

warned: "The economy is in serious, serious trouble, and at the heart of it is lack of confidence in the government." Jackson quoted Rockefeller's personal Senator Jacob Javits and an obscure Republican in the House as complaining of "a sense of drift and defeatism" in economic policy.

But things are still not moving fast enough for the New

York Times, which in recent days has stepped up its impeachment propaganda campaign to a shrill. A call for 'fresh initiatives' from a congress it said had not yet really produced (on fascist redevelopment) was followed by an editorial broadside attack on Nixon, Kissinger and the entire administration, calling for 'a vote of conscience' for impeachment.

Municipal Budgets Collapse; Cities Must Choose Debt Moratorium or Slave Labor

July 18 (IPS) — In the wake of the strike of Baltimore municipal workers, a rash of strikes and near-strikes, many of them led by the American Federation of State, County, and Municipal Employees (AFSCME), has broken out. In Ohio, 7000 prison guards, correction officers, psychiatric workers, liquor store clerks and university employees in various unions were out statewide demanding payment of a previously negotiated 31 cents an hour wage increase for which the state legislature has refused to appropriate money. The National Guard had been called in to quell one prison "riot" attributed to the strike.

In New York City, police have demanded that their wage scale no longer remain tied to that of city firemen and sanitation workers, who settled for an 8 per cent pay increase based on the installation of labor-management productivity committees.

In Buffalo, a newly-formed rank-and-file caucus in the AFSCME-organized sanitation department is agitating for a strike over job reductions and speed-up; a slow-down is now in progress.

A correctional officers strike in Rhode Island, municipal strikes in half a dozen Michigan cities, and a transit strike in San Francisco complete the picture.

Forcing this attack on municipal workers is the rapidly escalating debt of state and municipal governments across the country. In Philadelphia, municipal debt service payments have tripled in the past three years, rising from \$33 million in 1972 to \$77 million in 1973 and an estimated \$110 million in 1974. In New York debt requirements have risen by nearly 50 per cent in one year.

The Politics of Debt Service

The Rockefeller-organized credit squeeze means that cities must refinance their debt on political terms dictated by Rockefeller — the reduction of the municipal workforce combined with speed-up, the recycling of the unemployed city workers, drug addicts, and welfare recipients, and the destruction of trade unions. In Reading, Pa., 26 former New York City municipal

workers, fired two months ago during a two-day AFSCME wildcat, were re-hired by the Reading Parks Department.

New York: Critical Battlefield

New York, with the largest, best-organized municipal workforce and the largest debt — some 30 per cent of the national total of municipal obligations, is the critical municipal battlefield.

New York's Mayor Beame ordered negotiations with sanitation and firemen to resume, after a two-week lapse, at the height of the tension in Baltimore. He thus reminded workers that the front page "riots" in Baltimore could be replicated in some form in New York.

The settlement followed on the heels of the city's refusal to pay the "7.92 per cent plus the Statue of Liberty" interest rate demanded by David Rockefeller's Chase Manhattan Bank as the price for floating a record, \$438 million in long-term bonds.

Debt Continues to Soar

Forced to borrow on a short-term basis, the city on the day of the settlement managed to obtain \$800 million repayable in six months at a mere 8.58 per cent interest, the highest rate ever paid by the city government. Four such "loans," totalling \$3.2 billion, are necessary to get New York through this fiscal year.

This morning's *New York Times* revealed that "there was no possibility of cancelling yesterday's sale, given the city's immediate cash needs." The city was, in fact, paying back the money it borrowed at 7.19 per cent last August! This process that has sent New York's debt service payments soaring from \$1.1 billion to \$1.6 billion in the last year.

The city will face the same crisis in January, when the notes come due. Therefore, Beame announced before the negotiations that sanitation workers and firemen would get no more than New York transit workers got last April; they received a settlement identical to the transit workers' — 14 per cent wage increase over two years, a modest COL, and a productivity clause.

Despite the local press' cry about "fabulous" wage increases, Herbert Bienstock, New York regional director of the Bureau of Labor Statistics, announced that real wages had dropped at least 4 per cent during a recent period.

Meanwhile New York City hospital workers, members of local 1199, have only a "gentleman's agreement" with the city's near-bankrupt Hospital Corporation. The Hospital Corporation has already stated that they will make no assurances about their ability to pay.

A recently issued Columbia University study, to be published by Praeger, a notorious CIA publishing house, has discovered that the principal fat in municipal budgets is workers' paychecks. The study calls for "efficiency rather than equity," and maintains that it is not at all unfair to pay a hospital orderly less than a welfare mother. It concludes that if its recommendations had been implemented nearly half the public school

budget and two-thirds of the health and hospitals budget in 1971 could have been cut.

Slave-Labor To Cut Costs

The city has already announced its desire to subcontract further sanitation and parks operations to Wildcat Services, a methadone addict scabbing agency. Last week the *New York Post* ran a series of articles on "lazy bums" in the Parks Department, concluding that over half the parks employees could be fired with no loss in productivity, since the only productive workers were the department's 1900 workfare recipients, working under the Work Relief Employment Program (WREP). District 37 (AFSCME) Vice-President Lillian Roberts is on the board of Wildcat Services and Executive Director Victor Gotbaum has already accepted WREP slave laborers into the union in exchange for a dues checkoff.

LC Campaign Wrecks Mondale Bill; Reuss Bill to Create Fascist Labor Front

WASHINGTON, D.C., July 10 (IPS) — The Labor Committee campaign to halt Rockefeller's attempt to Brazilianize the North American working class has achieved a major success. The National Employment Priorities Act known as the NERA bill is apparently on the rocks. A piece of fascist legislation providing forced relocation and compulsory behavior modification, the NERA bill was sponsored by Senator Walter Mondale (D-Minn) and written by the legislative department of the United Auto Workers.

Information gathered by the Labor Committee intelligence staff on Capitol Hill indicates that the Labor Committees' international exposure of the Mondale bill as the centerpiece of the Rockefeller social fascist legislative package has made NERA too hot to handle. "No one around here wants to touch it with a ten foot pole," a congressional aide told Labor Committee organizers. George Nelson, legislative director of the AFL-CIO, corroborated this today in an interview with IPS. "At this point Mondale isn't even supporting the bill," Nelson remarked.

Full Employment Act of 1976

Waiting in the wings is the Reuss-Hawkins bill, the so-called Equal Opportunity and Full Employment Act of 1976 — a bill that outlines a labor policy in many ways even more vicious than that of NERA.

Part of the "full employment" legislative package of

the Committee of 100, the Reuss-Hawkins bill, introduced June 19, already lists among its supporters the social fascist cabal that's backing NERA. This includes the UAW president Leonard Woodcock, Rep. Bella Abzug (D-NY), Nazi Doctor Frank Reissman, and the entire nest of State Department socialists around Michael Harrington (D-Mass.).

The House sponsors of the bill are both experienced Rockefeller organizers. Hawkins, (D-Calif.) is a leading member of the Rockefeller controlled Black Congressional Caucus. Henry Reuss, (D-Wisconsin) has for years served Rockefeller banking interests from his critical position as ranking Democratic member of the House Banking and Currency Committee and as chairman of the Joint International Economics Subcommittee. In addition, Reuss is a member of the Rockefeller-controlled international planning body, the Council on Foreign Relations. When the democrats needed someone to rebut Nixon's most recent speech on economic matters, they chose Reuss, who proceeded to push the social fascist program.

The Reuss-Hawkins bill is designed to plug directly into the machinery set up by the Comprehensive Employment and Training Act of 1973 and into the community policing apparatus set up by the Law Enforcement Assistance Administration to provide localized, fascist implementation of full employment.

The intention of the Reuss-Hawkins bill is to create a