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**SPECIAL REPORT**

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## Humphrey-Hawkins: Enabling Code for Fascism

March 27 (IPS) — The “new” Full Employment and Balanced Growth Act (the Humphrey-Hawkins bill), which has gone through at least three tortured revisions since its birth two years ago, now includes every aspect of the Atlanticists’ fascist blueprint for the United States. Besides establishing policies for full employment at forced-work “public service” jobs and for the expansion of military production, the bill is the backdoor implementation of various legislative proposals such as corporatist economic planning and the reorganization and centralization of the banking industry (known as the FINE study) which had previously died because of public opposition.

Couched in the liberal rhetoric of achieving full employment in the shortest period of time, the bill instead represents a ruthless commitment to save the Atlanticists’ decayed monetary structure, at the expense of all else. As Sen. Hubert Humphrey himself said at a March 18 conference heralding the reintroduction of the bill, “(Federal Reserve Chairman) Arthur Burns says ‘My first job is to defend the banks,’ and I agree with Arthur; if the banks in the U.S. went kaput, that would end our system. I think Arthur Burns is a great man.’ The next day, Arthur Burns repeated his call for the replacement of unemployment insurance and welfare with \$50-a-week public service jobs.

“But,” says the self-deluded trade unionist or politician, “Humphrey-Hawkins doesn’t call for \$50-a-week jobs. In fact the bill even has a section which stipulates prevailing or minimum wage guidelines — whichever is higher.” True, Humphrey-Hawkins does not openly call for \$50-a-week jobs: much worse.

Humphrey-Hawkins, which is supported by the leadership of most of the trade union movement, would destroy every single gain organized labor has made over the last 100 years. Humphrey-Hawkins establishes a Full Employment Service which, by wiping out unemployment and welfare benefits, will create a non-union national labor pool of desperate unemployed workers who can be used as a scab force to break any strike and force unions to accept their contracts being ripped up. Workers in the ever-growing labor pool, under strict regimentation, will be constantly recycled at lower and lower wages into labor intensive jobs — until used up, thrown out and replaced by the next pool of unemployed. If Humphrey-Hawkins is enacted, it will not be long before the prevailing wage rate approaches Burns’ \$50 per week slave labor wage “recommendation.”

At the core of Humphrey-Hawkins is an absolutely bestial-

ized conception of human labor power. To the fascist authors of Humphrey-Hawkins, human labor power is mechanical energy — of the kind one gets from a steam engine or a draft horse. Throughout the bill, labor is treated as a quantifiable, fixed commodity, to be allocated or replaced as so many spare parts. One of the more vicious passages of the bill, Sec. 107(a) calls for “programs and policies in the Full Employment and Balanced Growth Plan for increasing the supply of goods, services, Labor and capital in structurally tight markets.” (Emphasis added.)

As any competent industrial capitalist understands, the real productivity of labor power depends upon the material and cultural level of workers, including both living and working conditions as well as training and education, which combine to permit labor that quality of thought necessary to work with new and advanced technologies — the explicit conceptual basis of the U.S. Labor Party’s Emergency Employment Act. Humphrey-Hawkins, by contrast, is committed to preserving \$800 billion of financiers’ paper IOU’s. If enacted it will halt potential capital investments in technology and destroy industries and human beings in labor-intensive efforts to service that debt.

### I. THE CORPORATE STATE

The Atlanticists’ defense of the monetary structure today necessitates the same kind of economic “reforms” that Hjalmar Schacht implemented during his term as Nazi Economic Czar. Central to this is national planning, total government control of credit, manpower and resource allocation, and the liquidation of “excess” or “non-competitive” sectors of the economy and populations.

#### A. Sec. 104 (a): National Planning

“...The President shall transmit to the Congress a proposed Full Employment and Balanced Growth Plan... (which) shall propose, in quantitative and qualitative terms, and for the number of years feasible, long-term national goals related to full employment, production, purchasing power, and other essential priority purposes...”

#### What it Means

“Balanced growth” and national economic planning once comprised a separate bill sponsored by Humphrey and Rockefeller’s pet Senator from New York, Jacob Javits, until the USLP exposed its Atlanticist supporters’ claims that national economic planning was “fascism with a human face.” The Initiatives Committee for National Economic Planning (ICNEP), the publishers of a document calling for “fascism with a human face,” are now gloating that the new

Humphrey-Hawkins will slip "national planning" in through the back door. (See accompanying interview with ICNEP Director Myron Sharpe.)

The Plan, which will be formulated by the President's Council of Economic Advisors and the Office of Management of the Budget, will be reviewed by an Advisory Committee before the President submits it to Congress. This 12-man body has an outright fascist structure, to consist of 12 appointed members from "business, labor and consumer interests."

Like the original ICNEP bill, Humphrey-Hawkins makes no mention of "enforcement" mechanisms. Also like the ICNEP bill, Humphrey-Hawkins' "secret" enforcement is located in the so-called Advisory Committee. According to Sec. 109: "The Advisory Committee is authorized to establish regional or industrial advisory sub-committees to furnish advice and assistance to it. Each Subcommittee shall consist of at least one member of the Advisory Committee and shall be broadly representative of the particular region or industry including business, labor and consumer interests." The Advisory Committee is thus designed to duplicate itself at many levels, permeating the society with corporatist structures for "self-enforcement" of the fascist plan.

The Plan will also subordinate all government spending, monetary, and employment policies to its corporatist goals. Through mandated (though not specifically legislated) credit and anti-trust reforms, private industry could potentially be forced under the heel of the Plan.

#### **B. Sec. 104 (e): Military Production and Energy Boondoggles: Goals of Humphrey-Hawkins**

"(1) development of energy, transportation, food, small business, and environmental improvement policies and programs for full employment and balanced economic growth, and required also to combat inflation by meeting full economic levels of demand.

"(2) the quality and quantity of health care, education, day care and housing **essential** to a full employment economy and **moving gradually toward adequacy** for all at costs within their means

"(3) Federal aid to state and local governments, especially for public investment and **unemployment related** costs

"(4) **National defense** and other needed international programs; and

"(5) such other priority policies and programs as the President deems necessary." (Emphasis added.)

#### **What It Means**

In compact form, this is the Atlanticists' horrifying blueprint for the U.S. economy — military production, back-breaking energy or railroad work-gang "public work" projects, genocidal cuts in social services and the creation of a virtual unemployment industry. (The latter will be dealt with at length in the second section of this report.)

The nature of the energy and transportation projects in section (1) require some clarification. Those projects must parallel exactly the "pyramidenbau" or useless "pyramid-building" slave-labor projects of Nazi Germany. While Humphrey-Hawkins itself is a broad guideline and does not specify how these "pyramids" will be built, Representatives John Conyers (D-Mich) and Richard Ottinger (D-NY) have already introduced specific companion legislation for specific energy and transportation projects. Repairing railroad beds and developing such alternative forms of energy as coal

gasification and solar power are all outmoded labor-intensive technologies, demanding huge pools of brute-force labor. As long as the authors of Humphrey-Hawkins hold to their commitment to prop up the existing debt structure, they must avoid revolutionary new technologies such as fusion power that would bankrupt existing paper titles.

#### **C. Sec. 106 (a) (3): Banking Reorganization**

"Monetary policy (is) designed to assure such rate of growth in the Nation's money supply, such interest rates, and such credit availability, including policies of **credit reform, allocation** and international capital flows as are conducive to achieving and maintaining full employment." (Emphasis added.)

#### **What It Means**

This is backdoor implementation of the notorious "FINE" plan for the Mussolini-style reorganization and centralization of the banking industry originally supported by Rep. Henry Reuss (D-Wisc) and which is currently dying an unlamented death in the House Banking Committee. Clothed into the radical verbiage of anti-banking regulations, the bill will instead be used to ensure other capitalists' submission to the Third Reich schemes of the Atlanticists. Using their central control of credit allocation, Wall Street can bludgeon other industries into acceptance of military production, useless energy projects, etc. and can destroy necessary productive industry.

#### **D. Sec. 107 (a) (d) (4): Control of Resources**

The Plan will make "provision for an export licensing mechanism for food and other critical materials when the national well-being is threatened...and the establishment of stockpile reserves of food and other critical materials in order to meet emergencies...and to maintain reasonable price stability..."

#### **What It Means**

The implication of food control through created food stockpiles to discipline the working-class is obvious. Beyond that, both the resource allocation and credit policies of Sec. 107 outlined above are exactly parallel to those policies in Nazi Germany which allowed Schacht and his corporate backers to control the economy. Schacht's worthless MEFO bills, based on military production, were first given "value" by liquidating and looting productive industries through the manipulation of credit and resources, and funneling the loot into the Krupp and Thyssen armaments works. Once these auto-cannibalistic policies had reached the limit of the available loot within Germany, the Nazis and their arms producer-controllers were forced to look for loot beyond their borders, necessitating World War II and the "final solution." The same economic policies today, geared to military production as Humphrey-Hawkins stipulates, must force World War III by 1977.

## **II. NAZI LABOR FRONT**

The third priority policy referenced above, in Sec. 104, the establishment of a public-service unemployment industry, is the backbone of the Wall Street domestic fascist policy, Humphrey-Hawkins establishes a Full Employment Office in the Department of Labor which creates a centrally-controlled manpower apparatus. Humphrey-Hawkins contains implicit manpower provisions which not even the Nazis were able to implement until 1935-36, several years into their rule.

The Nazi Employment Service Board (ESB) was actually created in 1922 under the Weimar Republic and was broad-

ened in 1927 to incorporate the state unemployment systems.

In 1934, under the Nazis, the same structure was expanded. The ESB was given the power to cut off all income maintenance if a worker refused particular employment. The ESB controlled the hiring and firing of all youth (under 25), and controlled all new apprenticeship programs. It wasn't until 1935-36, that these powers were fully centralized and it wasn't until 1938, that the ESB was given open worker conscription powers "to fill the holes" in various industries.

Humphrey-Hawkins TODAY creates a centralized Full Employment Office with sweeping powers that converge on and in several cases created a more comprehensive "ESB" system.

#### A. Sec. 206: The Full Employment Service

"There is established with the Department of Labor a Full Employment Office (FEO) ... employment opportunities shall be provided by the President through reservoirs of federally operated public employment projects and private non profit employment projects approved by the Secretary of Labor. The nature of such reservoirs of employment projects shall be determined in conjunction with the policies and programs of the Full Employment Office."

The FEO will make the "initial determination ... of the job-seekers' ability to be employed at certain types and duration of work so that he or she may be appropriately referred jobs, training, counseling, and other supportive services."

The FEO will establish "appropriate eligibility criteria to limit access to the programs authorized ... including but not limited to such criteria as household income, duration of employment and refusal to accept or hold a job which pays ... the prevailing wage, as determined by the Secretary of Labor ... or fair rates of compensation ... Compliance with the requirements ... relating to a person's eligibility for assistance may be satisfied by an affidavit ... if such a person knowingly provides false information in any such affidavit, he or she shall be ineligible for any assistance under this section of work so that he or she may be appropriately referred to jobs, training, counseling, and other supportive services."

##### What it Means

With centralized powers far greater than those of the Nazi's ESB in 1933, the FEO holds life-and-death control over public service job eligibility. Refusal to accept an offered job, perhaps in the Rocky Mountains, or on the Alaskan pipeline, can result in being dropped from the program. As was the case with the Nazi ESB, failure to comply with requirements can open a worker up for prosecution.

#### B. Sec. 205: Youth Employment Programs

"A comprehensive youth program (will be created) which (will) ... fully coordinate youth employment activities with other employment and manpower programs ... develop a smoother transition from school to work by fostering a more effective partnership between educational and employment institutions ... develop realistic methods for combining training with work, including APPRENTICESHIP and on-the-job training ... and provide job opportunities in a variety of tasks including conservation, public service activities, inner city clean-up and rehabilitation..."

##### What it Means

Youth are afforded special attention under Humphrey-Hawkins. The calls for apprenticeship and "work-study" provide Wall Street with the capability for cycling ever

younger and younger children into workers jobs at "apprentice" level wages. The Civilian Conservation Corps of the New Deal (which at the time was compared to Nazi programs) is nearly recreated at slave-level wages.

#### C. Sec. 207: Ending Welfare and Unemployment

"... adequate attention will be given to ... substituting work for income maintenance to the maximum extent feasible, taking account of the need for adequate income maintenance among those who cannot be brought within full employment policy."

##### What it Means

The ability to end unemployment and welfare benefits gives the Full Employment Office virtual conscription powers. This is approximately the situation today in Ohio and North Carolina, where falsification of unemployment figures has resulted in a cutoff of extended unemployment benefits for tens of thousands of workers. In Ohio, 50,000 workers who will be thrown off the unemployment roles on April 3 will probably not be able to get onto the state's welfare program because it is already near bankrupt. These workers are to be the cannon-fodder for Humphrey's "reservoirs of employment projects."

#### D. Sec. 420: Wage Guidelines

Persons are to be "paid equal wages for equal work," and "such policies create a net increase in employment through work that would not otherwise be done ... persons ... be paid wages not lower than whichever is highest of —

"(A) the minimum wage would be applicable under the Fair labor Standards Act of 1938..."

"(B) the State or local minimum wage for the most nearly comparable covered employment;

"(C) in the case of employers which are States, political subdivisions, local education agencies, public institutions of higher education, or other public agencies or institutions, the prevailing rates of pay ..."

##### What it Means

Arthur Burns, whom Hubert Humphrey thinks is "a great man," wants unemployment insurance ended immediately and its replacement by the kind of jobs nobody would want. Trade union bureaucrats and other fools who believe that section 402 will guard against Burns' demand need only look at the comparable language in the enacted Comprehensive Employment Training Act (CETA) of 1973. So as not to place individuals in work which "would otherwise be done," cities and states have simply changed the job classification titles of municipal jobs and placed CETA workers in the jobs of laid-off city employees at lower wages. In banker-run New York City, between 7000 and 10,000 CETA employees are now working in formerly-unionized municipal jobs at approximately two-thirds the rate of pay of the former municipal employees.

#### E. Sec. 107: Regimentation and Relocation

Policies will be established for

"(5) encouragement to labor and management to increase productivity within the national framework of full employment ... and

"(3) programs and policies in the Full Employment and Balanced Growth Plan for increasing the supply of goods, service, Labor and capital in structurally tight markets, with particular emphasis on energy and food ..."

#### **What it Means**

The first provision which goes hand-in-hand with the establishment of an Advisory Committee on Full Employment and Balanced Growth with regional and industrial subcommittees, provides the top-down framework enforcing brutalizing speedup and dehumanizing "co-participation" on industry-wide bases.

Section 3 reintroduces the hated labor relocation provisions, which the U.S. Labor Party smashed two years ago in the form of the National Employment Priorities Act. From the language of the bill, proposed "Project Independence" Rocky Mountain coal gasification projects where workers will claw low-grade coal out of the earth, might be one such "structurally tight" market.

#### **III. CONCLUSIONS**

"Federal tax policy (will be) consistent with expenditures levels ... necessary to balance the Federal budget or create a surplus under conditions of full production ... and to restrain excessive economic activity and inflation ..."

#### **What it Means**

In order to balance the budget or to create a surplus in the current depression, a tax policy as outlined above could only mean massively increased taxation of individuals and cor-

porations — straightforward looting of the population and of productive capital.

#### **B. Sec. 204 (2): The National "Big Mac"**

Funding for the reservoirs of employment and other programs will come from "capitalization through public stock (and) stock purchases by State governments, local governments, and businesses that benefit the program ..."

#### **What it Means**

The creation of further worthless paper to fund either energy boondoggles or military production, to be sopped up by the cities and industries will further increase the indebtedness of the cities and industries.

Since Congress is subject to the tugs and pulls of its working-class and industrial capitalist constituents it could not actually legislate this mammoth fascist structure into existence. The Humphrey-Hawkins bill provides a broad mandate for the President to prepare the specific annual programs which will implement the entire body of legislation. The only politicians, besides Rockefeller, who would dare to implement this fascist atrocity, is Humphrey, the darling of Wall Street, who has all but announced his intention to run for the Presidency.