow a conservative policy on budget expansion, import controls and any measure requiring more rather than less government intervention in the economy.

The Left argues, on the other hand, that Labor never gains office except under conditions of crisis, and therefore a socialist-oriented government must combine implementation of positive program and crisis stabilization. They contend that acceptance of a purely defensive posture inevitably casts Labor in the role of saving hopeless situations on the terms of private capitalism.

The parliamentary form of government gives little breathing room for government readjustment, the Left argues. A new government must act quickly in demonstrating its ability to master the economy or lose its majority.

Finally, the Left suggests that the difficulties a crisis

creates may also open opportunities that might not otherwise be possible, such as the earlier mentioned nationalization of Leyland Motors—the majority of the British auto industry. While conceding that nationalization by default is not the preferred way to extend the public sector, the Left argues that it may be a way to shift the balance of economic power if it is joined by nationalization of profitable industry (North Sea Oil, for example). In the last 30 years, nationalization has only once been reversed, even when Labor lost power. (The exception was steel; de-nationalized by the Tories in the late '50's, it has re-nationalized in 1965.)

The Wilson Administration is trying to steer a fine line between these two views of Right and Left Labor. The government pressed through Parliament the significant Industries Bill, establishing the National Enterprise Board with the power to nationalize partly or wholly and to set up a national economic planning mechanism. The Leyland acquisition, North Sea Oil and the forthcoming shipbuilding and aviation industries takeover will significantly enlarge the public sector, and not entirely with hopeless situations. On the other hand, the government is following a restrictive policy on social expenditures that could, in the short term, increase unemployment.

However, except for North Sea Oil, no steps are being taken toward nationalizing profitable industries—for example, chemicals, electronics, engineering and some sectors of the hard goods consumer industry. The Left's concern on this point is that Labor must seize this opportunity to effect some visible, substantial, fundamental structural change while it has the power. Left wingers want the government to demonstrate an ability to handle the economy effectively and efficiently—especially now that the reputation of private management is at low ebb. If the government fails to do this, the public's opinion of public enterprise is reduced, and private enterprise's status gains.

Leftists do not minimize the difficulty of taking over and managing whole sectors of complex industry under crisis or near crisis conditions. But if Labor, despite its best efforts, loses office, they argue, it must leave behind some irreversible changes by shifting power from the private sector and establishing at least some new elements of socialism into society.

The Left is also worried that if the Tories regain office in the next 12 to 20 months the economy could be in an upturn and the first substantial quantities of North Sea Oil will be flowing. No doubt the Tories will try to bring Labor down as the economy turns around, and if they succeed, Labor could be in the wilderness for a long time.

It's hard to say which way the Wilson Center will move. While the Left has no reason for over-optimism, the Conservative Party is still in disarray. Indeed, the Tories believe Labor will maintain itself for its full statutory term, until 1979.

One can only watch and, in a sense, hope the Tories are right. A full term might finally permit the realization of the best program Labor has offered since World War II. □

# Jimmy Higgins reports . . .

TAX CREDITS FOR working mothers could be endangered by Senator Russel Long's favorite schemes to aid big business and wealthy tax payers. The House Ways and Means Committee, acting on a proposal by Rep. Abner Mikva of Illinois, had voted a quite progressive tax credit for child care expenses. Under new Congressional budget rules, any revenues lost through tax breaks must be offset by increasing revenues elsewhere by plugging some of the loopholes on minimum tax payments and artificial real estate losses. Long isn't sure he wants those closed. More important, Long places much higher priority on tax break schemes of his own (which would encourage employees to buy stock in companies they work for) than he places on a child care tax credit.

FORD IS TAKING A BEATING in the pages of the conservative press. For example, the *New York Daily News*, reporting on the Administration proposal to turn federal medical programs over to the states, noted "The block grant proposal is seen by most informed observers as evidence of President Ford's determination to beat Ronald Reagan for the Republican Presidential nomination, rather than as a workable strategy for health care." In its Labor Letter the *Wall Street Journal* called Ford's public service employment proposal a "Jobs gesture," and pointedly remarked that his requested appropriation won't be charged against next year's budget and will result in jobs "beginning to phase out sometime after the November elections."

MEANWHILE THE FAR RIGHT isn't much happier with Reagan. Kevin Phillips consistently accuses him of waffling and insincerity. William Loeb, publisher of the notorious *Manchester Union-Leader*, has opened fire on the former California governor. Phillips has found a new favorite—Senator Henry Jackson, who,



the author of the *Emerging Republican Majority* claims, is successfully combining activist economics with a tough line on social and foreign policy issues.

"A POLITICAL BARBED WIRE ENEMA" is what a Presidential vote for George Wallace represents, according to the Alabama governor himself. Wallace claims that it's just what the Federal judiciary needs, and votes for him will do it. This latest burst of eloquence, which Tom Wicker aptly characterized as "his [Wallace's] true gutter style," was promoted by Federal Judge Frank M. Johnson's ruling that the state of Alabama had to provide such luxuries as three meals a day for inmates of its prisons. Wallace retorted that "thugs and Federal judges" want to "create a hotel atmosphere" for prisoners but pay no attention to "the victims of the crime." Once again, Wallace is preaching law and order. But he's one "thug" who might do better to search out the criminals and comfort the victims back home. According to FBI crime statistics, Alabama is no better than the rest of the country when it comes to controlling crime, and Alabama is getting worse. While the general crime rate rose 61 percent in Washington D.C. over the last decade, Montgomery, Alabama had an 84 percent increase in crime. For the state of Alabama as a whole for the last ten years, the murder rate has tripled, aggravated assault went up 69 percent, armed robberies tripled, and rapes are up 400 percent.

WE ARE NOT ANTI-POOR, anti-consumer, or anti-labor, says a new group calling itself Environmentalists for Full Employment. EFFE declares in its first newsletter, "Just as we have long criticized an economic system that desecrated the natural environment, so do we now speak out against the same economic system for its built-in unemployment rate and its unconscionable devaluation of human labor." An impressive number of sponsors and trustees include: Stewart Udal, Jill Ruckelshaus, Gar Alperovitz, Robert Lekachman and Sam Love. The first newsletter and more information about EFFE are available from Environmentalists for Full Employment, 1785 Massachusetts Ave., N.W., Washington D.C. 20036.

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