

Bulletin

weekly organ of the workers league

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VOLUME NINE NUMBER TWENTY FIVE 300

JUNE 25, 1973



FIFTEEN CENTS

What we think

Indecent Support For Nixon

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Before leaving for Washington, Brezhnev told reporters of the capitalist press that he considered Watergate "purely a domestic affair" and that "I believe it would be quite indecent and quite unsuitable for me to intervene in that affair in any way."

He added: "My attitude to President Nixon is one of very great respect, and that respect is based on the fact that the President chose to take a realistic, constructive approach to improving relations between our two countries..."

At the heart of Brezhnev's trip is an extreme turn to the right by the Kremlin bureaucracy. Under conditions of the insoluble capitalist crisis which must bring forward revolutionary movements of the working class, Stalinism must play a role different from that it played during the boom.

It is no longer enough for the Stalinists to confine the struggle of the working class within the limits of reformism. Imperialism now demands that the Stalinists actually collaborate in the disarming of the working class as the capitalists prepare for police state rule and fascism.

For this reason, Brezhnev turns his energies toward saving Nixon's tottering regime by demonstrating that he is not interested in the least about Watergate and that it has not damaged the Administration's ability to deal with the Soviet Union.

At the same time, the Stalinists move through the American Communist Party to head off any independent movement by the working class to throw Nixon out.

Vigorously supporting Brezhnev's trip, the CP leadership fully understands the immeasurable assistance that is being given to Nixon. In the June 16 issue of the Daily World, an article entitled "The Advantage Is Mutual" by Conrad Komorowski notes:

"Prior to the 1972 election, (Continued On Page 8)

BREZHNEV RUSHES TO RESCUE NIXON



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Investors Unload After Nixon Speech

BY BRUCE MCKAY

Nixon's decision to impose a 60 day "freeze" on retail prices was nothing less than an admission that his economic policies are in a shambles and that he cannot carry forward the attacks on the trade unions now demanded by the capitalist bosses. It is the sharpest expression yet of the total paralysis gripping Nixon's government as a result of the political crisis created by the Watergate scandal.

Reaction in the world's financial capitals was profound. The dollar has plummeted to new lows on every currency market, while the price of gold is once again moving up toward new records. The New York Stock Exchange has gone into another sharp slump, with the Dow-Jones index of 30 industrial stocks sinking 39 points on Thursday, Friday and

Monday to a new low for the year.

The leading sections of the capitalist class are now turning to the critical question of what to do next: Phase Four. They have expressed no confidence in Nixon and are renewing their demands for a wage freeze and tough anti-labor legislation, harsh trade war measures against Europe and Japan and effective action to halt the explosive expansion of credit which is rapidly stretching the international banking system to the breaking point and total bankruptcy.

The assessment of Nixon's freeze being made in Wall Street financial circles was very sharply expressed in a front page editorial statement in Monday's Journal of Commerce by J.

Roger Wallace. Calling Nixon's freeze "pure sophistry," Wallace said.

"Rising prices, of course, are the symptoms of the inflation generated by irresponsible fiscal, monetary and credit policies."

He continued that since 1971, "every encouragement was given to the development of an unprecedented credit expansion of a highly inflationary nature."

"During the 17 month period when Phase One and Phase Two were in effect, Washington went completely overboard in stimulating the underlying inflation in the economy. Inevitably, the attempt to control prices broke down..."

"Now, it is altogether too late in the day to attempt to do anything to control the near runaway uptrend in prices..."

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New Flareup Follows Second Vietnam Truce

BY MELODY FARROW

Only one day after a new communique on the Vietnam cease-fire was signed by Henry Kissinger and North Vietnamese leader Le Duc Tho, fighting was again raging throughout South Vietnam. Local military commanders from both sides did not meet as outlined in the agreement.

Le Duc Tho, who 24 hours earlier had hailed the agreement as a "new and important victory," issued a statement before leaving Paris that charged Saigon with violating the provisions, of refusing to circulate the cease-fire order and continuing its air attacks on South Vietnam and declared: "The United States and Saigon must shoulder the responsibility for all such acts."

The new agreement which is aimed at strengthening the original Paris treaty last January contains nothing new and is entirely dependent on the "good will" of the Thieu clique in Saigon. Its major provisions include:

- An immediate halt to US reconnaissance flights over North Vietnam.
- A resumption of minesweeping by the US of North Vietnamese harbors, broken off April 19.

- A "true" cease-fire.
- Demarcation of territory controlled by the NLF and Saigon.
- Establishment of a National Council of Reconciliation and concord "as soon as possible" and an internal political agreement within 45 days between the National Liberation Front and Saigon.

The communique also establishes the resumption of economic aid talks for North Vietnam and the withdrawal of all military forces from Laos and Cambodia.

VIOLATED

Even while signing this accord, Le Duc Tho admitted that the United States has "systematically and seriously" violated the former agreement. Nixon and Kissinger have used the issue of Thieu's "intransigence" to pursue their attacks on the NLF and to oust them from as much territory as possible.

The fraudulent character of the agreement is best expressed by the Cambodian situation where, despite a clause calling for removal of military forces, US bombing has reached its most brutal and intense pitch in the entire history of the war.

South Vietnamese Foreign Minister Tran Van Lam blatantly said that the communique would not solve the major issues.

Saigon has especially fought against any recognition of NLF political control over its territory and has repeatedly sabotaged any political agreement because it fears that the Provisional Revolutionary Government would immediately receive the overwhelming support of the workers and small farmers in South Vietnam. Thieu can only maintain his shaky control by outright terror, assassinations and repression.

CAMBODIA

Kissinger also implied that negotiations were in progress on Cambodia but only stated that they needed an "opportunity to

mature." But Le Duc Tho denied this, saying that "our side has rejected the suggestions of the American side" and that there was no tacit agreement on Cambodia.

The blanket terror bombing of the US in Cambodia has been exposed by a group of Cambodian intellectuals who sent the follow-

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Falangist Revival

BY DIANNE ISAACS

Only days after his appointment as Premier of Spain June 8, Admiral Luis Carrero Blanco has replaced seven ministers of the cabinet with men identified with the fascist Falange in a government shakeup to appease the extreme right.

Franco's chosen successor himself is known to lean toward the Falangists and the new Vice Premier is the head of the National Movement—the one legal party in Spain—whose core is the Falangists.

Out of their fear of an increasingly militant working class and in order to show potential foreign investors the merits of their system, the Spanish government is preparing the way for the fascists to once again play an active role in managing the state and stirring up the middle class against the working class. The government has already increased its expenditures on arms and riot equipment and has stepped up recruitment and training of the national guard.

Two of the ousted Cabinet members are Foreign Minister Gregorio Lopez Bravo, who was responsible for Spain's diplomatic recognition of East Germany, and Interior Minister Tomas Garicano Goni, whose resignation was demanded when he ordered police not to use firearms during massive May Day demonstrations this year.



Italian workers hanging an effigy of resigned Premier Andreotti.

Andreotti Resigns As Strikes Sweep Italy

BY FRED MUELLER

Italy has edged closer to civil war with the resignation of Premier Giulio Andreotti's center-right government, the thirty-fifth since the fall of Mussolini.

The parliamentary maneuvering which is now in progress in order to patch together another coalition can only lead to a further discrediting of capitalist democracy under the present conditions of crisis.

With the lira collapsing on the world money markets, sections of the capitalist class are more convinced than ever that fascism is the only solution to the crisis.

A massive strike wave is imminent in spite of the efforts of the trade union leaders to restrain it. In the past weeks, teachers and shopworkers have struck. Radio, television and newspaper workers have struck in protest against the growing monopolization of the media by the most extreme right-wing interests.

NEGOTIATIONS

Long negotiations are now expected before another cabinet can be put together. There is absolutely no prospect that it will have more success than the previous one in dealing with inflation or the weakness of the lira.

The capitalists know they must prepare to take on the working class, but they fear the strength of the working class and the complete break from capitalist democratic methods which is posed. The influential Milan newspaper *Corriere della Sera* exposed this crisis, saying, "Months of discussion, of polemic and intrigue have not overcome the vacuum of power,

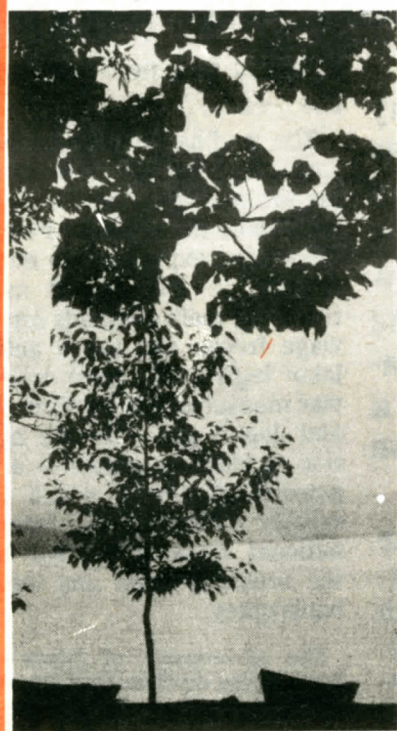
which was so much feared. Italy is now being administered by men who are compelled to live from day to day through humiliating compromises and no one can establish who will govern tomorrow.

POPULAR FRONT

While the Italian Communist Party restrains strike struggles and seeks to confine them to economic issues, it calls for a new Popular Front against the fascist danger. The Stalinists spend all their time pleading for

a Communist Party-Socialist Party-Christian Democratic coalition and demonstrating their responsibility and respectability in the eyes of the capitalist class.

This policy only exposes the working class to the gravest dangers. The Stalinists are becoming a more and more vital prop of the regime. They play into the hands of the right wing because they fear the independent movement of the working class for power, which is the only answer to the fascists.



The Workers League and Young Socialists
invite you to our first

SUMMER CAMP

in the beautiful Laurentian Mountains of
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August 25 to September 2, 1973

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EAST COAST: \$50

MIDDLE WEST: \$60

WEST COAST: \$75

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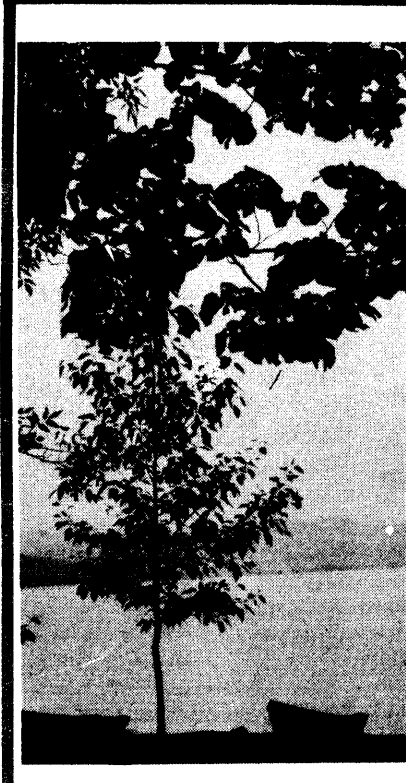
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IUE Wildcats Follow GE Settlement

BY DAVID NORTH

PITTSFIELD, Mass.—With the ratification of the GE contract by Local 255 here at a meeting attended by less than five percent of the membership, the International Union of Electrical Workers (IUE) has gotten past the last big obstacle to this sellout.

The terms of this contract will mean a sharp decline in real wages for electrical workers as well as increased danger of layoffs due to concessions in the contract language made by the IUE leadership.

Principal responsibility for this contract, however, lies with the United Electrical Workers (UE) which has been given uncritical support by the Stalinists. Its history as one of the unions expelled from the CIO for its ties with the Communist Party during the postwar witch-hunt led many IUE workers to look to the UE for leadership in this contract fight.

But UE President Albert Fitzgerald and Secretary Jim Matles merely gave the right-wing leadership of the IUE a left cover to surrender to GE, and are urging their own locals to support the contract.

COMMUNIST PARTY

The Communist Party itself is supporting the settlement which gives the ranks a 3.7 percent wage increase during the first year of the contract. The *Daily World*, which does not raise one word of criticism of either the IUE or UE, refers to the settlement's "moderate advantages."

At the membership meeting to vote on the contract held on Father's Day, Local 255 Business Agent and negotiator Al Litano admitted that the IUE had accepted the proposals that had been rejected less than a week earlier because a total wage freeze had been expected.

"Nixon pulled a fast one on us last week," he said.

A large number of workers opposed to the contract refused to take seats but lined up on one side to learn more about the union's concession to the company's demand for continuous operation of new machinery which could mean a loss of overtime and jobs.

Litano dodged the questions, though admitting that the national contract does not bar continuous operations. This means that each local would have to fight attempts by GE to alter the work rules in isolation. Already, Local 255 has lost hundreds of jobs through this isolation.

WALKED OUT

The final vote on the contract was about 150 to 75. Scores of workers opposed to the settlement walked out in the middle of the two hour meeting because they saw no opposition effectively organized to defeat the local bureaucracy.

However, the most explosive conditions exist within the plant. Two days before the ratification meeting, an entire department in the plant wildcatted to protest the layoff of 150 workers. At the

same time, a section of workers on official strike over work rules had rejected the advice of the leadership to settle their grievance. Litano attributed their militancy to outside agitators at the union meeting.

The cynical character of the collaboration of the Stalinists, UE and IUE to sell out the ranks was most clearly shown when Litano ended the meeting with

(Continued On Page 16)



A GE worker from the plant in Pittsfield, Mass. being interviewed by the Bulletin at the mass membership meeting.

Philadelphia AFL-CIO Silent On Watergate

BY A REPORTER

PHILADELPHIA, June 14—"There are hundreds of weak resolutions from the floor, but not one on Watergate. We should take one strong stand on Watergate, publicly denouncing Nixon and his administration and kicking him the hell out of office."

These were the words of one of the 2000 delegates of the Pennsylvania AFL-CIO State Convention voicing his dissatisfaction with the absence of political discussion at the convention. The main theme of the convention was "Buy American, Buy Union Label." One resolution was presented on the floor by the United Steel Workers supporting the Burke-Hartke Bill.

The kit given at the first session contained numerous articles including bumper stickers, bags and leaflets describing the need to buy American goods.

The convention's main speakers were Governor Shapp, Senator Schweiker, and Frank Rizzo, infamous mayor of Philadelphia who locked up hundreds of teachers during the seven and one-half week teachers' strike.

Although there was little discussion and opposition on the resolutions on the convention floor, there was much dissatisfaction among the ranks. The leadership's policy of putting pressure on the Congress was not accepted by the ranks at the convention.

One delegate, commenting on Senator Schweiker's speech, said: "Nobody in politics represents the workers interests. I've heard that speech before, but nobody puts money in the workers pockets."

This retail clerk from Pittsburgh had no illusions about Phase Three or Nixon's new fake freeze. "The 5.5 percent is like a disease. Once it starts, you can't get it out. Everything revolves around that. Mandatory guidelines were lifted, but all the talks center about 5.5."

Although there was much dissatisfaction and militancy at the convention, it lacked the leadership to mobilize the ranks into a political fight against the betrayals of the union leadership, the Nixon Administration and the Democratic Party's attacks on the rights of workers.

Nixon Begins Drive To Discredit Dean

BY BRUCE MCKAY

The summit meeting with Soviet Communist Party leader Leonid Brezhnev came not a moment too soon for Nixon.

Just as former White House counsel John Dean III was to have appeared before Senator Sam Ervin's Watergate investigations committee with evidence deeply implicating Nixon in the Watergate cover-up, Senate Majority leader Mike Mansfield intervened to get the hearings postponed for a week "in the best interest of the republic."

The Senate leadership wants to save Nixon from the embarrassment of meeting with Brezhnev just as he is being exposed on television before American workers as a liar and criminal, as well as to provide Nixon with some breathing space in which to try to prepare yet another cover-up of his own role in the conspiracy.

The new cover-up attempt is already in high gear in the form of an attempt to discredit Dean. The attack on Dean's credibility centers on \$14,000 he apparently appropriated for himself out of leftover campaign funds and placed in a special trust fund in someone else's name, in addition to \$4000 he allegedly borrowed illegally from campaign funds for his second marriage and honeymoon last year and subsequently repaid.

DIVERT

These disclosures are a calculated attempt to divert attention from the central points Dean will raise in his testimony before the committee: the secret police plans developed in the White House and actually put into effect and the deep involvement of Nixon in the cover-up which followed the discovery of the five Watergate burglars on June 17, 1972.

Copies of logs recording Dean's meetings with Nixon have been leaked to the Associated Press and reveal that Dean met with Nixon or talked with him by

telephone 37 times between February 27 and April 22 of this year, thus confirming statements attributed to Dean.

According to these logs, which contain no information on the actual content of the discussions, Dean also met with Nixon on September 15, 1972, the day indictments were returned against the seven original conspirators. According to Dean, former White House chief of staff H.R. Haldeman also attended this meeting, at which Nixon reportedly praised Dean for preventing the implication of any administration officials in the conspiracy.

Dean is reportedly ready to produce a number of documents proving his allegations against Nixon, in addition to the secret "domestic intelligence" plan already in the hands of Senate investigators.

Despite efforts to now discredit Dean's testimony, it has become virtually impossible for

Nixon to continue for long his attempts to cover up his role in directing both the Watergate burglary itself and the massive cover-up operation which followed.

Three of Nixon's top lieutenants have now been linked to the conspiracy in testimony before the committee, as well as in newspaper articles. White House chief of staff H.R. Haldeman and "domestic affairs" adviser John D. Ehrlichman are both close political associates of Nixon's from California, while former Attorney General John Mitchell directed Nixon's 1968 and 1972 campaigns and was a partner in Nixon's former law firm.

Assistant Nixon campaign manager Jeb Stuart Magruder has named Mitchell as the person responsible for approving the burglary of the Democratic National Committee's Watergate

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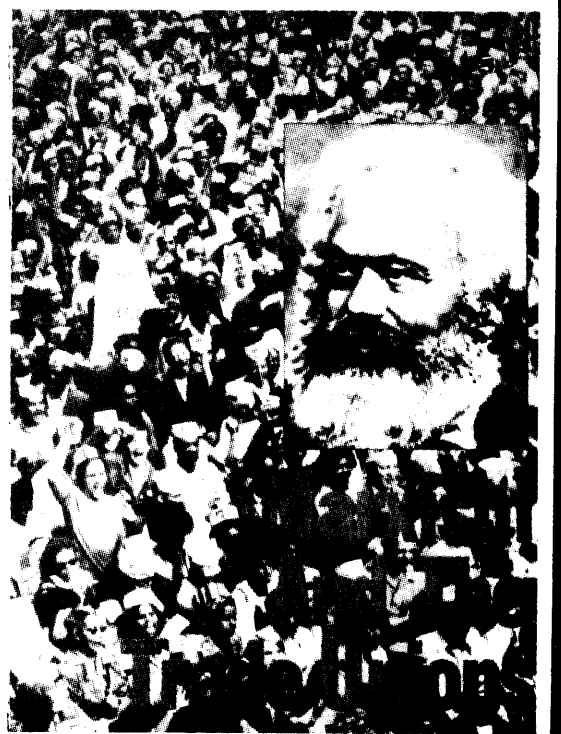
The Workers League and Trade Union Alliance For A Labor Party Announce A Class For Trade Unionists:

Marxism and the Trade Unions

Thursdays 7 PM beginning July 5

LABOR HALL, 7th Floor, 135 W. 14 St., New York, N.Y. 10011

Contribution: \$1 per session; \$3.50 for all four sessions.





Games at the Brownsville, N.Y. block party. Proceeds went to the Bulletin Fund Drive.

Leon Davis Stifles Debate On Watergate And 1199 Pay

BY AN 1199 MEMBER

NEW YORK, June 14—Leon Davis, president of Local 1199, Drug and Hospital Workers Union, which has at least 40,000 members in New York alone, is rapidly dropping any fight against Nixon and the wage controls.

Davis, who has prided himself on belonging to a "progressive" section of the trade union leadership and has often criticized George Meany's conservative leadership, has remained completely silent on the Watergate events and the new controls.

In fact, the June Guild Delegates Assembly made it clear that Davis is moving toward open acceptance of permanent controls and has no intention of siezing the opportunity opened up by Watergate to force Nixon to resign.

At the meeting June 14 Davis gave a report on the 7.5 percent increase due July 1 under the second year of the contract but proposed no plans to win it. Hospital workers waited a whole year to win the first part of the increase.

Philly Transit Robs Pay

FRANK ELLIOTT
PHILADELPHIA—With the ink hardly dry on the two year contract, 6000 drivers and maintenance mechanics in the employment of the Southeastern Pennsylvania Transit Authority (SEPTA) are being threatened with a payless pay day on June 23.

In addition, 700 men are slated to be laid off on June 27. Layoff notices have already been sent out to every worker with less than one year seniority. SEPTA is claiming that a seven million dollar budget deficit necessitates these actions.

The union, Transportation Workers Union Local 234, is currently seeking a court injunction on the grounds that the fines would endanger the "health, safety and welfare of the public." No strike is being planned.

"If we had a decent lead-

Nixon's warning of stricter controls, which will be set up in 60 days under Phase Four, poses an immediate threat to the 1199 increase and benefits.

It is precisely now when Nixon has been exposed that Davis' verbal opposition to wage controls can be put into practice through the calling of a Congress of Labor to force Nixon out. It is now that Davis has nothing to say. He continues to claim that workers must obey the "law," meaning a wage board set up by a gangster. Davis blames Meany for the inaction of labor but refuses to speak out himself.

Rank and file workers in 1199 must defend their increase by mobilizing at the July delegates meeting and at every union meeting to demand:

ership, we would have been on strike the day of the announcement of the layoffs. This leadership doesn't seem to want to fight over anything," stated one bus driver.

Two months ago, the TWU Local 234 leadership, aided by President Dominic DeClerico, forced through a contract settlement which included a measly 60 cent wage increase over two years.

Despite unanimous strike authorization by membership, there was not even a strike. The willingness of the leadership to cooperate with the government is now becoming the knife in the backs of the men.

Another driver stated that, "This just isn't fair. We've got all these crooks in Washington but the average guy is thrown out of work. It's especially bad for the younger men. It will also mean a tremendous cutback of service for the riding public."

•Strike action July 1 to defend the second year increase.

•That Davis call publicly for the resignation of Nixon and fight to convene a Congress of Labor of all unions now to plan a strategy to defeat all wage controls and bring about a new election.

CNL Polls 26% At Tarrytown GM

BY A
BULLETIN REPORTER

TARRYTOWN, N.Y.—The recent elections held at General Motors United Auto Workers Local 664 in Tarrytown indicate tremendous opposition, not only to the Calore leadership but to Woodcock's capitulation to Nixon and GM's attempts to drive down workers' living standards, force thousands of workers onto the unemployment lines and bust the unions.

The Calore leadership conducted a vicious red-baiting campaign against the Rank and File Committee (RAFC) led by Bill Scott, a supporter of the policies of the Communist Party and against the Committee for New Leadership (CNL), which ran Danny Alvarez for area committeeman around the demand for national strike action in defense of a 20 percent wage increase, union-management control of all line speed and against any layoffs. Central to the CNL campaign was the demand that Calore and Woodcock break their deafening silence on Watergate, demand Nixon's resignation and call upon the AFL-CIO to convene a Congress of Labor to build a labor party.

In spite of the vicious campaign launched against the CNL and RAFC, Danny Alvarez won 26 percent of the vote for area committeeman, and the RAFC won two area committee spots and one alternate spot. Scott lost in the race for shop chairman to Calore's man, 1500 to 1000 and Bob Beechman lost to Calore 2000 to 600.

In the presidential campaign, the Rank and File Committee,

Cemetery Men Defy Court Order

BY A BULLETIN REPORTER

NEW YORK, June 20—At noon today, an order signed Friday by Governor Rockefeller will take effect imposing compulsory arbitration on 700 area cemetery workers.

Union officials told the *Bulletin* yesterday they will order the men to continue to man the picket lines in defiance of the governor's order. "We're not yielding to compulsory arbitration," Local 365 Vice President Sigmund Czak said.

The workers, members of Cemetery Workers and Greens Attendants Local 365, have been on strike against 47 cemeteries in New York City and Long Island for a \$12 per week raise in each year of a three year contract.

"Really, our salary at \$168 a week gross isn't anything," Czak said. "Some guys are bringing in \$132. Grass cutters are coming home with take home pays of \$80 to \$90 a week. My god, how can you live on that with a family?"

Rockefeller's action, backed up by the State Legislature, reveals what sort of attacks the capitalist bosses are preparing against all the trade unions in this period. Rockefeller has threatened to enforce his decision with injunctions, arrests and police action if necessary.

18,000 Rubber Workers Strike Against Firestone

STOP PRESS

AKRON, Ohio, June 20—More than 18,000 rubber workers in 12 plants struck the Firestone Company early this morning as negotiations were suspended at 3 a.m.

Officials of the United Rubber Workers, who only recently were shaken by a strike against Goodrich, would not comment on the latest developments.

Negotiations had been in progress since early March, but there has been widespread opposition among rubber workers to the industry "pattern" set first by the Goodyear settlement and slightly altered by the Goodrich strike.

the CNL around the following demands:

•A 20 percent wage increase the first year. Full cost of living (COL) with regional adjustment.

•UAW-management control of line speed. Abolish paragraph 8.

•No layoffs—30 hour week at 40 hours pay.

•Right to strike over all contract violations. Abolish paragraph 117.

•Real 30 and out with \$650 per month with 100 percent COL allowance.

•Two week maximum grievance procedure.

UNION LABEL

EDITOR: Lucy St. John
Labor Editor: David North
Art Director: Jeannie Cooper
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BY A FOREIGN CORRESPONDENT

The Tory government in Britain is now preparing for drastic deflationary measures forced by the deepening economic crisis and the end to the inflationary boom. The moves toward deflation in the United States combined with the rising price of British exports to the US because of the fall in the value of the dollar are having severe effects on British capitalism. The employers and their Tory government are stepping up their offensive against the trade unions. They know that when the end comes to the inflationary policies, they will face an angry working class.

Already a vicious speedup drive has begun in the factories, particularly in auto, as the employers confront an ever sharpening trade war. Big business is also threatening massive layoffs and closures. The employers' position is that if they cannot produce at a far cheaper rate in order to hold their own with countries like Japan and Spain, then they will be better off not producing at all. It is clear that some companies are deliberately trying to provoke strikes because of the uncertainties of international markets. If they can provoke the unions into all-out strikes and factory occupations, they are ready to announce permanent closures and move out of Britain to countries where wages are lower and the working class is held down by police state governments.

It is in this situation that the All Trades Union Alliance, trade union arm of the Socialist Labour League, will be holding a massive rally of trade unionists on July 1 at Belle Vue in Manchester. This conference will discuss a strategy to defeat the Tories.

SPEEDUP

Encouraged by the betrayals of the trade union leaders, the big corporations are preparing their offensive. One of the biggest monopolies and the most powerful industrial company in Britain, Imperial Chemical Industries, has written an anti-union memo detailing a plan to prevent the unionization of its 40,000 employees. A massive speedup and rationalization plan was introduced months ago by this company. The head of ICI, Michael Clapham, blamed the working class for inflation and called on all corporations to "raise dramatically" the productivity of the workers. Clapham is also the president of the Confederation of British Industry which days before the memo was leaked told the Tory government publicly that there could be no return to free collective bargaining.

Already the new moves by big business, to begin their "relentless" speedup drive, have been met with resistance by the British working class and a new wave of strikes. Workers at the Chrysler plant in Ryton, Coventry have been on strike now for almost three weeks. The strike began when 600 workers were denied payment for a 90 minute layoff. The layoffs arose out of the company's attempts to impose new performance standards in the plant. Four thousand five hundred workers are now out. Chrysler, which hopes to apply techniques used in the US under GMAD, has arrogantly threatened to stop investment in the plant if the striking workers do not return to work. The head of the company also demanded a no-strike policy in the factory. The company, which is US-owned, said it would neither recommend nor approve further capital investment in Chrysler plants in Britain which employ some 25,000 workers. The strikers have condemned this as a "dirty trick" and the union answered this threat by saying it would not return to work. A leading shop steward of the Amalgamated Union



Striking auto workers at the Chrysler Ryton plant where the company is threatening to pull out unless a no-strike policy is accepted.

A Decisive Turning Point For British Workers

of Engineering Workers, Ken Walton, told the *Workers Press* that these attacks were not just limited to this plant:

"Even our officials tell us there's a tightening up by the employers in the area as a whole. I don't think you would be far out if you were to say there's a concerted attack by the employers in the Coventry district."

The working class at plants throughout the country is fighting back in a powerful and determined way against the attempts of the employers, backed up by the Tory government, to extract more and more profit from the workers whose living standards are being cut by the government pay laws. Phase Two has set up a Pay Board and taken away the right of the unions to collective bargaining for wages and conditions. Phase Two also directly encourages speedup and productivity drives. This strategy is designed to make the working class pay for the insoluble crisis of capitalism and is being led by the Heath government.

But the government is only able to survive and carry out these attacks because of the collaboration of the trade union and Labour Party leadership. Without the aid of the union bureaucracy and their collaboration with the Tories' plans to incorporate the unions into the state, the Heath government would not last for five minutes in office.

SCANDALS

The revelations of the Lonrho and Lambton scandals, like Watergate in the US, have revealed the split in the ruling class and the tremendous crisis of the government. At a time of the greatest crisis and the greatest threat to the authority of capitalist rule in Britain, the union leaders and Labour leadership remain silent. Harold Wilson rushed to Heath's defense. Every attempt was made by these leaders to cover up the scandal.

Having accepted the Industrial Relations Act and Phase One and Two, the labor leaders are now in secret talks with the government over Phase Three. Accepting the right of the employers and the government to control the unions, the heads of the hospital workers union have presented their case to the Pay Board for a raise under Phase Three.

Victor Feather, head of the Trades Union Congress (equivalent to the AFL-CIO), speaking at a meeting of the

Institute of Personnel Management, said that the TUC would accept a Phase Three deal with the government controlling wages even if the Congress of the TUC did not favor it. Openly stating that he and his colleagues would bypass the decision of the Congress, Feather is virtually opening a split within the labor movement.

Feather arrogantly said: "In the terms of Chairman Mao, we shall make the chicken stretch its neck." Feather is talking about the working class stretching its neck to meet the needs of big business and its Tory government.

The TUC leadership together with the government and the press are now trying to trick the working class into accepting Phase Three in return for some so-called amendments in the Industrial Relations Act. Built up as "concessions" by the Tories, the labor bureaucrats are perpetuating a fraud to build pressure to accept the pay laws. The amendments would leave the essence of the Act, the state control of the unions, unchanged.

The Stalinists in the British Communist Party are perpetuating this fraud, refusing to warn of the tremendous dangers to the labor movement by the new talks opened up between the Tories and the labor leaders.

The role of the CP becomes today particularly reactionary as the labor leaders move more and more to the right. This is exposed in the CP's statement on the Labour Party's policy document. The CP claims that this program is "left" and "radical." However, missing from the program is the essential demand for the nationalization of basic industry without compensation and under workers control. The document calls vaguely for "extension of public ownership."

Wilson openly repudiated a decision by the Labour Party executive to nationalize 25 major companies in Britain when Labour returns to office. He said:

"The Shadow Cabinet would not hesitate to use its veto at the appropriate time. It was inconceivable that the Party or its leader would go into a General Election on this proposal, nor could any incoming Labour government be so committed."

Nationalization has been a historic question at Labour Party and trade union conferences ever since the party was founded. It is associated with socialism in the minds of millions of workers. Today

nationalization becomes the vital issue because the economic crisis means that the concrete interests of the working class can only be served by expropriating the capitalist class. This can be seen more and more clearly as big business threatens closures and to reduce the working class to poverty. Nationalization is a question of the fight for power. This is why the social democratic and reformist leaders now attack this demand.

In a period of crisis, when the Tories are preparing the most vicious attacks on the basic democratic rights and the standard of living of the working class, the greatest dangers come from the actions of these agents of capitalism within the labor movement.

A new revolutionary leadership is required which will fight in the working class for the principles of socialism, to mobilize the strength of the class to force Heath to resign and to return a Labour government pledged to socialist policies.

Only the British Trotskyists, the Socialist Labour League and the Young Socialists, are taking up this task of constructing a new leadership. This will be at the center of the All Trades Union Alliance conference to be held at Belle Vue in Manchester on July 1. This conference will be the biggest trade union rally of the revolutionary movement in Britain. Workers and youth from throughout Britain will meet to hammer out the next stage of the struggle against the Tory government. Like the Pageant of Labour History that brought 10,000 workers and youth to the biggest anti-Tory rally in history last March, the Belle Vue conference is preparation for transforming the Socialist Labour League and launching a revolutionary party in Britain next fall.

The transformation of the Socialist Labour League into a revolutionary party takes place at the most critical time in history. Workers and youth from all over Britain are participating in the discussion of the draft resolution on perspectives which is currently being printed in the *Workers Press*, the daily paper of the SLL.

As the economic and political crisis now deepens throughout the world, and as the US capitalists move toward drastic measures against Europe, revolutionary conditions are being created. It is precisely for this period that the Trotskyist movement has prepared.

AFL-CIO Abandons Oil Strike

BY B. WILLS

PINE BEND, Minn., June 17—The 26 week long and very bitter strike of the Koch Oil Company workers, Local 6-662 Oil, Atomic and Chemical Workers of America, AFL-CIO, against a wealthy and ruthless employer points up the unpostponable need to construct a new trade union leadership in direct opposition to the sellout trade union bureaucracy.

In Minnesota the entire Executive Board of the State AFL-CIO, headed by President Dave Roe, has criminally abandoned the 315 Koch workers as though they were lepers.

During the strike, Roe has never made a single attempt to mobilize the enormous strength of the Twin City labor movement to throw up mass picket lines around the plant, force out the non-union scabs imported by helicopter from outside the state, and thus close down the refinery until an agreement is reached with the union.

Even the chairman of the nearby Rosemount Republican Party has done more than Roe. Republican Nelson admitted in the press that Koch has one single objective: "To break the union."

As one of the pickets told the *Bulletin*, "We've gotten no help from either the trade union leaders or from our so-called 'political friends.'"

A second picket condemned his Local 6-662 leadership for hiring a lawyer who, in effect, is running the strike: "This guy says it's illegal for us to block the entrances, talk to the drivers, or follow their scab trucks out on the highway. Our hands are tied between the anti-labor judge and our own attorney."

A third picket reported that there is now definite evidence that on June 24 Koch will begin a \$38 million building expansion program at the struck site:

"And we were told that trade union construction workers would soon be going through a new gate south of here. The lawyer says there will be nothing that we can do to stop these men. Roe has promised us that we had nothing to worry about, that they wouldn't scab. But I don't believe a single word that man says."

Evendale GE Votes To Strike UE Offer

BY JOHN WERNER

CINCINNATI, Ohio—A strike vote has been taken at the huge Evendale General Electric plant, United Auto Workers Local 647, outside Cincinnati. The strike deadline is June 21.

The UAW electrical workers are faced with the exact same rotten agreement set in New York City by the United Electrical Workers and International Union of Electrical Workers. The UAW bargaining committee of Local 647 made it clear that the entire IUE-UE pattern is what the company has



Demonstration of Dayton trade unionists in support of striking Farah pants workers.

Auto Wildcats Multiply As Contract Date Nears

BY A BULLETIN REPORTER

DETROIT—A number of wildcats have hit auto plants in the Detroit area this past week. These wildcats are a response to the auto company's drive to grind out as much production as possible before the September 14 contract deadline and before inflation and the threat of slump knock the bottom out of the car and truck market.

On Saturday, five workers at the Dodge Main plant in Hamtramck were given special disciplinary letters and one was suspended for five days for leading a 1500 strong wildcat the previous Monday against intolerable heat on the fifth floor.

At the Ford Parts Distribution Center in Browntown Township, southwest of Detroit, a car driven by a general foreman knocked down Paul Cummings, one of 150 workers who was picketing the plant on a wildcat on Thursday.

The workers at the center walked off their jobs on Wednesday to protest the disciplinary firing of two men. Only about 10 percent of the center's work force have crossed the picket line. No charges were filed against the general foreman.

The Fisher Body Fleetwood

plant was also hit by a wildcat on Wednesday when 100 workers refused to return after lunch and forced two lines to shut down.

A worker who had been cursed by a foreman took a hammer and critically injured a general foreman and two other foreman in a Chrysler plant northwest of Detroit last week. The general foreman was still in critical condition as of this weekend.

One of the leaders of the Dodge walkout disciplined Saturday told the *Bulletin*: "It was nothing but a kangaroo court. Leo, the assistant superintendent, told us, 'Don't you think Chrysler is too big a business to stop?' Then he handed us the disciplinary letters. There are no union stewards there. They told us that unless we said we would never lead such a wildcat again, they would give us a five day disciplinary layoff."

"One of the men refused to

say, and they gave him five days. I said I would never lead a walkout again, but I also said to myself unless it gets too hot again. It just got too hot there."

Commenting on the role of the UAW leadership, the worker stated: "The stewards wouldn't say a word. Andy Hardy (president of the Dodge local) hasn't shown his face since then. Everybody knows he's a company stool pigeon."

"We need somebody. We're not getting any respect. It's highway robbery without a gun. Woodcock is Nixon's man."

"Now we have Phase Four. Nixon will freeze wages for sure. That's why I tell these guys to stay out. One day strikes don't do any good."

"What the crooks are going to do, they'll do. It's up to us to stop them. One for all and all for one. I agree with you we need a labor party to get rid of these crooks."

stated:

"We will keep you as well informed as possible and will probably be having a meeting with you soon to discuss the contract in detail. We ask you to be patient a little longer while we try to improve the present offer, because as it has been presented to us it leaves much to be desired."

One veteran trade unionist at GE warned: "This reminds me of 1960 when we lost the cost of living clause, they just gave it away. They had a news blackout and then suddenly they called a ratification meeting where they covered what had been going on in negotiations for three months in a few minutes."

Another worker told the *Bulletin* that the ratification meeting might be held this Wednesday, though no notice to that effect has been posted.

Madison Labor Calls On Nixon To Resign

BY NANCY
RUSSELL

MADISON, Wisc.—In a nearly unanimous resolution passed May 21, the Madison Federation of Labor, AFL-CIO, has demanded that Nixon resign. The resolution was submitted by the Steel Workers Local 1404 and read:

"With the indictment of your former Attorney General on the inept bungling of the Ellsberg case regarding the Pentagon Papers and the former Secretary of Commerce in handling the Vesco case; the shame of the breaking and entering and bugging in the Watergate affair;

"The immorality and corruption of your White House staff and administration; the use of the Big Lie and the white wash and propaganda methods by you and those around you, sickens the members of this Federation... We believe that in the best interests of our beloved country you should resign your position as President of the United States."

RESOLUTION

Copies of the resolution were sent to Nixon, the AFL-CIO nationally and regionally. Steps must be taken now by the labor movement to force this resignation and prepare labor's alternative—a Congress of Labor and labor party.

One delegate, a member of the carpenters and teachers unions, said about Watergate, "It really scares you. We were headed to a Gestapo thing. It's a flimsy fringe to hang the interests of the country on the doggedness of two reporters. I am skeptical of anybody the Justice Department would attempt to put in. Everything points to the President."

"It's to the point where sections of the ruling class are fighting with each other. It's hard to see why they don't want the working class to have a share. Anything developed was due to labor. Labor is something we can't do without. The due compensation for the work is the problem. There are too many leeches right now—the working man doesn't get what's rightfully his."

"They've had an artificial prosperity. But time catches up. There's got to be a time of reckoning. Like Watergate. I don't think Watergate will get everything cleaned up. The labor movement has got to have strength and a good, responsible program."

The Trade Union Alliance for a Labor Party is fighting out now in the unions this program to meet Nixon's attacks. Nixon must be forced by the unions to resign. But further, the beating back of all the ruling class's attacks stemming from the breakup of the boom period, must be taken forward through the construction of the labor party.

Norwood Shut Tight As GM Ranks Wildcat

BY A REPORTER

CINCINNATI, Ohio, June 16—The Norwood General Motors Assembly plant (GMAD), where the longest strike in General Motors history took place last year, exploded in a wildcat strike that shut the plant down for three days this past week.

The strike began Tuesday night, June 12, when 15 workers in a soldering booth refused to work because the cooling system in the booth was broken. The 15 members of the union were suspended and the 4000 workers in both parts of the plant (Chevrolet and Fisher Body) walked off in sympathy.

The local union leadership ordered the workers to return to work promising reinstatement of the suspended workers. UAW Local 674 President Richard Minton said he would work to get the men reinstated but gave no indication how long that would take. He stated in a television interview:

JUSTIFIED

"These men are justified. They have a legitimate gripe because the conditions in this plant, in that booth, in that hood—without that cooling system—it is impossible to work in there. As a matter of fact, supervision would not work in that booth that particular night. It's a shame it takes a work stoppage to get something like this corrected."

Workers told the Bulletin of the rotten conditions that have persisted in the plant since the strike last year. One worker said: "The cooling system in the lead grinding booth had broken down for two months. The so-called backup system was not cooling it at all and for about five days it was up to 120 degrees in the booth. Finally the 15 workers refused to go back in after lunch

Pilgrim Laundry Workers Hit By Anti-Union Drive

BY MICHAEL ROSS

MINNEAPOLIS—Members of Local 183 of the Laundry and Dye House Workers, a Teamsters affiliate, are now in their third month of strike action against Pilgrim Cleaners.

The real dispute began on March 31, 1972 when their old contract expired. After two months of stalling, management and the union signed a new contract dated May 30, providing for a 5.5 percent increase, time and one-half after eight hours work and a number of other improvements, retroactive to April 1.

By October the management had decided to declare the new contract a dead letter, refused to pay the retroactive pay and benefits, refused to put a raise due in October into effect, and in fact refused to comply with about 90 percent of the new contract.

Negotiations went on for almost another six months. One striker told the Bulletin that things had gotten so bad that the International had to step in and fire one of the business agents for letting the situation degenerate this far.

Before the walkout finally took place on April 9, the lowest paid were getting \$2.52 an hour; skilled jobs such as spotters were getting \$3.50. Pilgrim, like most laundries and dry cleaning opera-

break at 8:30."

The UAW International sold out the Norwood strike last fall, after renegeing on the promise to pull out at least four other GMAD plants at the same time that Norwood was out. The workers, who had gone out over the question of intolerable working conditions, remained out for six months and were forced back by Woodcock to avoid a general strike of General Motors and the confrontation with the govern-

ment that that would have meant.

Woodcock then launched his series of impotent "mini-strikes." Nothing was settled in the strike. The conditions remained the same and many workers were fired.

SPEEDUP

As one worker told the Bulletin during the wildcat: "Nothing has changed. It's still the same speedup, with the line going 52 cars per hour."

GE Local Accepts Pact

BY A REPORTER

LOUISVILLE, Ky.—Leaders of the International Union of Electrical Workers Local 761 organizing the massive appliance parts complex of General Electric here last Saturday rammed the national GE contract down the throats of their members.

Workers on the first shift estimated for the Bulletin figures as high as 10,000 of the Local's 16,000 members attending the meeting in Freedom Hall. An estimated 18,000 work in the plant.

"This contract isn't worth a damn, but they voted it in," one woman worker told the Bulletin. "It may be alright for a young man," was the response of one worker in Building One, "but for people who have put in 15 and 20 years there, there's nothing."

And while all this is going on, a walkout over a local grievance has been in progress in Building 3 since June 13. The walkout began when the company refused to end its practice of using third shift cleanup men to do the work of material handlers and other jobs. The whole plant was out for a day in support of Building 3 but the

bureaucracy brought them back.

"We lost a day's pay for nothing, and most of us still don't know what grievance is involved," said a young worker. He added, "They try to tell us that the average man here is getting four dollars an hour. That's a lie. It's closer to maybe \$3.80."

1164 Leaders Push Sellout

BY AN AFSCME 1164 MEMBER

MINNEAPOLIS—On June 27 the Executive Board of the American Federation of State, County and Municipal Employees of the Minnesota State Employees will hear the appeal of Perry and Elizabeth Tilleraas in a new trial.

The Tilleraases are appealing their expulsion from AFSCME 1164 of the University of Minnesota workers by the local Executive Board. The Tilleraases were expelled because of their fight as leaders of the Caucus for a Decent Contract for strike action to win a decent contract and for a labor party.

This past week, the Local 1164 Negotiating Committee reached an agreement with the university for the hospitals. The terms of this agreement make it very clear why the local leadership and the Stalinists of Progressive Labor and SDS were so frantically anxious to expel the Tilleraases.

EXCHANGE

Perry, Tilleraas was a member of the negotiating committee. In exchange for accepting the university's original wage proposal offered last January, the negotiating committee gave up nearly everything that was fought for over the last 13 months.

What is worse, the union leadership agreed to a cutback in uniform services at the hospitals because the administration intends to close the university laundry. This will mean 50 university workers will be laid off. The Stalinists on the negotiating committee and the bureaucrats excuse themselves by saying that no one in the laundry belongs to the union anyway.

Every effort is being made to keep the ratification meetings small and push through a settlement. Copies of the proposed settlement will not be distributed until the meetings. The



Fannie Richardson, AFSCME Local 1164

Caucus for a Decent Contract is fighting for a "no" vote and that a decent contract be signed by July 1 or the union strikes the hospitals.

THREAT

The expulsions of Elizabeth and Perry Tilleraas are a threat not just to members of 1164 but to every trade union militant and socialist in the union movement. It is an attack on the democratic right to fight for a decent wage increase, better working conditions through a union contract and the right to raise the political solutions needed to win these gains.

Printed below is an interview with one of the founding members of the 1164 Caucus for a Decent Contract, Fannie Richardson, Secretary, 1164:

"The reason Perry and Liz were expelled was because of personal things. These guys didn't like them because they felt Perry and Liz were working too hard for the union—trying to get new members and trying to get the show on the road for a decent contract. Most people in the hospital could see they were working for the union, not against it. If they're going to put Perry and Liz out, they ought to put me out too because I'm a member of the caucus."

SECRET

"The first two times the Executive Board held secret meetings, I was the only one who voted for them. But at the last hearing, there were three people who held out. Rueben Green, the chief steward, is now on their side. He knows it's political and he also knows that if this con-

tract goes through there are going to be hundreds of grievances.

POLITICAL

"But it wasn't just personal. No, it's political. The charges even said they were a 'politically polluted pair.' And the charges they were expelled on were lousy. They weren't true. They were so far out I don't see how anyone could say they should be expelled."

"I feel Charles Williams (1164 president) was in this conspiracy to get them out of the union. Otherwise, why would he vote the way he did? I feel the whole thing was conspired between Williams and the supporters of PL-SDS."

"It seems these union bureaucrats who are making decent wages don't give a damn about those of us who aren't. You and I can stumble around the street and worry about how to pay our bills. But the people who can pay their bills don't want to change anything. That's the reason Joe Robison, the head of Council 6, won't fight."

NO REASON

"There was no reason for expelling the Tilleraases. We were the ones who were getting the message to the people. I told them that I am a member too. All the ideas were not Perry's and Liz's. We were there as a group. In other words, if we were going to overthrow something, it would be the administration and not the union. Not just the hospital administration, either!"

Telegrams and letters should be sent immediately to: Tobey Lapakko, Secretary, Council 6 AFSCME, 475 Rice Street, St. Paul, Minnesota, 55102.

Bulletin

weekly organ of the workers league

Stop Phase Four!

The calling of a Congress of Labor now to construct a labor party is the most urgent task of the hour before the labor movement. Plans for Phase Four are already being written which will slash the standard of living of workers, create massive unemployment and destroy the basic rights of the unions.

While these plans are being drawn in the board rooms of the banks, big corporations and the government offices, Nixon is being maintained in office only through the open collaboration of the trade union bureaucracy and the leaders of the Soviet Union.

The time to act is now by building a political leadership in the unions and a political alternative opening an offensive against this government which has robbed workers of their rights and has gotten into office illegally.

The big bankers and businessmen are demanding deflationary measures against the working class. Nixon's speech last week revealed the paralysis of his government in the face of the deepening economic crisis and the revelations of Watergate. In this situation the trade union bureaucracy has refused to act, to construct a political alternative to Nixon and the two parties of big business. They are pushing Nixon as a "lesser evil." They are perpetuating illusions that there are no controls and that gains can be won through support to and collaboration with an administration that has launched unprecedented attacks on the unions.

Al Barkin, head of the AFL-CIO's political arm, COPE, put forward the position of the labor bureaucracy on Monday at the Michigan Convention of the AFL-CIO. He said while Watergate reeked of "Nazism," Nixon had to be kept in office because he "looks good" compared to someone like Agnew.

This opens the working class to tremendous dangers. As Nixon's position becomes more and more untenable, sections of big business are preparing their own alternative. They are preparing another right-wing government that this time can carry out their policies. This is the meaning of the continued exposures of Watergate, and of editorials in papers like the *New York Times* and the *Journal of Commerce* blasting Nixon's economic policies.

As auto workers approach their upcoming contract, wildcats have broken out in a number of plants expressing the men's determination to fight and the frustration with the leadership. Thousands of workers realize that Nixon's price freeze is a fraud and are encouraged after Nixon's speech to renew their offensive.

What is required now for these struggles is a political leadership in the unions which begins from an understanding of the crisis and the political tasks facing the labor movement. Unless the struggles in the unions are now turned to the fight for a Congress of Labor to build the political alternative of the working class and to mount an offensive against the government's attacks, then the stage will only be set for the next stage of attacks under Phase Four.

Nixon must be forced out now by the mass mobilization of the working class and replaced with an alternative to these two parties of big business, a labor party. This task is urgent as the plans for Phase Four are being readied and at a time when this government can be brought down. This task is at the center of the fight of the Trade Union Alliance for a Labor Party in the unions and the demonstrations being called by the Young Socialists against unemployment on July 11.



"IT WOULD BE COMPLETELY INDECENT TO EVEN MENTION WATERGATE" - LEONID BREZHNEV

What we think Indecent Support For Nixon

(Continued From Page 1)

Nixon made his dramatic trips to Peking and Moscow, and was again elected despite unemployment and inflation. Caught in the Watergate conspiracy scandal, Nixon turned to the public with the plea that he be allowed to carry on his work of improving the climate of peaceful coexistence. He felt he had to play his strongest card."

What Komorowski is actually saying is that the Soviet leadership views Nixon's weakness resulting from Watergate not as an opportunity to throw him out of office and prepare the working class politically to take power, but rather as an opportunity to pressure Nixon to carry out policies that are more amenable to the Kremlin bureaucracy. Therefore, Brezhnev feels that Watergate is a reason to keep Nixon in office as some sort of lesser evil to politicians like Henry Jackson who criticize the grain deals.

It was with this strategy that Stalin proceeded in 1939 to sign a pact with the Nazis, believing, no doubt, that Hitler would be less antagonistic to the Soviet Union while engaged in a war with Britain and France. The upshot of the Pact was an invasion of the USSR and the loss of 20 million lives.

Furthermore, Komorowski admits that "peaceful coexistence" is a platform consciously extended by Brezhnev upon which Nixon stands in order to survive. The CP does not deny that Brezhnev's trip is used by Nixon to get his neck out of the noose of the Watergate revelations.

When Komorowski calls the summit talks Nixon's "strongest card," he is conceding that the Soviet bureaucracy has now become the essential prop of the administration. Cornered by the Watergate scandal and the deterioration of the monetary system, hounded by threats of impeachment and calls for his resignation, Nixon plays the trump card of peaceful coexistence.

This is what peaceful coexistence is all about in this period: collaboration with the crisis-stricken heads of capitalist governments which lasts until those regimes turn the tables on

the Stalinists as Hitler did.

The CP seeks to discredit any opposition to the Brezhnev-Nixon talks by creating a crude amalgam between the right-wing demonstrations against Brezhnev, the demagogy of the AFL-CIO bureaucracy and a Marxist exposure of the Kremlin's collaboration with Nixon for the purpose of keeping him in power. This is a typical Stalinist tactic which has always been used to drown out any criticism of the Soviet bureaucracy.

As the *Daily World* knows, the Trotskyist movement has nothing to do with the anti-Communist demonstrations against Brezhnev. It is, rather, the Communist Party that is working hand-in-glove with the trade union bureaucracy in order to derail every movement of the working class against Nixon. The CP works within the trade unions as the left cover for the bureaucracy which remains silent on Watergate and refuses to defy the wage guidelines.

"Peaceful coexistence" means betrayal of the working class in the United States and every part of the world. It is the height of deceit for the *Daily World* to write last week that "there exists no contradiction between the tasks of international class struggle and the peaceful cooperation of states with different social systems."

The author of those lines, J.J. Johnson, should try telling that to the workers and peasants of Cambodia who are under attack

from B-52s even while Brezhnev chats with Nixon, or perhaps to the population of Hanoi that lived through the Christmas bombing. Peaceful coexistence means keeping Nixon in the White House to give him the opportunity to impose Phase Four upon American workers.

Every member of the Communist Party must demand an explanation of its leadership's support for the Brezhnev-Nixon talks. Does Gus Hall share Brezhnev's "respect" for Richard Nixon who was instrumental in jailing scores of communists and CP members in the 1950s, who was Vice-President when Julius and Ethel Rosenberg were electrocuted 20 years ago this week, who recently attempted to railroad Angela Davis to the gas chamber because she is a member of the Communist Party, and who — as the Watergate conspiracy reveals — planned to kidnap communists and militants?

The leadership of the Communist Party, by endorsing this trip and uncritically reprinting Brezhnev's comments on Watergate, are party to this betrayal. It exposes the fraud of its so-called opposition to Nixon, and it shows that the CP's opposition to the labor party which it maintained throughout the 1972 election and to this day comes from its support for Nixon.

Members of the Communist Party must speak out and censure this leadership which lies to them and to the American working class on these life-or-death issues.

Building the Bulletin

The Young Socialist Summer Subscription Drive has now begun with 111 subs in this week towards the goal of 3000. The drive will run from June 15 to August 15. We will need at least 375 subs per week to meet this goal.

What is now required is real drives through the neighborhoods for YS subs. There is too much of just individual subs sold here or there. The next two weeks will be particularly important as we must have a sizeable subscription list to send the new July issue to.

At the same time, Bulletin subscriptions are to be kept up. Some 272 were received last week which is quite good. We need 300 per week during the summer period.

All subs will be credited to branch quotas in the 15,000 Fall Bulletin Expansion Subscription Drive which will launch the twice-weekly paper. Special emphasis must be given to renewal work while Bulletin subs are sold along with YS subs in neighborhood work and drives conducted in new areas of work.



Mr. & Mrs. Arnholt Smith (right) and John Alessio (far left) welcomed guest speaker Walter Hickel, then governor of Alaska, at the \$2000-a-couple Nixon campaign dinner in 1968.

BEHIND THE WATERGATE SCANDAL/ PART THREE

THE CALIFORNIA SCHOOL OF LAW AND ORDER

BY BRUCE MCKAY

While Richard Nixon was still a little known Navy lieutenant learning the ins and outs of poker in the South Pacific war zone in 1944, the leading capitalist Allies were mapping out a post war economic strategy at Bretton Woods, New Hampshire, which they hoped would lay the basis for a restabilization of capitalism and avert the impending clash with millions of workers fresh from the battlefields of Europe and the Pacific.

It was the inflationary monetary policies agreed upon at Bretton Woods that made the post war boom possible and set the stage for the emergence of a section of the capitalist class based almost entirely on the freely flowing paper dollars and credit of the boom period, and which allowed the very dregs of capitalist society—men like Meyer Lansky—to grow wealthy and powerful.

The development of the post war boom, however, did not take place automatically. Following the war, millions of workers were thrown out

of the returning armies and out of the war plants and into the streets without jobs. Workers throughout the world went on the offensive against these conditions and the capitalist system whose war had left Europe devastated.

In 1945 and 1946, the greatest strike wave in American history hit industry after industry. By 1946 the situation had very nearly gotten out of hand, with 4.6 million workers out on strike and cries for a labor party being raised in factories across the country.

Only through the betrayals of the trade union bureaucracy and of international Stalinism were the capitalist bosses able to quell the rebellion of the American working class and stem the rising tide of revolution throughout the world.

This was the context in which the young Navy lieutenant commander from Whittier stepped onto the political stage in 1946 to become the Republican Party's Congressional candidate in California's 12th District, beginning that long career of service to American imperialism exemplified by his friendships with dictators like Batista and Trujillo, his business deals in the Bahamas and his campaign contributions from Phillipine sugar growers.

SPECULATIVE

Richard Nixon became the candidate of the speculative capitalists of the Southern California boom and their allies in Texas, Florida and Arizona, men who to this day are his most loyal supporters.

In 1946, these capitalists who chose him to enter the Congressional race were anx-

ious to end the war time collaboration with the Stalinists, to put down the rebellion of the American working class, to root out the "subversives" in the trade union movement and to launch an offensive against the upsurges of the working class throughout the world. Nixon proved a willing and able spokesman for this anti-communist crusade, and in his early years won the admiration of ultra-rightists like Ralph de Todeano and open supporters of fascism like Gerald L. K. Smith.

Nixon's 1946 red-baiting campaign against 10 year veteran Congressman Jerry Voorhis—himself a right-wing social democrat, member of the House Un-American Activities Committee and author of the anti-communist Voorhis Act—was directed as much against the CIO and its Political Action Committee as it was against himself.

When Nixon entered Congress in 1947, he took over Voorhis' seat on HUAC, but prior to his witch-hunt of Alger Hiss, he considered his work on the House Education and Labor Committee far more important and rewarding. It was on this committee that Nixon actively took part in shaping the final version of the Taft-Hartley Bill, which among all its other anti-union provisions, barred Communist Party members from holding union office and outlawed trade union financial support to political parties or candidates for federal office.

Nixon became an ardent supporter of Ohio Senator Robert Taft's drive to end the largely ineffective wartime price controls, knowing full well his business constituency in California was prepared to reap even bigger profits from the post war housing shortage and scarcity of con-

sumer goods with a premature lifting of controls.

Nixon also became an important spokesman for the big Western oil lobby, and as a senator in 1952, he was one of the most active supporters of a proposal to allow the federal government to turn over its offshore oil rights to the individual states, from which the oil barons of California, Texas and Louisiana could obtain leases at bargain basement rates.

OIL

The oil industry was well established, even in the Western states, early in the century, but the big oil interests—from Rockefeller's many-tenacled empire to J. Paul Getty—have been among the most blessed beneficiaries of the post war boom and its easy money policies. Not so surprisingly, they are today the beneficiaries of an "energy crisis" whose chief propagandist, aside from the companies themselves and their Petroleum Institute, is the government of Richard Nixon.

Oil and natural gas interests have always been in the backdrop of Nixon's campaigns, bankrolling him to the tune of millions of dollars in the last election alone. Among his earliest big supporters were California's Union Oil Company and another early supporter of right wing causes, Texas oil billionaire H.L. Hunt.

Among the oil and natural gas interests that financed Nixon's 1968 and 1972 presidential campaigns are representatives of the following companies: Sun Oil, Atlantic Richfield, Gulf Oil, Lubrizol, Texaco, Marathon Oil, Petroleum Corporation of America, Getty Oil, Coastal States Gas, King Resources, Pennzoil and Gulf Resources and Development Cor-

poration.

In 1952, as a reward for Nixon's vociferous support for cheap offshore oil leases in the name of state's rights, some of his early oil backers decided to join in the creation of a secret slush fund to help supplement the struggling young senator's income—ostensibly to help him keep in touch with his constituents back home and begin campaigning for re-election to the Senate four years later.

This was the notorious "secret fund" which later almost forced Nixon off the national Republican ticket with Eisenhower and precipitated the "Checkers" speech in which he defended the fund as a way of saving the taxpayers money—without mentioning the source of the money or the fact it was to have been an annual supplement as long as he remained a senator.

At least a third of the original 76 contributors were reportedly oilmen or members of their families, including Earl Gilmore, R.R. Bush, Thomas Pike, Tyler Woodward and Leland K., Donald and Paul W. Whittier.

The fund was deposited in a Pasadena bank under the name of Dana Smith, a close friend of Nixon's who managed the finances of his 1950 senatorial campaign. Contributions were limited to \$500 a year for each contributor, but while the original fund amounted to only \$18,235, Nixon's campaign organizers hoped for much more in the future.

Smith told newspaperman Leo Katcher, who wrote the original "Secret Fund" story for the *New York Post* in the midst of Nixon's vice presidential campaign: "Our thinking was that we had to fight selling with selling, and for that job Dick Nixon seemed to be the best salesman against socialization available. That's his gift. Frankly, (Gov. Earl) Warren has too much of the other point of view, and he never has gone out selling the free-enterprise system. But Dick did just what we wanted him to."

RIGHT-WING

Nixon's entire early political career was shaped by the right wing fanaticism of the booming Los Angeles business world and especially its slick advertising industry. The fund scandal, the anti-communist witch-hunting, the anti-unionism and the complete subservience to the interests of his speculative Western and Florida business friends were all very characteristic of Nixon's early career and set the pattern of development which eventually led to Watergate.

In this respect, we must turn to the man who is most responsible for shaping Nixon's early political career and who to this day remains one of his closest political advisers: Beverly Hills attorney and public relations expert Murray Chotiner.

Chotiner had already achieved quite a reputation as a political manipulator by the time Richard Nixon retained the services of his public relations firm for \$500 in 1946, and he was then steering the successful campaigns of Governor Earl Warren and Senator William Knowland.

Chotiner guided the young political novice through the vicious red-baiting campaign against Voorhis with amazing agility, worked out the "Pink Lady" smear campaign against Helen Gahagan Douglas in 1950 as Nixon's campaign manager, ran Nixon's 1952 vice presidential race and engineered Nixon's anti-communist crusade during the 1954 Congressional elections, in which he fraudulently claimed that the Truman administration, which had so vigorously defended imperialism throughout the world, had had "a blueprint for socializing America."

UNDERWORLD

But Chotiner has another history besides that as a highly successful practitioner of the anti-communist smear, the back room deal and the slick PR campaign. Chotiner not only introduced Nixon to the Los Angeles advertising world but provides yet another link to the underworld. As we discovered in investigating Nixon's Florida associates, Nixon has been in partnership with some of the most rotten elements to emerge from the boom period.

As Drew Pearson and Jack Anderson wrote in 1962: "Chotiner ... besides representing the top gangster in



Philadelphia, Marco Reginelli, represented a long and amazing list of hoods, concession peddlers, income tax violators and others needing influence in high places..."

Between 1949 and 1952, Chotiner, in partnership then with his brother Jack, represented 221 gamblers and bookmakers in the Los Angeles area. Once Nixon won the vice presidency, Chotiner cashed in on his friend's success and set himself up as a Washington influence peddler.

PAYOFFS

In May 1956, Senator John McClellan's investigations committee called Chotiner as a witness in hearings probing alleged payoffs to government officials from clothing industry racketeers trying to secure lucrative government contracts for government employee uniforms.

During the course of the committee's questioning of Chotiner, the extent of his influence peddling and ties to organized crime began to come to the surface—until the committee called off the hearings because of their potential implications in that election year.

Initially, the committee was interested in Chotiner's services to two Atlantic City clothing racketeers, Herman and Samuel Kravitz, who allegedly bribed military purchasing agents to obtain government contracts. Herman Kravitz had testified that Chotiner had been given a \$5000 retainer in the belief his political influence would help cool off a Justice Department investigation of their activities.

Under intense questioning from the committee, Chotiner admitted talking to Justice Department officials about the case and said several of them had been helpful.

The heat was really put on Chotiner after the committee began investigating his client and acquaintance from Miami Beach, suspected racketeer William A. Parzow, who had been convicted for jury tampering in 1941. In his testimony, Parzow described himself as a "non-worker"



Chase Manhattan Bank board chairman David Rockefeller, top, leads Wall Street banking interests who now oppose the speculators and Nixon's inflationary policies. Below, four leading boom capitalists who support Nixon. Robert Vesco (far left) took over Investors Overseas Services from Bernie Cornfeld in order to loot its assets of \$224 million; ITT's board chairman Harold Geneen (center) built the small telephone company into a huge conglomerate that ranks as the eighth largest US industrial concern; J. Paul Getty (upper right) multiplied his millions into billions on the basis of the boom; and Howard Hughes (left) made hundreds of millions of dollars from defense contracts and put them into Las Vegas gambling.

who lived on "borrowed money." The committee suspected Parzow was a payoff man in the uniform contract conspiracy. Cancelled checks totalling \$74,000 had passed through his hands on their way from uniform manufacturers to government employees.

Chotiner was recalled to the stand on May 13. He admitted he had been retained by four of the companies in question after Parzow had referred them to him. An accountant for one of the firms testified Chotiner had been hired only because of his ability to pull political strings.

The committee also discovered Chotiner had used his White House connections in an attempt to get reversals of unfavorable Civil Aeronautics Board rulings against two other clients, North American Airlines and California Central Airlines, in 1954. He admitted under questioning that White House aides Charles Willis Jr. and Maxwell Rabb had been very helpful.

In the Reginelli case, the gangster had sought out Chotiner's services after the government had begun deportation proceedings against him in 1955. Reginelli had been identified as the most important Mafia figure in the Philadelphia-South Jersey area and was deeply implicated in the uniform scandal the McClellan committee was investigating.

Chotiner conferred with several key

Justice Department officials and with William P. Rogers, Nixon's present Secretary of State who was then Assistant Attorney General. Chotiner's intervention resulted in a reversal of the government's deportation order, even though Reginelli already had a felony conviction under the Mann Act and was suspected of having had one of the witnesses in that case killed.

The Chotiner scandal, even though it was very carefully hushed up, proved embarrassing for the Republican Party's Wall Street kingmakers—who had always been uneasy about Nixon—and like the fund scandal in 1952, very nearly pushed Nixon off the ticket.

Nixon quietly pushed his friend into the background after the hearings, where he remained until Nixon's disastrous 1962 race against California Governor Pat Brown, when he served as Nixon's unofficial campaign manager. Then in 1968, Chotiner was brought into the presidential campaign as one of John Mitchell's top assistants.

Once Nixon had achieved his long awaited goal of becoming President, Chotiner was immediately brought into the White House as general counsel, a post which he held for nine months. By the time Nixon's re-election apparatus was gearing up for the 1972 campaign, Chotiner reportedly was working secretly with White



Chotiner

House aide Charles Colson and E. Howard Hunt on the "dirty tricks" which have been exposed in the Watergate scandal.

Chotiner has also admitted that he, Nixon's personal attorney Herbert Kalmbach and presidential adviser John Ehrlichman were instrumental in squeezing a \$700,000 campaign contribution out of the dairy industry in return for an increase in price supports. Kalmbach used strong arm tactics to extort the money, while Chotiner and Ehrlichman intervened to push through the increase and channel the \$700,000 into the campaign fund.

Although Nixon has always been very much a product of the easy money of the postwar inflation and a servant of the variegated speculators and outright crooks of the booming Southern California and South Florida economies, he also played a key role in the political strategy of Wall Street in the 1950s and today finds himself caught in the very center of the conflict between Wall Street and the speculators.

1952

Nixon found himself on the ticket with Eisenhower in 1952 largely through the efforts of two-time Republican presidential loser and New York Governor Thomas E. Dewey, who acted as the chief spokesman for the big banking interests within the Republican Party hierarchy.

In order to carry out the policies of Bretton Woods and the new American role as the leading imperialist power, as well as to continue the purge of all the communists and trade union militants within the labor movement who threatened the corrupt bureaucracy which now props up Nixon's government, the ruling class needed the services of Richard Nixon in 1952.

It was Nixon's task, as the energetic young spokesman of the rising West Coast capitalists and their anti-communist crusade, to break the back of the "Old Guard" Republican right wing, led by presidential aspirant Robert Taft, whose isolationist opposition to the Marshall Plan, the expanding US role throughout

the world as the main defender of imperialism and the inflationary monetary policies agreed upon at Bretton Woods threatened to upset the course of the boom.

Nixon was to scuttle Taft's campaign and assure the nomination of Eisenhower by making possible an alliance between the easy money capitalists he represented and the "Eastern Establishment" of Wall Street bankers and the big industrialists.

Nixon's success put him in the White House in 1952, but the alliance he forged was always an uncomfortable and tenuous one.

While Nixon consciously sought the support of Wall Street in his long quest for the presidency—joining a prestigious Wall Street law firm in 1963 was part of his strategy to win the Republican nomination in 1968—his backing from these kingmakers was always something less than enthusiastic, and as the 1960 election drew near, newly-elected New York Governor Nelson Rockefeller emerged as Nixon's foe for the nomination in that year and Goldwater's opponent in 1964.

The emergence of Rockefeller—brother of the chairman of the Chase Manhattan Bank—as the chief spokesman against the speculative elements of the capitalist class within the party's ruling circles reflected the divisions within the ruling class which were already deepening as the post war boom showed the first real signs of breaking up with the 1958 recession.

The political alliance which Nixon made possible in 1952 was completely finished off by Nixon with his decision to remove the dollar's ties to gold on August 15, 1971, and the deep divisions between the speculators Nixon serves and the Wall Street bankers have erupted in the grave political crisis created by the Watergate scandal.

Nixon was driven to the desperate police state measures represented by Watergate not only by the international economic crisis in general but by the complete bankruptcy which faces his own section of the capitalist class—the wheelers and

dealers whose fraudulent get-rich-quick schemes and illegal contributions to Nixon's campaign are being exposed almost daily in the press. All the filth from Nixon's past is rising to the surface in the Watergate case and all the other scandals, from the illegal \$200,000 payoff from Robert Vesco to the \$700,000 bribe from the dairy lobby to the \$400,000 pledged by ITT to bring the 1972 Republican National Convention to San Diego to the current investigation of San Diego millionaire C. Arnholdt Smith.

SMITH

The 74-year-old Smith is one of Nixon's oldest political supporters and friends. "I've supported him since he first ran for Congress," he told *Life* magazine last year. "We've kept in touch and I've seen him frequently, even when he was out of office." Smith was one of the select few who joined Nixon on election night 1968 at his New York Waldorf Towers suite to watch the returns—and no wonder, for according to the *Wall Street Journal*, he had raised a million dollars for Nixon's campaign chest.

Smith was the owner of the San Diego Padres until its recent record-shattering sale and was named "Mr. San Diego" by the local right wing newspaper. He is easily the most important businessman in San Diego. Now, his business empire is under investigation by the Securities and Exchange Commission and the Internal Revenue Service for fraud and possible illegal campaign contributions.

Smith's financial power is based in the \$215 million Westgate-California conglomerate and the wholly family-owned US Holding Company which controls the San Diego-based US National Bank chain, with its 62 branches and \$746 million worth of assets.

Westgate has vast investments in real estate, hotels, agribusiness and insurance companies. It is the third largest canned tuna packer in the world and has a large fishing fleet. It controls the taxi business in a dozen California cities through its ownership of Yellow Cab companies, and it owns a controlling interest in Air California.

Smith, Westgate President Philip Toft and M.J. Coen, a former company director, are accused by the SEC of conspiring to loot Westgate's assets "by selling them to related private companies or individuals at bargain prices, whole buying assets from the associated concerns or persons at grossly inflated prices," according to the *Wall Street Journal*.

The SEC complaint charges that at least \$17.5 million in phony profits were manufactured between 1969 and 1972 through non-existent or inflated sales to related firms in order to hide the company's real financial position.

The IRS is investigating the same case for possible tax fraud, as well as the possibility the scheme might have been used to illegally channel corporation funds into Nixon's campaign.

Other Smith related companies in the conspiracy named by the SEC in its court suit are the First California Company, a San Francisco brokerage house; Sovereign States Capital Corporation, a San Diego investment company; British Columbia Investment Company of Kansas City, Missouri; and Elsinore Royalty Inc.

Both government agencies have had Smith under scrutiny for some time. The current IRS investigation is apparently part of a continuing investigation into Smith and his business associates which began in 1966 with a probe into illegal gambling in San Diego County.

Three months ago, a 10 man IRS task force completed an exhaustive audit of Smith's books and the records of Westgate and the US National Bank and turned their findings over to the IRS intelligence division. According to an IRS official, this action "means that agents have found indices of criminal fraud."

BLOCKED

Smith does not seem to be too worried by the new charges. A previous attempt by the IRS to prosecute Smith for a conspiracy to funnel illegal contributions from corporations into Nixon's 1968 campaign chest was successfully blocked by the direct action of the Nixon Administration.

Nixon also tried to block the prosecution of his and Smith's old friend, John Alessio, for tax fraud in connection with his mammoth Mexican-Southern California bookmaking operation, and Alessio got off with an exceptionally light three year term after it became evident the case could not be covered up.

The investigation of Smith was the result of an intensive investigation of the Alessio gambling empire in San Diego and across the border. It originally began with a probe into the illegal San Diego betting operation of Russell Alessio, one of John's six brothers, and the corruption in the San Diego Police Department.

Smith became involved when investigators discovered a former police chief was driving a car paid for by San Diego Yellow Cab, which Smith controlled directly from 1962 to 1967. They found that over a period of years, the taxi company had provided gifts, trips and cash to policemen and public officials and San Diego politicians, and they came across a particular \$2068 payment from the company to Smith's Barnes-Champ Advertising Agency. This payment, made in September 1968—supposedly for a "wage and hour survey"—turned out to be a cleverly concealed contribution to Nixon's 1968 campaign.

Smith's friendship with Alessio dates back to 1929, according to a *Life* magazine article which exposed Nixon's intervention in the case last year. He got the then shoeshine boy a job as a messenger in a Mexican bank in Tijuana, where all the rackets of the crime syndicate are either legal or openly tolerated by the authorities.

Alessio worked his way up to become manager of the bank, and by the time he and Smith befriended Congressman Nixon in the 1940s, he was managing Tijuana's Caliente racetrack and embarking on his bookmaking venture—openly and legally in Tijuana and under cover and illegally in San Diego. In 1946, the two rising businessmen introduced their new found political friend to Lew Lipinsky, a convicted bookie who has since served as the contact between Alessio and Smith and the crime syndicate which demanded a cut of Alessio's gambling profits.

Throughout the 1950s and 1960s, the careers of Smith and Alessio closely paralleled one another—as well as the careers of Nixon's associates in Florida. Alessio made millions on both sides of the border from his betting syndicate and as a race track owner, financier and real estate speculator. In 1964, Alessio, too, was honored by being named "Mr. San Diego," and in the same year, he became a director of Westgate-California Corporation when it bought out one of his many companies.

In 1968, as the IRS began to close in on him for tax evasion in connection with his bookmaking operation, what had been a friendship with Nixon suddenly became a political alliance. Alessio, who had supported Governor Pat Brown against Nixon in 1962, donated at least \$26,000 to Nixon's campaign coffers in 1968.

By 1970, both men were actively seeking the assistance of their ally in the White House—and got it.

GRAND JURY

Early in 1970, a federal grand jury was convened to investigate the \$2068 campaign contribution from Yellow Cab. IRS investigators believed it was part of a much larger operation engineered by Smith to channel corporate funds—in violation of the Corrupt Practices Act—into Nixon's campaign, disguising them on the way as legitimate business expenditures.

The grand jury discovered the wage and hour survey had never occurred, and that the man who had approved the billing of the company was Barnes-Champ Vice President Frank A. Thornton—Smith's chief political henchman and San Diego Nixon for President campaign chairman.

Then, Yellow Cab President Charles Pratt told IRS investigators the whole story of the contribution in September 1970. According to Pratt, Smith had asked him to attend a \$2000 a couple fund raising dinner for Nixon at the plush Smith-Alessio Kona Kai Club. When Pratt said he could not afford to give such a large donation, he said Smith offered to arrange to have it

siphoned off from his taxi company's funds as a business expense. Later, he said, he was told by Thornton it would be in the form of a bill from Barnes-Champ.

Despite this evidence—and more—no one was ever prosecuted. Nixon had prepared the coverup in 1969, when he appointed Harry Steward as US attorney for the Southern District of California, upon Smith's recommendation. Steward had worked closely with Smith and Thornton as a campaign fund raiser.

Steward's first action was to stop a subpoena from the grand jury calling on Thornton to testify. According to *Life*, Steward called three of the government's investigators into his office and told them in a moment of indiscretion that "Thornton was his long-time personal friend, had helped him get his present appointment and would probably help him become a federal judge. He, Steward, would question Thornton privately."

IRS investigators under the direction of Special Agent David Stutz nevertheless continued to pursue Smith and piece together their case. Stutz eventually recommended prosecution of Smith for violating the Corrupt Practices Act, for tax evasion in the listing of campaign donations as deductible business expenses and for filing false corporate tax returns. Additionally, he recommended prosecution of Thornton for perjury and for trying to make Pratt commit perjury.

These recommendations were approved by Stutz' superiors in Los Angeles and forwarded to Washington, where the case was dropped like a hot potato.

Stutz was also the chief investigator in the Alessio case, which became one of the largest tax evasion cases ever prosecuted on the West Coast, and he was called to testify in a related case in which Smith's friend Mayor Frank Curran was standing trial on bribery charges involving a \$3500 fare from Yellow Cab for Curran's assistance in getting a huge fare increase.

San Diego County prosecutors believed Stutz' testimony would have resulted in a certain conviction. As it was, IRS Commissioner Randolph Thrower refused to allow Stutz to take the stand and Curran was narrowly acquitted. Nixon was so pleased with the result he called Curran to congratulate him, and when the prosecution called on him to allow Stutz to testify in the remaining trials against other officials involved in the case, he refused in a letter from his counsel, John Dean III.

CAULFIELD

Alessio was not quite so lucky, although Nixon pulled out all the stops to try to save him from jail. Ehrlichman sent John Caulfield, whom the administration had hired to coordinate activities among the government's police agencies, to pry information out of Stutz and try to get him to meet secretly with Ehrlichman without telling his superiors at the IRS. Stutz refused, and Alessio was eventually convicted of evading \$929,000 in taxes from 1963 through 1966.

His friends in high places, however, were able to get him a three year sentence at the federal honor camp at Lompoc, California. According to *Life*, "He and his brother were regularly allowed to make unauthorized overnight trips away from the camp, usually to conduct business or to meet women friends at a Lompoc motel."

The entire case now threatens to blow up again, with the new IRS investigation and the request of the SEC that Smith's companies be placed in receivership, and it could become another scandal of Equity Funding proportions. In mid-May, trading in the company's stock was halted after the Westgate-California auditors—the company's fourth auditing firm in as many years—withdraw its certification of Westgate's 1971 financial report and the 1971 and 1972 financial reports of Air California.

The development of the Westgate scandal, despite the best efforts of Nixon to protect his friend Smith, expresses the tremendous crisis which the capitalist system faces internationally. This crisis is hitting first and hardest at the speculators and criminal elements of the capitalist class who stand behind Nixon, but the extent to which the entire ruling class became mired in the speculation and frau-



Top Photo: Bookie King John Alessio and wife at Nixon's 1969 Inaugural Ball. Below: Nixon campaigning with Senator Joseph McCarthy in 1956.

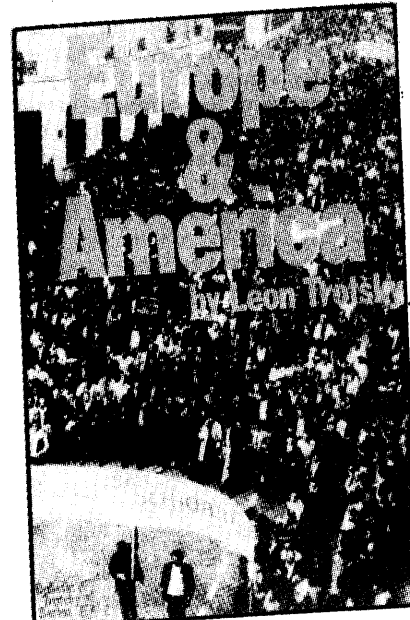
dulent financial manipulation of the easy money boom period is being exposed in the rash of financial scandals now rocking Wall Street itself, where the prestigious Weiss Securities went under and where Lehman Brothers, one of the big names of Wall Street, was involved with a Swiss bank in a scheme to buy stocks entirely on credit in violation of margin requirements.

These are not just ordinary scandals, but instead they reflect the breakdown of the inflationary, monetary and credit relationships which allowed the expansion of capital after the war to take place at all. The secret police operations of which Watergate was a part grew out of the desperation with which Nixon now confronts this crisis. Facing the most powerful working class in the world—undefeated in over 25 years—Nixon was given the job of wiping out all the gains this working class has achieved in the past period and destroying the basic democratic rights won in 200 years of struggle.

Workers must answer Watergate and all of the corruption which permeated not only the Nixon Administration but the operations of the whole capitalist system by constructing their own political party, a labor party, to sweep away all of the gangsters of the Republican and Democratic parties.

CONCLUDED

In addition to various newspaper articles, transcripts of testimony before Ervin's Senate committee and Nixon's Six Crises, sources for this series included the following: Jeff Gerth, "Nixon and the Mafia," *Sundance*, November-December 1972; Leonard Lurie, *The Running of Richard Nixon*; Earl Mazo and Stephen Hess, *Nixon* (his official biography); Hank Messick, *Syndicate in the Sun*, *Lansky and John Edgar Hoover*; Kirkpatrick Sale, "The World Behind Watergate," *New York Review of Books*, May 3, 1973; *Latin American and Empire Report*, October 1972, *North American Congress on Latin America*; *Life*, March 24, 1972 and *Florida Trend*, May 1972.



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Europe & America

The two speeches in this pamphlet contain Trotsky's basic assessment of the relationship of conflict which exists between European and American capitalism. Essential reading today for anyone wanting to understand the development of Nixon's trade war and the international economic crisis. With a new introduction by Dennis O'Casey.



EUROPE AND AMERICA by Leon Trotsky. Republished by Labor Publications, June 1973. 69 pages, 75 cents.

The republication of Trotsky's *Europe and America* is of the greatest importance today to all workers and youth for grasping the revolutionary significance of Nixon's trade war and the dollar crisis.

Every new revelation out of the Watergate hearings now has a direct impact on the European currency markets as the Nixon government is too paralyzed to take one step to halt inflation. Nixon's announced "price freeze" caused the dollar to plunge to its lowest level yet in West Germany and the price of gold soars to new heights daily.

Nixon's talks with French Premier Pompidou in Reykjavik, Iceland were a complete failure and signify that there is no longer a basis for discussion of monetary reform, trade relations or the future of the dollar between the European, American and Japanese capitalists. The ruling class in each country must seek new methods of rule as the objective laws of capitalism assert themselves.

It is from this standpoint, from an objective study of economy, that Trotsky examines the relation between Europe and America in what originally were two speeches, "Perspectives of World Development" given in 1924 and "Europe and America" from 1926. These speeches, along with numerous documents of the first five years of the Communist International, were part of Trotsky's invaluable contribution to the perspectives of the Communist International and reveal his firm grasp of the Marxist method.

Trotsky begins his analysis from the framework of the period capitalism entered after the turn of the century: its

Dianne Isaacs books

historical decline. He points out that while the period before World War One saw a swift growth of the productive forces in both Europe and America—which gave capitalism's existence at least a relative "justification"—directly afterward, the productive forces were actually being destroyed in Europe. World War One gave the United States the opportunity to emerge as the dominant capitalist power off the back of a devastated Europe and to actually "place Europe on rations." Trotsky writes:

"...Whoever wishes or tries today to discuss the destiny of Europe or of the world proletariat without taking the power and significance of the USA into account is, in a certain sense, drawing up a balance sheet without consulting the master. For the master of the capitalist world—and let us firmly understand this!—is New York, with Washington as its state department. We observe this today even if only in the plan drawn up by the experts."

DISORDER

But the very nature of American imperialism, Trotsky observes, compels it to take on all the sickness and disorder of European capitalism. Maintaining Europe in such a weakened condition meant the very weakening of the market upon which the US depended for profit. The United States in fact created in Europe the conditions for the European working class to overthrow capitalism. And as Trotsky notes, with the assertion of America as the dominant imperialist power in the world, there could no longer be any question of America merely relying on her internal market.

Everything Trotsky wrote during the early 1920s was confirmed in the most brutal way possible with the Great Depression and World War Two.

America after the war was forced to take on all the decay of European capitalism and at the same time to replace Europe as the heart of the decline of capitalism internationally with the Bretton Woods agreement, which established the dollar as the basis for world trade.

The United States carved out its role as world predator in the 1920s because of its favorable trade balance, which gave it 42.4 percent of the world's gold reserve. But the Bretton Woods decision, which resulted in the pouring of billions of paper dollars into Europe to reconstruct capitalism and ease the pressure on the falling rate of profit in the US, was taken not out of any strength of capitalism, but to postpone the inevitable confrontation with the working class. It is these very

measures that today are the source of revolutionary developments in Europe and America.

REFORMISM

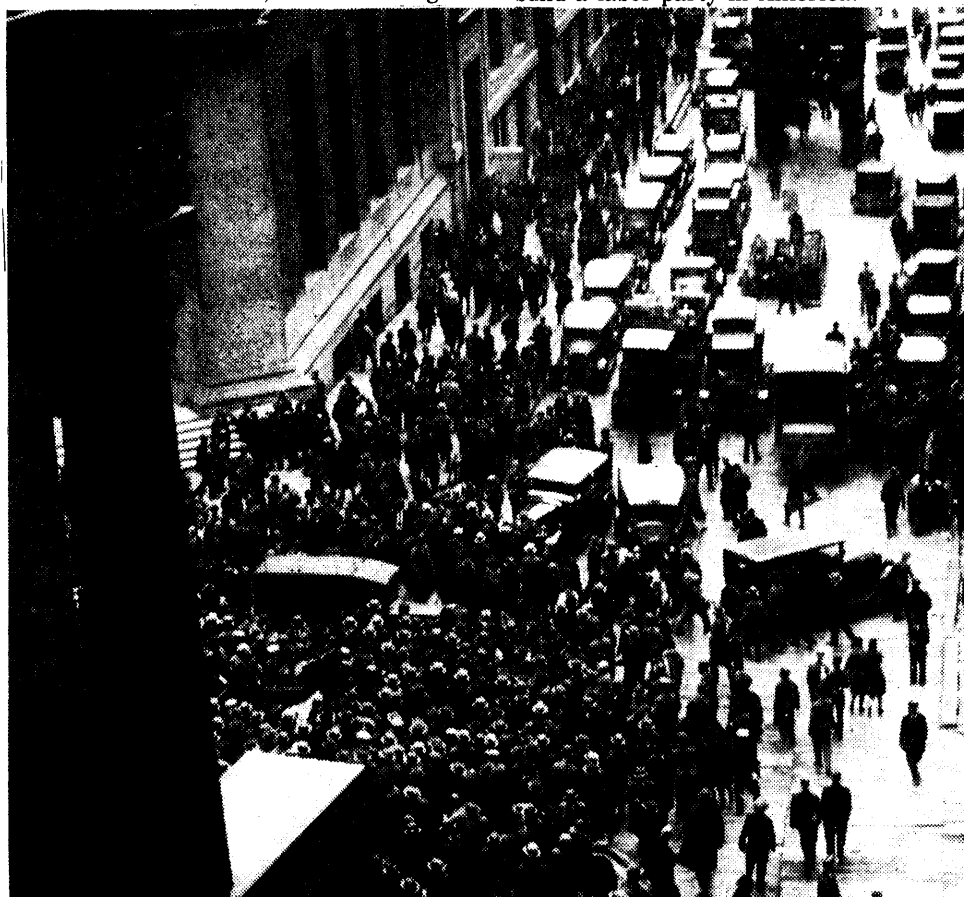
Trotsky spends a great deal of time in *Europe and America* on the nature of European reformism and the conciliatory character of the American trade union bureaucracy. The Social Democrats in Europe all very quickly fell in line behind "the master of its masters," the United States. And in America the trade union bureaucracy became one of the most subservient in the world. Trotsky reveals that this was necessary to attempt to subjugate the working class to the interests of American imperialism: "The American bourgeoisie must insure its security in this drill ground by means of conciliationism in its most complete and perfected form, in order to be able to expand more securely abroad."

Today the Nixon government, with the aid of the most corrupt and fattened trade union bureaucracy in the world, whips up patriotism in order to secure support for trade war against Europe and Japan, claiming that Japanese and European workers are stealing American jobs. This reactionary campaign goes hand in hand with anti-communism, as the Watergate

hearings have clearly revealed, and it is toward the Soviet Union and China that the capitalist class now looks for new markets.

Europe and America is an answer above all to the modern revisionists and radicals, who see the present crisis in terms of America's loss of hegemony internationally and fail to see that the boom in Europe is based on exported American capital. The crisis of the dollar is the crisis of value internationally for capitalism and every attempt to postpone inevitable laws of capitalist development becomes the source of greater difficulties. The deep divisions in the ruling class—revealed today in the Watergate scandal and similar situations in England and Germany—are precisely over the inflationary policies of the past three years used to sustain the boom. Leading sections of the capitalist class are now turning to policies of recession, credit squeezing, and slump regardless of the consequences. Civil war is on the order of the day in Europe, as massive battles are coming up between the American working class and the government.

It is in this context that *Europe and America* is a vital weapon in the fight to build a labor party in America.



The Wall Street crash of 1929. Trotsky, upper left.

Jean Cameron film

THE DAY OF THE JACKAL. Directed by Fred Zinnemann. Starring Edward Fox and Terrence Alexander.

Director Fred Zinneman has made a fast paced, thoroughly absorbing film about a plot by the fascist French military officers, embittered by the loss of Algeria, to assassinate Charles De Gaulle in 1963.

Though the movie is based on a novel of the same name, De Gaulle barely missed getting shot or blown up several times during that period, and Zinneman claims that the details described so meticulously on screen closely follow the actual course of events. It is known that the French government did not publicize a number of unsuccessful attempts because it wished to mask the perpetual crisis of Gaullism.

The strength of the film lies in its ability to express the panic of the French ruling class as the security forces learn that the ultra-right ex-colonialists, formerly De Gaulle's comrades in arms, are planning a new attempt on the life of the President.

The alarm of the French ruling circles is shared by every government in Europe and that of the United States as well. As more than 100,000 French police and security personnel are mobilized to protect De Gaulle, the intelligence agencies of these countries are placed at the service of the Fifth Republic. On the instructions of the Prime Minister, Scotland Yard drops almost every other assignment to help save De Gaulle.

Zinneman must be given credit for the extraordinary precision with which he outlines both the assassination plot and the hunt for the assassin. Tension is maintained for more than two hours, and this is a considerable achievement because everyone knows that De Gaulle eventually died of nothing more dramatic than old age.

The terrorist organization of the ex-

colonialists—the OAS—decides after a particularly costly failure that De Gaulle can be killed only by a professional, and so they hire a man who apparently was involved in the death of Patrice Lamumba. As far as the OAS is concerned, the most important asset of the killer is the fact that he is unknown in France and, for that matter, in any country in the world. The professional assassin decides to do the job for \$500,000 and adopts the code name "Jackal."

Played by Edward Fox, the Jackal is a methodical hunter and his exacting preparations are brilliantly studied by Zinneman alongside of the counter-measures of the French security forces, who are handed unlimited powers to intercept the unknown killer.

TORTURE

As the Jackal relentlessly makes his way from Genoa, across the French border, to Paris, he leaves a trail of victims. For their part, the Gaullist police stop at nothing. In order to uncover the plans of the ex-colonialists, they kidnap an OAS official. As he is slowly tortured to

death in the Paris office of the police minister, the official is warned: "You know they always talk in the end, Victor. You're a graduate of Indochina. You've seen it with your own eyes."

Although the Jackal works alone, his preparations are given priceless assistance by the typical corruption of the French government. He is able to follow the progress of the massive police hunt by information obtained from a high Gaullist minister who is having an affair with an OAS agent.

The vast police machinery which was mobilized in 1963 to save De Gaulle virtually disintegrated five years later in the face of the movement of the working class during May-June. During that revolutionary crisis, De Gaulle fled the country in order to confer with the very fascist forces in the military who had organized the early assassination plots. The family feuds were ended to defend the rotting regime against the threat of social revolution. Since 1968, the antagonists of the film have joined forces to prop up Pompidou under conditions of deeper crisis than even De Gaulle ever knew.

100,000 Police To Save DeGaulle

Letter From Jailed Peruvian Trotskyists

This letter was recently received by the Workers Press from the jails of the military dictatorship in Peru. It was written by two comrades of the Trotskyist Liga Comunista. As the letter reports, these comrades have been subjected to brutal torture during their imprisonment. The press of the Liga Comunista has been seized.

We urge every trade unionist and every organization in the workers movement to demand the immediate release of the members of the Liga Comunista and the restoration of their rights. Letters and telegrams of protest should be sent to: Peruvian Mission to UN, 301 E. 47th Street, New York, New York.

Lurigancho Prison
May 28, 1973.

Dear Comrades,

We have already been 20 days illegally imprisoned by the Peruvian military dictatorship. Up to now none of the legal procedures that are supposed to take place have been carried through.

The military tribunal that is supposed to take our case has not even bothered to take our names and identity, let alone dared to ask us any questions.

This arbitrariness has been characteristic from the moment we were arrested. When the state security agents arrested us in the streets they did so without any tribunal's order, as it is supposed to be by law, and kept us incommunicado in what amounted to a kidnapping.

Our relatives were told we were not arrested and that they didn't know anything about us.

This kidnapping, which is being practiced regularly also against workers and trade unionists, serves the purpose of making time for torturing.

We were in fact welcomed by fist blows in our faces and stomach and kept awake without food and under constant interrogation.

Young university students, militants of the Young Socialists, who had been arrested and tortured before us, were brought to us at 3 a.m. or 4 a.m. in the morning. They could hardly walk and had to be dragged by State Security agents to be forced to point to us as members of the Liga Comunista.

The second night of arrest, and after non-stop interrogation and violence, one of us—Sergio Barrio—had his hands handcuffed at the back and was hung with ropes round his arms from a stick tied to the roof ceiling. This torture is known as the "roast chicken."

His head was covered with a black mask so he could not recognize his torturers. Jose Carlos Ballon had the fortune of fainting after non-stop tortures, checked only by his constant political defense of the right to have ideas, revolutionary ideas against dictatorship.

With these tortures and additional threats to our relatives to be "cooled" (that is to be murdered), they forced us to sign "confessions."

We did not hesitate from the beginning of our arrest in stating clearly our political ideas, in denouncing all the military dictators' violations of democratic rights and their attacks against the most basic rights of the workers and peasants.

The recent assassination of a worker's son in Chimbote, and the shots that have paralyzed half the body of the Press secretary of the CGTP, the Communist Party-led Central Union, confirm what we denounced openly in front of our torturers.

We condemn and shall fight

without any concession the military-corporatist attack against the working class and the peasantry, we shall fight to construct the alternative leadership of the working class, we shall defend the Communist Party as an independent workers' organization, we shall defend the unity and strength of the CGTP.

As we told our torturers, as soon as we were freed, whatever the means and whenever it happened, we were going back to do the same, to fight also for a revolutionary newspaper.

Once our torturers realized that we were not going to give them names and addresses (which anyway we, as doing an "illegal" fight, took care of not knowing) then they sent us to another department, the so-called "Criminal Brigade."

There, to our own surprise, we were treated by well known criminals, our jail mates, with infinitely greater respect than the most "polite" State Security agent.

Criminals there undergo tortures learned from the US forces in Vietnam in order to be forced to "confess." The most common ones are the electric shocks in the genitals, the near-drowned in tubs, or the straight blows with gun butts.

It was only strong pressure from outside that made it possible for us to be transferred to a regular prison, the one where we are now—Lurigancho, although we are kept apart from the numerous other political prisoners and imprisoned union militants, and sent, instead, to share jail with accused drugs dealers.

Our family members are now informed and can visit us. Nevertheless all the Press have kept silent about our arrest and tortures and about the suppression of *Comunismo*, the Liga Comunista's weekly paper. The corporatist censorship over the Press, radio and television set-up by the military dictatorship has proved once again "effective."

Since our arrest, the working class, the peasantry and numerous sections of the impoverished petty bourgeoisie, public employees and school teachers, have proven the strength of the policies of Trotskyism that base themselves on the Marxist view of transformation of society.

The general strike in Arequipa, the second industrial town of Peru, in Moquegua, in Puno, Cuzco, and Piura, demanding the immediate repatriation of Hernan Cuentas (the deported general secretary of the Curjone Miners' Union, now probably in Panama), has now been followed by the General Strike in Chimbote, where 40,000 workers demanded the expulsion of Baca Bagzu, the dictator's agent in the Fishermen's Union.

This agent, a well known

NO CONCESSIONS! WE FIGHT ON!



President Juan Velasco Alvarado of Peru

"Mafioso," is responsible for several crimes and a leading cadre of the state-controlled fascist "union," the CTRP (Central de Trabajadores de la Revolucion Peruzua), has held illegal control over the Chimbote Fishermen's Union at gunpoint, and with open police protection, refusing to hold union elections for five years.

The Stalinists are now totally cornered. In their newspaper, previously they had free hands to "stool pigeon" against the Trotskyists. They, in fact, were the ones who publicly gave the name of Sergio to the police in a note published in *Unidad* by Pompeyo Mares (the author of the treacherous pamphlet "The War of Slanders.")

Now, under the mighty movement of the class and under the active pressure of the Liga Comunista cadres that are carrying on the struggle for Marxism and the construction of the alternative leadership, the Stalinists are finding every day that their treacherous work becomes harder and harder.

"Stool-pigeoning" does not pay when imperialism and their military agents cannot co-exist with any basic rights of the workers and peasants.

The Stalinists here now have to face their own cadres who are brutally facing repression themselves. When the Press secretary of the CGTP has been shot, nearly killed, and lost movement of his legs, when hundreds of unionists are being arrested, when "constitutional guarantees" have been abolished "temporarily" over nearly half the country, when the main CP-led unions are threatened and have no concessions made whatsoever, then Stalinism is between the sword and the wall.

Trotskyism, in the Liga Comunista, consciously fights to corner the Stalinists and force them to break with the military

dictatorship and their phony anti-imperialism.

Their refusal to fight for an independent mobilization of the workers, rallying the peasants and other impoverished sections of the population's support, is demonstrated by their public refusal to fight for the General Strike to force the military to resign and call General Elections immediately, and their refusal to call and fight for a Communist Party government with a socialist program.

We are confident with the full

backing of the workers' struggle in the defense of their basic right and with the backing of the immense majority of the peasants (75 percent) expelled from the land and forced into a desperate struggle for survival, that the Stalinists will retreat, and be forced to break with the government.

Their refusal to respond to the needs of the working class will be their burial and with them of imperialism itself.

Sergio Barrio and
Jose Carlos Ballon.



Peruvian CP's aid to Velasco: they published a story in their paper falsely linking *Comunismo* with the right-wing paper *La Prensa* and the CIA.



Tim Wohlforth, Workers League National Secretary

BY TIM WOHLFORTH

During the months of April and May the Workers League held a special series of seven classes on the "20 Years of the International Committee."

The purpose of the lecture series was to prepare the movement for the new tasks now posed by the world capitalist crisis. During the very course of the lectures, the political crisis surrounding Watergate broke out full force. At the same time, the price of gold skyrocketed, the dollar plummeted and recession threatened in both the United States and Europe. There could be no doubt of the urgency to prepare the movement theoretically for a new period of class struggles. An assessment of the development of the Fourth International could be an important contribution to this theoretical development.

These theoretical questions are now critical questions facing all workers. This is why the Workers League felt that they could be best confronted by having a class open to all working class political tendencies. The ensuing floor discussion could only help facilitate an understanding of methodological problems.

During these seven sessions every effort was made to facilitate such a discussion. Spartacist in particular participated fully in all discussion periods. In fact extended time was granted Spartacist spokesmen including a full half hour to James Robertson. The Spartacist was given at least four hours of discussion time over that period.

ARTICLES

Spartacist has printed two extensive articles on the series in its paper *Workers Vanguard* (May 25 and June 8.)

Quite typically the Spartacist reports begin with the wildest vituperation on the organizational side of things. Not even in its reporting does Spartacist begin with essential political, theoretical and methodological questions. It begins always with matters of small change in order to obscure political questions. The hope is to so poison the atmosphere that no one will be able to objectively assess the political matters.

"Inside the hall," we are told, "the atmosphere resembled a miniature deformed workers state, with Wohlforth revelling in his total power." Searching for an incident to substantiate this charge, the reporter states: "Then, at the end of the sixth class, after refusing in typical fashion to answer the numerous criticisms raised by SLers during the discussion period, instead devoting most of his summary to reading aloud for a half hour from Lenin's *Philosophical Notebooks*, Wohlforth flew into a rage when two SL supporters were detected reading the *Bulletin* instead of respectfully paying attention to this force-feeding. He pro-

claimed that as punishment, these ingrates would be excluded from subsequent meetings, and when the SL supporters at that point indignantly rose in protest to leave the hall, they were physically prevented from doing so!"

So much for the atmosphere of a deformed workers state! We find it difficult to believe that the major characteristic of the Stalinist countries is their insistence that Lenin be at least listened to. Our understanding of Stalinism was that it was completely hostile to Leninism, particularly on questions of philosophy. In this respect they would share the position of Spartacist that the listening to Lenin is the equivalent of force-feeding!

THE CASE

To the extent that one can extract from this first Spartacist article any coherent political position or even criticism, it would run as follows.

First: "The entire history of the WL demonstrates that it has never been restrained in pursuing its shameless opportunist zigzags by any consideration of elementary Marxist principle."

Second: "The 'method' which Wohlforth constantly invokes like a talisman to ward off evil is precisely this: the systematic denial of the importance of program." And: "The purpose of Wohlforth's constant abstract appeals to 'the Marxist method' is precisely to dodge political questions and drown any inchoate class instinct among his membership in a sea of mystical obscurantism." Along the same lines Spartacist criticizes the Workers League for seeing Marxism as "a closed philosophy unconnected to reality."

Third: Here we have various charges of "organizational Stalinism," "a frenzied level of deliberately mindless activity," "a burn-out policy which takes willing young revolutionaries and works them for a couple of years at fever pitch with promises that the revolution is around the corner," and "Potemkin villages," "no trade union presence," "the organization is little more than a sales and promotional apparatus," etc.

To this the second article adds three points:

Fourth: "The Workers League's pretensions to internationalism and the continuity of the Fourth International are just as phony as the pseudo-dialectics which Wohlforth prates about in order to obscure any consideration of program." And: "...Even organizationally, the 'internationalism' of the WL is a fiction...The Healyite 'International Committee' has always been an empty form without content—a rotten bloc between the British SLL and the French Organization Communiste Internationaliste..."

Fifth: "...The WL in truly Pabloist fashion embraces the most 'left' of what is, instead of undertaking the arduous task of building the Trotskyist party, the embodiment of the Transitional Program of the Fourth International." And, "It is in its policies toward the union movement that the Workers League has demonstrated in the grossest fashion its fundamentally Pabloite method. The WL has always conceived of its role as that of a

What Is Spartacist Today?

A Look At The Record

Part One

left pressure on the existing Meanyite bureaucracy, which the WL claimed would be forced to build a labor party by the mounting unrest in the union ranks."

Sixth: "The essence of the Healyite 'economic analysis' is the contention that the 'post-war boom' has been brought to an end by the international financial crisis....In other words, we have here the keystone of all objectivist theories—the final crisis."

The picture should be clear. The Workers League is viewed as adhering to a fictitious international movement, building a frenzied and hollow organization with Stalinist techniques, absurdly insisting on the existence of a capitalist crisis which poses compelling tasks to the working class, denying the importance of supporting left bureaucrats after the model of the Pabloites, and finally covering over all weaknesses with philosophical mysticism.

WHERE SPARTACIST STANDS

Since Spartacist has never developed its theoretical outlook in a serious fashion anywhere, it is only through its critique of the Workers League that the basic elements of this outlook emerge. Declaring the Fourth International to be a fiction, Spartacist is able to proceed with its activities free of being part of an international movement grounded in an international perspective. Seeing the capitalist crisis as simply a backdrop which has existed since 1914, it is not necessary to make any assessment of changes taking place within the capitalist economy. Since such changes are seen as unimportant or even non-existent, then there is no changed objective situation affecting relations between classes, the thinking of classes, and requiring a change in those who seek to lead the working class.

Having freed the party, or more accurately radical grouping from an international movement and perspectives and from any requirements coming from changes in capitalism itself, program must be freed from the very method which led to its development. Any consideration of how program is to be realized through changes in the thinking of masses of workers and in the struggle to bring about this change under changed circumstances, how the program itself develops, is dismissed as mysticism. In this fashion the program becomes a mental fixture, insulated from change and incapable of changing the thinking of others in struggle. It may or may not be consistent within itself but it is severed in an absolute fashion from material reality.

In this fashion the very worshipping of program is a form of its denial, of its idealist revision, of its betrayal.

With this outlook the form of organization flows quite naturally. The fight to develop a newspaper which battles to change the thinking of workers is seen as a waste of time, as frenetic activity. A movement of working class youth is seen as a feverish burn-out policy. A disciplined party which takes Lenin seriously is seen as Stalinist, its meetings a deformed workers state. Clearly all that is

necessary for Spartacist is a circle of middle class radicals whose activity is kept to a modest level and whose paper is not designed to be read by or affect the thinking of workers.

The Spartacist may claim all they like that the policies of the Workers League over the years represent "zig-zags." Certainly there have been changes both due to changes in the world and to changes in the theoretical development of the movement itself. There has also been a firmness and consistency on principles. It is precisely with those fundamental questions around which the Workers League has fought from the very beginning that Spartacist has its sharpest disagreement. Like the Socialist Workers Party, what upsets Spartacist most is that only our international movement consistently prepared for this period over a number of years. For this reason only our movement has a perspective to meet the requirements this new situation poses to the working class.

OUR RECORD

Let us look at the record!

•From January 1961 until this moment the Workers League has consistently fought to build the International Committee of the Fourth International as the continuity of Trotskyism, of Marxism. We have never veered from this course despite bitter attack from the SWP, the OCI and Spartacist.

•Beginning with the document: "World Prospects For Socialism," issued in the Spring of 1961, to this day the International Committee has fought for an understanding of the nature of the capitalist boom of the 1950s, its roots in the Bretton Woods agreement of 1944 and the betrayals of the Stalinists, and of the developing international economic crisis which is changing the relations of classes on a world scale and posing the question of political power in all countries in this period.

•From its foundations, the Workers League has fought day in and day out for the formation of a labor party in the United States as the central task now facing American workers. No other political tendency has such a record.

•Beginning in 1964 with only a mimeographed fortnightly paper, we have fought to develop a workers press with a serious circulation in the working class. We have always given the development of such a press our main attention because of our concern with developing a political movement within the working class itself.

•Since the days of the struggle within the Socialist Workers Party, our movement has insisted on the critical importance of the Marxist method. We are convinced that Pabloism is a tendency to abandon Marxism for pragmatism and impressionism. We have insisted on the struggle for dialectical materialism as the heart of the training of a new leadership in the working class and among the youth.

It is precisely the consistency of the struggle for principles which distinguishes the International Committee. It is this which Spartacist disagrees with.

TO BE CONTINUED

ECONOMY • • •

(Continued From Page 1)

shrink, and with the completely unprecedented credit expansion already moving into reverse, anything that Washington might do was certain to be wrong.

"Without realizing it, the administration has accepted the responsibility for precipitating what may prove to be a severe business setback."

FEAR

What is expressed in this assessment is the growing fear on Wall Street that Nixon has allowed the economic crisis to get completely out of control and that with the political crisis created by Watergate, he can do absolutely nothing. This is precisely what Nixon really said by imposing the freeze: nothing can be done to stop the underlying explosion in the credit system which threatens to wipe out whole sections of financial capital.

These fears were underscored by the annual report of the Bank for International Settlements and a statement by its chairman, Dr. Jelle Zijlstra, released Monday.

"The degree of stability in the value of money that there was, say, in the United States in the

first half of the 1960s or in Germany and Switzerland, is no longer an operating objective," the report said.

"Prices are now rising two to three times as fast as a few years ago and there is no particular reason why the process should not continue. That is what is really alarming," Zijlstra said.

At the same time as Nixon is incapable of taking any action to stem the credit expansion and move against the working class, the recent measures by the Federal Reserve and the large commercial banks to raise interest rates and restrict credit have so far proven totally inadequate. While the interest rate charged to banks borrowing from the Federal Reserve now stands at near record levels, weekly borrowing from the Reserve system is continuing at an incredible \$1.7 billion clip—compared with a weekly average of well under \$100 million last year.

EXPLOSION

The overall expansion of credit is proceeding at an alarming rate of 14.1 percent annually, while the money supply is growing at an annual rate of 6.7 percent and business loans are continuing to expand at an unprecedented

pace. This explosion in the credit system is reflected in the rapid deterioration of confidence in the dollar and all paper money, in the rising price of gold and in the soaring prices which every worker now faces.

At the same time, the credit bubble is reaching its limits, and the banks are continuing to invoke deflationary measures. The First National Bank in Chicago Tuesday announced a further increase in its prime lending rate from 7.5 percent to 7.75 percent, and most bankers are talking about a rate of 8.5 percent in the near future.

A recent article in the Wall Street Journal reports another danger sign in the sharp increase in stock exchange margin calls during May. This increase brought about a \$500 million decline in debts to brokers as investors sold out their holdings in order to pay off their debts and pull out of the market entirely. At the same time, the sharp slump on the market has seriously eroded the credit position of the big brokerage houses, with a dangerous 35 percent of all margin accounts now covered by under 40 percent collateral—the level considered critical by brokers.

WATERGATE . . .

(Continued From Page 3)

offices, while Dean reportedly will testify that it was Haldeman who ordered the Watergate burglars to put a tap on the phone of Democratic Party Chairman Lawrence O'Brien. In addition, Haldeman assistant Gordon Strachan (pronounced Strawn) reportedly will tell the committee he passed along plans for the burglary to his boss.

As Nixon's weakness is revealed not only in his inability to cover up his complicity in the Watergate burglary and put an end to the Senate hearings but also in his immobility in the face of the deteriorating international economic situation, the big bankers and industrialists like Rockefeller and Henry Ford II who actually control the Democratic and Republican Parties are preparing to dump Nixon.

This is what is behind the continuing campaign against Nixon in the New York Times, the Washington Post, Newsweek, and Time, all representing these powerful Wall Street and industrial interests. In an interview with columnist Mary McGrory, Dean revealed he had been advised by powerful men in the Republican Party hierarchy to tell everything he knows about Nixon's role in the Watergate conspiracy.

New York's Governor Nelson Rockefeller has reportedly refused to publicly support Nixon on Watergate.

This is also behind the latest

moves by the government's special prosecutor, Archibald Cox, to publicly investigate the possibility of subpoenaing Nixon and even the possibility of instituting impeachment proceedings. Cox also revealed in a press conference that he is investigating Nixon's role in the ITT bribery case and its connection with Watergate.

Nixon is now hanging on by a mere thread. The only forces keeping him in office are the Soviet bureaucracy and the American Communist Party, which are deliberately bolstering his corrupt government with Brezhnev's trip, and the trade union leadership which has collaborated with Nixon's wage controls right down the line, which has absolutely nothing to say about Watergate and which refuses to take up a fight now to force Nixon out of office.

Workers must now begin to prepare their own alternative to Nixon as the ruling class itself prepares to replace Nixon with a right-wing government of "national unity" which can carry forward the offensive against the trade unions and the basic democratic rights of the working class of which Watergate was a part.

This means that the fight for a Congress of Labor and a labor party has now become imperative. Workers must immediately take the initiative to force Nixon to resign and replace his corrupt regime with a workers government.

VIETNAM . . .

(Continued From Page 2)

ing statement to the Paris newspaper Le Monde:

"Nothing is spared. The damage is immeasurable, cities razed and reduced to ashes, pagodas destroyed, houses set afire, bridges pulverized, roads, rice paddies and culture destroyed. In the regions controlled by FUNC the bombs released by B-52's killed hun-

GE . . .

(Continued From Page 3)

the most vicious red-baiting. Holding the Bulletin in his hands, he openly attempted to incite violence against those selling the paper outside the union meeting.

But while the IUE uses the crudest anti-communism against every expression of militancy, it works along with the UE whose leaders it helped expel from the organized labor movement 20 years ago.

The pattern of voting was

The productive system, too, is showing clear signs of break down.

The bottom dropped out of the housing market during the first four months of the year, with the number of starts falling 16 percent from January's high. Experts are already saying the new spurt ahead in May cannot be sustained and that another precipitous fall is inevitable.

Industrial production is moving ahead at an ever-slower pace, and in May the index registered the smallest gain in 10 months. At the same time, retail sales are falling off as workers feel the credit pinch, and business inventories during April rose faster than sales for the first time since September, which in turn will mean a downturn in new orders and cancellation of plans for new investment.

BANKRUPTCIES

The credit squeeze on Wall Street was especially sharply expressed in the collapse of Weis Securities, and now with the continuing fall of share values, a whole series of big board bankruptcies is around the corner. The situation on Wall Street,

dreds of people.

"Marriage ceremonies, New Year celebrations, public meetings are all considered as North Vietnamese Vietcong gatherings. Everything that moves is a target, is shot, bombed without any distinction..."

The real aim of US imperialism in Vietnam is to use the compromises forced on North Vietnam by the Stalinist leaders

together with the fall of the dollar and the collapse of the Italian lira, has exposed the deterioration of all of the monetary and credit relations developed to fuel and sustain the postwar boom.

At the same time, the downturn in production itself reveals the sharpness of the crisis at this point and the complete inability of the capitalist system to continue to sustain any credit expansion, and it heralds the complete collapse of the credit system and productive relations, and the massive growth of unemployment.

Faced with Nixon's paralysis in this crisis, his inability to do anything to carry forward the attack against the trade unions, the big bankers and industrialists are coming to the conclusion that whatever the political cost, Nixon will have to be ousted and replaced with a government adequate to the tasks.

This poses the urgency for workers to take the initiative, to fight for a Congress of Labor which can force Nixon to resign and construct a labor party which can pose a real alternative for workers in new elections against the Republicans and Democrats.

of the Soviet Union and China to tighten their grip on all of Indochina and prepare for the liquidation of the revolutionary forces.

The issue is not to strengthen an already bankrupt cease-fire but to overthrow the Thieu regime and establish a united, democratic and socialist Vietnam under the control of the working class.

similar in all the important New England GE plants. About 70 workers turned up in Bridgeport to ratify the contract. One union official told the Bulletin: "They'd better accept the contract or they won't have any jobs at all."

Although the strike action that continues to flair up in GE plants shows that the battle in the electrical industry is by no means over, the danger is that the energy of the ranks will be

dissipated without a conscious leadership to direct the fight against the trade union bureaucracy, General Electric, and the government which stands behind the company.

It is the very movement of the ranks against this sellout that shows the urgency of constructing caucuses of the Trade Union Alliance for a Labor Party in the electrical industry and every section of the working class.

Bulletin

weekly organ of the workers league

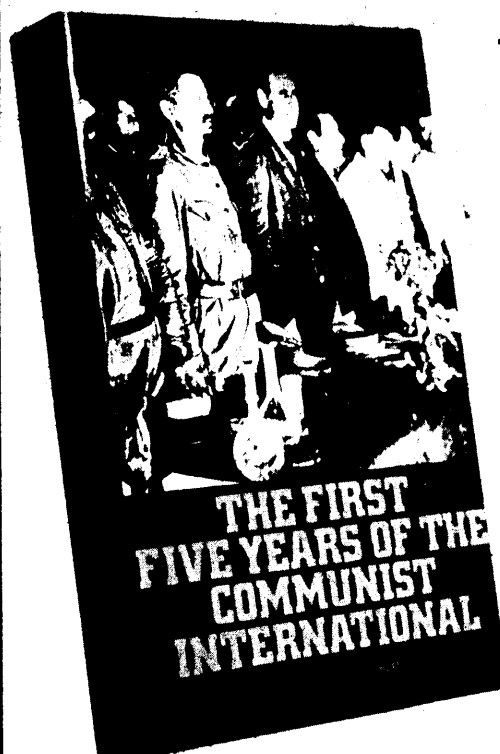
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Pompidou Says 'Non' To Nixon

Chilly Talks In Iceland

BY MELODY FARROW

The failure of the two day talks May 31 to June 1 between President Nixon and French President George Pompidou at Reykjavik, Iceland, are a prelude to the most severe attacks the French working class has ever faced.

The deep split between France and the United States over questions of trade and the international monetary crisis will affect the lives of millions of workers in France and in all of Europe.

Despite the assurances of Nixon and Kissinger that they did not aim for specific agreement, it is clear that the hoped for "basic set of principles" on a new Atlantic charter and plans for a special summit meeting in Europe next year were not accomplished.

If anything, Pompidou and Nixon are further apart on the relations between Europe and America than at the time of the Azores meeting last year.

Through these talks Nixon sought to prepare for the launching of his "Year of Europe," a policy that will attempt to push the burden of the crisis of American capitalism onto the European nations. Nixon demands that the Common Market countries give up many trade and commercial advantages to help the US out of its balance of payments deficit.

Pompidou, the most intransigent voice in the Common Market, insists that it is useless to discuss trade relations until the dollar is returned to convertibility with gold, fixed parities are established and the US balance of payments is stabilized. Yet Nixon states that the dollar cannot be convertible until there is a surplus in the balance of trade, a surplus to be gained out of the sacrifices of Europe.

Pompidou is especially adamant in his refusal to lower the external barriers on agricultural goods which would allow the US to compete with French agriculture, the main supplier to the rest of the Common Market.

IRRECONCILABLE

The absolute irreconcilable positions of Nixon and Pompidou, their inability to resolve anything, can only lead to a deepening of the political and economic crisis faced by all the capitalist countries. The failure of this meeting means that France must prepare for an all-out trade war, a war that French workers will pay for through drastic slashes in their living standards, vast rationalization of industry and massive unemployment.

All talk of an "independent" Europe is proving to be an impossibility as national antagonisms tear the Common Market countries apart. The French Communist Party's goal of a "peaceful, democratic and independent" Europe places the Stalinists on the side of their own bourgeoisie and covers the preparations for civil war that Pompidou is making to deal with the powerful French working class.

The number one preoccupation of the French industrialists is to "modernize" their plants and make them "com-



Nixon and Pompidou

petitive," in the words of Finance Minister Giscard d'Estaing in his annual report to the National Assembly. They are increasingly concerned about the huge amounts of dollars abroad which undermine the French economy and the huge multinational enterprises which are controlled by American capital.

Inflation is now beginning to rise rapidly in France, soaring eight-tenths of one percent last April alone, while French workers have been denied any substantial wage increases through the deals made by the major unions, especially the Stalinist dominated CGT (General Federation of Labor).

For the first time, d'Estaing has declared that the unions will have to "moderate" their wage demands. He also urged a Price Control system until March 1974 to hold price increases to one percent below the average rise of the other nations. This system is a thinly disguised attempt to impose wage controls.

PREPARE

To prepare for a showdown with the working class, Pompidou is consolidating more and more power into his own hands while seeking to strip the National Assembly of even the symbolic powers it still retains.

Prime Minister Pierre Messmer has dropped out of sight while Pompidou has personally intervened on political decisions. He is attempting to remove the right of the Assembly to amend Presidential measures. At the recently concluded Council of Ministers meeting, Pompidou declared:

"I am here to prevent the return of parties and I shall prevent it." In the same tone of veiled threats, Messmer told the Ministers: "If the UDR (the Gaullist Party) removed itself from the Chief of State, who comes from its ranks, or from the government, two-thirds of whose members belong to it, this would contribute to a restoration of the regime of parties which we have condemned and would bring about its own ruin."

These are the most open signs that Pompidou seeks to set up a personal one-man Bonapartist rule, in which the Assembly and Ministers would be no more than puppets.

In d'Estaing's report to the Assembly on political and economic policy, he deliberately attempted to lull the deputies asleep with reassurances about the "slowing up" of inflation, "full employment," strong investment and other pablum aimed at keeping the Assembly in the dark and to create a false sense of prosperity and growth while Pompidou makes his plans for a major political shake up.

The only thing that has prevented an all-out explosion since the General Election in March is the French Communist Party which has consciously fought, often unsuccessfully, to hold back nationwide strike action.

RENAULT

In the Renault auto strike where immigrant press shop workers sparked a wildcat in Paris that spread to the Flins and Sandouville plants, the CGT attempted to push a compromise on the workers which was rejected. After many weeks on strike, the 7000 men returned to work at Boulogne-Billancourt in early May without winning their demands. Twenty-five workers were laid off in the Flins plant and five at the Paris plant as a result of this agreement.

Despite this, the strike showed the enormous strength of the French working class and the way it is testing out the Stalinist and reformist leaders, an experience that will prepare them for the even more de-

cisive struggles ahead.

Social Security workers are now on strike all over France in a fight for better wages and decent working conditions and classifications. The government refuses to negotiate. The decision of the workers to go out was denounced by the CGT as the work of "ultra-left elements."


It is clear that any strike lasting more than 24 hours can only take place in direct defiance of the Stalinists, who have scabbed on other unions in the past to prevent a widespread walkout. In fact, at a meeting of the Central Committee of the French Communist Party, General Secretary George Marchais tried to push the blame for the lack of strikes on the workers, by claiming they are not revolutionary enough! He stated:

"Demands are not identical everywhere and there is no one single form of action to win them. We must also consider the unevenness in the degree of consciousness of the workers themselves. There are sections where they hope that the government is going to do something and this creates certain expectations."

On the contrary, it is the Stalinists who beg the employers to negotiate and give them a few crumbs to split the ranks and push them back. This is justified by French nationalism and patriotism, by defense of the French ruling class in its trade war with the others.

This is why the French Stalinists accept the Common Market as a "reality" that must be dealt with. The moves towards unity with the Italian CP marked by the May 11 meeting in Bologna are actually preparations to form a common front that will stand with the capitalists in the Common Market. The defense of French jobs and wages will be posed to the workers as equal to a defense of the private profit of their oppressors.

Today the Stalinists are in crisis, unable to control the working class. French workers, held back for long periods of time by this leadership, will enter into battle in the most explosive way, and these struggles will immediately raise the need to take power and destroy the Pompidou clique. At a time when nationalism is being whipped up to prepare for world war, it is more necessary than ever to fight for a United Socialist States of Europe and expose the reactionary plans of the Common Market monopolies.



FOURTH INTERNATIONAL
Spring, 1973
75 ¢

EDITORIAL:
"WORLD ECONOMIC CRISIS"

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BY DENNIS BREHM

In the late 1920s, two Americans, Joseph Hodgson and Graham Bush, combined their engineering skills and developed a scheme for loading railroad boxcars in multi-level fashion directly onto ships using huge cranes. This was the beginning of what was to become in the 1960s the "container revolution."

No one in the United States had confidence in their scheme; the large amount of financing required was obtained in England. In 1929 the first ship was loaded and started on a route between New Orleans and Havana, Cuba. The company was named Seatrain Lines, Inc., now one of the biggest in the container field.

This modest beginning developed little during the Depression years. Although Seatrain expanded its operations, no one else risked the high capital investment required for the new equipment in a period of depression and stagnation of world trade.

EFFICIENCY

During World War Two, the military utilized the Seatrain facilities extensively because of its super-efficiency. It was only after the Bretton Woods agreements had a chance to stimulate large increases in world trade that the container revolution broke out on the waterfront.

And it was a real revolution in the transportation industry. The basic principle of the container is that goods produced at a factory are loaded directly into a container—a big box similar to a trailer of a large truck. This can be loaded on a railroad flat car or the bed of a truck. It is then taken to dockside and hoisted directly on board the ship. At the ship's destination the same process is repeated in reverse order until the goods are unpacked for the customer. From manufacturer to the customer, the cargo is not touched by human hands.

The container laid the basis for the elimination of the back-breaking traditional labor of dock workers. This has been replaced by work usually done by Teamsters, heavy equipment operators, and warehousemen to stuff the containers.

REVOLUTIONARY

The automation of the transportation industry necessarily has revolutionary implications for the hundreds of thousands of men in the world's ports that earn their living handling millions of tons of cargo shipped everyday. The container, after a decade and a half of development, stares the dockworker in the face with two alternatives: massive unemployment at the rate of nine out of ten jobs cut over the next few years, or a shorter work week at better pay. The fight for jobs is the driving force for all the struggles on the waterfront between the longshore unions and the shipping magnates.

In the West Coast ports, like everywhere else, the harbor skyline has become dominated by the giant mechanical cranes that load the ships and the hundreds of acres of flatland that are used to store the thousands of containers.

The port of Los Angeles got a jump on most others. It was the site of the first specially designed container terminal in the world. It was built in 1958 for Matson Navigation Co., which shipped the first 20 containers aboard the Hawaiian Merchant. By 1966 Matson had 14 container

ships in operation. By 1970, 60 percent of the tonnage handled in the port of LA was containerized. The Los Angeles Harbor Authority forecasts 100 percent containerization by 1974.

PRODUCTIVITY

From 1966 to 1970 the tons handled per hour on the West Coast jumped 30.9 percent and productivity increased 12 percent. The cost per ton went down 9.2 percent. From 1960, when the containerization decade got its start to 1973, the work force has been reduced on the West Coast from 14,490 A and B men to 11,034—a loss of over 3400 jobs. This drop in jobs has occurred despite the phenomenal increase in tonnage handled.

These figures, as striking as they are, understate the real changes. Dock work has traditionally been casual, meaning the men would report to a pen and be hired on a day to day basis. There were always large numbers of casuals seeking registration in the union. Tens of thousands of these jobs have been eliminated. On June 8, 1969, registration for B men was open in the San Francisco local of the International Longshoremen and Warehousemen's Union. Three thousand men jammed the Ferry Building the first day, twelve thousand signed up in 3 weeks. Only 624 men were registered.

With the old method of cargo handling a good number of the 12,000 men who applied for work at the Ferry Building would have been required to load this increased tonnage. Now, the container makes them redundant. Before the container, it took 12-14 days to load and unload a ship. Now a ship of three to four times the capacity can be turned around in a day and a half with 75 percent less men.

CONCESSIONS

The rapid increase in tonnage from 1960 to 1970 permitted the shipping companies to make concessions to the longshoremen in the form of guaranteed wages and hours. Now with a sharp drop in tonnage threatened with Nixon's trade war against Europe and Japan, the shipping lines find no room for concessions. Instead, the drive is to eliminate all "unnecessary labor."

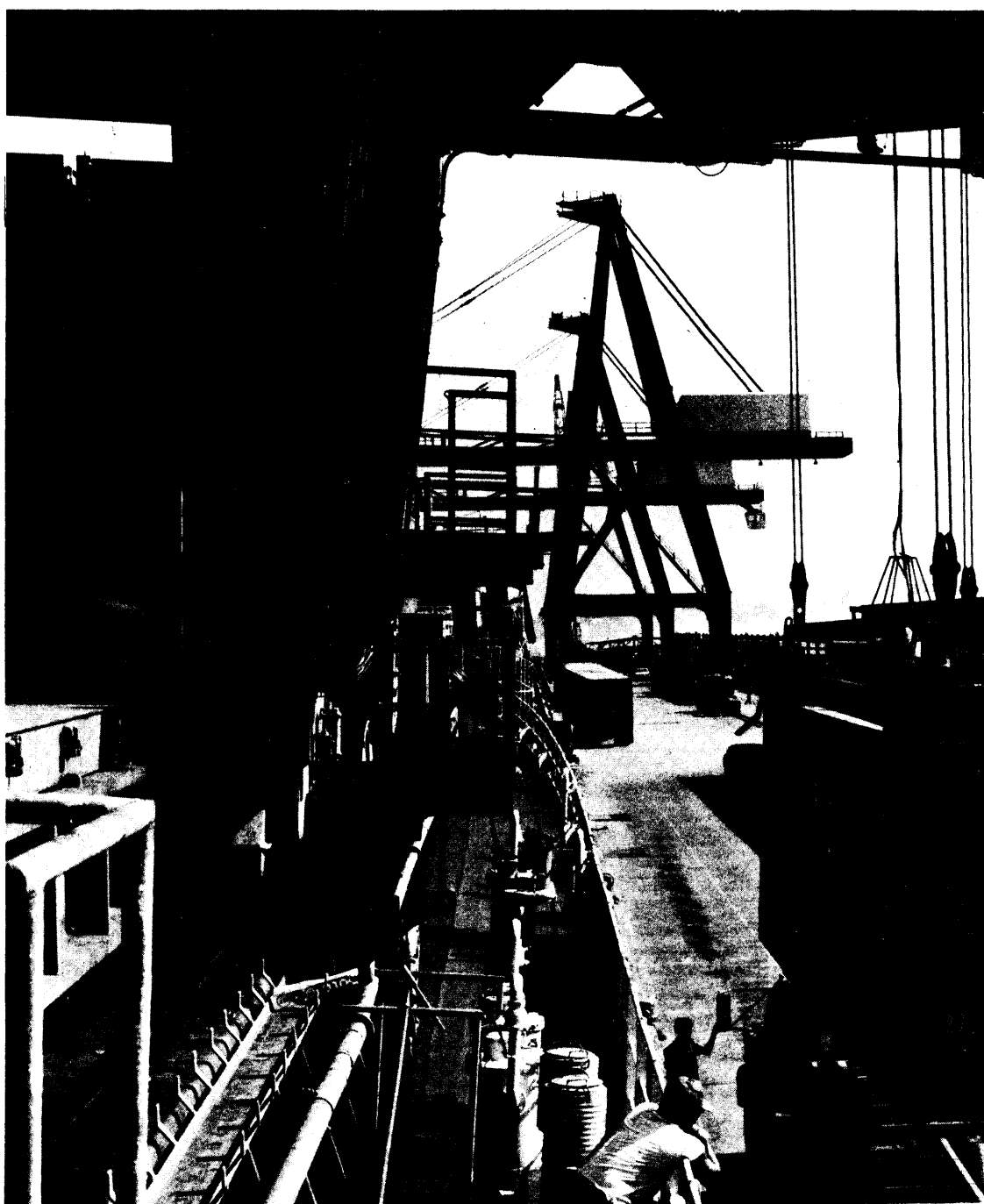
A spokesman for the shipping industry made their position clear: "Longshoremen's unions insist upon gangs double and triple the number required for the actual handling of containers." (Container News, January, 1973).

Future developments which are already underway such as LASH (Lighter Aboard Ship), RoRo (Roll On Roll Off), and Super Container Ships of higher speeds and a capacity of 1500 containers compared with the present capacity of 1000, will mean the slashing of thousands of jobs.

A productivity study showed that 20 men could unload 6000 tons of containerized cargo in ten hours, but it would take 90 men eight hours to unload 1200 tons using conventional methods of cargo handling.

REORGANIZATION

The type of equipment needed in order to realize these changes in productivity has required a major reorganization of the



Completely automated container facility in Los Angeles. Containerization will be 100 percent in LA by 1974.

The Container Threat To Jobs

shipping industry. Shipping companies have been forced to combine over and over, continuously increasing their share in trucking, stevedoring, warehouse, railroad and airline companies.

The principle of door to door service required the shippers to pay attention to every phase of the transport industry. The development of the inland terminal—a place where partial shipments are brought together and stuffed into containers to make full loads—has presented additional problems for longshoremen. A jurisdictional war over these jobs is still raging between longshore unions and the International Brotherhood of Teamsters.

The container revolution, with the new methods, are a source of severe headaches for the shipowners also. The immense capital investment required has forced the development of mammoth consortia. Because shipping has gone from one of the most labor intensive to one of the most capital intensive industries, the ability to make an adequate profit on these investments is very difficult.

Cranes, costing over a million and a half dollars each, cannot afford to remain idle, demanding a steady flow of products to the waterfront. Most of the huge shipping firms are still operating

in the red from their original investments.

Why if the investment required is so backbreaking, do the shipowners bother? One reason is always the promise of eventual profits at a phenomenal rate, if the strength and resistance of the longshore unions can be broken.

COMPETITION

The most important factor, though, is competition. Any port or shipper that would not make the investment would for certain be out of business within years. Either one invests, or loses business to the more efficient container lines. This chaotic expansion has led to what is called "overcontainerization." Container facilities have been developed with no regard for geography, tonnage projections and requirements. Last year, on the North Atlantic routes there was 50 percent over capacity.

The shrinking tonnages created by Nixon's trade war will mean bankruptcy for some of the big shippers and the closing of whole docks.

On the Pacific routes, over capacity is even more staggering. Despite this, every port on the West Coast has a master plan for expansion. The Port of Long Beach has plans to more than double its capacity in the next few years.

Deputy Maritime Administrator R.J. Blackwell warns,

"There is no reason to assume that all ports with container facilities will be used often enough to justify the huge investment." There is no stopping this anarchy. The capitalist is driven to invest in new technology to keep up with his rivals. The container revolution has brought whole countries into this race.

SYSTEM

The source of the unemployment crisis caused by containerization is the system itself. It represents vast technical changes which should be of great benefit not only to the dock worker but to all working people.

Not until the docks and the transportation industry is nationalized under workers control will the docker be able to welcome the container.

Then it will mean shorter hours, higher pay and a welcome relief from dirty backbreaking labor.

Then the container will mean cheaper food for workers and peasants all over the world. Under socialism, containerization will benefit the many instead of the few.

Next week we will examine the record of the longshore unions in confronting the container revolution and their policy for today, faced with the new attacks on longshoremen's jobs and basic rights.

Writers Challenge 13 Year Wage Freeze

BY MITCH PATTERSON

LOS ANGELES—The strike by the Writers' Guild of America has entered its fifteenth week. Neither the Guild nor the Association of Motion Picture and Television Producers has shown any signs of compromise. As the fall TV season draws nearer, the Association will be under increasing pressure to reach an agreement in order to start production of new shows, presently way behind schedule.

The pivotal question is salary. There have been no increases in pay for writers for 13 years. Carey Wilbur, of the Strike Services Committee, said: "Don't get me wrong, actors should make as much as they possibly can; but we can't even make 10 percent of what they make, to put words in their mouths."

No writer works for more than six months at a stretch because the film and TV industry is entirely seasonal. The average take home salary is between \$6000 and \$7000 annually, and most writers have to have two jobs.

A writer can make \$4500 for a 60 minute prime time script, but only \$175 is paid for a 30 minute soap opera, which is the bulk of

all employment. Out of this comes the 10 percent fee paid to their parasitic agents.

Not only are the writers exploited as workers, their talents are prostituted to the networks and the big commercial sponsors, who demand programs good for dulling the minds of working people to the rapidly worsening conditions in which they live. The class struggle going on in the real world is blacked out.

McCARTHY

The Writers' Guild was formed in 1954 during the heart of the McCarthy red scare, in a bitter battle against the networks and studios who used the government's House Un-American Activities Committee to witch-hunt the union.

In 1960, the guild stood all alone in a long strike for better pay. No other entertainment guild has this kind of history of struggle.

NOSE-DIVED

Since 1969 film and TV have nose-dived. Columbia and MGM studios almost went broke.

The networks have cut back production. Previously, 39 original shows were produced each season with 13 re-runs. Now there are only 18 originals and 22 re-runs. This has created a 50 percent increase in unemployment among writers.

The crisis in the industry is forcing the union to go beyond the methods of the past.

In 1960, the Guild used no picket lines and much scabbing took place. This time, two days after the strike vote in early March, the Guild rented a large house, installed 15 phones and 90 people, and set up the Strike Services Committee. Twelve hundred pickets were put to work from 6 a.m. to 6 p.m. in front of studios and networks. The Communications Workers of America, the Teamsters, and a majority of actors and directors have supported the strike by honoring the picket lines and sending donations.

Since the strike began, scab writers and students are working for the networks. No one knows what they are getting paid. About 215 independent producers and stations have signed on the Guild's terms, but the major studios and the networks are holding out.



Palo Alto Young Socialists meeting.

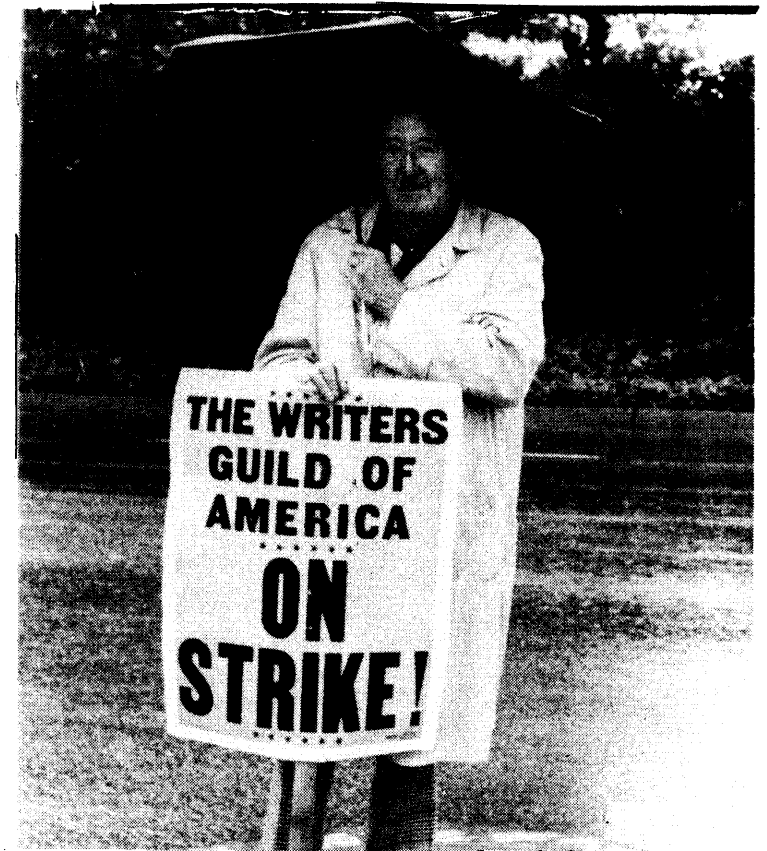
PORTLAND . . .

(Continued From Page 20)

crats was expressed by an attack June 13 against two Workers League supporters who were selling the Bulletin outside of meetings of Carpenters Locals 738 and 1020 at the Portland Labor Center.

As the meetings began and the sellers were about to leave, Earl Kirkland, executive secretary of the Columbia Pacific Building and Construction Trades Council, burst out the front door and shouted "I've read that paper

West Coast News



Television and movie writers enter fifth month of strike.

Brotherhood Sweeps Fremont

BY A BULLETIN REPORTER

FREMONT—Approximately sixty per cent of GM's 5000 production workers in Fremont turned out for the UAW elections to sweep the incumbent Herrera slate out of office.

Herrera who has been completely identified with the policies of the Woodcock leadership was defeated for re-election as shop chairman by Earlie Mays, the leader of the Brotherhood Caucus.

There will be runoff elections for the offices of president and financial secretary and in both cases it will be between the Brotherhood and an independent candidate, Herrera's supporters having been eliminated in the first round.

With about forty offices in contention the Brotherhood slate has captured most offices.

For thousands of Fremont workers these elections offered an opportunity for a complete repudiation of the Woodcock bureaucracy.

Although the Brotherhood confined its campaign to largely local issues calling for greater democracy and rank and file control of the local and an end to corruption, it was seen by the ranks as a real alternative to the betrayals of the union bureaucracy.

THREATENED

The international feels so threatened that UAW Vice President Irving Bluestone and Western Regional Director Jerry Whipple are meeting with Herrera to see what can be salvaged.

Herrera has already moved to haul Mays to court by instituting a \$200,000 civil suit for slander against the Brotherhood Caucus. Extremely significant is the fact that GM employees are distributing the subpoenas instead of regular deputies.

With Herrera maneuvering to bring the state into union affairs through the courts, the Brotherhood faces the task of mobilizing a massive rank and file repudiation of these tactics.

Thousands of rank and file workers now on the move will be expecting big things from the Brotherhood leadership as the UAW prepares for the coming contract negotiations.

This is the danger in the situation. While the vote for the Brotherhood revealed the tremendous opposition to the Woodcock leadership, this caucus put forward no program for the upcoming contract and the fight against Woodcock and the UAW leadership. This requires above all a political program to prepare the union for the confrontation with the government. It must be based on the fight now for a Congress of Labor to construct a political alternative, a labor party.

Big Swindle In Commodities

BY MARTY MORAN

LOS ANGELES—The spreading scandals in the securities markets touched a new section of speculators last week when Harold Goldstein pleaded guilty in federal court here to three counts of mail fraud.

Goldstein is owner of Goldstein, Samuelson, Inc., the largest dealer in commodity options in the United States. The company declared bankruptcy on April 30, claiming assets of \$5.5 million and debts of over \$76 million.

Goldstein has a small fortune concealed in secret Swiss bank accounts and was arrested trying to leave the country. He has now agreed to cooperate with the prosecution, and the US Attorney is trying to get the case over with and out of the newspapers so as to shake investor confidence as little as possible.

UNCERTAINTY

Commodity options are a form of speculation only two years old. Dealers in these forms of paper sprang up with the growth of uncertainty in the traditional stock market and the rush of investors into commodities which would increase in value along with inflation.

The leaders sell to their customers options to buy commodities such as wheat at some future time at a given price. Investors hold a position either long (expecting that prices will rise) or short (expecting prices will fall).

Like all forms of speculation, it is completely irrelevant to the investor what he is dealing in—he will never actually have any use for a bushel of wheat or a ton of soybeans. All that matters is that he guess right about which way prices will move over a few

The option is bought for small percentage of the

actual price of the commodity, so that a relatively small fluctuation in price can bring an enormous return to the speculator.

The process is identical to the low-margin speculation which preceded the 1929 stock market crash.

Commodity options were marketed mainly in the West as a get rich quick scheme. The sales campaign was directed at the middle class investor panicked by inflation, complete with touts from radio business reporters and "How I Made A Million" seminars in suburban motels.

BOOKIE

The dealer was supposed to act simply as a bookie taking a certain percentage off the top and hedging all bets by matching up every investor speculating that prices would rise with one who would speculate that prices would fall.

Goldstein claimed in direct mail advertisements that this was in fact the practice of his company and furthermore that he was insured by Lloyd's of London for a million dollars. Both these statements he now admits were false.

Apparently the company simply took in a huge amount of money betting that prices would go up, prices did in fact go up enormously, and now the company is unable to pay off, in money, soybeans, or anything else.

The fear in the financial community is that the revelation that the acknowledged industry leader was an out and out swindler will panic the market.

West Coast News

EDITOR: JEFF SEBASTIAN

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

Phone: 824-4096



Operating engineers in Oregon and Southwest Washington have been locked out by the Associated General Contractors. Construction sites with 28,000 workers could be shut down.

3,000 In Building Lockout

BY DENNIS FULLER
PORTLAND, Ore.—The Associated General Contractors have attacked the limited strike of the Operating Engineers Local 701 with a full-scale lockout. The employer action has forced over 3000 engineers off the job in Oregon and Southwest Washington.

Russ Joy, union business manager, predicts that the lockout will last at least 60 days before serious negotiations begin again. A lockout of that span could eventually force more than 28,000 construction workers to stop working.

Joy has responded to the lockout by calling off even the limited strike action of only 260 engineers at 11 sites that began June 1.

The strategy of the employers is clear. "We will try to keep the other unions working," an AGC spokesman said. But Joy refuses to set up picket lines that would shut down all the construction sites in the area employing the engineers. He has announced that the union will picket only those sites where the companies attempt to operate the equipment with non-union personnel.

In one breath Joy contends that the contractors desire "to take on Local 701 this year." They are "deliberately trying to break" the union. In the next breath, he explains "we anticipated this action but we don't understand the reasoning. Anyone knows that what we demand is not what we want."

What the union is demanding, but Joy does not want, includes a 75 cent wage increase. Local 701 members receive two dollars less per hour than engineers in California and Nevada. In 1972, a 75 cent wage increase was held back by the Construction Industry Stabilization Committee. Local 701 struck for one day against the cut. Only part of the pay cut was restored last January.

SELLOUT

A massive sellout is being prepared by the construction union bureaucrats in the present negotiations with the AGC. The Teamsters, Carpenters and laborers union officials, along with Joy, refuse to call a united strike now against the employers. These unions are working under an unofficial day to day extension. A carpenters union official told a Bulletin reporter: "There is nothing to strike about. We can only get 5.5. We just have to settle a little of the verbiage."

But Local 701 members at the Sears construction site near Portland told the Bulletin that: "The AGC wants to take away things we gained in the last contracts." That is the meaning of the present employer lockout.

The depth of the sellout being carried out by the union bureau-

Warehouse Strike Threat

BY TED BAKER

OAKLAND—A packed meeting of over 2000 warehousemen gave thunderous applause to union recommendations to reject the employers' offers and vote strike authorization.

The meeting was one of three held by the Northern

California Warehouse Council in different parts of the Bay Area last week. The NCWC represents over 25,000 members of Teamster and ILWU warehouse locals. Voting was by secret ballot, but there is little doubt that the result will be overwhelmingly for a strike.

The warehousemen are demanding a 50 cent an hour raise

with an unlimited cost-of-living escalator clause, and a one year contract. The employers' highest offer on a one year contract was 30 cents, including both wages and fringe benefits.

The employers have now shifted to a three year contract offer with 26 cents the first year, and 24 cents the second and third years. The offer puts a cap on the COL of 16 cents the first year and 8 cents the next two years.

The big support for a strike puts warehousemen in a powerful position to break through government wage guidelines and give a lead to the entire labor movement.

The warehouse vote can be an example to longshoremen to vote down the agreement accepted by Bridges for a meager 70 cent increase over two years. At the same time it can prepare the way for the Teamster truck drivers whose contract expires at the end of the month.

SABOTAGE

The Teamster and ILWU leadership is trying to sabotage such a development. Curtis McClain, president of ILWU Local 6, reported to the meeting, "The employers are counting on Nixon. They will take action against any labor group that goes too far outside the established guidelines. We don't want a situa-

tion like the longshoremen were in last time when the Pay Board took their money and the court took their container agreement, and they were left with nothing."

ACCEPT

Earlier McClain had hinted that they would accept any offer along the lines of the longshore settlement. The NCWC leadership accepted in principle the employers' formula of a three year contract and they clearly would like to back down on the wage demands just at the point where a successful strike can break open the fight against the wage controls for all West Coast labor.

Supporters of both the Communist Party and the Spartacist League spoke at the meeting. The Stalinists, while calling on the union to petition Congress to impeach Nixon, uncritically supported the NCWC leaders' acceptance of the wage controls.

The Spartacist League raised demands concerning grievances and the probation period before joining the union. They played the classic role of radicals, helping the Stalinists divert the meeting from the question of political power which is raised by the fight against the wage controls.

Editorial

Stalinists Whitewash Nixon-Nazi Links

The lead article in the latest People's World reveals that the Committee to Re-elect the President paid Southern California Nazis to work against George Wallace and to help put the anti-farm worker Proposition 22 on the ballot.

A Nazi member, Joe Tommassi, claims that he met with Robert Walters, who funneled money to the Nazis, Jeb Stuart Magruder and then Attorney-General John Mitchell.

These revelations demonstrate that the Watergate conspirators were eager to work with and finance the most rotten scum in order to advance their police state preparations.

The Watergate conspiracy was designed to destroy basic democratic rights. This was a matter not of a little tinkering with elections but of preparation for dictatorship.

As the crisis deepens important sections of the ruling class will be prepared to turn to these gangsters. Watergate was opening the way. This drives home the urgency that labor take the lead to bring down Nixon and through a Congress of Labor replace him with a labor party government.

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MEETING! Watergate And The Defense Of Basic Rights

First Time On The West Coast
FILM: ROAD TO
WORKERS' POWER

LOS ANGELES June 30 7:30 pm
Embassy Auditorium, 839 South Grant,
Hall 201 (Pomona Valley,
call 714-626-6109 or 714-626-6661)

(Continued On Page 19)

West Coast News

EDITOR: JEFF SEBASTIAN

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

Phone: 824-4096



Operating engineers in Oregon and Southwest Washington have been locked out by the Associated General Contractors. Construction sites with 28,000 workers could be shut down.

3,000 In Building Lockout

BY DENNIS FULLER
PORTLAND, Ore.—The Associated General Contractors have attacked the limited strike of the Operating Engineers Local 701 with a full-scale lockout. The employer action has forced over 3000 engineers off the job in Oregon and Southwest Washington.

Russ Joy, union business manager, predicts that the lockout will last at least 60 days before serious negotiations begin again. A lockout of that span could eventually force more than 28,000 construction workers to stop working.

Joy has responded to the lockout by calling off even the limited strike action of only 260 engineers at 11 sites that began June 1.

The strategy of the employers is clear. "We will try to keep the other unions working," an AGC spokesman said. But Joy refuses to set up picket lines that would shut down all the construction sites in the area employing the engineers. He has announced that the union will picket only those sites where the companies attempt to operate the equipment with non-union personnel.

In one breath Joy contends that the contractors desire "to take on Local 701 this year." They are "deliberately trying to break" the union. In the next breath, he explains "we anticipated this action but we don't understand the reasoning. Anyone knows that what we demand is not what we want."

What the union is demanding, but Joy does not want, includes a 75 cent wage increase. Local 701 members receive two dollars less per hour than engineers in California and Nevada. In 1972, a 75 cent wage increase was held back by the Construction Industry Stabilization Committee. Local 701 struck for one day against the cut. Only part of the pay cut was restored last January.

SELLOUT

A massive sellout is being prepared by the construction union bureaucrats in the present negotiations with the AGC. The Teamsters, Carpenters and laborers union officials, along with Joy, refuse to call a united strike now against the employers. These unions are working under an unofficial day to day extension. A carpenters union official told a *Bulletin* reporter: "There is nothing to strike about. We can only get 5.5. We just have to settle a little of the verbiage."

But Local 701 members at the Sears construction site near Portland told the *Bulletin* that: "The AGC wants to take away things we gained in the last contracts." That is the meaning of the present employer lockout.

The depth of the sellout being carried out by the union bureau-

Warehouse Strike Threat

BY TED BAKER

OAKLAND—A packed meeting of over 2000 warehousemen gave thunderous applause to union recommendations to reject the employers' offers and vote strike authorization.

The meeting was one of three held by the Northern

California Warehouse Council in different parts of the Bay Area last week. The NCWC represents over 25,000 members of Teamster and ILWU warehouse locals. Voting was by secret ballot, but there is little doubt that the result will be overwhelmingly for a strike.

The warehousemen are demanding a 50 cent an hour raise

with an unlimited cost-of-living escalator clause, and a one year contract. The employers' highest offer on a one year contract was 30 cents, including both wages and fringe benefits.

The employers have now shifted to a three year contract offer with 26 cents the first year, and 24 cents the second and third years. The offer puts a cap on the COL of 16 cents the first year and 8 cents the next two years.

The big support for a strike puts warehousemen in a powerful position to break through government wage guidelines and give a lead to the entire labor movement.

The warehouse vote can be an example to longshoremen to vote down the agreement accepted by Bridges for a meager 70 cent increase over two years. At the same time it can prepare the way for the Teamster truck drivers whose contract expires at the end of the month.

SABOTAGE

The Teamster and ILWU leadership is trying to sabotage such a development. Curtis McClain, president of ILWU Local 6, reported to the meeting, "The employers are counting on Nixon. They will take action against any labor group that goes too far outside the established guidelines. We don't want a situa-

tion like the longshoremen were in last time when the Pay Board took their money and the court took their container agreement, and they were left with nothing."

ACCEPT

Earlier McClain had hinted that they would accept any offer along the lines of the longshore settlement. The NCWC leadership accepted in principle the employers' formula of a three year contract and they clearly would like to back down on the wage demands just at the point where a successful strike can break open the fight against the wage controls for all West Coast labor.

Supporters of both the Communist Party and the Spartacist League spoke at the meeting. The Stalinists, while calling on the union to petition Congress to impeach Nixon, uncritically supported the NCWC leaders' acceptance of the wage controls.

The Spartacist League raised demands concerning grievances and the probation period before joining the union. They played the classic role of radicals, helping the Stalinists divert the meeting from the question of political power which is raised by the fight against the wage controls.

Editorial

Stalinists Whitewash Nixon-Nazi Links

The lead article in the latest *People's World* reveals that the Committee to Re-elect the President paid Southern California Nazis to work against George Wallace and to help put the anti-farm worker Proposition 22 on the ballot.

A Nazi member, Joe Tommassi, claims that he met with Robert Walters, who funneled money to the Nazis, Jeb Stuart Magruder and then Attorney-General John Mitchell.

These revelations demonstrate that the Watergate conspirators were eager to work with and finance the most rotten scum in order to advance their police state preparations.

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