

LABOR PERISCOPE

Will labor go after the Fed?

The shivers of terror that ran down the spines of trade union leaders last week, as the intent of Paul Volcker's new "anti-inflation" policy became clear, have given way this week to the beginnings of movement to put a stop to the Federal Reserve Chairman's plan for a new depression. Only a few labor leaders so far have denounced Volcker's interest-rate hikes, but so have some bankers, some politicians, and some industry spokesmen. One presidential candidate, Democratic contender Lyndon LaRouche, is calling for the Federal Reserve chairman's immediate impeachment. From the nature of the issue, however, labor ought to be up front.

Indicative of what the Volcker package will mean for the building trades, for example, the National Association of Homebuilders launched its own drive against Volcker this week with a full page ad in the Washington Post. "There must be a better way to deal with inflation than policies that will deepen and prolong our national recession, cut new home construction in half, and throw 1.5 million men and women out of work. . . . When will Washington policy makers learn that high interests rates force-feed inflation, not starve it. . . ."

But so far, not a peep from the building trades unions, who are charged with representing those 1.5 million women and men.

Admittedly, Lane Kirkland has been compelled to say something. The man who is almost certain to replace George Meany at the top of the AFL-CIO delivered a mild criticism of the Fed effort to provoke depression. Volcker's policy is the "controlled disintegration" policy of the New York Council on Foreign Relations, of which Mr. Kirkland is a member. Said Kirkland, Volcker's action is "the wrong measure at the wrong time" and the administration ought to adopt "specific measures" to "shelter areas of great social need from the chill wind of tight and expensive money." (He added that the "economic accord" between the AFL-CIO and the administration "might" be jeopardized.) The problem is, Kirkland is not known for his ability to distinguish between the "social need" known as industrial production and employment, and legalized gambling, urban slave-labor and the like.

One labor leader, at least, has made a forceful statement. Ralph Greene, Secretary-Treasurer of Local 713, Federal Printers Union, issued the following statement several days ago from his Washington, D.C. headquarters:

"I am asking all concerned citizens, trade unionists, and elected representatives to join me in demanding that President Carter and the U.S. Congress reverse the disastrous monetary policy re-

cently implemented by Chairman of the Federal Reserve Board, Paul Volcker. His policy of raising interest rates and reducing available credit, together with his call for the elimination of the cost of living escalator clause, will destroy our economy and increase unemployment. Volcker made his point unmistakably clear in testimony before the Joint Economic Committee where he stated, 'In order to stop inflation, the U.S. population must accept a lower standard of living'."

Until now, most labor leaders have been content to leave overall economic policy to the backrooms of Washington and New York—and London, where Volcker's policy was devised—while staying home and bickering with local management over shop-level agreements promptly rendered meaningless by decisions taken in Washington, New York and London. Powerful thieves and "feudal" lunatics who despise industrial growth are threatening to destroy the economy, the labor movement, and the nation. They do not understand "criticism" of their policy. We need measures that can defend the nation's currency and banking institutions, while safeguarding our crippled steel industry, our threatened nuclear energy and aerospace sectors, our construction industry, and others, from the assault of the anti-American faction in the nation's political life. Labor must help mobilize a political movement of this country's population to deliver a resounding defeat to those, like Paul Volcker, who seek to destroy us. Then we can get on with the urgent job of domestic and global recovery.

Labor needs more Ralph Greene's.

—Lydia Cherry