

intense labor-industry confrontation will likely result.

Although the Boeing settlement was expected to set a pattern for the aerospace industry, the IAM is continuing to strike Lockheed. Negotiations were broken off today amid reports that Lockheed was resisting the terms of the Boeing settlement. The United Autoworkers Union, representing 60,000 workers, is also in negotiations with

the aerospace industry. The UAW has extended its old contract to avoid a strike.

Said one aerospace industry analyst, "It is about time that the companies figured out that in the long run they can't crush the unions and that forcing strikes will eventually hurt everybody...."

Carter Under Hoover Pressure As Fight Over Humphrey-Hawkins Begins

With reworked, Carter-endorsed legislation still not formally introduced into Congress, the forces behind the Humphrey-Hawkins Full Employment and Balanced Growth Act have begun their mobilization to get it passed by taking pot shots at their "ally" in the White House. An aide to a leading member of the Congressional Black Caucus told a reporter; "We are in for a knock down dragged out fight ... everyone knows that even if we get this watered down version of the bill through Congress, we will have scored an impressive victory ... we will in effect, be able to dictate policy to Carter and if he doesn't go along, then it's goodbye Jimmy ..." And while his allies try to box him in, Carter's enemies on Humphrey-Hawkins have begun firing away in the press and on the Hill at both him and his "economy-sized" version of the hated bill. "It's (the endorsement) a red flag to us conservatives," said one aide in the office of a leading Congressional opponent of the bill. "If Carter thinks he's fooled people with all his talk of private sector jobs creation and fighting inflation, well at least around here, he hasn't..."

We reprint below excerpts from an article appearing in the Nov. 23 *Baltimore Sun* announcing the first phase of mobilization. As was pointed out last week, the so-called Full Employment Action Council was totally unable to mobilize anybody for its Labor Day festivities on behalf of Humphrey Hawkins, with angry workers dubbing "the events, "pick and shovel week." It should be noted that despite the optimism expressed by Humphrey and others, many of the organizers of the abortive "full employment week" activities have expressed doubt that "people will be stirred."

"I'm beginning to think that the average American worker doesn't want a Humphrey-Hawkins bill — in any form" said one former full employment organizer.

"Mrs. King Predicts 'Serious Trouble' For Carter If He Slacks On Jobs Bill"

Washington — The widow of the Rev. Martin Luther King, Jr., warned President Carter yesterday he would be in "serious trouble" politically if he failed to pursue the goals of the Humphrey-Hawkins full-employment bill.

Coretta Scott King said at a press conference that the

controversial employment bill basically embodies the goals her husband outlined shortly before the civil rights leader was murdered nearly a decade ago...

She said the nation's civil rights movement has reached the point in its demands for full employment "where we can focus on a specific piece of legislation."

Mrs. King is co-chairman of the Full Employment Action Council, a coalition of civil rights, labor, church and liberal activist groups supporting the Humphrey-Hawkins bill.

The President, after nearly a year of trying to skirt the issue with black congressional leaders, has endorsed a compromise version of the legislation sponsored by Senator Hubert H. Humphrey (D-Minn.) and Representative Augustus F. Hawkins (D-Calif.) . . . the AFL-CIO was throwing its full political support behind the bill for passage in 1978.

Kenneth Young, associate legislative director for the AFL-CIO, said "the AFL-CIO has pledged its full resources to pass this bill." He said he was optimistic about its chances in Congress next year.

The action council, in the meantime, is expected to devote most of its resources to building grass roots support for the proposal.

— from the *Baltimore Sun*

Press Scorns Humphrey-Hawkins

Seattle Times, editorial "A Hollow Jobs Bill" November 21:

Watch the Humphrey-Hawkins bill sail through Congress, through President Carter's in and out baskets and into law — the new Humphrey Hawkins bill, that is.

In negotiations this month between administration officials and the bill's sponsors, a new compromise Humphrey-Hawkins bill was worked out ...

What was achieved? The *Wall Street Journal* probably provided the best answer when it observed 'that a utopian measure had been watered down to a nearly unworkable one.'...

The truth about the problem that Humphrey-Hawkins purports to solve was stated in a press conference this month, "There is no easy answer to the unemployment question."

That, of course does not mean that the government

should throw up its hands. It should attack unemployment in ways that encourage permanent jobs in the private sector in ways that do not burden the economy with increased taxation and inflation.

Neither the original nor the 'negotiated' version of the Humphrey-Hawkins will do those things...

Seattle Post Intelligencer, Editorial, "New Jobs Bill No Solution, Many Say" by Donald Rogers, economics editor, Hearst newspaper:

(Nobody is satisfied with the bill except) its sponsors in the Black Congressional Caucus and the highest echelons of labor.

...It is more political in nature than social or economic ... it frightens many business leaders.

...Humphrey-Hawkins will not solve unemployment ... no matter how high its goals because the only way to create durable jobs is through investments in the private sector. Such capital formation results in new or expanded plants, new equipment, new service industries and new jobs.

Humphrey-Hawkins Is A "Hook To Hang Programs On": (Humphrey Aide)

The following are comments of an aide to Sen. Hubert Humphrey (D-Minn), sponsor of the Humphrey-Hawkins Full Employment Act, on the bill:

Some people are saying that Hubert sold out, that he should have held out for a tougher bill. Hubert doesn't think so. He is the eternal optimist, but he is a doer and a political realist....we got as much as we could from the President . . . now we are going to have to get more from the Congress . . . Right after Carter made his support announcement last week, Hubert said, "This is great, just great. He is helping us to create the proper climate to finally get full employment legislation. He (Carter) has opened up the debate...?"

If you look at Humphrey-Hawkins the way we do, then you see it as some kind of hanger on which we hang a whole slew of policies. For example, you can't separate full employment from an urban policy.... we have this proposal for a big National Domestic Development Bank to fund both the public and private sector to get the communities of this nation rolling again. So Carter says, "We shall have a commitment to a full employment policy" and we say to his people and the whole nation, well we have this Domestic Development Bank. Wouldn't it be a good way to fund employment, especially in the urban centers?

Humphrey-Hawkins opens up all sorts of doors...It's our job to keep them open and walk through them, so to speak...

We think we have a real shot at getting our bill through....

Besides, it's Carter who is on the hot seat.... He has made a big promise and I suppose it is legitimate for some people to ask whether he really means it... if he is paying lip service and trying to buy some votes with half-hearted endorsement, I promise you he is going to be in

hot water... you can't afford to disappoint that many people...

Press To Carter Officials: But Are You Serious About H-H?

The following is excerpted from a Nov. 14 press briefing given by Labor Secretary Ray Marshall, Council of Economic Advisors head Charles Schultz, and Presidential Domestic Affairs Advisor Stuart Eizenstat:

Q: While it is true that this bill is marked by difference from the original bill, there doesn't seem to be a whole lot of difference from the compromise reached late last year. Why has it taken the President this long to endorse the concept basically that he endorsed?

Administration Official: I am not precisely familiar with the degree of endorsement last year. What I can say is unlike kind of the usual situation where you have a Congressional bill and the President endorses it in general, we did attempt in this case to work out and negotiate ... sentence by sentence and paragraph by paragraph, language that the President could endorse.

So this was not just a case of, well, fellows, make a few broad changes and we will endorse it. This was an attempt on the part of both sides, Administration and sponsors, to work out very specific language all the way through. It is an important bill and we felt that was necessary. That did take time.

Q: Could I ask a question? At least for this Administration, do I understand that you are now advocating these goals and it doesn't require an act of Congress to set goals and to set plans to achieve them? In other words, is the Administration, regardless of whether the Congress acts on it, prepared to go ahead with this blueprint?

Administration Official: This isn't a blueprint. This sets up a process and sets some goals, but the Administration clearly thinks that these are worthy and desirable goals and we would like to reach them. Yes.

Q: How vigorously will you work to reach them, and having this legislation enacted in the Congress? The President states in his last line of his statement that, "I look forward to working with the Congress to enact this legislation." How vigorously can we expect the Carter Administration to work?

Administration Official: I am not sure I can give you a quantitative answer, but I think explicitly when the President says that he looks forward to working with the Congress to get it enacted' that is exactly what he means.

The press conference was then promptly ended.

Public Service Jobs Centerpiece of Full Employment

The following is excerpted from a speech delivered Nov. 16 by Secretary of Labor Ray Marshall to the U. S. Conference of Mayors meeting in New Orleans. While Marshall continues to mouth rhetoric about his belief in "private sector jobs creation," few knowledgeable people — even in the Administration believe him. His contradictory remarks are therefore interesting because he

clearly identifies at one point that a public service jobs program is the "centerpiece" of any full employment program.

Said one Carter Administration official about the Secretary of Labor recently, "Ray is a bit daffy. He thinks that you can solve any problem by spending huge amounts of money to create public service jobs... at least at this point, there are plenty of people around here who think he is off the wall..."

Two subjects are on my mind these days. One is full employment and the other is energy. They may seem unrelated, but, in reality, they are closely intertwined. As you know, the President this week endorsed a new version of the Humphrey-Hawkins bill. This legislation underscores this Administration's commitment to full employment. We now have concrete benchmarks to measure our progress toward what I believe is the attainable goal of 4 percent unemployment in 1983.

Much of the responsibility for achieving full employment rests on the shoulders of those of us with the responsibility for running public service jobs programs. It is clear that this Administration believes that these

programs are the centerpiece of the Federal government's effort to reduce the unemployment rate to acceptable levels....

A major reason for lagging business is continued uncertainty over energy supplies and their cost. Until we can guarantee that American Business will have an assured supply of energy at a predictable cost, many firms will defer their spending plans until the situation clarifies. The result will be the creation of far fewer jobs than we need. I don't have to remind you what the natural gas shortages last winter did to the unemployment rate.

That is why those of us who are concerned about jobs programs have an important stake in the energy bill now being put together in the House-Senate conference committee. Unless Congress passes a bill that is compatible with the President's energy program, the doubt and uncertainty in the business community will continue. A solution to our energy and unemployment problems go hand-in-hand. A permanent reduction in unemployment depends on a healthy private sector. And without energy legislation, it will be difficult, if not impossible, to create the jobs that we need...

Gov't Documents Reveal UAW Source Of USLP Harassment

Documents released to the U.S. Labor Party under the Freedom of Information Act Nov. 17 have betrayed the guiding hand of United Auto Workers General Counsel Stephen Schlossberg in a campaign of sustained financial harassment against the USLP and its sister organizations since 1975. The documents, obtained from the Criminal division of the U.S. Justice Department, include a personal letter dated Sept. 4, 1977 from Schlossberg to then-Attorney General Edward Levi, enclosing a "confidential" memorandum proposing that the Federal Elections Commission launch an investigation of the USLP.

SPECIAL REPORT

The memorandum, excerpts of which are reprinted below, outlined the preliminary features of a concerted federal government "probe" into the finances of the U.S. Labor Party and the National Caucus of Labor Committees (NCLC) on the spurious grounds that the NCLC is a front for the Soviet Union and is "evolving into a terrorist gang." It then proposed systematic "local countervailing activity" against the regional offices of the U.S. Labor Party and volunteered to make UAW information available to the Federal Elections Commission (FEC) for purposes of profiling the resources and expenditures of the U.S. Labor Party. In the interest of pulling together a coordinated effort, the memo even

suggested the convening of a high-level meeting of "those most concerned."

In the period following this September 1975 proposal, the U.S. Labor Party has been subjected to intense financial harassment, which has cost hundreds of thousands of dollars in lost campaign contributions, credit, and legal fees alone.

The centerpiece of this campaign has been the continuing refusal of the FEC, under the direction of Chairman Thomas Harris, to award the USLP \$110,000 in primary matching funds for the 1976 presidential campaign of Lyndon H. LaRouche, Jr. Instead, the FEC has charged the Committee to Elect LaRouche with improper filing and subjected CTCL contributors and creditors to intimidation and harassment in its effort to find any possible loopholes in the USLP's finances or campaign activities. Financial records and USLP officials have been repeatedly tied up by the FEC in lengthy and costly legal procedures. Three FEC auditors spent three days in the USLP's New York headquarters last week scouring financial records for possible discrepancies. And USLP candidates in just-concluded local elections have been slapped with individual improper filing suits by the FEC (see box).

The UAW Network

The documents released to the Labor Party also show that a coherent network extends from the United Auto Workers and the AFL-CIO through the "social democratic" wing of the Democratic Party straight to the highest levels of the FEC. The Schlossberg memoran-