

Bulletin

weekly organ of the workers league

HOOVER
JUL 30 1976
INSTITUTION

VOLUME NINE NUMBER TWENTY THREE 298

JUNE 11, 1973

FIFTEEN CENTS

LABOR MUST ACT!

● **New Evidence Reveals Nixon Complicity--**

● **Gold Soars To \$126**
● **Scandals Rock Wall Street**

BY DAVID NORTH

The labor movement must act to force Nixon out of office and construct a labor party as the alternative to his discredited administration. The urgency of such action is shown by the eruption of the worst economic and political crisis since World War Two.

During the past week, the convulsions within the world monetary system and the movement of the domestic economy toward sharp recession express the maturation of the crisis which was prepared on August 15, 1971, when Nixon was forced to end the convertibility of the dollar into gold.

Hailed at the time by capitalist economists, Nixon's attempt to solve the inflationary crisis by thumbing his nose at the law of value has now led to a situation where all the vital indicators of the economy point toward collapse.

•Gold reached a record high of \$126 on the London bullion market Tuesday as the price of the precious metal continues to jump an average of three to five dollars a day.

•The dollar hit the floor against all major European currencies, falling below 2.60 marks and 3.07 Swiss francs. This represents more than an eight percent decline in the value of the dollar since it was devalued for the second time last February. "Everywhere you go, Europeans are saying 'Watergate, Watergate, Watergate,'" complained an American banker. "People who have dollars are dumping them."

•Reflecting the weakness of the dollar, the Eurodollar Bond Market was hit last week by heavy selling, causing serious losses to banks and threatening investments in Europe.

•Share prices on the New York Stock Exchange plunged to an 18 month low on Monday, with the Dow Jones average down to 885.81. Since January 11, the value of the stock market has declined 16 percent.

•Major business indicators selected by the government were unfavorable for the first time since October 1970. The tendency toward slump is being deliberately aggravated by the Federal Reserve and large private banks through the restriction of credit.

DIVISIONS

However, major divisions have developed between the government and the most powerful section of financiers over the issue of credit. It is no accident that important disagreements have merged over this question because, in formulating a policy dealing with credit, the capitalist class must come to grips with the very nature of the economic crisis—which is rooted in the overproduction of capital through the fraudulent mechanisms of credit and paper currency.

During the recent weeks, bankers have moved toward raising the credit rates and have attempted to hold back lending. Former Federal Reserve chief McChesney Martin told a Senate finance committee that the US is "drowning in a sea of credit" and that this had to be changed even at the cost of a recession.

Bankers are complaining that the Nixon Administration has sabotaged their efforts to end the inflationary boom by using its powers to hold down the prime interest rate, that is, the minimum lending rate to the most important industrial concerns.

Furthermore, they have remarked that Nixon has shown no serious desire to actually restrain inflation. One banker bitterly remarked to the New York Times that Nixon's public statements about restraining credit "is a stage setting device to divert attention from the central bank to the well-known, evil and generally unpatriotic behavior of the commercial banks."

Prospects of holding down

(Continued On Page 16)



Bridgeport, Conn. IUE Local 203 workers. Strike sentiment grows among 100,000 GE workers as union leaders drop news blackout on contract negotiations. This contract is seen as the pace setter for all major union contracts coming up this year. See feature page 5.



INSIDE

Behind the Watergate Scandal--

The Plot Against the Working Class

See page 9-12

Bulletin

weekly organ of the workers league

VOLUME NINE NUMBER TWENTY THREE 298

JUNE 11, 1973

FIFTEEN CENTS

LABOR MUST ACT!

● **New Evidence Reveals Nixon Complicity-**

● **Gold Soars To \$126**
● **Scandals Rock Wall Street**



Bridgeport, Conn. IUE Local 203 workers. Strike sentiment grows among 100,000 GE workers as union leaders drop news blackout on contract negotiations. This contract is seen as the pace setter for all major union contracts coming up this year. See feature page 5.

BY DAVID NORTH

The labor movement must act to force Nixon out of office and construct a labor party as the alternative to his discredited administration. The urgency of such action is shown by the eruption of the worst economic and political crisis since World War Two.

During the past week, the convulsions within the world monetary system and the movement of the domestic economy toward sharp recession express the maturation of the crisis which was prepared on August 15, 1971, when Nixon was forced to end the convertibility of the dollar into gold.

Hailed at the time by capitalist economists, Nixon's attempt to solve the inflationary crisis by thumbing his nose at the law of value has now led to a situation where all the vital indicators of the economy point toward collapse.

•Gold reached a record high of \$126 on the London bullion market Tuesday as the price of the precious metal continues to jump an average of three to five dollars a day.

•The dollar hit the floor against all major European currencies, falling below 2.60 marks and 3.07 Swiss francs. This represents more than an eight percent decline in the value of the dollar since it was devalued for the second time last February. "Everywhere you go, Europeans are saying 'Watergate, Watergate, Watergate,'" complained an American banker. "People who have dollars are dumping them."

•Reflecting the weakness of the dollar, the Eurodollar Bond Market was hit last week by heavy selling, causing serious losses to banks and threatening investments in Europe.

•Share prices on the New York Stock Exchange plunged to an 18 month low on Monday, with the Dow Jones average down to 885.81. Since January 11, the value of the stock market has declined 16 percent.

•Major business indicators selected by the government were unfavorable for the first time since October 1970. The tendency toward slump is being deliberately aggravated by the Federal Reserve and large private banks through the restriction of credit.

DIVISIONS

However, major divisions have developed between the government and the most powerful section of financiers over the issue of credit. It is no accident that important disagreements have merged over this question because, in formulating a policy dealing with credit, the capitalist class must come to grips with the very nature of the economic crisis—which is rooted in the overproduction of capital through the fraudulent mechanisms of credit and paper currency.

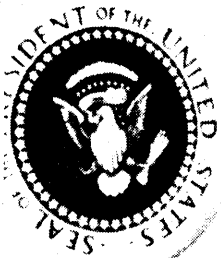
During the recent weeks, bankers have moved toward raising the credit rates and have attempted to hold back lending. Former Federal Reserve chief McChesney Martin told a Senate finance committee that the US is "drowning in a sea of credit" and that this had to be changed even at the cost of a recession.

Bankers are complaining that the Nixon Administration has sabotaged their efforts to end the inflationary boom by using its powers to hold down the prime interest rate, that is, the minimum lending rate to the most important industrial concerns.

Furthermore, they have remarked that Nixon has shown no serious desire to actually restrain inflation. One banker bitterly remarked to the New York Times that Nixon's public statements about restraining credit "is a stage setting device to divert attention from the central bank to the well-known, evil and generally unpatriotic behavior of the commercial banks."

Prospects of holding down

(Continued On Page 16)



INSIDE

Behind the Watergate Scandal--

The Plot Against the Working Class

See page 9-12

Chile Strikers Battle Police At El Teniente

BY
A REPORTER

Striking Chilean miners at the world's largest copper mine, El Teniente, battled riot police as their strike went into its 45 day.

Strikers hurled dynamite charges and erected flaming barricades across intersections at the police, who fired their sub-machine guns into the air. There have been reports that one striker has been killed.

As Chilean workers openly defy the government, the right-wing opposition is consolidating its forces for a showdown with President Salvador Allende. Eduardo Frei was elected President of the Senate May 23 and is uniting the centrist and conservative opposition to Allende.

Chile is now closer to civil war and a right-wing coup d'etat than at any time since Allende's election.



Greek Premier Papadopoulos.

Greek Navy Officers Abort Rebellion Against Colonels

BY DIANNE ISAACS

Last week the military dictatorship in Greece was rocked by the biggest threat to its six year rule since King Constantine's attempted counter-coup in 1967 as 32 senior officers in the Greek Navy attempted to mutiny three ships on May 23.

In the wake of over 200 arrests, Premier George Papadopoulos decreed Greece to be a "republic" and promised elections in 1974. This move insures that Constantine, who presently lives in Italy in a self-imposed exile, will have no legal recourse for political influence in Greece.

But the colonels' regime—which justifies its dictatorship on the basis of "national unity"—is in a weakened position to deal with the working class now that it has been clearly revealed that there are such deep divisions in the ruling class.

That any further opposition to the dictatorship would be met with military suppression was made clear by government spokesman Vyron Stamatopoulos, who stated: "No attempt to return to the past is possible or will be tolerated."

A communique from the Ministry of National Defense issued May 28 claimed that the mutineers had planned to seize the Greek fleet, take over some Aegean islands, appeal to the Army and the Air Force to join them, and demand the resignation of the regime. At no point did the rebelling section of the military have any intention of appealing to the masses, but rather sought a palace coup to restore "democracy" in Greece.

The colonels thus had no dif-

ficulty in promptly arresting the mutiny before it even started. Only one ship, the "Velos" under Captain Nicholas Pappas, left NATO exercises during the rebellion and sailed to Italy. Stamatopoulos stated that the two leaders of the mutiny, retired vice admirals Constantine Engolfopoulos and Ioannis Mineos, were arrested May 22 along with Captain George Konofaos and 31 senior officers in Athens. Since Athens is still considered to be in a state of siege, the officers face a possible death penalty.

CONSTANTINE

King Constantine denied any connection with the attempted coup in a press conference June 2, but had stated in 1969 that any attempt to oust the colonels would "most likely come from the Navy." Perhaps the most revealing statements on the nature of the coup came from Captain Pappas, who chose exile rather than provoke a civil war.

He denied trying to contact King Constantine or having either "royalist or communist" sympathies. His greatest concern seems to have been over NATO:

"How can Greece ensure the defense of NATO's eastern flank when half of her military officers are in jail and the other half are busy guarding them?" He further revealed that:

"My action could have been more dynamic. For instance, I could have sailed to some Greek island with the 8000 rounds of high explosive ammunition I had on board. Under the threat of cannons we could have demanded anything—as a minimum the liberation of all our fellow officers who are detained. But I didn't do it because I hadn't taken the decision to provoke a bloodbath and a civil war in Greece."

Building the section of the International Committee of the Fourth International is imperative for the Greek working class to overthrow the colonels.

Letter From Peru 'Our Party Cannot Be Crushed'

The following is a letter sent to the International Committee of the Fourth International from the jails of the military dictatorship in Peru by our comrades of the Liga Comunista. Leading members of the Liga Comunista have been thrown in jail, tortured and their press has been confiscated. We salute their heroism and call on the trade unions and all working class organizations to demand their immediate release and the restoration of all their rights.

To International Committee comrades. From the central committee of the Liga Comunista and members of the Liga Comunista:

"We are writing to you from the State Security prison. We are being held in a filthy cell hardly 20 meters square with more than 25 comrades who were arrested in Lima, Moquegua, Arequipa and Puno: we are all students and workers who have been accused by the dictatorship of 'inciting' the people to defend their material historical interests, and of threatening the safety of the military government.

We have been in prison for about five days during which time we have been harshly interrogated by members of the State Security forces.

During our interrogation on the first three days in prison we were not allowed to sleep. It would take a long time to list the wretched savagery of the instruments of repression of the bourgeois state against all those participating in the struggles of the working classes and peasantry.

Now we are completely uncertain of our legal position. However, the whole repressive apparatus of the bourgeois state has not been able to lessen in the slightest our communist convictions, but on the contrary it has fully confirmed every one of our positions against the military dictatorship, against their anti-working class policies against wages, trade unions, and jobs of

the working class, the youth and peasantry.

Our arrest and the destruction of our press is for us a circumstantial event in our struggle for socialism. Bourgeois repression has for the moment succeeded in silencing the only revolutionary weekly in Latin America, but that will not be for long.

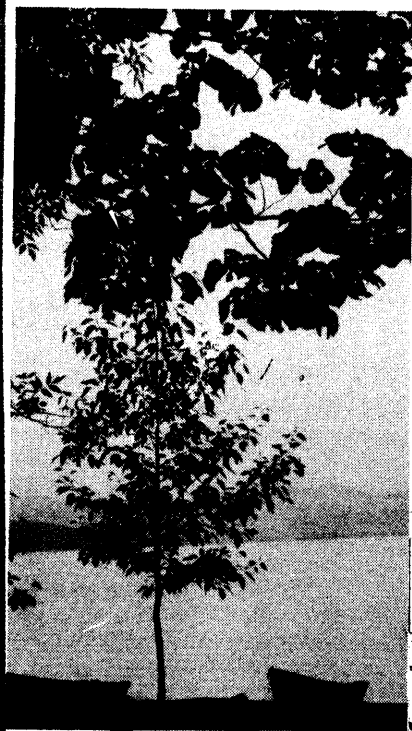
Comunismo will come out again with more strength than ever and will be read by the masses in spite of the bourgeoisie and its Stalinist agents within the workers' movement. It will be a guide and a lead to the proletariat in Peru and Latin America and organize the party and the working class.

This is not just some mystical recourse of rhetoric. This is a conviction born of ten months' experience; a conviction fully confirmed by our arrest and torture in prison, our relations with workers and students in prison and the present situation nationally of the working class.

The most advanced sectors of the Peruvian proletariat have lived for a period of ten months the experience of the Marxist, materialist view of the world surrounding them. They receive this experience through the pages of *Comunismo*, in the experience of the struggle against the bourgeoisie, the opportunists, the bureaucrats and Stalinists.

Today the proletariat in the provinces is coming out onto the streets and showing in its actions

(Continued On Page 16)



The Workers League and Young Socialists
invite you to our first

SUMMER CAMP

in the beautiful Laurentian Mountains of
Quebec, Canada

August 25 to September 2, 1973

Nine full days and nights of recreation and education including five lectures on the history of the American labor movement, contradiction, economy, the political development of Canadian labor and an introduction to Marxism.

The camp will be held in the heart of the beautiful Laurentian Mountains. Cabins with running hot water and heat are located on a private lake. All meals included; only a sleeping bag is necessary.

Recreation includes everything from boating and basketball to hiking, fishing, and Canadian broom ball. Special trips will be arranged to Montreal for sight-seeing.

EAST COAST: \$50

MIDDLE WEST: \$60

WEST COAST: \$75

All costs include pooled transportation, lodging and all meals. For more information/reservations, write or phone: 7th Floor, 135 W. 14 St., New York, N.Y. 10011. (212) 924-0852.

Chile Strikers Battle Police At El Teniente

BY

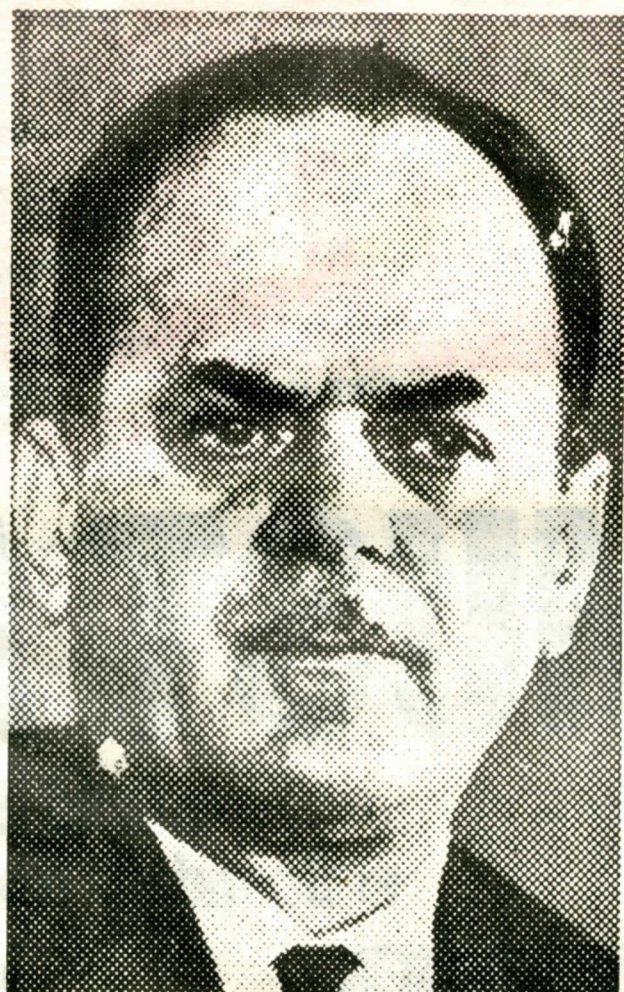
A REPORTER

Striking Chilean miners at the world's largest copper mine, El Teniente, battled riot police as their strike went into its 45 day.

Strikers hurled dynamite charges and erected flaming barricades across intersections at the police, who fired their sub-machine guns into the air. There have been reports that one striker has been killed.

As Chilean workers openly defy the government, the right-wing opposition is consolidating its forces for a showdown with President Salvador Allende. Eduardo Frei was elected President of the Senate May 23 and is uniting the centrist and conservative opposition to Allende.

Chile is now closer to civil war and a right-wing coup d'etat than at any time since Allende's election.



Greek Premier Papadopoulos.

Greek Navy Officers Abort Rebellion Against Colonels

BY DIANNE ISAACS

Last week the military dictatorship in Greece was rocked by the biggest threat to its six year rule since King Constantine's attempted counter-coup in 1967 as 32 senior officers in the Greek Navy attempted to mutiny three ships on May 23.

In the wake of over 200 arrests, Premier George Papadopoulos decreed Greece to be a "republic" and promised elections in 1974. This move insures that Constantine, who presently lives in Italy in a self-imposed exile, will have no legal recourse for political influence in Greece.

But the colonels' regime—which justifies its dictatorship on the basis of "national unity"—is in a weakened position to deal with the working class now that it has been clearly revealed that there are such deep divisions in the ruling class.

That any further opposition to the dictatorship would be met with military suppression was made clear by government spokesman Vyron Stamatopoulos, who stated: "No attempt to return to the past is possible or will be tolerated."

A communique from the Ministry of National Defense issued May 28 claimed that the mutineers had planned to seize the Greek fleet, take over some Aegean islands, appeal to the Army and the Air Force to join them, and demand the resignation of the regime. At no point did the rebelling section of the military have any intention of appealing to the masses, but rather sought a palace coup to restore "democracy" in Greece.

The colonels thus had no dif-

ficulty in promptly arresting the mutiny before it even started. Only one ship, the "Velos" under Captain Nicholas Pappas, left NATO exercises during the rebellion and sailed to Italy. Stamatopoulos stated that the two leaders of the mutiny, retired vice admirals Constantine Engolfopoulos and Ioannis Mineos, were arrested May 22 along with Captain George Konofaos and 31 senior officers in Athens. Since Athens is still considered to be in a state of siege, the officers face a possible death penalty.

CONSTANTINE

King Constantine denied any connection with the attempted coup in a press conference June 2, but had stated in 1969 that any attempt to oust the colonels would "most likely come from the Navy." Perhaps the most revealing statements on the nature of the coup came from Captain Pappas, who chose exile rather than provoke a civil war.

He denied trying to contact King Constantine or having either "royalist or communist" sympathies. His greatest concern seems to have been over NATO:

"How can Greece ensure the defense of NATO's eastern flank when half of her military officers are in jail and the other half are busy guarding them?" He further revealed that:

"My action could have been more dynamic. For instance, I could have sailed to some Greek island with the 8000 rounds of high explosive ammunition I had on board. Under the threat of cannons we could have demanded anything—as a minimum the liberation of all our fellow officers who are detained. But I didn't do it because I hadn't taken the decision to provoke a bloodbath and a civil war in Greece."

Building the section of the International Committee of the Fourth International is imperative for the Greek working class to overthrow the colonels.

Letter From Peru 'Our Party Cannot Be Crushed'

The following is a letter sent to the International Committee of the Fourth International from the jails of the military dictatorship in Peru by our comrades of the Liga Comunista. Leading members of the Liga Comunista have been thrown in jail, tortured and their press has been confiscated. We salute their heroism and call on the trade unions and all working class organizations to demand their immediate release and the restoration of all their rights.

To International Committee comrades. From the central committee of the Liga Comunista and members of the Liga Comunista:

"We are writing to you from the State Security prison. We are being held in a filthy cell hardly 20 meters square with more than 25 comrades who were arrested in Lima, Moquegua, Arequipa and Puno: we are all students and workers who have been accused by the dictatorship of 'inciting' the people to defend their material historical interests, and of threatening the safety of the military government.

We have been in prison for about five days during which time we have been harshly interrogated by members of the State Security forces.

During our interrogation on the first three days in prison we were not allowed to sleep. It would take a long time to list the wretched savagery of the instruments of repression of the bourgeois state against all those participating in the struggles of the working classes and peasantry.

Now we are completely uncertain of our legal position. However, the whole repressive apparatus of the bourgeois state has not been able to lessen in the slightest our communist convictions, but on the contrary it has fully confirmed every one of our positions against the military dictatorship, against their anti-working class policies against wages, trade unions, and jobs of

the working class, the youth and peasantry.

Our arrest and the destruction of our press is for us a circumstantial event in our struggle for socialism. Bourgeois repression has for the moment succeeded in silencing the only revolutionary weekly in Latin America, but that will not be for long.

Comunismo will come out again with more strength than ever and will be read by the masses in spite of the bourgeoisie and its Stalinist agents within the workers' movement. It will be a guide and a lead to the proletariat in Peru and Latin America and organize the party and the working class.

This is not just some mystical recourse of rhetoric. This is a conviction born of ten months' experience; a conviction fully confirmed by our arrest and torture in prison, our relations with workers and students in prison and the present situation nationally of the working class.

The most advanced sectors of the Peruvian proletariat have lived for a period of ten months the experience of the Marxist, materialist view of the world surrounding them. They receive this experience through the pages of **Comunismo**, in the experience of the struggle against the bourgeoisie, the opportunists, the bureaucrats and Stalinists.

Today the proletariat in the provinces is coming out onto the streets and showing in its actions

(Continued On Page 16)



The Workers League and Young Socialists
invite you to our first

SUMMER CAMP

in the beautiful Laurentian Mountains of
Quebec, Canada

August 25 to September 2, 1973

Nine full days and nights of recreation and education including five lectures on the history of the American labor movement, contradiction, economy, the political development of Canadian labor and an introduction to Marxism.

The camp will be held in the heart of the beautiful Laurentian Mountains. Cabins with running hot water and heat are located on a private lake. All meals included; only a sleeping bag is necessary.

Recreation includes everything from boating and basketball to hiking, fishing, and Canadian broom ball. Special trips will be arranged to Montreal for sight-seeing.

EAST COAST: \$50

MIDDLE WEST: \$60

WEST COAST: \$75

All costs include pooled transportation, lodging and all meals. For more information/reservations, write or phone: 7th Floor, 135 W. 14 St., New York, N.Y. 10011. (212) 924-0852.

New Evidence Exposes Nixon Burglary Plots

BY BRUCE MCKAY

WASHINGTON, June 4—The Senate's televised hearing on the Watergate conspiracy resumed today after an unsuccessful attempt by Nixon's special prosecutor in the case, Archibald Cox, to win an indefinite postponement.

Meanwhile, the scandal has continued to undermine international confidence in the Nixon government, sending gold prices climbing steadily toward \$130 an ounce and the dollar tailspinning down to record lows on foreign currency exchange markets.

Although the hearings have been in recess for a week, the net of evidence has continued to close in on Nixon with a series of new developments in the case.

•The New York Times and Washington Post reported over the weekend that former presidential counsel John Dean III has told government prosecutors and Senate investigators that he met with Nixon 30 to 40 times early this year to discuss the Watergate coverup. It was also reported that Dean may have tape recordings of some of these meetings, at which other top White House officials were also present.

The Justice Department has blocked Dean's appearance before the Senate investigating committee temporarily by refusing the committee's request to speed up the processing of Dean's grant of partial immunity from prosecution.

After denying the stories in a harshly worded statement which accused Dean of manipulating the press and "using innuendo, distortion of fact and outright falsehood" in an attempt to "destroy the President," Nixon's assistant press secretary Gerald Warren was forced to admit Monday that the meetings did, in fact, take place.

•A report in Newsweek says that Senate investigators now have evidence of several other burglaries supervised by the White House, in addition to the break-ins at the Watergate and the office of Daniel Ellsberg's psychiatrist.

According to one source, "The committee has evidence of other burglaries, several of them, and the evidence is convincing...we know who participated and who directed them."

The break-ins were ordered in connection with the frame up trials of the Seattle Seven, the Chicago Weathermen, the Detroit 13 and the Berrigan Brothers. The FBI is also investigating an alleged burglary at the Brookings Institute, where Nixon spies were after information on former Kissinger aide Morton Halperin, who went to work at Brookings after leaving his post at the National Security Council in late 1969.

•Former director of the Justice Department's Internal Security Division Robert C. Mardian has told Senate investigators that Watergate conspirator G. Gordon Liddy told him after the arrest of the five

Watergate burglars that the previous Ellsberg break-in had had the "express approval" of Nixon.

•Mardian has also linked the Watergate case to the ITT scandal, in which columnist Jack Anderson reported that a memo written by ITT lobbyist Dita Beard linked the \$400,000 offer by ITT for Nixon's campaign to a favorable settlement of the Justice Department's antitrust suit against the company.

According to Mardian, Liddy told him that he "whisked ITT

Continued On Page 16

YS Calls Unemployment Rally

BY ABBY RODRIGUEZ
NEW YORK—The Young Socialists have launched a massive campaign for a demonstration against unemployment in front of the Federal Building at Foley Square on July 11 here.

Young Socialists branches on the East Coast will mobilize the largest number of unemployed youth, young workers and students to demand jobs for all. Demonstrations will also be held on July 11 in Chicago, San Francisco and Los Angeles.

Central to the demonstrations will be the demand that the trade unions mobilize their full strength by calling a Congress of Labor to demand a new election and build a labor party to defeat Nixon's Phase Three which is responsible for the severe unemployment among youth.

All the economic indicators point to a drastic growth of unemployment over the coming months because of the decisions which the government has taken to defend the profits of big business as the economic crisis reaches the stage of explosion.

The slashing of the budget has cut into every job program with a reported 15,000 jobs available for the half million youth seeking employment through the Neighborhood Youth Corps and other programs in New York City. In Philadelphia it is reported that only 300 jobs are open in the Neighborhood Youth Corps.

LAYOFFS

This is being accompanied by the implementation of layoffs in the factories which will hit the young and older workers as well. It becomes urgent that every trade unionist take up the fight to defend the rights of young people



A Vietnam veteran who was interviewed by the Young Socialist for the campaign to build the July 11 unemployment demonstration.

Almirante Accused Of Fascist Link

BY A FOREIGN REPORTER

A 21 man Parliamentary Commission has voted to order Giorgio Almirante, leader of the Italian Social Movement (MSI) to stand trial for reconstituting the Italian fascist party.

It is illegal to organize fascist parties in Italy but despite this, the government has allowed movements like MSI and extra-parliamentary groups like New Order and National Vanguard to flourish. MSI received three million votes in the last election.

One girl was killed May 17 and three others have died of injuries as a result of a fascist inspired bombing in Milan. Two hundred thousand people turned out for the funeral of the 23 year old girl, the first victim of the blast.

The Parliamentary document states that MSI has a "theoretical link" with fascism and urges the Chamber to authorize the courts to pursue its inquiry. This means that the elaborate proceedings will be dragged out for some time while the real dangers of fascism in Italy are covered over.

"PERSECUTED"

In his reply before Parliament, Almirante claimed he was being "persecuted" and accused the other parties of having sympathized with fascism in the past or of having worked with MSI to get votes.

He warned that a conviction could only strengthen his movement and that if it were banned it would only be formed under another name. Almirante voluntarily lifted his parliamentary immunity in order to testify in his own defense.

As Almirante's own words make clear, this trial is a complete farce that will only serve to make a martyr out of its leader. By agreeing to the trial, the Italian Communist Party is joining with capitalist parties like the Christian Democrats who are responsible for the growth of fascism.

Only the Italian working class can deal with fascism but this will mean a bitter struggle against the Communist Party leadership which refuses to unite the workers in a political and industrial offensive and continues to collaborate with the Andreotti coalition.

to decent jobs as part of their struggle against layoffs and the attacks on the trade unions.

On July 1 the implementation of Nixon's budget cuts will mean that 15,000 paraprofessionals and teachers will lose their jobs.

The attacks on the youth are part of Nixon's campaign against the trade unions. The government has continued to push for a sub-minimum wage for youth which would enable employers to fire older workers and hire young workers at lower wages.

The Young Socialists campaign is critical in building an alternative leadership in the working class to the labor bureaucrats who have refused to take any action against Nixon.

While the Watergate scandal implicates Nixon more and more by the day, the labor leaders have refused to take political action against these corrupt politicians.

The Young Socialists will be calling on every trade unionist and youth to take up this fight. The demonstrations will be

demanding:

- Restoration of all cuts in federal funds for summer job programs. Millions more for job development.

- A 30 hour week at 40 hours pay to provide more jobs.

- No sub-minimum wage for youth. Equal pay for equal work.

- Force Nixon to resign. Call a Congress of Labor to build a labor party for a new election.



Young Socialists Invites You To:

Arrow Park Outing

Sat., June 23rd

Swimming and boating at private lake, sports, picnic facilities, near Bear Mountain.

Educational Program: **Watergate**
—and the fight for democratic rights.

Speaker: Tim Wohlforth, National Secretary, Workers League.

Cost: \$5 (includes transportation).
Buses leave 135 W. 14th St., 8:30 AM Sharp
Transportation also available from Connecticut, Philadelphia, Bethlehem-Allentown, Boston, Baltimore and State College, Pa.
For information call: 212-924-0852.
Make all checks payable to The Young Socialists, 135 W. 14th St., New York, N.Y. 10011



15,000 In Schools To Lose Jobs

BY SONIA RODRIGUEZ

NEW YORK—On July 1 15,000 teachers and paraprofessionals in the city's school system face the loss of their jobs. Nixon's budget cuts for education mean the elimination of Title I programs which have been responsible for the special reading programs.

The jobs of 9000 paraprofessionals and 6000 teachers are covered under this program. The funds being cut by the federal government on July 1 will mean that these workers will not return to their jobs in September.

In the face of the greatest number of teacher layoffs in the history of education in this city, Albert Shanker, president of the United Federation of Teachers has refused to defend the teachers by mobilizing the union against the cuts and against the government.

The Shanker leadership has responded to these massive layoffs by urging a letter writing campaign to Democratic Senators and Congressmen and by campaigning for Abe Beame for mayor.

Conditions facing youth every day in their schools are those of overcrowding, where 35 to 40 students are packed in classrooms too small with old furniture or no furniture at all. Open corridor type classroom teaching has been introduced where students sit on the floors in the hallways.

Many schools are now forced to use even closet space. Gym-

nasiums are being taken away to be replaced by large open classrooms. These are just a few of the "new creative ways" of teaching. In September, these conditions will have worsened with the elimination of 6000 classroom teachers.

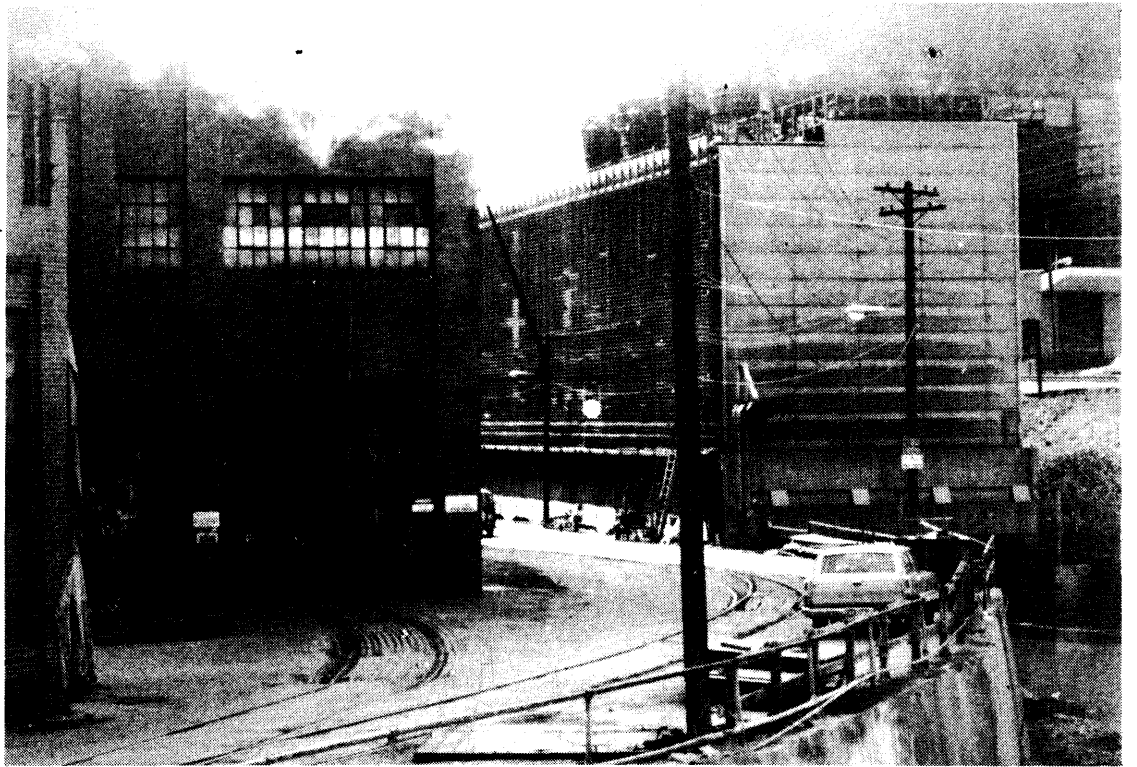
It has only been the UFT Committee for New Leadership that has warned against this attack by the government and has exposed Shanker on his refusal to call a mass meeting of all rank and file to propose immediate action against Nixon's budget cuts, up to and including strike action.

The Committee for New Leadership is fighting for the following motion to be put forward at the upcoming Delegates meeting:

- That a mass membership meeting be called of all rank and file before the end of this term.

- At this meeting we demand Shanker take immediate action, including strike action in defense of any worker who is laid off.

- We demand that the UFT and the AFL-CIO demand Nixon's resignation in view of the scandal of WATERGATE and issue a call for a new election and a Congress of Labor to build a labor party against Nixon and the Democrats.



B.F. Goodrich plant in Akron.

Westinghouse Local Votes June 10 Strike

BY DENNIS HAULING

PHILADELPHIA, June 4—United Electrical Workers Local 107 held a strike vote meeting and unanimously decided to strike on June 10 when the contract expires with Westinghouse Company.

URW Goodrich Sellout Cheats Akron Local

BY A REPORTER

AKRON, June 24—The bureaucracy of the United Rubber Workers has ended the month long strike against B.F. Goodrich without winning any substantial increases over the earlier pattern for the rubber industry set by the rotten Goodyear contract.

In what amounts to the most cynical juggling of figures, URW President Peter Bommarito has "won" an additional \$115 in pensions for Goodrich workers by accepting a smaller wage increase for the ranks in the large Akron plant.

According to the latest settlement, the members of the Akron and Marion locals in Ohio will receive only a 15 cent increase over the first year of the contract, instead of the 28.8 cents won by the other Goodrich locals.

The ranks have not been told that the 13.8 cents not being paid to the Akron and Marion workers in wages will be used to pay for the additional pension. In the plants where the members will get the full increase, the pension issue is relatively minor because of the low average age of the workers.

In other works, the URW maneuvered throughout the negotiations to arrive at a settlement which will not cost Goodrich any more than Goodyear.

A reliable source in Goodyear Local 2 in Akron, where the original contract was rejected unanimously, told the Bulletin that Bommarito will formally request that Goodyear adopt the Goodrich settlement. "But if Goodyear refuses, we'll let the thing drop. No one wants to push this too hard."

The new settlement passed in Goodrich Local 5 over substantial opposition last week.

The meeting, which was held at 8:45 a.m. during company time, precipitated a lockout on the part of Westinghouse. As one rank and file member stated: "Yes, the meeting was illegal, but we held it then because we wanted Westinghouse to know that they can't tell us when to have our meetings. It's a sign to them that we're united and ready to strike when the contract expires."

The union and company have been bargaining since April 12 and the company has still failed to put anything on the table. The union has not made public its specific demands, but they are demanding a 29 cent catch-up wage increase and cost of living escalator clause with no cap.

By locking the men out, Westinghouse demonstrated its complete arrogance toward the union's demands and its intention to attempt to break the UE and IUE in the contract fight—despite the desperate attempt of the IUE and UE bureaucrats to prevent a strike.

When this Bulletin reporter brought up Watergate one worker said: "How can you fight when you have Meany at the top," and one of the other workers responded, "Now's the time to get rid of Nixon and Meany."



EDITOR: Lucy St. John
Labor Editor: David North
Art Director: Jeannie Cooper
THE BULLETIN, Weekly organ of the Workers League, is published by Labor Publications, Incorporated, Sixth Floor, 135 W. 14th St., New York, N.Y. 10011. Published weekly except the last week of December, the last week of July and the first week of August. Editorial and Business offices: 135 W. 14th St., New York, N.Y. 10011. Phone: 924-0852. Subscription rates: USA—1 year: \$4.00, Foreign—1 year: \$5.00. SECOND CLASS POSTAGE PAID AT NEW YORK, N.Y. Printed in U.S.A.

Business As Usual Says Hall

BY JEANNIE COOPER

NEW YORK, June 3—Just a few weeks before Leonid Brezhnev is due to arrive in the United States to bail out Richard Nixon, Communist Party Chairman Gus Hall faced an audience of members and supporters of the American CP who wanted to know just why Brezhnev is coming and what it really means.

In a public meeting on "The Watergate Crisis," Hall called Nixon a "fascist," a man "with a gestapo mentality, to quote Senator Ervin," and branded the United States a "police state."

This situation has developed, said Hall, "as a natural reflection of monopoly capitalism, where the big fish keep eating the little fish, and the big fish get bigger and bigger until they monopolize the whole economic and political scene." The monopolies need and support a state "ruled by edict," declared Hall, "a government that eliminates democracy and rules by edict. This is fascism in a general sense."

In an attempt to divert the struggle away from Nixon and the necessary fight now by the labor movement to force Nixon out and to construct its own alternative, a labor party, for a new election, Hall called for "mass struggle and action" and a "peoples tribunal." One of the

major proposals he made was for a "reform of the electoral zoning so that working people and minorities are fairly represented" in Congress. At a time when conditions have never been greater for the creation of a labor party, Hall pushed the CP's line of pressuring the Democratic Party. This is why the CP is boosting the victory of ex-cop Bradley in the Los Angeles mayoral race. Hall said in his speech that Yorty's defeat shows the way to fight Watergate.

Hall and the CP seek above all now to try to prevent the independent mobilization of the working class against Nixon and to push the anti-working class alliance between the Soviet bureaucracy and Nixon.

SEARCHED

Beneath all his statements, Hall searched for a way to explain why the leader of the Soviet Union, "the representative of the world working class" as Hall put it, is preparing a major state visit to the discredited and scandal-ridden Nixon.

"I hope Watergate has an effect on foreign policy," Hall said. "It should be more difficult for the US to follow its foreign policy. It should be harder to carry on the cold war. Brezhnev is coming here for very practical, business-like reasons."

These remarks opened a flood of questions from the floor. The CP leadership cannot escape the

fact that among many of its supporters Brezhnev's visit is being questioned. One question asked was "Why do some progressive people say Brezhnev's visit shows approval of Nixon?" Another asked why David Rockefeller is opening a bank in Moscow. Virtually every question from the floor centered on the forthcoming visit.

The excuses of the CPUSA are running out. Hall was forced to defend the most reactionary policies of the Stalinist bureaucracy by saying, "It doesn't matter if Rockefeller makes some money off of the Soviet Union. At least now the USSR will be able to industrialize much faster."

"The tremendous breakthrough in trade will mean more jobs in the United States. What's wrong with that? What's so terrible about wanting peace? What's so terrible about discussing joint projects to cure cancer?" the agitated Hall declared.

After facing question after question, which exposed the tremendous crisis within the Stalinist parties, Hall finally had to say that Brezhnev's trip "is a necessity—that's business, it's a convenience." But in the minds of more and more rank and file supporters of the CP the question is: a necessity and convenience for whom?

**BY DAVID NORTH
SCHENECTADY,
June 4—Time is running out for the leaders of the International Union of Electrical Workers (IUE) and United Electrical Workers (UE) who are desperately attempting to prevent a strike by nearly 100,000 workers against General Electric.**

Not until last Thursday, almost a week after the three year contract expired, did General Electric get around to submitting its first formal offer, and the company did not yield one inch to the trade union bureaucrats hoping for an easy compromise.

"It was so bad," one union official told the *Bulletin*, "that I didn't even bother to take notes on the offer." The Conference Boards of the IUE and UE voted to reject the offer, but still have not set a date for strike action.

Negotiations have been in progress since March, and the feeling among workers in the important GE plants in Bridgeport, Pittsfield and Schenectady is one of militancy and growing impatience. "I'd like to know why the negotiations are so secret this year," asked a worker in Bridgeport. It was a question that I heard very often in all three cities.

Oscar Stall, a shop steward in Pittsfield Local 255 of the IUE answered it best: "If the ranks really knew what's been going on in the negotiations, they'd be so pissed off that there'd be wildcats all over."

While the company and unions have extended the blackout on all information concerning the negotiations to the official GE proposal, the *Bulletin* has learned from an informed source some of the details of the offer. It shows that the major corporations have decided to make a stand against the trade unions and force them to accept contracts within Nixon's Phase Three guidelines.

GE PROPOSAL

According to the GE proposal, wage increases over the life of the contract will be within the 5.5 percent guidelines. There would be a 12 cent cap on the cost of living escalator. Furthermore, the increases are not to go into effect until January 1, 1974. Until that time, the current wages remain in force while inflation slashes away at the living conditions of the ranks.

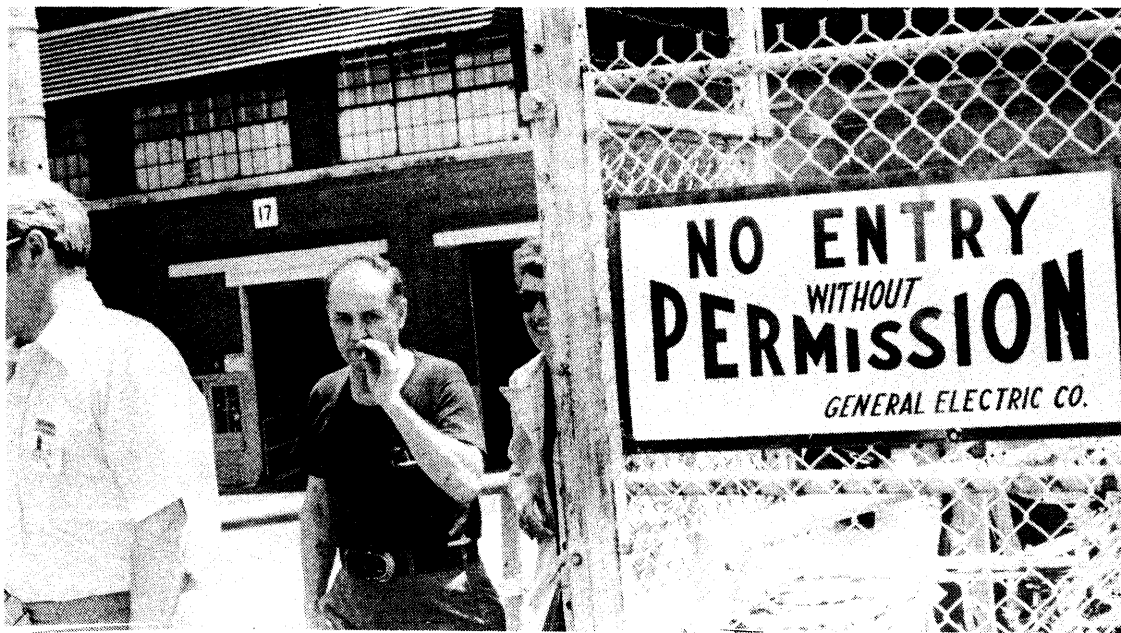
On the important issue of pensions, GE has arrogantly declared that it rejects the "30 and out" demand. Instead, it will offer full retirement benefits to workers at the age of 62—but only if they are earning \$11,000 a year. Very few retiring workers meet that requirement.

GE has also refused to increase sick days to long service employees beyond the five day maximum, and it has offered only one additional paid holiday which is to be chosen by the company.

Finally, GE has demanded that the unions accept a contract clause that would prohibit all strikes or wildcats without 30 days notice.

In spite of this brutal proposal, which openly challenges the

GE Ranks Head Toward Showdown



gains won by electrical workers over the last 30 years, the IUE and UE hope to continue negotiations as long as possible.

But the fact is that GE is carefully preparing for a strike; and in Bridgeport, the preparations have taken the quite obvious form of transporting food and sleeping facilities into the plant. If the company suddenly decides to break off negotiations—as it can under the terms of the contract—GE wants to be in the position to occupy the plants and lock out the workers. The union leadership knows this but refuses to take any action, even though the ranks consider early summer the best time to begin a strike.

"None of us know what the delay is all about," said a worker in the mammoth GE plant in Schenectady which employs 22,000 men and women. "Nobody knows anything. This afternoon we had a union meeting where we were supposed to be told about the latest GE offer. Instead, the union officials told us to give a vote of confidence for the bargaining committee. Why we should give a vote of confidence to people who won't tell us what they're doing is something I can't figure out."

"A lot of guys are wondering what's coming off. They feel the union should say: either GE comes across with a decent offer or we'll go out on strike. Prolonging the negotiations doesn't help us. The longer it takes to settle, the longer it will take for the contract to go into effect. That means we'll have to wait much too long for our benefits and raises."

"No one is dying for a strike with the way prices are going up. But the men are exasperated. If there has to be a strike, let's get it started. We want to have action."

HUSH-HUSH

Warren Steward, who works in the gas plant department in Pittsfield, stated: "I don't like all this secrecy. We pay union dues and we have the right to know what's going on, but everything is hush-hush this year."

The IUE leadership has earned the distrust of the ranks. In 1970, it sold out the 105 day strike against GE after abandoning every demand that had been made at the beginning of the



Above, Pittsfield, Mass. GE plant: "There's not enough to pay bills. Below, worker from Bridgeport, Conn. IUE, where GE has moved food and sleeping equipment into the plant in preparation for a lockout.

strike. Since the strike, plants throughout the country have been hit by a wave of layoffs that the union leadership has done nothing to prevent.

In Bridgeport, GE has announced that it will phase out its production of hair dryers later this year, costing 350 workers their jobs. But Local 203 President Louis Santoanni stated, after being asked if he planned to fight to keep the jobs, "The company has made up its mind to shut the department down. What the hell do you think we can do about that. If it decided to move the whole plant out of here, there'd be nothing we could do."

Rather than mobilizing the ranks to defend their right to work, the IUE, led by Paul Jennings—who was a key McGovern supporter last year—has been in the forefront of the campaign for the protectionist Burke-Hartke bill.

Although it was General Electric that originally proposed the blackout on information concerning the negotiations, the IUE has agreed to go along with it because the union leaders feel that an under-the-table deal gives them the best chance to

avoid a strike. Having publicly insisted that it will demand more than 5.5 percent in wage increases as well as important gains in benefits, the IUE wants to have an opportunity to retreat from the positions it outlined before the ranks.

This is practically admitted by members of the IUE Conference Board. "The last thing in the world that we want is to get frozen into a position," stated Joseph Mangino of the Schenectady local. "Public negotiations lead to strikes and we're trying to avoid a strike."

Since the negotiations began, Paul Jennings has insisted that the IUE will ignore the guidelines. However, the extraordinary lengths to which the IUE—and the UE—is going to head off a strike flow from its refusal to prepare for a fight against Nixon. At this point, there is really no basis for postponing a strike. GE has categorically rejected every major demand made by the IUE and the union has flatly rejected the company's offer.

But Jennings—along with the rest of the trade union bureaucracy—is frightened by the very

prospect of winning wage increases which would bring the IUE into collision with Nixon's Cost of Living Council.

Wages are the key question in this year's contract to many workers in Bridgeport, Pittsfield and Schenectady. "My wife goes to the supermarket and comes back complaining about prices," said a worker in Pittsfield. "After one spends 10 or 15 bucks for every trip to the supermarket, there's not enough to pay bills. It's very embarrassing."

"I haven't been able to go on a vacation for several years, and I won't be going anywhere this year. The squeeze on money is just too tight."

Many workers are concerned about the issue of sick days because GE has not hesitated to fire those who have gone over the maximum of five days. It often fires workers who miss more than three days in a row without a written report from a doctor.

"If we are going to get anything this year, we'll have to fight," declared Oscar Stall. "When I came to work here 22 years ago, guys who had been in the big 1946 strike would tell me the motto of GE is 'We do right voluntarily.' That means that GE has no respect for the working man. You've got to force it to give you something."

As workers discussed the possibility of a strike, they would often say that issues outside of the usual bargaining questions seemed to be involved in the negotiations. "For some reason, things seem to be messed up this year," said a Bridgeport worker. "Usually one knows if there's going to be a strike, but this year no one knows anything. I believe Santoanni when he says that he doesn't know if we'll have a strike."

Particularly in Bridgeport, Watergate has become a regular topic of conversation. "I was discussing it on the way to work," one worker told me as she was about to enter the plant. "It is really ridiculous. I think Nixon was involved and if they dig deeper, a lot more will come out. He really should resign, but I'm scared to think who will replace him."

Domingo Dias, who came to Bridgeport from Portugal, declared that Nixon "is trying to take control like Salazar (the late fascist dictator). Big business is getting together with Nixon to stop the working man."

He said that he supported the building of a labor party because "I've been here six years and have seen two elections, but the Democrats and Republicans are always rich people. How can these millionaires like Kennedy be my friend. They don't know how working people live. It is much worse in Portugal than in the United States; but if they take the unions away in this country, then it will be just as bad."

One worker in Pittsfield reported that Watergate has been discussed so much in the plant that the ranks are starting to tell jokes about it. "After today's union meeting, one of the guys said that the only way we'll find out about the negotiations is if we can get Nixon to tell one of the boys to bug the negotiating room," he said.

"I'm not much on politics," stated Warren Steward. "But that seems to be what everybody's talking about since Watergate became the big news."

(Continued On Page 16)

Midwest News

Construction Strike Hits Chicago

BY CYNTHIA BLAKE

Chicago June 1—Fifteen thousand construction laborers led the way today as dozens of contracts in the building trades expired. They set up pickets all over the city, shutting down work on major building projects including the Sears Tower, world's tallest building.

All road construction is expected to be affected as well, and the Mid-America Regional Bargaining Association is threatening an industry-wide lock-out.

The laborers, who assist journeymen in construction and other work, are asking for a one year contract with a 65 cent an hour increase. Work rules and scheduling changes are also in dispute.

They were joined by members of the Marble Cutters Union, and have the full support of the Carpenters and Cement Mason's ranks. Members of these two unions, who struck for over three weeks last June, are waiting official notice on the negotiations for the 1973 contract.

A carpenter told the Bulletin, "We just wait until we get a letter asking us to come vote. But that's just to make it official; nobody's going to be working for a while. With 15,000 out, that about shuts everything down."

Members of the Bricklayers Union signed a new two year contract just before the midnight deadline. Their settlement calls for \$1.05 over the next two years, with 40 cents immediately. A road construction worker explained this year's issues:

"We had to wait almost the full year before we ever got our money from the last time. We asked for what they said they'd give us, and they still took their time with all their boards and committees. By the time we got it, we'd already spent it all, you know? Nixon is sure no union man—we got to get him out of there, the way I see it. And it seems like now would be as good a time as any."



Last year this St. Louis housing project was closed down through the budget cuts. Now the city plans to close the Pruitt-Igoe complex.

St. Louis Project Closing Threatens 540 Families

BY CAROL MARKS

ST. LOUIS—In response to the crisis in funds for public housing because of Nixon's budget cuts, city officials in St. Louis are laying plans for the destruction of the entire Pruitt-Igoe housing complex.

Thomas B. Costello, executive director of the Housing Authority in St. Louis, has proposed in a letter to Mayor Poelker that the city close Pruitt-Igoe ostensibly to save the city about one million dollars a year in operating costs. The proposal will be presented by Costello to a

meeting of the Board of Commissioners of the St. Louis Housing Authority on June 5.

If the city decides to go through with this measure, over 2000 people presently living in Pruitt-Igoe will be homeless. This may be as early as September, although an exact date for the closing has not been announced. The city administration has announced that

it will seek to "relocate" the families at present living in the projects, but has also admitted that there would be tremendous problems involved in finding adequate housing at the same rents as those presently in the projects.

The Pruitt-Igoe complex itself is presently only functioning at about one quarter capacity. Most of the buildings stand as empty shells with almost every window broken. In fact, last summer the Housing Authority tore down some of the buildings, making it clear that it had no intention of renovating the housing to make decent public housing available to large numbers of workers and welfare recipients in St. Louis.

DETERMINATION

Youth and older tenants told the Bulletin: "They can't move us out, this is all we have." One young girl expressed the determination of some of the tenants to fight back when she said, "They'll have to bring in the Army before we move out."

However, the city is attempting to divide the tenants by playing up the high crime rate in Pruitt-Igoe as one of the reasons for its closure. At this point, the Tenants Association has not announced any plan of action in the face of the proposal, although tenants meetings have been held to discuss the situation.

The Young Socialists together with some of the youth living in Pruitt-Igoe have laid plans for a picket outside the meeting of the Board of Commissioners to demand no closing of Pruitt-Igoe and that the trade unions defend public housing through the calling of a Congress of Labor to establish a labor party which will fight for decent housing.

Dayton Unionist In Frameup

BY A BULLETIN REPORTER

DAYTON—James F. Gann, president of the Dayton Miami Valley Council of the AFL-CIO has been charged and arrested by the federal government. The Nixon hatchet men, agents of the Federal Alcohol, Tobacco and Firearms unit, arrested the 36 year old union leader—Business Agent of Millwright's Local 1311—at his home at 7:05 a.m.

Gann and two other men were secretly indicted by the US Grand Jury on 11 counts of conspiring, transporting explosives from West Virginia and making four bombs used to blow up the Minit Man Car Wash on October 13, 1971. Also indicted were George Patrick Noble, and Harold Stamper. Two other alleged "conspirators" were granted immunity in exchange for their testimony. The government charges that Gann hired Noble and Albright "to destroy non-union construction sites...by the use of explosive devices."

Gann clearly sees the government's move to railroad

him into jail as politically motivated. He told the Bulletin: "I'm innocent and I can prove I didn't do it and I'm working like hell to prove my innocence. I'm not popular with the government because I supported McGovern. You either get in line or you're paid visits; you know how that goes."

Gann further stated concerning Nixon and Watergate: "Nixon called the shots, no question he did it, Nixon to me is the brains behind the whole thing."

INTENT

The frame-up of a top Dayton union leader exposes the real intent of the government. Nixon and the Watergate crew seek to wipe out all the rights of the trade unions and particularly their right to political action. The entire trade union leadership in this area has indicated they have been harassed and their financial records scrutinized by federal agents.

Jim Gann was the prime promoter of Senator McGovern's candidacy in the Dayton labor movement in 1972. As president of the AFL-CIO Council, he blocked the fight for a labor party by a lobby held by the Dayton

Alliance For A Labor Party. While the national AFL-CIO bound the local councils to remain neutral, Gann and other labor leaders got around this. Through the Dayton Labor Coalition, composed of presidents and business agents, Gann pushed through an endorsement of McGovern.

Gann and the other Dayton labor leaders have been in the forefront of such open class-collaborating campaigns as the "Buy What Dayton Builds" campaign.

The use of the state machinery to frame trade union leaders has escalated despite these leaders' willingness to compromise with the employers and the government. Gann and the other Dayton labor leaders continue to rely on the Democratic Party—the party which has betrayed all the basic rights of the trade unions by handing Nixon wage freeze powers and a blank check on profits and inflation.

Clearly the rank and file must demand that there be an all-out, area-wide campaign to defend Gann and to force these leaders to break from the two parties of big business and build a labor party.

Link Nixon To Equity Fund

BY WILL ROEMER
CHICAGO, June 2—The financial explosion of Equity Funding is continuing to reveal much about the economic and political crisis gripping American capitalism. Equity Funding Corporation of America, which operated out of California, has a subsidiary, Equity Life Insurance Company, incorporated in Illinois.

The DuPage County, Illinois Grand Jury has been set to work investigating the fraud of the Illinois company. Illinois Attorney General William J. Scott, in launching grand jury proceedings, admitted that ordinarily, federal regulatory agencies and the US Department of Justice would be involved in the Equity investigation, however, the "Watergate mess has immobilized some branches of the federal government."

Minutes of the Board of Directors meetings of Equity have been obtained by Scott. These records reveal that motions were made by officials in the firm to purchase securities that were never purchased. Also, it has been disclosed that at least 75 percent of the insurance policies are totally worthless.

Louis Kohlmeier, Washington columnist, writing an editorial that appeared in the May 3 Chicago Tribune, brings out some of the connections surrounding the Equity crash. He notes that in 1972 Equity contributed \$60,000 to promote what was called the Equity Funding International Tennis Tournament, a benefit for cancer research. President Nixon was honorary chairman and Agnew led the celebrities performing on the tennis courts.

In 1971, Equity Funding acquired Bankers National Life Insurance and its subsidiary, Palisades Life Insurance, an insurance firm licensed to sell insurance only in New York. To carry out the merger of Equity with Bankers National, the companies hired the law firm of Mudge, Rose, Guthrie and Alexander. This is the law firm of which Nixon was a partner along with John Mitchell.

The cozy relationship between Equity Funding and the gangsters of Watergate is brought out more clearly by the fact that Goldblum, head of Equity, contributed \$30,000 to Nixon's re-election committee.

Kohlmeier further notes that at this spring's Second Annual Equity Funding International Tennis Tournament, to which the firm had pledged \$22,000, who else should be selected to appear on the courts in white but one Ronald Ziegler, White House Press Secretary. However, though the tennis was played, Equity's sum was not paid. Days after the tennis match, Equity blew up in the worst scandal in insurance company history.



Antioch Students Defy Police

BY DOROTHY WRIGHT

YELLOW SPRINGS, Ohio, June 2—In the wake of a court injunction ordering the removal of barricades and prohibiting the use of "force or threats" to keep out non-striking students or faculty at Antioch College, up to 100 sheriff's deputies and reinforcements from surrounding counties equipped with riot helmets and nightsticks entered the campus Friday.

They proceeded to knock down and cart away the objects that had been used to barricade entrances to the buildings. A picket line of 200 strikers was maintained, chanting "Education is a Right," "Pigs Off Campus," and "Negotiate." At one point a group of strikers blocked a truck being used to haul away the barricades, bringing it to a halt, but 30 deputies shoved back the students with their nightsticks. The strikers have now called for a student-faculty boycott beginning Monday, the time which the administration announced buildings will be open for the resumption of classes.

Support Mounts For Expelled 1164 Members

BY AN 1164 MEMBER

MINNEAPOLIS—Members and supporters of the American Federation of State, County and Municipal Employees AFSCME 1164 of the University of Minnesota Employees Caucus for a Decent Contract lobbied the Council 6 Minnesota State Employees meeting in Rochester, Minnesota last weekend, building support for the reinstatement of two of the members of the Caucus, Perry and Liz Tilleraas, who have been expelled from AFSCME Local 1164 on red-baiting charges.

The Council 6 bureaucracy's attempt to keep this political hot potato under cover was blown up when one delegate from Duluth rose and asked what these charges were and how the trial was being conducted. He also demanded that a discussion take place on the expulsion.

The bureaucracy quickly covered itself in phrases of "fairness and democracy," stating that the case should not be discussed because "it would prejudice the members of the Council 6 Executive Board," the body which will hear the appeal in a few weeks. As one delegate said, "Why didn't they just ask the Executive Board to leave the room so that we could discuss it?"

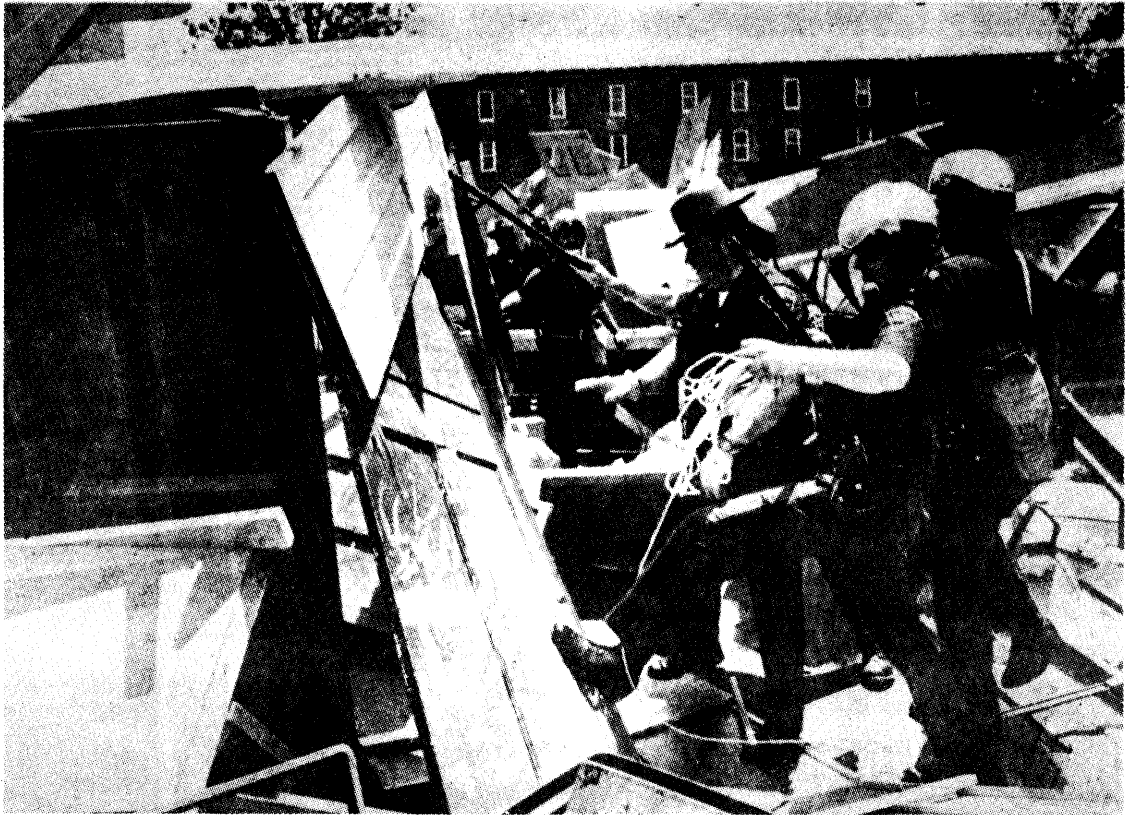
The Young Socialist Alliance continues to support the ex-

pulsion and the participation in the expulsion by one of their supporters. The charges were brought by a supporter of the Stalinist Progressive Labor Party-SDS.

The SWP-YSA must repudiate the actions of their supporter in AFSCME 1164 and campaign for the reinstatement of Perry and Liz Tilleraas.

A meeting is set for June 9 to bring together all supporters of the case, to discuss the necessity of bringing political questions into the trade union movement and to plan a strategy in defense of the Tilleraases as their case goes forward on appeal. All unionists are urged to send letters of support to: Tobey Lapakko, Secretary, Council 6 Executive Board, 475 Rice Street, St. Paul, Minn.

Midwest News



Sheriff of Yellow Springs, Ohio forcibly opened Antioch College against the strike of students and faculty.

The "liberal" administration, while entering a token defense against the injunction, has expelled 20 of the striking students and seven faculty members for supporting the strike. Since the impasse reached three weeks ago, they have refused to negotiate, actually relying on the impending injunction to carry out the dirty business of breaking the strike. Antioch College President James Dixon is holding his board meeting with the college trustees in New York rather than face the hostility of the students and faculty in Yellow Springs.

SPLIT

The strike has been split by failure of the leadership to include demands that would unite all the students and faculty. The strike must be supported by all the students and faculty and the

area trade union movement in the face of the open repression of the courts, aided and abetted by the college administration. The leadership of the strike has sought to limit the struggle to "student powerism" and reformism which has been put forth by the Stalinist Revolutionary Union and the Young Workers Liberation League (youth organization of the Communist Party) and their radical supporters on the Yellow Springs campus. The fight has to be seen as part of the whole economic crisis and the policies of Nixon—supported by the Democrat-controlled Congress—which are taking away the rights of all youth to an education and to decent jobs. It is only through the building of a new political party—a labor party—that these rights can be defended.

Bankrupt Company Steals Wages

BY A

BULLETIN REPORTER

MADISON, Wisc.—With the possibility that the H.H. Evon Co. is bankrupt, almost 125 workers of the now defunct Red Dot snack food plant are seeing the company walk off with their severance pay, vacation pay or wages from their last week's work.

At an emergency meeting of the bakers and confectionary workers union Local 233, one young worker interviewed by the Bulletin said that any money Red Dot has would go to pay taxes owed. "It's the government first, and the workers second. That's just not right!"

MEETING

Over half of the local membership attended a special meeting on June 2 to find out how to fight back against H.H. Evon. The union leadership proposed no fight but rather is relying on Nixon's well groomed court system in order to get benefits due. This leadership, just last week in announcing the Red Dot closure, haughtily stated, "The workers there will just have to find another job."

Many Red Dot workers will receive only \$55 unemployment compensation, at a time when the number of jobless has leaped in Madison and Nixon prepares a massive offensive against jobs nationally.

RESPONSIBLE

The leadership of the Bakers Union is criminally responsible for the loss of these 125 jobs and benefits. As the crisis of credit deepens, many smaller companies across the country will be forced into bankruptcy. These closures must be fought nationally. The spreading panic of small business and the calculated cutbacks by industry puts an immediate calling of a Congress of Labor for the purpose of building a labor party on the agenda.

Grand Opening!

Labor Book Center

409 N. Francis
Madison Wisconsin

Open House Sat. June 16

noon-5 PM

Bulletin

weekly organ of the workers league

Force Nixon Out Now!

The Nixon government has lost any right to continue in office. The time is now for the labor movement to act to force the resignation of Nixon and the calling of a new election. Labor must immediately convene a Congress of Labor to build a labor party as a political alternative to Nixon, the Republicans and Democrats. The conditions have never been more ripe for throwing out this completely discredited regime.

•The economic crisis now exploding has sent the price of gold soaring to \$129 an ounce as the dollar falls to its lowest level. New financial scandals like the one which brought the downfall of Equity Funding are now shaking a number of concerns. Slump and recession is now on the agenda as deflationary measures threaten the jobs and livelihood of millions of workers.

•Despite attempts to sweep the Watergate conspiracy under the rug, new revelations are coming out every day exposing the fraudulent character of the 1972 elections and the plans of the Nixon government against the working class. Over the weekend, John Dean and McCord have implicated Nixon directly in the conspiracy.

•Contrary to Nixon's lies, it is now revealed that a "secret police" blueprint to suppress all political opposition was put into operation. The attack on all basic democratic rights behind Watergate continues as Nixon now leans towards sections of the military, represented by General Haig, his new right-hand man.

•With over four million workers now entering into contract battles with GE workers in the lead, sections of the capitalist class including the Democrats in Congress are now crying for new controls on wages similar to Phase One.

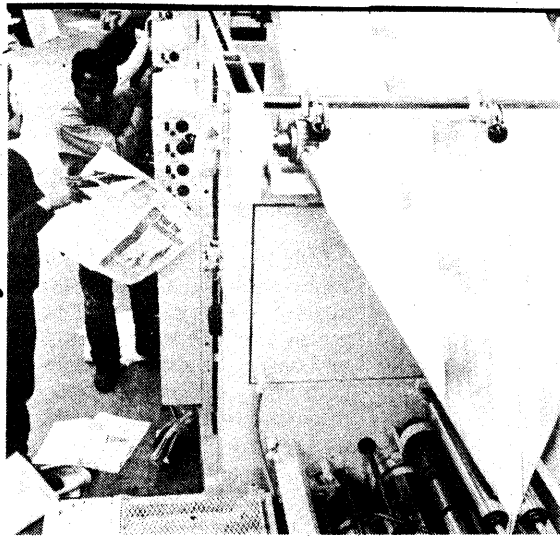
Watergate is an expression of the breakup of the whole system of capitalist rule under the growing pressure of the greatest economic crisis in history. The capitalist class is weakened and divided as it faces the task of trying to defeat a powerful working class.

The only thing that is now keeping Nixon in office is the collaboration of the labor leadership which, instead of mounting a national campaign to force Nixon out, is working to shore up the Administration.

All the labor papers, including those of the so-called progressive unions, have been absolutely silent about Watergate. This betrayal has great value to Nixon who is losing all credibility and authority. The bureaucracy remains silent because their own positions are threatened at a time when massive struggles of the working class can be mobilized.

Behind the labor leaders stand the Communist Party and the Socialist Workers Party. Both have refused to raise the necessity now to construct a political alternative and bring Nixon down. The CP is now boosting the visit of Brezhnev who is coming to the US to aid Nixon and who, like the labor leaders in the US, has refused to say anything about Watergate.

The working class can and must now be united around a campaign to force Nixon out and to build a labor party as the alternative to the corrupt politicians in the White House and Congress. This is the responsibility of every rank and file trade unionist to take resolutions into every local demanding this fight. This will be at the center of the demonstrations being called by the Young Socialists throughout the country against unemployment.



Building the Bulletin

Over The Goal!

We are very happy to announce that we have completed and gone over our quotas on both the Bulletin Expansion Fund Drive and the Bulletin Expansion Subscription Drive.

With a tremendous effort over this last week we now have a total of \$57,225.98 on our goal of \$50,000 by June 1. As we go to press a final accounting has yet to be made so that the figure could even be higher. This final figure will appear in next week's Bulletin.

This figure expresses important support for the Bulletin from sections of the working class. \$10,226.67 was raised outside branch quotas, the largest such figure in our history. For instance, a reader in Ithaca, New York sent in \$100 with a letter stating: "Keep up the good work! I hope someday to give my energy and emotion and time as well to strengthen the working class movement."

In addition to this figure a good proportion of branch quotas was raised from outside activities. Hundreds of dollars were collected from individual subscribers in single dollar bills. Street fairs, dinners, dances, raffles, picnics, card parties, cake sales, book sales were just some of the activities run by branches to raise funds. At least one-third of the fund drive total came in these two ways.

Some 1,556 subs have come in this week, giving us a grand total of 12,153 on our 12,000 goal Spring Subscription Drive. This figure is also tentative and the final figure, which could be larger, will appear in next week's Bulletin. Tremendous drives were run this past week with whole branches getting in excess of 100 subs in that short time.

The New York area branches held one giant mobilization in the Jamaica, Hollis, St. Albans, Springfield Gardens and neighboring areas of Queens last Saturday, bringing in a grand

total of 500 subs! They reported an excellent response not only in poor areas but in many of the well-kept homes where workers hold down two jobs and the wife works in addition to maintaining mortgage payments and taxes. These workers felt they were being pushed into the ground by inflation and taxation while the corruption of Nixon was being exposed to everyone.

As we now have a bundle circulation—single copies sold on the streets—of 10,260, total paid Bulletin circulation has reached 22,816. Thus we have gone over our goal of 22,000 paid circulation by June 1 and are well on our way to our goal of 25,000 paid circulation by this fall as a base to launch the twice-weekly Bulletin.

We have been able to achieve this circulation figure while at the same time launching the monthly Young Socialist newspaper. The Young Socialist is stabilizing its bundle sales at 12,000 while it launches a special subscription drive to 3,000 subs so that total paid circulation will be in excess of 15,000 by the fall. The Young Socialist will publish right through the summer without a break because of the great importance of providing a leadership to unemployed youth this summer.

We must now understand the importance of the achievement of these goals which are so critical in preparing the launching of the Bulletin as a twice-weekly this fall. The economic crisis has reached a new stage as gold hits \$128 an ounce, the dollar weakens to an eight percent devaluation or worse, and Wall Street firms collapse in scandals. The attack of inflation on workers is now to be supplemented by a rise in unemployment as leading economists admit a downturn in production is on the agenda for summer and fall.

Under these conditions we can understand why it is that Nixon

developed his plans to illegally spy upon and in other ways deny democratic rights to his opponents and eventually to the working class movement as a whole. At the same time in this period of Nixon's and the capitalist class' greatest weakness and crisis, the trade union bureaucracy keeps silent and allows Nixon to continue to rule.

Only the Bulletin champions the fight for labor to construct its alternative by fighting in the trade unions for a labor party. The role of the Bulletin today is absolutely critical. There is no substitute. The Bulletin must become a twice-weekly and we must proceed from there to plans to launch it as a daily paper.

Recently in a speech before the American Society of Newspaper Editors, Ben Bagdikian, who has made a study of the press, stated that it would be a big mistake to give the capitalist press credit for Watergate coverage. He noted that with 2,200 accredited correspondents in Washington only 14 were put on the Watergate case full time for any substantial period during the campaign.

Noting that the newspaper industry is the third most profitable, and the growing number of mergers in that field, he concluded that "two-thirds of the country's newspapers have corporate reasons to fear a President who is ready to use his Department of Justice for political reasons."

We must now go out and build the Bulletin this summer. We must continue to expand its circulation and that of the Young Socialist. We must prepare the ground for the next stage of the struggle for the Bulletin—the \$50,000 Fall Bulletin Expansion Fund Drive and the 15,000 Fall Bulletin Expansion Circulation Drive. With these well in hand we will launch the twice-weekly on schedule October 1!



BEHIND THE WATERGATE SCANDAL/PART ONE

Nixon and Hunt

THE PLOT AGAINST THE WORKING CLASS

BY BRUCE McKAY

THE WATERGATE CONSPIRACY has exposed the real face of the Nixon government as it faces the most serious economic crisis in the history of the international capitalist system.

What has surfaced amid the mire of scandal and corruption is above all the weakness of the government and the divisions within the ruling class itself which have emerged because of the crisis. The central lesson workers must learn from Watergate is that Nixon can be forced out of office by the action of the American labor movement—that the government of big business is not a permanent fixture and can be fought and defeated.

At the same time, Watergate has thoroughly exposed the treachery of the present trade union leadership, which now forms the only support to Nixon's regime, and the bankruptcy of the American Communist Party, which has been thrown into crisis by the necessity of covering for Nixon in order to promote his deals with the

Soviet bureaucracy and his meeting with Brezhnev this month.

The Watergate conspiracy has underscored the urgency of developing a new leadership within the working class forged in the struggle to construct a labor party which will throw the political racketeers who make up the Democratic and Republican Parties out of office, replacing them with a workers' government pledged to carry out socialist policies.

PLOT

Watergate was part of a plot against the basic rights of the American working class and the institutions of capitalist democracy carried out by Nixon and the ultra-rightist speculative capitalists from Florida to California who have supported him ever since his red-baiting campaign for Congress against Jerry Voorhis in 1946.

It is this section of the ruling class, which bases its wealth on the credit expansion and wheeling and dealing of the postwar boom period, that now faces bankruptcy as the powerful commercial banking interests and big industrialists begin shutting off the flow of easy credit and cutting back on investment and production itself. This is the real meaning of the Equity Funding scandal and the bankruptcy of the big Memorex computer equipment company.

With the development of the international economic crisis, the student movement of the 1960s, the uprisings in big city ghettos and the beginning stirrings of the powerful American working class, these labor hating speculators and outright criminals of big business panicked.

They turned toward Nixon and toward the Bonapartist police state methods he planned to use against the student radicals, against the Black Panthers and eventually against the trade unions and the political leadership of the working class.

WITCH-HUNT

Nixon was tailor fit for these Bonapartist aspirations. It was Richard Nixon who had gotten into Congress and later the Senate by red-baiting his opponents into the mud. It was Nixon who gave the McCarthyist witch-hunt its impetus with his brutal persecution of Alger Hiss. And it was Nixon who advocated the atomic bombing of Vietnam in 1954 and who later carried out the most brutal air attacks in the history of warfare against Hanoi and Haiphong.

"In the years ahead I would never forget that where the battle against Communism is concerned, victories are never final so long as the Communists are still able to fight. There is never a time when it is safe to relax or let down. When you have won one battle is the time you should step up your effort to win another—until final victory is achieved," Nixon wrote in *Six Crises*.

But at the same time, the dictatorial methods Nixon would like to introduce cannot be implemented without totally dismantling the traditional forms of capitalist democracy. This means an open battle with the working class and with sections of the middle class. This is reflected in the exposure of the Watergate conspiracy—the exposure of this plot before the international working class has created the gravest political crisis in the history of

American capitalism, jeopardizing Nixon's ability to carry out any of the tasks set before him by the American ruling class and the international crisis.

ECONOMIC CRISIS

The political crisis created by the Watergate disclosures has become inseparable from this economic crisis and together they are ripping up the last shred of stability within the international monetary system, of confidence in the American government and its paper dollars and in the American economy itself.

One president of "a \$2 billion corporation" told *Newsweek* recently: "Because of inflation and the confidence factor of Watergate, I am ordering my staff to come up with a contingency plan to cut back sharply on inventories."

Nixon has been paralyzed by the Watergate crisis just at the point when he is called upon by the capitalist class he represents to step up his trade war against Europe and Japan and to prepare to do battle with the American trade unions. Watergate has exploded at just the point when the capitalist class must have a strong government, and when a growing section of the "old" capital represented by the Wall Street bankers and the big industrialists like Henry Ford II are beginning to turn toward the same Bonapartist methods of rule championed by Nixon, but which Nixon is now unable to carry through with. It is because of Nixon's political paralysis that elements of the ruling class have been considering the possibilities of getting rid of him.

But at the same time he is at his

weakest, as he faces his greatest crisis, he is already launching a vicious counter-attack.

RUTHLESSNESS

With the ruthlessness with which he witch-hunted Alger Hiss, Nixon intends to justify Watergate and the illegal espionage and political sabotage operations of which it was only a small part in the name of "national security."

In the process, he hopes to be able—once again—to create a red scare, to whip up an anti-communist hysteria which can be used as a bludgeon against any potential political leadership in the working class and as a justification for the later wholesale destruction of the basic democratic rights and institutions won through the struggles of American workers, including the destruction of the trade unions as independent workers' organizations and the right to strike.

This new campaign was launched in Nixon's May 22 statement in which he tried to cover for Watergate by raising the issue of "national security." He repeated this same theme, combining it with an attack on Daniel Ellsberg, in his speech before a POW dinner.

Ex-CIA agents James McCord and Bernard Barker also tried to hide behind "national security" in their testimony before Senator Sam Ervin's investigations committee, raising the specter of "foreign" (read "communist") support to domestic radical groups like the Black Panthers, as well as to McGovern's campaign.

Explaining his motivation for participating in the Watergate burglary, Barker told the committee: "Our mission at those times were only to obtain and try to locate documents that would prove that the Democratic Party and Senator McGovern were receiving contributions nationally—national and foreign contributions from organizations that were leftist organizations and inclined to violence in the United States, and also from the Castro government."

McCord spent a great deal of time before the committee trying to justify his role in the Watergate conspiracy by recounting numerous instances of violence allegedly committed by radical groups—singling out the Vietnam Veterans Against the War (VVAW)—and the rumors that these groups planned a violent assault on the Republican National Convention in August 1972. McCord told the committee:

"With some 250,000 demonstrators planning to go to the convention in early 1972 and there were statements that some would be out to commit violence, the questions were, who are such people, who is funding them, encouraging them, who is in collusion with them, what are they planning next and where? Are any of them being supported and encouraged by any staff members of the McGovern committee or DNC (Democratic National Committee)?"

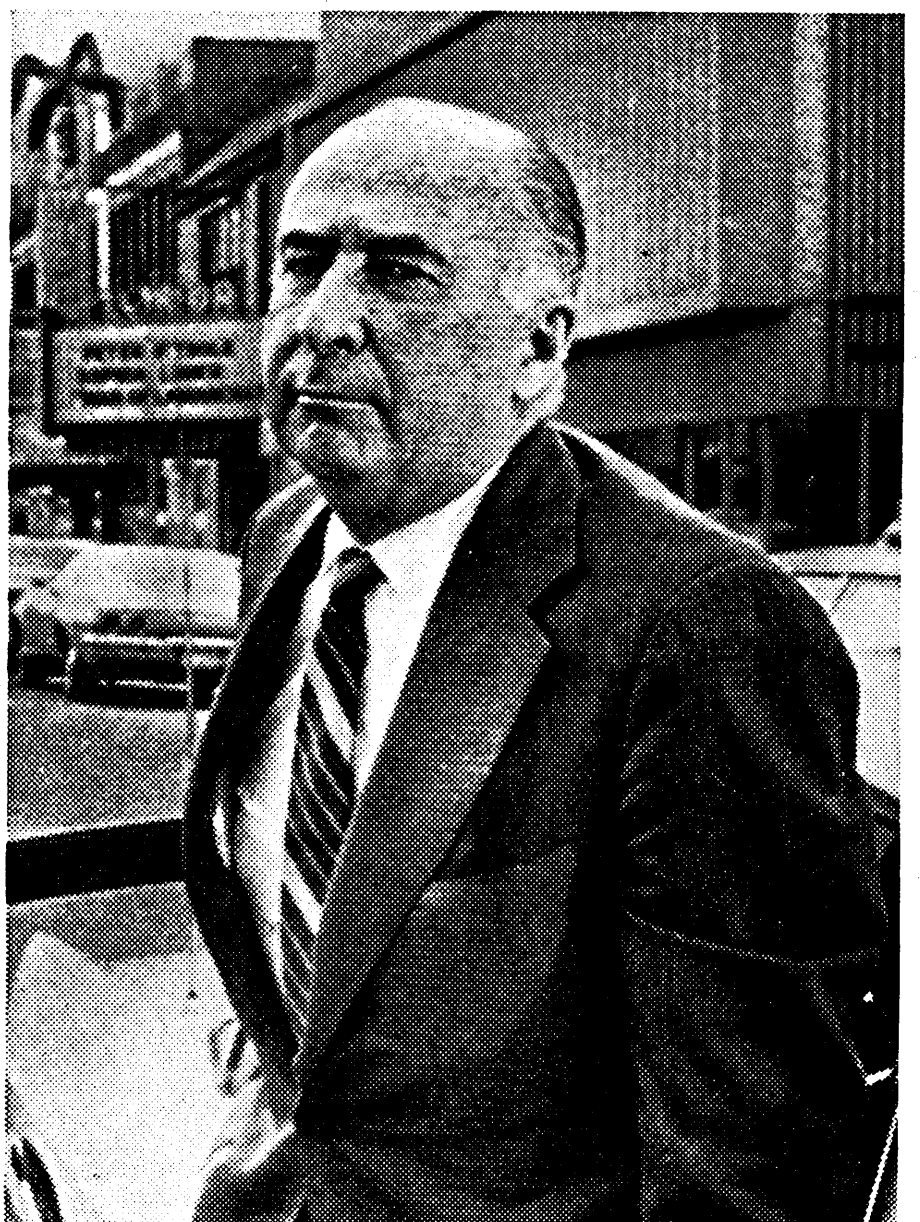
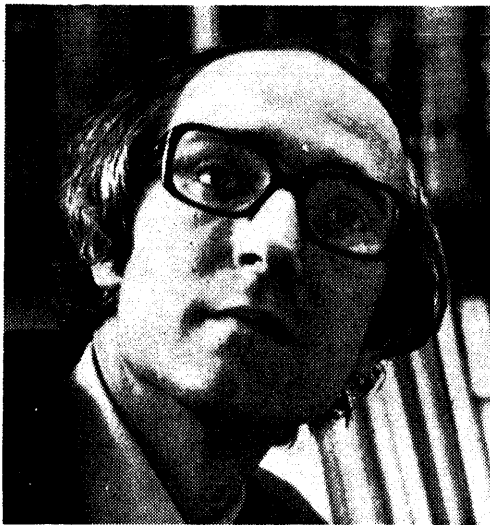
Thus, the conditions are being created for Nixon to justify the Watergate burglary itself on grounds that it was necessary to protect the "national security."

Columnist Jack Anderson has reported that the FBI has been questioning members of the VVAW who worked in the McGovern veteran's affairs office in the Watergate during the campaign, trying to link them or the McGovern campaign to plans for violent demonstrations at Miami Beach in August or to other radical organizations, including the Socialist Workers Party.

SECRET POLICE

The Watergate bugging itself and the burglary of the Beverly Hills office of Dr. Lewis Fielding, Daniel Ellsberg's psychiatrist, were born of a master plan for domestic secret police operations directed against the movement of youth and all those organizations claiming to be radical or Marxist, and eventually directed against even the liberal opposition to Nixon within the Democratic Party.

This conspiracy did not end with Watergate just as it did not begin there. The same sort of illegal activities are going on right now—this is what lies behind the desperation of Nixon's coverup attempts and the growing reluctance of Senators and publishers to pursue the con-



Top: Nixon and Hoover. Left, Huston, with John Dean below. Mitchell is at right.

spiracy further. Nixon has continued to develop a sophisticated secret police apparatus designed for use against workers and youth in the battles which must now take place between the working class and the big banks and corporations that are preparing for mass unemployment in the months ahead.

Police departments throughout the country, aided by Nixon's Law Enforcement Assistance Administration, are preparing for virtual civil war in the working class communities and are already undertaking a terror campaign against working class youth and students using Gestapo-like police units such as STRESS in Detroit.

All of these secret police activities, which led up to Watergate in May and June 1972, began to develop almost as soon as Nixon took office in 1969. Just before his inauguration in January 1969, for example, FBI agents in conjunction with Army intelligence agents, broke into the offices of the Washington Free Press in an effort to link the "counter-inauguration" planned

by some antiwar groups to "foreign communist parties."

John D. Ehrlichman was brought in by Nixon to serve as his "domestic affairs" adviser, while he, along with White House chief of staff H.R. Haldeman, set about the task of organizing a "super agency" within the White House to direct all police activities and spying on potential political opponents of Nixon's, as well as the antiwar movement, radical student groups and the Black Panthers.

In March 1969, Ehrlichman hired John J. Caulfield, a former New York City cop, to serve as a liaison "with a variety of law enforcement agencies in the Federal Government" and to conduct investigations. Shortly thereafter, on July 9, 1969, Anthony Ulasewicz, Caulfield's retired friend in the New York City Police Department's "red squad," was hired.

"During the next three years, first on orders from Mr. Ehrlichman and later in some instances, on orders from Mr. John Dean, Mr. Ulasewicz, under my supervision, performed a variety of investigative

functions, reporting the results of his findings to the White House through me," Caulfield told Ervin's committee.

According to Newsweek, some of Ulasewicz' investigations were actually attempts to get damaging information for future use against potential Democratic Party presidential candidates. Senators Edward Kennedy and Edmund Muskie, House Speaker Carl Albert and 1968 presidential contender Hubert Humphrey were among those to come under Ulasewicz' scrutiny.

Although Ulasewicz was ostensibly conducting "national security" work for the government, he "was paid on a monthly basis" by the law firm of Nixon's long time personal attorney, Herbert Kalmbach, Caulfield reported.

About the same time, in early 1969, a secret wiretap program was initiated by Nixon to close up news leaks. The phones of at least 13 high government officials, including some of Henry Kissinger's top aides, and four newsmen at the New York Times, CBS, and the London Sunday



Upper left, McCord during testimony. Next to him, Haldeman (top) and Egil Krogh (below). Ehrlichman is at bottom.

Times were tapped. "I authorized this entire program," Nixon admitted in his recent statement.

The introduction of these measures and Nixon's later attempt to develop a full scale secret police apparatus came in the context of the 1968 Democratic Convention police riot, the student uprisings which began in 1968 and continued throughout 1969 and 1970, the massive antiwar protests which Attorney General John Mitchell once fearfully compared to the Bolshevik Revolution, the ghetto insurrections of the 1960s, the May-June 1968 General Strike in France, and, above all, the development of the international economic crisis and the first movements among the masses of American workers.

1970

The development of Nixon's political police underwent a sudden acceleration in 1970, when, in combination with the explosion on the campuses over Nixon's invasion of Cambodia, the movement of workers began to develop explosively with the national postal strike, the General

Electric strike and the Teamsters strike as the economic crisis took a sharp turn for the worse.

Nixon said in his May 22 statement:

"In the spring and summer of 1970, another security problem reached critical proportions. In March a wave of bombings and explosions struck college campuses and cities. There were 400 bomb threats in one 24-hour period in New York City. Rioting and violence on college campuses reached a new peak after the Cambodian operation and the tragedies at Kent State and Jackson State. The 1969-70 school year brought nearly 1800 campus demonstrations, and nearly 250 cases of arson on campus. Many colleges closed. Gun battles between guerrilla-style groups and police were taking place. Some of the disruptive activities were receiving foreign support."

According to Nixon, "On June 5, 1970, I met with the director of the FBI, the director of the Central Intelligence Agency, the director of the Defense Intelligence (Agency) and the director of

the National Security Agency. We discussed the urgent need for better intelligence operations."

J. Edgar Hoover was appointed to head a committee to draw up recommendations for increasing secret police operations within the US as well as against foreign governments. What came out was a blueprint for silencing political opposition to Nixon's war in Indochina and his preparations for class warfare at home.

The real character of this master plan is revealed in the fact that Nixon put his aide, Tom Charles Huston, in charge of writing the draft of the plan. Huston is a rabid anti-communist who headed William F. Buckley's ultra-rightist Young Americans for Freedom and organized the World Youth Crusade for Freedom in opposition to the antiwar movement in 1966.

The master plan was completed and submitted to Nixon on June 25, 1970, and was approved. In his statement, Nixon says this approval was withdrawn due to objections from Hoover.

Hoover objected to the plan because agents from the CIA and other agencies were to be used in domestic intelligence operations, and many of the FBI's activities were to be subordinated to a new "super secret police agency" directly under Nixon's thumb.

Despite Nixon's assertion that the plan was dropped, there is every indication that its proposals were adopted and the plan, in a modified form, fully implemented.

The central features of this plan were the centralization of domestic intelligence operations under the control of the White House, the use of agents independent of the various official police and spy agencies and the implementation of systematic illegal espionage and sabotage activities against radicals, foreign embassies and even Nixon's political opponents in the Democratic Party.

ILLEGAL

These illegal activities included wiretapping, opening and copying mail, auditing IRS reports and burglaries like that at the office of Daniel Ellsberg's psychiatrist. These illegal activities had been carried out by the FBI as a matter of routine policy since at least 1941 but were apparently suspended in 1966 after Ramsey Clark became attorney general. With the implementation of the 1970 plan, they were resumed and extended.

In July of 1970, John Dean III was brought onto the White House "team" by Ehrlichman, officially to serve as Nixon's official attorney. In reality, his primary function was to direct the day to day operation of Nixon's growing secret police network, putting his knowledge of radical groups at Nixon's disposal.

Through the Intelligence Evaluation Committee (IEC) set up in the Justice Department in December 1970, the activities of all government police and spy agencies were coordinated with each other and with Nixon's own independent secret police agents by Dean.

Included on the IEC were White House representatives and representatives from the FBI, CIA, Secret Service, National Security Agency, and the Departments of Justice, Treasury and Defense.

As the plan was first put into effect, Nixon relied heavily on the use of military intelligence and "counter-insurgency" units. These units under the Defense Intelligence Agency had been involved with domestic spying activities against radicals for some time, as the burglary at the Washington Free Press in 1969 demonstrates.

These forces were exposed in 1970 and 1971 for having infiltrated campus radical and antiwar groups and for spying during the 1970 by-elections on potential rivals of Nixon's in the 1972 presidential election—Democratic liberals like Kennedy and Adlai Stevenson III, who was at the time running for the US Senate in Illinois.

As the plan was implemented, various types of secret police activity became widespread. The secret plan drawn up by Huston reportedly outlined a massive campaign of infiltration to disrupt the antiwar movement, the Black Panthers, the VVAW and other radical organizations through the use of double agents and provocateurs.

FRAME-UP TRIALS

These recommendations were in-

troduced on a widespread scale, and Nixon used these activities in conjunction with the wave of political frame-up trials which had begun with the trial of the Chicago Seven to strike at every potential leadership of the radical campus movement and within the working class itself.

The political frame-ups continue to this day. After the kangaroo court trial of the Chicago Seven came the government's witch-hunt of the Black Panther Party and its leadership. Trumped charges based on illegal wiretap "evidence" and the testimony of provocateurs were brought against antiwar movement leaders like Daniel and Philip Berrigan. Angela Davis and Ruchell Magee were put on trial for their lives. Juan Farinas served a year in the federal penitentiary on fabricated charges for his opposition to the Vietnam War and his political beliefs.

Now, based on evidence fabricated by government agents, eight Vietnam veterans in Florida face phony charges that they planned violent disruptions at the Republican National Convention in Miami Beach.

The interagency feud which developed between Hoover's FBI and the CIA and military intelligence, along with the traditions of independence Hoover had built up in the FBI, became an obstacle to Nixon's plans for a centralized political spy network, forcing him to make extensive use of independent agents directed by Dean.

This led to the creation of the group which later broke into the Watergate following the publication of the Pentagon Papers in 1971, an event which panicked the government, according to Nixon's statement.

Nixon said that "during the week following the Pentagon Papers publication, I approved the creation of a special investigations unit within the White House—which later came to be known as the 'plumbers.' This was a small group at the White House whose principal purpose was to stop security leaks and to investigate other sensitive security matters. I looked to John Ehrlichman for the supervision of this group.

"Egil Krogh, Mr. Ehrlichman's assistant, was put in charge. David Young was added to this unit, as were E. Howard Hunt and G. Gordon Liddy.

"The unit operated under extremely tight security rules. Its existence and functions were known only to a very few persons at the White House. These included Messrs. Haldeman, Ehrlichman and Dean."

This is the group which organized both the Watergate break-in and the burglary of the office of Ellsberg's psychiatrist in an attempt to steal his medical file.

"I told Mr. Krogh that as a matter of first priority, the unit should find out all it could about Mr. Ellsberg's associates and his motives," Nixon recounted.

But Nixon hardly told the whole story. This illegal spy organization conducted extensive operations of a similar nature in their search for news leaks and on "other investigatory matters"—always under the umbrella of "national security."

The "plumbers" or other government secret police agents were responsible for breaking into a number of foreign embassies, a task assigned to the FBI in the original 1970 plan. Among the embassies burglarized were the Chilean Embassy and the Canadian Embassy, where the government was looking for information about draft evaders.

Nixon recruited the most right-wing elements he could find for the "plumbers." Liddy was hired by the Treasury Department in 1969. A former FBI agent, he had a long history as a right winger in Poughkeepsie, N.Y., where he practiced law. Eventually, he was appointed finance counsel to Nixon's reelection committee (CREEP), where he used his expertise to circumvent the new campaign contributions disclosure law.

After he was named to the secret "plumbers" group, Liddy was shipped from the Treasury to the White House, where he "officially" took the job, with Hunt, of working on "Operation Intercept," Nixon's drive to stop the flow of marijuana from Mexico.

Hunt, who actually directed the operations of the group, was recruited from the CIA in 1970 and joined the White House

staff at the same time as he joined the "plumbers" as a \$100 a day consultant to Nixon aide Charles Colson.

Hunt had joined the CIA in 1949. He served as the chief operations officer for the Bay of Pigs invasion in 1961 under the code name Eduardo. In his testimony before Ervin's committee, another Watergate burglar, Bernard Barker, revealed fully what kind of forces Hunt represents:

"Eduardo represents the liberation of Cuba, the anti-Communist symbol. It represents the Government of the United States in one form, in its covert form."

Hunt recruited some of his former CIA contacts among Miami's right-wing Cuban exile community to work in the group's secret police operations, among them Bernard Barker, Frank Sturgis, Eugenio Martinez and Virgilio Gonzales. Ex-CIA agent James McCord rounds out the Watergate team.

Barker, a former member of Batista's secret police, is a business associate of Nixon's close friend Charles "Bebe" Rebozo and served under Hunt as paymaster for the Bay of Pigs invasion, using the code name "Macho."

Martinez had worked for both the CIA and Defense Intelligence, and Gonzales, the locksmith, has a long association with

In February 1971, Attorney General John Mitchell hired Robert Mardian as assistant attorney general in charge of the Justice Department's Internal Security Division (ISD). The ISD had been formed as a separate agency within the department during the witch-hunt days of McCarthyism but remained relatively inactive until Mardian was brought in.

Nixon and Mitchell apparently wanted Mardian to play a major role in the implementation of the 1970 secret police blueprint, along with Dean, Liddy and Hunt. Mardian was closely associated with the ultra-rightist forces in Arizona around Senator Barry Goldwater and Richard Kleindienst, who took over the Attorney General's post when Mitchell resigned in the wake of Watergate.

Mardian immediately doubled the ISD staff and began establishing links to all other police and espionage operations being conducted by the government. He joined the IEC. He ordered an extensive check of the FBI's voluminous files to get leads on various leftist organizations.

Mardian engineered the police state style mass arrests of 13,000 antiwar demonstrators in Washington on May Day 1971, an operation which won the praise of Mitchell, Nixon and Spiro Agnew,

McGovern's campaign to radical groups, violence and, if possible, foreign "subversives."

A number of contingency plans were also developed for use should it appear that Kennedy—who Nixon strategists feared could win the election—would get the nomination.

These plans centered on violent disruptions of either convention by police infiltrators to create mass hysteria and the linking of the violence to radical groups or the "communists." At one point, Nixon's secret police team even considered the possibility of planting bombs and starting riots at the Republican Convention and having Nixon declare a "state of emergency" to invoke the "National Watchlist" plan.

"DIRTY TRICKS"

A "dirty tricks" department was set up under Colson, White House aide Peter Flanigan and long time Nixon political associate Murray Chotiner to disrupt the campaigns of any serious contenders for the nomination other than McGovern, especially Muskie, Humphrey and Jackson.

Hunt was brought into the "dirty tricks" department during 1971 in addition to working on secret police operations. McCord became security director for both

rallies.

DEMOCRATIC RIGHTS

In the meanwhile, Nixon's secret police forces were brought into the campaign to gather information on the Democratic Party candidates and their supporters and to try to establish links between them and "subversives" and alleged plans for violent demonstrations. CREEP received regular reports from the ISD on political groups through Mardian. There was widespread surveillance of the "radical" supporters of McGovern and Muskie throughout the campaign by undercover Secret Service and FBI agents. The raid on the Watergate by the "plumbers" was merely the next step.

The involvement of Nixon's vast secret police apparatus in the 1972 presidential elections was not accidental or merely the product of the corruption that permeates the Nixon government and the ruling class itself. It reveals the actual nature of the secret "domestic intelligence" plan drawn up by Huston in 1970.

It was this plan which Dean spirited out of the White House and placed in the hands of Judge Sirica and Senate investigators, prompting an hysterical response from Nixon that the revelation of its contents would compromise the "national in-



Senator Sam Ervin's Investigating Committee: more than they can handle.

Angel Ferrer, one of the leaders of the anti-Castro exiles.

INFILTRATED

According to an FBI report, Frank Sturgis infiltrated Castro's Rebel Army in 1958 as an agent of Batista's military intelligence and probably the CIA as well. He is an expert in "counter-insurgency" activities and military operations. Since his defection from Castro's forces in mid-1959, he has been involved in organizing numerous military expeditions against the Castro regime, backed by powerful right-wing businessmen in Texas and California.

Prior to becoming part of the "plumbers," McCord reportedly served on a 16-member Military Reserve committee under the Office of Emergency Planning and Preparedness—the committee which drew up a "National Watchlist" plan for arresting radicals throughout the US and suppressing the press.

Both Barker and Sturgis campaigned in Miami's Cuban community to drum up support for Nixon's decision to mine North Vietnamese harbors in 1972. At the time they were preparing for the Watergate raid, they organized a 200-truck parade through Miami of Cubans in support of the blockade.

ACTIVITATED

At the same time the "plumbers" group was being organized, another important component of Nixon's secret police operation was also being activated.

although all the arrests were thrown out as illegal.

Mardian developed the campaign of political frame-up trials to a high level, launching the conspiracy charges against the Harrisburg Seven, Ellsberg and Russo, the Camden 28, Leslie Bacon and others.

Later, Mardian was put in charge of the government's security at the Miami Beach conventions, flooding the area with undercover agents and imposing a virtual police state on the island city during demonstrations at the Republican Convention in August 1972.

APPARATUS

Nixon has never hesitated to use his political police apparatus against his adversaries in the Democratic Party, and as the 1972 presidential campaign got underway, a strategy was developed to manipulate the election to assure Nixon's victory.

At the time, in 1971, Nixon's popularity was dropping in the polls as opposition grew to his continuation of the Vietnam War and as the working class threatened to explode in opposition to Phase One wage freezing. At the same time, Nixon now confronted the sharp turn in the economic crisis which had resulted in Phase One and the removal of the gold backing from the dollar.

Nixon's strategists developed a plan which called for the nomination of the weakest Democratic contender—McGovern—and the later linking of

the Republican National Committee and CREEP. Liddy became CREEP finance attorney to channel money into former Commerce Secretary and chief campaign fund raiser Maurice Stans' safe for use in the "dirty trickster" and secret police operations. Mardian became CREEP "Political Coordinator." Mitchell was placed in charge of the whole operation.

Mitchell, Haldeman, Ehrlichman, Dean, Liddy and others in the campaign attended a series of meetings in early 1972 and perhaps before to map out the strategy for the campaign. Mitchell has admitted attending three such meetings in February, but claimed that when the subject of bugging came up, he rejected it.

Quite the contrary is true, according to other principals in the case. The entire Watergate burglary was planned during these sessions and numerous other "dirty tricks" and espionage operations were discussed.

One source quoted by Newsweek recalled: "Dean sat there in shock, silence while Liddy was talking about mugging, bugging, kidnapping and even a prostitution squad."

Dwight Chapin, who had worked for Haldeman at the J. Walter Thompson advertising agency and in Nixon's campaigns, became Nixon's appointments secretary and recruited California lawyer Donald Segretti to head up the "dirty tricks" campaign. Another Nixon man, Herbert Porter, also took part as a "dirty trickster," reportedly recruiting demonstrators to disrupt campaign

terest."

BLUEPRINT

Watergate shows that this plan was not just a blueprint for spying on "subversives" or radical groups; it was not merely a revival of the McCarthyism of the 1950s. The plan put into effect by Nixon was a blueprint for suppressing all political opposition and imposing dictatorship on the working class.

While directed primarily at the middle class radical organizations, Black nationalist groups like the Panthers and the loyal liberal opposition within the Democratic Party (and perhaps Nixon's own party), Nixon's secret police had already turned their attention to the trade unions and political tendencies within the working class. An extensive wiretapping program was begun, and prior to the AFL-CIO Convention in November 1971—where Nixon received a deservedly cold reception—"dirty trickster" Colson organized a band of 40 agents provocateur to disrupt the proceedings.

Nixon's secret police apparatus was, in fact, designed for use against the working class, and its operations in the past period were a rehearsal for the attacks which must now be directed against the trade unions, the basic democratic rights workers have won through the struggles of 200 years and any political leadership in the working class which puts forward a program for independent political action to bring workers to power.

TO BE CONTINUED

Collette Windsor FILM



Peckinpah's romanticism turns historical veracity upside down. William Benney (Billy the Kid) was born in New York City in an immigrant family. Hard hit by the first depression of capitalism, he and masses of others were forced west, where a day to day survival was possible.

But economic development was taking place and the bringing of law and order to the "Wild West" was a necessary part of expanding industry. Peckinpah—to his credit—brings this out, if only briefly, before relapsing again into presenting Billy's magnificent quality of freedom, that prized illusion still today a part of the American Dream. Garrett yields to historical forces—Billy does not. Therefore, he, and the numerous other outlaws of the period, had to be removed.

CONCESSION

Billy could have escaped to Mexico but that would have been a concession to the changes taking place and Billy's philosophy will not accept them. This is why when the final showdown occurs Billy stands quiet without even reaching for his gun as Garrett shoots. Billy would rather

PAT GARRETT AND BILLY THE KID. Directed by Sam Peckinpah. Written by Rudolph Wurlitzer. Starring James Coburn, Kris Kristofferson and Bob Dylan. Music by Bob Dylan.

Peckinpah and Wurlitzer have taken the old story of these two famous figures and despite the known and inevitable, have managed with the aid of Dylan's musical score to produce a highly suspenseful and enjoyable film.

The theme, that of a man refusing to change in accordance with the times, is presented a bit heavy-handed, but then subtlety has never been Peckinpah's medium.

Billy the Kid, well portrayed by Kris Kristofferson, is a tough and lovable individualist; the hero. James Coburn does an equally good job as Pat Garrett, an aging ex-outlaw who has "sold out" to the cattle barons to become their sherriff; his first job being to bring in Billy. Dylan, in the inscrutable role of Alias, plays a young man part of the semi-civilized West who is so impressed with Billy's freedom and individuality that he joins up with him, becoming part of the outlaw community living in the abandoned Fort Sumner, where Billy is eventually shot.



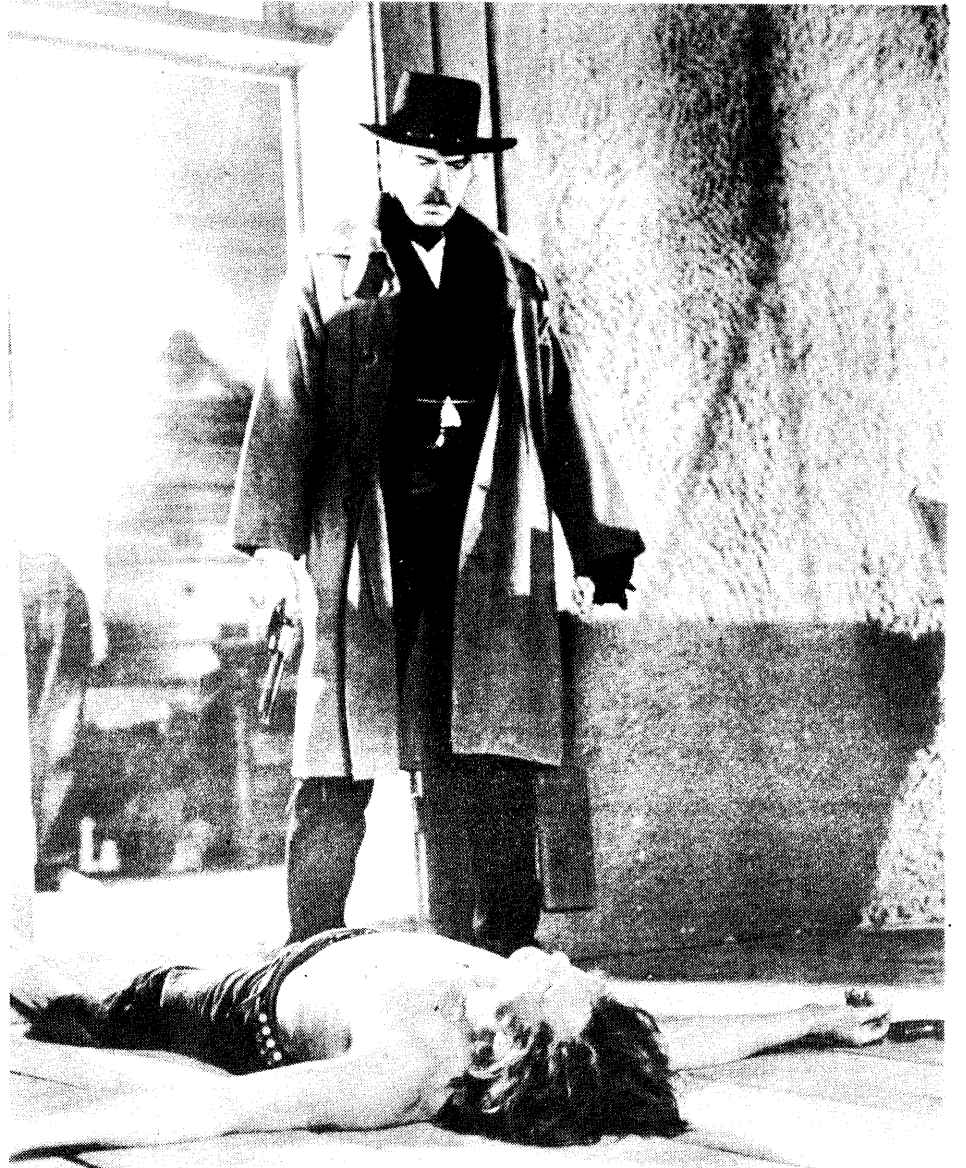
die than come to terms with changing reality. It is Billy's illusion of freedom that wins out over the objective world and not the prospect that Alias presents as Billy being "just another gringo in Mexico shitting out chili peppers."

The story of the chase and the eventual killing runs tight, with excellent direction that makes the usually stereotyped outlaws and Mexicans come alive if only briefly before their blood splatters across the screen. But violence is so completely accepted that killing and death are not worthy of even a shrug on screen or off in the audience. The photography is beautiful, the acting first rate and some of the lines are fantastic.

Whether or not you like westerns, *Pat Garrett and Billy the Kid* is a good film. But unfortunately it only shows that the historical forces in the 1880s developed whether or not an individual accepted it without drawing the analogy that the same holds true in the 1970s.



Law And Order Comes West



Kris Kristofferson, left, as Billy the Kid. Bob Dylan is Alias, who joins up with Billy. Above, James Coburn as Pat Garrett stands over Billy. Bottom left, Garrett and Billy in jail.

Jean Cameron The FILM Alienated Rich

MEMORIES OF UNDER-DEVELOPMENT. Directed by Tomas Gutierrez Alea. Starring Sergio Corrieri. Spanish with English subtitles.

The opening scene of this film is the crowded emigration section of Havana's airport, where wealthier sections of the Cuban petty bourgeoisie, fur-coated, check their papers and await their departures to America. Here Sergio, through whose eyes the entire film will be seen, watches his mother and father, ex-wife and friends leave Cuba.

Sergio, with some vague nationalist feelings and the conception that his life is inextricably wrapped up in the fate of Cuba, has no desire to leave. He views Cuba under Castro much the same way as he viewed Cuba under Batista—with the detachment of one comfortably removed from poverty and its problems. He is in fact so comfortably removed from it all in his luxury flat overlooking downtown Havana that he has trouble relating to anything or anyone.

It is the theme of alienation that director Gutierrez Alea is involved with in the film, and because it deals with Sergio's personal involvements and impressions it might have been made anywhere, Cuba serving merely as a backdrop.

This approach lets the director com-

pletely off the hook, for he need not confront the problems and developments in post-revolutionary Cuba, but only the personal difficulties his character has in adjusting to life and society in general.

While the film skillfully employs the techniques of flashback, cuts from newsreels and voice-overs, their impact is softened by Sergio's blasé attitude to it all. Hence during a sequence of news clippings and photos on the Bay of Pigs invasion, Sergio ponders the dialectical relation of the individual to the group and the whole to its part, wondering if the individuals themselves are guilty or if their collective invasion party as a whole is the criminal.

DISTANT

The 1962 missile crisis as well is reported as yet another event distant from Sergio and merely noteworthy.

The great weakness of this movie is the director's refusal to take a side in the struggle or confront its contradictions. One of Sergio's young lovers might be aiming her rebukes directly at Gutierrez Alea when she says, "You're not a revolutionary, not a counterrevolutionary. You are nothing."

The only problem the director hints at throughout the film is contained in the title and referred to often by Sergio, in an idealist way. Sergio sees Cuba as backward; its women, products of Cuba's underdevelopment, and hence unsuitable companions for him intellectually.

Sergio cries, "How does one get rid of underdevelopment?" Yet Gutierrez Alea stays safely away from any attempt to deal with the political and social problems of modern Cuba—or to expose the fundamental contradictions at work in society today.

THE KIBBUTZ: WINDOW DRESS

BY CHARLES PARKINS

Many people outside the country tend to picture Israel as some sort of "socialist country," a land of kibbutzim, with everyone happily working together for the common good, in a society based on democracy and equality.

Reporters for the capitalist popular press make a trip to Israel, get shown around, and come back with sunny holiday snaps of life on the kibbutz while British Labour Party representatives in Parliament make speeches about "socialist Israel."

Now and then, particularly since the war of June 1967 and the Israeli military occupation of Arab territories, people may be made aware of another side to the picture; a less happy one, of people driven from their villages, of military brutality, of conquest and oppression.

But the spokesmen for Zionism and particularly the Labour Party MPs who act as spokesmen for Zionism, will play this down.

Of course, they say, Israel has had to occupy Arab territory, but only "reluctantly," and for "peace." There are some Arab refugees, but the number has been exaggerated, and anyway it's all the fault of the leaders who urged them to leave.

Deir Yassin? Well, yes, there have been a few "excesses," but on "both sides," you know. And the Israeli occupation is very liberal and humane. A "few" Arabs are oppressed, maybe, but only for "security" reasons; and most of them would really be quite happy under Israeli rule but they are misled by the Arab leaders.

A few Israelis might be chauvinist, but Israel is really a "progressive" country, its people have conquered deserts and swamps, established a democratic society, which all "socialists" must support...and anyway, there is the kibbutz!

Not only have some Labour MPs tried to justify their support by falsely presenting Israel as a "socialist society," but the Israeli example of collaboration between trade unions and the state has been exalted as one that could be followed in Britain.

Paul Rose, Labour MP for Manchester, Blackley, has even spoken of the Israelis as being "the Vietcong of the Middle East!"

(This must provide some cynical laughs among the Israeli political rulers, for Rose's pamphlet, "Israel and the Left," omits to mention Israel's support for the Americans in Vietnam against National Liberation Front.)

UNITED STATES

Israeli "socialism" must be unique indeed—for its main support has been aid and investment from the United States!

Since the 1967 Six-Day War, foreign investors have found Israel more attractive than before. Capital is going into land and factories in the occupied territories, as well as in Israel itself, and real estate in the cities is being bought up by developers.

Some of the names and connections may be well-known overseas. In Britain, the name of the Freshwater group of companies is quite well-known, particularly in London, where its head, Mr. Osias Freshwater, is reputed to be the biggest private landlord, owning at least 20,000 flats.

His son-in-law, Mr. William Stern, heads a finance-group which last year acquired a 50 percent holding in the Israel Pan-Lon building company, in a transaction worth many millions. Pan-Lon had been short of turnover capital because of heavy investment in building sites and thousands of unfinished flats in various parts of Israel.

You may remember the outcry from Zionist sources just after the June war about the desecration of the old Jewish



The first kibbutz, Degania A, came about from a strike of agricultural workers. Right, new Israeli buildings on seized Arab land on Mount

cemetery on the Mount of Olives at Jerusalem, under Jordanian rule, and the use of gravestones as paving slabs.

But Tel Aviv's Hilton Hotel stands on the site of the old Moslem graveyard, which was cleared by the municipality as good real estate. Part of the graveyard still remained, until last summer. Then, as Israeli writer Maxim Gilan recounts:

"Tel Aviv's municipality (which anyway has destroyed the coast line of the first Jewish town by cutting off the sea breeze through the erection of a series of luxury hotels which block off the rest of the city from its beach) found itself—as usual—considerably in the red.

"Loath to leave even a small plot of ground which might let some breeze filter through to the parched citizens during the torrid Israeli summers, the city fathers decided—very quietly, once again—to abolish the rest of the Moslem graveyard and build on these grounds—you've guessed it: Another luxury hotel whose foreign investors would pay the city good dollars for the lands of the expropriated Palestinian charity."

The other side to the profiteering and the speculation is that while the investors carve up Israeli cities, there are thousands of Israelis forced to live in slums.

In June last year, people from the slums of Kiryat Haim, by Haifa Bay, including more than 100 mothers with their children, staged a protest strike outside the Haifa municipal buildings, after hearing that instead of 42 new homes they had been promised, they were only to be allocated

12. The families camped down outside the buildings. Local Haifa people brought food and drinks for the children. The parents said they had been promised better housing by the authorities five years ago. They had spent 15 years living in their asbestos huts, with leaky roofs, which were now rat-infested.

DEVELOPMENT

Sometimes, the Israeli working class is not even allowed to live in the slums. That is to say that in Israeli cities, as has happened in other countries, if an area is recognized as being good potential real estate for "development," working class families may have to make way for the bourgeoisie.

Just as Rachman methods were used by landlords in some parts of London to clear out working class tenants so that a street could be turned into "luxury flats" for the middle class, so in Tel Aviv too, brutal methods have been used. In 1963, the Israeli "Left-Labour" leader Meir Yaari stated before his party, Mapam:

"We are witnesses to the desperate struggle being fought by slum dwellers in Tel Aviv whose land was sold from under them at exorbitant prices to a corporation which plans an entertainment center on the site of their homes, costing millions and perhaps tens of millions of pounds. This land is the stage of a devil's dance of land speculation involving astronomical sums. Slums have been destroyed with the help of eviction notices. Policemen were recruited to aid the land speculators in

order to evict the dwellers into the streets. Almost incredible! Women and children tried, empty-handed, to defend their homes against the threat of expulsion. This is an excellent example of how the slum problem is solved in Israel!"

Mapam is a mainly kibbutz-based party, which upholds the state of Israel and Zionism, participates in the governing coalition and talks of constructing "socialism" in Israel by means such as the kibbutz.

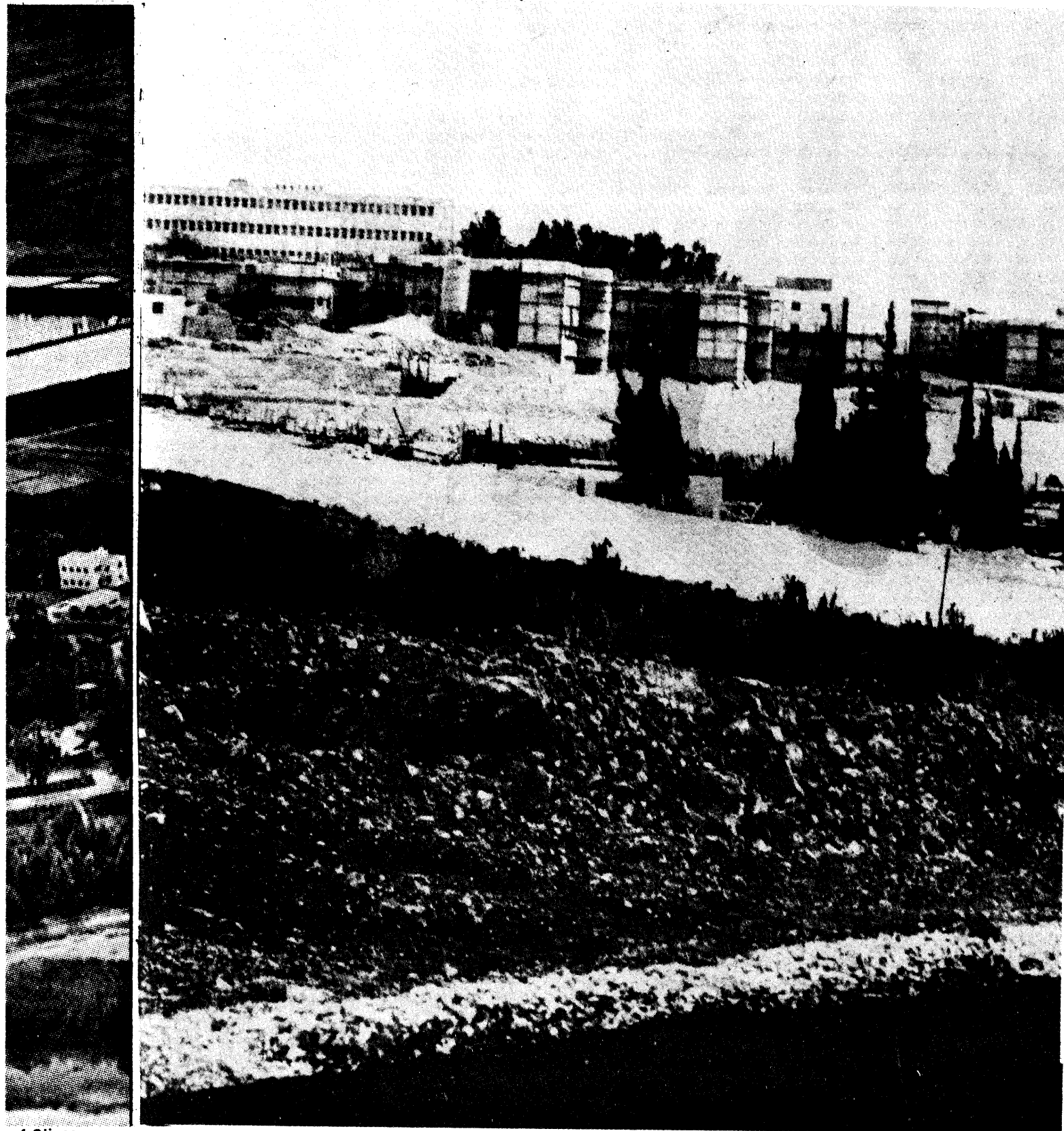
But in the party's handbook in 1965, it had to acknowledge that "almost everything connected with large profits is primarily in private hands; banking, commerce, metropolitan real estate, light industry, citrus growing..."

Some 76 percent of industrial wage earners in Israel are employed in private industry. More than three quarters of the country's production is controlled by big capital, such as the Bank Leumi, the Palestine Industrial Corporation, or the Wolfson group. As in Britain, public ownership is mostly in either basic materials or in services—in Israel, primarily in agriculture, mining, electricity, and transport.

"EXPERIMENT"

The tendency in recent years has been for private capital to move in on industries that were built up under public ownership—for instance, the government sold its holding in the Elat-Beersheba pipeline to an international consortium. A similar process has taken place with the Mekorot water company, and the Zim

ING FOR ISRAELI CAPITALISM



of Olives.

shipping line. American capital has taken over the formerly Histadrut-owned building firm, Solel Boneh, which has undertaken a number of overseas projects.

The kibbutzim comprise less than four percent of the Israeli population, and only 26 percent of the Jewish rural population. Currently, the kibbutz is being billed by the Hechalutz department (which organizes recruitment abroad) as "the experiment which has not failed."

The truth is, however, that it is a deliberate distortion of the real significance of the kibbutz to pretend that it was all some kind of social "experiment." As to whether it has failed, this all depends on how its purpose is conceived.

Certainly, as a collective village, with common ownership of the means of production, democratic election to posts, workers' control, communal eating and nurseries to free the woman for production and from economic dependence on her husband, the kibbutz may be seen as indicating the possibilities for a communist society of the future, and in that respect as a useful "experiment."

But the kibbutz movement would never have been allowed to develop had it not served very different purposes. Like the nationalized industries in Britain, although under different conditions, the "socialism" of the kibbutz has been used to build up an economy and society that is essentially capitalist.

The idealists of the left-wing Zionist Hashomer Hatzair movement, who dreamed in the 1920s that the kibbutzim would be "the vanguard cells of the future

society" have clearly been proved wrong in modern Israel. Whatever else it is, the kibbutz is certainly not an instrument or force for social change.

Although the first kibbutz, Degania A, came about as the result of a strike by agricultural workers, who then offered to take over the farm and run it themselves, it was a "workers take-over" with special features. For one thing, the land itself was owned by the Zionists' Jewish National Fund.

ZIONIST

Also these young workers were Zionist volunteers, Chalutzim (pioneers), and while they had come to Palestine with some socialist and populist ideas absorbed in Russia (this was just after the 1905 Revolution), they nevertheless came with the prime purpose of building a Jewish "homeland." Most important, it was decided by prominent Zionists, notably the head of the Zionist Organization's Palestine Office, Arthur Ruppin, to give these pioneers backing. It became realized by the Zionist leaders that the kibbutz form of organization could be the most effective way of pursuing the colonizing aim in Palestine.

Previous efforts at Jewish agricultural settlement had succeeded, but in the "wrong way"—an agricultural bourgeoisie had developed and with it a proletariat, and the farmers and citrus growers would employ Arab labor because it was cheaper, or because the Arab workers were more used to agricultural work, and more skilled.

To settle more Jewish workers on the land, most of them new to farm work, the kibbutz seemed to be a much better social framework. Therefore, it served the Zionist aim of creating a Jewish "peasantry" as a basis for a nation.

Secondly, the farmers of the earlier colonies on the coastal plain had turned to citrus crops as the most profitable. (To this day, citrus fruits are Israel's main export.)

But the kibbutzniks, wanting to have work all the year round, without seasonal fluctuations which would require extra labor, generally preferred mixed farming. Ruppin and others realized, particularly after the slump in citrus exports during World War One had hit the growers, that a one-crop agriculture, dependent on overseas markets, would leave Palestine an under-developed country.

Mixed farming, growing food for a national market initially, would give more stability to the settlement of the country, being less dependent on international market fluctuations; and it also meant that the Zionist settlement would not be dependent on Arab farmers for its food, and that agriculture could grow to feed industrial population in the future.

In this way, the kibbutzim were backed with JNF land and capital because they were helping to build the national economy.

Lastly, the kibbutz had—and still has—a special role. It is no use telling a capitalist entrepreneur, out for a profit, that he ought to invest his money in setting up a farm on an unpromising-looking rocky hill because

it happens to be in a good strategic position in military terms.

But the same capitalist, when he comes to sit down at a Zionist conference to discuss political as opposed to purely economic aims, may agree to public funds to which he has contributed being used to back a group of youth pioneers who will set up a strategic outpost on that hill. And that is what happened.

To this day, kibbutzim are still sited according to strategic rather than economic considerations, and the "border" kibbutzim—which can include some in districts of western Galilee which are far from the border but situated among Arab villages—can be transformed in an emergency into functioning military units. They are given special considerations by the government.

There is even a special section of the Israeli army, Nachal, in which conscripts receive agricultural as well as military training and which is employed to set up new kibbutzim at strategic points, particularly nowadays in the territories occupied since the June war. These are, in effect, self-supporting garrisons for the areas.

Over the years, the kibbutzim have lost some of their economic value, and many Israeli leaders, at least up to the June war, were ceasing to accept their usefulness.

Two other features have developed. One is the heavy dependence of kibbutzim on private capital, often at virtually usurious interest rates. The other is the turn of many kibbutzim to industry—and with it, to the hiring of outside labor.

Afikim, for instance, in the north, boasts of having the "biggest plywood factory in the Middle East." The workers in this factory, however, come into the kibbutz every morning by bus and go home again at night just like those in any other factory. The factory is the main source of Afikim's income. Thus the kibbutz has become an employer.

Meir Mandel, one of the leaders of the kibbutz movement, expressed the dilemma recognized by many kibbutzniks who had hoped to build an ideal society, when he said a few years ago:

"The kibbutzim on the one hand accept the money of the banks, and on the other employ wage-labor, and profit from the surplus value that it creates with the sweat of its brow."

In other words, as Israeli writer Nathan Weinstock puts it (in "Zionism Contre L'Israel"): "...the kibbutz, and not the other way around."

Even when the kibbutznik himself works hard, putting in long hours in the fields, he is helping to pay off the interest charges to the capitalist bank, not building socialism. His say in the running of the kibbutz only means he helps to organize his own exploitation and that of the hired labor.

It is hardly surprising to find that a survey on social and political attitudes in Israel, by A. Antonovsky, a few years ago, found that one-third of kibbutz members considered themselves middle class. If the other two-thirds had been more realistic, they would have said the same thing.

The kibbutznik today is like farmers in other countries, despite his special type of community, in being both exploited by the bankers and unable to wage a struggle against it—as a proprietor himself (even though in his case it is through the group), and even an employer of labor, how can he strike?

The only strikes that have taken place in the kibbutzim—yes, there have been some—have been of hired labor against the kibbutz that employs them!

In the last few years, with the emergence of left-wing, anti-Zionist and even revolutionary tendencies to challenge the Zionist Establishment in Israel, a number of individuals often isolated in their community—have been turning in that direction.

They may well find that, if they seriously want to fight for socialism, one of the first things they will have to do is to quit the kibbutz and get into the class struggle outside it.

THE KIBBUTZ: WINDOW DRESSING F

S PARKINS
e outside the
picture Israel
'socialist coun-
-kibbutzim, with
y working toge-
-mon good, in a
on democracy

capitalist popular
Israel, get shown
back with sunny
fe on the kibbutz
our Party repre-
-liament make
-cialist Israel."
-ticularly since the
-the Israeli military
-itories, people may
-mother side to the
-me, of people driven
-military brutality,
-ssion.
-or Zionism and par-
-rty MPs who act as
-m, will play this

Israel has had to oc-
-r, but only "re-
-peace." There are
-ut the number has
-anyway it's all the
-who urged them to

es, there have been
-on "both sides,"
-raeli occupation is
-e. A "few" Arabs
-be, but only for
-nd most of them
-appy under Israeli
-sled by the Arab

be chauvinist, but
-gressive" country,
-ered deserts and
-democratic socie-
-lists" must sup-
-e is the kibbutz!
-about MPs tried to
-falsely presenting
-society," but the
-tate has been ex-
-be followed in Bri-

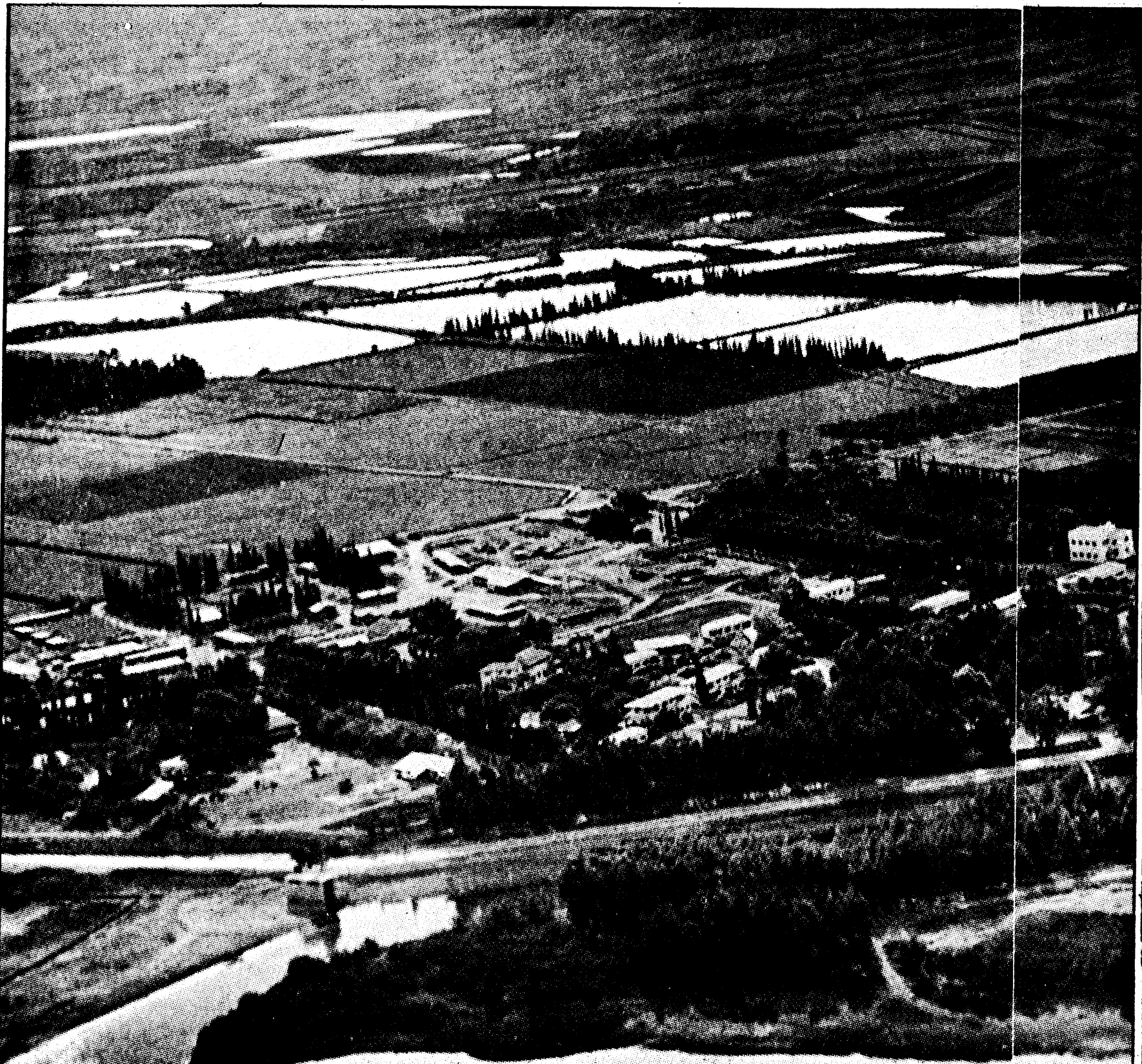
P for Manchester,
-en of the Israelis
-g of the Middle

me cynical laughs
-ritical rulers, for
-el and the Left,"
-'s support for the
-against National

ATES

ust be unique in-
-port has been aid
- United States!
- War, foreign in-
-l more attractive
-ing into land and
-nd territories, as
-nd real estate in
-ught up by de-

connections may
- . In Britain, the
-r group of com-
-n, particularly in
- Mr. Osias Fresh-
-e biggest private
-t 20,000 flats.
-diam Stern, heads
-st year acquired a
-e Israel Pan-Lon
-ransaction worth
-ad been short of
-t thousands of un-
-parts of Israel.
-the outcry from
-the June war
-f the old Jewish



The first kibbutz, Degania A, came about from a strike of agricultural workers. Right, new Israeli buildings on seized Arab land on Mount of Olives.

12.
The families camped down outside the buildings. Local Haifa people brought food and drinks for the children. The parents said they had been promised better housing by the authorities five years ago. They had spent 15 years living in their asbestos huts, with leaky roofs, which were now rat-infested.

But Tel Aviv's Hilton Hotel stands on the site of the old Moslem graveyard, which was cleared by the municipality as good real estate. Part of the graveyard still remained, until last summer. Then, as Israeli writer Maxim Gilan recounts:

"Tel Aviv's municipality (which anyway has destroyed the coast line of the first Jewish town by cutting off the sea breeze through the erection of a series of luxury hotels which block off the rest of the city from its beach) found itself—as usual—considerably in the red.

"Loath to leave even a small plot of ground which might let some breeze filter through to the parched citizens during the torrid Israeli summers, the city fathers decided—very quietly, once again—to abolish the rest of the Moslem graveyard and build on these grounds—you've guessed it: Another luxury hotel whose foreign investors would pay the city good dollars for the lands of the expropriated Palestinian charity."

The other side to the profiteering and the speculation is that while the investors carve up Israeli cities, there are thousands of Israelis forced to live in slums.

In June last year, people from the slums of Kiryat Haim, by Haifa Bay, including more than 100 mothers with their children, staged a protest strike outside the Haifa municipal buildings, after hearing that instead of 42 new homes they had been promised, they were only to be allocated

DEVELOPMENT

Sometimes, the Israeli working class is not even allowed to live in the slums. That is to say that in Israeli cities, as has happened in other countries, if an area is recognized as being good potential real estate for "development," working class families may have to make way for the bourgeoisie.

Just as Rachman methods were used by landlords in some parts of London to clear out working class tenants so that a street could be turned into "luxury flats" for the middle class, so in Tel Aviv too, brutal methods have been used. In 1963, the Israeli "Left-Labour" leader Meir Yaari stated before his party, Mapam:

"We are witnesses to the desperate struggle being fought by slum dwellers in Tel Aviv whose land was sold from under them at exorbitant prices to a corporation which plans an entertainment center on the site of their homes, costing millions and perhaps tens of millions of pounds. This land is the stage of a devil's dance of land speculation involving astronomical sums. Slums have been destroyed with the help of eviction notices. Policemen were recruited to aid the land speculators in

order to evict the dwellers into the streets. Almost incredible! Women and children tried, empty-handed, to defend their homes against the threat of expulsion. This is an excellent example of how the slum problem is solved in Israel!"

Mapam is a mainly kibbutz-based party, which upholds the state of Israel and Zionism, participates in the governing coalition and talks of constructing "socialism" in Israel by means such as the kibbutz.

But in the party's handbook in 1965, it had to acknowledge that "almost everything connected with large profits is primarily in private hands; banking, commerce, metropolitan real estate, light industry, citrus growing..."

Some 76 percent of industrial wage earners in Israel are employed in private industry. More than three quarters of the country's production is controlled by big capital, such as the Bank Leumi, the Palestine Industrial Corporation, or the Wolfson group. As in Britain, public ownership is mostly in either basic materials or in services—in Israel, primarily in agriculture, mining, electricity, and transport.

"EXPERIMENT"

The tendency in recent years has been for private capital to move in on industries that were built up under public ownership—for instance, the government sold its holding in the Elat-Beersheba pipeline to an international consortium. A similar process has taken place with the Mekorot water company, and the Zim

shipping line. American over the formerly building firm, Solel Bortnick, has undertaken a number of

The kibbutzim comprise 26 percent of the Jewish population. Currently, the kibbutzim through the Hechalutz department organize recruitment and a "socialist" experiment which has no

The truth is, however, that the kibbutz is a deliberate distortion of the possibilities of the kibbutz to present some kind of social "experiment," whether it has failed, or whether its purpose is con-

Certainly, as a common ownership experiment, it has been a failure. The kibbutz movement has been allowed to serve very different purposes than the nationalized industries, although under different names—"socialism" of the kibbutz—to build up an economy essentially capitalist.

The idealists of the Hashomer Hatzair movement dreamed in the 1920s that the kibbutz would be "the vanguard

LABOR MUST ACT . . .

(Continued From Page 1)
credit has been further complicated by the fact that businessmen are willing to borrow money at almost any rate because they feel that inflation makes repayment cheaper than the amount borrowed. It has been reported that loans have increased by an annual rate of 40 percent since December.

Nevertheless, the rise in interest rates does have an immediate recessionary impact on industrial and banking concerns requiring short term loans. Also, the banks have singled out smaller business enterprises as well as those which relend the money they borrow as the first targets of the credit squeeze.

SCANDALS

Against the backdrop of this insoluble crisis, which flows from the disintegration of the American dollar as a measure of value, is the outbreak of a wave of speculative scandals which emerge just as a sudden end is coming to the inflationary boom.

The Equity Funding scandal is already old news. Within the period of several days, Wall Street has been shaken by new cases of massive fraud involving what were highly respected firms. Weis Securities, a well es-

PERU . . .

(Continued From Page 2)

that it has assimilated this experience. The Peruvian proletariat, and especially its most advanced and more militant sectors, are not and cannot be the same as before.

However much Stalinism may have succeeded in stopping the publication of *Comunismo* through out and out crookery and cheap slander it cannot betray with complete freedom.

Ten months of uncompromising struggle against Stalinist treachery also weighs on the consciousness of the members of the PCP and especially its proletarian nucleus.

The present unrestrainable development in the class struggle of the working class in Arequipa, Puno, Moquegua, Cuzco, Tacna and Piura shows today that not only has *Comunismo* not been liquidated, but that such struggles prepare its necessary reappearance. This is the pledge of those of us in the cells of the State Security prison. We cannot yield one inch in this.

Our party cannot be crushed.

WATERGATE . . .

(Continued From Page 3)

lobbyist Dita Beard out of Washington to a Denver hospital" in early 1972 when investigators and newsmen wanted to question her.

•Former Nixon campaign manager and Attorney General John Mitchell has admitted approving payoffs to the convicted Watergate conspirators to buy their silence during last year's election campaign, according to a secret summary of his interview with Senate investigators released by Jack Anderson.

The summary says that "Mitchell went along with payments to the defendants rather than risk having other Liddy-Hunt activities exposed before the election."

Nixon's long time personal attorney Herbert Kalmbach, who served as an intermediary for money paid Donald Segretti for his political sabotage activities, has told the General Accounting Office he also paid at least \$210,000 to the seven defendants.

established brokerage house dating back to 1927, has violated the Securities and Exchange Commission laws by borrowing more than 30 times its capital in order to give the impression of financial soundness.

Another firm, Bausch and Lomb, has been charged by the SEC with doctoring its earnings to hide major losses from investors.

And in what is being called the most massive case of fraud on the American Stock Exchange, the former chairman of Four Seasons Nursing Centers has pleaded guilty to using false financial reports to inflate the company's stock price. Once considered the hottest item on the American exchange, it has already cost investors \$200 million.

DEVELOPMENTS

These spectacular scandals are the reflection of the crisis. Objective developments in the economy now take over and dominate over the plans and speculations of the capitalists themselves. In its period of heroic growth, the criminal swindling of the robber barons like Gould, Vanderbilt and Fiske passed for empire building. In this period, every new exposure

and indictment contributes only to the deepening of the crisis.

The domination of the objective crisis over the ability of the capitalist class to produce some "common sense" solutions found its sharpest expression last week in the failure of Nixon and French President Pompidou to arrive at any agreement on the outstanding questions of trade, defense and monetary stability during their talks in Reykjavik, Iceland.

Instead, observers noted a the Common Market which rule out any possibility that the GATT negotiations later this year will resolve anything. But the failure of Pompidou and Nixon to come to some agreement does not leave things as they were before the talks but create conditions for new upheavals.

BREAKUP

There can be no doubt that the especially heavy selling of the dollar early this week was influenced by growing fears that the deepening divisions between Europe and America will lead to the complete breakup of the world monetary system, depreciation of national currencies, and international trade slump.

Under these conditions, when

GENERAL ELECTRIC . . .

Quite a few people are just plain disgusted with all the politicians."

Paul Jennings was among those who signed the official AFL-CIO statement on Watergate which did not even mention Nixon by name. Since that time, he has had nothing to add to the statement. The IUE will not call for Nixon's impeachment or resignation, for, in the words of Joseph Mangino, "We don't think it would be fair to assume that Nixon is guilty of anything."

Frequently, spokesmen in various IUE locals and in the International headquarters have refused to discuss either Watergate or the wage freeze, declaring that Nixon's policies are "irrelevant" to the negotiations. "It would be a waste of time to discuss Nixon and the wage freeze when he's got enough problems with Watergate to intervene in our contract," declared Mangino.

But this position places the trade union movement in enormous danger. Behind the Watergate conspiracy were the

capitalism is being torn by new scandals and crises on almost a daily basis, the most important question posed to the working class is that of leadership. Certainly, the opportunities have never been greater for the working class to take the offensive against Nixon and force him out of office.

Such action is necessary not only because of the opportunities but also because of the dangers that now confront the working class.

The enormous economic crisis and the development of a recession under conditions of complete monetary disorder can lead to the sudden shutdown of whole sections of industry and the unemployment of millions of workers. Within the coming months, tendencies in this direction will already be felt.

At the same time, the simple exposure of Nixon's crimes does not necessarily mean that he will be removed. For several weeks it has been obvious that Nixon was at the heart of the Watergate conspiracy, but in the meantime he has held onto the Presidency and has sought to strengthen his position by inviting the military directly into the White House through General Alexander Haig. In spite of his compromised posi-

preparations of the Nixon Administration for a confrontation with the labor movement, and Nixon remains just as determined to beat back the trade unions.

Both the government and the major corporations realize that the GE contract will be a decisive test of Phase Three. If the electrical workers smash beyond the guidelines, it will unleash a wage offensive unparalleled in modern labor history. If the electrical workers break beyond the 5.5 percent, nothing will hold back the teamsters and the auto workers whose contracts expire later in the summer.

Despite their long history of bitter antagonism, the leaders of the IUE and UE have united in the current negotiations and both are equally committed to avoiding a strike and a political confrontation with the government. The IUE emerged through the breaking up of the UE by anti-communist witch-hunts launched by the right-wing and Reutherite sections of the CIO.

On the other hand, the UE was the bastion of the Stalinists in the

tion, Nixon continues his move toward the establishment of a Bonapartist regime.

Furthermore, it must be understood that the divisions within the ruling class over Watergate are essentially over how to beat back the working class. Just as a number of Congressmen begin to discuss the possibility of impeaching Nixon, liberal Democrats publicly call for a total wage freeze.

REACTIONARY

This reactionary administration can continue in power and the bankers can plot mass unemployment and wage freezes only because the trade union bureaucracy, assisted by the Stalinists of the Soviet Union and the American Communist Party, will not fight Nixon.

Workers must now demand that the AFL-CIO leadership stop covering up for Nixon and stop collaborating with Phase Three. Every trade union must demand that Nixon be thrown out and that the labor party be established as the political force to replace him.

It is to rally the working class in this political struggle that the Young Socialists will mobilize thousands of youth in demonstrations for jobs in every part of the country on July 11.

CIO. To this day, President Albert Fitzgerald and Treasurer Jim Matles receive the uncritical support of the Communist Party.

The current struggle against GE reveals how those sections of the trade union bureaucracy who were most closely associated with the Stalinists today are able to collaborate with the very forces that emerged in the witch-hunt period—in order to prevent a political struggle by the working class.

The electrical workers are in a position to rally the entire labor movement against Nixon and Phase Three. Coming on the eve of contract battles that will involve nearly five million workers, a strike against GE could be the first shot in the battle to force Nixon out of office and to construct a labor party as the alternative to his administration.


The membership must demand that the IUE and UE immediately issue its notification of strike action, and mobilize the entire trade union movement against Nixon through the calling of a Congress of Labor which will build the labor party.

"That Watergate should be the Number One topic of discussion at the National Governors Conference, dominating all other deliberations, tells us how far this paralysis has extended," Lucey said.

PARALYSIS

This paralysis has thrown the capitalist class into crisis and confusion. The Nixon government is now propped up only with the assistance of the trade union bureaucracy, and the ruling class fears any real movement of workers will bring it down.

Nixon, the man groomed for over 25 years to lead the attacks on the working class and its basic rights which the bosses must now carry out, is at this point unable to go forward with these attacks. Thus, sections of the capitalist class are talking about getting rid of Nixon, while—having no one suitable to replace him—they are desperately trying to keep his government afloat.



FOURTH INTERNATIONAL
Spring, 1973
75 ¢

Editorial: "World Economic Crisis"

Now Printed In The United States

A journal of international Marxism published by the International Committee of the Fourth International.

Order From:
Labor Publications
135 W. 14th St.
New York, N.Y. 10011

Master Plan To Smash Unions

BY MICHAEL ROSS

AUSTIN, Texas—“We’re training machine operators, not machinists,” boasts Donald Leonard to the press. As plant manager of Westinghouse’s new Round Rock gas turbine works in Austin, he knows exactly what he is talking about.

This new, non-union plant has been in the works of Westinghouse management for some time, as part of a long term plan to wipe out the unions in their existing plants.

The plan is essentially this: build new, automated plants in the South and Southwest, run them non-union and run down the existing unionized plants in the North and Midwest.

To date there has been only one successful campaign to unionize any of these new Westinghouse plants. That is the recent victory of the United Electrical Workers (UE) in a representation election at the company’s nuclear equipment plant in Tampa, Florida, involving some 400 workers. Other campaigns by the UE, the United Steel Workers of America, and other unions in this field have so far been a failure.

The situation developing in Austin, in Charlotte, Winston-Salem, Louisville, Georgia, Hampton, South Carolina, and a dozen other locations is the future faced by every unionist at Westinghouse.

The man in charge of these plans is Westinghouse vice president for manufacturing Stephen Miketic. Interviewed last December by *Metalworking News*, he announced that the company was spending \$200 million on capital investment in 1972, a figure that was slated to rise to \$225 million in 1973.

NON-UNION

Miketic and the men around him are pushing for continued expansion of the company into new, non-union plants, built from the beginning with the latest technology.

Westinghouse non-union plants: blade serrations being broached into rotor disk, above. Below left, a computer operates massive 22 ton air pallets for moving workpieces weighing up to 20 tons from one machining center to another. Below right: a turbine exhaust extension is being set up for machining.

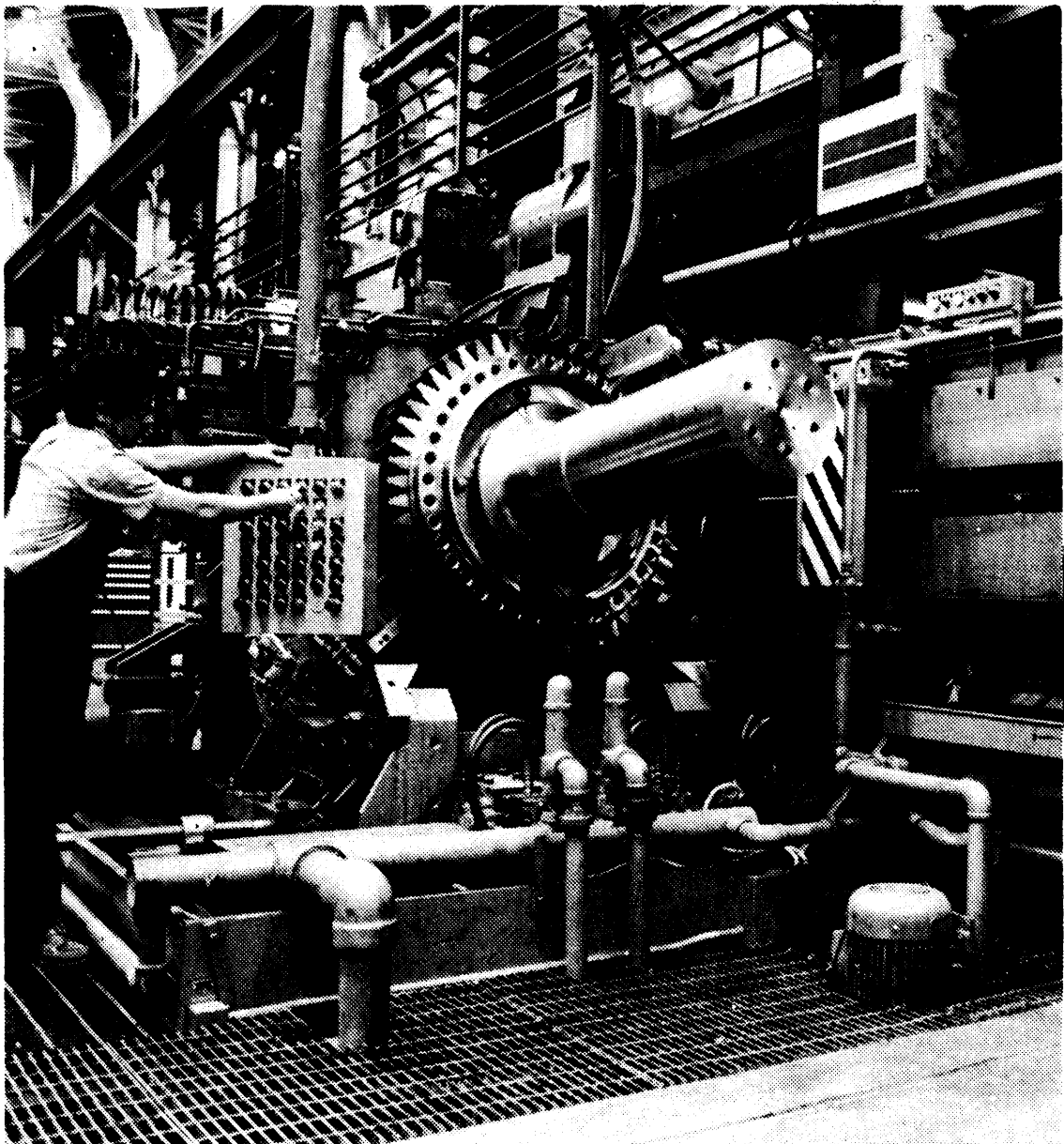
At the heart of the Austin plant is a direct numerical control (DNC) system for most of the machine tools and massive 22 ton air pallets for moving workpieces weighing up to 20 tons from one machining center to another.

Numerical control in essence is a system through which all machining operations on a workpiece can be programmed onto computer tape, read by an electronic control panel which then directs the movements of the various tools of the machining center to which it is attached. NC, despite enormous initial outlay and maintenance costs, in large measure cuts out the building of specialized jigs and fixtures for holding workpieces, and usually cuts down on the skills needed by the machine operator.

DNC goes far beyond NC. It allows for the control of far more than one machine tool or machining center through a central computer. Of the 27 major machine tools and machining centers in the Round Rock works, 21 are under DNC.

This completely new approach cuts the total manufacturing cycle by one-third of the time required in the gas turbine works at Lester, Pennsylvania, a long organized plant and the base for UE Local 107, that union’s largest local.

Recently interviewed by *American Machinist*, Round Rock technical services manager David Mullins summarized the procedure: “We can set up one, for example, and take it to a machine that is open or soon will be open, machine the workpiece, take it to more machining or



back to staging, re-setup fixturing, and take it to another machine. It eliminates the time-consuming steps of fixturing to a stationary work bed.”

Mullins is quite typical of the new group of managers being hired by Westinghouse to supervise the changeover from union to non-union plants. One officer of UE Local 107 recently told the *Bulletin* that Mullins was given a “nothing” job for a while at Lester, looking after tool cribs, crane operators, etc., to acquaint him with Westinghouse procedures, and then shipped off to Austin.

THREATEN

The Austin plant along with the steam turbine and turbine components plants in North Carolina (Charlotte and Winston-Salem) now threaten every job at Lester, as these new, non-union plants swing into full operation.

By way of example, Westinghouse plans a maximum of 700 hourly employees at Austin, compared to the 1200 now working in the gas turbine division at Lester. And by no means is Austin intended to supplement Lester, but to replace it.

And for those working at Austin, there is a complete breakdown of skilled labor and the reappearance of conditions wiped out at Lester a generation ago.

Every operator at the Round Rock works is expected to perform the great bulk of his own inspection work, cutting back on the use of a separate inspector’s classification. Some 80 percent of the tooling consists of throwaway carbides, cutting down on most hand grinding of tool bits and precision grinding of milling cutters.

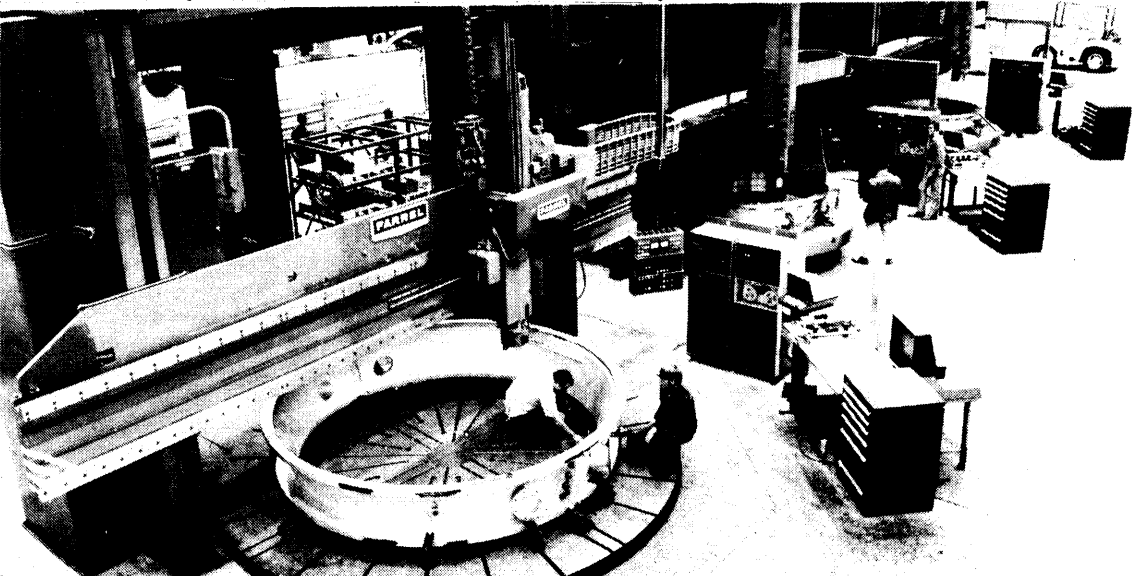
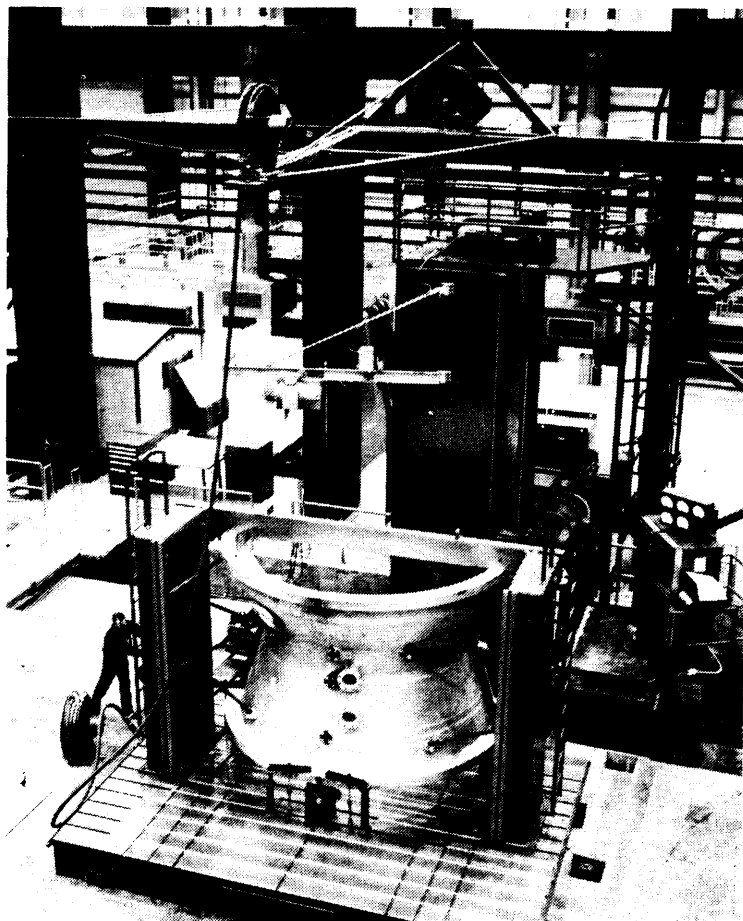
In Mullins’ own words, “We have found that you can keep your machine operator moving better by nailing him with the responsibility for the accuracy of his work.”

What this has meant in terms of safety is shown graphically in Westinghouse’s Occupational Injury and Illness Experience Report for January through September, 1972. Not circulated below the employee relations department level in each plant, the report centers on the unit of man-year, defined as one full time worker who puts in 2000 hours (50 weeks) work a year. In

terms of injuries per 100 man-years in this period, the Lester gas turbine workers had a loss of 2.6, while Austin was ahead of them with 3.1. And keep in mind at the time this report was published that the Lester figures were for nine months, and those in Austin only for September, 1972, the month it started operations.

The leaders of the Westinghouse unions, like those at General Electric, have generally proven helpless to arrest these developments. What the ranks of the GE and Westinghouse unions must now build is a leadership that will organize the new plants in the South and Southwest.

GE and Westinghouse workers must fight in their unions for a Congress of Labor to beat back this and all the other attacks on the labor movement, attacks directed by the government for the benefit of the big corporations. This Congress of Labor must take action to create a labor party that can oust the parties of big business from power, and nationalize the major corporations such as GE, GM and Westinghouse under workers control.



BY MARTY MORAN

Richard Nixon was brought into politics by the same forces that were to propel him every step of the way—the new financial and industrial interests of Southern California.

Nixon had been pursuing a legal career and in September 1945 was in Baltimore as a young Navy lawyer. His specialty was finding loopholes by which the Navy could terminate war production contracts with mass layoffs resulting. This was the period when over two million workers were laid off in the war industries in four weeks and mass demonstrations of unemployed CIO members took place in the major cities.

Herman Perry, a "friend of the family" in Nixon's home town of Whittier, near Los Angeles, telephoned Nixon in Baltimore. Perry also happened to be vice president of the Whittier branch of the Bank of America and influential in local Republican politics. A committee of 100 top Republican politicians and businessmen were looking for fresh faces to run for Congress in the 1946 election. Perry invited Nixon to come home and be looked over.

ANTI-COMMUNISM

Nixon immediately flew back to Southern California. Strange as it seems now, he was pegged as a fresh, photogenic, Hollywood type candidate who would give big business a new look. Most important, Nixon made clear his central campaign theme would be his single-minded anti-communism and hatred of labor—as one patron put it, "We've got to select somebody who is really on fire."

The reason for this is that American capitalists were in the throes of their deepest crisis since the 1937 sit-down strikes. The greatest strike wave in the history of the labor movement was then sweeping the United States—auto, steel, maritime, meat packing, electrical, communications, mines, and trucking were all shut down at one time or another in the year after V-J Day. When Nixon opened his campaign headquarters in Southern California, more than two million workers were on strike.

was engaging in strike-breaking through government takeover of struck plants, drafting of strikers, and threats to jail union leaders under wartime anti-strike laws.

CONTROL

But big business wanted even more than this. They demanded stiff new legislation to establish sweeping government control over the unions and halt further organization. Above all, they sought to behead the unions politically by driving out all the left-wing elements and tying the union leadership directly to capitalism through fat salaries, comfortable lifetime jobs, and occasional pats on the head from Democratic Party politicians.

The Democrats in Congress were reluctant to pass the necessary legislation because it would jeopardize their already fragile hold on the labor leadership. Big business turned to a new generation of die-hard Republican red-baiters who gained control of Congress in 1946 and rammed through the Taft-Hartley Act against the cynical opposition of Truman, who then proceeded to use the new law with a vengeance. Nixon was one

of these die-hards.

Nixon's opponent in the 1946 Congressional race was 10 year incumbent New Dealer Jerry Voorhis. Nixon centered his campaign against him by tying him to organized labor. He said Voorhis was the CIO candidate and that "Communist-dominated" labor unions were trying to take over the country. He charged Voorhis had been endorsed by the CIO's political arm, the National Citizens' Political Action Committee (NCPAC).

DENIED

Voorhis denied any connection with the CIO. He tried to cater to the same middle class hysteria that Nixon was whipping up. He pointed to his own anti-communist record as a member of the Dies Committee, forerunner of the House Un-American Activities Committee, and sponsor of the Voorhis Act which bars American political groups from affiliating to international movements. This was directed against the Comintern and the Fourth International.

At a public debate with Nixon, Voorhis challenged him to prove his charges. Nixon triumphantly produced documents from the Los Angeles office of NCPAC showing their support to Voorhis. Voorhis was crushed. He wrote a letter to NCPAC denouncing their support and claiming their philosophy was different from his. But he could not out labor-bait Nixon.

HISTORY

After that, Voorhis' personal history as a member of the right wing of the Socialist Party before joining Roosevelt was raked up to smear him. Nixon said again and again that there was a clear cut choice in the election between an American philosophy and a foreign philosophy. In a taste of the future, a flurry of anonymous election-eve phone calls charged Voorhis with being a Communist agent. Nixon won by 15,000 votes.

Behind the hysteria, Nixon openly stood for the interests of the most reactionary sections of big business—real estate, oil, and agriculture. He fought for state rather than federal control over the tidelands (offshore) oil. This was based on the oil companies' assessment that it was cheaper to buy a state legislature to get control of the oil than to buy the Congress.

He opposed a low cost housing project in Los Angeles. Government supported housing would have ruined the lawyers, real estate brokers, mortgage dealers, and title insurers who grew fat on the enormous postwar land boom in Los Angeles.

California state law provided that water from the California Central Valley irrigation project could only be delivered to farmers who owned 160 acres or less. Nixon called for changing this law to help the big growers, who were already making tremendous profits from bracero slave labor.

BIG BUSINESS

Besides satisfying his local backers, Nixon carried forward the national policy of big business. He sat on the Labor Committee and helped draft Taft-Hartley. He was a member of the Un-American Activities



Alger Hiss

The Nixons Of California Part 2 Setting The Stage For Joe McCarthy

Committee and wrote the only bill produced by that group, the Mundt-Nixon Communist Registration Bill. This bill provided for the establishing of the Subversive Activities Control Board, the Attorney General's list of subversive organizations, and all the other apparatus of the McCarthy witch-hunt. This bill was passed in modified form as the McCarran Act.

It was as a member of HUAC that Nixon first came to national prominence as the prosecutor of Alger Hiss. Hiss had been a top foreign policy advisor to Roosevelt, went to Yalta, and was a key man at the founding conference of the United Nations. A loyal imperialist, Hiss was the first high level casualty of the witch-hunt.

Nixon framed him up as a Communist spy on the testimony of Whittaker Chambers, a CP renegade who had become an editor of Time magazine. To get Hiss, forged documents were used which had to be "tested" several times for authenticity before the tests came out right.

It was typical of Nixon that he got Hiss convicted for perjury in denying any connection with Chambers, rather than for spy activity as such. Nixon prided himself on being smarter than the crude McCarthy, only implying conspiracy when he was really claiming guilt by association or coverup. He felt innuendo was safer than McCarthy's open and crude attacks, because one could back off if it became necessary.

In 1948 Nixon won re-election

by winning both the Republican and Democratic primaries under California's cross-filing system. He ran on his record, displaying Hiss as his great trophy in the spy hunt. He joined in the attacks, stating that the Democratic administration was riddled with hundreds of spies who were opening the gates to revolution in China, and that Truman was covering for them.

Nixon and McCarthy never actually claimed that Truman was a Communist, just that, as President, he must have known about the activities of these hundreds of mythical agents.

Although every major politician and newspaper knows all about this history, it is never mentioned in the press in all the news about Watergate. Meanwhile Nixon is denying that, as President, he knew anything about what hundreds of not at all mythical government agents, including his closest advisors, were doing to the students, the unions, left-wing groups, and the Democratic Party.

WITCH-HUNT

The purpose of this anti-communist witch-hunt was to cover up the real role of Stalinism. Rather than being a revolutionary force, as the red-baiters claimed, Stalin throughout the 1940s held back the working class and made a deal with American imperialism to re-establish capitalism in Western Europe. In China, he called for the Chinese Communists to lay down their arms

and he recognized Chiang Kai-Shek until the bitter end.

In the United States, the Communist Party was very influential in the CIO unions. Here they played a key role in propping up the labor bureaucrats' alliance with the Democrats. Truman's open hostility to labor had driven hundreds of thousands of trade unionists to demand the formation of a labor party pledged to nationalize basic industry.

WALLACE

The Stalinists insisted on labor support for the "progressives" in Truman's cabinet like Henry Wallace. In 1948, they backed the bankrupt, third capitalist party campaign of Wallace in order to divert the sentiment for a labor party and demoralize workers who wanted a break with the two party system.

When politicians like Nixon began their attacks, the Stalinists were completely paralyzed, unable to defend themselves or rank and file militants from the purge carried out by the union leaders. The progressives they had sold the labor movement to stood on the sidelines and cheered as thousands of socialists and communists were driven out of the unions, and a dozen CIO unions expelled.

Getting Hiss was only the beginning for Nixon. Now firmly established as the wonder boy of California politics, he set his sights on the 1950 Senate election.

TO BE CONTINUED

Harvest Strike Showdown Begins

BY MARTY MORAN

COACHELLA—Open war between the United Farm Workers Union and the growers is posed this week as the harvest begins in the Coachella Valley grape fields and the Salinas Valley lettuce fields.

Last Thursday mass picketing began at fields in Coachella under sweetheart contract to the Teamsters union. More than 600 workers turned out to man picket lines.

The determination of the farm workers to defend the gains they have made through the UFW has forced union leader Cesar Chavez to call the first all-out strike in the union's history.

Strikers will receive pay of \$75 a week from a \$1.6 million strike fund set up by the AFL-CIO.

At the same time, the UFW won a court decision permitting mass picketing at struck Salinas lettuce fields. Chavez had insisted that the farm workers observe an injunction limiting pickets to two to a gate, but now there will be no holding back the rank and file, many of whom have been on strike for four months.

The Coachella strike threatens the destruction of the entire grape crop in the next four weeks, about 15 percent of the national total. The growers in the Delano area, which produces the

bulk of table grapes marketed nationally have already announced their intention of signing up with the Teamsters if Teamster leader Frank Fitzsimmons succeeds in his conspiracy with Coachella growers to break the UFW there.

Teamster organizer William Grami detailed the strike-breaking plans. "Normally, there are about two workers for every job in the valley anyway, so it shouldn't be too much trouble to maintain an adequate work force."

Teamster locals around the country are being pressured by the Fitzsimmons' clique of gangsters to refuse to honor picket lines of any AFL-CIO union which contributes to the UFW strike support fund.

Every field under contract to the Teamsters is ringed by goon squads. Loudspeakers are used to drown out the UFW pickets who call on the workers to join the strike.

These forces are only thin protection for the growers, and can be swept away by the farm workers in a matter of minutes.

The big danger to the strikes is

not in Coachella or Salinas, but in Sacramento, where Governor Reagan has made clear his intention to intervene under the pretext of saving the crops.

If the strike heavily damages the Coachella growers, Salinas will become the scene of massive mobilization of the state armed forces against the farm workers. In Salinas it is not a matter of a fraction of the crop, but virtually all the lettuce grown in the US for export to international markets.

Chavez is putting the farm workers in grave danger from this kind of attack by his bankrupt reliance on the Democratic Party politicians to stay Reagan's hand.

Ex Cop Takes Over In L.A.

BY MITCH PATTERSON

LOS ANGELES—On Tuesday, May 29, Tom Bradley became the Mayor of Los Angeles by defeating incumbent San Yorty.

Bradley was able to convince a big section of the middle class that his method of law and order would be better than Yorty's. He laid to rest any fears that he was a radical left winger and some sort of Black nationalist, by emphasizing his 21 year record as a cop with the Los Angeles Police Department and his anti-communism.

Everyone who fosters the illusion that reforms can still be squeezed out of this capitalist system jumped on the Bradley bandwagon, including the Los Angeles Times, the liberals, the Black Panthers, and the Communist Party. They tried to portray Bradley as a man who would create full employment, restore a "decaying city," and other miracles.

RACIST

The opposition to the racist and anti-working class policies of Yorty was reflected in the fact that he got only three percent of the Black vote. Many voted for Bradley as a last faint hope, and the growing doubt in either brand of capitalist politician in the minds of working people caused 10 percent fewer to vote than in 1969.

Bradley is pledged to carry out Yorty's policies. He made no effort to tailor a program to areas like Watts, instead taking his campaign to places like Beverly Hills, where the corporation owners gave him their money and their votes.

Any illusion in Bradley will be rudely shattered this summer, when he comes into collision with the basic needs of the working class, particularly the right of youth to jobs.



Farm workers picket Coachella grape fields.

UE Workers Reject GE Pact

BY TED BAKER

OAKLAND, Calif.—Amidst demands for immediate strike action, members of United Electrical Workers Local 1412 overwhelmingly rejected General Electric's first contract offer. Demands by shop stewards at Local 1412's swing shift meeting for immediate strike vote were answered by UE International Representative Paul Chown with pleas to give GE and negotiators more time.

The offer did not mention wages, and maintained the Cost of Living cap with a minor increase from 8 cents to 16 cents. Tremendous dissatisfaction exists among Local 1412 members over the extension of the contract by the UE and IUE.

HEDGE

One Local 1412 member told the Bulletin: "We have no reason at all to be working, everyone here who went through the last strike knows there's not a chance in the world that GE is going to come up with anything better if we just give them more time. Our leaders know it too, and that's what has me worried. When men have tried to pin them down to what kind of wage increase we're going to fight for

they always hedge. All we ever hear about is winning back the 29 cents we lost from last time, and the COL cap, but if we're going to catch up, we have to get a lot more than just the 29 cents."

At the end of last week the official news blackout of negotiations imposed by agreement between the unions and GE was broken by "leaks" to the bourgeois press. The reports claim that union and company negotiators are near agreement. These leaks have infuriated electrical workers, in the words of one UE member, "Either KCBS is crazy, or the big boys back East are crazy, but nobody here is about to agree to what GE has offered. I think it has to come to a strike. The big boys can't get out of it no matter how much they talk, next week we are going to be out."

SEC . . .

(Continued From Page 20)

In 1968 Yellow Cab carried on its books payments to Barnes Champ Advertising Company, a Smith controlled operation, for a wages and hours survey. No such survey took place and the money was funneled to the Nixon campaign.

ILLEGAL

Huge sums were similarly laundered through Barnes Champ, which served as a conduit for massive payments to Nixon. Smith of course was able to record all these illegal contributions as legitimate business expenses for tax write offs.

Smith's Yellow Cab has been involved in bribery payments to former San Diego Mayor Frank Curran and the entire San Diego City Council in exchange for a fare increase.

The Internal Revenue Service has detailed documentation that a former San Diego chief of police was driving a car paid for by Yellow Cab and of other gifts, trips and cash provided police officials by Yellow Cab.

Further payoffs to police officials enabled a syndicate Smith was involved in to illegally get control of the Del Mar race track.

In every one of these cases the Nixon Administration directly intervened to get Smith off the hot seat.

US Attorney Harry Steward, a friend of Smith, appointed by Nixon, directly intervened to prevent prosecution of the Barnes Champ political payoff case. An investigation of Steward was squelched by former Attorney General Kleindienst who stated, "I have evaluated the matter and determined there has been no wrongdoing."

The Watergate team of Dean,

Ehrlichman and Caulfield were directly involved in preventing testimony of an IRS agent who was the key witness in the San Diego bribery case. Mayor Curran on his acquittal was personally called and congratulated by Nixon.

The opening of the books of Smith's Westgate Corporation will soon reveal that "Mr. San Diego of the Century" known far and wide for his good works and philanthropic endeavors during the period of the boom, is nothing more than a swindler, tax cheat and big time crook when the boom begins to collapse.

COLLAPSE

Just as in the collapse of the Equity Fund and the Vesco case, the frauds that can be covered up when everyone is making money can no longer be concealed when bankruptcy is on the agenda.

Nixon's entire political career has been built up with the support of these Southern California big boom time operators. He has served them long and loyally. The coming collapse of C. Arnholt Smith exposes this completely.

The case of Equity Fund and the Westgate Corporation are only the first rumors in what can become huge stock collapses and bank failures as deflationary measures are instituted.

It is the working class which will be expected to pay for the swindles and cheating of the C. Arnholt Smiths with mass unemployment, wage cuts, and the destruction of its unions.

The fight back requires bringing down the government responsible for these policies and replacing it with a government responsible to the working class through the construction of a labor party.

Bulletin

weekly organ of the workers league

NAME _____

STREET _____

CITY _____

STATE _____ ZIP _____

☐\$1.00 FOR 4 MONTH INTRODUCTORY SUB ☐\$2.00 FOR 6 MONTHS
☐\$4.00 FOR ONE YEAR 135 W. 14th St., New York, N.Y. 10011

West Coast News

EDITOR: JEFF SEBASTIAN

WEST COAST OFFICE: 3327 24th Street, San Francisco, Cal. 94110

Phone: 824-4096



As the harvest season begins, the growing strikes in the Coachella and Salinas valley fields becomes the battleground against the growers.

Building Trades Challenge Pay Cut

BY BARRY GREY

SAN JOSE—In the face of huge slashes by the Construction Industry Stabilization Committee of scheduled increases for all of California, construction unions are threatening strike action.

Second year increases of three year contracts negotiated in 1971 after a strike by Northern California building trades came due on June 1. Forty eight thousand carpenters in Northern California scheduled for 25 cents an hour in pensions and 65 cents in pay hikes were cut back to a 25 cent total increase. An 80 cent an hour package for Los Angeles carpenters was cut to 55 cents.

The government board has slashed 30 cents from increases of 67 cents due to 26,000 Northern California laborers.

Also affected by the CISC order are 15,000 Northern California cement masons, due to get a 63 cent an hour pay hike June 16.

The arrogance of the government and the building industry in slashing these contracts was expressed by an industry spokesman, who said, "The labor unions just want to forget the CISC in hopes it will go away."

John Rebeiro, head of the Santa Clara County District Council of Carpenters said that California's multi-billion dollar construction industry faces the "damnedest strike you've ever seen" unless the CISC changes its ruling.

EMERGENCY

Jimmy Lee, President of the State Building Trade Council, has called a state-wide emergency session of all construction crafts for June 15 in San Francisco.

What is posed is a massive united assault on Nixon's cor-

poratist wage controls.

The building trades leadership has known about the cuts for three months. They have done absolutely nothing to prepare the ranks for strike action in defense of their contracts. Instead they have begged and pleaded with the government to soften its attack and reduce the pay cuts.

The tremendous anger and strike sentiment of the ranks has forced the bureaucrats to call the June 15 meeting.

The ranks must insist that this meeting set a date for an all-California construction strike pledged to win every cent due to

the membership. There must be no more maneuvering with Nixon's board on the wages question.

This attack is a political attack on the living standards and union rights of construction workers. A strike will be political and must seek to do away with the CISC and the Cost of Living Council for good.

This means the leadership must be forced to call for a Congress of Labor to force Nixon out of office through mass industrial action. This Congress must construct a labor party pledged to smash all forms of state wage controls.

SEC Looks Into Nixon-Smith Fraud

BY JEFF SEBASTIAN

SAN DIEGO—The announcement by the Securities and Exchange Commission and the Internal Revenue Service of investigations into the operations of wheeler dealer C. Arnholt Smith and his San Diego based conglomerate, Westgate-California Corporation, threatens to blow the ties of Richard Nixon to Southern California big business sky high.

The SEC has suspended trading in Westgate-California and Air California, has demanded that Smith's Westgate empire be placed in receivership and that its records be fully opened to government inspection.

The Nixon Administration has been protecting Smith since 1968, well aware that any disclosure of Westgate's operations would directly implicate it in the illegal receipt of campaign contributions and the coverup of criminal activities.

The deepening economic crisis and the exploding Watergate scandal now threaten Westgate with bankruptcy and make it impossible for Smith's administration protectors to continue their concealment operations.

Smith's Westgate empire includes control of the United States National Bank with assets of nearly \$750 million, Yellow Cab with a stranglehold on taxi service in most major California cities, Air California, airport limousine services, real estate, fishing fleets, the world's third largest tuna packing operation, hotels, race tracks and until recently, ownership of the San Diego Padres, just sold to a Washington, D.C. syndicate for \$12 million.

LOOT

What is now revealed is that Smith and his cohorts have been systematically involved in a fraudulent scheme to doctor Westgate records, use the mails for fraud, violate tax and security laws in order to loot the assets of

Westgate and U.S. National Bank diverting them into their own pockets and leaving the stockholders with a bankrupt shell.

Smith has been in effect selling worthless assets to Westgate at grossly inflated prices and purchasing assets from Westgate at bargain prices with funds provided from his own US National Bank.

All of this has been concealed through illegal bookkeeping practices designed to credit Westgate with \$17.5 million in earnings over the last three years that represent nothing more than manufactured earnings. The total debt of Westgate Corporation, now totals more than \$130 million on stockholders equity of only \$31 million.

C. Arnholt Smith was voted "Mr. San Diego" in 1961 and only a few years ago was given the title of "Mr. San Diego of the Century." Smith is one of Nixon's oldest backers, one of the privileged few who got to watch the election returns in 1968 with the Nixons in their Waldorf Towers suite.

Smith has boasted about Nixon, "I've supported him since he first ran for Congress and we've kept in touch and I've seen him frequently even when he was out of office."

Smith is credited with raising nearly \$1 million for the 1968 campaign and it was Smith who was the moving force behind the operation to raise \$400,000 to get San Diego as the site for the 1972 Republican Convention. It was lined up to guarantee any part of the \$400,000 Smith and his cronies couldn't raise.

(Continued On Page 19)

Editorial

Deportation Raids Prepare Police State

Hundreds of Chicano, Central American and South American workers have been rounded up for deportation in massive raids in the Los Angeles area.

These raids are the largest since 1970 when almost ten thousand "illegal aliens" were arrested in a period of six weeks.

The raids have been conducted primarily in places of employment with Immigration and Naturalization Service agents along with border patrol men brought in from all over the country to make arrests in areas such as the Los Angeles garment district.

These raids have been timed precisely to coincide with the harvesting season in the Coachella Valley and are calculated to whip up fear and hysteria among foreign workers to assist in the recruitment of a docile scab force for use against the United Farm Workers.

These raids also come at a time when the administration has been stepping up its harassment of foreign students, threatening to deport many back to places like Iran where they face jail or execution.

This Gestapo-like terror must be seen as a very conscious attempt by the government to prepare for large scale unem-

ployment brought on by its present deflationary policies by whipping up the working class to see foreign workers as threats to their jobs.

The preparation by the state for the enormous struggles that will be brought on under these conditions is revealed by new legislative proposals by the Reagan Administration to place all law enforcement, corrections and military agencies under a single umbrella agency with enormous powers.

The labor bureaucracy has assisted in creating the conditions under which these raids could be carried out with its support for trade war legislation. Until recently even the farm workers union has supported action against foreign workers.

The trade unions must be at the center of a campaign to fight this reactionary nationalism. Every worker has a right to enter the United States if he so chooses and labor must stand for a policy of prohibiting all deportations.

The problem of full employment can only be solved with the building of a labor party and the coming to power of a workers' government pledged to jobs for all through the nationalization of industry under the control of the working class.

West Coast News

EDITOR: JEFF SEBASTIAN

WEST COAST OFFICE: 3327 24th Street, San Francisco, Cal. 94110

Phone: 824-4096



As the harvest season begins, the growing strikes in the Coachella and Salinas valley fields becomes the battleground against the growers.

Building Trades Challenge Pay Cut

BY BARRY GREY

SAN JOSE—In the face of huge slashes by the Construction Industry Stabilization Committee of scheduled increases for all of California, construction unions are threatening strike action.

Second year increases of three year contracts negotiated in 1971 after a strike by Northern California building trades came due on June 1. Forty eight thousand carpenters in Northern California scheduled for 25 cents an hour in pensions and 65 cents in pay hikes were cut back to a 25 cent total increase. An 80 cent an hour package for Los Angeles carpenters was cut to 55 cents.

The government board has slashed 30 cents from increases of 67 cents due to 26,000 Northern California laborers.

Also affected by the CISC order are 15,000 Northern California cement masons, due to get a 63 cent an hour pay hike June 16.

The arrogance of the government and the building industry in slashing these contracts was expressed by an industry spokesman, who said, "The labor unions just want to forget the CISC in hopes it will go away."

John Rebeiro, head of the Santa Clara County District Council of Carpenters said that California's multi-billion dollar construction industry faces the "damnedest strike you've ever seen" unless the CISC changes its ruling.

EMERGENCY

Jimmy Lee, President of the State Building Trade Council, has called a state-wide emergency session of all construction crafts for June 15 in San Francisco.

What is posed is a massive united assault on Nixon's cor-

poratist wage controls.

The building trades leadership has known about the cuts for three months. They have done absolutely nothing to prepare the ranks for strike action in defense of their contracts. Instead they have begged and pleaded with the government to soften its attack and reduce the pay cuts.

The tremendous anger and strike sentiment of the ranks has forced the bureaucrats to call the June 15 meeting.

The ranks must insist that this meeting set a date for an all-California construction strike pledged to win every cent due to

the membership. There must be no more maneuvering with Nixon's board on the wages question.

This attack is a political attack on the living standards and union rights of construction workers. A strike will be political and must seek to do away with the CISC and the Cost of Living Council for good.

This means the leadership must be forced to call for a Congress of Labor to force Nixon out of office through mass industrial action. This Congress must construct a labor party pledged to smash all forms of state wage controls.

SEC Looks Into Nixon-Smith Fraud

BY JEFF SEBASTIAN

SAN DIEGO—The announcement by the Securities and Exchange Commission and the Internal Revenue Service of investigations into the operations of wheeler dealer C. Arnholt Smith and his San Diego based conglomerate, Westgate-California Corporation, threatens to blow the ties of Richard Nixon to Southern California big business sky high.

The SEC has suspended trading in Westgate-California and Air California, has demanded that Smith's Westgate empire be placed in receivership and that its records be fully opened to government inspection.

The Nixon Administration has been protecting Smith since 1968, well aware that any disclosure of Westgate's operations would directly implicate it in the illegal receipt of campaign contributions and the coverup of criminal activities.

The deepening economic crisis and the exploding Watergate scandal now threaten Westgate with bankruptcy and make it impossible for Smith's administration protectors to continue their concealment operations.

Smith's Westgate empire includes control of the United States National Bank with assets of nearly \$750 million, Yellow Cab with a stranglehold on taxi service in most major California cities, Air California, airport limousine services, real estate, fishing fleets, the world's third largest tuna packing operation, hotels, race tracks and until recently, ownership of the San Diego Padres, just sold to a Washington, D.C. syndicate for \$12 million.

LOOT

What is now revealed is that Smith and his cohorts have been systematically involved in a fraudulent scheme to doctor Westgate records, use the mails for fraud, violate tax and security laws in order to loot the assets of

Westgate and U.S. National Bank diverting them into their own pockets and leaving the stockholders with a bankrupt shell.

Smith has been in effect selling worthless assets to Westgate at grossly inflated prices and purchasing assets from Westgate at bargain prices with funds provided from his own US National Bank.

All of this has been concealed through illegal bookkeeping practices designed to credit Westgate with \$17.5 million in earnings over the last three years that represent nothing more than manufactured earnings. The total debt of Westgate Corporation, now totals more than \$130 million on stockholders equity of only \$31 million.

C. Arnholt Smith was voted "Mr. San Diego" in 1961 and only a few years ago was given the title of "Mr. San Diego of the Century." Smith is one of Nixon's oldest backers, one of the privileged few who got to watch the election returns in 1968 with the Nixons in their Waldorf Towers suite.

Smith has boasted about Nixon, "I've supported him since he first ran for Congress and we've kept in touch and I've seen him frequently even when he was out of office."

Smith is credited with raising nearly \$1 million for the 1968 campaign and it was Smith who was the moving force behind the operation to raise \$400,000 to get San Diego as the site for the 1972 Republican Convention. It was lined up to guarantee any part of the \$400,000 Smith and his cronies couldn't raise.

(Continued On Page 19)

Editorial

Deportation Raids Prepare Police State

Hundreds of Chicano, Central American and South American workers have been rounded up for deportation in massive raids in the Los Angeles area.

These raids are the largest since 1970 when almost ten thousand "illegal aliens" were arrested in a period of six weeks.

The raids have been conducted primarily in places of employment with Immigration and Naturalization Service agents along with border patrol men brought in from all over the country to make arrests in areas such as the Los Angeles garment district.

These raids have been timed precisely to coincide with the harvesting season in the Coachella Valley and are calculated to whip up fear and hysteria among foreign workers to assist in the recruitment of a docile scab force for use against the United Farm Workers.

These raids also come at a time when the administration has been stepping up its harassment of foreign students, threatening to deport many back to places like Iran where they face jail or execution.

This Gestapo-like terror must be seen as a very conscious attempt by the government to prepare for large scale unem-

ployment brought on by its present deflationary policies by whipping up the working class to see foreign workers as threats to their jobs.

The preparation by the state for the enormous struggles that will be brought on under these conditions is revealed by new legislative proposals by the Reagan Administration to place all law enforcement, corrections and military agencies under a single umbrella agency with enormous powers.

The labor bureaucracy has assisted in creating the conditions under which these raids could be carried out with its support for trade war legislation. Until recently even the farm workers union has supported action against foreign workers.

The trade unions must be at the center of a campaign to fight this reactionary nationalism. Every worker has a right to enter the United States if he so chooses and labor must stand for a policy of prohibiting all deportations.

The problem of full employment can only be solved with the building of a labor party and the coming to power of a workers' government pledged to jobs for all through the nationalization of industry under the control of the working class.