

NATIONAL REPORT

VOL. III, NO. 12

FEB. 9-FEB. 20, 1975

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FOR MEMBERS ONLY * * * FOR MEMBERS ONLY * *

MOTIONS FROM THE EC TO BE TAKEN UP IN THE ORGANIZATIONAL SESSION

1. CONVENTION AGENDA:

THE MAJOR TOPICS WILL INCLUDE:

- 1) THE ECONOMIC CRISIS AND THE RESPONSE OF THE LABOR MOVEMENT, BUREAUCRACY & RANK AND FILE, AND OUR PERSPECTIVES
- 2) THE IS: BUILDING A CADRE ORGANIZATION, DEMOCRATIC CENTRALISM
- 3) BUILDING A WORKING WOMEN-S MOVEMENT: TO BE DISCUSSED AT THE APRIL NC, AND POSSIBLY AT THE CONVENTION DEPENDING ON THE OUT-COME OF THAT DISCUSSION.
- 4) ORGANIZATIONAL CONSTITUTION NC ELECTIONS

2. GAY S BE ADDED TO THE EC.

MOTIVATION: WE ARE FOR ADDING GS TO THE EC AT THIS TIME BECAUSE OF THE LEADERSHIP ROLE SHE ALREADY EFFECTIVELY PLAYS. IN PARTICULAR, GS HAS PLAYED A CENTRAL ROLE IN INITIATING THE WHOLE PROCESS OF TRANSFORMING THE ATTITUDE OF THE MEMBERSHIP TOWARD THE NEWSPAPER, WHICH WE SEE AS CRUCIAL TO THE TRANSFORMATION OF THE IS ITSELF. SHE ALSO PLAYS A CENTRAL ROLE IN ASSISTING BRANCHES WITH PROBLEMS AND PERSPECTIVES GENERALLY WHEN SHE VISITS THEM, AND WE WANT THIS TO BE PART OF HER FORMAL RESPONSIBILITY. HAVING GS AS EDITOR ON THE EC WILL ALSO HELP US TO TRANSLATE THE POLITICAL LINE WE GIVE ON IMPORTANT QUESTIONS INTO THE PAPER, AND STRENGTHEN THE RELATIONSHIP BETWEEN WORKERS POWER AND THE WORK OF THE EC.

LAY-OFFS AND COMPENSATORY TREATMENT

Growing massive lay-offs are a threat to the entire working class. In particular, however, these lay-offs threaten to destroy the small gains made by women, black, latin, and other minority group workers in the past few years. As a result of past discrimination, low seniority black, latin, and women workers are being forced to pay for the recession. But it is the employers who have been responsible for discrimination, and who are to blame for the present situation. We demand that employers be made to pay the cost of compensating workers for the effects of their racist and sexist practices.

We oppose any and all lay-offs. We demand 30 for 40, sharing the work at full pay, and a ban on all overtime. But we recognize that lay-offs have and will come under capitalism. While we continue to fight for our general demands, we also insist that women, black and other minority group workers not be made to pay for the crisis and the effects of racism and sexism.

Wherever black workers, latin workers, other minority workers, or women workers are concentrated at the bottom of the seniority list, this constitutes clear evidence of a past discriminatory hiring policy by the employer. Lay-offs, under these circumstances, threaten to return the workforce to its previous state of being exclusively white or exclusively male --- thereby wiping out the gains of recent advances that have been won by minority group workers and/or women workers. In such cases, while we continue to press the fight against all layoffs, we also champion special demands for compensatory treatment for workers belonging to groups that have suffered a recent history of race or sex discrimination in hiring. The following are the sorts of demands we raise:

- 1) Lay-off to proportion: under which the company must maintain the same percentage of women or minority group workers that prevailed before the lay-offs began. In this formula, we insist that no lower seniority workers be given a job assignment that has the effect of displacing and causing the layoff of a higher seniority worker -- no white male worker be laid off for the purpose of maintaining the existing proportion of women or minority workers. This requires forcing the employer, as compensation for discriminatory policies, to maintain a larger workforce than is needed to get out production. This can take the form of over staffing jobs, extending relief time, assigning some workers to non-productive activities, or shortening the work week at full pay.
- 2) Voluntary lay-off by inverse seniority. Particularly where SUB is in effect, but also where there are high rates of unemployment compensation, older workers should be given the opportunity to chose to be laid off, which allows lower seniority workers to continue on the job.
- 3) Out and out money compensation. Women or minority group workers laid off shall be paid in full for time lost and shall maintain recall rights for the duration of the layoff.

None of these solutions involve an attack on the seniority system. We defend seniority as a means of protecting workers from the intimidation of company favoritism. But we oppose using particular seniority systems, like in steel or telephone, as an excuse for maintaining discrimination. Our approach, of course, will have to be adapted to the peculiarities of the seniority system of each industry.

SOME LESSONS OF OUR WORK WITH THE
SOCIALIST COLLECTIVE

Michael I. , I.A.

The Socialist Collective joined the I.S. less than five months ago as a group. Now, except for a few exceptions, the group, which was composed of about 16 people is no longer in the organization. People in various places left by the ones and twos, and finally a couple of weeks ago, the major portion of what had been the group's leadership left the organization.

I was one of the people in Los Angeles assigned to the recruitment of the Socialist Collective. Over the seven months I worked with them, I believe that I came to know them, personally, as a group, their politics and their lives fairly well. For this reason, and the fact that I had fairly close contact with segments of the group after they joined the I.S., I feel that it is no less than my duty to put forward to the organization some of the lessons which I believe are to be learned from the experience which we have had with the S.C. I put these forward as my opinion not as a vindictive move towards any of the members of the leadership, or to put blame on anyone in particular for many of the questions which I raise here, but rather I am attempting to evaluate, as any socialist organization should, what has been a major event in the life of the IS--the recruitment and attempted assimilation of a black revolutionary organization into a white one, and the failure of that attempt.

First let me say that I believe that the recruitment of the SC into the IS was a correct decision, and that the failure of the integration, both politically, and physically that came after the group joined was not the product of the fact that they had joined. I stand behind the Feb. NC Nat. Sec. report in dealing with the split of the Socialist Caucus people as far as it goes in its analysis of the split. In the process of building a revolutionary party, it is necessary to unite with groups who share the common goal of socialism, even when we may have major differences with these groups on various questions. In every situation, we must evaluate what the agreement and disagreements are, and decide from there which outweigh which. The fact that the SC had a number of important differences with the IS was never a secret. These differences were discussed at length both before and during the negotiations which led to their recruitment. We had to make an evaluation of which was most important and all concerned from the SC and the IS agreed that we had agreement enough to warrant the unity. The solution to the difficulty of building a revolutionary organization out of a fragmented left and workers's movement is not to be overcome by being over-cautious about taking certain chances in uniting with other revolutionary groups. What is necessary however is to understand some of the dynamics involved in the course of such undertakings.

First of all, a problem that began immediately after the joining of the SC was that we did not understand the importance of continuing to carefully evaluate the progress in the SC's assimilation into the IS. When recruiting a group with somewhat different politics, in addition to being all black in a n all white organization, we must continue to carefully think through and follow-up vigilantly on the situation. Part of this in this case should have been the continued consultation and discussion with the Isers in LA who had recruited the SC. When carrying on that work in LA, a process which took place over a period of months, the committee assigned to do so in LA, took every care to figure out the last detail a method of relating to the SC, considering the individuals involved, the particular politics of the group, who and what would work in recruiting them to the IS. Through this long and painstaking work, in which we lived the history of the SC with the SC, and proved ourselves in that period to them, we convinced the SC to join the IS. It was and is clear that the recruitment, though being done in I.A. and accomplished primarily there, was never a local question, and that the National office should at all times be informed and be in charge of our line in relating to the SC, to oversee the work of the comrades in I.A. in their work. There was a real tendency however to cease this kind of rigorous and thoroughgoing planning after the SC had

joined the IS. There was not enough regular discussion throughout the organization or on the leadership bodies to evaluate how the process of integration was proceeding, what steps were needed to be taken, etc. We tended to treat things as if everything was finished just because the SC had joined. This should have included setting up regular political and organizational discussions with SCers around all important questions.

Another major issue which was totally unavoidable in recruiting the SC was the race question. What I mean by that is that in the uniting of black and white revolutionaries for the first time in years, serious open consideration in the IS was needed to bring out the problems of racial tension that does not cease to exist for us because we are in a revolutionary organization. What were the steps needed in dealing with this question so that people were attempting to deal with it? What is the role of black revolutionaries in the IS? Is it identical or something different than that of white revolutionaries? All of these are obvious questions which came up and which were never really dealt with or answered. Of course there was a serious complication to all of this, namely the fact that the SC emphatically denied that they were in any important or consequential sense a black group, and that there was really nothing to discuss on this question. None the less, there was and is, and the failure on our part to deal with them in some form of another meant that a number of tensions about the role of them in the IS developed.

Tied directly to the general question of race was that of racism. On a number of occasions, allusions if not direct charges of racism were made by SCers against other members of the IS. Whether true or false, one thing that a revolutionary organization cannot permit is any ambiguity about these charges, and the steps being taken to resolve them. One former SCer remarked to me that the SC had expected racism, coming into a white organization, but that they had also expected it to be immediately dealt with when it appeared. While rumors of racism circulated in the organization, no visible or immediate steps were taken to deal with the question. This lack of movement only seemed to confirm for people the lack of seriousness about blacks and whites uniting in a common organization and making it work, at least at this point. The fault of this was not only with the IS leadership and members, but also with SCers, who while making general or sometimes vague specific charges, failed to raise them in the organization to be dealt with. The situation was again complicated by the fact that we had not had a discussion of the race question, and as a result, certain assignments being given to SCers were taken as being racist by some, while not by others. This is where the question of race was proven again to be a real, not academic question.

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Another problem arose when breaking up the former SC geographically. The SC was a homogeneous group in one city with a base and clear internal structure. It was a mistake to ignore all of this and to move the entire leadership of the SC out of IA, and to choose as many different places as we did for the various comrades to move to. While a section of the leadership should have moved to Detroit to become part of the national leadership and to see our industrial work at its best in order to be able to discuss it in reality, another section should have remained in I.A. This was necessary mainly to keep the remaining rank and file SCers in the IS, and also to be able to carry on the external work and potential that the SC had. This was made complicated again by the fact that the SC leadership was also for the way things worked geographically, urging everyone to move "who could move", however, especially for the IA comrades who had worked with the SC, it should have been clear that this was not a correct policy and that it was totally unrealistic. In conjunction with this was a mistake made in having the newly recruited SC leaders roam the country on speaking tours and whatnot. Again while understandable, this made it virtually impossible to carry on from the beginning a real integration. We treated the SCers as if they had already been in the organization for quite a while.

The last problem I will attempt to deal with is that of political discussion, around the IS politics

and the differences that the SC had with them. A lot of tension developed between the SC and the rest of the IS when the SC felt that its political differences were not being taken seriously or being dealt with at all after they joined. To be sure, part of what the SC was reacting to was that in the few discussions that were taking place, it was clear that ISers were set in their beliefs, and would not be moved. However we must also realize that in recruiting groups with different politics on various questions that these must be discussed immediately in a real way, and that in fact it is essential especially when a large group enters the organization and will be putting forward their views, that the national organization take responsibility for making sure that the political questions are dealt with properly so that the membership is educated about and can make their minds up. This was not even attempted until it was too late.

There are to be sure other questions involved in the SC episode, and I hope that they will be dealt with soon. I cannot stress enough how important I feel it is that the IS evaluate its experiences critically so that we can learn from what we have been through. This has been an attempt to do that. We are not writing history books and therefore it is not enough to politically characterize the failure of the recruitment of the SC. Within the IS there should be no doubt that on the political questions, we were obviously correct, and that the fundamental decision for unity should have been made. Beyond that we must begin to understand the practical lessons from our experience for the future.

EC MINUTES 2/12

PRESENT: MD, JG, JW, JT, KM

0. NATSEC REPORT. (See attached).

Two MAL Applications from Pittsburgh ACCEPTED.

The Pittsburgh IS is now an official branch. Welcome, comrades/!

1. MORTION: The EC recommends to the NC the addition of GS to the EC. ALL FOR

Motivation: We are for adding GS to the EC at this time because of the leadership role she already effectively plays. In particular GS has played a central role in initiating the whole process of transforming the attitude of the membership toward the newspaper, which we see as crucial to the transformation of IS itself. She also ~~xxxxxx~~ plays a central role in assisting branches with problems and perspectives generally when she visits them, and we want this to be part of her ~~xxxxxx~~ formal responsibility. Having GS as editor on the EC will also help us to translate the political line we give on important questions into the paper, and strengthen the relationship between WP and the rest of the EC.

2. NC. A long period was spent in arranging the structure of NC discussions for all sessions.

MOTION on Convention agenda: The major topics will include:

- i) the economic ~~xxxxxx~~ crisis and the response of the labor movement, including the bureaucracy and the rank and file - and our answer
- ii) The IS: building a cadre organization and democratic centralism
- iii) Building a working women's movement - to be discussed at April NC and possibly at the Convention depending on outcome of that discussion
- iv) Organizational - Constitution and NC elections

3. REPORT on travelling by JW.

4. CANADA. Discussion on founding of the Independent Socialists of Canada", which will have fraternal relations with IS groups internationally and an ongoing working relationship with IS-USA.

5. CLEVELAND. Discussion of branch work.

6. DETROIT. Report on implementation of commission report and progress of unemployment work.

7. DC. Report on what occurred at UAW March on Washington and rally. UNC was only organized opposition force with any presence, though effect of intervention was marginal.

EC MINUTES 2/19

PRESENT: ALL

0. NOTE. As voted by the NC meeting GS is now a member of the EC.

1. CANADA. The question of the request by the Canadian comrades that RC become a British Columbia organizer for the IS group in formation there was discussed. MOTION(JG): (i) The EC reaffirms its position that RC to be asked to move to St. Louis, not Canada.

(ii) We inform Canadian comrades of our attitude. We thank them for advising RC to go through the disciplined channels ~~xxx~~ of the IS rather than taking individual action. The ~~xxxxxx~~ Canadian comrades are free to make their own decision; we will not discipline RC to move to St. Louis if the Canadian comrades insist on his going to Vancouver.

(iii) If RC goes to Vancouver we will insist that:

- a) there be a periodic review of his relation to building collaboration between IS groups in Canada and US;
- b) RC be instructed to report to BR as Seattle NC member on the relations between Seattle and Vancouver groups. Once every two months BR to report to EC on progress.
- c) the Canadian IS be requested to inform us of any manifestation of problems of hostility to leadership and collaboration that arise, to be dealt with immediately.

2. AUTO OVERTIME CAMPAIGN. Report by JW. At Local 235 a motion calling for a ban on overtime during layoffs was passed. At Corvette in St. Louis, 54-hour weeks are being worked.

Our original idea was to call coordinated agitational demonstrations around plants working Saturdays. However, Saturday working doesn't appear to be widespread or consistent enough to carry through this proposal in exactly the form first conceived.

After discussion the EC agreed on submitting the following new PROPOSAL: That we make a ~~major~~ major push to organize nationally coordinated demonstrations in approximately five cities against overtime while there are layoffs. The demos to be called for March 22. JW to be EC coordinator for the purpose of reporting to the EC on progress every week; a subcommittee of JW and KM/ to meet with auto fraction to ~~discuss~~ discuss plans. JW will continue with the travel commitments he has already made during this period, especially those which will be involved in building for the actions. PASSED/ ALL FOR.

3. LOUISVILLE. Re-discussion of the question of a Louisville organizer.

- i) We will send a woman auto comrade as requested by the branch to visit and work with the branch for a week (exact timing to be determined based on schedules).
- ii) Based on the commitment of the branch to going into industry we are for the branch having an organizer. We will investigate the finances of both the branch and the NO to see if one can be provided at this time. PASSED ALL FOR.

4. NC. Lengthy discussion evaluating the NC and preliminary planning for the next NC meeting. The evaluation was divided along the following lines:

- i) Overall evaluation (v) Unemployment session
- ii) NATSEC session (vi) Convention agenda
- iii) WP session (vii) committees
- iv) Political effects of crisis section (viii) April NC -- dates, agenda

So far we have made the following dispositions ;

On the organization (democratic centralism etc.) document for the convention, JG is assigned to have a draft to present to the EC by 3/22. On the main political document (coming revolution in the US), a preliminary discussion was held and writing assignment will be made next week.

An overall report and proposal for re-structuring NC subcommittees will be brought in and discussed next week.

The April NC will be the weekend of the 20th or 27th depending on which date will not interfere with WP production (to be set in consultation with GS). Items currently set for the agenda include recruitment, working women and NC slate. MOTION(MD): Each EC member will be assigned to regularly (every two weeks) keep in touch by mail and/or phone with two NC members. These will be rotated every two months so as to prevent any tendencies toward cliquism (this is tentative and will be re-evaluated after two months). Assignments for first two-month period to be:

MD: EE, KS, LD
JG: MS, MP
JW: SF, BW

JT: KB, DM
DF: WW, BR
KM: BH, JF

GS: ML, CW

MOTIVATION FOR ABOVE MOTION:

One of the problems we face today in developing a collaborative national leadership is to find a way to include others in the process of developing policy and politics, and thus in the day to day leadership of the organization. Many NC members feel they know next to nothing about what is going on in terms of this, and is one though not the only reason for some of the alienation from the EC. We must begin finding out the means to overcome some of this, and thus begin to win NC members to ~~xxxxx~~ our conception of the how the national leadership should function. The above motion is certainly not the final or complete answer, but if carried out should help to bring NC members into this process in a way they have not been able to before.

MOTION: To delete p.4., Para 3 ("It is our hope...)

Motivation: The affirmation, at this time, that the EC has the right and duty to put ~~xxx~~ branches into receivership is a caricature of Bolshevism, and a violation of the traditions and practices of our movement.

At no time in the history of the Trotskyist movement in the US has such an act been committed or such a policy enunciated. Even the supposedly bureaucratic Cannon, whom so many comrades find it easy to malign, would have been outraged at the suggestion. He never proposed such a policy, and never acted in its spirit. On the contrary, it ~~wxxx~~ was always well understood within the movement that such an ~~xxx~~ act might be committed only under certain clear and obvious circumstances: in case of a danger of a split; the danger of infiltration by agents of another group or the government; some profound crisis demanding instant response -- such as declaration of war, etc. In such circumstances, receivership could be considered. And because it was obvious, so undebatable, the policy was never raised, and never practiced, as I know from personal experience.

Short of such extraordinary circumstances, the concept was always that the way a leadership built a cadre was through political leadership, program, education, setting an example, convincing those who differed, so long as they did not break the discipline of the organization (a charge no one is making in the present situation).

But the proposal of the EC is posed in a quite different context. It is raised, today, in a situation in which 1) there are practically no major differences within the organization of an operational character; 2) nuanatial differences on where to industrialize women comrades in NY were not being pressed (after the NC decision), or acted upon by anyone. 3) in the name of non-existing political differences, the EC attempted not just to intervene by suggesting, aiding (its right and duty), but ~~xxx~~ in effect imposing a branch leadership in at least one branch. Adjustments, ~~compromised~~, were rudely and categorically rejected. 4) the EC proposal was made without consulting any of the three NC members in NY; 5) instead of producing a leadership which has the confidence of the branch, the Ec slate in NY failed to win a majority -- i.e., it divided the branch on a non-political basis. It was only on the second ballot that some opponents of the slate (including me) decided to vote for the slate simply because it had a plurality, was adamant about changes, and it was necessary to have an exec.

It is impossible not to ~~the~~ draw the conclusion, given the present context, that the EC is warning branches, and NC membs--tow the line, or else--that if suggestions are not accepted, they may be imposed, so better accept them. NC members, who are supposedly part of the leadership, and who supposedly elect the EC, are instructed that "it is the duty and responsibility of the NC members to back up the EC in such acetions." Even if we are not consulted? Even if we disagree? Are the NC members really supposed to quietly accept the discipline of the EC against the members who elected us? Is the EC trying to make NC members behave relative to the membership in the same way that the EC itself proposed to behave relative to the NX not so long ago?

The EC ~~xxxxxx~~ proposal should be a lesson to us. It tells us that the Nc majofity of last ~~xx~~ spring (of which I was one), erred at the Nc meeting in the spring of '74. At that time, am majority of the Nc clearly repudiated the hysterical, bureaucratic proposal of the EC which would have imposed discipline upon EC members in dealing with iuts supposed parent body, the Nc

Believing we had put the quietus to this nonsense--this desperate substitution of organizational means for political leadership--several of us, I among them,

to vote to table the matter to (as the minutes will show) the NC meeting which was to follow the summer convention. We intended thus to avoid a public rebuke to the EC. But we erred. The EC proposal of that time should have been cleanly and openly repudiated. We should have been less concerned about face-saving.

We have paid a price for the error. First the EC "neglected" to put the matter on the NC agenda as directed (and maneuvered so that it could not arise at the last NC until it was too late). Secondly, the EC's bureaucratic, administrative mode recurred, this time in the form of the assertion of the right to "receivership."

It is time to put an end to the matter. We must cleanly reject the EC proposal on receivership. And we must take off the table the EC proposal of last spring, and vote it down.

A change in objective conditions, the return of sharp, prolonged systematic crisis to capitalism inevitably finds its reflection in politics and in working class consciousness. The post war stability conservatized the working class just as the depression of the 30's had radicalized sections of it. The radicalization of the 60's, of the black masses and of students could not be of a sustained mass character when it hit against the shoals of prosperity, stability and no motion among workers. The crisis of the 70's, the return of deep long term capitalist crisis internationally will result in a new period of working class radicalism as surely as did that of the 30's.

Working class radicalism will follow from the coming sharp turns in the economy. A generation whose consciousness was shaped by prosperity and stability will now have its consciousness shaken up by instability and misery, by boom-bust cycles within the context of an overall period of stagnation and decline. Massive and long-term unemployment will eventually produce working class awareness of the long term nature of hard times for millions. Many young and black and other minority workers will find in the coming period that they have no secure future in the capitalist system. This consciousness will be shaped by experiences totally different from the generation raised in prosperity. Some will be led to greater despair, others will be drawn to revolutionary activity. For the radicalized workers, revolutionary activity will be different from that of the last generation--drawn from the radical intellectuals of the 60's prosperity. Proletarian revolution for the last generation was the answer to a world of imperialism and oppression, an ideal to live by, the solution to the powerlessness of the social layers they came from, but not what they expected to accomplish in their lifetime. Rather, they waited upon the working class and another generation. For workers who will be radicalized by the crisis, proletarian revolution will be not only an ideal to live by, but the solution to the problems of living which face them and their families. More than anything else, it will be the strategic task to be accomplished by their generation.

Given the economic cushions of modern capitalism--unemployment, sub, welfare--radicalization may take longer to develop than in the 30's. Moreover, the working class today lacks political leadership equivalent even to what could be provided by the relatively small CO and SP of the late 20's. As a result, events will unfold more slowly, and will be of a more disorganized and consequently volatile character than those of the early 30's.

Yet there are also certain advantages as compared to the 30's. This crisis finds the working class entering this period organized on a stronger trade union basis than the working class of the 30's which had been defeated by the open shop movement of the 20's. The workers of 1929 were much more optimistic about capitalism in general, and American capitalism in particular. They were more conservative, and more open to patriotic, racist, red-baiting and even anti-union appeals. Our working class has had its faith in capitalism and its values shaken prior to the economic crisis by black liberation, the 60's radicalism, Vietnam and Watergate.

Moreover, there is as yet no organization which has hegemony over the vanguard of the class: none which can shut us out as the Trotskyist movement of the 30's was, none yet which can defeat and betray a revolutionary potential as the CP's of the 30's did. A new sense of urgency must inform our activity to help build such an organization before mass radicalism collapses and finds some alternative channel.

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bigger bust (their analysis is similar in its way to our projections of the next few years). They felt that this slump was controllable, and that the lack of sharp working class resistance to what has already been a 10% drop in living standards in the past two years made this a workable possibility.

This administration's economic program, unveiled in October, has already collapsed. Ford has now had to propose a new program, the opposite of the old October one--a \$52 billion budget deficit, tax rebates, and the promise of a public works program. All of these measures are reflationary but it is dubious whether they are enough to solve the crisis. The budget deficit is two times the combined deficits of the 30's, yet it is still no stimulative enough. The reasons for the shift to a reflationary strategy is that the depression has gone much deeper and further than capital expected, with no end to the bottom yet in sight. In Europe, international capital is more fearful of the consequences of free market forces, resulting in slump, unemployment, destruction of weak capitals, and the political consequences in the working class resistance. It fears a heavy price to pay, the breaking up of the period of cooperation with the labor movement. Already they fear the revolutionary potential of working class radicalization, particularly in the weak capitalist economies: Portugal, Greece, Italy, Spain and even Britain. International capital (and many multi-nationals) are demanding a reflationary policy to be borne by the strongest of the capitalist economies to overcome the threat to the weaker capitalist links. That, is, from the Germans and from the Americans, the most important economies, who produce between 1/4 and 1/3 of gross world product, and whose market is the largest source of exports for many. Reflation is also demanded by consumer goods sections of capital in the US, particularly the auto, which have been hit most sharply and look to government stimulus as the only way out. Not to mention the possible bankruptcies--Chrysler, Pan Am, TWA, Lockheed, etc., all of whom are desperately clamoring for government aid to the economy. Moreover, the depth of the crisis prevents the continued cooperation of even a pliant labor bureaucracy, which cannot be pledged to a program of old-time religion, of balanced budgets and mass unemployment, sapping the stability, the dues base, and the power of the bureaucracy, their willingness to cooperate on measures for wage restraint, productivity, etc., when a more restive rank and file may develop out of the crisis.

For the strong, the alternative has been to accept the crisis today, in hopes of fending off worse crisis tomorrow. For the weak, the attempt has been to postpone crisis to tomorrow, since it could not be tolerated today. The swing of the Ford Administration to a reflationary program with threat of massive inflation in the future indicates the depths to which capital realizes the crisis had already come. Ford has already been forced to accept big chunks of the Democratic Party economic strategy. Reflate the economy through deficit spending, tax cuts, freer money and credit, the creation of public works programs. However, the Ford Administration now lacks a coherent program of its own. It has neither the votes nor the credibility to make one stick. It projects measures which it itself recognizes will not bring the US out of mass unemployment for years, even with a massive deficit spending. It zig zags from program to program without giving the capitalist class internationally any confidence that this incompetent administration has any way out of the crisis.

The vote of no confidence by the capitalists has been expressed by precipitous decline of the dollar on the world market in the last few months, to a point where it now almost equals the decline of the lira and pound, the weakest economies of the great powers, and opens the possibility that unless it is reversed the Arabs may start to refuse to accept or hold ~~xxxx~~ declining dollars in payment for oil.

With the inability of the Ford Administration to provide adequate answers to the economic crisis, power has been shifting to Congress. It is the House which is not setting economic policy, either independently or through forcing Ford's hand, making him respond to House pressure, and to adopt its program as his own. It is Congress which will finally shape the size and class distribution of the tax rebates, the size of the budget deficit (likely to be over \$70 billion), and its own oil program. Yet Congress lack any coherent overall program and leadership of its own. To overcome this legacy of the past generation, a process is at work in Congress to shape up such an alternative through the Democratic Party caucus, and to fill the vacuum of leadership by forcing the process of realigning the Democratic Party to be sped up.

The flow of power to Congress from the executive began with Watergate. The long term tendency is for parliamentary institutions to wither and decay. The modern capitalist state manages increasingly interrelated economy, a permanent arms budget, and imperialist interests everywhere, requires a strong, independent state which is provided by the executive and executive departments. The attempt to check this ~~xxxxxx~~ growing independence of the executive (from the bourgeoisie itself) and its excesses (spying on the bourgeoisie as well as radicals, cracking down on the bourgeois press, ignoring bourgeois dictates on the Vietnam war, attempting to restrict Congressional budgetary power, etc) lead to Watergate, and the paralysis and destruction of the Nixon administration. The resulting attempt to check the drive towards an even greater imperial presidency, and to restore some power to Congress, ran up against Congress' inability to fill the vacuum, provide leadership, program and a strong government. Congress lacks the strong parties and party leadership necessary to accomplish this.

Yet the incompetence of the Ford administration in dealing with the economy, the election of a veto proof Democratic Congress, produces a renewed drive to shape the Congressional DP as a strong party capable of providing a program for the economic crisis. This now occurs with the encouragement of those sections of the bourgeoisie who were for the Watergate reforms, and from those who are now for a reflationary policy as a possible out from the economic impasse. The huge Democratic majority, not held responsible for Watergate or the depression, has the power to act, is encouraged to act, and with such a large majority is forced to act, to assume responsibility for an economic policy. But this can only be accomplished by speeding up the long process of political realignment, of developing the Democratic Party as a programatically liberal party.

The greatest contradiction of the Democratic Party has been the alliance of Northern liberals, the labor movement, and blacks with the Southern Dixiecrats. For the last ~~xxxx~~ 30 years the liberal dream has been to recreate the New Deal coalition without the Dixiecrats. To turn the Democratic Party into a national liberal party. To shift it leftward and to increase the power of the labor liberals within it. Without the ideological trappings which go along with that, to turn it into a more modern streamlined party of liberal capitalism -- ~~xxxxxxx~~ ~~xxxxxxxxxxxxxxxxxxxx~~ ~~xxxxxxxxxxxxxxxxxxxx~~ It was this program which made Humphrey and Reuther the liberal heroes from the 40s to the 60s. It always proved to be a liberal utopia, up to and including the 1964 Mississippi Freedom Democratic Party attempt to carry it out and drive the racists out of the Democratic Party (under Shactmanite-Rusin influence, and out of this policy of political realignment we split and organized the ISC).

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Rustin

It was the very same Reuther-Humphrey forces who engineered the compromise to maintain the racist Dixiecrat delegations, pushing SNCC out of DP liberalism and on the road to black power. The liberals and social democrats did this because it was necessary for Johnson's reelection. And indeed all who previously entered the DP to realign it, have wound up fighting to maintain its unity. For the Democratic Party required the votes of the Dixiecrats for national electoral victories, and for the DP to have the votes to organize Congress. Yet the contradiction was that the liberals could never carry out their programs. Due to the one party nature of the South, and the seniority system, the Dixiecrats in Congress always had a working alliance with the Republican Party. The price for a unified DP and DP control of Congress was that politically the Southern Democratic-Republican alliance controlled Congressional committees and policy. Although the DP controlled Congress for the last 40 out of 44 years, the liberals have never had the power to implement their policies.

Realignment of the DP is no longer a utopia, but a process far underway. The Dixiecrats are no longer necessary for liberal victories, and are therefore only an unnecessary obstacle. The South is no longer a one party system, based on land-owning interests. In the postwar expansion the South was the area which ~~xxxxxx~~ had the most industrial growth, and was urbanized. A Republican Party of a Goldwaterite character, has become a real party of industrial capital and upper middle class, drawing ~~xxxxxx~~ much of these elements out of the DP. The Southern DP has in the post war period been increasingly transformed into a party similar to that of the northern liberal party, based on urban workers and lower middle classes. Since the mid 60s blacks have gotten the vote, and the party has shifted on the race question as an increasing party of the Southern Democratic base is black. The coalition which ~~xxx~~ governs Atlanta is no different from that of the Northern Democratic city administrations, and Atlanta is only the most developed of a process far developed in the rest of the South.

For the first time a national liberal Democratic Party can be created. A Dixiecrat revolt and secession would now be relatively small, and mainly confined to the top. The shift in this balance, the recognition of the possibility to create a national, programmatically liberal party (with the use of discipline to enforce it), and the necessity to do so under the impact of the economic crisis has resulted in the recent shifts in the House. The cracking of the seniority system, the dumping of Southern chairmen; the cohering of the Democratic Caucus as a policy making body with as yet disciplinary powers, are all aspects of this process, the ~~xx~~ liberal attempt to control the DP and to break the Dixiecrat-Republican hold over Congress, which requires realigning the parties to make them more coherent liberal and conservative parties ideologically.

The program of the reform forces now nicely fits the needs of important sections of ~~xxx~~ capital and is supported in their media. With the use of 75 reform minded freshman liberal Congressmen, who have been promised not just liberal programs, but an early cut into power through the demise of seniority, this is being carried out by the alliance of Burton (head of Congressional DP caucus, left liberal leader of Democratic Study Group, CDC), and Hays (more conservative northern DP, whose power comes from ~~xxx~~ heading the House Administration Com., and the DP Cong. Campaign Committee). The Burton-Hays alliance have used the DP caucus to carry through this process, to starting to shape policy, to discipline Committees and Committee chairmen, and to dump the Dixiecrats. They have done this in so far successful struggle against the House DP leadership (Albert, and O'Neill) who represent the traditional Dixiecrat-liberal alliance, and who view this combo as a threat to their power.

While the precise dimensions of how far this realignment ~~xxx~~ will go is difficult to now predict, the capitalist crisis finds its first political expression through

this channel. The shift in the balance of Democratic Party politics, will be reflected in the politics, and a shift in balance, in the labor bureaucracy. The Meany-Shanker forces have with the Dixiecrats been the most resistant force to the reform movement within the DP. Aside from their commitment to anti-detente politics, and with it a hard line resistance to any changes that threaten to disrupt the imperialist consensus, they object to any compromise with the "new politics forces", black and women Democrats ~~wxxx~~ and their liberal supporters who are for greater black and women quotas or affirmative action within the DP. Meany-Shanker take this as threat to moving the country in a more liberal, and anti-Cold War direction, and as a potential threat to similar measures in their construction and teacher union base. The Woodcock-Wurf (and CWA, IAM, IUE, etc) group are allied with the reformers. The shift of the DP in a more liberal direction reflects both their policy, and will increase the strength of this group both within the DP and the within the labor bureaucracy. Contrariwise, an increasing war danger, a growing threat, will reinforce the Meany-Shanker forces. The impact of the crisis is now forcing the Woodcock-Wurf group to look for political action as a substitute for industrial action, an aspect of their conservative drift, but one which opens up more political perspectives in the labor movement as well.

In the immediate period all of this will create new illusions in the Democratic Party among workers, radicals, and newly radicalizing ~~andxxx~~ becoming political workers. Its long term implications will aid the development of working class radicalism and the revolutionary left. The shift of the DP and of Congress in a liberal direction, will help breakup the conservative ~~x~~ log-jam of politics for the last 5 years, and indeed is a reflection of that shift. It will create more ideological politics, for the DP liberals to take responsibility for their own programs, and place us in the position where those who are responsible for managing the capitalist economy in its crisis are liberals, opening the way to a revolutionary alternative on the left of what will appear in greater relief as liberalism as a face of capitalist misery. This process will aid the political clarification of working class ~~xxx~~ radicalization. Illusion in the DP may be reinforced for a period, but will break to the left as the DP cannot provide adequate answers to the crisis. Even though more workers will be open to the idea of a labor party, it will not become a significant trend until after the elections of 1976, strips the illusions of testing a Democratic administration in a period of capitalist crisis. In the ~~xxxx~~ post 1976 period, labor party sentiment ~~xxxx~~ may become a real trend again, for the first time since the late 40s.

In the immediate period ahead, of the next few years, despite the growth of Democratic Party illusions, as the first part of working class radicalization, we must make ourselves the spearhead of anti-Democratic Party political exposure, and pro-labor party sentiment, constantly hammering at this in our press, our union and mass work. While there will be resistance from workers around us we should be playing the same sort of educational and vanguard role that we did in the mid-60s ~~xxx~~ on the question of independent political action which allowed us to play a role much greater than our numbers would have indicated in the PFP.

In developing labor party propaganda and agitation we must be sure not to just confine it to the economic crisis and the working class but to develop 3 other areas as well;

1. The growing danger of war, and a vigorous thrust against the imperialism of the Democratic Party and the labor bureaucracy, particularly around the Mideast, and Russia.
2. Racism. The growing threat of racism in the crisis. Even though there is greater black involvement in the DP, and there will be greater black illusions about a realigned DP, we must be constantly pointing out the liberal capitulation to racism which will be growing in this period of misery which hits blacks worst.
3. Relating the concept of the labor party, and the struggle for it, ~~as~~ a part of the process of building a revolutionary party in this country, not an end in itself.

Editors' Report

*****EMERGENCY MESSAGE*****

ACCORDING TO RUMOR THE CIRCULATION DRIVE IS GOING RELATIVELY WEEL. HOWEVER I ONLY KNOW THIS THROUGH RANDOM RUMORS. THIS CANNOT CONTINUE. ALL BRANCHES MUST REPORT TO ME PROMPLY ON SALES AT THE END ~~XX~~ OF THE TWO WEEK PERIOD - IN WRITING!

I MUST HAVE REPORTS ON SALES BEGINNING WITH ISSUE NUMBER 113. THERE ARE TO BE NO EXCEPTIONS. IF BRANCHES DO NOT SEND IN REPORTS I WILL BEGIN CALLING AROUND AND CHARGING THE ~~XXX~~ BRANCHES FOR THE PHONE CALLS. THE NC DISCUSSION ON ~~THE~~ WORKERS' POWER WAS RELATIVLEY GOOD AND THE DOCUMENT RECIEVED ~~XXXXXXXX~~ TREMENDOUS SUPPORT FROM THE NC. THAT MEANS THAT THE WP CIRCULATDON CAMPAIGN AND THE GOAL OF GOING WEEKLY MUST BE TAKEN SERIOUSLY BY THE WHOLE ORGANIZATION. NC MEMBERS ARE ALSO EXPECTED TO ASSURE THAT THE DRIVE GOES WELL IN THEIR BRANCHES AND THAT REPORTS ARE SENT IN. NEXT EDITOR'S REPORT WILL START LISTING THOSE BRANCHES THAT ARE ~~K~~ FUCKING UP.

@. The last Editor's report mentioned that the Louisville bracnh had leafletted plants a day prior to beginning to sell there and had met with some success. They sold more at plant gates on the first time around than they had eve done befoue. Since then I have gOTTen ~~xxxxxx~~ copies fo the leaflets and think them excellent. The following is the text of one of them.

Below is an article printed in WORKER' POWER on the 1974 CWA contract sellout. It's about ~~the~~ how the union leadership railroaded a settlement in the face of thousands of union members who were ready to strike.

WORKERS' POWER is the only national newspaper to give accurate coverage of the CWA contract disaster and to the real demands of telephone workers.

WORKERS' POWER said that to win, CWA rank and filers have to re-make their union into a real fighting union. Rank and file workers in the UAW, Mine Workers, Steel Workers and Teamsters are doing the same. We can't live off what Watts, Meany Abel and crew promise us. They care more about the company's economic status than ours!

Worker's Power is a workers ' paper - by and for workers. Worker's Power is about what other workers afe doing to fight back.

It's a bianded paper...we are against lousy wages, unsafe jobs, layoffs, racial and sexual descrimination. It's for wrokers control ~~xx~~ of production ~~and~~ and socialism.

You may not agree with everything we say. ~~NE~~ But let us know what you think. We'll be selling it here every tow weeks.

After that is a reprint from an article on the the contract sellout . The leaflet was passed out at telephone plant gate.