

SPECIAL BULLETIN NUMBER SEVEN

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For I.S. Members Only

January 21st. 1977

January 20th. 1977.

NATIONAL SECRETARY'S REPORT.

"We believe it is possible in 1975 to begin building working class parties, not only in the British Isles, but in your country too. Your organisation is the organisation, your paper is the paper, which we believe can carry the American working class forward."

Steve Jeffries, July 1975.

It is extremely appropriate to start with this quote from a member of the Central Committee of the I.S.(Britain), for this same comrade has been touring the USA for the previous month as an organiser for the "left" faction. The essence of his message has been that we cannot build a workers organisation, let alone the beginnings of a workers party, in the USA in this period. Of course he had no choice but to say that because it is impossible to justify the "left" faction program of turning away from the working class without taking such a line. Needless to say he is wrong and in the eighteen months since he made the correct statement reprinted above we have already proved our point.

But I reproduce this quote to make another point. The point that even the most sophisticated leader of the "left" faction is forced to go through some thoroughly devious manoueveres in the course of the fight they have forced upon us. And this is the nature of a faction fight of this breadth. It would be silly to pretend it can be otherwise. However all members should understand that the crippling effects of this nonsense can be reduced if they are conscious of the need to maintain all discussion on a political and consistent level and to go out of their way to avoid the debating-point, personalist approach.

A final note on this. Comrades who may have been confused by the stress that Steve put on the lack of capitalist crisis in this country, should read the article in the new edition of the British IS journal on "Whatever happened to the boom?". They will disagree with the rather ignorant assesment of the American Ford strike but they will also find a fairly clear analysis of the world (including the USA) capitalist crisis which is largely correct. Correct and seriously at odds with the analysis Steve has been peddling on behalf of the "left" faction.

In terms of other developments in the faction fight it should be reported that since the last report in December a new political caucus has been organised in the IS. It is the Majority Caucus which has been formed to defend the IS against the attacks of the "left" faction and it includes ninety percent of the leadership of the organisation at every different level in the organisation. Following a leadership meeting held in Detroit at the beginning of the year, this caucus has now started producing certain documents which over the next few weeks will together compose its full program. The "left" faction, which held a national meeting on the same day, announced that it had gain a handful of new signatures to its program and that the Portland branch members had withdrawn their support. Since then there has been no reported change, so it would appear that the support for the "left" faction is at present a little in excess of twenty percent of the IS.

The EC has also announced that the 1977 convention will be brought forward to Saturday, March 12th and will run until Monday, March 14th. This means that the January NC will not now be held. It should also be made absolutely clear that this convention will mark the end, the complete end, of the present factional discussion as well as outlining the direction of the IS over the next year. Branches should start making the financial preparations that are required to fulfill their convention assesment. Comrades who wish to attend should also make every effort to get off work on Monday the 14th. Full agenda by February 1st.

In terms of the actual work of the organisation in the last month we have come up against some problems in terms of level of activity. The actual process of discussion interferes with everyone's activity and this has been somewhat magnified by the understandable lack of commitment by certain minority members to work they now believe is fundamentally unsound. The effect has been to bring the development of much of our industrial work to a halt and reverse the progress many of our branches were making in the fall towards becoming more dynamic and effective units of the organisation. The one possible exception in this disappointing picture of the branches is the women's caucuses which appear to have been pushed into better functioning by the debate on the women's question that has been going on.

The auto fraction, relying as it does on the centre to a great extent, has been weakened by the need to organise the faction fight. However it has refocused itself to ensure that the necessary immediate work on the UAW convention elections is done successfully so that it will be able to move back into high gear immediately after the IS convention. The teamster fraction will be holding its first national council meeting in February and that will be an important step for it. But although the work is going on, fairly well in some areas, there is not any real movement forward in the fraction as a whole at the moment. The steel fraction is only a few weeks from the end of the Sadlowski campaign and is working accordingly. Not surprisingly, the work is going best in Pittsburg where there is no factional division in the fraction.

As long as we can really end this fight within two months, there is no serious reason to believe that there will be lasting damage to the organisation from the fact that various areas of work are essentially on "hold" at the moment. That is not true of the Southern Africa campaign however. That must move forward even in this difficult period. The series of ZANU meetings we are about to have, the work with the film, the circulation of the new pamphlet, the various demonstrations and workplace initiatives must all be forged together into a serious campaign over the next two months. Recognising that there must be more leadership from the centre to achieve this we have recently strengthened the Southern Africa committee in the national office.

In response to a combination of honest questioning and defeatist gossip that has arisen in the organisation as a result of the faction fight, something should be said about the present strength of the organisation as revealed by the year end survey of the branches. Since the last convention we have a net loss of 10% in terms of overall membership, but contrary to prevailing "left" mythology this still leaves us with over 300 members. 38% of these members are women, up three percent from convention, but only 7% are black. At this point 40% of the organisation is unionised, three quarters of these in the priority unions. Two new figures should also be noted for they are important. The Red Tide reports a national membership of around sixty of which three quarters are black and three quarters working class. Also we now have a situation in which one in nine of all our members are working class, that is indigenous workers as opposed to industrialised students. The overall figures are disappointing, though they could have been worse given the present atmosphere in the organisation. That final figure however is extremely heartening given where we have come from. It should be seen as a sign-post to our future.

Next, a word, or actually a whole paragraph, should be said about our financial situation. It is worse than it has been since the organisation was founded. Within a couple of weeks we will be therefore starting a campaign to cut costs and increase income. We will do everything in our power to both ensure that the cuts do not interfere with our political work (financial considerations cannot supercede political ones if that is avoidable) and to make the necessary adjustments without an increase in dues or fund-drive

plans (although these must be fulfilled 100% from this point on rather than the 60% which has unfortunately become all too common). But comrades should not fool themselves, we are in crisis and the only way out is an increase in the collective sacrifice of the organisation. Our professional staff, who are already in the unenviable position of existing year after year on less than \$100 per week, are more than ready to do their share. But a gigantic effort will have to be made by all members to get us out of this deep hole. It should also be understood that this hole gets deeper daily with the faction fight. We can be proud of our democratic procedures but in terms of special bulletins, majority and minority travel, extra phone calls, etc the cost of our democracy must be measured in thousands of dollars.

Finally a word on this and subsequent special bulletins. As will already be clear from the fact that this report appears in a Special Bulletin, we have decided to suspend the publication of "News of the Month" until after the convention. There are two reasons, firstly the faction fight is interfering in our work to a measurable extent, but it is interfering in the production of suitable material for the "News" to an even greater degree. Secondly, the economics of producing a separate "News" make it unviable. For that reason, from here on in, several non-factional pieces will appear in the special bulletins. Comrades are urged to seek those articles out. Also a note on the next bulletin (#8), it will contain amongst other things a reply by the majority to the minority position on steel. That document has already been circulated independantly by the "left" faction, a course we have constantly urged them not to take, so many people will already have seen it. Independant initiatives of this kind are also inefficient however and many will not have seen it. We have therefor provided the minority with the necessary paper to provide the national office with one hundred extra copies of this steel document. They will be available on request from the national office.

GLENN WOLFE.

A Note on Outside Work and the Postal Campaign
Paul R. , Day Area

The "New Course" document of the Left Faction points to the postal campaign as an example of successful outside work. It points to the recruitment we did, the rise in WP sales, and the general boost that work gave the organization. The Left Faction concludes that we should do more of this type of outside work and abandon industrialization and priorities.

Since I was involved in the campaign from start to finish, and have been involved in the ongoing postal work ever since, I want to speak to these points and set the record straight.

The postal campaign, and the work that has continued from it, could not have happened without industrialization and priorities. It was to a large extent because of our experience in other unions as workers and rank and file organizers that we were able to go down to the post offices and talk with postal workers about politics as it related to their own experience. Inexperienced members did good contact work - no doubt about it - but it was on the basis of the IS collective experience that they knew what they were talking about.

On a basic level, the campaign was successful. We eventually recruited a handful of postal workers, and renewed our confidence in our politics, press, and organization. But we must remember that the campaign got stalled just short of any job actions or demonstrations of militancy. Aside from the objective conditions, the rapid collapse of the campaign after the contract expiration date reflected our lack of roots in the post office. Almost all the contacts we had made were themselves quite raw, and unable to make an impact in their locals. If we had been working with them for a few years, and built some ongoing groups, things could have been much different.

The little industrialization we had already done was important for the campaign. We launched the campaign on the back of Philadelphia Postal Action, a caucus built by myself, an industrialized radical. I was told by people in several cities that ~~the~~ Postal Action was a key in getting other groups off the ground. What little we did know about the post office and postal unions was worked out between myself and the people assigned to the campaign in Detroit. It was those few bits of information gathered from limited inside experience that helped make the pamphlet a best-seller.

It was only because we made the post office a priority (unofficial at first, then official) that we were able to consolidate the gains of the postal campaign. Only one of the postal workers who joined did so during the campaign. The rest did so later in the summer and fall of 1975, and even on into 1976. They did so largely on the basis that we were making an ongoing commitment to their work. We were going to initiate a national postal newspaper, and help them build local caucuses. We made postal work a priority.

Prioritizing the post office meant assigning resources in the center and branches to back up our inside members. Without that commitment, the work would have collapsed. In fact, if we would have based our decision on "the class in motion" we would have abandoned the post office in the fall of 1975, when a deep demoralization set in after the contract. Instead, we launched a national paper, which now has 25 bundle distributors in 15 cities, and was a real pole of attraction at the NALC convention.

The weakness in the postal work - lack of recruitment, loss of some members, and the absence of strong local fractions - is partly due to our inability to industrialize our comrades there. The general hiring freeze has meant that in two years, we only got two people hired on (a third has gotten on recently.) We have been unable to send people in to work alongside workers we recruited, help train them, learn from their work, and integrate the worker recruits into the organization. I believe that it is this problem that resulted in the loss of postal workers in at least two important cases, and maybe more.

We would like many more industrialized comrades in the post office. The ones we have now are key activists in the rank and file network. And far from being the most conservative of the militants, they have taken the lead politically as well. They have succumbed to conservative pressures no more than the postal workers we recruited, and in many cases less.

There is also a political weakness in our postal work, resulting in lack of recruitment and loss of political clarity on some issues. Again, since the post office is a priority for us, we will be able to put the resources in to overcome this. We are presently enlisting help from comrades around the country to produce a WP series, and possibly a pamphlet, giving a political analysis of the post office.

To sum up -- there is nothing wrong with outside campaigns. At times, they can be just what the doctor ordered to boost morale, make new contacts, and revive an outward aggressive political approach. But unless these campaigns are based on real work and knowledge, and unless they are followed up by a real commitment to ongoing activity, they just won't work.

ON WOMEN'S LIBERATION AND DEMOCRACY IN THE U.S.

As many women in the IS know, I was one of the Bay Area women to bring to the last convention some amendments to the women's perspectives. We find some of our points now printed in the Left faction document. At the request of several comrades, I have enclosed for publication a letter I wrote to Barbara in mid-December on my reaction, which she has not yet answered.

Let me first put it into context. I would like the IS to take more seriously the task of organizing women, both in our present work and in places where there are more working women. I understand very well our limitations in doing this-- as an industrialized woman, I am swamped as it is. When a friend I used to work with in a bank asked for help in an organizing drive, I was physically unable to help. Our resources are limited. And I'm for saying so, rather than writing into our perspectives "the radical women's movement is dead" and giving the impression that the very fact we are in basic industries leading struggles means we will automatically be the ones to lead the working women's movement. This sounds to me like post-facto political rationalization for work we've already decided to take on.

Our women's caucuses are still in really bad shape. Once again promises from the Women's Commissioner took us nowhere. A continuation of this crisis will be a "disaster for the fight for women's liberation." The caucuses and the women's commission need the strength to give the lead on raising awareness of women's issues in the industries we're in. Our mushiness led to some confusion among our own members during the TDU convention over the issue of hiring women in Teamster jobs. We are still not clear on the issue of superseniority.

We have to make sure we don't shut out women's needs in the search for the broadest support in a mass campaign. At the same time we have to be very much in tune with the broad groups of people we work with so as to avoid a mechanistic or moralistic approach on issues we think ought to be important. This is simply one of those difficult questions we must struggle out--INTEGRATING women's liberation with our mass work. Barbara does not lead us in this question or even help, when 6 months ago she downplayed women's liberation and now boomerangs and tries to throw out our mass work strategy. People should read Candy's report on steel for a leading example of the assertiveness necessary in fighting for women's liberation in a priority while at the same time gaining a broad base for their ideas through the Sadlowski campaign.

One last note. I first considered the letter to Barbara to be merely an honest reaction, rather than an assertion of any deep political point. But my reaction is political. I reacted angrily precisely because I went to the convention with some other women to democratically try to work out the difficult points. As a rank and file member, I tried to collaborate with the leadership. But Barbara did not listen to us; she organized against us. To have her now complain of no democracy, raise some of the same points we raised then, and conclude that mass work is a disaster for women's liberation, can only invite bitter anger. She is being dishonest and disrupting our ongoing work.

The whole problem runs deeper than just Barbara. I DON'T think these conventions will be "models of democracy" until rank and file members can bring ideas and changes without always

having to worry about getting out-organized by an EC machine, and slandered in the course of debate. We get enough of that from the bureaucrats in our unions. In the IS I want OPEN and RESPONSIVE leadership. I want collaboration, not just in the setting up of a new committee here and there, but in the leadership's attitude in working out the problems with the members. I support our mass work strategy and am for industrializing into priority industries. I oppose scrapping it all, as the left faction proposes. But I DO want changes.

The letter:

Dear Barbara,

I have recieved the left faction's document and read it. One question came to mind I felt was important enough to write to you about and which only you can really answer.

As you know I hold many of the views presented in the document concerning adequately defending women and blacks within a mass work perspective. I agreed totally with the view that women and blacks should not "melt" into broader campaigns, leaving their own demands behind. You know this because I was one of the people to express concern about this problem at the convention and before, and to propose amendments to the Women's Caucus perspectives that would help us to avoid this tendency in future campaigns.

That was 6 months ago and we were voted down. You yourself played a leading role in determining the outcome of that session. At that time you staunchly defended the EC's line.

Let me add here that the defeat was a blow to me, as I felt very strongly about our position, and it left me demoralized as to the IS's real intentions of defending the special concerns of women when faced with the temptation of dropping these concerns in favor of "broader support" in a crucial campaign.

Since then you seem to have done an about-face on this issue. You are now a major spokesperson for the very points we brought up 6 months ago. It makes me wonder. I can assume any of three things:

1) Either some experience has touched you so deeply since then so as to turn your head completely around on this issue (and in the absence of any major campaign except steel, I'm very curious to know what it was)

2) Or you secretly agreed with us 6 months ago and felt some obligation to the leadership to persuade us to "the line" (real party hack behavior I might add)

3) Or your politics have indeed NOT really changed since then, but you use this point to bolster the left factions position (real manipulative, I might add)

I much prefer to think it is the first, but I need to hear it from you. The issue is very important to me and I despise both party hacks and manipulators. I want to trust the leadership of this organization of which I consider you a part. Please put my mind at ease. Thank you.

Pat M.
Bay Area

Statement by Portland Signors of "Left" Faction Document

We, undersigned of the Portland Branch, originally signed the Left Faction document, or subsequent to its initial publication, verbally indicated our support of the faction. We were moved to support the document by our agreement with many of the criticisms it made of the current political direction of the organization. Since then, we have gained a clearer understanding of the implications of the arguments put forward by the Left Faction, particularly those that deal with industrialization and priorities. Implications with which we profoundly disagree. We have therefore decided to remove our signatures from the Left Faction document. We do this as a result of fundamental political disagreement with their positions on these issues, and not as a response to any deceptive or otherwise uncomradely behavior on their part towards us, and we certainly intend to continue to work and politically interact with our comrades in the Left Faction.

The most important factor in our changing our minds was the arguments put forward by Sam, Peter, and Nancy in their document Towards a Political Solution and by Joel and Joanna and others by their documents as presented to us by Steve Z. We were convinced by their criticisms of the politics of the Left Faction and we feel that their analysis points the way to a solution to the problems of the current political course of the I.S.

Letter To Comrades Named In Previous Statement

Dear Comrades,

Enclosed is the letter in which we withdraw our signatures from the left faction document. The letter was drawn up and approved at our Jan. 12 exec meeting and is presently being circulated among Portland branch members for their endorsement.

While we find ourselves in general political agreement with you (although we have disagreements about specifics), we have serious questions about the tactic of seeking membership in the majority caucus at this time. We share with you the conviction that profound changes in the political orientation of the I.S. must be made, although not along the lines proposed by the Left Faction. In order to do this, we are convinced that it is essential that we present a clear political alternative to the politics of the current leadership of the I.S. as well as the left faction. While we don't rule out the possibility that the best way to do this is within the Majority Caucus, we have yet to be convinced on this question. We therefore ask the following questions regarding this tactic:

1. What is your attitude toward the left faction? It is clear that the leadership of the Majority Caucus perceives the Left Faction as an "entrism" tendency to be disposed of as rapidly as possible. Certainly, comrades here feel no further from the politics of the Left Faction than they do from those of the E.C. It is essential that every effort be made by the majority to enable the comrades within the Left Faction to be able to remain inside the organization. We feel that the Left Faction is being quite reasonable, at present, in its approach to the questions of a split, as well as continued factional activity. Where do you stand on this issue?

2. We see the Central Committee concept as a cynical attempt of the present I.S. leadership to block themselves with the old Build a Workers' Leadership initiators. What is your position on this?

3. The other question that concerns us is the degree of independence possible within the Majority Caucus. Specifically:

a) Do you plan to send a third speaker, representing the politics of your document, to branch discussions on the factional dispute; specifically to those branches where there are, at present, no supporters of your document?

b) Do you plan to put forward separate resolutions at the convention, clearly articulating an alternative to the direction charted by the present leadership?

c) How do you intend to gain delegate support for the ideas of the documents at the convention, viz., do you plan to run delegates?

d) The Left Faction has argued to comrades here that, even given our differences with them, they represent the only group thoroughly committed to charting a new course for the organization. We find it difficult to respond to this argument, let alone to convince members of the Left Faction that we represent a real alternative. For all of us the danger of co-optation within the majority is very real. How do you respond to this?

Your documents have provided us with political direction. We pose these questions in an attempt to clarify that direction.

The Portland Branch

ECONOMIC AND POLITICAL PERSPECTIVES FOR THE COMING YEAR

A New Era

The end of the 1960's saw the end of capitalist stability. A period of instability, of economic ups and downs, of growing social crisis, and the erosion of American economic and political dominance re-opened the perspective for proletarian revolution in the developed capitalist nations and national liberation movements in the underdeveloped world. Events in France, Italy, Poland, Spain and Portugal underlined the combativity of the working class and the new possibilities for revolutionary working class organization and revolution. The former stability of the Permanent Arms Economy turned into a period of rising inflation, growing unemployment, recessions and the reappearance of capitalism's boom-bust cycle.

Though still the strongest capitalist nation, the U.S. was not immune to the crisis that was emerging. Inflation seemed out of control, recession hit the country in 1970, and wage controls followed in 1971. Real wages declined year after year. The recovery and boom of 1972-74 only brought fantastic new rates of inflation. At each point the ruling class tried to make the workers pay for the effects of the crisis. Solidly backed by the government, the ever present attempt of the employers to get the most work for the least pay turned from sporadic individual attempts to a full blown employer's offensive. In various ways the employers fought to increase productivity at the work place and to hold down wages generally.

This period of crisis and employers' attacks was accomplished by growing political crisis throughout the capitalist world. In the U.S. the Watergate scandal reached the CIA and other formerly sacred institutions. The relative solidity of American capitalism and the lack of political working class alternative, however, allowed both the Republicans and Democrats to superficially clean house and get their acts together. Nevertheless, the various revelations of the last few years have left a growing, largely healthy, skepticism about politicians and government.

If instability and political crisis were not strong enough signs of the fundamental crisis of the system, the depression of 1974 was proof positive. In that year the entire capitalist world entered economic bust together. In the U.S. it was the deepest economic slump since the depression of the 1930's. Unemployment in the U.S. rose above 9%, i.e., over 8 million people. For two generations of American workers this was an entirely new experience, one that like Watergate helped to undermine confidence in long trusted American institutions.

In the face of the effects of the crisis in the U.S., American revolutionaries foresaw anew era of working class struggle and rebellion. Old theories from the 1960's that had predicted a permanently docile working class were discredited and discarded. Working class socialism and a working class movement were back on the agenda. But the fact was that the revolutionary left, including the I.S., did not have any extended roots in the working class. The isolation of the left from the real life of the workers made correct estimates of how the workers would respond to the crisis difficult if not impossible. The general tendency of the I.S. was to overestimate the response of the working class in the U.S. to the very real crisis and employers' offensive.

Of course, the working class did respond to the effects of the crisis. The closing years of the 1960's and the first half of the 1970's saw many strikes, struggles, and the rise of the rank and file movements and the union reform sentiment in a number of unions. The miners' strikes of the past several years, the growth of the MFD and now the right to strike movements were one form of this response. The auto strikes and wildcats against GMAD and in Detroit in 1973 were another. Thousands of less spectacular local struggles occurred. But by the end of 1975 it was clear that the response of the class to the employers' offensive was weaker than the revolutionaries had expected. More importantly, it was too weak to actually drive back the employers' offensive in most industries. With the exception of the coal miners, most sections of the

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The Portland Branch

A New Era

The end of the 1960's saw the end of capitalist stability. A period of instability, of economic ups and downs, of growing social crisis, and the erosion of American economic and political dominance re-opened the perspective for proletarian revolution in the developed capitalist nations and national liberation movements in the underdeveloped world. Events in France, Italy, Poland, Spain and Portugal underlined the combativity of the working class and the new possibilities for revolutionary working class organization and revolution. The former stability of the Permanent Arms Economy turned into a period of rising inflation, growing unemployment, recessions and the reappearance of capitalism's boom-bust cycle.

Though still the strongest capitalist nation, the U.S. was not immune to the crisis that was emerging. Inflation seemed out of control, recession hit the country in 1970, and wage controls followed in 1971. Real wages declined year after year. The recovery and boom of 1972-74 only brought fantastic new rates of inflation. At each point the ruling class tried to make the workers pay for the effects of the crisis. Solidly backed by the government, the ever present attempt of the employers to get the most work for the least pay turned from sporadic individual attempts to a full blown employer's offensive. In various ways the employers fought to increase productivity at the work place and to hold down wages generally.

This period of crisis and employers' attacks was accomplished by growing political crisis throughout the capitalist world. In the U.S. the Watergate scandal reached the CIA and other formerly sacred institutions. The relative solidity of American capitalism and the lack of political working class alternative, however, allowed both the Republicans and Democrats to superficially clean house and get their acts together. Nevertheless, the various revelations of the last few years have left a growing, largely healthy, skepticism about politicians and government.

If instability and political crisis were not strong enough signs of the fundamental crisis of the system, the depression of 1974 was proof positive. In that year the entire capitalist world entered economic bust together. In the U.S. it was the deepest economic slump since the depression of the 1930's. Unemployment in the U.S. rose above 9%, i.e., over 8 million people. For two generations of American workers this was an entirely new experience, one that like Watergate helped to undermine confidence in long trusted American institutions.

In the face of the effects of the crisis in the U.S., American revolutionaries foresaw anew era of working class struggle and rebellion. Old theories from the 1960's that had predicted a permanently docile working class were discredited and discarded. Working class socialism and a working class movement were back on the agenda. But the fact was that the revolutionary left, including the I.S., did not have any extended roots in the working class. The isolation of the left from the real life of the workers made correct estimates of how the workers would respond to the crisis difficult if not impossible. The general tendency of the I.S. was to overestimate the response of the working class in the U.S. to the very real crisis and employers' offensive.

Of course, the working class did respond to the effects of the crisis. The closing years of the 1960's and the first half of the 1970's saw many strikes, struggles, and the rise of the rank and file movements and the union reform sentiment in a number of unions. The miners' strikes of the past several years, the growth of the MFD and now the right to strike movements were one form of this response. The auto strikes and wildcats against GMAD and in Detroit in 1973 were another. Thousands of less spectacular local struggles occurred. But by the end of 1975 it was clear that the response of the class to the employers' offensive was weaker than the revolutionaries had expected. More importantly, it was too weak to actually drive back the employers' offensive in most industries. With the exception of the coal miners, most sections of the

working class were defeated to one degree or another. They were, of course, not crushed or seriously repressed the way the black movement of the 1960's had been. Such a response was not necessary. The defeat was expressed in the continued growth of productivity and decline of real wages.

The reason for this weak response by American workers cannot be found in the "mildness" of the crisis, for the effects of the crisis were quite severe. Nor can there be much doubt that a growing number of workers and working class people feel dissatisfaction and even anger over the erosion of their living and working standards. Rather, the weakness of the general response and the enormous difficulties in generating successful struggle are to be found primarily in the incredible weakness of the organizational and political traditions of the post-war American working class. Prosperity, the purges of the McCarthy era, and the general trend for power to go from the shop floor (stewards) organizations of the 1930-40's to the bureaucracy in the 1950-60's have all robbed the majority of American workers of those traditions, ideas, and skills that have produced a sharper response in many European countries.

Throughout American industry, organization and political skills have become to a great extent the monopoly of the trade union bureaucracy. Left-wing political trends in the working class were virtually eliminated in the early 1950's. For today's workers the role of various radical parties in the labor movement is not even a vague memory, it simply does not exist. Rank and file movements have arisen, of course, but the political and organizational weakness have generally left them prey to liberal lawyers and union opportunists. Most importantly, the lack of these traditions means that even the most minimal of local struggles tends to be "spontaneous" and disorganized. In general, again with the exception of miners, Most American workers have experienced wildcats as defeats. Major national strikes, with few exceptions, are controlled almost entirely by the top bureaucracy of the union. Without political and organizational sophistication, the workers have not been able to wrest control of many strikes from the bureaucracy. Thus, even national wildcats have tended to be defeats.

An important aspect of the political and organizational weakness of the rank and file has been the defeat of the black movement of the 1960's. In that movement, whether based in industry or in the community, hundreds, maybe thousands, of black workers began to acquire the kinds of organization and political skills needed to defeat the bureaucracy and the employers. This movement was cut short by the ruthless repression of the government. Among black workers today, disgust with the system is generally expressed by cynicism. Similarly many black and white workers who have experienced sell-outs, defeats and opportunist desertions by rank and file leaders have turned to cynicism.

But alongside cynicism, the last several years have also provided experience for many rank and file militants. Furthermore, radicals, reds, and revolutionaries have reappeared in many plants and unions. While many of these radicals have come from outside the working class, they have helped, unevenly to be sure, bring back to the class some of its history and tradition. In a few cases, they have actually helped establish new traditions based on the old one's. An increasing number are learning the skills needed to fight back. So far, this process is embryonic and rudimentary. We can still expect defeats and a response still too weak to beat back the employers' offensive or establish rank and file control of any major national union. But at least now there are some militants who have learned that you can learn from defeats as well as victories.

1976 was another year of defeats for the working class in the U.S. Even where there was a response, as in the Teamsters, of significant proportions, the organizational and political weakness of the class took its toll. Generally, in 1976 the employers got their way. The size of wage settlements has dropped throughout the year, and productivity has risen at an astonishing rate. Once again, the predictions by the I.S. of serious resistance and even breakthrough during the 1976-77 bargaining round

proved exaggerated. The bureaucracy and the employers were able to impose settlements suitable to themselves on a frustrated but disorganized working class.

The crisis of capitalism continues in the U.S. as elsewhere. It would be utterly mistaken to abandon hopes for the working class struggles of the next few years. Once again, we must assess the objective economic and political conditions that the working class will face. Now, however, we must moderate our predictions of the size and scope of the struggle based on the real experience of the last few years and on a more realistic assessment of the political and organizational weakness of the working class.

Recovery, Pause, and Recovery - 1976-77

The depression of 1974-75 was the deepest since the 1930's. Beginning in the U.S., this depression swept the entire capitalist world into two years of decline and crisis. For the first time in decades large banks and firms went under. Unemployment was massive, reaching 9% in the U.S. and seriously affecting economies like Japan and Germany for the first time in years. Prices of industrial commodities fell severely. Inflation in the U.S. dropped to manageable levels. By the spring of 1975 the depression has "bottomed out" in the U.S. and the basis for recovery had been laid. As the world economy had moved into depression together, with the U.S. leading the way, there was good reason to believe that the recovery would also be world-wide. But this was not to be the case.

Recovery began in the U.S. in early 1975. It was measured in pace and did not spark large increases in the rate of inflation. The 9% annual rate of growth for early 1976 was considered a good sign. But economic activity, particularly capital investment, remained below the 1973 levels. The growth of the first half of 1976 in the U.S. was not sufficient to spark or sustain even growth in Europe. Economically weak countries like Britain and Italy continued to suffer from high inflation and low growth. Uneasy about the possibility of rapid inflation, beginning in Europe and spreading to the U.S., investment plans were postponed and capital spending deferred.

By the second half of 1976 the recovery became a "pause". That is, the U.S. economy grew at a real rate of about 4% or less. As a result the European economies experienced increased inflation or stagnation. Consumer spending in the U.S. declined. This again affected other capitalist economies, eg, Japan was forced to reduce production plans of goods destined for the U.S. market. Unused industrial capacity in the U.S. remains high, about 25%, and inventories are on the rise. At the end of 1976 the American economy was still growing at a low rate. But this slow growth threatens to create recession in Europe and possibly on a world scale.

The likelihood of an immediate recession or depression is in part dependent on the actions of the Carter administration. The U.S. economy is not yet so far out of control to prevent turning the "pause" back into a real recovery. It will take considerable government spending, tax cuts, and business incentives to get investments going enough to create a real recovery. The pressures on Carter at act are great. Both American and European business are hoping for quick action and significant incentives. The announcement of Carter's \$12 billion dollar economic stimulation program makes it clear that the Democratic administration will try to get the economy going again - in a manner that is least objectionable to the employers.

Action by the Democratic administration, however, will not have noticeable effects until the second half of 1977. It takes several months for government economic stimulation to be felt. This means that while inflation will certainly be on the rise, it will not hit high, double digit levels until late 1977 or early 1978. Similarly the current high unemployment rate will not decline much until that time and even then is likely to remain high. The recent increases in oil prices mandated by OPEC will be another strong pressure on prices, but will not reach the consumer of industrial goods for some time.

In general, then, most of 1977 will see a relatively stagnant economy, with only moderate inflation and high unemployment rates.

These economic conditions reinforce the likelihood of a weak response to the up-coming major contracts of 1977 by the rank and file. There will be some response, of course, but there is no reason to expect it to be any stronger than that of 1976. Most likely, the wage and benefits settlements of 1977 will follow the moderate and declining packages of 1976. The fact that the 1976-77 bargaining round came at the end of a depression, with unemployment still high and inflation low, meant that the pressures for a large wage settlement were not sufficient to overcome the political and organizational weaknesses of the rank and file movement or to produce any "break-throughs" in the bargaining pattern. For most of 1977 essentially the same pressures will continue, making any national explosions over wages very unlikely.

The employers' offensive, however, is not just a matter of holding down wages. Far more basic to the employers' strategy for maintaining profits is the attack on working conditions. Indeed, the cutting edge of the employers offensive for the past couple of years has been the attack on working conditions.

The conditions of an economic recovery always lend themselves to speedup or other forms of increasing the rate of exploitation. As employers increase production they attempt to call back a smaller proportion of workers than they used in the past for the same level of production. This occurred in the first half of 1976. Attacks on working conditions continue and grow during the "pause". Productivity has risen rapidly during 1976 and in most of the industrial sections of the economy unit labor costs have dropped or stayed the same. The employers' offensive at the work place has, like that on wages, been largely successful. Government stimulated growth in 1977 will recreate the conditions of early 1976, which encourage the employers to intensify their attacks.

Feeling the attack most severely on the job, most of the resistance and struggle of 1976 was motivated by working conditions or related issues. Among Teamsters working conditions, the grievance procedure, and job security were the driving force behind TDC, UESurge and TDU. They also spurred the turn toward union reform represented in different ways, by PROD and TDU. Coal miners rebelled for the third year in a row over the right to strike. The fight for the right to strike over local issues and grievances is seen by the miners as the only real defense against the long standing attack on their working conditions - conditions that are a matter of life and death. Skilled tradesmen in auto were motivated as much by job security issues as by wages.

The continuation and most likely the intensification of this aspect of the employers' offensive in 1977 will mean that working conditions, job security, and union functioning will again be the major issues. In steel, this has so far expressed itself mainly through the Sadlowski campaign and union reform sentiment. It is possible, however, that political events in the union will open the door to a serious contract fight over the various productivity schemes, job security, or related issues. Whether or not there is a serious national contract fight, local contract struggles over job related issues may be important.

In telephone, the assault on working conditions has meant a large-scale reduction in the workforce. This means that for most sections of the work force the major issues are those connected with job security. The structure of CWA's bargaining is such that this must be dealt with primarily through national bargaining. While no major explosion is predicted for the CWA contract it is more than likely that there will be significant struggles and even wildcats in various places. The UMWA contract, which expires in December 1977, is almost certain to be an explosive and important event. Again, it will be motivated more by job related issues than wages, but it will certainly be national in scope and impact.

The basically stagnant economic conditions that will prevail for the most of 1977 will mean mass unemployment will continue throughout the year. With the employers trying to increase production with the minimum of new labor input, even recovery toward the end of the year is not likely to reduce unemployment by much. The impact of this third year of mass unemployment will be felt in its most intense and concentrated form in the black community of the major industrial cities. There, the unemployment rate is beyond depression levels. For youth, the prospect of employment of any sort will be slim to nil. The persistence of these economic conditions will be a growing pressure toward the emergence of a black movement and toward increasing possibilities for action in the black working class community.

The Carter Administration and Labor

Although economic conditions for 1977 will be similar to those of 1976, the political atmosphere will be different. The installment of the first Democratic Party administration in eight years will have a serious effect on the political relations of sections of the working class to the government. To a greater extent than usual, there will prevail a general "wait and see" attitude among the workers. While cynicism about politicians and government will certainly remain high, there is likely to be the sense that you have to give a Democratic administration faced with economic difficulties "a chance". The first several months of the Carter administration are likely to re-enforce such attitudes as steps are taken to get the economy going.

Furthermore, Carter is aware that he was put into office by the votes of organized labor and the black community. He will therefore, be under heavy pressure to make concessions to the leaderships - though not necessarily the mass of workers and blacks - of these groups. Already Carter has thrown some crumbs to the black leadership by appointing Ray Marshall Secretary of Labor rather than Dunlop. So far, the major concession to labor's demands is to public spending and the promise of job programs.

Carter is no doubt aware, however, that the labor leadership is prepared to be totally loyal and disciplined to his needs, at least for 1977. If it was true that the labor bureaucracy was generally willing to go along with Ford's plans, it will be ten times truer under a Democratic administration. Because of this, and because inflation is not likely to get too high in 1977, there will be no objective need for wage controls. Even "jawboning" will be more a cover for an all too willing labor bureaucracy. The fact that the labor leadership, including reformers like Miller and Sadlowski, will be willing to give Carter "a chance" indicates further difficulties in any rank and file intervention in the upcoming national contracts.

Like all Democratic administrations, the Carter administration is certain to grant the labor leadership a "liberal" NLRB and Labor Department. This means an NLRB that is in some respects more willing to rule against employers on matters of basic union rights vis a vis the employer, but a Labor Dept. far less willing to rule against the labor officialdom in favor of the rank and file. An NLRB that helps insulate the top leaders of the major industrial unions from the rank and file pressure is a near certainty. In so far as the administration can change things, the same will be true in the courts and in the Labor Dept. This will mean a growing frustration by rank and file activists with the legal road - although this will tend to be a drawn process and is not likely to affect consciousness in the coming year. The major exception to this will most likely be with the Teamsters Union. This will be the one major union that the administration will be willing to move against - possibly even to the extent of providing unwitting shelter to rank and file reform moves, particularly PROD.

The Democratic administration will certainly encourage the intensification of the employers offensive against working conditions. As we have already seen the economic conditions will tend to push things that way. In its attempts to get the economy going, the Democrats will see productivity as a key to recovery - something that does not cost

the ruling class money or create inflation. Therefore, in one form or another, the Democrats, with the cooperation of the labor bureaucracy, will stand behind the employers' offensive.

The Carter Administration and the Social Crisis

The crisis of capitalism, of course, brings with it more than the employers' offensive and the growth of rank and file trade union resistance. It brings the return of a general social crisis and of the various movements that arise in response to it. In the wake of this crisis comes mass unemployment, growing poverty, and urban decay - to mention a few of the more obvious symptoms. Increasingly, every aspect of life takes on the feeling of a struggle: a struggle for jobs, for housing, for education. With these struggles arise movements and counter-movements.

The defeat of the middle class movements of the 1960's has left a vacuum of leadership and morale among women, blacks, latins, and other oppressed people. Tragically, the movement that seems to have achieved the greatest visibility and momentum has been the anti-busing movement - the negative side of the struggle over education. With this movement has come the revival and growth of extreme racist organizations like the KKK and the Nazi Party. While they are still small, they have been able to intervene in mass struggles and provide leadership, as in Louisville, Chicago, and to a lesser extent Boston.

The racist movement was encouraged by the lack of an organized black movement and more particularly by the political atmosphere of the Nixon-Ford administrations. Those administrations said to black people: the time for your demands is over, now is the time of the white middle American. This encouraged the rise of racist movements based, tragically, in the working class.

While the Carter administration will certainly be cluttered with known racists like Bell and susceptible to Southern pressures, the nature of its voting coalition - blacks and labor - means that the tone it is setting will be different. Hopes for improvement in the plight of black and other minority people will be raised. In particular, the democratic administration will make concessions to the leadership of the black community. Most of these will be concessions in form rather than content - that is, appointments to government posts, etc. It is, however, likely that Carter will initiate some reforms that will be seen as real moves to reduce black unemployment and poverty. These might be the federalization of welfare and somewhat of a revival of "war on poverty" type operations. In particular, it is possible that Carter will create a job corp or youth WPA project.

Carter's concessions will probably render the current leadership of the black community even more passive than it has been. It is also possible that some job programs will raise expectations for a period. But it is very unlikely that Carter will be able to reduce black urban unemployment enough to diminish the fundamental anger and alienation from the system that exists in the black community. In fact, as in the mid-60's, it is quite likely that various job and community programs will only spur the development of organization and new leadership in the ghettos of the major industrial cities. In so far, as the existing black leadership is blinded by Carter's concessions, it is likely that they will simply become more isolated from the black masses. Just as a black working class leadership began to emerge in the late 1960's under similar conditions though the crisis much less developed - so can a politically conscious working class leadership emerge from existing industrial struggles to lead future community struggles. Additionally, the opportunities for black youth organizing in and around job programs may be slow or small in results, they can lay the basis for bigger struggles, with a new leadership partly provided by revolutionaries - as any illusions in the administration or in the ability of the economy to substantially reduce black unemployment - particularly among youth.

The Carter administration will increase federal aid to the cities and to education. In 1977, however this is not likely to be large enough, for fear of inflation, to significantly effect the declining standards of urban life. In particular, it will not ease the intolerable condition of the schools in most cities and in the black communities in particular. Furthermore, it is more than likely that such aid will be tied to further controls and limitations on the public employee unions, or at least to maintaining their current state of weakness. It is also possible that Carter's penchant for "streamlining" government will be a cover for further reductions in the public work force at all levels: federal, state, and local. (This section would be much expanded in the "Manifesto", but is not central to our political tasks in the coming year.)

Under the pressure of the crisis the counter revolution against the small gains of the women's liberation movement of the 1960's will continue. Female unemployment will remain high, though as it is not concentrated like black unemployment it will not be felt in the same way. What will be felt more severely are attacks like the recent Supreme Court ruling which denies women maternity pay unless it is in a union contract. Attacks like this, and others that occur as part of the general employers offensive but are felt most severely by women, will create growing resentment and anger among working class women. The leadership of the remnants of the women's movement, NOW, CLUW, et. will be able to provide some leadership for individual protest cases of legal action, but will not offer a way to build a movement. Increased agitation around issues like the maternity pay case can point the direction toward such a movement. Already, local committees, lead largely by NOW and CLUW activists, are arising to fight this ruling. While we don't expect a full-blown women's liberation movement to arise, struggles around specific issues are likely to increase.

Summary: What We Can Expect in the Coming Year

In the summary, the objective pressures on the working class will be strongest at the level of the work place and in terms of job security and unemployment. Big explosions over national wage settlements are unlikely for 1977. However, pressure on the unions with contracts yet to expire will be strong from both the employers and the rank and file in the areas of working conditions, grievance procedures and shop floor organization, and job security. The generally fragmented nature of these issues, however, indicates more motion on the local level than on the national level. The general state of rank and file organization in the USWA, CWA, and even the UMW is very low, which also points toward local based, rather than national resistance. Political events in the USWA could change this for that union. But generally, while the issues may be national in reality, actual organization, motion, and developing consciousness is likely to occur at the local (or in the UMW, regional) level for the next year or more. This will be even truer for unions whose contracts are now or don't expire for a long time. There, as in trucking, auto, and the post office, local resistance to the employers offensive can be used to lay the basis for future initiatives. In trucking, where TDU already exists, local action as well as some national company-wide campaigns - can help build the national movement. But even here, the bulk of real activity will be local. Like the last couple of years 1977 will be a year in which various struggles, local and to a lesser extent national, will continue the process of developing a small rank and file leadership composed of revolutionaries and of militants willing to work with them on a common program. This process has not been and will not be an unbroken string of successes. Many things will "not work", campaigns will be defeated, and initiatives will fail to get off the ground. But there will also be the possibilities of small victories. In either case, the role of the revolutionaries and other militants who are willing to take risks as leaders of the rank and file will grow. The experiences of the rank and file movements in various unions and of struggles in the black community will provide the basis for a growing and more experienced working class leadership, independent of the labor bureaucracy and the Carter administration. This leadership and its development in the struggles of the day will lay the basis not only for the rank and file movement, but for the re-emergence of a black liberation movement based in the working

class and of the working class women's movement as well.

Illusions in the Carter administration and the slow pace of the economy will offset to some extent the other pressures on the working class to act in 1977. But those pressures will be real nonetheless. Struggles, even very important ones, will occur. The opportunities to lead struggles, to deepen the position of revolutionaries in the working class, and to broaden and train today's small rank and file leadership among blacks, women and trade unionists will be there. In the coming year, it will be possible for today's revolutionaries to recruit and train workers to revolutionary ideas and organization on a small scale. This will require the concentration of resources in those places - industrial and geographic - where the most results can be expected, above all the industrial cities of the Midwest. It will require the continued, and, no doubt, patient, consistent political work in the rank and file movements and black community. It will require intensified training and education in the revolutionary movement as well as in the workers' movement generally. What has been done in the past few years and what is done in the next year will lay the basis for greater interventions as inflation returns in 1978, unemployment persists, and eventually the boom turns once again to bust. In 1977, the traditional socialist slogan, "Organize, Agitate, Educate," will be the watch-word.

Over the next year, we cannot expect events to generate substantial working class radicalization that could lay the basis for large scale recruitment of workers to revolutionary politics. On the contrary, low inflation rates coupled with widespread illusions in both the Carter administration and in prospects for economic recovery, will on the whole generate an atmosphere in which it will be harder, not easier, to win workers to a revolutionary perspective and world view. Revolutionary recruitment will go on, but will tend to require patient work and long term political relationships. But by late 1977 or by some time in 1978 at the latest, this situation will change.

Over the next year, the central task for revolutionaries in the U.S. is to consolidate and build on past gains; to continue long term work toward the creation of a base and roots in important sectors of the industrial working class; and to begin positioning themselves for the next round of radicalization inside the working class.

Most of the influence toward conservatization will have much less effect on working class youth than on older workers. They have, on the whole, less illusions in the Democratic Party, and have little experience on which to base hope for economic recovery. They will continue having little hope for an acceptable future under capitalism. This is particularly true for black youth.

Inside the IUT, the beginnings of national opposition organization already exists--- TDU (and to some extent PROD). In steel the aftermath of the Sadlowski campaign may leave some national rank and file or oppositionist networks. But on the whole, the next year will be a difficult time to start up new national rank and file union movements. Where significant national movements and networks do not exist, the main thrust of rank and file union work will be local and largely around working conditions issues. But local work over the next year can lay the basis for future national movements and networks.

During periods of intense activity, it is very difficult for revolutionaries to establish and maintain political and social ties both in their unions and in their communities. It is difficult for revolutionary organizations to establish and maintain a political and social life that brings together its own members with a wide and growing political periphery. During the next years these tasks, together with deepening, educating, and training a cadre become increasingly important. They represent an important step in breaking from the self-imposed isolation of revolutionary sect life - a step in making the revolutionary movement a part of the life of the working class.

1978 And Beyond

The stagnant conditions of the coming year cannot last forever. The fundamental crisis of the system will mean the return of both boom and bust, of high inflation and mass unemployment, of growing poverty and social decay. The general perspectives of the I.S., for a future of crisis and growing working class struggle, need not be abandoned because we have overestimated in the past, or face a year of patient local work. The size of the working class response in the coming years will grow as a new working class leadership emerges in the unions and in the communities.

As the "pause" of 1976-77 gives way to recovery and even boom in 1978 and another, probably deeper, depression following that, the pressures on the working class and all of its sections will grow. Not only will real wages fall rapidly and unemployment mount over the long run, but the attack on working conditions will become more ferocious over the years. Under these pressures a working class with an increasingly growing and experienced rank and file leadership will respond in ways we have not yet seen. The presence of revolutionaries in the class will be key to that response.

Furthermore, the crisis and response in the U.S. will occur in the context of the world crisis. Already national liberation movements are transforming the politics of Africa and having an effect on the consciousness of American blacks. Working class revolutionary action in Portugal has already announced the coming of an era of workers' revolution. As events in Europe sharpen, they will help create a climate of political crisis and proletarian aggressiveness that will effect the American working class like that of every other nation - though probably at a slower rate.

In spite of "pauses" in the economy, the weaknesses of the political and organizational traditions of the American working class, and even set-backs for the revolutionary movement, we live and act in an era of capitalist crisis and working class revolution. We know it will be an uneven process internationally and domestically. But we also know that the perspectives and actions of revolutionary socialists in the U.S. must be firmly rooted in the reality of the crisis. Whether in defeats or victories, local or national struggles, union or community, we face the task of building a revolutionary workers' organization in the coming years. We know all too well from the events in Chile and to a lesser extent in Portugal that if we fail to lay the basis for a revolutionary workers party now, we will be unable to take advantage of the events and struggles that lie down the road.

The emancipation of the working class is the task of the working class itself. But it cannot accomplish this task without the revolutionary party. And that party can only be built in the working class itself. The time to begin the work that will eventually lead to the formation of a real revolutionary workers' party is not tomorrow. Indeed, even today is too late. The I.S. began that work some years ago, it continues it now - even under difficult conditions - and it will continue that work until our goal is achieved - a revolutionary workers' party and a working class revolution in the U.S.

Kim M.

PLEASE NOTE. THIS DOCUMENT IS THE SECOND DRAFT OF AN UPDATED ECONOMIC AND POLITICAL PERSPECTIVE WHICH WAS DISCUSSED IN FIRST DRAFT FORM BY THE JANUARY 1ST. MEETING OF THE MAJORITY CAUCUS. A FINAL VERSION WILL BE PUT FORWARD TO THE CONVENTION AFTER IT HAS UNDERGONE FURTHER AMENDMENT AND BEEN ADOPTED BY THE MAJORITY CAUCUS.