

Bulletin

weekly organ of the workers league

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JULY 2, 1973

FIFTEEN CENTS

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BY BRUCE MCKAY

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OBSESSED

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New York cafeteria workers, members of District Council 37, demonstrating at the Board of Education in Brooklyn after the City's cutback of lunches for public school children.

UAW Must Prepare For Strike!

STATEMENT OF THE TRADE UNION ALLIANCE FOR A LABOR PARTY

Negotiations between the United Auto Workers and the major auto companies begin this month under conditions more critical than the working class has ever faced.

While Leonard Woodcock is walking into these negotiations without any program to meet the needs of the auto workers or a strategy to defend the UAW, the auto bosses are preparing for an offensive.

There is every indication that the "Big Three" companies have decided to provoke a strike, relying on the betrayals of the Woodcock leadership to inflict a major defeat on the UAW. Although Woodcock has already pledged that he will not fight for a decent wage increase and pension nor demand major changes in the current work rules, this is not enough for General Motors and Ford.

These companies want nothing less than

a settlement which will give them a free hand to lay off thousands, speed up to intolerable levels those who remain in the plants, and destroy the living conditions of this powerful section of the American working class. In short, the employers are aiming for the breaking up of the UAW.

Behind the strategy of the employers is the deepening and insoluble crisis of the capitalist economy and its repercussions upon the auto industry. In spite of the record sales and the apparent boom in auto production, the uncontrolled inflationary crisis is creating the conditions for a deflation of the economy which will produce a drastic reversal in the industry.

Anticipating these developments, General Motors is predicting a major downturn in sales for the 1974 models. The ever popular Pontiac line has already shown a marked decline in retail sales this

past month.

Investment in the auto industry is being curtailed. In addition to the fact that there has not been one new plant built in the United States since 1966, GM is considering withdrawing all current plans for the expansion of existing facilities. The auto companies are depending upon brutal speedups rather than investment in advanced technology to increase productivity.

Expecting a downturn in sales, a freeze in investment and a cutback in production, the auto bosses are willing to risk a direct confrontation with the UAW to push the full weight of the economic crisis onto the backs of the workers.

Conditions within the plants expose the employers' preparations for this confrontation.

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Civil War Reception For Peron

BY MELODY FARROW

At least 20 people are dead and over 400 wounded in the wake of shooting that ripped through the crowd of close to three million that gathered near the Buenos Aires airport to see General Juan Peron return from an 18 year exile.

Peronist Youth, a left-wing youth movement that seeks to push Peron towards socialist policies, charged that professional killers and "parapolic" forces hired by right-wing Peronists deliberately provoked the shoot-out. The incident began when the Peronist Youth tried to mount a guerrilla banner on the platform and were blocked by trade union leaders.

Specifically they accused Jorge Osinde, former hated chief of internal security during Peron's dictatorship from 1946 to 1965, and Norma Kennedy, one of Peron's closest aides, of being responsible for the killings.

In a deal with the military, Peron is now returning to Argentina to pull the trade unions into a corporate state and to crush any expression of class struggle by the working class.

On June 22, two days after the shooting, Peron called for law and order and accused unnamed elements of trying to "infiltrate" his movement.

OCCUPATIONS

On the eve of Peron's return, a wave of occupations began to sweep through universities, hospitals, schools and many public buildings. The Peronist Youth, which includes many young workers, encouraged and in many cases initiated the occupations as part of their policy of "direct action" to force Peron to recognize their demands. Any illusion that Peron would support them were quickly smashed.

Word came from Peron in Madrid ordering the police to immediately reestablish discipline. Juan Manuel Medina, General Secretary of Peron's movement, declared that all buildings must be evacuated.

Peron also reinstated Horacio

Zubieri, Secretary of State for Public Workers, after angry workers marched into his office and demanded his resignation.

POWER

There is no question that Peron, not Campora, will be the real power in the government. It was he that chose the members of the Cabinet, drew up an economic and social policy, and gave the General Federation of Workers (CGT) the go-ahead to sign an agreement called "Act of National Commitment" with the employers which provides for a meager wage increase. Peron is anxious to establish political ties to right-wing and conservative figures who opposed him during his former reign.

The establishment of a "civilian" government, even if only window dressing for the military, has created the conditions for the biggest working class upsurge in Argentina's history. It has had the effect of unleashing tremendous struggles by workers and youth who now feel they have the right to press forward with their demands.

The reactionary trade union leaders are willing to sit down and give away the basic rights of the workers they claim to represent in order to curb militancy. The leaders of the CGT are now discussing with the employers and the government a program for a "social truce," a program to crack down on the working class.

The masses of workers in the large industrial areas like Cordoba have shown their determination to struggle. The conditions are now being created for the working class to be broken from Peronism. This urgently requires the construction of a Trotskyist leadership in the Argentine working class, as part of the International Committee of the Fourth International.



Shop stewards representing workers from Chrysler's Ryton plant in Coventry before entering 17 hour negotiation with management June 22.

Chrysler Uses British Strike To Threaten Total Shutdown

BY DIANNE ISAACS

Backed by the Tory government, American owned corporations in Britain are now spearheading the struggle against the working class. Faced with a strike against the speedup methods being introduced, the Chrysler Corporation is threatening to close up shop and move to fascist countries like Spain. Corporations like Chrysler are determined that their capital will not be the first to go in the coming crisis.

At Chrysler's Ryton plant in Coventry 4500 workers have been out since May 24, after being provoked by the management's layoff of several workers for "shoddy

workmanship."

Chrysler failed dismally in their efforts, however, as management backed off from its most punitive demands June 25 and agreed to pay back the laid off men. While the major issues

in the strike go on, the real strength of the British working class has been demonstrated.

Feelings against Chrysler had been heightened after Gilbert Hunt, chief executive of Chrysler United Kingdom, threatened to end all Chrysler production in Britain unless labor unrest ended.

The strike was intensified two weeks ago after a new provocation by the employers. A fleet of scab trucks was recruited by Chrysler officials at the nearby Stoke plant to crash through picket lines, hurtling bottles and stones at workers blocking the gate entrance.

This incident forced a protest by the unions and a member of Parliament against Chrysler's "American gangster" methods.

A similar provocation and de facto lockout took place three weeks ago at the Perkins Peterborough plant (a Massey-Ferguson subsidiary) when management shut down operations in response to a ban on overtime by the workers, who were fighting to get parity with other Massey-Ferguson employees in Coventry. The company then used the drying up of supplies from Peterborough as an excuse to lay off workers at its Coventry plant. British Leyland's and Vauxhall's have also been affected by strikes and retaliatory layoffs.

OFFENSIVE

What emerges out of these developments in the British auto industry is an all-out offensive by the employers in response to the enormous crisis of British and world capitalism. Since Nixon's declaration of trade war against Europe in August 1971 and the continuing devaluation of the dollar ever since, the rug has been pulled out from under British capitalism as well as branches of American

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Spanish Town On Strike

BY A FOREIGN REPORTER

On June 14, almost the entire working population of Pamplona, a town in Northern Spain, went on strike to support 200 workers laid off at Iberica Motors.

The next day, with almost every factory and business establishment shut by the strike, violent fighting took place between demonstrators and the police. Two hundred people were arrested and several were injured.

This movement, which the

national unions have been forced to call a "general strike," comes at a time when the new Spanish President Blanco has declared that the maintenance of "order" is the "foundation of the normal functioning of institutions." The provincial government of Navarre issued a strong statement threatening to "stamp out" further disorders.

On June 18 the shops reopened but 20,000 metal workers continued the strike to demand reinstatement of 200 men. They were fired during a walk-out over pay at Motor Iberica, a car components plant, last month.

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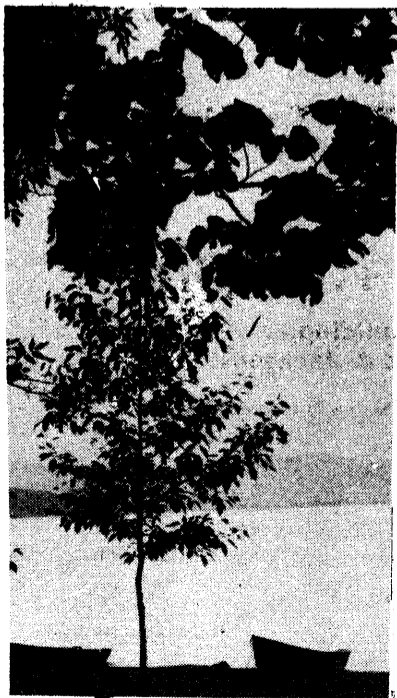
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EAST COAST: \$50

MIDDLE WEST: \$60

WEST COAST: \$75

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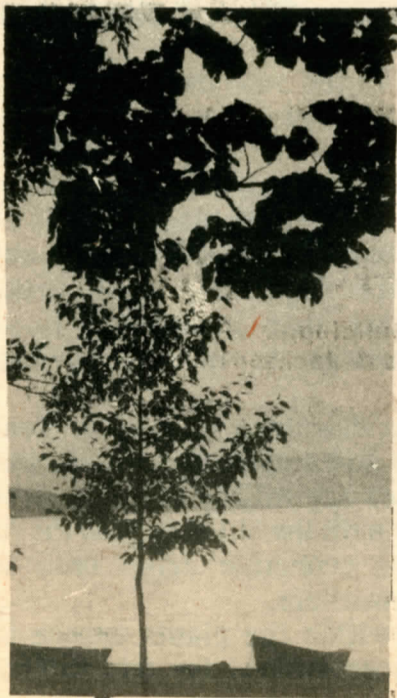
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Peru Trotskyists On Trial

The Peruvian military dictatorship has begun court proceedings against the leaders of the Trotskyist Liga Comunista who were imprisoned at the beginning of last month and savagely tortured.

Latest reports from Peru say that preliminary hearings against Jose Carlos Ballon and Sergio Barrio took place on June 11 and 12. They were charged with plotting against state security, against the nation, the constitution and the law of the freedom of the press.

The final charge leveled against them is "outrage to the nation and patriotic symbols." These charges are cynical even by the standards of the Peruvian junta, which has confiscated the Liga Comunista's press, taken away all its basic rights and subjected its members to torture in plain violation of the constitution.

These attacks by the Peruvian military regime have the full approval of the Stalinists.

Letters and telegrams of protest should be sent to: Peruvian Mission to the UN, 301 E. 47th Street, New York, New York.

Postal Workers Fight Contract Sellout

BY A REPORTER

NEW YORK—On Thursday, June 21, the leaders of the three major postal unions, including Frances Filbey's 315,000 member American Postal Workers Union, came to an agreement with the Postal Corporation. The terms of the agreement were revealed in the New York Times.

The settlement represents a complete capitulation to Nixon and the Postal Corporation's drive to increase productivity, eliminate tours and maintain wages far behind skyrocketing inflation.

Although the Postal Corporation granted a "no layoff" clause, the contract gives it the right to proceed to raise first class rates from eight to 10 cents and introduce automation which will clearly set up hundreds of thousands of handlers and clerks for layoffs at the end of the contract.

At the June 20 Metro Area Postal Union—affiliated to Filbey's APWU—meeting, Mo Biller, president of the union,

told the membership in a direct lie that while offers have been made, nothing had been settled. He claimed to the angry rank and file that he would accept nothing that they would not accept. Yet he came to New York on June 18 and knew about the agreement Filbey had ratified.

At the meeting, the MAPU Rank and File Committee intervened around the demand that Biller prepare for immediate strike action by MAPU and demand national strike action around the following central demands:

- A 40 percent wage increase the first year—cost of living clause on an area basis.
- A 28 hour week. Immediate hiring of full timers.
- Twenty and out with 75 percent of highest salary.
- Two week grievance procedure.
- Union-management control of all automation—no layoffs.

The MAPU Rank and File Committee will be campaigning City-wide for a "no" vote on the upcoming contract and will be calling a public meeting on July 1.

Brezhnev Deals Endanger USSR

BY BRUCE McKAY

Behind the visit of Soviet Communist Party leader Leonid Brezhnev to the United States lies a sharp right turn by the Soviet bureaucracy which now jeopardizes all the gains won by the October Revolution under the leadership of Lenin and Trotsky.

At the heart of this counter-revolutionary detente is the crisis confronting the privileged bureaucrats in the Kremlin as years of mismanaging the planned economy are bearing fruit in the form of economic stagnation. The current five year plan, for which Brezhnev has assumed full responsibility, is in a shambles.

Brezhnev thus hopes his criminal alliance with Nixon will alleviate the economic difficulties faced by the bureaucracy—especially the shortages of food and consumer goods. Nixon's goals are not so modest. Faced with an unparalleled crisis within the international capitalist economy, Nixon—as he always has been—is intent on reconquering the Soviet Union for capitalist exploitation. The current trade agreements will only whet the appetites of Nixon and the American ruling class.

Solely in order to protect its privileged position, the Soviet

bureaucracy is undermining the basis for socialized production and the monopoly of foreign trade and is opening the door to future imperialist aggression—and all in the name of "peaceful coexistence."

Bureaucratic mismanagement of the planned economy has undermined the Five Year Plan. The serious setbacks in grain harvesting is an expression of the failure to correct the disequilibrium between the industrial and agricultural sectors. Tye Kremlin bureaucracy, which has refused to inform the Soviet population of the enormous grain purchases from the United States, is increasingly dependent upon American capitalists to overcome this crisis.

This opens enormous dangers to the workers state because the trade deals with the US and the opening of investment opportunities to American capitalists take place within the framework of political collaboration with the imperialists by a counterrevolutionary Stalinist

Food Costs Leap In Nixon's 'Price Freeze'

BY BRUCE McKAY

The latest economic decisions of the Nixon Administration have created the conditions for runaway inflation and major explosions within the capitalist system, both in the United States and in Europe, which pose the greatest dangers for the working class and the urgency of developing a new leadership within the trade unions here through the fight to construct a labor party.

The unprecedented expansion of credit which allowed the capitalist class to artificially sustain a certain increase in production, to stabilize the level of unemployment and to postpone major struggles against the undefeated American working class during the past two and a half years is now completely out of control.

POLITICAL CRISIS

Any hopes which have existed within American ruling class circles for a conscious policy of controlled deflation and recession which would attempt to restore equilibrium to the system while allowing the big bankers and industrialists to take on the

working class from a position of relative strength have been dashed by the political crisis enveloping the Nixon Administration.

Nixon is clearly unable at this point to follow such a course and launch the all-out attacks on the trade unions such a policy would necessitate as he stands discredited before the international working class, with all the corruption, fear and conspiratorial methods of his class exposed by the Watergate case.

By once again attempting to postpone the crisis by throwing it on the backs of European and Japanese workers and refusing to confront the explosion within the credit system which underlies the inflation of prices, Nixon not only prepared the way for revolutionary confrontations in Eur-

ope but sharpened the crisis at home.

The 60 day freeze on prices and the fear of Phase Four controls, to whatever extent they are actually effective, will now have the exact opposite of the intended effect. Already, the freeze has enormously increased the pressures developing within the system and the result may well be runaway inflation as the conditions are created for widespread shortages and the development of a black market.

CAUGHT

Caught in a profits squeeze between Nixon's freeze and farm produce prices which are allowed to continue their rapidly accelerating upward rush, food processors are announcing plans to sharply curtail production or hold back on deliveries. Live-stock breeders faced with unbelievable increases in feed prices are refusing to take their produce to market.

Poultry raisers are slaughtering baby chicks by the tens of thousands as they are faced with an increase in soybean meal feed of 200 percent—from \$150 to \$450 a ton—in the course of a year, and as the speculators on the Chicago Board of Trade push up the price of soybean futures the allowable limit each day.

Egg production through May 31 had already been curtailed six percent and broiler hens sent to market two percent. One of the biggest producers, the Texas-based Pilgrim Industries, has now announced a cutback in the

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Cafeteria workers demonstrating in Brooklyn against an end to lunch programs in New York public schools.

We All Out
July 11th!

Demand

sponsored by
Young Socialists

Jobs

New York 4:00pm
Foley Square

Chicago 4:00pm
Federal Office Building,
Dearborn (bet. Adams & Jackson)

San Francisco 12 noon
Federal Office Building
450 Golden Gate Avenue

Los Angeles 4:00pm
Watts-Will Rogers Park
103rd & Central

City Opens Up Final Drive To Smash SSEU

BY AN SSEU-371 MEMBER

NEW YORK—The final drive to dismantle the Department of Social Services in New York City has begun. Last week the City unveiled its master plan for the next phase of reorganization for its nearly 5000 social service staff, demanding immediate submission of transfer requests by nearly all workers for new assignments.

Thousands of social service staff are to be uprooted from existing work locations over the next few weeks and transferred largely involuntarily into undefined jobs in entirely new departments. A massive new computer system is now to be introduced, aimed at wiping out thousands of jobs—not only those held by clerks, but also by social service staff. On top of this, the very union structure of Social Service Employees Union Local 371 representing social service staff stands to be virtually torn apart in the shuffle.

Workers that transfer into the new Department of Services will now become entirely dependent for their salaries on federal anti-poverty grants. Special federal audits and a special computerized accountability system soon to be introduced make clear the intention of the federal government to sharply curtail funding for this operation as soon as workers are transferred.

Workers who transfer into the so-called Department of Income Maintenance, supportive service units, are meanwhile directly confronted with the threat of state takeover along with thousands of Income Maintenance clericals within one year.

Under state takeover, Welfare Department officials estimated the entire financial operation of City welfare now involving some 5000 or more clericals could be handled under the computer system with 500.

The drive to dismantle welfare involves not only the immediate fate of thousands of welfare workers but millions of workers who, because of Nixon's creation of mass unemployment, will become dependent on welfare in the next period. This is why the issue of the fight against the City's scheme can and must now be taken deeply into the labor movement as a whole.

The Cohen leadership of SSEU-371 is completely opposed to any fight. It is presenting this scheme, which it is responsible for negotiating, as a major victory. It is furthermore collaborating with the City, conscious of mass rank and file opposition to the plan to force through implementation of the plan without a membership vote of any kind.

The SSEU-371 Committee for New Leadership is now taking up the fight against this scheme on the following program:

- For no cooperation with any further reorganization of the Department of Social Services until the choices before the membership can be voted on by the membership in on-location referendums.

- No acceptance of the current agreement.

- Force DC 37 to take all necessary action up to and including DC 37-wide strike action to stop state takeover, preserve civil service and our pensions, and secure all back monies owed DC 37.

- The SSEU must initiate the call for a Congress of Labor for the purpose of launching a labor party to replace Nixon and the Democrats.

Big Opposition In NMU Vote

BY TOM GORDON

NEW YORK—The 5300 votes won by the Morrissey slate against Curran supporter Shannon Wall, representing the bulk of the deep sea votes in the union, show the potential for a real fight against the bankrupt policies of the National Maritime Union bureaucracy.

The greatest blow to Morrissey's campaign was his refusal to fight the bureaucracy around the program to increase manning scales, and stop the layoffs of ships.

In the current elections conducted in the heat of the Watergate scandals, which reveals the treacherous plans of the ruling class against the trade unions, Morrissey stated that he "did not want to shake the system" and would oppose a labor party, the only way to defend democratic rights.

Instead he depended on the publicity of the New York Times

and other capitalist papers, conducting only the most halfhearted leafletting campaign among the ranks. It was only this campaign for "trade union democracy," designed to win the approval of sections of the capitalist class itself, which prevented a victory by the opposition.

At every point in his past history, Morrissey has refused to fight for wages, manning scales, and improved working conditions, concentrating instead on the Nixon and Johnson courts to knock down officers' pensions. In 1969, when the ranks themselves demanded nationalization of the ships to prevent the layoff of the last of the US flag passenger liners, Morrissey was nowhere to be seen.

During the campaign, growing numbers of seamen began to see that Morrissey would be no alternative to Wall. One seaman told the Bulletin:

"I voted for Morrissey despite his going to the courts. It would be criminal to throw away your



United Steel Workers Local 3571 on strike against Farell Company wage offer.

Badillo Flops In Small Turnout

BY A REPORTER

NEW YORK, June 27—Less than 40 percent of the registered Democratic Party voters turned out yesterday to give the mayoral primary victory to Controller Abraham D. Beame, who trounced Herman Badillo.

Beame's victory can be attributed to his support among middle class voters while the working class—disgusted with both candidates—did not bother to vote for the most part.

This can be seen in an analysis of the returns. For example, in those areas of Queens which are heavily working class—such as Richmond Hill, St. Albans, Ozone Park and Astoria—there was hardly any turnout.

The inability of the Democrats to stimulate a large turnout in New York in an election in-

volving the second most powerful office in the United States underscores the further deterioration of the party since last November. In the eyes of thousands of voters, the election was transformed into a grim farce by the eruption of one scandal after another.

As the trade union bureaucracy supported either Beame or Badillo, the indifference of the mass of voters to this election shows the burning necessity of constructing a labor party as the alternative to the bankrupt Democrats.

The results of the election completely discredit the policies of the Communist Party, which enthusiastically backed Badillo—in spite of the fact that the CP was running a candidate—and claimed that the victory of this labor-hating lawyer would be a blow against "racism."

jobs and wages against the government and the shippers.

The ranks must draw the lessons of this election campaign. The 5300 votes for Morrissey reflect a growing desire to be rid of the Wall-Curran bureaucracy and its policies. At the same time, the low vote for the opposition, below the 48 percent won in the last elections, shows that the men realize that more is needed than trade union democracy.

Nothing can be won in the NMU today without a head-on collision with Nixon, the courts and the Democratic Party

The ranks in the NMU must now turn to a struggle to build a caucus which will fight the bureaucracy for a labor party to stop the manning scale cuts and to prevent more sale of ships to foreign flag scab operations. This fight must center around the demand for reopening the NMU contract to provide two full crews on every ship and for wage parity with the West Coast seamen.

Steel Strikes On Pay Fight

BY A BULLETIN REPORTING TEAM

ANSONIA, Conn., June 25—Against the recommendation of the Union President John Miller and the entire negotiating committee, 850 members of the United Steel Workers of America Local 3571 struck last week in rejection of the Farell Company's contract offer: 25 cents, 18 cents and 19 cents over three years. The offer represents only slightly more than 5.5 percent on the average \$3.50 to \$3.60 hourly wage.

The ballot vote was 386 to 345 in favor of striking. The informational meeting was described by one picket. "They read the contract, we asked questions and didn't get any answers, so we walked out. The reason the company won't negotiate is because they say we didn't understand the contract. It didn't take long to understand that contract."

WAGES

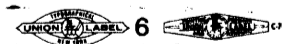
A cost of living clause and a decent wage increase was considered by the ranks to be the major issues. "If we got 25 cents cost of living, plus 25 cents more, then we could get somewhere." However, one union official told the Bulletin that the negotiating committee would accept "a substantial increase" over the previous contract.

The strike has successfully shut down operations in the three plants in Ansonia and Derby. Picket lines have been honored by truck drivers from as far away as Baltimore.

DISGUST

The disgust with the leadership is expressed in the recent election of a new president, Joe DeGennario, to replace Miller on July 9. One picket explained why. "Three years ago we were sold down the drain. We went back after three weeks of striking, for one cent less than we had gone out for. They won't go back this time like that. Three years ago, Miller crossed the picket line with the International Reps to get a job out for the company."

Referring to Watergate, one striker said, "They lied to us for years, the little man didn't know anything; now he sees what's happening. I want to know when they're going to get Nixon on TV. It would be better if there were a labor party, then we could combine and get some strength."



EDITOR: Lucy St. John
Labor Editor: David North
Art Director: Jeannie Cooper
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**350 At Arrow Park
Outing Discuss:**

Five Elements Of Watergate

BY A REPORTING TEAM

More than 325 youth, workers and their families participated in the third and most successful of the annual summer outings held by the Workers League and Young Socialists in Arrow Park, located near Bear Mountain.

Following picnic lunches and athletic activities such as basketball, volleyball, swimming and softball, a talk was given by Workers League National Secretary Tim Wohlforth on "Watergate and the Fight for Democratic Rights."

Declaring that Watergate had exposed the biggest conspiracy in the history of the United States against the democratic rights of the working class, Wohlforth said that it is necessary to understand the real meaning of Watergate at the very moment when an attempt is being made by the leaders of the working class—the trade union bureaucrats and Stalinists—to cover it up and keep Nixon in office.

Watergate, said Wohlforth, has brought together the most dangerous elements that have always characterized the methods used by the ruling class to govern. But because of the nature of this period and the depth of the capitalist crisis, these elements are brought forward in a new way to actually wipe out all the gains of the working class.

CONSPIRACIES

Elaborating on the methods used by the ruling class since the inception of the United States to attack the democratic rights of workers, Wohlforth first referred to the recurrent use of conspiracies. The attempt to do things behind the backs of the working class is rooted in the weakness of a small capitalist class and its enormous fear of the great mass of people.

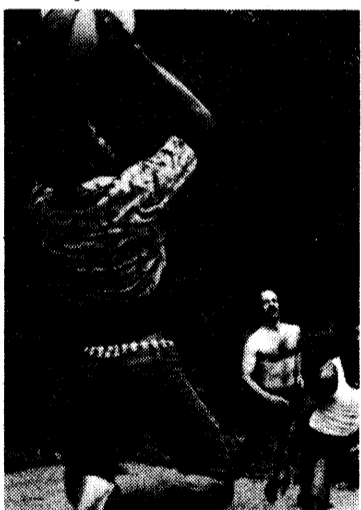
Even after the revolutionary war for independence, Wohlforth pointed out that the capitalists and rich landowners proceeded to draft a constitution for the new government in secret meetings that lasted for months without the majority of people being told what was going on.

The constitution drawn up in those secret meetings, said Wohlforth, made no provisions for the defense of democratic rights; and it was only after the

constitution was published that the masses fought to include the amendments known as the Bill of Rights.

In Watergate, declared Wohlforth, the working class can see the conspiracy prepared since 1968 to actually destroy the very constitution that was drawn up in that conspiracy nearly 200 years ago. Month after month Nixon's men sat behind closed doors to develop a conspiracy to destroy the trade unions.

Another element in the methods of the ruling class is corruption, said Wohlforth.



Nowhere in the world has a ruling class used corruption so nakedly to enrich itself and maintain its power. This corruption—an expression of the enormous wealth of the ruling class as well as its weakness—has always been used to corrupt the leadership of the working class.

Wohlforth referred to the Reconstruction period after the Civil War where a revolutionary democracy emerged for a short time in the South when the legislatures were dominated by representatives of the former slaves, poor white farmers and workers. This was the only time in history when any American legislature had such leaders.

But it was through corruption that these representatives were simply bought off and then driven out of the legislatures. Today, the entire political system is smothered with corruption.

But, under Watergate, this cor-

ruption is revealed in the illegal collection of more than \$40 million to buy an election for Richard Nixon and destroy the very semblance of democratic choice. In this way, the very right to vote lost all meaning under conditions in which corruption was used to fix the elections.

A third weapon of the ruling class, explained Wohlforth, has always been violence. Whenever the mass of the people attempted to win their rights, the ruling class turned to violence. He maintained that there is no country outside of the US which has such a bloody record of violence of working people trying to organize unions for the purpose of improving their standard of living.

But the violence used in an earlier period to prevent the development of the trade unions is planned on a new level to destroy those unions and all the gains won by workers through their past struggles.

The use of violence, said Wohlforth, immediately points to two other elements of the methods used by big business: racism and anti-communism. These have been the most brutal of the methods used by the American capitalists, he said.

After bringing workers from all parts of the world to this country and after these workers and their children produce the wealth of this country, the capitalists turn around and use witch-hunts against them and threaten them with deportation—a policy which was actually carried out during the "Red Scare" of Attorney General Palmer.

Wohlforth emphasized that Nixon actually admits that he set up an illegal secret police because of the activities of the Black Panthers and the supposed infiltration of subversive groups from abroad. Nixon admits his fear of the working class and its movement, especially since the rebellion of Black workers and youth in Newark, Detroit and Watts and the strikes of industrial workers after 1968.

Wohlforth explained that the five historic elements of capitalist rule in the US—conspiracy, corruption, violence, racism and anti-communism—are brought forward in Watergate in a new way. Behind the Watergate conspiracy were all these elements which involved frame-ups, spying, secret

police, illegal break-ins. Watergate was the preparation for a break in tradition.

Nixon, declared Wohlforth, aimed to overthrow even the system of two-party rule, and institute a controlled press. In this period, the old elements were brought forward in a new way to prepare for an all-out attack upon American workers and encourage the development of fascist forces.

To understand why Watergate emerges now, he continued, it is necessary to turn toward an understanding of the capitalist crisis.

Explaining that the process of production has been thrown completely out of harmony with circulation of money and the ability of the working class to consume what has been produced, Wohlforth declared that the ruling class cannot restore any balance to its economy without violently wiping out credit and the mass of paper dollars, pulling back on production, and in that way creating millions of unemployed workers. This would mean war against the working class and that is why Watergate was plotted by Nixon.

The very men around Nixon who helped him plan Watergate, Wohlforth stated, are the men who made their millions out of inflation and credit. They are the swindlers and the crooks who have manipulated their way to the top. He noted that Marx once had called these speculators the real lumpenproletariat at the head of society. They represent the most vicious anti-communists and labor haters—men who produced nothing to create their wealth. They are the stock manipulators and real estate speculators. They are Nixon's closest friends from Southern California and Florida.

Now the strongest section of the capitalist class finds their wealth—which is connected to trade and banking—threatened by inflation and the collapse of the dollar. They must turn to deflationary policies to defend their wealth, but this also means war against the working class.

Before this great danger, Wohlforth declared, there had been a complete collapse by the entire leadership of the working class. "There has not been one trade union leader who has spoken out on Watergate in any significant way to demand the resignation of Nixon and

attempted to prepare an alternative," he stated, noting at the same time that virtually the entire labor press has been silent on Watergate.

This treachery, declared the National Secretary of the Workers League, is supported by international Stalinism. Brezhnev has come to the United States to prop Nixon up. "Brezhnev refused to say that he, as the representative of the workers' states, would have nothing to do with this corrupt and criminal government," Wohlforth stated.

He added that the American Communist Party assists in this betrayal by giving full support to Brezhnev's trip.

ALTERNATIVE

The most important task before the working class at this time is the preparation of an alternative to Nixon, stated Wohlforth. "This is why the Trotskyist movement and only the Trotskyist movement has fought for the calling of a Congress of Labor which would give the entire working class the opportunity to construct this alternative through the building of a labor party that would demand and participate in new elections."

Wohlforth said that the fight for such an alternative requires the building of a new leadership in the trade unions and among the youth. He emphasized that the youth will play a particularly important role in developing that leadership among older workers. This is why it is necessary for youth and older workers to turn toward a study of Marxism to prepare themselves for the struggle for a new leadership.

Following the talk, there was a lively discussion as many workers and youth asked questions about Watergate. One youth said that he could not see the point of simply removing Nixon if this meant Spiro Agnew would become President, and asked what could be done to prevent this. In his reply, Wohlforth pointed out that the question actually raised is the issue of the building of a new leadership to fight for the immediate construction of a labor party.

Discussion continued during a social held after the lecture as many youth and workers crowded around the literature table to purchase \$92.50 in books and pamphlets.

AFSCME Signs Rotten Contract

BY AN AFSCME 1164
MEMBER

MINNEAPOLIS—American Federation of State, County and Municipal Employees Local 1164 of the University of Minnesota workers signed their first union contract last week. The ratification vote of 6 to 1 was a vote of no confidence in the local leadership to carry on a real fight to win what is needed.

The contract accepts the wage proposals offered by the state last January, ranging from 7 to 15 percent over a two year period. One of the categories covered, Lab Attendant, will go from \$363 to \$380 per month.

The contract completely accepts the university's plans of cutting back in staff. The union leadership agreed to a reduction in uniform benefits to hospital workers because the university is cutting back its laundry staff, which will mean the layoff of 50 university workers.

The contract was signed under pressure of a decertification drive openly inspired by the university administration. Several weeks ago, the university distributed a memo stating that because there were negotiations going on, there would be no wage increases on July 1, the usual date for such increases, if the union did not sign by then. This was turned by anti-union forces against the union, especially on the relief shift, where the local leadership has refused to build the union.

The only forces that seriously fought for a decent and adequate wage increase and contract was the Caucus for a Decent Contract. The fight must now go on to defend the union and its contract by immediately organizing the entire hospital and turning back the decertification movement.

St. Louis School Budget Slashes Teachers 10%

BY PAUL RYDER

ST. LOUIS—The proposed budget announced by the Board of Education here two weeks ago will mean a dismal future for students and teachers here this fall. Lack of money has eliminated 417 teachers' jobs—10 percent of the total St. Louis teaching staff—188 non-teaching posts, and has cut many programs for youth.

At a public budget hearing on June 14, a picket by the St. Louis Teachers Association was maintained to protest the proposed cutbacks. One teacher told the *Bulletin*: "I think it's terrible, labor should do something."

PLEADED

Representing the St. Louis Teachers Union Local 420, President Demonsthenes Dubose joined a host of liberals and pleaded with the Board to change their minds.

The collapse of the St. Louis school budget is part of a national financial crisis in education brought on by Nixon's cutbacks to schools, and the fraud of revenue sharing.

Over 36,500 children are in classes with over 30 students in



St. Louis teachers picket public budget hearings against proposed cutbacks and layoffs.

Productivity Key Issue In Meatcutter Talks

BY MARTIN WOODWARD

MADISON—The National Negotiating Committee of the Amalgamated Meat Cutters and Butcher Workers of America has announced that it has narrowed down the field of possibilities for the Master Contract to Swift, Cudahey and Oscar Mayer's.

One of these companies will be concentrated on and the members expected to give a lead nationally to the negotiations for the 1973 contract.

In Madison, the AMC & BW Local 538 has announced starting negotiations and, at this time, all that has been proposed to be fought for are the pensions and fringe benefits. The cost of living

escalator was lost in the last contract negotiations.

The local leadership has stated that it would take a nationwide fight to win it back and, for this reason, no plans have been prepared to fight for it.

PRODUCTIVITY

Many companies nationally are in the midst of a massive productivity campaign. The Iowa Beef Company is a prime example. The company, located in Dakota City, Iowa, by October of this year, is planning to increase output by more than 50 percent over last year's output.

Missouri Beef, of Amarillo, Texas, is another example where second quarter earnings this year have soared up 388 percent. Gary Paske, business manager of Local 538, stated that despite this, that company has announced it will be necessary to close several plants.

Several companies in the US are trying out a new plan of packing and producing one major portion of the beef and hog, and cornering the market on these products. Notably, these are Bluebird Packing, operating out of Chicago, and "Jimmy Dean Hogsaus Company." They are located primarily in the Midwest and South.

MARKET

According to Paske, there is a direct possibility within five years of these two companies cornering the market in these products and squeezing out the big four packing companies and Oscar Mayer's. Presently, "Jimmy Dean" workers get one dollar less per hour than master rates and it takes 36 months for workers to achieve parity.

At the Iowa Beef Company in

Dakota City, Iowa, members voted for a strike on May 1 when all the company offered was 15 cents inclusive for three years and three cents after six months the first year only. The cost of living proposal would pay nothing till the cost of living had risen 10 percent. Strike action has been delayed so far due to fact-finding, but the fact of the companies' intentions are clear: massive productivity.

Just this week, the president of the Oscar Mayer Company announced that the company will be striving for a 10 percent productivity increase in all office, professional, and clerical staff, which are unorganized. Part of the company's plan is not to replace any office staff that quits or retires and to simply redistribute work loads.

Due to the determination of these smaller companies to boost productivity, sales, and drive down working standards and corner whole sections of the meat packing market, companies like Oscar Mayer must soon follow suit.

Oscar Mayer's productivity drive for non-union staff can only be understood in the context of preparations to defend its markets. This will mean that the same conditions will be prepared for the workers of Local 538.

In light of these developments throughout the industry, the membership must demand that a mass rank and file meeting be held immediately. The membership must demand a full report at this meeting on the strike situation at Iowa Beef and what the leadership intends to do to defend the jobs and working conditions at Oscar Mayer's and what the strategy is for winning a decent contract in the fall.

Butler, UE Break Off Meetings

BY A REPORTER
MINNEAPOLIS—After several weeks of negotiations, talks between Butler Manufacturing in Minneapolis and United Electrical Workers Local 1139 broke off last week. No further meetings have been scheduled.

Spokesmen for the local report that three issues block settlement: one calling for early retirement at 62 years old, an increase in retirement and other benefits, and a dental insurance clause.

WAGES

On the crucial question of wages, the local says that union and management were separated by nine cents at the time the talks were broken off. While the actual wage proposals were not made available to the *Bulletin* by the Local 1139 leadership, one worker said that the union's original demand was a 50 cent hike over two years. No progress on a higher cost of living allowance was reported.

One of the key issues in the union's original demands, this worker reports, was the demand for a two year contract to replace the present three year contract. The major reason given for this demand is to break the UE negotiations from those of Teamsters Local 970 which organizes the Butler plant in St. Paul.

The Teamster contract regularly expires shortly before that of UE 1139. The Teamster leadership, each contract time, has sold out the fight against Butler's by signing sweetheart contracts.

SELLOUT

Two months ago, just as the contract of UE 1139 expired, the leadership of IBT 970 announced a sell-out settlement with Butler's in St. Paul—a 5.5 percent contract with the provision that if the Butler workers in Minneapolis got more, the difference would automatically be given to the Teamsters.

This arrangement leaves the Butler workers in Minneapolis carrying the load in the fight against Butler Manufacturing.

A *Bulletin* subscriber at the Minneapolis Butler plant said that for several weeks prior to the expiration of the UE contract, many of the workers in the Minneapolis plant were worked overtime and on weekends to stockpile parts used by the St. Paul plant so that its operations would not be impeded by a strike in the UE organized plant.

SUBVERT

These tactics used by the Teamster leadership of Local 970 are consistent with the drive of the Teamster leadership to subvert the United Farm Workers in California and its open support for Nixon and the wage freeze.

Butler workers in both plants must demand joint action against Butler Manufacturing. The sell-out IBT 970 contract must be reopened and UE and Teamster locals must combine to demand a big wage boost to keep up with inflation and a full cost of living escalator clause.

Strike Sweeps Dayton Steel

BY JOHN WERNER

DAYTON, June 26—United Steel Workers Locals 5028 and 4760 strike tonight at midnight against the Dayton Walther Corporation, formerly known as Dayton Steel.

Local 5028 is the machine shop end of the plant complex and Local 4760 is the foundry section of this basic plant for the auto industry.

This plant supplies wheels to GM, Ford, Fruehoff, International Harvester and Mack Truck. It also supplies Ford Motor Company with disc brakes. Over 1100 workers are due to strike at midnight, but third shift workers walked out after only two hours. A sister plant in Muncy, Indiana is due to strike at the same time.

The company is said by one worker to be offering only 15 cents the first two years, and 20 cents the third year. This worker pointed out that this is even below the government's 5.5 percent and that 5.5 percent is not near enough.

KNOCK OUT

Another worker indicated the company is trying to knock out the cost of living clause. The COL has been averaging out to \$100 more every three months. Though an integral part of the auto industry, the workers still

URW: Reopen Goodyear

BY MIKE ROSS

AKRON, June 24—The third strike to hit the rubber industry within two months has been ended by the announcement of a tentative settlement between Firestone and the United Rubber Workers. More than 18,000 workers walked off the job last week against the wishes of the union leadership after no settlement had been reached three hours after the strike deadline had passed.

Feelings against the union leadership which has sabotaged the struggles with the major companies—Goodyear, Goodrich, Firestone and Uniroyal—run high among the ranks, particularly in Akron.

A meeting was called last week of Goodyear Local 2 United Rubber Workers to discuss and vote on demanding a contract reopener, especially for pulling their pensions up to the Goodrich and Firestone level.

"They'll vote to reopen," a cement mixer told the Bulletin. "I did—but it won't do any good. The company has already said they won't reopen. I don't think there'll be a strike, but we never should have signed this contract anyway."

A tire curer added: "We will need the support of other Goodyear locals to reopen."

are well behind auto workers wage rates. Beginning pay is \$3.10 in the foundry. The average for workers on piece work is \$5.00 an hour in the foundry. For laborers not on piece work it is only \$3.69 an hour. The machine shop workers make less because of the incentive lost in the last contract.

The company has been preparing against the strike by stockpiling, farming out, and recandling work earmarked for this plant to plants in Cincinnati and Canada and even a plant nearby Moraine just across the river.

The Dayton Walther company's arrogant preparations for this strike pose the need for a united strike strategy in auto. The rank and file must build caucuses demanding a national auto strike and an emergency conference of all affected unions: United Steel Workers, the UAW, the IUE and other smaller unions which supply the auto industry, such as UE Local 765 of the H&R Foundry, United Rubber Workers Local 87, manufacturer of GM brakes.

Many workers at Dayton Walther express strong support to the Bulletin's call for Nixon's removal and the construction of a labor party. Plans for a national strike strategy must be the fight for an emergency Congress of Labor to construct a labor party.

Dockers Back YS Jobs Fight

BY WILL ROEMER

CHICAGO—The demand by the Chicago Young Socialists for endorsement of their July 11 Jobs Rally hit at the center of the June meeting of Local 19 of the International Longshoremen's Association. The YS had mailed a letter to the local demanding that the unions take action to defend jobs by forcing Nixon to resign and building a labor party.

The letter said, in part, "We urge Local 19, in particular, to solidarize with our struggle in view of the devastating effect on longshore jobs brought about by the decline in trade due to the economic crisis, and in view of the threat to contract rights in the attempt to impose containerization on the Great Lakes Docks."

Copies of the letter were handed out before the meeting, and were warmly greeted by the ranks, angered over their leadership's failure to act as the season has produced an average of 300 jobs a day, as compared to 1200 to 1500 last year.

Many men told the Bulletin that even reporting every day to shape up, they had earned under \$1000 since the season opened in April. This is a double-edged attack, since all union benefits and the supplementary payments during the winter depend on the dockers' working a minimum number of hours during the season.

While the YS has proof that the letter was received before the meeting, Local President Sykes refused to read it under correspondence, as the constitution provides. It is Sykes above all

who is responsible for the attacks on the dock workers.

LEADERSHIP

Another said later: "We have a very bad leadership here. Sykes is not doing anything. This letter you sent the local, Sykes probably threw it in the trash can. You'd have to have a witness there before he's admit he received it."

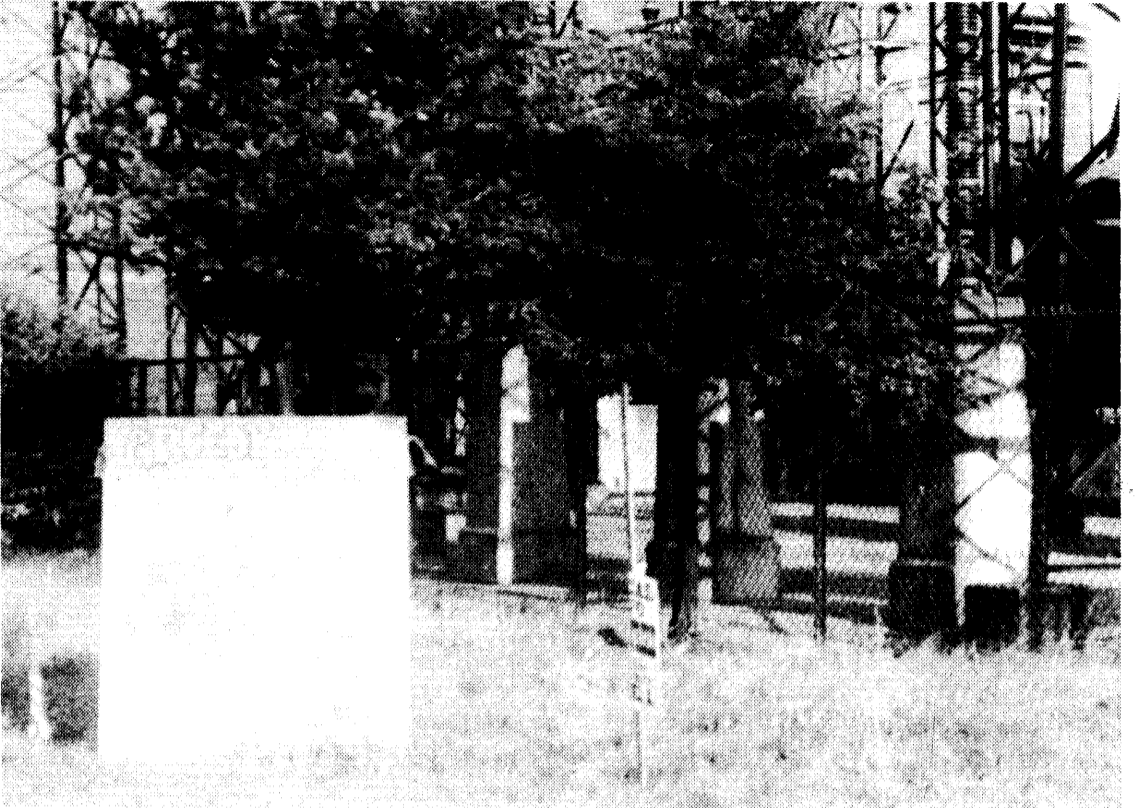
The crucial need is to build a new leadership from the ranks of Local 19, around the perspectives put forward by the Young Socialists. Dock officials report that shipping is down four percent for the season so far.

In terms of jobs, this is only part of the story, since the majority of shipping has been the record 333,000 tons of grain shipped overseas. Grain is loaded almost completely by automation and Local 19 dockworkers do not work the grain docks.

Dock union members report that many companies are rumored to be shipping general cargo overland via piggyback truck-train operations, rather than using the Great Lakes.

This is what is behind the bill approved by the Illinois legislature that would authorize a \$5 million bond issue to finance a

Midwest News



IBEW Local 270 on strike against Cleveland Electric. This is the type of art work they are using to publicize their cause, "Greedy Kilowatt."

850 Demand Election To Reinststate Firemen

BY JOHN DUNN

ST. LOUIS—An election will be scheduled in the next 60 days for the reinstatement of the 11 firemen fired for announcing a slowdown after the Moline Acres Fire Board failed to announce a pay scale and took from each man \$1200 in hospital benefits, vacation benefits and pension funds.

Over 850 signatures in the Moline Fire Protection District were collected to call for a referendum vote on the reinstatement of the firemen. All that is needed to recall the Board and remove them from office is

816 signatures.

The petition, however, could not be delivered as the secretary-treasurer of the Board was out of town. The petitions were signed on a truck parked across the street from the firehouse.

The man who let the truck park on his property received bomb threats from people who were acting in the interests of the Board.

Rich Walker, president of Local 398 of the St. Louis County Firefighters Association, which covers about half the firemen in six different districts, told the Bulletin: "The Fire Boards are spending money like drunken sailors with a total disregard for the welfare of the public. There are 54 different fire departments in the county. This is a waste of money. What we need is one county wide department."

The fire fighters were successful at breaking the mutual aid pact that the districts have to help one another by having slowdowns in the districts around Moline Acres. There are over 10 pages in the Missouri Revised Statutes on fire protection and as one fireman said, "All the laws are theirs."

Local 398 must take the lead and call for the construction of a labor party. Only the organized strength of the working class can put a stop to mismanagement at all levels of government.

Bulletin

weekly organ of the workers league

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Throw Nixon Out!

John Dean's testimony before the Senate Committee investigating Watergate has involved Nixon directly. There is no doubt in the minds of millions of workers that it was Nixon who was at the head of this conspiracy to rob workers of their democratic rights and impose a one man rule in the interests of the big corporations.

Dean's testimony reveals above all else the hatred the working class has for the Nixon government and its elaborate plans including private "goon" squads to crush all opposition to its anti-working class policies.

Nixon today survives in office only because of the trade union leadership. The one and only statement by George Meany, head of the AFL-CIO, on Watergate was that Nixon was "innocent until proven guilty." What more do Meany and his fellow bureaucrats want?

On the eve of Dean's testimony, in fact, Meany extended his hand to Nixon and offered his cooperation in Phase Four. Calling for more "equitable" controls, Meany said last week: "We of the AFL-CIO will look for concrete evidence that Phase Four, following the end of the freeze, will be more effective, fair and equitable than the previous phases of the past 22 months... We are prepared to express our views, in detail, to representatives of the Administration in the course of any consultations."

In other words, Meany and all of the labor leaders are prepared now to collaborate with this completely illegal government in its new moves toward state control over the unions, to slashing the living standards of workers and destroying all union rights. Right at the moment when Nixon's days are numbered and the way is opened for labor to build a labor party to smash the attacks on the working people, Meany seeks to give some semblance of authority to Nixon and prop him up. There is nothing in history to match this treachery.

Behind the Watergate explosion is the deepening economic crisis that now threatens to transform the inflationary "boom" into slump. The ruling class has no answer to the crisis except further attacks on the working class through speedup, wage cuts and layoffs. Every day that Nixon remains in office and the building of a labor party is delayed brings further grave dangers to the working class.

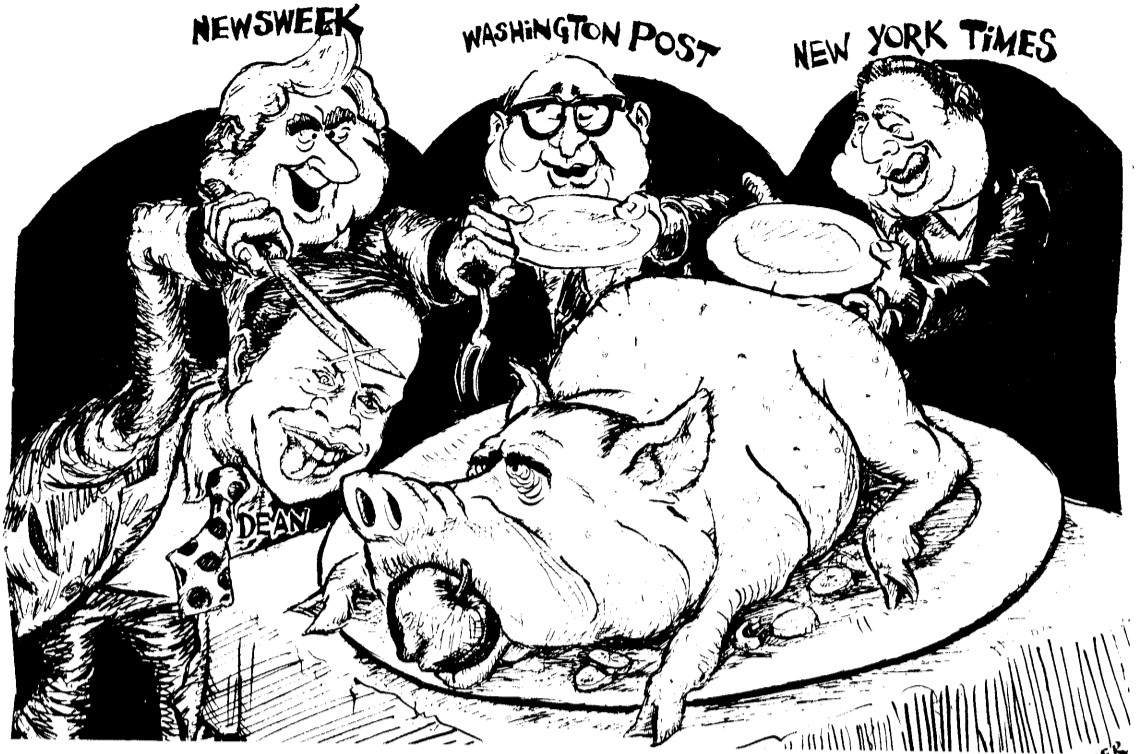
The initiative now lies with the labor movement. But not for long. If Nixon survives he will carry out the most vicious attacks on the working class. This is why the ranks of the trade unions must demand that their leaders immediately call off all talks, negotiations, and collaboration with the Nixon government and get down to the urgent task of convening a Congress of Labor to prepare action to throw Nixon out and construct the alternative to Nixon and the Democrats, a labor party to fight for socialist policies.

Building the Bulletin

The Young Socialist subscription drive has gotten off to an extremely slow start. Only 47 subs were gotten this past week, bringing the national total to 158. We must get 1000 subs nationally this week to reach the one-third goal.

The July issue of the Young Socialist is just out, leading the fight for the jobs demonstrations. Branches must begin real Young Socialist sub campaigns which will be central to building the jobs demonstrations across the country.

The national goal of 300 Bulletin subscriptions a week must also be met. Only 121 subs were gotten this week. The 1800 subs gotten the last week of the sub drive show that this goal of 300 certainly can be met.



What we think The Great Deception

The new era of "durable, stable peace" hailed by Nixon and Soviet Communist Party head Leonid Brezhnev represents a conscious and organized attempt to deceive the international working class. In his speech on television on Sunday night Brezhnev praised Nixon and the progress of their talks.

Brezhnev, who claimed to be speaking for the Soviet people, said that his agreements with Nixon are for the "good of all mankind." Brezhnev, however, no more speaks for the Soviet people than Nixon speaks for the American working people. Brezhnev is a representative of the privileged bureaucracy in the Soviet Union that usurped the political power from the Soviet workers under Stalin. Nixon is not the spokesman of working people but of imperialism.

Brezhnev, in fact, stayed as far away from the working class as he could. Rejecting an original plan to tour an auto plant, Brezhnev chose instead to meet with the heads of the auto corporations. Brezhnev's antics at the poolside party at Nixon's San Clemente mansion can only be described as politically obscene.

Here he laughed and joked with the big businessmen and millionaires who make up Nixon's supporters such as: Ronald Reagan, who has built his political career on vicious attacks on the working class and anti-communism and called for Angela Davis to be sent to the gas chamber; and Frank Sinatra, whose connections with the Mafia are far from secret; and finally, Nixon's coterie of entertainers who boost anti-communism. Brezhnev feels "comfortable" in these circles because of his fear of the working class internationally.

Brezhnev's antics expose not only the degeneracy of the bureaucracy but the extreme crisis it is in. Most important is Brezhnev's attempt to portray Nixon as a man of peace who has shed his cold war armor. Nixon and Brezhnev's talk of peace is a conscious lie designed to disarm the working class as it faces unprecedented attacks. Nixon's line in international relations as well as at home is openly anti-working class and counterrevolutionary.

An essential part in this "peace" deception is being played by the American Com-

munist Party. In the US Brezhnev met with the leaders of the CP. The CP is directly involved in the counterrevolutionary conspiracy being prepared against the working class. Just as Brezhnev bowed and scraped before Nixon, even donning a jacket with the Presidential emblem to give this Administration some authority, the CP was working out its line to divert any struggle of the working class away from Nixon.

In the June issue of the CP's Political Affairs magazine, which contains an editorial welcoming Brezhnev, Gus Hall writes on the Watergate conspiracy. He concludes his article with the following statement:

"Status quo solutions are no solution. Calls to impeach the President or demand his resignation are good mass slogans. But the fact that Agnew or Albert would then become President indicates that such slogans are not enough. Considering everything that has gone on, the 1972 elections were a fraud. Therefore a call for a new election is very legitimate and understandable, but in a more fundamental sense, it is necessary to raise sharply the question of the need for basic Constitutional reforms that move in the direction of destroying the power base of monopoly capital and the building of a power base for a people's democratic structure."

For weeks now the CP has been in an impossible position. On one page, they print articles praising Brezhnev's visit and welcoming his initiatives including reports that Nixon will visit Moscow again in six months. On another page they print demands by some unions for Nixon's resignation. Now Hall, the head of the CP, is saying that the question is not to force Nixon to resign and call a new election but rather to fight for "basic constitutional reforms."

While it is true that demands for Nixon's resignation "are not enough," what Hall refuses to raise is the construction of an alternative to Nixon and the Democratic and Republican parties—that is a labor party. The urgency of this alternative is now raised in the fight to force Nixon out. It is this alternative of the independent political mobilization of the working class against the

government that the Stalinists are so vehemently opposed to. Hall's talk about "basic constitutional reforms" and a "peoples democratic structure" is a defense of the Nixon government and subordinates the working class to pressuring it to be more "democratic."

This is the real position of the Stalinists. This is why the Daily World welcomed the calling off of Dean's testimony (Thursday June 21) during Brezhnev's visit. What the CP is saying, following Brezhnev, is that the days of class struggle are over.

This is the perspective outlined by John Pittman in his article "Some leftwing criticisms of the Brezhnev-Nixon talks." In an obvious attempt to answer the questions raised by the CP's ranks, Pittman claims that the new "detente" "creates new objective conditions for both the working class and the monopolies to benefit, it clearly does not confer on one advantages to the exclusion of the other." He goes on to say that with advances toward peaceful coexistence, the "monopolies will have surrendered the main theoretical rationale for their robbery and repression of the working class."

It is clear that the position of the Stalinists is becoming more and more untenable and exposed. Just as Brezhnev's visit could not stop the exposure of Nixon and his role in Watergate, the CP's talk of an end to class struggle cannot cover the fact that millions of workers are now moving into battle against the government's attacks. The conditions are now created for bringing down the Nixon government and building the alternative. This takes place at a time when far from surrendering their repression against the working class, a new stage of attack is being prepared.

The fundamental question before the working class is the construction of a new leadership in the working class, based on the lessons of the struggle of Trotskyism against Stalinism. This leadership will now be constructed in a struggle to build a labor party and go on the offensive against this system. It is the offensive of the working class here and internationally that will throw the wrench into the counterrevolutionary plans of Nixon and the Stalinists.

REVISIONISTS EXPOSED BY ECONOMIC CRISIS

This is a series of articles from the British Workers Press in reply to Dick Roberts of the Socialist Workers Party writing in Intercontinental Press.

BY PETER JEFFRIES

As against every tendency inside the working-class movement, the Socialist Labour League and the International Committee of the Fourth International have sought continually to analyse the nature of the post-war capitalist crisis and to warn the working class of its revolutionary implications.

This task has been an indispensable part of the work, now reaching a climax, to prepare to transform the SLL into a revolutionary party, which alone can provide the working class with the programme and policy to meet this crisis.

Standing against us at every stage of this struggle has been the so-called 'Unified Secretariat'. This is the body which abandoned Marxism when it split from the Fourth International in 1953.

Its leading 'theoretician' is Ernest Mandel. Mandel has been in the forefront in consistently peddling revisionist illusions about the nature of capitalism since 1945.

No doubt stung by the consistent exposures of its revisionism carried out by the SLL, the Unified Secretariat has at last been forced to defend its economic analysis of post-war capitalism. This unfortunate task has fallen to Dick Roberts, leading member of the American Socialist Workers' Party, which is in political solidarity with the Unified Secretariat, although for legal reasons not allowed to affiliate to it.

In a series of articles in 'Intercontinental Press' (May 7, May 14 and May 21) Roberts makes a desperate, though pathetic, attempt to defend his political mentor Mandel.

Before coming to the substance of Roberts' argument, it is necessary to be clear about the relationship between his and Mandel's economic writings and their politics.

For it would be quite wrong to believe that the counter-revolutionary politics of the Unified Secretariat have flowed simply from a 'wrong' analysis of post-war capitalism. On the contrary, it was the abandonment of revolutionary Marxism and a capitulation to Stalinism which long ago forced Mandel and his friends to seek a 'new' analysis of capitalism which would justify these politics.

When M. Pablo and Mandel deserted Trotskyism in 1953 the issues were very clear. The essence of their break was that the analysis of the epoch, as outlined by Trotsky in the Transitional Programme, was now 'out of date'. Pablo saw the drive to socialism after the last war as 'irreversible'; but it would not come for many generations. Meanwhile Trotskyism had to look towards sections of the Stalinist bureau-

cracy which, under pressure from the masses, would be driven to accept the 'programme' and 'ideas' of Trotskyism. In a word, Pabloism was liquidationism.

And since 1953 the Pabloites have carried their theory into practice.

The Socialist Labour League was established and then built only in continual conflict, at every stage and on every question, against the Pabloite movement in Britain.

It is from the standpoint of these politics that all Mandel's economic writings must be judged.

To take one crucial example which Roberts raises in the first of his three articles. Roberts seeks to defend Mandel's use of the term 'neo-capitalism'. Before setting down what Mandel actually said on this subject, let us look at his general characterization of post-war capitalism.

In his 'Marxist Economic Theory'—which Roberts takes as his authoritative source—Mandel says the following about capitalism after 1940:

'With the 1940s appeared the warning signs of a third industrial revolution. The first industrial revolution had been based on the steam engine, the second on the electric motor and the internal combustion engine. The third is based on the release of nuclear energy and the use of electronic machinery.'

Here, in a single paragraph, is expressed the real content of Mandel's total rejection of Lenin and Trotsky's analysis of imperialism.

For both Lenin and Trotsky, imperialism was the highest stage of capitalist development. It was the highest stage for them, unlike Mandel, because it represented the period in which capitalism had ceased to be a progressive force, capable of developing the productive forces. It now constituted an enormous fetter on the productive forces which only the working class could remove in the struggle for socialism.

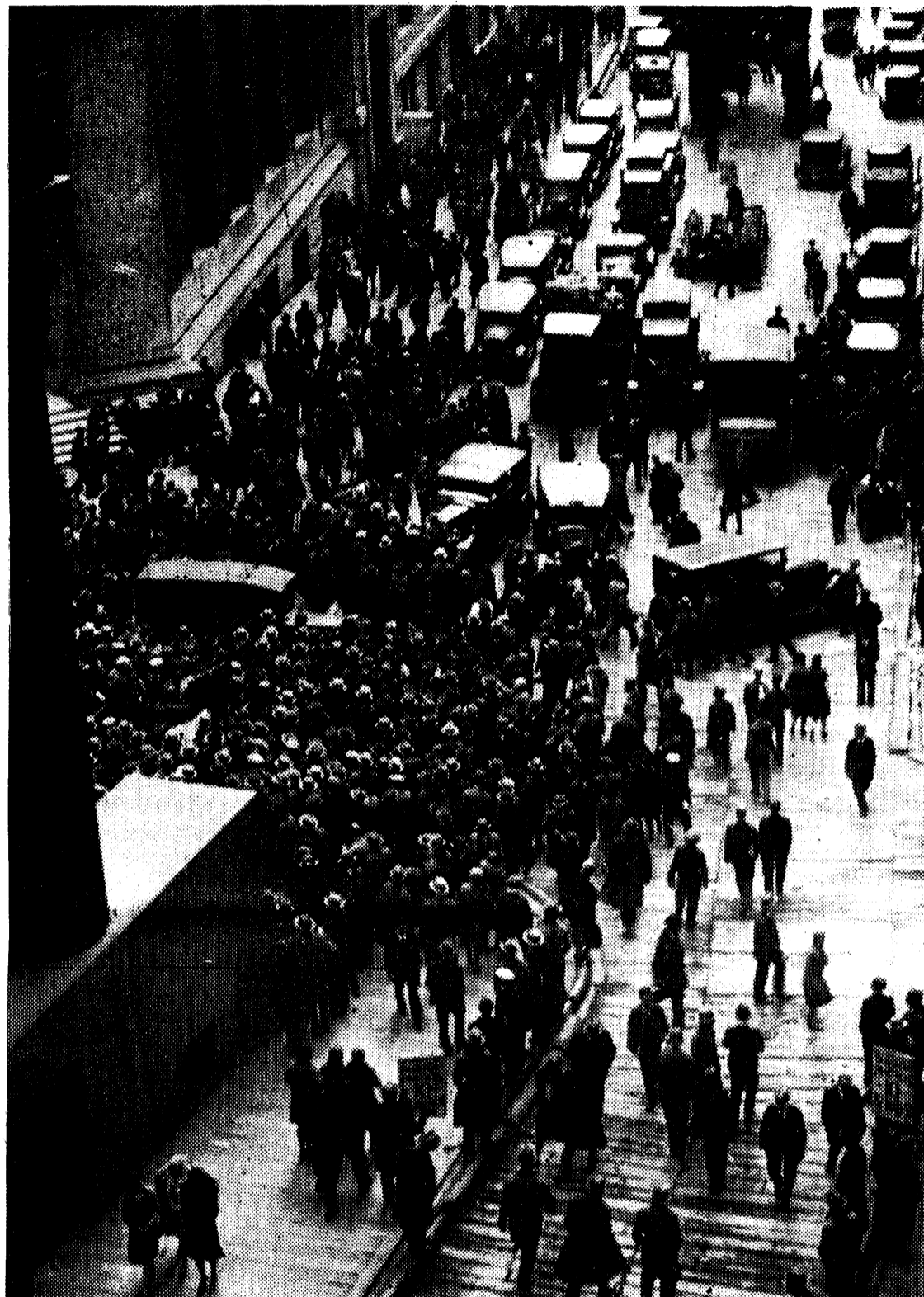
In the period of Stalinism, from 1925 onwards, Trotsky showed that capitalism survived only because of the unresolved crisis of revolutionary leadership in the working class.

The starting point for revolutionary Marxism, therefore, was this conception of the nature of imperialism and the struggle for revolutionary leadership which flowed from it.

Now how does Mandel's conception of a 'Third Industrial Revolution' square with this analysis?

It is, of course, in the most direct opposition to it.

Marx was among the first to understand the implications of the Industrial Revolution which changed completely the nature of economy and society in England after 1750. It was a revolution which saw not merely a series of great technical changes in every leading branch of industry, but a period which broke up com-



The 1929 crash on the New York Stock Exchange, which wiped out some \$30 billion of inflated values.

pletely the old social structure.

For it was a revolution which brought into being the modern working class, the grave-digger of capitalism. In so doing, it reflected and prepared for an enormous expansion of the capitalist system which was soon to dominate the entire world.

It is utterly impermissible, therefore, for Marxists to employ such a term in relation to capitalism, not in its period of expansion, but in its epoch of decline and disintegration.

The 'technical changes' which occurred in capitalist economy after 1940, of which Mandel wishes to make such a fetish, were possible only because the betrayals of social democracy and Stalinism from the 1920s onwards allowed capitalism to survive.

Of this Mandel says not a single word!

Nor does he inform his readers that these developments were bound up almost entirely with war and the preparation for war which again are inseparable from imperialism.

Of course, Mandel's use of the term 'industrial revolution'

was no slip of the pen.

For the politics of Mandel, like all revisionists before him, forces him to cling to the most superficial indications of what he hopes is any strength the capitalist system may have. Because the revisionists long ago wrote off the working class as the only revolutionary force within capitalist society, they must necessarily turn all their economic analysis in this direction.

This was certainly the case with Mandel's 'neo-capitalism', the stage of capitalism which he saw emerging after 1940.

Roberts may squeal that his master has been 'misrepresented'. He fails entirely to tell us why, if capitalism remained gripped by the same basic contradictions which Marx had analysed, was it necessary to employ a new term? What, we ask Roberts, was 'neo' about 'neo-capitalism'?

There is no need to ask Roberts, however, for Mandel has already told us: 'The capitalist economy of this phase tends to ensure greater stability [Mandel's emphasis] both of consumption and investment than in the era of

free competition or than during the first phase of monopoly capitalism; it tends towards a reduction of cyclical fluctuations, resulting above all from the increasing intervention of the state in economic life.' ('Marxist Economic Theory', p. 529.)

And on the same page: 'The whole system evolves not so much towards uninterrupted growth as toward long-term stagnation . . . The practical effect of this increased economic role of the state is precisely a reduction of cyclical fluctuations.' (ibid, p. 53.)

Here we see that Mandel quite consciously counterposes 'neo-capitalism' to the 'first phase of monopoly capitalism', that is to imperialism which Lenin defined as 'monopoly capitalism'.

In other words, imperialism was not the highest stage of capitalism. Imperialism is not the epoch in which the crisis of working-class leadership will be resolved. It has been replaced by the stage of 'neo-capitalism' in which Trotskyists cease independent political activity and prostitute themselves before Stalinism.

Every conclusion which Mandel drew about the more 'stable' post-war capitalism flowed from this abandonment of Marxism and the struggle to build the revolutionary party.

Dick Roberts, a leading member of the American Socialist Worker's Party has written a series of articles in defence of the economic theories of Ernest Mandel. It is when Roberts comes to justify Ernest Mandel's analysis of the monetary crisis that the theoretical bankruptcy of his group is most plainly seen.

Roberts attempts constantly to deride and misrepresent the analysis of the monetary crisis which has been made by the Socialist Labour League. 'For Marxists,' he tells us, 'the central contradiction of imperialism, monopoly capitalism in the 20th century, is the revolt of the forces of production against national boundaries.'

Now we certainly don't need Roberts, representing a group which long ago deserted the Leninist analysis of imperialism, to tell us this.

For Lenin, this was a general, abstract, statement about the fundamental cause of capitalist crisis in this epoch. In the same way, Marx, in the Preface to his work on capitalist economy ('Critique of Political Economy') made clear that the content of capitalist breakdown was the tendency for the productive forces to come into collision with the socialist relations of capitalist production.

But, unlike Roberts, Marx knew also that it was necessary to deal with the forms which this crisis took. For the laws of capitalist economy do not present themselves directly on the surface of society. Quite the contrary! The content of any crisis can only be grasped through the specific forms which it takes under historically-determined circumstances.

'Value . . . does not stalk about with a label describing what it is,' Marx tells us in 'Capital'. That is why he had to trace out the development of the value form in the opening chapters of 'Capital' from its 'elementary' through its 'expanded' and then its 'general' (money) form, a form which Roberts clearly does not understand.

It is quite ludicrous for Roberts to 'counterpose' the monetary crisis to the 'real' capitalist crisis. In doing so he only reveals his complete ignorance of Marx's economic method.

We are 'one-sided', says Roberts, in pointing to the dollar crisis as the main component of capitalist crisis. 'In order to grasp the dynamics of post-war expansion we have to begin with Marx, in the arena of production, not circulation.' This method is expressed 'in the logical structure of "Capital" which proceeds from the contradiction of production in the first volume to those of circulation in the second and third volumes'.

Let us, if not for Roberts' benefit, at least for any of his readers who may have been misled by his analysis, explain the Marxist theory of money.

Marx constantly derided all those bourgeois economists who thought that money was merely a convenient way of circulating goods within capitalism. What he would have thought of somebody claiming



The 1944 Bretton Woods Conference: "The inescapable fact is that the production of commodities remains antagonistically tied to the production of its opposite, gold. Below, Mandel.

to be a 'Trotskyist' who laboured under the same illusions is easy to imagine.

Marx, in fact, shows that money arises out of the very nature of commodity production and cannot be separated from it.

In dealing with a crisis in the monetary system, we are in fact dealing with the highest expression of a crisis which now grips the very foundation of capitalist commodity production.

It is from this standpoint that the SLL has analysed the unfolding of the monetary crisis.

Marx demonstrated that there is a fundamental contradiction at the very heart of commodity production. For it involves at one and the same time the creation of use values and exchange values. Use values are objects of use for everybody but their producer. Now the production of wealth takes the form of the production of use values in all societies. But what is unique to capitalism is that commodity production predominates. That is, all production tends to take place, not for the use of the direct producers, but for the market. All goods, including the ability to work, labour power, become commodities.

In exchanging commodities, men are in fact exchanging their labour. Under capitalism, the social relations of production take the form of or appear as the relations between 'things', commodities.

The exchange of commodities is determined by the socially necessary labour time incorporated into each commodity. If a coat takes twice as many hours to produce as a hat (assuming 'normal' conditions) then two hats will exchange for one coat.

How does Marx explain the manner in which the contradiction within the commodity, as a 'use value' and

an 'exchange value' is overcome? It is overcome through the development of money.

Only through the creation of a 'universal equivalent' is any means found whereby each person's individual labour (which produces use values) is transformed into its opposite, general labour (which produces exchange values).

'Money is a crystal formed of necessity, in the course of exchange, whereby different products of labour are practically equated with one another and thus by practice converted into commodities. The historic and progressive extension of exchange develops the contrast latent in commodities, between use value and the value. The necessity of giving external expression to this contrast for the purpose of commercial intercourse, urges on the establishment of an independent form of value, and finds no rest until it is once and for all satisfied by the differentiation of commodities into commodities and money.' ('Capital' I, p. 87.)

Roberts clearly understands none of this. This is obvious when, quoting Marx, he thinks he has scored a 'great point' when he tells us that only in a crisis, does 'gold come into its own'. As though we are not in a crisis now! As though the continual tendency for the gold price to soar is not the most acute indication of capitalist crisis!

The inescapable fact is that the production of commodities remains antagonistically tied to the production of its opposite, gold. In a period of prosperity the capitalists want only 'real' value in the form of commodities. Only in a crisis do they rush for gold, rejecting 'profane' commodities.

Since 1945 the considerable expansion of production within the capitalist economy has been built up largely through the creation of a vast pool of

dollars, on the basis of which an even larger superstructure of credit has been built.

But the expansion of production—the growth of the productive forces—could occur only within the confines of the creation of exchange values.

Marx showed this in his analysis of the commodity—use values are created only to the extent that they can be produced as exchange values. And the most abstract, general, and therefore powerful expression of exchange value is gold itself.

The 'gold crisis' is not, as Roberts fondly imagines, something distinct from the tendency of the productive forces to collide violently with the social relations of production. The gold crisis is precisely the dominant form taken by this collision.

It is therefore nonsense for Roberts ('Intercontinental Press', May 14) to assert: 'It is precisely because of production crises that gold maintains its special role.'

No. Gold plays the indispensable role in capitalism in transforming private, individual labour into general, universal labour. And in a long quotation from 'Capital', Vol. 3 (pp. 560-561) which Roberts imagines supports his contention that 'real' crises exist independently of money crises, he most conveniently 'omits' the following passage, which Engels inserted in preparing Marx's draft notes for publication:

'The wealth of society,' says Engels, 'exists only as the wealth of private individuals, who are its private owners. It preserves its social character only in that these individuals mutually exchange qualitatively different use values for the satisfaction of their wants. Under capitalist production they can do so only by means of money. Thus the wealth of the individual is realized as



social wealth only through the medium of money. It is in money, in this thing, that the social nature of this wealth is incarnated.'

It was for this reason that the attempt by the Keynesians to 'manage' the world money system after 1945 were doomed to failure.

At Bretton Woods the leading capitalist powers tried to 'plan' the money system by tying the dollar (and through it all other paper currency) to gold. Meanwhile a considerable expansion of commodity production took place, necessarily in the most 'anarchic', that is unplanned, manner.

But commodities and money are bound together. What is a mere 'difference' in a boom, a difference which the revisionists and capitalists alike sought to ignore, in a crisis is sharpened to the point of violent antagonism.

Now the productive forces built up over 25 years are seen to be without visible means of support. 'Stabilization' involves their complete wiping out, along with vast quantities of labour power which are now equally 'surplus' from the standpoint of capitalist production.

Every worker and serious socialist knows that of all the tendencies within the working-



Students demonstrating in France in May-June 1968. Inset, DeGaulle. Absent from Mandel's analysis is that the struggle for power is posed with the development of the economic crisis.

class movement only those of the International Committee of the Fourth International have analysed the development of the crisis in a way which has anticipated these great changes and prepared a working-class leadership accordingly.

In our final article tomorrow we shall examine the writings of Ernest Mandel on the money crisis to establish the ruthless manner in which the present crisis has exposed his complete shallowness and bankruptcy.

In his three articles in 'Intercontinental Press', leading SWP member, Dick Roberts is at pains to stress what he claims is the 'dogmatic' and 'sectarian' analysis made by the Socialist Labour League, as against that presented by Ernest Mandel.

As all those with any experience in the working-class movement know, 'dogmatic' and 'sectarian' for the revisionist always means 'principled' and 'consistent' as against their own desertion of Marxism to suit the needs of the Stalinist and social-democratic bureaucracies.

It is no accident that Roberts should sprinkle his article with such phrases. The revisionists have now taken over completely the language of the Stalinists who, from the 1920s onwards, have maliciously attacked Trotskyism for its alleged 'ultra-leftism'.

One of Mandel's earliest efforts came at the time of de Gaulle's 1965 proposal for a return to gold as the basis of the international money system. Before outlining Mandel's comments on this proposal, let us recall the present state of the world money

system.

Since August 1971, when President Nixon announced that the dollar was no longer backed by gold, the inexorable trend within world economy has been precisely to return to gold as the only means of international trade and payments. And every dollar devaluation (already two since that date) and increase in the gold price (now over three times its 'official' price) marks a step along that road. In a crisis, the capitalist system is always, as now, thrown back onto gold as the only means in which its value can be preserved.

What did the erudite Mandel have to say about de Gaulle's plan?

... there is not the slightest chance that de Gaulle's proposal will be taken up. It would be suicide for capitalism to return to a rigid system of money and credit controlled automatically by the supply of gold. Such a system could lead only to a major depression.'

And, on the following page: 'Even a sharp increase in the price of gold . . . would not fundamentally alter that situation . . . A permanent crisis of international liquidity would ensue, bringing great unhappiness throughout the capitalist world.'

Here we have complete and utter reformism. For Mandel, the capitalists can choose whether they have a crisis! And no doubt wishing to avoid 'great unhappiness' they will opt to avoid a crisis! Hence a return to the gold standard is ruled out. What rubbish!

Marx insisted always, that the laws of capitalist development were objective, 'independent of will and consciousness'. Capitalism is now gripped by crisis because of its inherent and ever-sharpening contradictions. Indeed, in a period of crisis, these laws of development assert themselves most

clearly, against both the classes, in the same way as does the law of gravity when a house collapses.

Again, no 'mistake' on Mandel's part, but a reflection of his continuing, somewhat touching, faith in the ability of capitalism to eliminate these contradictions.

This same method is revealed in the article from which we have quoted when Mandel writes: 'Those who advocate returning to the gold standard score a good point when they argue that the present monetary system leads to increasing inflation. This is completely correct. But increasing inflation is the only means by which a capitalist economy can convert grave depressions into "minor" recessions. What capitalist government in the United States, for instance, would run the risk of having 15 million or 20 million unemployed for the sake of "fighting inflation" or "going back to gold"?'

Now the amazing thing is that Roberts quotes this passage from Mandel's 1965 article, thinking he is attacking the SLL! Yet the very week it appeared, leading sections of capitalist opinion in the United States were calling for precisely these deflationary policies, which they correctly feel absolutely essential, whatever cost in unemployment, as the only means of 'fighting inflation'.

Presumably Mandel and Roberts are today more sanguine than ever about capitalist prospects. For inflation is certainly 'ever increasing', so presumably will allow the capitalists to avoid 'grave depressions'.

Of course, the SLL has never suggested that the 'old style' gold standard can ever be restored, as Roberts, attempting a cheap distortion, suggests. The gold standard died with the advent of imperialism. The

return to gold has opened up a period not of capitalist stability and expansion, but of acute convulsion and breakdown.

Mandel's second excursion into the monetary crisis came at the time of the November 1967 14 per cent sterling devaluation.

Once more his analysis stood up just as well to subsequent developments as did his comments on the gold standard (which we exposed in Saturday's article)! 'In the international domain, the capitalist countries were happy over Wilson's "moderation"; if he had devalued by 30 per cent it would have shaken their markets.'

It did much more than 'shake their markets'! Within a few months, as the SLL said it would at the time, it shook the entire world capitalist monetary system to the very point of collapse.

March 1968 with its run on gold and the creation of the 'two-tier' system flowed directly from the sterling devaluation at the end of the previous year. The crisis for the pound opened up a crisis for the dollar.

Yet not only was Mandel happy at Wilson's 'moderation'; he could declare: '... the other imperialist moneys, are, to say the least, technically [?] solid.' And on the very eve of the dollar crisis!

Not that Mandel learned anything from the next few weeks in the build-up to this dollar crisis. Writing in January 1968 this 'Marxist theoretician' once more ruled out the return to gold. But even when the crisis did break, Mandel was unrepentant.

'Will the dollar follow the pound?' was the question he placed before his worried

readers. No, Mandel assured them: 'The apparent parallel between the pound and the dollar should not deceive us.'

The lack of confidence in the dollar, which even Mandel began dimly to perceive as a fact of economic life, 'arises from US government expenditure abroad'. This, in turn, Mandel told us, came from 'financing the Vietnam war; granting military aid to reactionary and dictatorial regimes in many countries . . .

It is these dollars which account for the constant flow of gold from the United States; it is these dollars that created the recent panic'.

Once more, the SLL never failed to recognize the impact of the Vietnam war. Indeed our latest statement on the crisis (A Marxist Analysis of the Crisis—statement by the SLL Central Committee) specifically draws attention to this factor.

But for us it has never been the major source of the dollar crisis. Mandel utterly ignores the vast pile-up of dollars in the 'Euro-dollar market'. These represent the accumulated capital exports of the post-war period, capital exports which in turn reflected a desperate attempt to preserve social and economic stability in western Europe as well as to overcome the contradictions associated with the tendency of the rate of profit to fall.

Mandel ended his piece with the statement 'the plans to create a world currency detached from gold have slight chance of success'. Here we see the 'theory' which the centrists such as Mandel indulge in: nothing clearly stated, with the attempt to create lingering illusions in the stability of the system.

For the plain fact is, as everyone who has studied 'Capital' knows, there was no chance whatsoever of such a currency. Gold alone is, and always was, the only 'universal money'. The dollar, even in the boom, and sterling, even in the heyday of capitalism, could never dislodge it.

At the end of 1968 Mandel was still holding out the possibility of such a 'solution' to the crisis, however 'slight'. He then thought that 'raising the price of gold', creating a 'central bank currency'; pooling all the exchange reserves of west European countries into a 'Eurofranc' were all 'theoretically possible' solutions 'in the context of the international capitalist economy'. 'None of them would undermine the foundations of the capitalist mode of production.'

Of course all this was glibberish. The only 'solution' was a steep increase in the price of gold, a 'solution' as we continually stressed, which would mean the final end of Bretton Woods and the opening of a period of intense and general capitalist crisis.

How far away Mandel and his revisionist friends were from such conclusions.

'The future of the system created at Bretton Woods is more than sombre,' Mandel told his readers in 'Intercontinental Press', December 9, 1968.'

Far from being 'sombre', Bretton Woods had been all but killed off by the two-tier system introduced the previous March, whereby the US agreed that only 'official' (government) dollar holders could switch their money into gold. August 15, 1971, merely finished off the operation in this sense.

As we saw from our first article, Mandel's aim throughout is deliberately to underplay the revolutionary implications of the present crisis. This was nowhere more clearly seen than in his response to the Nixon August 15 measures.

For the SLL this announcement represented the most decisive turning point of all. Nixon, on behalf of the American ruling class, had declared war on the rest of the capitalist world. The main lines of division were drawn: Europe against America.

How did Mandel and his revisionist movement react? 'The international capitalist system as a whole has emerged from a long cycle of expansion to begin a long cycle of much slower growth [emphasis added] and many more crises . . . The merry-go-round has only begun. The long cycles last on the average 20 to 25 years [emphasis added].'

In other words, in plain language; August 15 opened a period in which for the next 25 years there would be much 'slower growth' and 'many more' crises.

The struggle for power, the preparation for decisive confrontation between the classes throughout western Europe and America was utterly alien to Mandel's thinking.

The previous May ('Intercontinental Press', May 24, 1971) he had ended his analysis of the dollar crisis with the pathetic plea: 'The worsening international monetary crisis is a serious invitation [!] to meet the international speculations of the capitalists with an international workers' struggle.'

In Mandel's polite, petty-bourgeois world the 'class struggle occurs 'by invitation' only it would seem.

Reading Mandel's pronouncements on the crisis, one can only conclude that the more

it deepens, the more optimistic he becomes about the future of the capitalist system.

At the time of the Smithsonian talks (December 1971) he asserted with great confidence: 'The system born in

Washington will not survive a decade.' ('Intercontinental Press', January 1972.) A decade? In point of fact, the Washington arrangements did not 'survive' ten months let alone ten years.

By June 1972, the pound was floating and any hope of European monetary integration which only a little while earlier Mandel had seen as a 'theoretically possible' solution was killed stone dead. Such

is the power of Mandel's perspectives. So closely tuned is his analysis to the tempo of capitalist development!

This is not a series of 'mistakes' which Mandel can correct at the 'final hour', as it were. For as we insisted in starting these articles, the analysis made by the Pabloites of the economic crisis flowed directly from their politics.

While he was doing his best to play down the oncoming capitalist crisis from the mid-1960s onwards, Mandel and his followers were at the same time peddling every possible anti-Marxist policy amongst their middle-class supporters: 'student power', 'pupil power', 'womens' power', anything but the struggle to prepare the working class for the battles which it now faces, battles which will decide the entire fate of humanity.

The economic analysis which the SLL and the International Committee of the Fourth International has made throughout the development of the present crisis has been possible only because we have been engaged in a continual political fight against all forms of revisionism.

It is this struggle against revisionism which has been at the backbone of the preparations for the founding of the revolutionary party.

Mandel can rest assured that its launching later this year will only serve to open up a new and even sharper period of struggle against the politics and method which he and his fellow renegades from Trotskyism represent.

CONCLUDED



Karl Marx, who very clearly demonstrated that money arises out of the very nature of commodity production. Roberts denies that circulation has anything to do with the present crisis.

JUST OUT!

Labor Publications, along with New Park Publications of England is embarking on a major publishing program. This will include new editions of Trotsky's basic writings and an expanded series of pamphlets of Marxist classics with new introductions which try to develop a new understanding of these works in light of the international crisis today and the tasks of the Trotskyist movement. This is a giant stride forward in the development of a Marxist publishing house. Be sure to look for our new titles in the coming months!



FIRST FIVE YEARS OF THE COMMUNIST INTERNATIONAL \$3.75
Just arrived from England. This new edition of the first volume of Trotsky's writings and speeches for the Communist International covers the period of its first three Congresses and incorporates previously unpublished material from Volume 13 of his Works.

EUROPE & AMERICA \$0.75
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.



MARXISM AND THE TRADE UNIONS \$0.75
Trotsky discusses in these articles the vital role of revolutionaries in the unions and takes up the sharpest struggle against syndicalism and opportunism.

IN DEFENCE OF TROTSKYISM \$1.00
Just arrived from England. Basic statement of the International Committee of the question on Marxist philosophy. Fundamental answer to the revisionism of the OCI and of George Novack of the Socialist Workers Party.

FROM SIT-DOWN TO LORDSTOWN \$0.75
This pamphlet brings to life the bitter battles in auto against the bosses and the government and examines the role of the CP during the formation of the United Auto Workers. An understanding of this history is necessary today to construct the political alternative to Nixon.

OCI: BREAK WITH CENTRISM! \$0.95
Basic documents of the French OCI's split with the International Committee. Discusses the role of centrism in the defeat of the Bolivian working class and its relationship to the Marxist method.

DOLLAR CRISIS \$0.25
A collection of articles reprinted from Workers Press, daily paper of the Socialist Labour League, British section of the International Committee. Essential reading for gaining an understanding of the world monetary crisis and the development of capitalism since World War Two.

WHAT IS SPARTACIST? \$0.75
This second edition, with a new introduction by Tim Wohlforth, contains vital material on the struggle for perspectives within the Socialist Workers Party in the 1960s and the Spartacist League's refusal to carry out that fight as part of the international movement. This pamphlet is essential in the new period for an understanding of the dangerous role of pragmatism and radicalism in the labor movement.

David North books



Stalin and Ribbentrop, right, shaking hands after the signing of the 1939 Pact. Hitler referred to Stalin as "the only man I ever trusted." The result of Stalin's disastrous policies, above: the Nazi hanging of Russian civilians in the summer of 1941.

CODEWORD BARBAROSSA by Barton Whaley. The MIT Press, 1973. \$10.00.

When the armies of Hitler crossed the Soviet borders in the early hours of June 22, 1941, they achieved almost total tactical surprise. So unprepared was the Red Army for an invasion that the bulk of its leading officers were vacationing on the Black Sea.

Within the first few hours of battle, virtually the entire Soviet airforce was destroyed as the Luftwaffe found Russian airfields unalerted. Whole sections of the Soviet front disintegrated during the first hours of the offensive and thousands of soldiers were taken captive by the Nazis. Less than four weeks after the beginning of Operation BARBAROSSA—the name Hitler gave to the invasion of the Soviet Union—the Nazis had penetrated 400 miles into the interior of the workers' state.

News of the invasion physically staggered Stalin. Numerous memoirs indicate that he suffered a nervous breakdown and was unable to function politically during the first two weeks of the war. In fact, Stalin had been so convinced that the Non-Aggression Pact which he had signed with Hitler in 1939 would prevent war that he did not give the Red Army instructions to repel the massive invasion until three hours after it started.

Stalin and his Central Committee had good reason to be demoralized. For a period of more than a year, they had chosen to ignore numerous warnings of an imminent German invasion. The value of Barton Whaley's book is that it demonstrates that Operation BARBAROSSA was probably the worst kept military secret in history. With meticulous detail, he documents all the known advanced warnings that Stalin received of Hitler's decision to invade. However, after listing these warnings—and suggesting that there were many more—the author unconvincingly absolves Stalin of blame on the grounds that no one really expected Hitler to invade the Soviet Union without first issuing an ultimatum.

CRUX

But this is the crux of the matter: Stalin deliberately chose to ignore unmistakable evidence of Hitler's intentions because he believed to the end that the Nazis would not invade as long as he accepted their ultimatums. As Whaley himself states, Stalin's first reaction to the invasion—before lapsing into a political coma—was to hope that it could be localized as negotiations with Hitler were resumed.

The book exposes the claims by the Kremlin bureaucracy that Stalin "foresaw" the course of events. The military preparation of the Soviet Union for war actually declined following the Non-Aggression Pact as Stalin refused to take appropriate measures to counter Hitler's war preparations because he feared provoking the Nazis.

By early 1941, evidence of an impending invasion was so overwhelming that all but its date remained in doubt—and even that was predicted. The first intelligence reports began to filter into the Kremlin shortly after November 23, 1939, the day on which Hitler informed his senior officers that he would move against the Soviet Union at the first opportunity.

OBVIOUS

The most obvious indicator of Hitler's designs was troop deployment. Between August 1940 and February 1941, the Nazis moved 70 divisions from the western front to the Soviet borders. By June 1941, 123 German divisions were poised for invasion. Stalin was well aware of these significant troop movements because his intelligence operators had gleaned detailed information from railwaymen who were anxious to assist the Soviet Union. At any rate, it was impossible to disguise the maneuvers of more than one million soldiers and it was known in every European capital. For his own reasons, Winston Churchill even sat down to write Stalin of the information obtained by British intelligence.

But while Stalin would have been justified in being suspicious of anything told to him by the British imperialist, his own agencies told him even more than Churchill knew. The unparalleled master spy, Leopold Trepper, infiltrated the highest Nazi circles with his "Red Orchestra."

To give a sense of the abundance and variety of the information received by the Kremlin, let us merely refer to a few examples.

- The Nazis began extensive reconnaissance flights over the Soviet Union in March 1941 which were feebly protested by Stalin.

- The Soviet military attaché in Berlin obtained a copy of Hitler's TOP SECRET "Directive No. 21" of December 18, 1940, which summarized the details of BARBAROSSA and indicated that it would begin in the spring.

- The Soviet embassy in Berlin also obtained copies of a secret manual printed in large quantities which consisted of sentences in German with their Russian equivalent. The sentences left no doubt of the book's purposes: "Where is the kolkhoz Chairman?" and "Are you a Communist?" and "Hands up! I'll shoot!" and "Surrender!"

- Soviet intelligence had effectively infiltrated reactionary Russian emigre organizations and there can be no doubt that any information on BARBAROSSA available to these groups reached the Kremlin.

How Stalin Disarmed The Red Army



- The "Red Orchestra" obtained leaks from drunken Nazi officers, indiscreet admissions by German diplomats—including Ribbentrop, and even German businessmen—who complained that all orders to the Soviet Union after June 15, 1941 were to be cancelled.

The information reaching the Kremlin in June was too ominous to ignore—but Stalin chose to ignore it anyway. On June 18, a German soldier deserted and went over to the Red Army. Explaining that his father had been a Communist Party member, the soldier said that the Nazi invasion would begin at 4 a.m. on June 22. This news was labeled a "provocation."

On the same evening, a second German deserter warned Soviet officers. At a Politburo meeting, General Timoshenko suggested that all the troops be alerted as a precaution and General Zhukov read a draft of a proposed alert directive. But Stalin, clinging to his illusions, opposed the draft. He declared:

"It's too soon to give such a directive—perhaps the question can still be settled peacefully. We must give a short directive stating that an attack may begin with provocative actions by the German forces. The troops of the border Districts must not be incited by any provocation, in order to avoid complications."

The effect of this truncated directive was to further weaken Soviet troops by telling them that they should not "provoke" the Nazis even after the invasion has begun!

While Stalin hoped for negotiations, Hitler had instructed his diplomats two weeks before the invasion began that BARBAROSSA would not be called off no matter what concessions were made by Stalin. Neither Hitler nor his top aides would accept any cables or telephone calls from Stalin after June 10. Stalin, on the other hand, became more desperate as the dangers became increasingly obvious. Hoping to appease Hitler, the Kremlin severed diplomatic relations with Yugoslavia, Norway, Belgium, and Greece. On May 30, Stalin offered the Finns 20 thousand tons of grain.

Confronted by the magnitude of Stalin's

disastrous refusal to respond to the warnings he obtained, the author concludes that there just had to be some reason that the Kremlin did not prepare its military forces.

Because Whaley merely approaches the events leading up to the Nazi invasion as an historian of intelligence and espionage, he never assesses the political positions that led Stalin to disregard all the evidence of Hitler's decision to go to war against the Soviet Union.

Whaley takes no note of the fact that until the day after the invasion, the Stalinist parties of the Comintern defended the Pact with Hitler and publicly rejected all evidence pointing to an imminent attack.

The Daily Worker, newspaper of the American Communist Party, wrote on June 20, 1941: "Reports of a 'break' between the Soviet Union and Germany, with rumors of war, continue to flare up in the capitalist newspapers. What is immediately noticeable about this whole press campaign is the lying character of the stories which are being published as though they were gospel truth."

On June 22, 1941, the day before the invasion, the Daily Worker wrote: "Behind the din of 'Soviet-German' War rumors which clutter up the press is wishful thinking on the part of the monopoly publishers and the imperialist war mongers."

The pact with Hitler and the subsequent deterioration of the Red Army's readiness for war were the fruits of the counter-revolutionary policies of "socialism in one country." Having abandoned a revolutionary perspective for the defense of the first workers' state through the construction of a Marxist leadership of the European working class, Stalin eventually placed all his hopes in his ability to keep the fascists at bay through negotiations.

This book is worthwhile reading in that the material it presents—although in a very limited way—demonstrates the policies of the Stalinist bureaucracy, flowing then from "socialism in one country" and now from "peaceful coexistence," constitute the greatest danger to the defense of the workers' state.

Confessions Of A Wall St. Broker

BY DAVID NORTH

The Special International Banking Issue published June 4 by the Journal of Commerce is interesting in so far as it shows the degree of alarm about the international monetary situation and the complete inability of major financial spokesmen to put forward policies to solve the crisis—even though they are all demanding decisive action.

Another important aspect of the articles is that they show how bankers have been forced to face up to the implications of the collapse of Bretton Woods and the breakup of the boom. One article after another focuses on the disastrous state of credit arrangements, the uncontrollable inflation, the deterioration of the dollar and, finally, the watershed in history marked by August 15, 1971—the date upon which Nixon ended the convertibility of the dollar into gold.

By way of an introduction to the issue, the Journal of Commerce assembled statistics which reveal that total American assets overseas rose between December 1970 and December 1972 from \$47 billion to \$80 billion. Currently, more than 100 large Federal Reserve member banks operate about 600 branches abroad. Less than five years ago, there were just 27 member banks operating only 340 foreign branches. Back in 1965, the figure was 13 member banks operating 188 foreign branches.

These statistics are reflective of the credit explosion that has completely undermined the world monetary system. In an article for the special issue, A. McW. Wolfe, Jr., senior vice president of international banking for the First National Bank of Boston, writes: "The possibility of a deterioration in international credit standards over the past few years is drawing the attention of bankers and regulatory authorities in the world's principal centers." While noting enormous risks to the banks caused by growth of credit, he concludes that there is little that any one country can do about the state of affairs.

AUSTRIA

Referring to the same problem and its effect on Austria, where the rate of inflation reached 7.7 percent annually by last March, Bankers Association President Dr. Heinrich Treichl insists that measures must be taken to restrict credit. But in spite of what he calls "tough measures" taken by Austria, the money supply has been increased by 12 percent over the last year.

The most gloomy forecast in the issue is given by a director of the Hambros Bank, D.W.

Palmer, who discusses at length the consequences of the breakup of Bretton Woods on August 15.

"Unfortunately," he writes, "at the time of death (of Bretton Woods), the nations of the world had not established an heir-apparent to succeed to the throne upon which Bretton Woods and the I.M.F. had sat uneasily for 25 years, and consequently we are now faced with a series of 'non-systems' which amount to little more than international monetary masochism. Certainly, every major economy goes in fear of the dangers and disruptions which have been, and will continue to be, caused by massive international money flows, each one seemingly larger than its predecessor."

Palmer expects the monetary crisis "could well produce difficulties which would lead to a slowing down in the growth of world trade..."

These articles all state with varying degrees of bluntness that restrictions on credit, money supply, and even the movement of currencies must be enforced. The last proposal—made very forcefully by the general director of the Banca Nazionale del Lavoro—is aimed mainly against the United States and is a recipe for trade war.

But none of the articles were as direct as the comments of William Tehan, a well-known analyst on Wall Street for the firm P.R. Hertzog & Company, member of the New York Stock Exchange, as he spoke to the Bulletin last week:

"We are now in the third and terminal stage of the US dollar crisis which will see a sharp rise in interest rates as the liquidity ratio between debt and capital expresses itself.

"A viable international economy is held together by the fixed parities of a monetary system. A fixed parity system of currencies convertible into each other and into a common unit such as gold lays the foundation for a free movement of goods and capital throughout the world so that raw materials may be shipped from one country to another where they are made into finished products and sold, and competing goods can move across borders.

"Now once a leading nation in the world trading system embarks upon a policy of inflation, the force of such inflation weakens the structure of the international economy and eventually causes it to break down. This occurred, for example, in the 1930s when Great Britain floated the pound. And in the modern period, the system was destroyed on August 15, 1971, when the United States abandoned the convertibility of the dollar into gold.

"So, what we have now is an international economy that has been fragmented into individual



Wall Street: alarm on all sides. Directly above, the stock exchange during one of its more hectic days.

economic units; and every country is embarking upon an economic and monetary policy designed to meet its own needs. These policies are in conflict with the requirement of a stable international economy. In my opinion, we are heading into a world depression and financial panic.

"The reason that gold is rising is that inflation of credit has reached the point that currencies are unable to perform the store of value function as money or credit should. Several years ago, many people around the world began to worry about the dollar and bought yen or mark to protect their capital. But during the past six to eight months these foreign currencies have become seriously inflated. Now the move is into gold bullion. People are seeking the stability and liquidity that gold can offer as the world's only real money.

\$1000 PER OUNCE

"I think that gold is going some place around \$1000 per ounce. I would not want to be held to that

figure because you really can't measure the rise to an exact level. I merely use the figure \$1000 per ounce to indicate the magnitude of what I think the rise will be. It could be much higher if the banks continue to expand credit as they are doing.

"A restrictive economic policy now would precipitate a collapse because the credit requirements of an inflated economy expand at an exponential rate. While the Federal Reserve has tried to delay the day of depression, they are creating a situation where a depression must inevitably occur which will be worse than anything known in history."

Tehan predicted that the next big movement in the stock market will be down, and that it will continue in that direction until it reaches around 200. Its present level is 900.

"Confidence in the stock market and the investment outlook of the US is waning quite seriously. The scandals which we have recently seen such as Equity Funding, the C. Arnholt Smith financial scandal on the West

Coast, the recent Weis scandal in the stock exchange and Watergate are all really related to the excessive creation of credit and the monetary crisis. The credit the magnitude we see today creates the conditions for corruption.

"I think there are many situations like Equity Funding and Weis Securities which exist throughout the US and which will come to light as interest rates rise and this financial crisis deepens. In other words, the financial crisis uncovered what was going on in Weis Securities.

"We are approaching the time when we will start to see a very sharp rise in unemployment in the US, as the financial crisis leads to a depression. We are at the point when the government has lost all control of the economy. I am fearful that there will be considerable social and economic chaos with this rising unemployment. But there is nothing that the government can do to solve this crisis and reverse the tide."



The International Committee, which for Robertson became a "fiction" in 1962 because at no point did he begin with considerations other than himself and his ability to function among American radical circles.

BY TIM WOHLFORTH

This is the second of a series of articles on Spartacist's reaction to the recent Workers League class series "Twenty Years of the International Committee."

The central concern of our entire class series was the history of the Fourth International since 1953. Questions of perspectives, program and the Marxist method were discussed within this framework. This, of course, is not accidental because it is only within this international framework that they can be understood.

Spartacist's position is that the International Committee is a "fiction." To support this position, they assert that because for a period of time the International Committee functioned on the basis of unanimity of agreement, this meant it was a "federated international bloc" and not an "international." Secondly, in any event, there existed strong differences between the Organization Communiste Internationaliste (OCI) and the Socialist Labour League (SLL) on important questions. In the end, these led to a split. Thus, the IC was not only a fiction but was also "an unprincipled political bloc."

The two questions are really one for what would make the IC a "bloc" and not an international body which continued Trotsky's work would be the unprincipled political character of the relations between sections, not the voting procedures as such. The structure of the IC could in any event not proceed independently of its political development. Thus, any understanding of its structure, or even of its actual existence, which Spartacist now challenges, requires an understanding of the International Committee in its development in the material world.

There are important methodological questions involved in this approach. First of all the history of the International Committee does not begin with Robertson's arrival on the scene as an independent faction in 1962. Its history goes back, as was explained in the classes, to the basic split with Pablo in 1953. Was that split unprincipled? Was the IC of that period a fiction? After all, the IC in that period had a structure much like the later period. There were serious differences almost from the beginning within the International Committee between the British section and the SWP as well as with the French section.

However, as far as Spartacist is concerned, history begins with the emergence of their group in 1962. That is why they have one criteria for judging the International Committee before 1962 and a different one for judging it since 1962.

IDEALIST

Spartacist proceeds from a completely idealist approach. The International movement is not seen in its actual development in the material world. Rather, its history is considered abstracted from this actual development and assessed according to formal mental criteria. The opposites in the situation are

transformed into mental categories where they are severed from each other quite arbitrarily and rearranged according to the criteria of the subject. This is done instead of holding fast the opposites which actually develop in the material world, understanding that out of this struggle of opposites will come the necessary development of the movement itself. The result is to destroy contradiction, to dispense with actual struggle so that the subject can proceed quite arbitrarily as far as the requirements of the working class are concerned.

The formation of the International Committee in 1953 was completely principled. It was based on a principled document, the famous "Open Letter," which reasserted the fundamentals of Trotskyism against the liquidationism of Pabloism. At the same time the opposites were also present. The International Committee itself was contradictory and the question of revisionism was not just an external matter. It never is. It is easy to see today what could not have been clearly seen then; that is, that the opposites which led to a complete break in 1963 between the SLL and OCI on the one hand and SWP on the other were present in 1953.

The important question was that the struggle of opposites had to go forward under conditions of great changes taking place in the world which would affect, in the next period, the relationship between classes. The exact form this struggle of opposites would later take was not at all predetermined, not to mention clear to all, in 1953.

The central point is that the movement would be developed, its continuity taken forward, to the extent that revolutionists held fast these opposites, battling it through for the construction of the revolutionary party. This could only be done by those who were wholly part of the movement, who fought through all difficulties and sought to learn from this. Such a battle could and did take place only within the International Committee. It is in this sense that the continuity of Marxism, of Trotskyism, was carried forward into the next period.

STRUGGLE

It was at every point a question of struggle. It was not a matter of diplomacy, being "reasonable," preserving the old cadres, of compromise. Some in the old guard of the SWP no doubt saw it that way as did some of the OCI leadership. But it was not a matter of what they thought. It was a matter of what was.

The International Committee developed through the struggle of opposites in the period after the split with the SWP. However, now the IC existed under sharply changed objective conditions, as the international capitalist crisis broke out openly on the surface, ending a period of compromise between classes in the advanced countries. This is the meaning of May-June 1968 in France as well as the international monetary crisis beginning in 1967. Under these new conditions, the Socialist Labour League was able to develop a very serious movement with strong support among working class youth and in the trade unions. The first Trotskyist daily in

What Is Spartacist Today?

IC: Fiction Or Reality?

Part Two

the world was launched. The OCI was also able to go through some growth particularly among student youth in the period following May-June.

The opposites existed throughout this whole period and not in the form of compromise or unprincipled relations. The International Committee conducted a principled fight against the split of the SWP and its reunification with the Pabloites. All fundamental issues were exposed and fought out in that period. In 1966 the International Committee was able to hold an international conference which, standing on the basis of the continuity of Trotskyism, assessed the capitalist crisis and put forward a principled program around which to construct parties in all countries.

DIFFERENCES

The differences were there from the beginning and in the open. They were not compromised but rather grasped, struggled with, under conditions of a new objective situation which opened up possibilities of change in the thinking of the cadres of the movement. The differences which led to the split with the French in 1971 certainly had their antecedents in past differences within the IC. But the split was not a predetermined matter of seeds which necessarily sprout into trees. Such an approach ignores the dependence of thinking on being, on the material world. It sees thought as self-evolving, as having its own internal motion.

Spartacist has always approached the Fourth International in the manner of the subjective idealist. We have documented this thoroughly in the pamphlet *What Is Spartacist?* This pamphlet is now characterized by Spartacist as "slander" and "infamous." But, in the three full years which have passed since it first appeared as a series in the *Bulletin*, Spartacist has been unable to write an answer to it.

This is why the International Committee becomes "fictitious" in 1962. It was at that point that the International Committee insisted upon the subordination of Robertson's faction to the objective needs of the political struggle within the IC against the revisionism of the SWP.

1962

1962 was actually the sharp point of struggle within the IC as the SLL had just issued its document "Trotskyism Betrayed," which exposed the complete capitulation of the SWP to Pabloism and the method which had led to that capitulation. But the SLL comrades insisted that we hold fast these opposites and not seek to divert our and the attention of the whole movement from them, to get around them or sever the connection between them, a connection only of negation, of contradiction.

Robertson proceeded instead with concerns of his little group in the SWP. So he would not recognize the decisions of the IC. In this way, he split from the IC and delivered a blow to our struggle against the SWP's revisionism.

In 1966 he agreed to attend an international meeting of the IC. When the IC demanded an apology from him for re-

fusing to be present at a session discussing his political positions, he refused to recognize the authority of the IC.

In both 1962 and in 1966, when he thought the IC was real, he acted as if it were fictitious. Now he proclaims from the after-the-fact distance of a number of years that in any event the IC never existed!

SUBJECTIVITY

For Robertson there exists only himself. There cannot be anything higher. An international movement is therefore quite out of the question. This subjectivity can therefore relate or separate the actual opposites which develop in the real world according to the wishes of the thinker. He refuses to carry out what Lenin called the *submerging* of the subject in the object, or the material world, for the purpose of changing this world.

Of course, Robertson may not recognize the actual development of opposites in the material world but this does not prevent his own development from being determined by material processes quite outside Robertson's head. Robertson can declare the International Committee to be fictitious by simply thinking it and then saying it or writing it down. But the International Committee continues to exist—in fact, to develop quite nicely. Robertson's mental gyrations to the contrary.

REVISIONISM

Revisionism also continues to exist. It is rooted in the opportunism nurtured among the middle class by capitalism. Its method of thinking allows it to become a vehicle for these petty bourgeois class forces. The role of the SWP in the peace movement shows this clearly. The opposition between revisionism and the Marxist movement is part of the class opposition between capital and labor—in fact, it is its highest theoretical expression.

When Robertson was in the International Committee he refused to grasp these opposites. He sought to sever them and then proceed with his own interests and desires. Because of this, on all critical questions he found himself in the camp of the revisionists.

We saw this in his refusal to vote against the Pabloite reunification in 1963. During the recent class series, he not only continued to support this position but now declares he should not have abstained but should have voted for reunification!

The current report on the class series expresses the same tendency. On the split with the OCI, the Spartacist sides with the OCI! It considers our amendment offered at the Essen Youth Conference on the principled issue of the struggle for dialectics among youth as an "ultimatum." Even the International Committee's principled stand against the betrayals of Lora in Bolivia is seen as a matter of a "factional club."

As we explained in the class series and as will become clear also from this series of articles, Spartacist agrees with the revisionists on all the principled questions: internationalism, the nature of the period and perspectives, Marxism itself.

TO BE CONTINUED

WATERGATE . . .

(Continued From Page 1)
strators. The President told the Secret Service agent beside him, in some rather blunt synonyms, to get the demonstrators out of there."

EXPOSED

Virtually all of Dean's 245 page statement exposed the corrupt methods of conspiracy with which the capitalist class rules, methods highly refined by Nixon in the implementation of his secret police plan, in his rigging of the 1972 elections and in the elaborate undercover manipulation used to try to cover up the Watergate affair.

In one instance, Dean recounted a discussion with Nixon about the use of the Internal Revenue Service against political opponents—"our enemies."

"I recall telling the President that we had not made much use of this because the White House didn't have the clout to have it done, that the Internal Revenue Service was a rather Democratically oriented bureaucracy and it would be very dangerous to try any such activities. The President seemed somewhat annoyed and said that the Democratic Administrations had used this tool well and after the election we would get people in these agencies who would be responsive to the White House requirements."

DICTATORSHIP

Underlying all the backroom conspiracies, secret police operations and political manipulation described in such great detail by Dean were Nixon's plans for dictatorship. Dean's testimony has further exposed the Watergate conspiracy as part of a ruling class plot to destroy the basic democratic rights and institutions of the working class, including the right to independent trade unions, the right to strike, the right to a job, the right to free elections and all the guar-



antees of the Bill of Rights.

Dean's testimony has not only sharpened the political crisis faced by Nixon's government but has created an almost impossible situation in which the leading sections of capital must now move against Nixon to remove him, regardless of the political consequences. Any other course will mean the continued paralysis of the government in the face of the violent explosions which are being prepared within the international capitalist economy.

CONFRONTED

Confronted by Dean's testimony and Nixon's growing weakness, the labor bureaucrats have nothing to say. Along with Brezh-

nev and the leadership of the American Communist Party, they do everything possible to keep Nixon in office and lend his rotten regime some degree of credibility.

The ruling class will move against Nixon to replace him with an even more reactionary government with the ability to carry out the assault on the working class which Nixon began with his wage freeze and secret police activities. This means workers must act now to take the initiative to force Nixon's resignation and new elections, to call a Congress of Labor and to construct a labor party which can fight for socialist policies against Nixon and both parties of the bosses.

BRITAIN . . .

(Continued From Page 2)
monopolies in Britain such as Chrysler.

Britain has been particularly hard hit by the devaluation of the dollar, which has practically priced British exports out of the world market and leaves it prey to American and Japanese imports. As a result, last week Britain announced the highest balance of payments deficit in its history.

To overcome these difficulties, many British firms, particularly American-based "multi-nationals" such as Chrysler and Perkins, have borrowed heavily in the Euro-dollar market and precipitated a highly unstable situation of borrowing short term in order to make long term investments. The move now of the American capitalists to deflationary policies, as well as the loss of value of the dollar which continues unabated, threatens to blow the lid off the Euro-dollar market.

Employers such as Chrysler, following the policies of their Detroit-based captains, are preparing for deflation by consciously provoking strike action in the industry. They reason that if operations will soon be halted by a cutoff in credit, provoking a strike is a much more efficient method for shutting down operations than having to go the politically sensitive route of announcing mass layoffs and incurring expenses through contractually mandated compensation pay.

Even more important, the employers hope to use the opportunity of a strike as a pretext for moving operations out of an expensive unionized country like Britain into cheap labor, police state countries. The possibility of such quick movements of capital being used as a weapon against the working class was an-

anticipated by the Tory government when they entered the Common Market.

The employers also hope, on the other hand, that if they manage to defeat the unions through lockouts and threats to move operations out of Britain, they will be in a position to enforce massive speedup and wage cutting in order to drive British workers' conditions down to Spanish standards so that British capitalism can complete.

In the face of these attacks, the Chrysler and Perkins workers stood firm. Chrysler workers responded to the attempted strike-breaking at the Stoke plant by establishing a mass picket at every gate that shut the plant tight.

There is, however, great danger for the working class in this situation of a betrayal being prepared by the trade union and Labour Party leaders. Not one of them, including "left" Labour Party spokesman Michael Foot and union leaders Hugh Scanlon and Jack Jones, have fought to defend the working class by mobilizing it to force the Tories to resign and elect a Labour government pledged to socialist policies.

Only a program of nationalization of the car industry under workers control and without compensation to the owners can break the stranglehold of the capitalist crisis and the conspiracy of the "multi-nationals" against British auto workers.

This program is only being fought for by the Socialist Labour League, British section of the International Committee of the Fourth International, as they go forward to their historic conference at Belle Vue on July 1, which will be a milestone in the transformation of the League into the revolutionary party.

ECONOMY . . .

(Continued From Page 3)
production of broilers from 550,000 per week to only 450,000.

The pressure which now threatens to completely blow the lid off prices is building up so fast many stores are completely ignoring the freeze, raising prices even more than before the freeze was announced, and Nixon Administration officials are now talking about phasing out price ceilings well before the end of the 60 days.

Underlying the price inflation over which Nixon has no control is an expansion of the credit system which is becoming a virtual explosion as it reaches its limits and at the same time tries to overcome these limits. It is this ballooning of the credit system—now totally out of proportion to the reproductive system with the flood of fictitious capital into speculative investments which have no relation to the production of commodities—which has not only created the conditions for runaway inflation but which is rapidly pushing the international economy to a violent and uncontrollable collapse.

Under these conditions, the deflationary measures now being invoked by the big commercial banks throughout the world—the rapid increase in interest charges and other more direct restrictions on credit—have not yet been able to stem the growth of credit at all.

On the contrary, under condi-

tions of near runaway international inflation, speculation is given further impetus as the "cavaliers" who operate on the basis of pure credit see in the rising interest rates an ever-increasing rate of inflation which will eat away at the actual value of their paper debts and make it easy to repay loans at a future date.

The exposure of these fraudulent money manipulators will come as the system of inflationary monetary and credit relationships developed out of the Bretton Woods agreements begins to break down—this is already beginning to occur, as evidenced in the Equity Funding scandal, the Westgate-California scandal, the collapse of Weis Securities and now the fraud charges against Wall Street's biggest firm: Merrill, Lynch, Pierce, Fenner and Smith.

The scandals and bankruptcies now rocking the financial world are only a shadow of what is to come. As Marx wrote in *Capital* (Volume III): "... the whole process becomes so complicated, partly by simply manipulating bills of exchange, partly by commodity transactions for the sole purpose of manufacturing bills of exchange, that the semblance of a very solvent business with a smooth flow of returns can easily persist even long after returns actually come in only at the expense partly of swindled money-lenders and partly of swindled producers. Thus business always

appears almost excessively sound right on the eve of a crash. . . Business is always thoroughly sound and the campaign in full swing, until suddenly the debacle takes place."

DEBACLE

The conditions for this debacle are now developing at a rapid pace, especially on Wall Street where fully 20 percent of the member firms of the New York Stock Exchange are in serious financial difficulties, operating in the red. With the continuing slump in share values and increasingly shaky credit position of the brokerage houses, the stage is being set for a crash.

At the heart of the capitalist crisis is the inability of the capitalist system to continue to overcome the limits placed upon its insatiable drive for expansion by the market and by the tendency of the rate of profit to fall with the accumulation of ever greater masses of capital.

LIMITS

The capitalists have sought to overcome these limits for 25 years through the inflation of paper dollars and the creation of credit. But, as Marx wrote, "In the period of over-production and swindle," credit "strains the productive forces to the utmost, until it exceeds the capitalistic limits of the production process" and the system breaks down.

Thus the very inflation of paper money and credit which was the

basis of the expansion of production and consumption following World War Two has been transformed into the mechanism for the collapse of productive relations, and the crisis appears first in the form of a monetary crisis and a rush toward gold and in a crisis in the international credit system.

The crisis in the international monetary system and on the

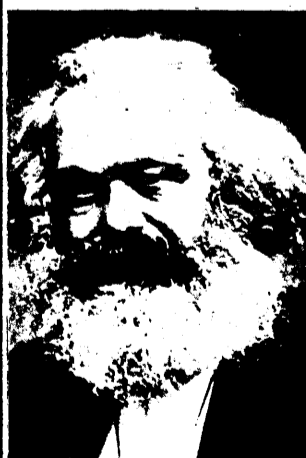
world's credit markets is now at the point of explosion, and at the same time, the productive process is breaking down, as evidenced in the growing shortages and delivery backlogs and in actual downturn in production.

Time has clearly run out on all the speculators, and the big bankers will soon call a sudden halt to the entire fraudulent process of expansion.

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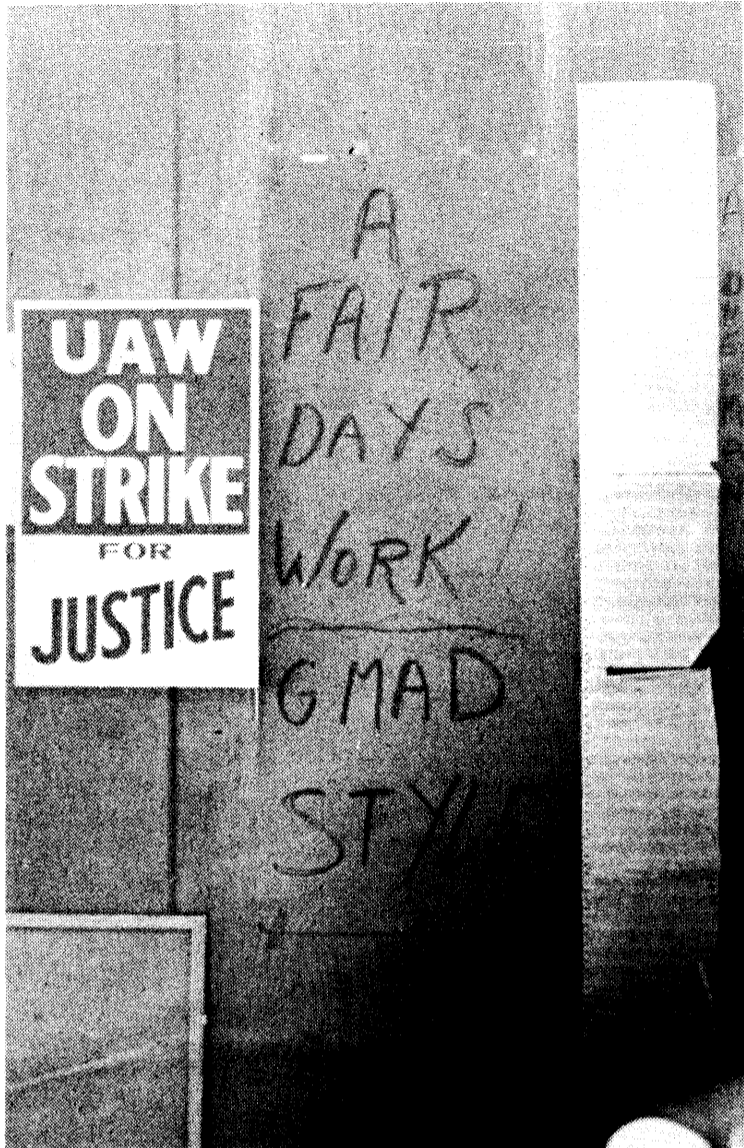


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Statement of the Trade Union Alliance for a Labor Party

UAW Must Prepare For Strike!



PROGRAM FOR STRUGGLE

The Trade Union Alliance for a Labor Party calls for the building of caucuses in each UAW local around the following contract demands that meet the needs of the ranks.

WAGES. The ranks must win a 20 percent increase for the first year of the contract to defend their living conditions against the big inroads already made by inflation over the last three years. There must also be a full cost of living escalator clause which compensates the ranks on a monthly basis for any rise in prices.

JOB SECURITY. The contract must include a provision barring any layoffs. All UAW members currently laid off must be called back and new jobs must be opened up for young workers by establishing the 30 hour week at 40 hours pay.

SPEEDUP. The speedup must be ended by winning a contract in which the UAW and the companies set a national standard on time, cycle and jobs. The amount of jobs performed by each worker per hour is not to exceed 40. There must be the abolition of

the 1970 contract's Paragraph Eight, which gives management complete control over production standards in the plant.

GRIEVANCES. The 1973 contract must give the ranks the right to strike over all contractual violations. Paragraph 117, which strictly limits strike action to production standards, must be abolished. The contract must guarantee a speedy grievance procedure. There should be no more than two weeks between the filing of a grievance and final action.

OVERTIME. All overtime must be voluntary, with double-time on weekdays and triple-time on weekends and holidays. By allowing Ford and GM to keep the men in the plants up to 58 hours per week, Woodcock has let the lives of auto workers be disrupted and permitted the companies to stockpile in preparation for layoffs and the coming struggles.

PENSIONS. There must be a real "30 and out" without any age qualification and with full pension benefits of \$650 per month. A cost of living escalator must be incorporated into the pension.

Social security benefits are not to be considered part of the \$650. Every auto worker must become eligible for full benefits 30 days after he begins work.

HEALTH and SAFETY. The new contract must provide for adequate medical facilities within the plant under the supervision of a doctor appointed by the UAW and whom the ranks may dismiss if he shows partiality to the company. There must be unlimited medical absences with full pay. There must be a national safety code enforceable in each plant through the shutdown of production with full pay until the management corrects all violations.

HEALTH CARE. There must be a national health plan in which the auto companies provide full medical coverage for every UAW member and his family. All medical expenses, from hospital care and therapy to ordinary visits to the doctor, must be met by the company.

VACATIONS. Paid holidays must be increased to 18 days per year plus a two week vacation after one year and four weeks after five years.

(Continued From Page 1)

•Led by GM, the auto companies have imposed production schedules that resemble wartime conditions. Ten hour shifts have become commonplace under compulsory overtime. The normal weekend breaks have been virtually eliminated. Foremen are under instructions to crack the whip to maintain the pace.

•Work is already underway in GM to effect a smooth model changeover to the 1974s without the usual loss in production time after the plants reopen.

It is clear that the bosses are trying to build up a large stock of 1973 models and a fair supply of 1974 models to meet the early fall demand which is not expected to be heavy. While they clear out their stockpiles, the employers will seek to have it out with the UAW.

Standing behind the auto companies is the Nixon government, which—in spite of the crisis flowing from the Watergate revelations—still remains in office and is under heavy pressure from the banks and the "Big Three" to impose tighter wage controls under Phase Four which is to begin in August.

The great danger in this situation is that the Woodcock leadership is allowing the bosses to provoke a strike under the conditions of their choosing. There is no doubting the fact that the auto workers have the power to inflict a crushing defeat upon the auto bosses and the Nixon government. But this means immediately preparing for strike action around a program that can rally the ranks of the UAW and the entire working class.

HOLDING BACK

But Woodcock—with the complete support of the Stalinists of

the American Communist Party—directs all his attention toward holding back the ranks and dissipating their energies. His refusal to give a lead to the ranks and direct their struggles against the deteriorating plant conditions lead only to isolated strikes—which are occurring in Detroit and Norwood—which reflect the militancy and determination of auto workers but which cannot defeat the auto bosses.

Just as Woodcock is silent on plant conditions, silent on the questions of wages, silent on the upcoming UAW demands, he is silent on Watergate—refusing to break with Nixon just when such action could destroy this reactionary and labor-hating government. Instead, he defends Nixon by remaining on the Cost of Living Council as a pillar of wage controls.

Woodcock will not fight the auto bosses and he stands with Nixon because he is opposed to the political mobilization of the working class in a labor party.

The treachery of the Woodcock bureaucracy is supported by the Stalinists, who are utterly opposed to the building of an alternative leadership in the UAW. They will make minor criticisms of Woodcock on secondary matters but they attack those who seek to replace Woodcock. This is because they see Woodcock as a bulwark against the labor party and the fight for the political independence of the working class.

Centrist forces in the UAW like the United National Caucus who do not believe that the labor party must be fought for as the essential element in the struggle against Woodcock now find themselves lining up with the Stalinists against the labor party

and unable to offer any alternative to the policies of Woodcock.

Auto workers, whose historic struggles have so often led the American labor movement, must now take the offensive and turn the tables on the "Big Three" and the Nixon Administration.

The Trade Union Alliance for a Labor Party calls upon all UAW members to demand a halt to Woodcock's policies of retreat and surrender. The plans of the auto bosses must be countered by preparing immediately for strike action.

STRIKE VOTES

All UAW locals must call special membership meetings to take strike votes either before or immediately after changeover. So far, Woodcock has not even set up the machinery for such a vote. This deliberately disarms the ranks.

All locals must demand that the International order an end to all compulsory overtime and a return to eight hour shifts and the contract deadline in order to prevent stockpiling by the companies.

Auto workers must be rallied around a program that can defend their jobs and standard of living. But this program, printed above, which has been adopted by the National Auto Caucus of the TUALP, can be won only through the development of a leadership within the UAW that will mobilize the ranks in a political struggle against the government in defense of the trade unions and the entire working class.

At the center of this political fight is the construction of a labor party as the alternative of the working class to the Nixon government and the Democrats. The National Auto Caucus

therefore demands that Woodcock end his collaboration with Nixon and call for a National Congress of Labor for the purpose of establishing a labor party.

NATIONALIZATION

Fighting for the nationalization of the auto—and all basic—industry under workers control, the labor party would open the way for the establishment of a workers' government to resolve the crisis in the interests of the working class.

Woodcock has proven that he will not lead this political struggle against Nixon and the bosses. The task before auto workers is the building of this new leadership that can mobilize the ranks in auto and all sections of the labor movement.

The TUALP calls on all workers to join the fight to build this leadership.

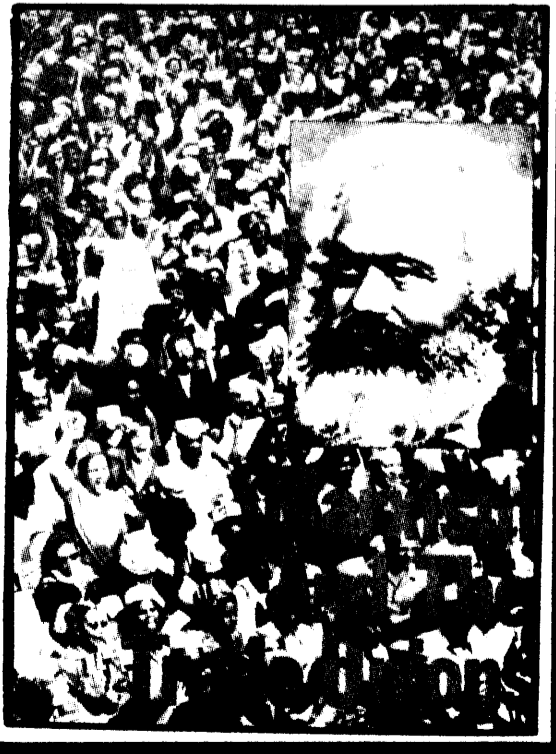
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THE CONTAINER THREAT TO JOBS

Bridges And The Guarantee

BY DENNIS BREHM

"There is currently in effect, by contract between the International Longshoremen's and Warehousemen's Union and the Pacific Maritime Association, an agreement on Mechanization and Modernization covering longshoremen, shipclerks and walking bosses in the ports of California, Oregon and Washington. It is a pioneering agreement—the first of its kind in American history, even more striking when seen against the earlier background of turbulence and violent conflict on the West Coast waterfront."

"The shipowners and stevedoring contractors are freed of restrictions on the introduction of labor-saving devices, relieved of the use of unnecessary men and assured of the elimination of work practices which impede the free flow of cargo or ship turnaround. These guarantees to industry are in exchange for a series of benefits for the workers to protect them against the impact of the machine on their daily work or on their job security."

These are the opening paragraphs of a book, *Men and Machines*, a joint venture of the PMA and the ILWU. From the first M&M agree-

ment signed in 1961 to the latest contract negotiated a few weeks ago, the drive for increased productivity and the ruthless elimination of labor by the shipping companies has been the basic issue facing the longshore union.

The M&M agreement was a six-year contract which threw out every right won by the longshoremen up to then in exchange for a formal guarantee that no longshoremen would be laid off due to new machinery and that every A man would be paid for thirty-five hours a week whether there was work or not. Layoffs because of an actual decrease in shipping due to economic slump were still permitted.

Harry Bridges sold the M&M speedup deal to the ranks on the basis of this guarantee. But in the boom conditions of the early sixties and later the Vietnam War, the guarantee was virtually a dead letter since there was always enough work to go

around.

The employers boosted tonnage from 19,000,000 tons in 1961 to 40,000,000 in 1970, while the work force actually declined. Men retired and left the docks and were not replaced, and job opportunities for new workers dried up.

In 1966, Bridges and the PMA cynically exploited the disillusionment of the ranks with the guarantee. Bridges admitted that the guarantee he had pushed through five years before as the greatest deal in history had in fact not paid out a cent. In return for abandoning it, longshoremen were offered a one-time-only pension windfall which the employers gladly offered because it further reduced the work force.

From 1969 to 1971, tonnage dropped from 40,000,000 to 32,500,000 as recession bit deeply into trade. But containerization continued at a wild rate.

With more and more machines handling the shrinking volume of work, many longshoremen, even A men, found themselves getting only three days of work a week. More than 2000 men left the docks in two years. This produced a big movement to defend jobs which forced Bridges to reverse himself again and demand a guarantee in the 1971 contract talks.

STRIKE

The 134 day strike was the result. The employers were completely unable to provide the kinds of concessions that had put off the showdown in previous years. This was not only the PMA's crisis, but that of the entire capitalist system.

During the strike, on August 15, 1971, Nixon announced his new economic policies and declared an end to the post-war boom and the period of compromises with

the labor movement. The inflationary Bretton Woods monetary system was destroyed with the dollar irrevocably cut loose from gold.

A ten percent surcharge on all imports was imposed as a prelude to an all-out trade war. A 90 day wage freeze was followed by the establishment of the Phase Two Pay Board.

When Nixon issued an eighty-day Taft-Hartley injunction, Bridges meekly ordered the strikers back to work. When the injunction expired, and Congress rushed to pass a bill outlawing the resumed strike, Bridges again capitulated by refusing to call for a mobilization of the entire labor movement against this strikebreaking, instead accepting the PMA's last offer.

Even the 72 cents the PMA conceded was too much for Nixon's Pay Board, which cut 30 cents from it. Bridges, who had threatened to renew the strike "if so much as a penny" was cut, accepted the right of the government to take money out of the pockets of working men and turn it over to the PMA millionaires. Finally, when the Pay Board was replaced by the Cost of Living Council, the ILWU and PMA jointly petitioned for the raise to be restored. When this was refused, Bridges urged longshoremen to forget about it because the new contract was coming up anyway.

The other provisions in the 1971 contract were systematically gutted by the courts and the PMA. A provision for a \$1 per ton levy on all containerized cargo has been tied up in the courts for a year and a half. The guarantee provision of 36 hours for A men and 18 hours for B men was so hedged about with devious restrictions on eligibility that very few longshoremen have received

more than a few pennies, even though short weeks are usual.

Bridges has consistently pursued a policy of operating within whatever restrictions the government establishes, going up to these limits, and then falling back.

The continuation of these policies of nonpolitical trade union militancy in the next period will mean the destruction of trade unionism on the docks and the conversion of the dock labor force into a small skilled elite of crane and other machinery operators with the loss of thousands of jobs.

The central question is the guarantee. The 1971 guarantee has been replaced in the tentative 1973 contract by one with many fewer strings—the money to be set aside for the guarantee will actually be paid to dockers on a weekly basis instead of being pocketed by the PMA. It is this that is the selling point for Bridges.

The total sum of money to be allotted to the guarantee is \$6 million—when that runs out, longshoremen will be expected to tighten their belts.

There is no way forward for longshoremen under the profit system. The laws of capitalism have dictated the wild overproduction of container facilities.

These facilities are now turned against the longshoremen and threaten his very existence. This cannot be fought through Bridges' policy of accepting the limits of capitalism.

Only the creation of a labor party that is committed to nationalizing the docks and transport under workers control can enable the working class to benefit from the enormous potential opened up by the container revolution.

TO BE CONTINUED

West Coast News



Bay Area meeting at Labor Bookstore in San Francisco. Fifty five workers and youth attended the first showing of Road To Workers Power on the West Coast. A fund collection at the meeting for the Workers League national camp brought in \$250 in donations and pledges.

Strike Postponement In BART Parity Fight

BY TED BAKER

OAKLAND—Employees of the Bay Area Rapid Transit District have unanimously voted to authorize strike action against the financially troubled super train. Union leaders greeted the vote by immediate moves to scuttle union contract demands and the possibility of a strike.

BART workers are demanding that wages of all workers be brought up to the levels of workers previously employed by other transportation companies who get their old scale. In some job classifications the difference is as much as \$2 per hour, and no wage increases can be given to employees who transferred until all wages have been equalized. According to BART General Manager Bill Stokes, this will take at least 10 years.

In a closed session of the BART board of directors on Friday, Paul Varacalli, Executive Secretary of Local 390, United Public Employees, agreed to prevent a strike for another week and to negotiate all issues simultaneously. General Manager Stokes stated to the press after the meeting that "the complete spirit of cooperation has held off a strike."

CLOSED

The BART meeting began as an open session, but in a move directed against his own union members, Varacalli requested the meeting go into closed executive session to continue negotiations. Members of Local 390 who had come to attend the meeting on their lunch hours were extremely upset by Varacalli's action.

According to one, "We don't know why we're not supposed to know what's going on in there, but whatever's happening in there is not good for us, when Varacalli came out of closed session before he said he was 'optimistic' about avoiding a strike but he didn't say why, and now he's in there again. We can't really afford to wait 60 days because of the coming Phase Four. In the past it has affected us very strongly—our automatic raises were cut out under Phase One." Another member of Local

390 told me, "A lot of guys, I'm talking about the utility men, feel he's (Varacalli) been bought by BART. They're working with him to give us the screw."

Union members must not allow Varacalli to trade away

wage equalization for minor concessions on other issues. A new leadership must be constructed to fight for immediate strike action for a contract which grants wage equalization retroactively to all BART employees.

No Job Protection From Docks Guarantee

BY A REPORTER

SAN FRANCISCO—The latest issue of the Dispatcher, paper of the International Longshoremen's and Warehousemen's Union, outlines the details of the proposed longshore contract agreement.

The two year agreement has been recommended unanimously by the negotiating committee and now goes to the longshore caucus for discussion.

The contract offers a money package of 40 cents the first year and 30 cents the second year. In addition there is a cost of living allowance with a maximum of 12 cents and 10 cents in the first and second years.

For the first time longshoremen are offered five paid holidays. Up to now there have been none. There are also significant improvements in vacation and dental care benefits.

The heart of the agreement is in the section on the guarantee. The PMA has agreed to set up a \$6 million fund to guarantee A men 36 hours pay and B men 18 hours pay with a maximum of \$115.35 available each week for payments. Any money left out of the fund will go the union for disbursement to the ranks.

The guarantee eliminates many of the strings of the previous agreement which allowed



West Coast longshoremen vote for national officers. The election takes place just as new contract is being discussed. Bridges slate is unopposed.

the PMA to keep most of the fund and resulted in very little money actually paid out.

The real difficulty is that the guarantee agreement is based on a perspective that work opportunity will remain fairly constant. Any week in which more than 2300 longshoremen are out of work will exhaust the fund.

In exchange for the \$6 million, the PMA reserves the right to continue with its unprecedented program of full automation. With the economy heading all-out towards a slump and with containers slashing work opportunities, there can be so many unemployed that the guarantee money available will amount to a pittance.

In addition, container jurisdiction, the steady man issue and a number of other questions will be decided through binding arbitration and therefore against the union.

Although claiming to guarantee the union against

Clerks Leaders Retreat

BY SHEILA BREHM

LOS ANGELES—The huge Retail Clerks Union, representing 19,000 workers in the food industry here, narrowly accepted a six and one-half percent pay raise by a vote of 2500 for and 2080 against.

Only a month ago, 5400 clerks authorized strike action, demanding a 21 percent pay increase. Fearing a strike, union and industry officials called in the government as a "neutral fact-finder" to make recommendations for a settlement.

There is immense dissatisfaction, even from workers who voted to accept the offer. As one clerk remarked, "33 cents is an insult to us. You don't have to tell us about prices; we have to mark the food. We had to accept, though; we had no choice. We can't afford to strike for anything in the neighborhood of six and one half percent, and anything substantially more would be cut by the government. I feel like we're at a dead end."

Union officials, by accepting Nixon and his wage guidelines, played a key role in sealing the contract, leaving the ranks at a dead end, despite their determination.

A union spokesman admitted to the Bulletin that she was "Unhappy with the contract, but what else could we do?" It was this very leadership that last month was behind the strike call, in opposition to Joseph DeSilva, president for 34 years who recently resigned his post.

It was far from an easy task for the leadership to push through the ratification. The union meeting was described as "stormy" by one clerk, who reported that a speaker received big applause when he called for a vote against the offer and for going beyond Nixon's guidelines, stating that the Watergate exposures now makes everything different.

As a substitute for challenging Nixon, union leaders said the union would be in a better bargaining position in a year when the Butchers' contracts also expire. But as many clerks are beginning to understand, the fight for decent wages requires more than militancy; it requires replacing Nixon with a labor government.

SUNNYVALE . . .

(Continued From Page 20)

they're using. Last time when GE went out, we were forced to do their work. The point is that we need a change. These guys are acting like it was fifteen years ago."

The strike vote, which requires a two-thirds majority, passed by 230 to 115.

The Sunnyvale plant is now in the forefront of the fight to break the wage pattern set in the rubber and GE contracts. This strike is a political challenge to Nixon's fundamental policies.

Local 565 must call for a national strike against Westinghouse. This will create the conditions for labor to bring down Nixon's Watergate regime by convening a Congress of Labor to call a general strike and build a labor party.

POLICE . . .

(Continued From Page 20)

1969 shootout between the LA Police Department and the Panthers. The building, now torn down, was riddled with bullet fire. The police actually mobilized a tank in the battle.

This deliberate provocation on the part of the police which could have left dozens dead or wounded comes on the heels of last week's meeting of Mayor elect Bradley with Chief of Police Davis. The outcome was Bradley's statement that he found himself in complete agreement with the Chief's outlook on law enforcement.

West Coast News

EDITOR: JEFF SEBASTIAN

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

Phone: 824-4096

Civil War In UFW Strike

BY MARTY MORAN

COACHELLA—The grape strike led by the United Farmworkers Union exploded into open battle last week. On Saturday 600 were involved as farm workers slugged it out with strike-breakers and Teamster bureaucrats. Two strikers were hospitalized, but the farm workers held their own and state police intervened to prevent them from routing the scabs. A dozen were arrested.

The harvest has been late this year due to relatively cool (under 110 degrees) weather in the Coachella Valley. But now the growers' desperation as they face the total destruction of the crop is being revealed.

The riot was the culmination of a week of vicious attacks on the farm workers by the growers, Teamsters, scabs, and police, which have failed to break them. The strikers' determination to shut down the fields and defend their union is a complete repudiation of the liberal pacifism of their leader Cesar Chavez.

Twenty farm worker pickets were arrested in front of the H-M Tenneco Company vineyard, owned by the billion dollar Tenneco conglomerate. They are accused of scattering nails in the roadway which resulted in several dozen flat tires for scabs. On Friday two Teamster goons mistook a farm foreman for a UFW organizer and attacked him with icepicks, stabbing him several times.

It is not yet known how many grapes have been shipped out. With temperatures rising, the next week will be crucial. The entire labor movement, particularly in Southern California, must rally to defend this strike, which shows the civil war conditions now being prepared for the unions by big business.



Machinists from Westinghouse Electric in Sunnyvale voted a strike for July 1 against the sellout contract being pushed on electric workers across the country.

No On Electric Pact

BY BARRY GREY

SUNNYVALE—The 2200 member International Association of Machinists Local 565 at the Westinghouse plant here voted to reject the company's offer and go out on strike July 1.

The offer presented by the local leadership was based on the sellout pattern that has been forced down the throats of General Electric workers and is now being pushed for Westinghouse by the international leadership.

This vote is a break with the 5.5 percent wage pattern which has been set by the coordinated bargaining committee of the unions in GE and Westinghouse in order to prevent a fight against Nixon's wage controls.

After the Local 565 leadership read through the contract, the first speaker from the floor said: "You can tell them they can take their contract and shove it." This

was met with wild applause. Another worker told the bureaucrats, "I say we should turn this down and send you back to bargain and if you don't want to bargain, we'll send someone in who will."

Another worker reflected the feeling of most of those at the meeting when he said, "We're getting no support from the international. They are selling us down the river. We've gotten nothing better than what the company wanted. As far as I'm concerned, Strike!"

In the face of this tremendous militancy, the local leadership recommended to reject the offer. However, they were clearly against a strike.

WAGES

Workers who spoke to the Bulletin made it clear the central question was wages. The proposal called for an 88 cent increase in wages, fringes, and cost-of-living over three years, about 5.5 to 6 percent.

Workers told the Bulletin that the pay scale for journeymen at Westinghouse is \$1.17 per hour

less than the average for machinists in the Bay Area.

The major demand is for parity with the rest of the Bay Area plus a wage increase above Nixon's guidelines.

The strike vote was a complete

repudiation of the leadership. The bankruptcy of the bureaucrats was uppermost in the mind of every worker. One said: "Back East, GE and Westinghouse accepted the agreement. So this is the big stick (Continued On Page 19)"

Editorial

Unions Must Build A New Leadership

A few months ago the United Labor Action Committee brought together the leadership of Bay Area unions to rally trade unionists against wage controls.

The Bulletin warned that this leadership wished to confine the fight to protest and that their refusal to fight for a political alternative to Nixon and the two parties of big business could only bring them to accept government attacks on the unions.

Since then, there have been a wave of retreats by the labor bureaucracy, revealing that they have no policy to fight the coming attacks of Phase Four.

The sharpest expression of this was on the waterfront, with the Bridges' leadership rushing to impose a contract by claiming it had to be signed to beat new controls.

Now in Los Angeles the leadership of 20,000 retail clerks with a massive strike vote behind them and the ranks ready to fight have backed down and accepted 6.5 percent.

In trucking, warehouse, rubber and electric, the bureaucracy refuses to take on the government and hands big business precious time to prepare new attacks and an even more reactionary administration.

The determination of the ranks to fight is expressed by the big strike vote by Northern California ILWU and Teamster Warehousemen and the overwhelming rejection of the Westinghouse pact by workers in Sunnyvale. Los Angeles retail clerks accepted the contract by a slight majority.

If this settlement stands it is because thousands of workers, realizing that they must take on the government and seeing that the bureaucracy has no policy, have hesitated because of a lack of confidence in this leadership.

Nowhere is this more clear than in the GM plant in Fremont where the frustration with the Woodcock bureaucracy and the search for alternatives has led to a repudiation of the local bureaucracy and the election of a militant slate.

Militancy is not enough. What is required is a political leadership that is prepared to mobilize labor against the controls and determined to face the political tasks by fighting for a Congress of Labor to construct a labor party.

The fight to construct this leadership to defeat the coming Phase Four attacks and preparations for mass unemployment is the center of the Young Socialist July 11 demonstrations for jobs.

Police Terror Raids

Prepare LA Bloodbath

BY ROBERT CADE

LOS ANGELES—Preparations for civil war against the working class and youth of Los Angeles took place in the midst of a record-breaking heat wave which initiated the first day of what promises to be a very hot summer.

At around 10:00 in the evening, crowds began to gather on street corners in the vicinity of Central and 40th Pl. in response to police provocation at the new Muslim Temple situated there.

As described by one onlooker who had been passing the evening on his apartment stairs, "Several police cars came down Central, one policeman with a shotgun jumped out and asked if we had heard anything. We said no and

he asked if we had heard a shot. There are firecrackers popping in the neighborhood all night long and we said we couldn't tell the difference. The police then hollered for us to get inside. They then blocked off the street and more police cars began to arrive. Some on the other side of Jefferson past the temple, some hidden behind the gas station across from the temple, and several in the alleys and the side streets. All up and down Central there were police with shotguns standing behind telephone poles."

Another bystander who was among the several hundred who witnessed the ordeal that took place for the next two hours stated that: "They had a police helicopter circling the temple and shining its spotlight all over

the scaffolding where those Muslims were working. The Muslims are in the process of remodeling the old Elks Lodge and are often out there as late as 2 to 3 o'clock in the morning working away."

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SHOOT OUT

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West Coast News

EDITOR: JEFF SEBASTIAN

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

Phone: 824-4096

Civil War In UFW Strike

BY MARTY MORAN

COACHELLA—The grape strike led by the United Farmworkers Union exploded into open battle last week. On Saturday 600 were involved as farm workers slugged it out with strike-breakers and Teamster bureaucrats. Two strikers were hospitalized, but the farm workers held their own and state police intervened to prevent them from routing the scabs. A dozen were arrested.

The harvest has been late this year due to relatively cool (under 110 degrees) weather in the Coachella Valley. But now the growers' desperation as they face the total destruction of the crop is being revealed.

The riot was the culmination of a week of vicious attacks on the farm workers by the growers, Teamsters, scabs, and police, which have failed to break them. The strikers' determination to shut down the fields and defend their union is a complete repudiation of the liberal pacifism of their leader Cesar Chavez.

Twenty farm worker pickets were arrested in front of the H-M Tenneco Company vineyard, owned by the billion dollar Tenneco conglomerate. They are accused of scattering nails in the roadway which resulted in several dozen flat tires for scabs. On Friday two Teamster goons mistook a farm foreman for a UFW organizer and attacked him with icepicks, stabbing him several times.

It is not yet known how many grapes have been shipped out. With temperatures rising, the next week will be crucial. The entire labor movement, particularly in Southern California, must rally to defend this strike, which shows the civil war conditions now being prepared for the unions by big business.



Machinists from Westinghouse Electric in Sunnyvale voted a strike for July 1 against the sellout contract being pushed on electric workers across the country.

No On Electric Pact

BY BARRY GREY
SUNNYVALE—The

2200 member International Association of Machinists Local 565 at the Westinghouse plant here voted to reject the company's offer and go out on strike July 1.

The offer presented by the local leadership was based on the sellout pattern that has been forced down the throats of General Electric workers and is now being pushed for Westinghouse by the international leadership.

This vote is a break with the 5.5 percent wage pattern which has been set by the coordinated bargaining committee of the unions in GE and Westinghouse in order to prevent a fight against Nixon's wage controls.

After the Local 565 leadership read through the contract, the first speaker from the floor said: "You can tell them they can take their contract and shove it." This

was met with wild applause. Another worker told the bureaucrats, "I say we should turn this down and send you back to bargain and if you don't want to bargain, we'll send someone in who will."

Another worker reflected the feeling of most of those at the meeting when he said, "We're getting no support from the international. They are selling us down the river. We've gotten nothing better than what the company wanted. As far as I'm concerned, Strike!"

In the face of this tremendous militancy, the local leadership recommended to reject the offer. However, they were clearly against a strike.

WAGES

Workers who spoke to the *Bulletin* made it clear the central question was wages. The proposal called for an 88 cent increase in wages, fringes, and cost-of-living over three years, about 5.5 to 6 percent.

Workers told the *Bulletin* that the pay scale for journeymen at Westinghouse is \$1.17 per hour

less than the average for machinists in the Bay Area.

The major demand is for parity with the rest of the Bay Area plus a wage increase above Nixon's guidelines.

The strike vote was a complete

repudiation of the leadership. The bankruptcy of the bureaucrats was uppermost in the mind of every worker. One said: "Back East, GE and Westinghouse accepted the agreement. So this is the big stick" (Continued On Page 19)

Editorial

Unions Must Build A New Leadership

A few months ago the United Labor Action Committee brought together the leadership of Bay Area unions to rally trade unionists against wage controls.

The *Bulletin* warned that this leadership wished to confine the fight to protest and that their refusal to fight for a political alternative to Nixon and the two parties of big business could only bring them to accept government attacks on the unions.

Since then, there have been a wave of retreats by the labor bureaucracy, revealing that they have no policy to fight the coming attacks of Phase Four.

The sharpest expression of this was on the waterfront, with the Bridges' leadership rushing to impose a contract by claiming it had to be signed to beat new controls.

Now in Los Angeles the leadership of 20,000 retail clerks with a massive strike vote behind them and the ranks ready to fight have backed down and accepted 6.5 percent.

In trucking, warehouse, rubber and electric, the bureaucracy refuses to take on the government and hands big business precious time to prepare new attacks and an even more reactionary administration.

The determination of the ranks to fight is expressed by the big strike vote by Northern California ILWU and Teamster Warehousemen and the overwhelming rejection of the Westinghouse pact by workers in Sunnyvale. Los Angeles retail clerks accepted the contract by a slight majority.

If this settlement stands it is because thousands of workers, realizing that they must take on the government and seeing that the bureaucracy has no policy, have hesitated because of a lack of confidence in this leadership.

Nowhere is this more clear than in the GM plant in Fremont where the frustration with the Woodcock bureaucracy and the search for alternatives has led to a repudiation of the local bureaucracy and the election of a militant slate.

Militancy is not enough. What is required is a political leadership that is prepared to mobilize labor against the controls and determined to face the political tasks by fighting for a Congress of Labor to construct a labor party.

The fight to construct this leadership to defeat the coming Phase Four attacks and preparations for mass unemployment is the center of the Young Socialist July 11 demonstrations for jobs.

Police Terror Raids

Prepare LA Bloodbath

BY ROBERT CADE

LOS ANGELES—Preparations for civil war against the working class and youth of Los Angeles took place in the midst of a record-breaking heat wave which initiated the first day of what promises to be a very hot summer.

At around 10:00 in the evening, crowds began to gather on street corners in the vicinity of Central and 40th Pl. in response to police provocation at the new Muslim Temple situated there.

As described by one onlooker who had been passing the evening on his apartment stairs, "Several police cars came down Central, one policeman with a shotgun jumped out and asked if we had heard anything. We said no and

he asked if we had heard a shot. There are firecrackers popping in the neighborhood all night long and we said we couldn't tell the difference. The police then hollered for us to get inside. They then blocked off the street and more police cars began to arrive. Some on the other side of Jefferson past the temple, some hidden behind the gas station across from the temple, and several in the alleys and the side streets. All up and down Central there were police with shotguns standing behind telephone poles."

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the scaffolding where those Muslims were working. The Muslims are in the process of remodeling the old Elks Lodge and are often out there as late as 2 to 3 o'clock in the morning working away."

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