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LABOR NEWSLETTER

Wall Street Declares War On Labor

Sept. 24 (NSIPS) — Keynoted by statements this week by Democratic Presidential candidate Jimmy Carter and United Autoworkers President Leonard Woodcock, Wall Street has renewed its offensive for immediate implementation of Schachtian slave labor policies in the United States, based explicitly on the destruction of wage levels and related benefits won by the U.S. trade union movement during 40 years of struggle. The core of the new plan is embodied in the amended version of Humphrey-Hawkins bill, passed Sept. 16 by the House Education and Labor Committee, which removes all "prevailing wage" guarantees for workers forced into "last resort" slave labor jobs.

In statements this week, Carter and Woodcock indicated that their goal in backing the revised bill is not only to force unemployed and welfare recipients into slave jobs, but that the new slave program will target presently employed union members as well. Woodcock is using the current UAW strike against Ford Motor Co. to organize for this program. In a letter sent out to all UAW locals, his Solidarity House leadership clique unabashedly stated: "There will be too many workers for the jobs available. We seek a reduction of work time as a means of increasing employment." At the same time, Carter stated on a nationwide television broadcast that, "there are 12 million welfare recipients — 10 million too many. We will offer them all jobs. If they don't take them, that's too bad. With or without a job, benefits will be cut." Carter followed up in the nationally televised presidential debate last night by calling for "CCC-type" programs for the nation's unemployed, and boasting that such programs could have saved the nation \$23 million in wasted unemployment benefits over the past two years.

The revised version of Humphrey-Hawkins, economist Leon Keyserling candidly explained in an interview this week, focuses on stepped-up inflationary spending coupled with lower wage rates. Keyserling, an advisor to both Carter and the UAW who has played a major role in the revisions, said that under the bill the Federal government will spend \$17 billion on slave jobs in the first year, and the same amount in the next two years. A veteran of Roosevelt-era slave labor operations when he helped run CCC camps, Keyserling claimed that the new version has the backing of the UAW and the AFL-CIO, the latter presumably a reference to Trilateral Commission agent Lane Kirkland. Manpower Commission expert Sar Levitan added in another interview that the maximum wage target for the new Humphrey-Hawkins slave jobs is a substandard \$3 per hour. "50 million people already earn less than this," he said, "so it will be an improvement for them."

To round out the program, Carter this week reintroduced Nelson Rockefeller's discredited "Energy Independence" program, now being marketed as a plan for reorganization of Federal agencies dealing with energy and for development of a national energy program. The specifics and goals of the program are the same as the Rockefeller multi-billion dollar slave labor boondoggles that have been consistently rejected over the past two years, Carter made clear last night, indicating that he envisioned mandatory cuts in energy consumption, development of "alternate" energy sources such as solar power, and a drastic step-up in labor intensive coal extraction.

Declare War on Unions

The push for these programs is a declaration of war on the trade union movement; the program Wall Street is demanding through its stooges Carter and Woodcock, is not possible as long as national unions exist to defend the gains and protection they have already won their members.

Wall Street economists make no bones about the fact that the policy they are promoting will require the expenditure of billions of federal dollars to subsidize the slave labor jobs, with hyperinflation rates of upwards 100 per cent the result. Their goal is to compensate for the inflation by holding wages down: a policy workers will resist and resist effectively as long as they have the institutions to do so. In Nazi Germany, accordingly, Hitler and Schacht demolished the trade unions before they carried out such policies.

In the U.S., the impending unleashing of terrorism and goon attacks against unions is being signalled by the recent wave of goon attacks and slanders against the U.S. Labor party by agents in the AFL-CIO bureaucracy and the United Steelworkers.

Standards for Union Busting

In an effort to set the standard for the union-wrecking demanded by Wall Street's slave plans, Leonard Woodcock is planning to negotiate a contract with the Ford Motor Company whose central feature will be the recycling of UAW members in and out of jobs. Woodcock's letter to UAW locals quotes UAW economists predicting a 47 per cent increase in auto production with only a five per cent increase in the hours worked — a plan for speed-up Woodcock politely calls "productivity gains."

Woodcock was forced to reopen contract negotiations Sept. 20 following the wide circulation of U.S. Labor Party charges of conspiracy between the UAW President and fellow Carter backer Henry Ford II to shut down auto production. Now, according to Business Week, UAW "negotiators" Woodcock and Ken Bannon are "close to accepting" the third Ford Motor offer of an annual wage increase of a piddling 12.5 to 27 cents per hour if the company agrees to boost the current one cent per hour cost of living allowance. The Ford wage offer is a clear effort to reverse the pattern of substantial wage hikes set by the Teamsters last spring.

"Scheduling" of worker recycling by Ford is not yet finalized.

Humphrey-Hawkins Revisions

The revised version of the Humphrey-Hawkins Bill, HR 50, passed a full session of the House Education and Labor Committee on Sept. 16 by a vote of 16 to 9. Amendments stripped the bill of all the "prevailing wage" guarantees initially used to sucker AFL-CIO traditionalist layers into supporting the bill, and target the unemployed for labor service in work camps.

Claiming its aim is to meet Brookings Institution-initiated demands for a reduction in the "inflationary impact" of the legislation, HR 50 also provides for "deducting food and lodging expenses" in work camps from wages, denies government-support "last resort" jobs to anyone who refuses a private job, including so-called countercyclical (recycling) jobs, and guarantees only that last resort jobs pay the same wage paid by the same employer for the same work, not the prevailing wage.

One source involved in the revamping of the bill, however, noted that HR 50 places the fiscal process as primary — interest rates must be reduced and the money supply increased: i.e., flood the U.S. economy with paper. The goal is clear: gouge already substandard wages through inflation, while the newly printed greenbacks go to balance the books of the bankrupt Wall Street banks.

The deep-seated opposition to corporatism among Midwest workers which has defeated previous fascist efforts such as the Mondale National Employment Relocation Act and Woodcock's avowedly fascist ICNEP planning scheme is still strong. Workers are conferring with the U.S. Labor Party on specific plans for converting auto capacity to tractor production — a transition that would demand several thousand more auto workers. USLP Vice Presidential candidate Wayne Evans and Ford UAW workers are touring Michigan, asking the party's tractor conversion program to the UAW picket lines, to meetings with General Motors executives, to the press and politicians.

In the key industrial state of Ohio — targeted by Carter and Wall Street for a massive reduction in blue collar industrial employment — USLP Congressional candidate Tony Curry held six press interviews on stopping the state "Civil Conservation Corps" slave labor legislation during a one-day campaign tour. Those who would be inclined to oppose the bill are instead succumbing to the blandishments and intense arm-twisting of Woodcock, Lane Kirkland, Brookings, Carter, et al., and may support the new draft despite its elimination of their former sine qua non, the "prevailing wage" sop. Keyserling reports that both the UAW and the AFL-CIO were involved in drafting the new amendments.

Union leaders who do accept the Wall Street attack on the unions are inviting a repetition of the lesson taught to the Social Democratic trade union leaders in 1933 in Nazi Germany, who endorsed Hitler's May Day celebration, and found themselves arrested the next day.

A Precis Of Humphrey-Hawkins Amendments

Following is a synopsis prepared by the NSIPS Washington Bureau of the revisions of the Humphrey-Hawkins (HR50) bill passed Sept. 16 by the House Education and Labor Committee.

Under the pretext of reducing the inflationary impact of the legislation, the measure now provides for a higher level of countercyclical stimulation of employment, eliminates all prevailing wage protection, and targets youth unemployment in the unambiguous slave labor fashion that has been recommended by Brookings' Rivlin and Shulze for the last six months.

First, the new provisions reset the unemployment reduction goal to 3 per cent of all the adult unemployment (adult defined as over 20 years of age) within four years of enactment of the bill. This provision allegedly reduces the responsibility that the government assumes for reducing unemployment by excluding a large number of unemployed youth from the target. This reduction of the target population is intended to make the bill look smaller and less inflationary.

Second, however, the bill specifically mandates that youth unemployment be targeted for reduction and that the goal of the bill be to lower the ratio of youth unemployment (16-19) to adult unemployment "as rapidly as feasible."

Third, provisions related to wage scales in government sponsored so-called "last resort jobs" have been amended in such a way as to eliminate all language in the previous versions of HR50 which required prevailing wage type protections. The precis of these changes under the third category in the document released by the committee on Sept. 17 states:

"... Provisions of the amendments answer all criticisms that the last resort jobs on reservoir projects might become too numerous, might draw people away from private employment, and might be at wages that are too high or which conflict with private employment. These new amendments provide categorically that no one shall be eligible for a last resort job who leaves or refuses to accept a private job, including a countercyclical job provided under Title II of HR 50. They provide that such last resort jobs be concentrated in the lower ranges of skill and pay and in no event shall include the type of work to which Davis-Bacon applies. The new amendments provide that the last resort jobs shall not be initiated until two years after enactment, nor without a finding by the President, transmitted to Congress, that all other means of employment are not yielding enough jobs to meet the unemployment reduction goals of the act. The eligibility provisions of Section 206 sub e(4) are

revised to provide that no one shall be eligible for a last resort job who has been unemployed for less than eight weeks and also strike out the wage provisions in 206 e(4) which led some to believe that people might be moved from private jobs to last resort jobs if the wages on the private jobs did not meet certain criteria including prevailing wage. As amended the wage provisions relating to last resort jobs are to the effect that these jobs shall pay not less than the minimum wage and not less than the wage paid by the same employer for people doing the same types of work. Less than this would be unworkable and would degrade previously existing wage standards."

Note: previously, Section 206 of the Humphrey-Hawkins bill included five strictures referring to Federal and state law that guaranteed prevailing wages. These are all strictly excluded from the new amendments. Further, as the Meeds Youth Employment bill previously provided, food, lodging and other expenses can be counted against wage levels in newly authorized but not yet appropriated youth employment programs.

Fourth, the amended version instructs the programs to be responsive to regional imbalances in employment and industrial profile, and not just to be related to nationwide averages. This is a foot in the door for the regional corporatism plans that have been pushed by Rep. Michael Harrington (D-Mass) et al. over the past eight weeks.

These changes in the Humphrey-Hawkins bill remove those provisions which had been used to cement the support of the AFL-CIO traditional layers. Observers here view it as likely that the AFL-CIO Building Trades Department, for example, has gotten under-the-table pledges that the new slave jobs will not compete with their tradesmen — but obviously such a pledge is as worthless as Section 206 was six months ago when that constituted the "promise to labor."

Keyserling:

New Humphrey-Hawkins Will Change The Way Our Economy Is Run

Sept. 22 (NSIPS) — The following is a transcript of an interview today with economist Leon Keyserling, the chief formulator of the revised Humphrey-Hawkins bill and one of the architects of Franklin Roosevelt's New Deal.

Q: What are the chances of the Humphrey-Hawkins bill, in its