

DEMOCRATIC LEFT

EDITED BY
MICHAEL HARRINGTON

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INSIDE

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Although it has been denied that the job is reserved for people with the initials JC, it is true that Jack Clark will hand over the reins of office to Jim Chapin this month. Marjorie Phyfe made the Democratic Party take notice with *DEMOCRATIC AGENDA*. Now she will do similar work for the Machinists.

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Unless those who defend SALT II also show that they understand the real threat of Soviet militarism, the arena of debate could move perilously Right, argues Alex Spinrad.

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Tax Debate Is Clouded

By Michael Harrington

THERE IS A CLOUD NO LARGER than a California initiative in the sky. It is one of many in the gathering storm over budget balancing either through state-wide initiatives or a Constitutional amendment. It is Paul Gann's proposal to limit spending increases by any jurisdiction in California to the rise in inflation and population.

Gann, of course, is the co-author of Proposition 13. In making this move, he is pioneering an approach that is gaining on the Right and raising issues that touch upon the national debate on tax policy.

That debate has tantalized some segments of the Left, for it holds out the theoretical possibility that the federal budget could be balanced by cutting military outlays and increasing the effective rate of taxation on the rich.

It is, I think, exceedingly foolish for the Left to seize upon this very, very theoretical possibility and join a budget limitation movement whose fundamental premises are reactionary and whose political victory would plug up that theoretical loophole. One does not persuade people to go beyond Franklin Roosevelt's New Deal by pandering to Herbert Hoover's critique. ¶

Gann and the reactionary tax movement in general make it extremely important that the democratic Left be clear

“One does not persuade people to go beyond Franklin Roosevelt's New Deal by pandering to Herbert Hoover's critique.”

about the complex issues involved. To that end, let me focus upon three crucial themes: deficits and inflation; tax cuts and productivity; and full employment and stagflation.

Deficits Not Inflation Cause

Federal deficits, it is said, by Jerry Brown as well as by Barry Goldwater, are the cause of inflation. Therefore, if you cut back on spending in Washington, by which everyone means social spending, you will have dealt with a major problem. This argument can be used to favor tax cutting which reduces the resources available to the government, or to justify outright spending limitations of the type Gann has urged in California. It is one of the most ubiquitous half-truths of these times.

First, the data do not show a simple deficit-inflation relationship. Between

1959 and 1965, as Walter Heller pointed out recently, the federal government ran sizable deficits and inflation rose at a rate of little more than 1 percent a year. Between 1974 and 1976, Heller noted, there were enormous deficits—\$135 billion in three years—and yet inflation fell. To this I would add the fact that in the period leading up to the 1974 double digit price rise, Richard Nixon was jamming on the fiscal brakes. The 1973 deficit was roughly one-third of 1972's figure.

Secondly, if federal deficits in general were not the cause of inflation, social spending in particular was most certainly not responsible. In 1976, Charles Schultze pointed out that all of the controversial "welfare" expenditures between 1965 and 1977 came to an extra 8.5 percent in the 1977 budget—or 1.7 percent of the Gross National Product. The sums involved, said Schultze, are "modest."

There is a certain truth to the expenditure argument. However, it applies to corporations, not to the government. The basic flaw of the capitalist economy is that unplanned production periodically outraces consumption in a market determined by the maldistribution of wealth, itself the precondition and the result of the production system. Since the Thirties, the answer to this problem has been for Washington to create effective demand sufficient to absorb that output. It has done so by enormously facilitating private, and particularly, corporate debt. Public debt as a percentage of GNP, Ernest Mandel documents in *The Second Slum*, has declined by about two thirds since 1946 (from 129.4 to 46.0 percent), while private debt has soared from 73.6 percent of GNP to 152.8. Governor Brown's austerity sermons should be addressed to the board room, not the welfare office. In addition, as James O'Con-

LETTERS

To the Editor:

I like the new magazine and the news it contains of merger discussions with the New American Movement. The strength and weaknesses of the two organizations are very symmetrical and some sort of systematic working relationship is long overdue. I know it would renew my activist impulses to see a more unified democratic left emerging.

Charles Keil
Buffalo, N.Y.



To the Editor:

I was dismayed to see that I was quoted out of context in the March issue of DEMOCRATIC LEFT, concerning a proposed exploration of a DSOC merger with NAM. Supposedly, I opposed the exploration because "NAM considers itself to our left." Your correspondent, however, neglected to report that in the

next sentence I went on to say that it is unclear what "left" means in such a context, "except a style and rhetoric which tends to alienate the mainstream of American people from socialism and socialists."

Incidentally, the NAM resolution was opposed for many other reasons: for example, the relatively small size of NAM, and the idea that we should let "a thousand radical flowers bloom." NAM may well play an important role as an autonomous organization, which it could not play if it were swallowed up by DSOC.

All in all, I do feel that the business of the NAM merger is relatively marginal and distracts us needlessly from our main DSOC goal: bringing democratic socialism into the mainstream of American political and social life.

Alex Spinrad
Washington, D.C.

To the Editor:

Tim Smart's article on the gloomy prospects for health care legislation (March 1979) does not go far enough.

In addition to support from the White House, the senator from Massachusetts and labor, as he noted, no substantial improvement in our system of health care will occur until and unless there is an organized grassroots movement which can elect a progressive Congress and effectively combat the corporate medical elite, typified by the American Hospital Association and the American Medical Association.

Thomas J. Gagliardo
Washington, D.C.

Letters to the editor must be signed. We reserve the right to edit for clarity and brevity. Please limit letters to less than 350 words.

DEMOCRATIC LEFT

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nor has shown, the government finds itself in a "fiscal crisis" because it must socialize the costs and losses of a private sector which retains only benefits.

Greater Profits Not Key To Inflation Battle

This leads directly to a second theme: that greater profits and more tax deductions for the corporations will result in higher productivity which will combat inflation. If the previous argument is right, that is tantamount to putting out a fire with gasoline. Let us look more closely at the details.

In the mid-Seventies, the notion of "capital shortage" came to the fore. The New York Stock Exchange, Treasury Secretary William Simon, the Chase Manhattan Bank and other such value-free researchers all argued that there was not enough capital to meet projected needs. Therefore, they said, the government should, in effect, legislate a higher return to investors by reducing capital gains taxes, increasing depreciation allowances, and the like. The "free entrepreneurs" were asking the Feds to provide their "risk" capital and to do so by holding down public spending.

In recent months, this argument has been bolstered by a new corporate thesis that profits are too low. The sky-high yields reported by them are, in this perspective, an illusion. They do not represent real gains but inflated dollars and inventories. *Business Week* admitted in its March 19 issue that the companies could easily correct this illusion by changing their accounting practices to reflect the new circumstances, but willfully

chose to keep the higher figures because that makes them look better on the market! A week later, the London *Economist* challenged the whole notion of a profit "illusion." It cited a Citibank report which "calculates that in manufacture the rate of return on net worth in 1978 was higher than in any year since 1950."

These embarrassing facts are all brushed aside by the apologists for big business. Because of the capital shortage and the profit illusion, they say, the government must reduce the levies on the corporations. Everyone will benefit because the enhanced productivity and competitiveness which will result will trickle down throughout the entire society. These arguments did not triumph in their radical form in the last session of Congress—the radicals were rightists such as the late Congressman Steiger of Wisconsin and Congressman Kemp of New York—but they did have an enormous impact. The 1978 tax cuts, the Council of Economic Advisors said in its 1979 Report, discriminated strongly in favor of families with less than \$10,000 a year or more than \$200,000.

But do these \$200,000 a year welfare recipients really put that money into new productive investments? Swedish socialist leader Olof Palme stated the reality in a recent volume in honor of Willy Brandt: "The owners of private capital," Palme noted, "show little confidence in the future anywhere in the world. Instead of investing in production, the big capitalists buy unproductive objects, which has led to a raging speculation in real estate and luxuries. Investments are rarely made which are clearly profitable and thereby create new jobs for the fu-

ture and new production capacity." Not too long after Palme made this comment, the *New York Times* confirmed it with particulars. The American rich, it said, were "hedging" against inflation by buying stamps, rare violins, art, etc.

Thus, leaving the basic contradictions of stagflation in place and lowering taxes will not have the impact of increasing productive investment and employment. It will most certainly exacerbate the maldistribution of wealth. The reason for this is an utterly capitalist truth which capitalists today do not like to think about. People are not going to invest in productivity when every morning's newspaper discusses not whether, but when, the next burst of stagflation is going to occur with soaring prices and rises in unemployment.

Full Employment Crucial

This poses the question of the third main theme of this brief analysis: the relation between full employment and stagflation.

Remember full employment? That was the critical issue before the nation, as Jimmy Carter saw it, during the 1976 campaign. But now, the concern for full employment has been abandoned in order to fight inflation. But, if the analysis made here of the current tax craziness is right, full employment is a key element to solving the problem of stagflation.

Barry Bosworth of the Council on Wage and Price Stability is probably the most interesting, and candid, member of Carter's economic team. Last July he told the Joint Economic Committee, "The fundamental reason we are not getting more investments today is that nobody



believes that the expansion will continue. They know inflation is accelerating, the federal government is restricting, and we are headed for a recession. So they reason, 'I don't need to build a new plant now.' " If that is true—and I think it is—it reinforces the point just made. Under such circumstances, those tax cuts for "capital formation" will be used for speculation, not productivity, and will create, not combat, inflation.

More to the point, a full employment economy would do more for the entire society—including the private sector—than all of those multi-billion dollar carrots we are handing out to the corporate rich. That, obviously, cannot be accomplished without an anti-inflation program and we have presented measures for that purpose on many occasions in these pages (sectoral remedies in the areas of food, fuel, health and housing; price controls for administered price oligopolies; a nationally owned oil and gas corporation; and so on). But the basic and fundamental fact is that further maldistributing wealth through rightist tax proposals will make our situation worse, and the society more mean. Lurking behind all of these symptoms is the basic reality: a crisis-prone structure of unplanned production and maldistributed consumption. In seeking partial solutions which are politically possible, it is critical that, at every point, the measures urged by the Left change those underlying structures. ■

Michael Harrington is the national chair of DSOC.

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Harrington-Kemp Debate

A videotape of a debate on "Tax Policy and the Economy" between Michael Harrington and Representative Jack Kemp (R-N.Y.) will soon be available from the Institute for Democratic Socialism (IDS). The debate, scheduled for April 25 in New York City, pits DSOC's chair against one of the rising stars of the New Right. IDS, co-sponsor of the event with the New York DSOC Local, received a grant from the Ford Foundation to tape the debate and make it available to public broadcasting networks, colleges, labor unions and other civic organizations for use in educational programs. Contact Institute Director Frank Llewellyn at 853 Broadway, Room 617, New York, N.Y. 10003 for ordering information.

Chapin Named as National Director

THE NATIONAL EXECUTIVE Committee elected James Chapin as national director of DSOC at its March 24 meeting, effective May 7. Acting National Director Jack Clark will remain in the National Office through mid-June to aid in the transition period.

A member of DSOC since its founding convention, Chapin has served on the National Office Committee since 1976 and has written extensively for the NEWSLETTER OF THE DEMOCRATIC LEFT. He holds a Ph.D. in American diplomatic history from Cornell University and has taught at Yale and Rutgers. He is the author of a high school government textbook.

He has been active in New York reform Democratic politics, both in his home borough of Queens and state-wide. His most recent post was as chair of the New York State New Democratic Coalition, a federation of reform clubs.

"The next six months will be busy as we build internally and gear up for 1980," Chapin commented. He cited



Photo by Gretchen Donart

office reorganization, the membership drive mandated by the Houston Convention, the fall DEMOCRATIC AGENDA conference, fundraising, and possibilities for joint work with the New American Movement and the International Association of Machinists as top priorities.

"We have to expand on as many fronts as we can manage," he said, noting that: "We and others will take DSOC seriously as we become bigger. Socialism can be the future and we at DSOC can help shape that future." ■

Phyfe Moves to Union

DEMOCRATIC AGENDA COORDINATOR Marjorie Phyfe has taken a new position with the Non-Partisan Political League of the International Association of Machinists. In this post she will engage in the coalition-building among the liberal-Left wing of the Democratic Party that she did with DEMOCRATIC AGENDA, focusing on the presidential primaries and the 1980 convention.

In her three years with DSOC, Phyfe, who was hired to work on Democracy '76, then became DEMOCRATIC AGENDA coordinator, greatly increased DSOC's visibility and political credibility. She will continue to be active in



Photo by Gretchen Donart

DSOC, serving both on the National Board and the National Executive Committee. ■

Fair Share Builds Where Liberals Rarely Tread

By Ron Bloom

IN 1973, SOME VETERANS OF THE welfare rights movement in Massachusetts united with local community activists to form Chelsea Fair Share. Their intention was to build a statewide organization of low and moderate income people around basic "bread-and-butter" issues. Chelsea Fair Share's first project was an effort to obtain free passage for Chelsea residents over the bridge connecting Chelsea and Boston. When chapters began functioning in East Boston and Waltham, Massachusetts Fair Share was born.

Today, Fair Share is a truly statewide organization with 30 chapters, 20,000 family memberships and 100 staffers. It has launched and carried out dozens of campaigns on neighborhood, city and state issues, in the process mobilizing working people on issues ranging from repairing potholes to forcing utility and insurance companies to lower proposed rate increases.

What are democratic leftists to make of Fair Share? This short article is an attempt to show what Fair Share is all about by discussing its basic political analysis and strategy as enunciated by its staff and members; reporting on three Fair Share "campaigns"; and offering some tentative suggestions about the importance of Fair Share and how DSOC should relate to it.

Sees Corporate Attack

Fair Share believes that since 1968 business has been on the offensive, seeking to convince people that social spending must be cut and that poor and working people must accept a lower standard of living in the name of business confidence. And so, this analysis continues, the absolute standard of living since



Photo by Rachel Eichenbaum

Fair Share constituents gather for a convention in Boston.

1968 has fallen for most Americans, causing their frustration to grow.

Fair Share is trying to organize a "counter-offensive" to this strategy. Boston staff director Miles Rapoport said Fair Share wants to "organize people around the very concrete issues of their economic well-being. This means . . . inflation and the increased costs of taxes, utilities, insurance, etc. Through this we hope to teach people, and learn with them, through their own experience, that there is a pattern; that the problems they are facing are due to specific decisions made by corporations and government. We want to show people that it is not that government is doing too much, but rather that corporations are not paying their fair share; that it is not workers and union contracts that are causing inflation, but specific decisions by Boston Edison and New England Telephone and others to raise prices."

This strategy differs in many ways

from the typical liberal approach, and Rapoport was quick to emphasize these differences. "Fair Share thinks that the people who are in what used to be called the 'silent majority,' who are being squeezed, can be united with the people who are traditional consumers of services (poor people) into a majoritarian movement for change. I think that, at least in Massachusetts, the people who would characterize themselves as liberals have written off that working class middle-income sector as too conservative. Liberals seem to think that the best we can do is help poor people survive Proposition 13, Ed King, Jerry Brown and the like. I think that is a no-win strategy. We must attempt to unite poor and working people. This means recognizing that the movement for property tax relief is not neo-conservative, rightwing and anti-government. It is a legitimate striving of people who are not winning the fruits of American capitalism, but who

are being squeezed, if not as hard as poor people, hard enough to give them reason for great anger."

Carolyn Lucas, a regional vice-president of Fair Share, has lived in Boston all her life. She was very direct about the problems facing our society: "Too few people make a lot of money and so many people don't make enough money. The big problem is inflation—everything costing more than people can make. Just trying to make ends meet is a day-to-day struggle for everyone. The villains in the inflationary spiral are not welfare, public employees or union contracts, but profiteering that is being done at a corporate level." For her, the basic solution must be "a more equal economic structure."

Three campaigns may help to illustrate the work that Fair Share does: a local fight in East Boston, the "flat-rates" campaign, and the fight for the classification amendment.

Coleridge Street in East Boston is quiet and residential, but its location attracts many driver-commuters who use it as a short cut, especially during morning rush hours. It is also near a beach where teenagers hang around on summer evenings, often drinking, then driving.

Nick Nyhart, the East Boston organizer for Fair Share, learned of the problem when he was going door-to-door trying to stir up interest on another issue. The problem was spontaneously mentioned by almost every resident on the street. Nyhart and a group of residents met and decided to ask local officials for a fence at the end of the street.

On the morning of the meeting, however, there was "a little pre-emptive action." As Nyhart described it, "we stopped traffic and handed drivers a flyer with a little 'Stop Sign' that said, 'Stop! This is not a thoroughfare.'" At the meetings that evening, 25 people crowded into a kitchen and informed local officials that "tomorrow we will sit down in front of the traffic if they did not put up the gate." They agreed to put up a 24-hour gate, except during the beach season when the road would be open from 9 to 9, avoiding the morning rush and late night drinking traffic.

This episode illustrates three important facets of the Fair Share strategy: (1) people are best organized on specific local, winnable issues; (2) through a campaign people are taught a sense of their own power; (3) their victory

helps to build Fair Share. The people on Coleridge Street now look to Fair Share as an organization that cares about their interests. Through activities on broader issues, they will become involved in the state-wide organization.

Because Massachusetts electric rates are lower for high volume users, Fair Share's major project in 1976 became a campaign to force the utilities to charge the same rate to all consumers. This proposal, known as "flat-rates," was almost pushed through the legislature, only to be killed by Senate President Kevin Harrington. Undaunted, Fair Share collected 80,000 signatures and had the proposal placed on the ballot as a referendum question, Question 7.

The business community mobilized an all-out war against flat rates and several other progressive proposals on the same ballot. They convinced every major interest in the state that a "yes" vote on Question 7 would turn Massachusetts into an industrial wasteland. Unions were told that flat rates would result in the loss of 30,000 jobs (based on a study which admitted that "energy costs are not considered explicitly in this study"). The unions responded by allowing the corporations to stuff pay envelopes with subtle messages like, "If Question 7 passes, you may lose your job." On Election Day flat rates went down to defeat by a margin of over 3 to 1.

In the months that followed, Fair Share carefully assessed what had happened. The campaign, disastrous as it was, did teach them some very important lessons. First, the "job loss" argument will always succeed if you do not have the unions strongly on your side. Second, a broad coalition is absolutely necessary when fighting against a united business community. Finally, it is not possible to win a referendum campaign without carefully built local organizations. At the time of the Question 7 campaign, Fair Share was still very small. It had then 2,000 members and active chapters

“... the 'job loss' argument will always succeed if you don't have the unions strongly on your side.”

in only a few areas. In Chelsea and Dorchester, where Fair Share had done serious local organizing, flat rates did fairly well.

Fair Share's 1978 fight for the classification amendment, Question 1, was, in many ways, the mirror image of the flat-rates campaign. Classification, which was necessary to prevent the shift of \$265 million in property taxes from business to homeowners and renters, attracted a broad coalition of municipal officials, labor, religious, and other community groups. In addition, Fair Share built many chapters with strong community roots through numerous neighborhood campaigns.

This defensive struggle, with the strong support of the labor movement, resulted in a 2-to-1 victory at the polls. In the Question 1 campaign, a broad-based coalition was built to resist at least some of the encroachments of corporate power which have so dominated the political landscape of the '70s. It also showed, without a doubt, that Massachusetts Fair Share had arrived.

Mistrusts "Big Government"

The leadership of Fair Share is, by and large, explicitly anti-corporate, with a solid understanding of the dominant role that business plays in American society. The organization's attitude toward the government, however, is more complex. Its membership has not been well served by the corporate-dominated state, and many seem to share the common mistrust of "big government." A major reason for Fair Share's success is their membership's belief that the organization can help them gain control of the government. When asked, Art Shepard, president of the Roxbury-Dorchester-Matapan chapter, said, "The government must become a government of the people, by the people and for the people. . . People ought to have more of a feeling that they are part of the government."

To their great credit, Fair Share has worked hard to convince the public that Proposition 13 is not the answer, and that property taxes must be reformed, not simply reduced. They have strongly opposed spending limitations and cuts in services.

Fair Share has a strong commitment to building coalitions, especially with the labor movement. In fact, there is

SOCIALIST NOTES

ONE OF THE FIRST MAJOR LOCAL CHALLENGES TO the Carter budget occurred on March 22 in Philadelphia when 3,000 CETA workers from nine AFSCME locals demonstrated to protest new federal guidelines limiting CETA workers to a maximum of 18 months on the job. The action was also directed at the cutbacks in funding for CETA, which under the Carter budget proposal would amount to 167,000 jobs being cut in the coming year. One hundred thousand were cut in this fiscal year. DSOC members in Philadelphia were active in planning and organizing the demonstration. The protest grew from a conference on jobs in which labor and community groups met to develop action proposals in the areas of runaway plants, CETA, community economic development and military conversion. DSOCers who worked on the march and conference see them, and the ongoing activities generated by the conference, as ways to translate the DSOC goal of full employment into concrete actions around specific jobs at the local level.

■ ■ ■

Sy Posner, former chair of the State Assembly Labor Committee, has revived the New York Labor Forum. In Washington, D.C., the labor luncheon series continues its string of successful meetings. A recent issue of *U.S. News and World Report* had an article on young radicals in the labor movement that mentioned the D.C. labor series and DSOC member Lance Compa.

■ ■ ■

The listing for the Sacramento Valley DSOC that appeared in the January issue incorrectly listed its location. The correct address is 3941 "K" St., Sacramento, Calif. 95816, phone: (916) 455-0925.

Los Angeles DSOC members were involved in the protests staged at the time of Vice President Mondale's appearance at a dinner there and in putting together the "Democrats for Change" ad that appeared in the *L.A. Times*.

■ ■ ■

Ithaca DSOC received publicity when it joined with several community and campus feminist coalitions to protest the presence of *Playboy* recruiters and photographers on campus. Among the slogans of the demonstration: "Don't sell your ass to the ruling class." DSOCers brought socialist analysis to bear, linking *Playboy's* sexism to corporate power and the oppression and trivialization of women to the oppression of men.

■ ■ ■

Eric Lee, the administrative assistant in the National Office, has left to work for the City of New York. In his two underpaid and overworked years on staff he improved office procedures and upgraded the graphic designs of many materials. We will miss Eric, but are pleased that he will continue as a volunteer for the National Office and will remain active in the New York Local as editor of the *Newsletter* and a member of the Executive Committee.

■ ■ ■

Socialist Notes will feature items written by Nancy Kle-niewski, formerly an editor of *Grass Roots*. She will focus on local activities that will address the question of how to apply DSOC's general policies and projects to work in the locals. Please send questions, ideas, reports of activities (successful or otherwise!) and reactions to the column, as well as your local newsletter, to her at 3308 Baring St., Philadelphia, Pa. 19104.

talk within Fair Share of trying to put together in three to five years a permanent organization, centered on the labor movement and Fair Share, that would be the focus for progressive activity in the state. Some union activists are eager to work with Fair Share, but doubts do remain. One progressive labor leader, while admitting the positive role that Fair Share played in the Question 1 Coalition, also pointed out, "Fair Share needs victories to survive, so every victory must be a Fair Share victory." He felt that many unions are wary of Fair Share, and added that he himself would prefer ad-hoc issue oriented coalitions to a more permanent structure.

Fair Share has received its strongest criticism from community groups. It is sometimes alleged that Fair Share comes

into an area and acts without regard for existing neighborhood groups. Fair Share, it is said, always dominates coalitions, and usually allows smaller groups to play only a subservient role.

There is bound to be some friction when an aggressive group moves into a new area, and at least part of it results from probably inevitable conflicts. However, there does seem to be insufficient sensitivity on Fair Share's part to smaller, less powerful organizations. This is undoubtedly a problem, but need not be a fatal flaw.

When conservative Democrat Ed King won last fall's gubernatorial election, many observers expected Massachusetts politics to shift sharply rightward. Fair Share's strength in the blue collar communities King sees as his

base has acted to brake that conservative movement. At the same time, King's austerity policies are likely to give Fair Share "many organizing opportunities," according to Carolyn Lucas.

Ed Clark, Director of the Organization for the New England Regional Joint Board of the Amalgamated Clothing and Textile Workers Union and a DSOCer, is enthusiastic about Fair Share. He observes that, "In order to move people, you have to get sufficiently close to them to be able to talk to them. You have to convince them that you and your ideas can be of direct and immediate benefit to them before you can move people further to the left." ■

Ron Bloom is active in the DSOC—Local Boston.

Left Must Go on Offense On Defense in SALT II

Last month DEMOCRATIC LEFT opened a dialogue on the Strategic Arms Limitation Treaty (SALT II) in which it invited comments from Harry Boyte, Patrick Lacefield and Alex Spinrad. Boyte's and Lacefield's comments appeared in the April issue. Spinrad's are printed below.

By Alex Spinrad

WHILE THE RATIFICATION of SALT will be an important Congressional issue in the next half year—not only for the democratic Left, but for our very survival — it must not become the exclusive property of those who consistently discount the aggressive nature of the Soviet Union, and thus argue for unilateral disarmament. Indeed, while we reject Carter's rightist moderation on domestic issues, his insistence that support for SALT be linked with a strong national defense posture deserves commendation.

Soviet Threat Is Real

Most of the American working class clearly understand the dangers inherent in the most important development of the coming decade: the decline of American power and the concomitant rise of Soviet expansion.

While 80 percent of the American people support SALT, by almost equal margins they view the rise of Soviet imperialism as the major danger to world peace.

This emergent reality is precisely why a SALT treaty is urgently needed. Harry Boyte is correct when he argues that the defeat of SALT would be a blow to prospects for peace and thus to economic progress and equality. The reasons why, however, do not have to do with a Tolkienesque conspiracy by the military to destroy democratic gains.

Rather, in the absence of SALT, pressures from all strata of society—including a staunchly anti-Soviet working class—will mount for military expenditures to erase the strategic gap threatening the West's security.

Thus, SALT can and should be seen as a precondition, not only to the defeat of American militarism, but to the curbing of the truly resurgent militaristic threat today—that of the Soviet Union.

Unless we make the argument for SALT based on present reality, the SALT treaty may be seen as being supported only by those who choose to ignore that reality. The result could be defeat of the treaty. In such a case, even moderate Left criticism might scarcely be brooked. A frightened working class is hardly a locomotive of social change.

We must make the argument for SALT and strong national defense, not acceptance of an enfeebled democratic world.

West Responds to Build-ups

It is exaggerated and simplistic to suggest that the Soviet Union is about to achieve strategic hegemony, or that it is gaining in influence in the world. However, it is true that where Western colonialism and imperialism have retreated, they have often been replaced by Soviet (or Cuban, or East German) opportunistic adventurism. These advances have often been made in areas of the world which are vital to the West's strategic interests.

Thus, it is impossible to artificially segregate the problems of SALT, disarmament and Western security.

As one pundit has noted, "All power is the illusion of power." The perception of a weak West—regardless of its basis in fact—may profoundly erode the democratic world's strategic positions.

Even the Italian Communist Party has called for the maintenance of a strong NATO. Such strength would provide a military counterweight to Stalinist intervention in the event of a real opening for socialist transformation.

A relatively democratic Turkey, with a significant democratic socialist movement, may be on the brink of Iranianization. The loss of Turkish strategic listening posts would deal a significant blow to our strategic posture and would make the job of monitoring compliance with SALT (a major issue in the upcoming debates) even more difficult.

“A frightened working class is hardly a locomotive of social change.”

All this is not to say that the fall of the West is at hand. But it must suggest that the arms race is not merely the result of an insurgent militarism in the U.S. Rather, it is aptly described as a spiral in which subtle shifts in power relationships lead to build-ups on both sides.

It is naive to suggest that for the West to disarm in the absence of a Soviet agreement to do likewise will significantly lessen international tension.

Democratic Foreign Policy

Not so long ago, the Left used the slogan of a “democratic foreign policy” to describe its international perspective. It is now time to revive that idea.

If democratic socialism is relevant at all to international politics, its unique contribution is a fervent belief that politics can no longer be confined to national boundaries. In the age of multinational corporations and transnational markets, even economic policy cannot be made without reference to so-called “foreign”

policy. We have truly signed up in the same struggle as our brothers and sisters in Africa, Asia, Europe and South America.

Just as American socialists are no longer just Americans, so the United States must learn that it can no longer intervene unilaterally anywhere in the world. But that understanding need not fill us with the gloom afflicting some disappointed American militarists. Our modestly successful "human rights" policy can point the way to a new, truly multilateral, *democratic* foreign policy—

a policy in which interventionism is replaced by firm and forthright support for the extension of political and social democracy throughout the world. If done in conjunction with our democratic colleagues on every continent, this new democratic and socialist perspective could revolutionize world politics. The SALT debate might be a good place to start. ■

Alex Spinrad is a union lawyer in Washington, D.C., a member of the DSOC National Board and Vice Chair of the D.C./Md. Local.

Strike Divides German Labor

By Andrei S. Markovits
and Christopher S. Allen

WEST GERMANY HAS JUST witnessed one of its most intense labor conflicts since World War II. On November 28, 1978 over 40,000 workers struck Germany's major iron and steel plants, including such multinational giants as Krupp and Thyssen, following bitter and protracted

negotiations which ended unsuccessfully and were followed by an affirmative strike vote on the part of 88 percent of the affected workers.

This was the first iron and steel strike since 1928, when, in an uncannily similar situation, capital succeeded in weakening and dividing the German labor movement. Three days later the German iron and steel manufacturers

locked out an additional 40,000 workers and by the end of December a total of 100,000 were either on strike or had been locked out. Although officially settled on January 6, 1979, the importance of the strike lay not only in its rarity but in the severity of its tone and the generally tense atmosphere hitherto largely absent from German industrial relations.

An important aspect which generated and characterized much of this tension was capital's rapid use of the lockout, a historically frequent tactic on the part of German business throughout the 20th century. Aside from being either illegal/unconstitutional or unused in other European countries, this measure perturbed labor for two additional reasons: capital's appropriation of the lockout as a weapon in the class struggle following the assumption that it represents an equivalent countermeasure to labor's use of the strike; and the industrialists' conscious attempts to deplete the strike funds of IG Metall, the German metal workers' union.

Goal of Shorter Work Week

The union, the world's largest with 2.6 million members—over one-third of the organized German working class—saw the strike's major objective as the implementation of the 35-hour week. The reasons for this demand lay beyond mere increased leisure time for the individual worker. Since 1960 over 120,000 jobs have been lost in the iron and steel industry. This work force reduction has been part of a conscious decision by German steel to increase profitability at the direct expense of its workers. Methods have included the export of capital to countries with much lower wage rates, massive layoffs and concomitant under-capacity utilization measures which the German steel workers call literally (and in English), "Jobkillers."

IG Metall, rather than demanding more wages in a Gompers-like fashion, sees the 35-hour week as an integral part of a coordinated working class strategy to address the issue of unemployment head-on. This strategy would bring about a job-sharing scheme that could provide increased work opportunities for over one million German unemployed. This policy represents a conscious choice in favor of employment for all instead of



Steel strike this winter affected mills in the Ruhr area. German Information Center

Continued on page 11

WHAT'S LEFT TO READ

By Ronald Radosh

Marxist Perspectives 5 (Spring 1979) Vol. 2, no. 1 \$4.50; Cliomar Corporation, 420 West End Avenue, New York City, N.Y. 10024. Subscription: \$18.00 per year.

IN ITS FIFTH NUMBER, THE EDITOR OF *Marxist Perspectives* writes, perhaps somewhat prematurely, that "Marxism as an intellectual force has come of age in the United States." To those who argue that Marxism is an outdated dogma, as well as a narrow form of economic determinism, Eugene D. Genovese retorts that Marxism is a process, that Marx began the analysis of human history as a product of class struggle. "From that starting point on," he puts it, "everything is wide open."

The journal he edits is designed to establish the intellectual legitimacy of Marxism. It is carefully non-political in the sense that it avoids entering the sectarian squabbles of the organized Marxist Left, and it considers the intellectual work within its pages to be acts of political intervention. Moreover, it is unique in that it regularly opens its pages to serious contributions from both conservative and liberal opponents of a Marxian perspective, so long as they prove worthy challengers to their Marxist critics.

The best example of what its editors hope to accomplish in no. 5 is the especially brilliant and provocative essay by Michael Walzer, "A Theory of Revolution." Offering a theoretical overview of the relation of class and vanguard in the revolutionary process, Walzer redefines the meaning of Thermidorian reaction, which has usually been explained as a period of backsliding to the earliest stage of a revolution.

Walzer asserts first that vanguards grow when a class is unaware of its own revolutionary potential; i.e., "the more organized the class, the less powerful the vanguard." A Western proletariat, he writes, will resist vanguard initiatives more strongly than other groups for Marxist reasons: "Everyday life tends to produce among workers very high levels of solidarity and political sophistication and relatively tight defensive organizations."

Thermidor, Walzer writes, is not a period of counter-revolution. Rather, it marks "the self-assertion of the revolutionary class against the politics of the vanguard." In the case of the Bolshevik Revolution, both Kronstadt and the Worker's Opposition were, in Walzer's terms, "failed Thermidorian tendencies," while the Terror represented the politics of the vanguard in control, an era of "dictatorial imposition of vanguard ideology." In that revolution, the vanguard played the role taken by the Western bourgeoisie in past times. It generated hierarchical structures similar to those existing in bourgeois societies, but with "different ideological justifications and disguises." The purpose was self control and labor discipline needed for industrialization.

Walzer skillfully weaves a case for the preference of Thermidor in the revolutionary process. The power of vanguards, he asserts, is greatest where the mass base of a revolution is least organized. Thus the dictatorial outcome of Bolshevism was determined by the inability of the revolutionary class to sustain Thermidorian politics. In that set of

circumstances, the vanguard won power and made dictatorship permanent. A Thermidorian victory, had it taken place, would have revealed the revolutionary class resisting the vanguard and building a society in its own image. "No vanguard victory is possible without radical coercion," Walzer emphasizes, and he insists upon the superfluous nature of a vanguard. Thermidor, he concludes, is far from counterrevolution. In reality it is "the fulfillment of Marx's vision of counterrevolutionary politics."

This issue also contains an informative and exclusive article by Roy Medvedev, in which the noted Soviet dissident evaluates the state of his dissident community in 1977 and 1978. He reaffirms the continued need within the USSR for opposition and dissent, and predicts the slow growth of dissent in coming years.

■ ■ ■

The New Republic. Available by subscription from P.O. Box 705, Whitinsville, Ma. 01588, \$24 per year, \$17.00 per year for students.

FROM *The New York Times* TO ALEXANDER COCKBURN in *The Village Voice*, editor Martin Peretz and *The New Republic* have come under recent criticism for having taken a turn to the right. Supposedly TNR now displays the Cold War conservatism found regularly in the pages of *Commentary*. So I think it appropriate to use this column to state that this growing attack on TNR is unwarranted and inaccurate.

True, there is much in TNR's pages that socialists will disagree with. But one comes to appreciate the unexpected in a journal of opinion, and to value having a magazine that continually challenges one's own preconceptions. TNR's liveliness comes through when it runs longtime columnist John Osborne's pro-Carter coverage of Bella Abzug's dismissal, and precedes it with an editorial supporting Bella and condemning Carter. In a recent issue, William Shawcross reports on Cambodia and Vietnam, and brings us the kind of balanced and knowledgeable reporting absent elsewhere. TNR's editors carefully distinguished themselves from unreconstructed Cold Warriors when they editorially warned that China "wants us to drop all pretense of detente and to join . . . in unremitting hostility to the Soviet Union," a course which TNR disapproves.

During the past few months, TNR has featured Michael Harrington's critique of Kolakowski, Eugene D. Genovese on slavery, *Monthly Review* editor Paul M. Sweezy on inflation, as well as Irving Howe's incisive study of the new neo-conservatives. All this hardly illustrates a turn towards the right. One suspects that some of the criticism derives from opposition to TNR's unabashed defense of Israel—as if such a posture disqualifies one from being considered part of the Left. ■

Ronald Radosh, author and historian, teaches at Queensborough Community College and the Graduate Faculty/CUNY.

STEEL STRIKE, from page 9
higher wages for some. German unions in general, following their Marxist heritage—thus quite different from the business unionism of most American unions—have always spoken in the name of and for all German workers.

The final settlement, however, fell short of the above-stated goal. It called for a 4 percent yearly wage increase, four to six work-free yet fully paid shifts per year for night shift workers, two to three work-free yet fully paid shifts per year for workers over fifty, and vacation

“Capital has won this round, but it may prove to be a Pyrrhic victory.”

increases reaching six weeks per year by 1982. Midway through the strike IG Metall decided to drop its unilateral claim for a 35-hour week and began to call for the “Einstieg in” (approach toward) this coveted goal.

Reformism Influences Unions

One explanation for this compromise may be seen as part of the other major historical strain within the German labor movement, a reformist social democracy. This reformism results in defensive responses in the conflict with capital as opposed to offensive measures which would attempt to initiate and determine structural changes in the entire framework of industrial relations. Moreover, there is evidence that the demand for the 35-hour week as an important political target emanated more from the militant segments of the rank and file than from the union leadership. The pressures of capital's strategies, which included the lockouts and an intensified public relations campaign in the country's media against the strikers, in addition to IG Metall's rapidly depleting strike funds, further encouraged these reformist tendencies. In the end, the union was forced into a balancing act between the strength of capital and its own militant rank and file. The latter's displeasure with the settlement received added weight during the week of January 7-13, 1979, when almost 50 percent of the striking steel workers refused to ratify the contract.

It is not by chance that capital chose

to exchange longer vacations and slightly higher pay checks for the implementation of the 35-hour week. The reasons seem clear: the latter could potentially threaten the employers' ability to determine important aspects of the nature of the work place, thus impairing their control over labor. Capital has won this round. But due to the general desire of most German trade unions to make the 35-hour week a major demand of their future industrial and political strategy, and the increasingly significant German working class' growing militance, it may prove a Pyrrhic victory. ■

Andrei S. Markovits, of the Department of Government at Wesleyan University, and Christopher S. Allen, of the Department of Politics at Brandeis University, wrote this article while in the Federal Republic doing research on the German political economy.

Chicago Thomas-Debs Dinner

The 9th Annual Thomas-Debs Award Dinner of the DSOC Chicago Local will be held Sunday, May 6. It will honor Addie Wyatt, Vice-President, Amalgamated Meat Cutters and Butcher Workmen, AFL-CIO and will feature Irving Howe, editor of *Dissent*, as the main speaker. Tickets are \$17.50 per person from the Thomas-Debs Dinner Committee, 53 W. Jackson, Room 804, Chicago, Ill. 60604.

■ ■ ■

Stratification Chart

A 45" x 35" four-color chart showing income and socio-professional classifications of the American population is available from DSOC. The chart, an excellent teaching tool, was developed by Stephen Rose and Dennis Livingston. Order from DSOC, \$6 postage paid.

CAPITAL QUOTES

“It is in my opinion as absurd to praise the profit motive—that is economic action based on self-interest—as it is to condemn it. The human impulse to such action is like the sexual impulse, a natural fact.”

Irving Kristol
Wall Street Journal
February 20, 1979

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JIMMY HIGGINS REPORTS

FROM SDS TO KKK—The weird sect known as the U.S. Labor Party or National Caucus of Labor Committees has long annoyed and fascinated leftists and unionists. Who are they and what are they up to? At least some of the answers emerge in an article by former NCLC member Greg Rose in the March 30 *National Review*. As Rose explains it, the NCLC, after going on a binge of anti-Left violence in 1973, began making an explicit turn to the far Right in 1974. A 1975 NCLC "Security Memorandum" outlined the advantages of approaching right-wingers: potential recruitment; fund-raising possibilities; important alliances to defeat "Rocky's (Nelson Rockefeller's) fascism with a democratic face, the liberals and social fascists. We can cooperate with the Right to defeat this common enemy. Once we have won this battle, eliminating our right-wing opposition will be comparatively easy." Rose recounts NCLC contact and cooperation with the Liberty Lobby, the Klan, the American Nazis, and the remnants of George Wallace's 1968 third party. In part, this joint work has been carried on by the NCLC and the U.S. Labor Party directly, in part through fronts such as the Fusion Energy Foundation and the International Press Service. According to Rose, NCLC leaders have had extensive contact with the Iraqi and Soviet governments, and speculates that the infiltration of the American Right is being carried on at least partly in their interests.

IMAGINE A STRIKE where workers are being paid \$3 an hour and wages are not the major issue. That's the situation in Laurel, Miss. where members of the International Chemical Workers are striking Sanderson Farms. The workers, who are chicken processors, say that the company allows them only three trips to the bathroom per week and denies them vacations. Laurel is in a corner of the South the civil rights movement never touched, but this struggle is bringing black and white together in the tradition of Martin Luther King.

HARDHATS HIT BACK—Chic stereotypes of the early '70s pictured construction workers and their union as the hardest

core reactionaries. In fact, this decade with its high unemployment rates and anti-union prejudices has hit the hard hats hard. Two major legislative efforts to reform labor practices and allow industrial picketing rights to building trades crafts were defeated in 1976 and 1977. Now, the Republicans are resurrecting one of Nixon's weapons against the construction unions: repeal of the Davis-Bacon Act. Davis-Bacon requires prevailing wages (read union scale) on all federal construction projects. The conservatives want to gut prevailing wages to weaken the unions and to fight inflation. But in fact, all the other costs in constructions (materials, land, interest rates) have risen faster than wages. The Building and Construction Trades Department of the AFL-CIO campaign against this reactionary effort is being ably conducted by Vic Kamber, who ran the labor law reform task force last year.

NEW PHOBIA ON CAPITOL HILL—It's called "fear of social spending" and it's hitting even the most avowedly liberal legislators. Now Senator Alan Cranston (D-Calif.) has dropped his Child Care Act of 1979 from the list of priorities of the Senate Human Resources Committee. Cranston has championed some form of the legislation through at least two sessions of Congress and amassed a powerful record of facts and personal history that more than proves the need for a national child care program. He pushed the bill to a back burner on the eve of a mark-up session, blaming the Administration for failing to back the bill. He also attacked the right wing for misrepresenting its contents. But, surprisingly, he took a swipe at the child care advocates who have stood by his side in fighting for such legislation, saying their "divisions prevent the kind of national public educational effort needed to enact a bill like S-4." Proponents who have struggled long and hard to win passage of such legislation were furious. Among the groups was the Coalition of Labor Union Women whose President Joyce Miller noted: "It seems very strange indeed that the advocates of child care who have worked untiringly for its passage are the ones who are blamed for its demise."

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