# Newsletter of

### THE DEMOCRATIC LEFT

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**Edited by MICHAEL HARRINGTON** 

#### The Middle East: Is Peace Possible?

By MICHAEL HARRINGTON

Israel must have the right, not simply to survive, but to live in peace behind secure frontiers; the Arabs, including the Palestinians, must have their own right to national self-determination; disarmament and detente between the United States and the Soviet Union remains the central, immediate imperative of world politics.

First of all, there is Israel's right to exist in peace. The basic political and moral commitment here stems from a fact, not from any historical theory or from a Zionist world-view: Israel is a democratic society which, for all of its imperfections, can contribute mightily to the well-being of its own people and, if allowed, to that of its Arab neighbors. It is, moreover, the refuge of the survivors of the most monstrous political crime ever committed, the Holocaust of the European Jews.

To be sure, the avowed aim of the Arab powers in the war was not, as in previous conflicts, the destruction of Israel. On June 12th, President Sadat went to Damascus specifically in order to persuade the Syrian leader, Assad, that they should confine themselves to the demand that the Arab territory taken during the Six Day War be restored to them. The Soviet Union kept its bellicose support of the Arab invasion within similar limits. Indeed, the New Statesman of London speculated that the Arab powers were, among other things, selling out the Palestinians.

All this shows that Sadat and his allies have become much more shrewd than Nasser. It does not, however, prove in the least that they are ready to voluntarily agree to secure borders for Israel. Shlomo Avineri, an Israeli intellectual who supports the rights of the Palestinians and has thus been a leading dove in his country, reports that Sadat, meeting with rebellious students who had accused him of being soft on Israel, explained carefully that the old aims would now be achieved by stages, not by a single, decisive war.

Sadat's own speech on October 16th bears out Avineri's thesis. The Egyptian leader said, "We do not preach a war of extermination, as the Israelis pretend. But our Zafer missles, which can cross the Sinai, are on their launching pads, ready to strike Israel in depth... We have not undertaken any aggression against the territory of others, but we fight to obtain two objectives: 1) the recovery of our occupied territories; 2) the re-establishment of the legitimate rights of the Palestinian people." Point two, which coincides with the Palestinian demand for a "democratic and secular Palestinian state" is euphemistic language for the

dismemberment of the Jewish state.

Therefore I conclude that if the United States had not intervened to give military aid to Israel when the Russians were re-supplying the Arab powers, then the very existence, the very survival, of Israel would have been menaced. For that reason I supported that aid.

Yet this same analysis also convinces me that the Israelis cannot trust indefinitely, or even for very long, on an exclusively military defense of their existence. There must be a political offensive in which concessions will be made in return for secure Israeli borders. That obviously must mean negotiations between the (Continued on page 2)

### **Politics and Impeachment**

By JACK CLARK

October 29—When he took office in 1969, Richard Nixon vowed to "bring us together." In a strange and unforeseen way, he has done just that through his actions in the last week and a half. But we can't count on his efforts any longer; now we must pull ourselves together.

There was a real sense of unity, and of spontaneous protest in the 250,000 telegrams that came into the capital the week following the dismissal of Special Prosecutor Archibald Cox. Handing over the tapes to Judge Sirica on Tuesday may have helped Nixon, but the pressure is still on, and it is mounting:

• The AFL-CIO is maintaining its position for impeachment or resignation. There was Meany's well-publicized comment questioning the President's emotional stability. More significant, but lesser known are the comments in Washington labor circles. "Surrendering the tapes hasn't helped Nixon one bit," a veteran labor leader opined toward the end of that first week of impeachment talk. The Los Angeles Times reports that impeachment will be the AFL-CIO's top legislative priority. Ten times the effort that went into defeating Haynesworth and Carswell will be exerted to remove Richard Nixon from office, the Times claims in an October 30 report. Plans include a massive drive to get rank-and-filers to write their Congressmen.

 Other labor unions, notably the United Automobile Workers and the United Mine Workers, are working on impeachment. Although burdened with difficult negotiations with Ford, UAW President Leonard Woodcock broached the idea of a broad-based national committee on impeachment to several people. Mine

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#### Middle East . . .

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Israelis and the Arabs and not simply an uneasy truce

imposed by the United Nations.

Israel cannot go on forever sending its young people to die for their country every six or seven years. Moreover, the neutralist attitude of even so decent and pro-Israeli a politician as Willy Brandt shows how Arab oil power can subvert support for Israel in the West.

Given the power of the oil corporations in the United States—and their natural affinity with the most reactionary Arab rulers—Israel cannot depend on this country permanently. It must find its security in a Middle Eastern settlement made by itself and the Arabs. However, since my previous analysis shows the very real intransigence, at least on the part of some of the Arab leaders, how can one hope that Israeli

initiatives will have any hope of success? There is obviously no simple, or optimistic, answer. But looking back into the recent past one can see moments when opportunities appeared and were not seized. When the Egyptians agreed that Soviet specialists would reorganize their defenses after the Six Day War, there were those who saw the Russian presence in that country as establishing a Soviet "protectorate." (so said the Institute for Strategic Studies in London). That was not the case. The Egyptians didn't like the Russians: they resented the detente between Moscow and Washington which, among other things, led to a Russian Jewish emigration to Israel and caused Libya's Qaddafi to denounce the Soviets as "colonialists"; and they were angry that the Russians would not give them the weapons for an attack on Israel. So it was in July, 1972, that Sadat unceremoniously expelled 20,000 Soviet advisers.

Israel did not respond to that opening. The Israeli analyst Yair Evron has suggested that one reason for this failure was a fear that the Soviet withdrawal would lead to lessened American support for Israel. Sadat, who may have hoped that his action would set off some bargaining, became convinced that, as he has said since, "all the doors were slammed in our face." And the whole series of events may well have been a

prelude to the Yom Kippur War.

Now Israel must actively search out such openings. It would be foolish to try to describe the terms of a settlement, but its broad outlines can be inferred, among other things from the position taken by many in the Israeli Labor Party (Mapai) and in Histadrut, the labor federation. On the Israeli side, there would have to be ironclad guarantees of secure borders—and that clearly does not mean that Egyptian weaponry can be stationed on the pre-1967 cease fire line. On the Arab side, there would have to be a return of that territory not essential to Israel's defense and a recognition of the Palestinian right to self-determination.

There have long been Israelis who have dreamed of the possibility of a Palestinian Arab state which would exist alongside of the Jewish state and even look toward eventual federation of some kind. Now is obviously the time to explore that possibility. There is certainly evidence that the most reactionary Arab leaders have been quite content to let the Palestinian issue fester. It is doubly to Israel's interest to move energetically to settle it.

But if I thus confine myself to some generalities about a distant and hypothetical peace, I can be much more specific about how this question relates to de-

tente.

When President Nixon put the American military on alert recently, he may, or may not, have been reacting with exaggeration in order to recoup his domestic political losses. In either case, the world was once again reminded of the fact that the Soviet Union and the United States are nuclear powers capable of blowing up a good portion of human kind as the result of a confrontation which neither may have wanted. On this basic, critical point, the events of October demonstrated anew that detente is an absolute and

urgent necessity.

There were some, most notably Senator Henry Jackson, who took the occasion in order to identify support of Israel with a call to return to the Cold War. Jackson, a "realist" who only a few months ago was advising the Israelis to make an alliance with the Saudis (and the Iranians) told the AFL-CIO Convention that the Yom Kippur War proved that we had been wrong to make an agreement with the Russians at the end of the first stage of the SALT talks. He thus proposes to make the defense of Israel dependent on the brinksmanship of the United States and the Soviet Union, turning his back on the possibility of detente and a political solution of the Middle Eastern question.

But even if one were to disagree with the content of my criticisms, Jackson's position makes no sense from the viewpoint of those who defend Israel's right to survive. Insofar as Jackson and his friends tied the cause of Israel—a democracy with a social democratic government—to that of South Vietnam—a dictatorship of the corrupt—they did a profound disservice to the Israelis. And now, if they seek to identify pro-Israel sentiment with a crusade for the revival of the Cold War, they will not simply be wrong. They will do profound political damage to the Israeli position in American politics.

I can understand that Israelis, after the fourth war in a generation and with new proof of the need for buffer zones to guarantee secure boundaries, might be reluctant to make peace initiatives toward those with whom they so recently were locked in bitter, bloody conflict. But I think, and hope, that they will and that there will be a peace which is just for Israel, for the Palestinians, for the Arabs.

In the United States I am less tentative. We have just had one more demonstration of the crying necessity for the disarmament of the nuclear powers and the deepening of the detente. Moreover, it will not serve Israel—or the cause of peace in the Middle East—to identify it with the Cold War faction in American politics. I am, in short, a dove in Middle Eastern and international politics, and the Yom Kippur War has reinforced my convictions even as it may have made it somewhat more difficult to struggle for them.

## Housing in Ill Repute

By DAVID KUSNET

When the Department of Housing and Urban Development asked Americans to suggest new housing programs last spring, one response displayed a faith in private enterprise that would gladden Richard Nixon. The plan was to scrap the Federal Housing Administration and give local banks and savings and loan associations full responsibility for financing new construction. The idea wasn't all that different from the eventual Administration proposal, but it was the brainchild of a convicted felon—Gordon Platt, inmate 2593 at the Indiana State Prison. Platt had been found guilty of fraudulent mortgage loan dealings, HUD acknowledged.

The Platt Plan was among the few suggestions from private citizens which HUD made public, and it was a clever news leak. The Administration has justified its elimination of housing subsidies by pointing to the HUD scandals which cost Platt his freedom and

countless families their savings.

These scandals encouraged a public demand for housing reform, but the House and Senate failed last year to agree on a new comprehensive housing bill. And this January, citing the best liberal and muckraking critiques, Nixon shut off all new housing funds.

Today, as Nixon submits a new housing program to Congress, his game plan is for the liberals to support warmed-over versions of the Great Society, rather

than new programs.

Social criticism has fronted for budget-cutting almost since the day Richard Nixon took office. Claiming to accept the view that public housing should no longer be built in the ghetto, HUD in 1971 gave first priority to the affluent suburbs as sites for new projects. Months later, when the suburbs began to protest, Nixon cited critical studies of "scatter-site" housing and promised not to "force" housing on any community. Official federal policy, as Roger Starr observed, was to build subsidized housing—nowhere!

In an even more cynical appropriation of liberal rhetoric, the Administration decided to apply the National Environmental Policy Act of 1969 to federally financed housing. In a "Federal Property Review Board Order" in 1970, Nixon required HUD to study the "environmental impact" of proposed subsidized developments before approving them. The announcement came with much fanfare, noting the concerns of the ecology movement and the architectural criticisms of public housing. But the order was not accompanied by standards for developers of housing for the rich. In Nix-environmentalism, only poor people pollute.

Nixon froze housing funds last January, declaring he would study the programs and propose new ones within months. Using an unlikely populist rhetoric, he thundered that the housing subsidies "provided a fortunate few with housing," while affording "inordinate financial gains" to developers and investors.

When he announced his new program in September, the freeze on new construction commitments continued. In place of subsidies, HUD proposes a cash grant for poor families, amounting to the difference between the market price of decent housing in their communities and what they can afford to pay. But, unlike Lyndon Johnson's rent supplement program, the Nixon plan contains no requirement that the rent money be spent on new or substantially rehabilitated housing. By bolstering demand in the ghetto but doing nothing to increase the supply of decent housing, the "housing allowance" would "put the slum landlord on welfare," according to Manhattan Borough President Percy Sutton.

The two major housing lobbies share the conclusion that the new Nixon plan is a formula for subsidizing slumlords. The National Association of Real Estate Boards, with an interest in increasing the profitability of existing housing, last June urged HUD to adopt a housing allowance plan. But the most effective advocate of new construction, the National Association of Homebuilders, has attacked the Nixon plan.

The second facet of the Nixon plan is to further stimulate the private housing market by raising FHA loan limits above \$33,000. That may help junior executives get home loans, but it's small comfort to the 80% of American households who, according to George Romney, are shut out of the market for new housing. Today the median price of a new home nationally is \$32,000—and rising. Used houses in good condition cost several thousand dollars more than they did last year, and rental costs have skyrocketed 31% since 1968. Raising mortgage loan limits helps the middle class family even less than housing allowances help the poor.

Yet Nixon apparently counts on the ill repute of existing housing programs to build public support for inaction. He would do well to quote Lyndon Johnson's own secretary of Housing and Urban Development. When Robert Kennedy and Charles Percy first proposed luring private capital into the inner city, Robert Weaver called it a "rich man's program for poor people's housing."

By the spring of 1968, the Johnson Administration was supporting amendments to the National Housing Act which fit Weaver's pithy description. The key to the Great Society programs was the "below market interest rate." The Federal Housing Administration would do more than insure mortgage loans to private developers. It would pay the difference between monthly mortgage payments at the market rate (now 8.5%) and payments at 1%. In return, private developers receiving the loans would build or rehabilitate housing for families earning up to 135% of the maximum income level for local public housing. Today the program serves families in the \$8000 income range.

The second incentive to owners of subsidized projects was "double declining balance" depreciation—a housing depletion allowance. Owners of rental property usually claim the price for which they bought a building as its "real value," set a "useful life" of 40 years, and deduct 1/40 of the real value from their taxes each year. With "double declining balance" deprecia-

tion, the property owner deducts twice that amount annually, taking his full depreciation in half the building's "useful life," and then selling the property for a hefty sum.

Section 236 of the 1968 housing act guranteed apartment builders a 90% mortgage loan at "below market interest rates." The "limited profit" developer was allowed to retain a 6% profit each year on his 10% equity investment. In addition, he received a 2% managing fee each year.

The real "sweetener," as the trade journals said, was the Section 236 "syndication" provision, allowing developers to "sell" their interest in a project to wealthy investors looking for tax shelters. The "limited profit" developer could sell up to 95% of the profits and losses in a project for a sum reflecting the tax deductions that the builder would pocket. Let's say the project cost \$2,000,000 to build and had a useful life of 40 years. Using double declining balance depreciation, an investor in a 50% tax bracket buying 95% of the project could claim a tax loss of \$95,000 in the first year, saving himself \$47,500 in taxes.

With these benefits available to owners of "236" projects, developers usually sell them to investors looking for quick tax write-offs. And, since these tax shelters are most attractive during the early years of the project, a wave of abandonments has begun. Rep. Charles Boland (D-Mass.) warns that most "236" projects may face FHA foreclosures within ten years, after their owners have milked them for depreciation allowances.

Tax breaks weren't even necessary for developers to rip off quick profits under Section 235 of the act. A realtor would buy up blocks of run-down houses for, say \$3000 each. Then he spent \$1500 on each house for minor, cosmetic repairs. The roof still leaked when he was done. The plumbing didn't work, and the wiring remained a fire hazard. A friendly FHA inspector, however, would appraise the houses at, possibly, \$18,000 each. Poor families then bought the houses with \$200 down payments and FHA-backed "below market interest rate" financing.

Within months, the new buyers couldn't afford to pay off the mortgage and also make the necessary repairs. They stopped meeting the payments, and, with some 50,000 homes last year, the FHA foreclosed. As Sargent Shriver said after touring an FHA slum in Detroit during the 1972 campaign, Uncle Sam has become the nation's major slumlord.

If the Great Society housing programs failed, what efforts could succeed? A program of non-profit sponsorship was introduced during the New Frontier, pushed aside during the Great Society and eliminated by Nixon.

Nixon in 1970 halted funds for Section 221d(3)—the predecessor of "236." The old program provided direct government loans to sponsors of low-income housing. Financed outside the established mortgage loan system, "221d(3)" had few friends in the financial community.

The second target was the non-profit sponsor, originally authorized to build housing with "221d(3)" and "236" subsidies. But, in 1969, FHA Commissioner

Eugene Gulledge told an audience of Fort Worth, Texas, realtors: "The non-profit sponsor does not belong in housing production." And Nixon's HUD began to deny funding to churches, unions, and community groups seeking to build housing, favoring the profit-oriented tax-shelter salesmen.

The Nixonization of housing encouraged the most socially and fiscally costly methods of subsidizing housing. Interest subsidies created an incentive for banks to raise inflated mortgage rates. The emphasis on profit-oriented sponsorships reinstitutionalized absentee ownership of ghetto housing, with its characteristic under-maintenance and eventual abandonment.

A combination of the discarded plans—direct loans to nonprofit sponsors—would be the most economical use of the taxpayers' money, as well as the most conducive to socially oriented ownership. Here's why.

• The Case for Non-Profit Sponsors: Compare two "236" housing developments, each with \$1,000,000 mortgages—one profit-oriented, the other non-profit. The profit-oriented project receives a 90% mortgage, but the allowance for builder-sponsors' profit has the effect of increasing the fund commitment by 5%—to \$950,000. The non-profit project, meanwhile, receives a 100% mortgage for a full \$1,000,000.

Under "236," the government pays the mortgagee the difference between payments required as if the mortgage were at a 1% rate and the amount actually required at market rates—8.5%. With a \$50,000 difference between the two mortgages, the difference in interest subsidies on the two projects amounts to \$3,500 a year—or \$35,000 in ten years.

But the profit-oriented developer takes accelerated depreciation on the project, amounting to \$400,000 over ten years. If his backers are in a 50% tax bracket, then the U.S. Treasury loses \$200,000 on the deal. Therefore, each \$1,000,000 of subsidized housing is \$165,000 more expensive when developed by profit-oriented sponsors rather than non-profits.

• The Case for Direct Loans: The case for direct loans is even simpler. The long-term federal borrowing rate is around 6.5%, while the FHA rate on new 236 mortgages is 8.5%. A direct loan at 1% interest would cost the federal government 5.5% interest; but under interest rate subsidies, the feds must pay the difference between 8.5% and 1% interest each month.

The "235" program, in particular, would benefit from direct loans. For example, after 15 years of payment on a 30-year, \$15,000 loan at 8.5%, the homeowner has accumulated only \$3,200 in equity. But, had he received a direct government loan at 1%, he would have \$6,950 in equity after 15 years.

These dollars and cents calculations are common knowledge among realtors, developers, and tax lawyers. But tax benefits and interest subsidies have been almost entirely ignored in the literature on housing policy in favor of issues such as design and location. This focus not only ignores how much the working American has to pay to build housing for the poor and near-poor—it conveniently forgets to ask who will own the housing and for whose benefit. Will the sponsor be a church, a union, or a front-man for absentee investors? Is there a prospect of cooperative

ownership? And, even if the project is managed by Well-meaning housing professionals, will they have to clear their decisions with anonymous backers looking out for the preservation of their tax shelters?

How could the federal government administer a program of direct loans to nonprofit sponsors? First, the Federal National Mortgage Association, which now buys private mortgages for "236" and "235." could be converted into a revolving fund for financing new construction. Second, regional HUD offices could provide legal and architectural staff assistance for prospective housing sponsors. And on the local level, citywide housing partnerships, including church, union

and community groups, can be formed.

This program for social housing coincides with the liberal approach to the housing problems of the middle income families. In Congress after Congress, the AFL-CIO has appealed for the establishment of a separate line of credit for housing so that families will not have to compete for loans with every commercial venture from Las Vegas casinos to conglomerate takeover bids. Recently, the AFL-CIO joined Ralph Nader in calling upon the Federal Reserve System to allocate some bank credit to home loans. Such an effort would not only parallel direct federal loans to non-profit housing sponsors—the direct loans would actually drive down usurious interest rates!

When the debate on housing reform begins, industry

insiders will doubtless portray the issues as strictly managerial. But the dull arithmetic of interest subsidies, direct loans, or housing allowances conceals a basic choice of what kind of communities we will build -segregated or integrated, democratically controlled or corporate-dominated.

The New York Director of HUD, William Green, has conceded that Nixon adopted the housing allowance plan in order to avoid controversies over building subsidized developments in middle class communities such as Forest Hills. Without a commitment to new construction, housing allowances are, in Roy Wilkins' phrase, a formula for apartheid. In fairness to the new plan, the retreat from integration began with the emphasis on profit-oriented sponsors whose location policies were derived from a strictly financial calculus.

Also at issue is who will own the next America. The National Committee on Urban Growth Priorities has predicted that the equivalent of ten new cities, each housing a million people, must be built within the decade. These could be communities of cooperatively managed housing, whose residents won't have to pay inflated rents to repay mortgages at sky-high rates. Or they could be built by giant corporations, spurred by tax incentives and blank-check housing allowances.

If the second America is built according to the urban policies of Nixon or Johnson, statues of Gordon Platt,

No. 2593, should grace every city center.

### Legal Hassles Stall UFW-Teamster Agreement

The promising "agreement in principle" between the AFL-CIO and the Teamsters over the latter's jurisdictional dispute with the United Farm Workers union has been stalled by legal bickering and internal Teamster factionalism. Meanwhile the AFL-CIO is continuing its go-slow policy in extend-

ing aid to the beleaguered UFW

In late September, Frank Fitzsimmons and George Meany were supposedly ready to announce details of an agreement which would take the Teamsters out of the fields and end the lettuce boycott. October dragged on, and no announcement was forthcoming. It seems that Fitzsimmons and the Teamsters had changed the nature of the "agreement in principle." Faced with the possibility of suits from the growers for breach of contract, the Teamsters laid down a new condition for the agreement: the AFL-CIO must take full legal responsibility for any such law suits. The condition was obviously unacceptable to Meany.

Fitzsimmons is playing a strange game. He wants to get back in Meany's good graces. To do that, he must repudiate the sweetheart contracts with the California growers. But there is some factional pressure to keep the contracts. Dusty Miller, secretary-treasurer of the Teamsters, is leading the opposition to Fitz' giving up the contracts, and William Grami, who is bucking for Einar Mohn's job as director of the Western Conference, is giving him a strong assist. Yet, there is also pressure in the other direction; a number of secondary leaders and rank-and-filers are embarassed that the Teamsters are playing company union and want the contracts repudiated immediately. Jimmy Hoffa has been outspoken publicly on both sides of this issue.

Meany is infuriated with Fitzsimmons for reneging on the agreement, but he's also making sure that the Federation does not step on too many toes in supporting the Farm Workers. At the fall meeting of the Executive Council, the AFL-CIO took no position on the UFW boycotts of grapes, lettuce and Gallo wine. The Convention approved a committee to study the boycotts, and then placed representatives from every union which would be adversely affected by the boycott on the committee. One last minute addition-Paul Hall of the Seafarers-will help La Causa considerably. Hall, though a conservative on many Federation issues, has been and is a stalwart and trusted friend of the UFW.

There are some other complicating factors. The AFL-CIO is pushing a nation-wide boycott of Farah slacks right now, and there's some feeling that no new major projects should be undertaken while that's in process. One possible way out is a product boycott, directed specifically against scab lettuce or grapes or wine, and not against the stores which sell them. That would be an easier project for the Federation and it would circumvent objections from the Retail Clerks.

#### The Swedish Socialist Dilemma-and Ours

#### By STEVEN KELMAN

Conservatives everywhere have taken delight in the poor showing of the Swedish Social Democrats in that country's recent elections. The three "bourgeois" parties (Liberal, Conservative and Center) managed to gain enough seats for a parliamentary deadlock: 175 votes for the Opposition and 175 for the government. To continue functioning, Olof Palme's government will need to win support from Opposition Deputies. Since Sweden is a country without a tradition that requires Oppositionists to vote down all government legislation, Palme will probably remain Prime Minister.

Nonetheless, conservatives gloat that the relatively poor showing is proof of the "failure" of Swedish socialism. Such critics conveniently forget that the Social Democrats have ruled for over forty consecutive years, and that even the Swedish Conservatives ran on a platform of preserving the welfare state reforms achieved under Social Democratic governments. They also ignore the tremendous dynamism of the Swedish

Social Democratic Party.

While socialists, both in Sweden and abroad, admire the achievements of social democracy there, we all recognize that it's a long way from socialism. Successive governments have followed imaginative policies to increase equality, achieve full employment, provide social services and reduce corporate power. Liberals, particularly American liberals, tend to see those welfare state policies as the Social Democrats' final goal. Now, with forty years of rule and an impressive program enacted, the Social Democrats, according to this liberal view, have achieved their mission. It is left for the Social Democratic Party either to stagnate or to become conservative.

But the Swedish Social Democrats see it differently. "We know," Prime Minister Tage Erlander told the 1969 Party Congress, "that we have our most important tasks still before us." Those tasks are the specific reforms that the Social Democrats see as the next steps toward socialism. In their innovative tradition, the Social Democrats defined two areas of policymaking as of particular concern for the 1973 election:

- conditions in the workplace, including industrial democracy and occupational health and safety;
- a socialist approach to financing industrial growth.

Experiments in industrial democracy have flourished in Sweden, particularly in the public sector. The best known experiments have stressed developing democracy on the factory floor: self-directed work groups, elected personnel committees and so forth. A new law allows union members to elect two members to the company's board of directors. But the most significant thrust for industrial democracy has come from legislation which has expanded union collective bargaining rights into areas of traditional management prerogative, such as personnel policy and the organization of work. In the area of occupational health, there is a new proposal to allow trade union appointed representatives to stop production if the workers are being required to

perform dangerous tasks.

As for financing industrial expansion, the Social Democrats have made imaginative use of the huge government pension funds, a public sector equivalent of the huge private pension funds run by American banks and corporations. Traditionally, this money has been passively invested—in municipal bonds and housing construction; new proposals call for this money to be invested in stocks, particularly in new issues of stock. The theory is that government policies which have lowered the profits of industry have adversely affected the private sector's "will to invest." Industry leaders must learn to operate within a framework of lower profits, according to the Social Democrats, and the "risk capital" for further industrial expansion will come not from profits, but from the actively invested pension funds.

The new proposals for industrial democracy and pension funds are as imaginative as earlier Social Democratic reforms. The problem—and the dilemma—is that they didn't excite the electorate. A public opinion poll showed that only 3% of the Swedish voters thought that "work environment," the issue on which the Social Democrats hoped to fight the election, was the most important one facing Sweden. The new plans for use of the pension funds were too tech-

nical for the average voter to understand.

Socialists always run a balancing act between working to build a new society and running the old one so as to maximize the people's welfare. Voters traditionally hold governments accountable for inflation, unemployment, or other economic woes. In this election, the Swedish Social Democrats tried, and failed to get voters to think more about future changes and reforms than about current economic problems. They tried and failed to explain the new reforms in ways that were understandable to the voters. We American Leftists also have problems in concerning ourselves with everyday problems of the voters, and in making ourselves understood. Sometimes we tend to blame these problems on the unique difficulties of working in capitalist America, or on an especially low level of political awareness on the part of the American people. The Swedish experience indicates that this problem exists not only here but in a country with a more advanced welfare state and a strong social democratic tradition.

#### **New Socialist Organization**

The Democratic Socialist Organizing Committee, the group which publishes this Newsletter, recently held a highly successful founding convention

A special report on the Convention is in preparation. It is available on request from:

Democratic Socialist Organizing Committee 125 West 77th Street New York, N.Y. 10024

#### Impeachment . . .

(Continued from page 1)

Workers' President Arnold Miller made commitments to speak for impeachment.

- High-level officials of groups interested in the issue of impeachment have met at least once in Washington. They were mapping out strategies to keep the pressure on Congress. Represented in the meetings were Americans for Democratic Action, Nader's Public Interest Research Groups, the AFL-CIO, the UAW, the Ripon Society and the American Civil Liberties Union. Another meeting included the above groups plus assorted radicals but was less productive in agreeing on tactics.
- · Recovering from the confusion of Nixon's first defying the court order, then complying with it, the groups which have agreed on impeachment have come to some agreement to lobby on three demands: 1) a full inquiry into impeachment by the House Judiciary Committee; 2) defeat of Gerald Ford's nomination as Vice-President; and 3) appointment of a special prosecutor independent of the President, a much lower lobbying priority than the other two.

The growing movement for impeachment does face some problems. While it is taking firm shape in Washington, there is some confusion and disorientation in other areas of the country about what to do next. One answer—hold mass demonstrations—seems an inadequate response. As one Washington lobbyist put it, "the parallel with the anti-war movement just isn't accurate. We are not a minority setting out to persuade the majority of our fellow-citizens; we are a majority faced with the problems of lobbying and of forcing Congress to act." The massive outpouring of sentiment immediately following Cox's dismissal was decisive in getting Congress to move. One Congressman received 1000 letters and telegrams urging him to impeach and only 85 supporting Nixon's position. Representative Peter Rodino of New Jersey, whose House Judiciary Committee will have to report out any bill of impeachment, has gotten over 20,000 letters and telegrams favoring impeachment. The problem is how to organize the previously spontaneous sentiment and keep those cards and letters coming, say Washington impeachment activists.

The AFL-CIO, the Mine Workers and the Auto Workers plan to mobilize local political action committees to get rank-and-filers writing in on impeachment. The leaders of other constituencies must organize to get grass-roots expression, preferably individual letters, to Congressmen. And the efforts now to have a "bring your Congressman home" week from November 10-17 will also focus the impeachment issue.

All of this requires tremendous organization, of course. It means reaching out, possibly with canvassing, to get the letters written, to keep the correspondence flowing. It may mean rallies and teach-ins and large public meetings to reinforce pro-impeachment sentiments and to discuss strategies. It will certainly mean a lot of co-ordination and discussion and a coming-together of varied constituencies.

But, if achieving impeachment will require hard

work, it will also require political sophistication. As every reader of this Newsletter must know by now, the editors favor the building of a broad, progressive coalition composed of the organized workers, the minorities and the poor and democratic liberals and radicals. All the elements of that coalition must come together if impeachment is to be achieved. The leaders of those coalition elements have spoken out strongly for impeachment, and, in that, there is hope. That coalition—the democratic Left—is capable of governing. By itself, it is not capable of impeaching the President. For that we must go beyond the constituencies of the Left, no matter how broadly defined. It is promising that Ralph Nader and George Meany can cooperate on this issue, but if they are to succeed, they'll need the cooperation of many Republicans and conservatives who are outraged by Nixon's behavior. The fight for impeachment is not the fight for a progressive government; it is, rather, a struggle for basic legality and for the supremacy of the Constitution with its guarantees of basic rights and checks on Executive power.

On the October 28 "Face the Nation," Nixon's chief of staff, Alexander Haig, repeatedly implied that those who opposed the Ford nomination, those who challenged the President on the guidelines and powers of the new special prosecutor, were engaged in partisan politics. Our response must be an affirmation of politics. Yes, those of us involved in impeachment are deeply engaged in politics, and the issue of who will succeed Richard Nixon if he is impeached is a political issue. And those who decry politics in the manner of Haig, or defy it in the bravado manner of Nixon, deserve to be suspect in a democracy. But the issue of impeachment is not a partisan concern, and, if Nixon is impeached, it is unlikely that the Administration which succeeds him will be noticeably liberal or remotely capable of solving the energy crisis or the housing shortage or inflation and unemployment. It will, at least, be a government with more respect for civil liberties and the limits of the law.

Though the movement to impeach Nixon will not bring the democratic Left to power, it can be a struggle which brings the forces of that disparate coalition together. For the electoral tests which are coming in 1974 and 1976, that is obviously very important. For our part, as the socialist wing of the democratic Left, we are committed to working with the forces for impeachment, but also to scrutinizing the other more partisan issues which must define the program of the mass Left.

Newsletter of

#### THE DEMOCRATIC LEFT

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## Jimmy Higgins Reports...

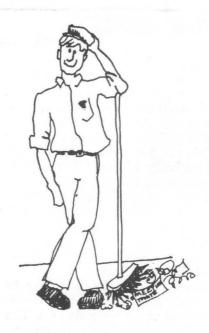
MEANY AGREES—ALL PERSONS ARE CREATED EQUAL -One of the most interesting and least publicized moves at the recent AFL-CIO Convention was the Federation's reversal of policy on the Equal Rights Amendment. Long at loggerheads with the women's movement over the Amendment, George Meany and his many lieutenants had insisted that the E.R.A. would destroy state protective labor legislation for women. But not all unions toed the line. Outside of the Federation, the UAW was a long-time supporter of the E.R.A. and within the AFL-CIO, The Communications Workers, The Amalgamated Clothing Workers, the Teachers, and the State, County and Municipal Employees all came out for E.R.A. passage. And just before the Convention, the AFL-CIO Council of Professional Employees publicly supported the E.R.A. on the grounds that women in professional occupations are paid median salaries from \$1700-\$5100 less than men in comparable positions. Long before that, however, Andrew Biemiller, labor's chief lobbyist, and Tom Harris, AFL-CIO counsel reportedly approached Meany and told him that there was no basis to believe that the E.R.A. would adversely affect existing protective legislation. Meany's reaction was "then there's no reason for us to oppose it." That switch could make a big difference. To become a Constitutional amendment, the Equal Rights Amendment has to pass eight more legislatures; the National Organization for Women estimates that the labor turnaround will sway lawmakers in five or six of those states.

'TWAS AN INTERESTING CONVENTION in other respects, also. Jerry Wurf of the American Federation of State, County and Municipal Employees presented a resolution on the "crisis of the labor movement." It was defeated, but reports have it that George Meany will introduce a modified version of the resolution to the Executive Council. The Federation went on record favoring full public financing of campaigns, passed a major reorganization plan which may put W. J. Ussery in a position to succeed Meany, and, of course, called for impeaching Nixon.

Next month's Newsletter will carry some fulllength articles dealing with the implications of some of these stands.

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THE DOUBLE STANDARD that benefitted Spiro Agnew was demonstrated no more blatantly than in that citadel of the liberal press—the New York Times. The former Vice President was a convicted felon after the plea bargaining that left him a private citizen, but on the right side of the prison walls. But to the Times, he's "Mr. Agnew" still, despite the paper's stylebook rule that refers to proven lawbreakers as "Hunt," "Capone," "Metesky," and "Manson." The problem of whether to drop the "Mr.", incidentally, was no problem at all to most newspapers which follow the Associated Press style of referring to all men, on both sides of the bars, by their last names alone. And when, one wonders, will AP call Bella Abzug not "Mrs. Abzug," as she's called now, or even "Ms. Abzug," but "Abzug."



SEN. ABRAHAM RIBICOFF (D.-Conn.) has turned his back on the Kennedy-Griffiths Health Security bill supported by organized labor, progressive health personnel, and concerned citizens around the country. Ribicoff has joined conservative Sen. Russell Long (D.-La.) in introducing an alternative health insurance plan. UAW President Woodcock called the plan "a costly new way of taxing everyone so that fewer than one million people would receive benefits in any one year."

Ribicoff and Long are an Odd Couple—they were arch opponents in the fight over welfare reform. At the time, Long moaned about guaranteed incomes: "Who will do my shirts?" Now the answer is clear: Ribicoff.

Ribicoff is up for re-election in 1974. Bob Homa, organizer of a Connecticut Citizens for Health Security Committee which is now forming, said that the group plans to let Ribicoff know that "his bill makes us ill."