

Bulletin

weekly organ of the workers league

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VOLUME NINE NUMBER TWENTY FOUR 299

JUNE 18, 1973

FIFTEEN CENTS



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NIXON'S PRICE 'FREEZE' A FRAUD

BY THE EDITORS

Nixon has announced a completely fraudulent 60 day "freeze" on retail prices, while threatening to impose a real freeze on wages should workers get out of line and demand wage increases adequate to meet the record rise in prices which has already taken place.

In the meantime, he is preparing stiff new wage controls under a "Phase Four."

Under Nixon's new "freeze," farm prices—which Nixon cannot control at all—and rents will be allowed to continue to rise at record rates. Nixon's new "freeze" will no more hold prices down than did Phase One, and what Nixon really announced was his intention to continue his present inflationary policies.

Nixon made it very clear that the only reason a wage freeze is not being imposed at this time is because of the trade union bureaucracy's complete collaboration with his 5.5 percent wage guidelines. Actually, wage settlements since January have averaged less than five percent, while food prices have risen over 10 percent.

For nearly two years, trade unionists have lived under wage controls and guidelines. Through the treachery of its leadership, the average wage increases have conformed to the limits set by the Nixon Administration.

But during the same period prices have risen at a rate unparalleled in postwar history.

•In May, the wholesale price index rose by 2.1 percent.

•Since May 1972, the index has risen 12.9 percent.

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What we think

Nixon's Labor Lapdogs

The reaction of the labor bureaucracy to Watergate represents a betrayal of historic proportions. Not a single figure in the labor leadership has spoken up on Watergate demanding Nixon's resignation. In fact the labor press has virtually suppressed any reporting on Watergate. In this, the press follows the lead of the AFL-CIO News, which prints not a single word on Watergate.

This is not just a matter of Fitzsimmons and those in the labor bureaucracy who openly supported Nixon for re-election in 1972. It is not even limited to George Meany, I.W. Abel and their supporters who gave covert support to Nixon in the last election. The so-called progressives like Leonard Woodcock, Leon Davis, Harry Bridges and United Electrical Workers' Fitzgerald have refused to take any stand on Watergate.

The complicity of the labor bureaucracy in propping up Nixon goes even further. This year, in every contract negotiation, the labor bureaucrats have hued rigidly to the 5.5 percent guidelines even though inflation

is ripping up family budgets and forcing millions of workers to cut back on the basics of their standard of living. Abel has led the way with his plan for binding arbitration of wages in steel. The Goodyear and Goodrich settlements and now the GE settlement represent major defeats for workers.

The UE leadership, which is uncritically supported by the Communist Party, joins with the International Union of Electrical Workers in seeking to force through this quicky settlement in the hopes of getting it under the wire of any new wage freeze from Nixon. They announce ahead of time that they will accept and not fight any plan Nixon comes up with. The Communist Party is fully complicit in this. In New Jersey the UE-IUE negotiating team endorses a farm workers benefit picnic which is sponsored by the Young Workers Liberation League. The picnic will be no doubt a celebration of the deal with GE!

The reason why the labor bureaucracy refuses to act on Watergate and on the wage guidelines is because any action

now poses the need for a break with everything they have stood for. What is now required is a fight to bring Nixon down through trade union action against the wage guidelines. What is required is the calling of a Congress of Labor to launch a new party, a labor party, to run in new elections. Nixon has made clear his plans to subvert democratic rights and to spy on and jail militants who oppose him. The only way forward for labor is to replace Nixon with a labor candidate.

The Democratic Party has now emerged as the most virulent in fighting for new wage controls and even a wage freeze. The leading Democrats are really supporters of Nixon. They see their role as pressuring Nixon—actually pressuring him towards a more stringent attack on unions. This is why they do their best to minimize Watergate. Even though Watergate was aimed at the Democratic Party, no leading spokesman of that party has campaigned for Nixon's resignation. He is their man too.

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Germany's civil police force: one of the most advanced in Europe with techniques borrowed from the U.S.

Kissinger Fails To Win New Ceasefire

BY MELODY FARROW

Henry Kissinger and North Vietnamese negotiator Le Duc Tho ended their talks in Paris June 9 without signing any agreement or issuing the expected joint statement.

Kissinger cancelled a press conference before returning to New York, stating that: "Because the negotiations are still in progress I will say nothing further about my conversations."

The discussion centered on the US demand that the NLF and Provisional Revolutionary Government in South Vietnam "enforce" the ceasefire and halt military action against Saigon troops. Kissinger had made this a condition for the resumption of economic aid talks with Hanoi and removal of the mines in North Vietnamese harbors.

The inability of Kissinger and Tho to reach any agreement underscores the bankruptcy of the entire Paris peace agreement, which provides a smokescreen for Thieu to continue his attacks on territory held by the NLF.

It is impossible for "peace" to exist as long as Thieu attempts to impose his reactionary, corrupt regime on the workers and peasants of South Vietnam. This irreconcilable conflict—and not the loudly proclaimed "objections" of Thieu to the agreement—is behind the break off in talks and the continuing civil war.

Thieu has told Kissinger he will not sign any "new" agreement. He is especially opposed to any stipulation that formally grants the NLF administrative control and insists on assurances that North Vietnamese troops in the South will not be reinforced.

During the talks the fighting in the South reached its highest level since February.

PRESSURING

There have been strong indications recently that Hanoi is pressuring the NLF and Provisional Revolutionary Government leaders to stop fighting. Nguyen Huu Tho, the President of the PRG, issued a long declaration that pledged to "scrupulously observe the Paris peace agreement" and instructed the NLF "to create in-

dustry, respect private property and encourage investment in South Vietnam."

No mention was made of the fighting in Cambodia which Kissinger had hoped to pressure

Hanoi to halt. Prince Sihanouk, leader of the Cambodian Liberation Army, refuses to have any discussion with dictator Lon Nol who, despite massive US bombing, is still surrounded and cut off by Sihanouk's men.

New Greek Constitution Sanctions Dictatorship

BY FRED MUELLER

The Greek colonels' military dictatorship faces its gravest crisis since the April, 1967 coup which installed it in power. Premier George Papadopoulos has installed himself as the provisional president of a new republic. The end of the monarchy is to be ratified by a new constitution, which the regime is now working round the clock to produce by June 30, and which will be put before a Gaullist-style referendum on July 29.

Premier George Papadopoulos has installed himself as

the provisional president of a new "republic." The formal end of the monarchy will be ratified by a new Constitution that will be put to a referendum July 29.

The new Constitution will merely add some Parliamentary window dressing to the vast powers of the dictatorship. The President will be elected for seven years but Papadopoulos will be the only candidate and he alone will choose the candidate for vice president. No other political parties can participate in the election.

The President will have the exclusive right to name and dismiss the Prime Minister, all other Ministers and Secretary of State.

Brandt Orders Police Raids Of Maoists

BY DIANNE ISAACS

A police terror campaign and mass arrests mark the sharp rightward turn of Germany's Social Democratic government as Chancellor Willy Brandt finds himself unable to inflict any decisive defeats on the powerful trade union movement.

A massive crackdown on the Maoist Communist Party of Germany (KPD) began May 15 when armed police stormed the KPD's headquarters in Dortmund, breaking into files and confiscating lists of subscribers. The arrest of two KPD leaders, Horlemann and Semler followed, the charge being membership in an organization pursuing "punishable aims."

That same morning over 100 police in Berlin alone raided more than 20 private apartments. The political material confiscated was towed away by the truckload.

All KPD demonstrations are forbidden, a move first undertaken when the KPD planned protests against Brezhnev's visit to Brandt two weeks ago. Germany's so-called civil police officers brutally broke up a meeting protesting the ban on demonstrations May 19 and with

the aid of provocateurs took over 300 KPD supporters into custody in later demonstrations.

TURNING POINT

These attacks on the KPD signify a turning point in class relations in Germany and are a direct result of the profound economic crisis unleashed in Europe by Nixon's August 15 measures. The campaign against the Maoist KPD is aimed at banning Marxist parties within the workers' movement and is a step toward removing the democratic rights of the working class.

The government, under a coalition of the Social Democrats (SPD) and the liberal Free Democratic Party (FDP), has consolidated the police forces directly under the anti-labor FDP Minister Genscher—a step which bears strong resemblance to the Watergate conspiracy—precisely to infiltrate the trade unions at the same time as laws to make strikes illegal

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anxiety over the strength of the Greek working class.

The colonels' position is desperate and they have been forced to make mass arrests. One of those detained is a former Interior Minister, Christopher Stratos, a leading industrialist and former advisor of Constantine's.

Constantine's position is also extremely weak. Neither the monarchy nor the dictatorship have a significant social base. The colonels hope to maintain their position with the aid of continued support from Nixon and Agnew, as well as from the Soviet bureaucracy.



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Nixon In Panic To Block Dean Testimony

BY THE EDITORS

Nixon's frantic attempts to cover his tracks in the Watergate conspiracy suffered a sharp setback today with the failure of last minute efforts to prevent two key former Nixon aides from testifying in public before the Senate committee investigating the break-in at Democratic National Committee headquarters.

Former White House counsel John Dean III and Jeb Stuart Magruder, second in command at Nixon's reelection committee, are both expected to be able to link Nixon directly to the conspiracy. Dean has said he met with Nixon earlier this year over 30 times to discuss the effort to cover-up Nixon's role in the case.

Dean has also told government investigators Nixon was "personally aware" of the \$300,000 contribution to his campaign used as a bribe by the dairy industry to get increased price supports. Dean said Nixon knew the money was "intended to influence the Government."

The government had sought to prevent Dean from testifying at all by trying to block a request from Senator Sam Ervin's investigations committee that he be granted limited immunity from prosecution to allow him to appear. Judge John Sirica today granted partial immunity, over government objections, for testimony before the grand jury investigating the break-in.

Magruder has agreed to testify without immunity and plead guilty to a reduced charge.

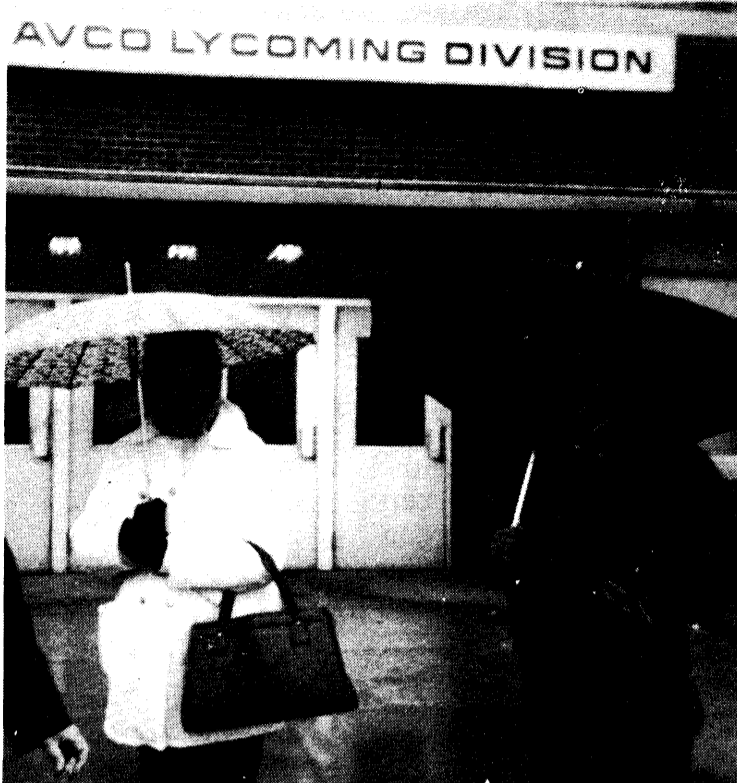
COX

Sirica also denied a motion made by "independent" government prosecutor Archibald Cox that would have barred further live radio and television coverage of the hearings and thus reduce the impact of the testimony of Dean, Magruder and other top ex-Nixon aides who are scheduled to testify. Cox earlier failed in an attempt to get the hearings postponed altogether for three to six months.

At the same time, former Act-

ing FBI Director L. Patrick Gray and Nixon's former personal lawyer, Herbert Kalmbach, have agreed to become prosecution witnesses. Gray has said he tried to warn Nixon of a possible cover-up attempt as ear-

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Bridgeport, Connecticut picket line at AVCO

Bankers Brake Credit Explosion

BY BRUCE MCKAY

Nixon is now under tremendous pressure from Wall Street to come up with a clear-cut policy for dealing with the rapidly developing international economic crisis.

The powerful commercial bankers who stand at the heart of American finance capital are telling Nixon in no uncertain terms that he must now take decisive action to freeze wages, step up the trade war offensive against Europe and Japan and slam the brakes on the explosive growth of credit which threatens existing banking capital and is rapidly eroding the last remaining shreds of confidence in paper currencies.

With the inability of Nixon to formulate any clear policy because of the growing political crisis his government faces over the Watergate scandal and his resistance to deflationary measures which would bankrupt the speculative boom capitalists he represents, the finance moguls of Wall Street have increasingly taken matters into their own hands, moving to cut off the flow of credit, strangle new investment and send the economic system into a sharp slump.

In the past week, the Federal Reserve Board, which directly represents these bankers, served

Nixon with a sharp warning by raising the discount rate—the interest charged banks that borrow from the Federal Reserve—a full half percentage point to 6.5 percent.

In an unusual accompanying explanation, the Board said the action had been taken because of "the recent growth in money and bank credit and the continuing rise in the general price level."

"Market analysts generally agreed that the one-half percentage point jump in the discount rate represented a power play by the Reserve Board to get new government action on the anti-inflation front," the Wall Street Journal reported.

CHOKO

This latest rise in the discount rate—the fifth so far this year—is one of a series of measures taken in recent weeks

Teamsters Strike Philadelphia Stores

BY DENNIS HAULING
PHILADELPHIA—"The companies are holding out, trying to throw us out of work and trying to destroy our union." These were the words of one angry warehouseman, representing the Teamsters,

by the Federal Reserve and private banking interests to choke off credit and investment funds.

DETERIORATE

At the same time, the world monetary system is continuing to deteriorate with the rise in the price of gold and the rapid evaporation of confidence in paper currencies, and American bankers and their European counterparts were completely unable to reach agreement on any sort of monetary reform during the International Monetary Conference in Paris sponsored by the American Bankers Association.

"Even the most optimistic view voiced at the conference...indicated reform would take at least another two years," the Journal of Commerce reported.

who are now striking three of the major department stores in Philadelphia.

Teamsters Local 169 and 115, consisting of warehousemen, mail order clerks, telephone operators, receivers and markers, have been striking since June 1 against Lit Brothers, Gimbel's and Strawbridge & Clothier, fighting for the right to a decent wage and against the union policies of the company.

The company, in addition to holding down wages, is now attempting to take away the shorter summer hours won by the union in past struggles, to replace markers with pre-marked items, which would throw thousands out of work, and destroy the pension fund.

Local 115 is demanding a \$2.20 wage increase over a three year period. As one union representative stated, "This is negotiable." The companies have been on a union-busting campaign and at Lit Brothers, they are attempting to transfer the men and women from one store to another, thereby placing them under the jurisdiction of another local. This would result in the total collapse of Local 115 and a loss of pension and seniority

Belgian Dockers To Stay Out

BY A

FOREIGN REPORTER

Over 2000 Belgian dockers stunned the government and their union leaders by applying for unemployment rather than end their eight week wildcat strike.

Dockers in the ports of Anvers and Gand are particularly bitter about the refusal of their union to give their strike any official backing.

While none of the issues had been resolved, the strikers took a vote June 5 on whether to return to work and agreed in advance that at least 65 percent of the men would have to vote yes. Fifty-one percent voted that day to continue the strike.

Yet out of 2500 dockers involved, only 311 showed up for work the next day while the rest declared themselves officially unemployed.

The determination of the dockers is part of a growing wave of strikes in all sectors. On May 25, postal workers in Brussels walked off their jobs but returned the following Monday.

MARCH

The same day 60,000 teachers refused to work and led a march through Brussels demanding a pay increase and better working conditions. The teachers rejected a promise of Prime Minister Leburton that new measures in their favor will go into effect September 1 and threatened to widen their strike.

This upsurge of the Belgian working class comes at a time when the government is being hit with a major scandal. On June 4, a Secretary of State, Abel Dubois, was forced to resign as a result of revelations about fixed awarding of construction contracts to companies favored by government officials.

rights for the members of Local 115.

At Lit Brothers, there have been continuous attacks upon the union, with the laying off of 32 men in the receiving department this past April. The company claimed there was no work but they had transferred the work to Northern New Jersey. And as one worker told the Bulletin: "There was work then, but they just wanted to get rid of the union. We couldn't even strike against them because of the no-strike clause."

CLOSE

At Strawbridge & Clothier, one warehouseman told the Bulletin, "I'm out here 24 hours a day and I won't leave this place until we've won our contract. The company gave us no choice, so we'll close their business down." At Strawbridge, the union-busting policy entails the hiring of "hasty help," which are non-union people, and employing them to do union work. "They hire these people off the street at two dollars an hour and it knocks everything out from under us."

The ranks of Strawbridge & Clothier are fighting to win their own contract against the company's wishes of one industrial contract for the three stores.

Young Socialists Invites You To:

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Sat., June 23rd

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—and the fight for democratic rights.

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Transportation also available from Connecticut, Philadelphia, Bethlehem-Allentown, Boston, Baltimore and State College, Pa.
For information call: 212-924-0852.
Make all checks payable to The Young Socialists, 135 W. 14th St., New York, N.Y. 10011



Pittsfield IUE Ranks Reject GE Contract

BY DAVID NORTH

PITTSFIELD, Mass., June 12—The Executive Board of International Union of Electrical Workers Local 255 here voted last Friday to reject the contract settlement reached the day before between the International leadership and General Electric. This vote was followed Sunday afternoon by a membership meeting of the local where the ranks denounced the settlement and demanded an explanation from their business agent, Al Litano, who is a member of the IUE negotiating Committee.

With Local 255 President Mickowski among those urging rejection of the new contract, it appears likely that the 10,000 workers in this important New England plant will spearhead the growing rebellion among the General Electric ranks against this sellout.

A shop steward in the local who opposes the settlement told the *Bulletin* that the older workers are solidly against the settlement and that a vigorous campaign for a "no" vote is being

Newspaper Guild Takes Settlement

BY A BULLETIN REPORTER

BALTIMORE, June 11—The leadership of Local 35 of the Newspaper Guild has forced a two year contract on the membership of the Sun papers unit that will mean the loss of hundreds of dollars in wages to inflation.

The contract, which was ratified by a vote of 212 to 46, provides for a first year increase of 6.15 percent and a second year raise of 10.47 percent. While both increases are nominally above Nixon's 5.5 percent guidelines, neither allows for catching up with the price increases which have been taking place.

The union negotiating committee pushed for acceptance of the contract proposal on the grounds that it was the best they could get with Nixon's plans to impose stiff new wage controls.

Guild Members for a Labor Party was the only group in the unit to fight for rejection of this proposal. Ken Gleason pointed out at tonight's ratification meeting that with the Consumer Price Index rising now at an annual rate of 9.2 percent, the leadership was asking the membership to vote itself a wage cut.

The Guild Members for a Labor Party proposal called for an across the board increase of 20 percent in addition to a monthly cost of living escalator. GMLP supporter Mary Grigolia said the central question facing the unit was the fight to defeat Nixon's wage controls by forcing Nixon to resign and constructing an independent labor party.

conducted within the plant.

But officials of the IUE and UE are moving ahead with their plans to betray this year's critical contract fight. They meet today in New York to officially approve the settlement. Both unions have completely abandoned their basic demands and are accepting GE contract proposals which are virtually identical to those that had been rejected by the negotiating committee just two weeks ago.

There is every indication that the naked surrender of the trade union bureaucracy to the Phase Three guidelines was prompted by its fears that Nixon is about to impose a Phase Four with even stricter controls. Rather than mobilize the 100,000 GE workers against Nixon and the company, IUE President Paul Jennings and UE President Albert Fitzgerald have submitted to state control of wages.

With the same determination
(Continued On Page 16)



Brooklyn cemetery workers out on strike spoke to the *Bulletin* about the possibility of state-imposed arbitration: "That's outrageous. You have no freedom at all with this. Your work in the rain and dust and snow, and they think you're nothing but a piece of garbage."

State Threat To Cemetery Strike

BY BRUCE MCKAY

NEW YORK, June 11—Seven hundred cemetery workers began a full scale walkout yesterday at all 47 metropolitan area cemeteries in the face of a complete deadlock in negotiations and the threat of a state-imposed settlement.

Workers have been on strike for two months at three of the area cemeteries in Brooklyn, Queens and Farmingdale, Long Island. Local 365 of the Cemetery workers and Green Attendants have been without a contract since the beginning of the year.

Workers are demanding a \$12 per week increase in each year of a proposed three-year contract, in addition to one more week of paid vacation time and increased fringe benefits. The employers' association has offered only \$8

per week more, insisting that the contract stay within Nixon's 5.5 percent wage guidelines.

"The \$12 isn't really enough, when it comes right down to it," one worker in Brooklyn said. "First of all, there's the cost of living. Look at the way that's going up. And then there's the \$12. What are you going to get out of it? Nothing."

Claiming a possible "health hazard"—although the cemetery owners admit they have enough cold storage space for three to four months without burials—the state legislature has passed a bill

which would force compulsory arbitration on the union. This bill was signed into law today by Governor Rockefeller.

"Nixon and Rockefeller are in this together. Nixon is planning to put new wage controls on, and all the unions are rushing to get settlements. Rockefeller wants arbitration. If he signs this compulsory arbitration, it's no good. We lose out—then it's a lost cause."

An eight-week strike in 1970 by Local 365 was settled by mediation, with workers ending up with far less than they had asked. The base minimum wage now for gravediggers is only \$168 a week.

1199 Faces July Pay Fight

BY AN 1199 MEMBER

New York—The hospital workers strike set to begin Monday, June 4 was called off at the last minute when Local 1199 announced that management had agreed to pay the increases owed to the workers since July, 1972.

The timetable agreed to calls for the payment of the 7.5 percent increase no later than the week of June 18 and the payment of all retroactive wages no later than the week of July 2.

Hospital workers are bitter over having to wait for nearly two months after the Phase Three Health Panel had overruled the original pay cut before they received their increase. They are bitter over what the rampaging inflation has done to this measly 7.5 percent in the one year that the hospitals have held on to this money. The 1972 contract makes absolutely no provision for cost of living increases to keep pace with inflation.

When the settlement was reached in 1972, 1199 President Leon Davis refused to call it an arbitrated settlement, even though it was exactly that. The three state-appointed arbitrators, whom the union leaders referred to as just "mediators," handed down their decision. Davis accepted it im-

mediately but the hospitals accepted it only after some arm-twisting.

The workers were asked to ratify this contract on the basis of a list of its major provisions. Now it comes out that there are at least two provisions of the arbitrators' decision which were never explained. A new minimum rate has been established for workers in the probationary period, the first two months of employment. These workers are to be paid six dollars a week less than their fellow union members. Furthermore, the minimum rate for all job classifications is only raised by \$12, not 7.5 percent. For all jobs paying more than \$160 a week, the minimums go up less than 7.5 percent. Workers who have been hired since last July—who have been led to expect they would receive a 7.5 percent increase during the whole struggle against Nixon's Pay Board—have now been told that if they are working in the job classifications paying at least \$160 a week, they will be getting a smaller increase.

EXCUSE

The hospitals will now try to use this increase as an excuse to

make drastic cutbacks in staff and services which they have been planning on since the agreement last July.

Beth Israel is moving ahead with the shutdown of one major kitchen, transferring the employees into other areas and departments. Last week they attempted to assign all dietary workers to a permanent six day work week at no overtime pay. This is only the beginning.

For hospital workers this means redoubled determination to win the full provisions of the second year of the contract, due on July 1. The fight for the second year 7.5 percent, as well as the maximum work week of 37 and one-half hours and all other improvements, is a political fight. The union leaders' complete capitulation to compulsory arbitration must be replaced with an open fight against the government's attacks. This means the fight for an emergency Congress of Labor to force the resignation of Nixon and to launch a labor party. It means preparing strike action at the moment of Nixon's greatest weakness for the increases owed to the hospital workers as of July 1.

OUTRAGEOUS

Another worker, when asked what he thought about the possibility of state-imposed arbitration this year, said: "That's outrageous. You have no freedom at all with this. You work in the rain and dust and snow, and they think you're nothing but a piece of garbage."

Rockefeller's arbitration law is a sharp expression of how the government is being used in this period to destroy the basic rights of workers and the independence of the trade unions in order to drive down workers' living standards and take away all the gains won in the past period.

Commenting on a story on Watergate in the *Bulletin*, one worker said: "Yeah, that's what we ought to do—get rid of Nixon. He shouldn't have been allowed to get in in the first place. None of these guys deserve to be where they are."



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Brezhnev: Taking Off The Heat

BY LUCY ST. JOHN

On June 18 Leonid Brezhnev, head of the Communist Party of the Soviet Union, will arrive in the United States for a visit with Richard Nixon. Brezhnev's visit comes at a time of the greatest economic and political crisis in history for Nixon and the US ruling class. The Watergate conspiracy has exposed the real plans of Nixon against the working class and has thrown the entire capitalist class into tremendous crisis.

In this situation Brezhnev has assured all that even an earthquake will not stop his rendezvous. Thus Brezhnev seeks to provide as big a diversion as he can muster for Nixon from the Watergate scandal.

Brezhnev is scheduled to make a half-hour appearance on television during his visit. For Nixon this will be a helpful relief from the televised hearings on Watergate that are each day pointing the finger at his role in the conspiracy. Just as the bureaucracy threw its support to Nixon during the last election, Brezhnev's visit here is designed to rescue Nixon at a time when the mobilization of the working class can force him out.

The shake up in the Central Committee of the Soviet Communist Party was preparation for this trip as Brezhnev cleared out the main critics of his foreign policy orientation. He has now emerged as the dominant figure in the bureaucracy which is staking everything on an expansion of trade and economic relations with the capitalist countries.

The press in the Soviet Union has deliberately played down the Watergate crisis in order to keep the Soviet working class in ignorance of these developments. This is because of the tremendous fear the bureaucracy has for the working class and its determination for this visit to go ahead. Brezhnev and the leaders of the Soviet Union are putting an agreement with Nixon above all else.

Instrumental in this rescue operation has been the role of the American Communist Party. Running after Brezhnev's rightward moves to form a counter-revolutionary alliance with Nixon, the CP now is openly defending Brezhnev's upcoming trip. It is silent on the Soviet leadership's refusal to let the workers at home know about Watergate and the character of the regime Brezhnev will visit in June.

The Soviet leadership is making good use of its faithful supporters in the American CP. Last week it published a statement by the CP in the Soviet press (printed in the June 1 issue of the *Daily World*) entitled "Welcome to our country Leonid Ilyich Brezhnev." According to the CP, this statement is being distributed throughout the United States. Praising the spirit of "peaceful coexistence" the CP writes:

"Distinguished guest, your visit is another historic milepost along the way to the consolidation of good relations between our two countries, a matter which holds the promise of such great mutual benefits to our two peoples and corresponds to the best interests of the progress, peace and well-being of the peoples of all countries of the world."

EXPLANATIONS

Gus Hall in a recent address on Watergate in New York argued along these lines. Despite his attacks on those who opposed the visit as "anti-communists," even Hall's audience demanded explanations for this visit and for the growing relationship between the bureaucracy and American imperialism.

In an attempt to defend the bureaucracy and its counterrevolutionary plans, the *Daily World* wrote an article on May 30 entitled "Behind the 'second thoughts' about

Brezhnev's visit." First the article cynically notes the tremendous impact of the Watergate events on the working class: "...the continuing disclosures are increasingly deepening popular disillusionment with capitalism and opening minds to the necessity of socialism for the salvation of the livelihood and liberties of the people."

The CP goes on to say that in this context Brezhnev's visit is very timely:

"At such a time, the visit of Leonid Brezhnev, whose office and mission personify the victory of developed socialism by strict adherence to the teachings of Marxism-Leninism, cannot but increase the paranoia of US capitalism's defenders and apologists.

"What fringe benefits may be expected from such an increase in US-USSR trade, if not a vested interest by entire sections of US capitalist society in the maintenance of relations of peaceful coexistence, that is, an increased support of measures to avert a nuclear confrontation?"

The CP's statement that Brezhnev's visit personifies the victory of developed socialism by strict adherence to the

teachings of Marxism-Leninism, used in fertilizers. It will build a pipeline to carry the fertilizer to ocean ports. In return Occidental will have access to Soviet raw materials as well as chemicals made in these plants which it will sell profitably on the world market. The bureaucracy plans to get generous credit terms from its capitalist trading partners. But what it is mainly trading in will be valuable and irreplaceable natural resources, particularly natural gas and petroleum.

Unable to develop industry to the required technical tempo or to make available from the Soviet Union's tight economy the investment funds necessary to open up the vast resources of Siberia and other regions, the bureaucracy is now putting them up for sale to the highest capitalist bidder.

There are already a number of corporations operating in the Soviet Union as part of the Five Year Plan. The firm of Swindell-Dressler is helping build the Kama motor vehicle plant. Jay Manufacturing is supplying scientific and technical co-operation in the coal mining industry. The list of other firms already includes



Brezhnev enjoying cocktails with his good friend: this visit can only deepen the crisis within the American Communist Party as the Soviet bureaucracy seeks a deal with Nixon at a time when he is most exposed with the Watergate revelations.

teachings of Marxism-Leninism is by far one of the most disgusting lies to come out of the Stalinists. Contrary to the American CP's contentions, the Stalinist bureaucracy comes to the US not out of strength but weakness.

In fact imperialism and Stalinism are driven together by their mutual weakness in the face of the economic and political crisis and the struggles of the working class. The Stalinist bureaucracy today faces a crisis no less severe than that of American imperialism. The bureaucracy has held back the development of the economy. The growing economic crisis in the Soviet Union is caused by its own mismanagement and negligence as well as the impossibility of constructing "socialism in one country." Growth has faltered, particularly in agriculture. Huge quantities of grain have had to be imported.

This bureaucracy, which long ago abandoned the "teachings of Marxism-Leninism"—the Bolshevik conception of revolutionary internationalism—can only see one way out of the difficulties: through an agreement with the capitalist powers.

To overcome the growing crisis in the Soviet economy in the "decisive third year" of the ninth Five Year Plan the bureaucracy has become increasingly amenable to almost any suggestion from the capitalist side. Thus, the bureaucracy has already made big concessions to American business for the development of Soviet natural resources. This is the meaning of the deal signed with the Occidental Petroleum Company earlier this year.

The Occidental deal means that the company will supply plants to equip fac-

General Electric, Westinghouse, and Hewlett-Packard. The Chase Manhattan Bank two weeks ago opened its first office in Moscow. David Rockefeller was welcomed by the bureaucracy in Moscow for the opening. Other corporations are preparing to move in at the invitation of the Stalinists.

DIFFERENT

This turn in Soviet trade policy is quite different from the old calls for greater East-West trade. It now represents a direct threat to the nationalized basis of the economy and the plan itself. It opens the way for a breach in the monopoly of foreign trade and for the exploitation not only of Soviet resources but also of the Soviet working class by foreign capital.

Trotsky, writing in 1924 in *Europe and America*, spoke of the intentions of American imperialism towards the Soviet Union in striving for domination over the world market:

"It comes into collision with us, if only because the paths through the Pacific lead to China and Siberia. The thought of colonizing Siberia is one of the most alluring thoughts of American imperialism. But a guard stands there. We hold the monopoly of foreign trade. We possess the socialist beginnings of economic policy. This is the first obstacle in the way of the autocracy and undivided rule of American capitalism."

Today the Soviet bureaucracy is endangering this guard as American imperialism, having achieved its domination, seeks to save itself from the most colossal economic crisis in history. But it should be clear that the US will not stop at

its trade deals; it is in fact preparing war against the workers' states. This is the lesson of Nixon's savage war against the Vietnamese people. As the world crisis deepens, imperialism is driven to seek ways of reconquering areas lost in the Russian Revolution and after World War Two; it is driven toward world war.

By convincing Nixon on his visit of the bureaucracy's guarantees to suppress revolution, Brezhnev hopes to be able to tackle the USSR's own economic problems: to reduce the enormous burden of armaments production which lays a dead weight on the Soviet economy, and to increase the output of consumer goods to meet the Soviet workers' demands for a better standard of living.

This perspective is illusory and utopian. It exposes the workers' states to the gravest dangers of capitalist penetration. The bureaucracy is willing to go this far because of its tremendous fear of the working class.

The price which Brezhnev is willing to pay to ease his economic headaches is political—the collaboration of the bureaucracy in the counterrevolutionary schemes of American imperialism against the workers of Europe, Asia and America. Brezhnev's visit is intended to assure Nixon that the Soviet leadership has no intention of spreading revolution and to show that it accepts the existing division of the world. It is precisely upon this continued division between imperialism and the workers' states that the Soviet bureaucracy depends for its privileged and parasitic existence. This is at the heart of the Stalinist rejection of the fight internationally of the working class for power. This perspective of "socialism in one country" and "peaceful coexistence" was developed by Stalin and rejected this international strategy.

Lenin over and over again said that it was impossible for the two systems to exist side by side in peace, that the only defense for the Soviet Union was the fight in each capitalist country for power.

Revolution is the threat most feared by Brezhnev. In this he finds common ground with Nixon and the men of Watergate. The Stalinists want Nixon firmly in power so he is able to make and keep agreements capable of "stabilizing" areas like the Middle East. To this end the bureaucracy is willing to sacrifice the fate of American workers, who face the vicious anti-union administration of Nixon, just as they were willing to sacrifice the victory of the Vietnamese revolution, whose sellout paved the way for the present talks. Just as the Soviet bureaucracy was willing to overlook the mining of the harbors of Hanoi and Haiphong and the mass murder of the Vietnamese people last December, they are quite willing now to overlook the Watergate conspiracy and the attacks on American workers.

The CP is using the most reactionary propaganda to defend these deals, claiming that there will be great benefits for US workers.

Thus they seek to disarm the American working class as Nixon prepares a head-on collision with labor and at a time when the conditions have been created to throw him out and build a labor party. At a time when GE workers face a battle for their contract, the CP is pushing the deal between the Stalinist bureaucracy and this corporation. They have stood uncritically behind the IUE and UE bureaucracies, which are now attempting to force a settlement of less than 5.5 percent down the throats of the ranks.

The movement of American workers against Nixon will only expose the Stalinists' relations with this administration.

While the Stalinist bureaucracy has betrayed the October Revolution, it has been unable to overthrow it. This is why the Soviet bureaucrats cannot tell the masses about Watergate and why they fear the exposure of the corruption and crisis of capitalism.

The struggle of the American working class against Nixon can now give strength to the Soviet working class in its struggle to defend the workers' state against the Soviet bureaucracy.

IUE Fears Opposition In Frigidaire

BY JOHN WERNER

DAYTON—Local contract talks have opened up in Dayton in the four major General Motors plants: Frigidaire (International Union of Electrical Workers), Delco Products (IUE), Delco-Moraine (United Auto Workers) and Inland (United Rubber Workers) in advance of the national contracts that are expiring this fall.

In the face of the most concerted attack on the workers, as seen in Phase Three and Watergate, the local leaders seek to compliment the national sellout leadership in holding back the struggle of the workers.

At Frigidaire, Arnold Thompson, president of the 13,000 member IUE Local 804, has resorted to complete dictatorial tactics to prevent any opposition challenging his control of the negotiating committee. Thompson has suspended the elections for plant chairman and closed down union meetings until September.

In November 1971, Thompson pushed through a wage cut for the appliance workers, splitting the union between the higher seniority workers, who were all shifted to the automotive divisions and received no wage cuts, and the lower seniority workers who were assigned to the appliance division and whose wages were cut.

WAGE CUT

The appliance division contract was extended six months beyond that of the auto section. This wage cut came on the heels of Nixon's announcements of the wage freeze and the decision to sever the dollar from gold and was hailed in the capitalist press as a model for the whole country.

While trying to paint a rosy picture of what was happening at Frigidaire, glossing over the divisions and the intensified speedup, Thompson's leadership was thrown into a crisis at the time of the wildcat strike which broke out in October 1972 over the speedup. At that time Thompson maneuvered to prevent a strike vote. In spite of these moves, he was still faced with defeats in the recent committeemen elections, in which a number of candidates won over

his supporters. Thompson knows he faces defeat in the plantwide elections for the three-plant chairman.

CONTRACT-BUSTING

Thompson's contract-busting of the appliance workers has cost these workers dearly as well as crippling the entire union with the split. Appliance workers have lost well over one dollar an hour that had been guaranteed in their contract. On top of this, the conditions have continuously deteriorated. Speedup and flagrant violations of contractual rights occur daily.

Last Thursday, four tanners in Plant One South (Automotive) were told to go up on the roof in the middle of the afternoon when it is the hottest and clear out asbestos cakes onto the air ducts off of the roof. When two of the tanners pointed out that this was not in their job classification, the foreman fired them under the so-called indefinite suspension.

Another worker had received permission to see the company doctor and upon returning to his job was fired for "loitering."

The rank and file of Local 801 are determined to exercise their democratic rights under the IUE Constitution and are circulating a petition under the constitutional provision to force a special membership meeting to restore regular elections and meetings.

CRUCIAL

The next few months are crucial for General Motors workers in the coming contract fight. The danger at Frigidaire is that the opposition to Thompson is proceeding entirely from a trade union level, refusing to come to grips with the political questions involved in the wage cut and speedup and in Thompson's tyranny.

The fight to restore regular elections and meetings will be

Midwest News



Mass picket set up by UE Local 1139 in Minneapolis at Butler Manufacturing. Three hundred workers have been on strike for a month—and arbitration with Butler last Monday lasted for 45 minutes.

meaningless and doomed to futility if the struggle is not turned in a political direction.

It is necessary to fight for the restoration of the unified contract, eliminating the wage cut at Frigidaire and for a 20 percent increase with a full cost of living

escalator for all GM workers. This poses the fight for a labor party to place political power in the hands of the workers. The struggle will have to be directed against the national sellout leadership of Woodcock, Jennings, etc., as well as the local leadership and against Nixon.

Iron Strikers Shut Ohio Construction

BY A REPORTER

DAYTON, Ohio, June 8—A strike of iron workers, supported by the other construction crafts and laborers, has shut down all construction sites in a 20 county area in western Ohio. Picketers in Dayton told the *Bulletin* that the strike will spread to all shops where maintenance is being done if the strike is not settled by Monday, June 11.

Four hundred fifty members of Local 290 of the Iron Workers Union struck June 3 after their contract expired on May 31. Workers told the *Bulletin* the union is seeking a one year contract.

The employers group, the West Ohio Chapter of Associated General Contractors, has offered only a 20 cent an hour increase each year and wants a two year contract. A picketer stated the contractors want to take away rights and benefits that the workers have achieved in the past such as travel time, show up time and coffee breaks.

The iron workers are asking a guaranteed 40 hours for foremen and six paid holidays. One worker pointed out that if the higher paid skilled workers lose out, this will drive down further the unskilled trades. He cited the laborers, who have lost ground in wages.

Construction workers have been hard hit by unemployment and the wage freeze. Last

August, Laborers Local 1410 signed a three year contract with only minimal gains in fringe benefits. Following this same pattern of retreat before Nixon's wage controls, the leadership of the Iron Workers' Union is making no wage demands beyond the Phase Three "guidelines."

Builders Heads End Strike

BY DEBRA WATSON

CHICAGO—The twelve Construction Laborer's Locals here and in Northeastern Illinois who struck for five days this month against MARBA (Mid America Bargaining Association) were abruptly called back to work Wednesday. The District Council leadership signed a contract with the contractors association immediately after MARBA began an industry-wide lockout.

The 15,000 Laborers stopped construction on all Chicago area projects including the Sears Tower and the Commonwealth Edison nuclear generating plant in Zion, Illinois. The 19 other unions involved in construction, over 150,000 men, honored the picket lines on all sites.

The union leadership backed down from the original demand for 65 cents the first year and a one year contract. Instead, they accepted one dollar over two

IAM In Wage Fight

BY A BULLETIN
REPORTER

MINNEAPOLIS, June 9—Over 500 members of the International Association of Machinists (IAM) Lodge 1037 have closed down the Char-Lynn division of Eaton, Yale and Towne since the beginning of June. Formerly an independent company, Char-Lynn, located in the Minneapolis suburb of Eden Prairie, manufactures hydraulic components; under contract, it diecasts lawnmower bodies for the Toro Corporation.

Primarily a machine shop, pickets told the *Bulletin* that they were way behind the pay scales of similar plants of the same size in this area, not to mention what was being earned in the other Eaton plants organized by the IAM.

"They must have some money," added another striker, "because they just built—or are building—a new plant in Spencer, Iowa."

But with the economic crisis, Eaton has no intention of putting any more money than it has into the Eden Prairie plant, or any other organized plant. It is their intention, and the intention of employers throughout the country, to build non-union plants at substandard wages and drive down the wages and conditions in the unionized plants.

The company's "offer" has included wage hikes of even less than 5.5 percent and a so-called cost of living, starting in 1975, which several strikers told the *Bulletin* would mean about a one percent increase!

Only with the full backing of the Nixon government can Eaton be so brazen in its so-called offer. As a first step towards breaking through this, Lodge 1037 strikers must demand that their leadership close down the rest of Eaton to back them up.

years, 40 cents the first year, 40 cents the first six months of 1974, and 20 cents the last six months. This raises the base pay to only \$8.42 an hour and is well below the government guidelines. This supposedly will allow Spingola, President of the Laborer's District Council, to avoid a head on confrontation with the Construction Industry Stabilization Committee. It was Spingola's fear of the ranks that moved him to dismantle all strike machinery and send pickets back to work before announcing the details of the contract.

The contractors and building financiers are in a panic as the crisis of the dollar devastates the construction industry. Costs of materials alone have skyrocketed over the past few years. According to an industry survey, the index of industrial building costs—not including any rise in labor cost—jumped seven points in the first four months of this year. This is a new high of 390 points based on the year 1926 equal to 100 points.

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Lordstown Shutdown Enrages GM

SPECIAL TO THE BULLETIN

LORDSTOWN, June 12—Production was halted at one of the two GM plants here yesterday as 1200 members of United Auto Workers Local 1714 refused to cross a picket line of five men disguised with hoods.

Neither union officials nor management could identify the men. Shop Chairman Tom Weekley said that he did not believe that the pickets were members of Local 1714 because "I'm pretty sure that the rank and file trust their union officers and wouldn't do something like this without first telling us."

The action occurred in the midst of a ruthless campaign by GM to break the militancy of Lordstown auto workers. There have been a large number of cases involving arbitrary discipline and deliberate violations of grievance procedures.

VICIOUS

In the material handling department, which is normally a preferred assignment in other auto plants, vicious disciplinary measures have contributed to the highest turnover rate.

"It doesn't matter if the company settles a grievance," said Weekley, "because they just turn around and do the same thing again."

Firefighters Demand Rights

BY JOHN DUNN

ST. LOUIS, June 9—About one hundred local citizens of Molene Acres demonstrated in support of eleven firemen today and demanded the resignation of the three members of the Moline Fire Protection Board.

Less than a year ago eleven of the twelve firemen in the department joined Local 398 of the St. Louis County Fire-fighter Association and began a fight to bargain for a salary schedule. On May 15 the Fire Board claimed that they didn't have enough money and failed to announce a salary schedule and cut \$1200 per year, per man off of vacation pay, holiday pay, and the pension fund.

The union gave notice that unless negotiations took place and something was done there would be a "work slowdown" on June 1. On June 1 the board fired the eleven firemen.

RIGHTS

One fireman said, "We were fired for wanting rights."

Another said, "We joined the

Weekley reported that the plant's management massed around the plant gate yesterday. Workers began to return home because they have learned from previous experiences in similar incidents that management tries to fire men on the spot.

CHARGED

The company has charged the local with violating Paragraph 117 of the national contract which prohibits wildcats, and are preparing a witch-hunt against militants. "Management is sitting around the clock trying to find a way to use this incident against us," said a local officer.

Within a month, GM plans to lay off between 100 to 800 workers.

At the neighboring Lordstown plant, Local 1112, the ranks are awaiting approval from the International for strike action, which was supported overwhelmingly at a recent membership meeting. However, the UAW is currently bargaining with the company in order to prevent any action that could disturb Woodcock's national negotiations with General Motors.

Previous strike authorization votes by the local have been squashed by the International.

union because every time we had a complaint they would say, 'there's the door, don't let it hit you in the ass.' Now the Fire Board is trying to break the union. They even started advertising for scabs."

RESTRICT

The Board issued a law suit trying to restrict the firemen from picketing in front of the firehouse and the union countered with another suit against the board.

The talk of the district not having enough money is a complete fabrication as, in spite of the \$12,000 being allocated for training, the only thing used was \$75 for a can of foam. A fireman said, "That is all they spend unless you want to count the three board members going away to the fire chiefs convention and living in first class hotels."



St. Louis firemen set up a truck for a ballot election to restore the jobs of 11 firemen who were fired. One hundred citizens of the area demonstrated their support and demanded the resignation of three members of the Moline Fire Protection Board.

Speculators Buy Soy Beans As Stock Market Slumps

BY CYNTHIA BLAKE

Chicago—The futures market in farm commodities and metals, centered in Chicago, has been thrown into complete chaos by the latest outbreak of the dollar crisis and its effect on investment.

Unlike the stock market, bidders in the futures market are gambling on the cash value of grains, meats, metals, etc. to be delivered at a later date. They contract to buy, for example, carloads of wheat, to be resold when delivered, or to be sold to another speculator sometime before that when the price has gone up.

As speculators left Wall Street in droves during recent weeks, they poured cash into bids for later shipments of grain, especially soybeans. Their speculation was fueled by the record exports—over 1.1 billion tons of soybeans have been shipped out already this season—and by the reports of delayed or missed plantings because of floods and the fuel shortage in farm areas.

Contracts for soybeans, soybean oil and soy meal were especially affected, with bids rising almost 45 percent over the month of May. The commodities' bids are tightly controlled, with daily limits set by the directors of Chicago's Board of Trade—bids are not allowed to rise above or fall more than the limit.

In the last week of May, despite rulings which increased the cash margin needed for bidding, the daily trading limit was reached every day. In fact, the limits themselves had to be raised, from 20 cents to 40 cents a bushel for soybeans, and up to \$15 per ton for meal.

On May 30, the market opened with prices already increased to the daily limit. Profit taking during the morning forced prices down to the outside loss. Before trading ended at 2p.m., prices had shot back 80 cents to close up the limit, at \$10.58 per bushel.

MOVE

That night, the directors voted to lift the daily limit entirely for bids on July deliveries, a move usually taken just days before the crop actually comes on the

market. This move was designed, according to a spokesman, to "bring futures prices more in line with cash commodity prices."

The next day, the market prices jumped 77 cents to \$11.35, and all commodities still under limits hit their ceilings. Every measure that was within the power of the directors was inadequate to stem the mad speculation. The prices on the market compare with the actual cash value of \$10.83 paid for the first five rail cars sold this season. But that compares with about four dollars per bushel which was paid at the end of last fall's trading.

CHAOS

This chaos has caused many experts to call for a two to three day closing of the market. This, combined with new pressure on Nixon to restrict exports, caused the market to drop sharply during the first week of June. By Friday June 8, the prices were climbing again and July soybeans closed at \$10.15 per ton.

The crisis is not simply a question of supply and demand. There has also been a sharp rise in metal market prices, particularly silver, which cannot in any way be accounted for by industrial needs.

The fact is that the commodities market has been consciously promoted as an ideal area for the "small investor" who may be priced out of currency speculation and afraid of Wall Street. The amount of cash in hand needed to make big gains is smaller than with stocks, and the return can be timed by bidding on futures for July, September, December, etc.

But the same issues are at stake here as in every investment market in the world—the relationship between the dollar that is being invested and the actual value of the goods being bought and sold. The directors' decision to lift the limits is their

admission that brutal laws of the marketplace cannot be controlled.

While paper fortunes may yet be made in Chicago this summer, the gold markets in London and the political struggles of the workers and farmers in America will determine the actual basis of these holdings to be next to nothing.

UE Strike Hits Butler

BY A BULLETIN
REPORTER

MINNEAPOLIS, June 11—Some of the 300 striking members of United Electrical Workers (UE) Local 1139 today mass picketed Butler Manufacturing in southeast Minneapolis.

Arbitration last Monday lasted for 45 minutes, with four hours for lunch. Strikers told the Bulletin that the company is notorious for this sort of activity. "Every three years—it's like an anniversary." In 1970 members of Local 1139 were out for 11 weeks. "They don't even come up with 5 percent, and we want a decent pension," was the comment of another striker.

Other strikers expressed the view that Butler's was one big octopus and that this strike was hitting at just one tentacle. Local 1139 has already been knifed in the back by the leadership of Teamsters Local 970, which organized a Butler plant in St. Paul. There the Local 970 leadership signed a 5.5 percent contract, adding the provision that if the UE gains more, it will automatically be given to the Teamsters.

This activity is consistent with the national support the Teamsters leadership has given to Nixon and the wage freeze.

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Nixon & Wages

(Continued From Page 1)

•Over the last three months, the index has shot up at the annual rate of 23.4 percent.

•Since March, the combined index for farm products and processed foods and feeds has climbed at an annual rate of 43.4 percent.

•And now, with millions of workers entering into contract battles to win back the losses they have suffered since Phase One began, Nixon is about to impose new controls.

These talks between the labor bureaucracy and Nixon are nothing less than criminal under the present political and economic conditions. Here is an administration that is up to its ears in a political conspiracy against the basic democratic rights of the working class. It has been utterly discredited in the eyes of millions of workers who would like nothing more than to see Nixon kicked out of office.

But Meany and Woodcock have gone to the White House to save the Nixon Administration from collapse and sanction whatever measures it plans to take against the working class. At the very moment when the Watergate scandal, the deterioration of the dollar, and the breakup of the boom have produced tremendous demoralization with the Nixon Administration and the ruling circle of bankers and industrialists, the trade union bureaucracy gives its full support to the crisis-stricken regime.

It is clear from the statements of the capitalist press that the future of Nixon is riding on his ability to impose new controls on the working class.

Not only is the AFL-CIO collaborating with Nixon on wage controls but it has refused to say anything about the fact that the Democratic Party is at the center of the drive for a total wage freeze. Senator William Proxmire, who has enjoyed complete political support from the AFL-CIO since he began his career, has publicly demanded a 90 day freeze and has declared that he will push it through the Senate if Nixon does not act fast enough.

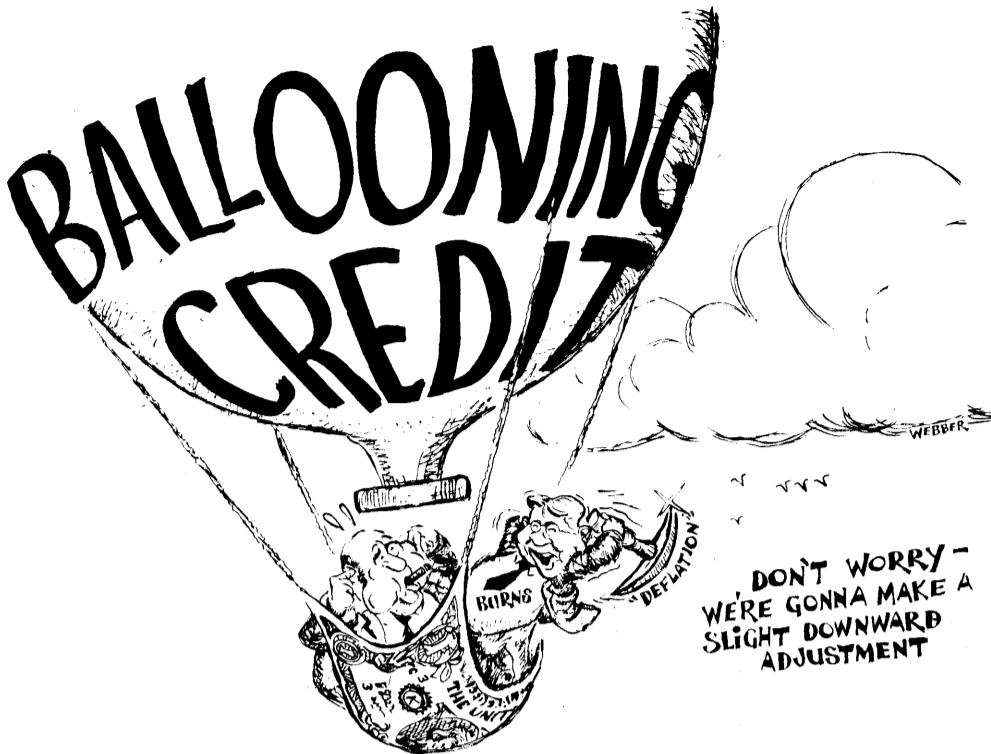
The labor bureaucracy is totally prostrate before this offensive against the working class. It refuses to mobilize the working class against these attacks because this struggle would require a confrontation with the government and the political break with the Democratic Party through the construction of a labor party.

It is for this reason that the policy of the AFL-CIO has been one of total surrender on the critical wage fights in this decisive contract year. Within a few weeks we have seen the betrayal of the rubber workers; the GE ranks; and—yesterday—the Bridges' leadership announced a three year pact with the West Coast shippers without even publishing the terms of the settlement.

The working class must call a halt to the policy of betrayal. The rebellion of a number of IUE locals against the GE settlement demonstrates that the ranks are prepared to make any sacrifice to defend their trade unions and living conditions.

But this determination must be brought forward in a political struggle against the Nixon Administration through defiance of any form of wage guidelines and control. The ranks in every local must demand an end to all discussions with this government on the phony "fight against inflation."

Preparations for national strike action against wage controls must be part of a campaign within the labor movement to force the resignation of Nixon. This campaign requires the calling of an emergency Congress of Labor to establish a labor party as the political alternative of the working class to this criminal government.



What we think

Nixon's Labor Lapdogs

(Continued From Page 1)

The labor bureaucracy has been prepared for this role of betrayal during the past 25 years of boom in America—a period now coming to an end with the deep economic crisis and conflict. The great sit-in movement of the 1930s, which led to the development of the CIO, was consciously turned toward support to and integration in the Democratic Party of FDR. The Communist Party must take major responsibility for this.

During World War Two, the Communist Party emerged as the leading advocate of the complete integration of the trade unions into the capitalist state. It supported the wage boards of that period, backed up "no-strike" pledges, and urged productivity drives in unions. It did this while huge and illegal profits were being made by the bosses. It was through such activities that Nixon's friend Bebe Rebozo got his start. They even advocated the extension of the "no-strike" pledge indefinitely into the postwar period.

This process of subordinating the unions to the state, of destroying the unions as instruments of struggle in defense of workers, of the development of a privileged labor bureaucracy as simple administrators of union funds, was broken up temporarily by the massive strike movement of workers in 1944-1947. Pitched battles were fought as electrical, auto and steel workers fought back to establish the wage pattern which workers today enjoy—that is enjoyed until Nixon's attempts to overthrow this pattern through wage controls and inflation.

While the boom period created the economic conditions for compromise with the labor movement and therefore for limiting the independent movement of the trade unions, this alone would not have sufficed to tame American labor. The needed additional ingredient was anti-communism and red-baiting. The present labor leadership was largely consolidated in a vicious campaign, conducted in direct cooperation with the FBI, the CIA, and the government as a whole, to force out of the labor movement Communist Party members, other

radicals and all who associated with them. Splits were forced in the UE and other unions. Whole unions like the ILWU and Mine Mill were expelled from the CIO.

Anti-communism became the basis for excluding all but capitalist politics from the unions. It set the stage for removing those militants from the unions who resisted the entrenched bureaucrats. It created conditions for ever closer government intervention in the affairs of the unions and collaboration of union bureaucrats with government agencies.

For more than 25 years, the present labor bureaucracy has been able to rule the unions like private kingdoms. They see the unions as their personal property, their careers, as businesses for their children. Victor Gotbaum, head of DC 37 of AFSCME with over 100,000 members, is the son-in-law of Jerry Wurf, International President of AFSCME. They have received fat salaries, some as high as \$100,000 a year, have purchased expensive homes in middle class neighborhoods, work out of monumental offices and buildings in Washington, D.C.

They are deeply committed to business, to capitalist government, to the capitalist class. They have much to lose from real struggle against the government. They have been bought and paid for many times over by the

rulers of this country. Every section of the labor bureaucracy stands together against any movement of the working class. They are all committed to Nixon. None of them can be relied upon for leadership of the working class.

We can now see the true face of the labor bureaucracy—its real relations with the enemy of the working class, Nixon and the crooked scoundrels around him. Whatever gestures these men make in the future to cover up their exposed position—and these they will be forced to make—today we can see exactly where they are and what they are. They are men gathered together through anti-communist purges in the interests of capital, nurtured through corrupt collaboration with the capitalists, millions of miles distant from the workers they claim to represent, hostile to struggle in any form.

There is no way forward through these old men of labor. A new leadership is now urgently needed. The working class will resist the attacks directed against it. This is already taking place in electrical workers' ranks. But it can only carry this resistance forward if a new leadership is built. That is the task of the Workers League together with the Trade Union Alliance For a Labor Party. There is no other force in the labor movement that will do the job.

Building the Bulletin

We are now able to report the final figures on both the Spring Bulletin Expansion Fund Drive and Subscription Drive.

The final total of subscriptions was 12,388. Only five branches in the entire country failed to meet their quotas and some of these came close. Congratulations go to Baltimore, Washington, New Haven, Chicago, Los Angeles, Claremont, Madison, Detroit, Philadelphia, St. Louis, San Francisco, Palo Alto, Berkeley, Minneapolis, Northfield, St. Paul, Portland, Fort Greene, Bushwick, Brownsville, East New York, Chelsea, Upper West Side, Lower East Side, Bronx, as well as to the South, Midwest, and Pacific Northwest Trailblazing teams.

The final total on the fund drive was \$58,422.65. Only one branch in the whole country failed to meet its quota and this branch only by a very small margin.

The branches are now hard at work on the Young Socialist subscription drive, efforts to expand Bulletin bundle sales and continuing new and renewal Bulletin sub work. The circulation column will continue to appear weekly during the summer period to pace this important work.

BY BRUCE McKAY

THE UNEARTHING of the Watergate scandal has exposed the workings of an extensive secret political police apparatus set up by Nixon himself and directed by a team of the most right-wing, anti-labor forces ever assembled in the White House.

The Watergate burglary was, in fact, only one element of a sophisticated conspiracy aimed at depriving the American working class of its basic democratic rights, its trade unions and its political leadership.

Watergate has exposed the thoroughly corrupt face of the capitalist system in crisis. The conspiracy received its impetus from that section of the American ruling class which based itself on the easy money policies stemming from the decisions made at Bretton Woods in 1944.

These are the speculators, the real estate investors, the oil barons, the industrialists who exploited the new technology, the conglomerate builders and the fast money men, swindlers and racketeers from Las Vegas to Miami Beach and Nassau. These are the profiteers of the boom period who have always been the primary supporters of Richard Nixon—as well as the extreme right—and who today, with the breakup of the boom and the impending financial collapse, form a section of capitalists who now face bankruptcy.

It was this "new breed" of capitalists, growing fat off defense contracts with their generous cost overruns, pyramiding credit arrangements or tax free casino and racetrack rakeoffs, that financed every right-wing movement after World War Two, from the John Birch Society and the Klan to the numerous Cuban exile forays against Castro to the Wallace campaigns to the National Right To Work Committee.

These are the same men who befriended Nixon in the 1940s, who put him in the White House in 1968 and who put up the cold cash for the Watergate raid and later coverup. With the sharp turn in the economic crisis in 1969 and 1970, and with the beginnings of mass movements within the working class—first expressed in the May-June 1968 French General Strike—they were the first elements of the capitalist class to turn toward the police state methods of Bonapartism.

Just who these profiteers of the boom are can be discovered by looking at a list of major contributors to Nixon's campaigns. While some of his support, especially in 1972, has come from the established industrial and finance capital of Wall Street and the Northern industrial cities—like the one million dollars put into the pot by Richard Mellon Scaife of Gulf Oil—most of the cash flowing into Nixon's campaign coffers has been boom money like the one million dollar contribution of Chicago insurance king W. Clement Stone, the \$100,000 from Howard Hughes' Las Vegas gaming tables, the \$305,000 from Texas real estate speculator Walter T. Duncan and the illegal \$200,000 from world hopping financier-swindler Robert Vesco.

Most of these supporters, and in particular Nixon's close friends and associates, can be found wheeling and dealing along the so-called Southern rim of the US—from the Southern White House on Key Biscayne to the Western White House in San Clemente—and throughout the Caribbean and Latin America.

Like the men who finance him and who form his inner circle of friends, acquaintances and advisers—from Ehrlichman and Haldeman and Chotiner to Rebozo and Abplanalp and Smathers—Nixon himself rode the crest of the boom and grew rich in the process.

As he said when he accepted the Republican presidential nomination in 1960, "I believe in the American dream because I have seen it come true in my own life."



BEHIND THE WATERGATE SCANDAL/PART 2

THE FLORIDA CONNECTION

The postwar boom was indeed generous for Nixon. In his famous 1952 "Checkers" speech in which he tried to explain away the secret slush fund set up for him by wealthy businessmen, Nixon claimed he was several thousand dollars in debt: "It isn't very much," he said. "But Pat and I have the satisfaction that every dime that we have got is honestly ours."

This picture of abject poverty and pristine honesty painted by Nixon in 1952 was never true, but a remarkable growth in the fortunes of Richard Nixon has occurred. In the financial report filed by Nixon on September 16, 1972, in compliance with the campaign reform law, Nixon's total assets were shown as \$1,283,256. Debts were placed at \$518,138, resulting in a net worth of \$765,118. Even this is an underestimation of several hundred thousand dollars, according to some experts.

Thus, it is hardly accidental that we find Nixon at the head of the Watergate conspiracy, surrounded by his friends from the J. Walter Thompson advertising agency in Los Angeles, Howard Hughes, ex-CIA agents, Bebe Rebozo, Robert Vesco, Cuban exiles with links to both the CIA and organized crime and Southern millionaires like Frederick La Rue and Robert Allen.

Nixon had been carefully groomed for this role for over 25 years, both in the anti-communist, labor-hating hotbed of Southern California politics where he launched his career and in the crime syndicate-dominated real estate and tourism boom of South Florida and the Caribbean.

It is especially to Florida and the Caribbean where we must turn to understand the development of Nixon's political and business associations and the rapid rise in fortunes which they aided, as well as some important aspects of the Watergate case.

Nixon arrived in Congress on January 3, 1947, fresh from a victorious red-baiting campaign against New Deal incumbent Jerry Voorhis in California's 12th Congressional District.

The young freshman Congressman was vaulted into the national limelight in the late summer and early autumn of the

following year with the testimony of ex-Communist Party functionary Whittaker Chambers before the House Un-American Activities Committee. The eager communist-hunting Nixon latched onto Chambers' tale of communists in high places and launched his vicious persecution of Alger Hiss, a former high ranking State Department official in the Roosevelt administration who Chambers fingered as a Communist Party agent.

The Hiss case, more than any other single event in this period, set the stage for the emergence of Joseph McCarthy and the witch-hunt of the 1950s as the postwar boom got into full swing.

"The Communist Party, in most intellectual circles, was considered to be 'just another political party' and Communism just 'an abstract political idea'—a generally unpopular one to be sure, but one that any individual should have the right to express freely without running the risk of investigation or prosecution.

"The Hiss case itself and other developments in the period between 1947 and 1951 were to effect a significant change in the national attitude on these issues," Nixon later recounted in Six Crises.

While he was busy hunting communist agents in the government, Nixon was also making some important acquaintances in the sunny Florida peninsula—unsavory associations Nixon has never been called upon by a Congressional committee to explain.

The most important of these acquaintances was Charles G. (Bebe) Rebozo, at the time a little known gas station owner with a yacht and a lot of ready cash. Rebozo was to become Nixon's closest friend and today is the person who has been closest to Nixon throughout the Watergate crisis, often conferring with Nixon alone at the Florida White House and at the presidential retreat at Camp David.



A recent photo of Nixon, above, conferring with his closest friend, Bebe Rebozo, about Watergate. Nixon's companions also include a host of Latin American dictators, Batista among them. Directly above, Nixon shown at a 1955 meeting with dictator Rafael Trujillo.

"He's the only person Nixon really trusts," Life magazine reported in a 1970 article. "He can talk to Rebozo, ask him questions. He knows Bebe will give him honest answers. They can talk about anything...And nothing Nixon says is going to go any further."

Rebozo's fortunes have risen as spectacularly as his friend's. Today, he is easily a millionaire. He is the chief stockholder and president of the Key Biscayne Bank and Trust Company, in which Nixon for years held Savings Account No. 1, and he holds extensive real estate investments.

Much of Rebozo's early capital came from profiteering on the black market in recapped tires during World War Two. Rebozo's Shell station became the largest tire recapping business in South Florida, while three of Rebozo's associates sat on the local tire rationing board in violation of the law.

Nixon has been very careful to cover up his earliest meetings with Rebozo. According to all his official biographies, Nixon met Rebozo in 1951 on a pleasure trip to Miami, supposedly his first. In fact, Nixon traveled back and forth between Washington and Miami innumerable times between 1946 and 1950 when he was a Congressman, spending a good deal of time on Rebozo's fishing yacht, as well as on the fairways learning to play golf.

It is not surprising that Nixon, who crusaded with Eisenhower to "clean up the mess in Washington," wants to hide this part of his past. In 1950 the hearings before Senator Estes Kefauver's committee on organized crime exposed the Miami area as one of the most corrupt in the country, with virtually every public official on the payroll of the crime syndicate.

LANSKY

In the early 1940s, Meyer Lansky—who had run Murder Inc. with Bugsy Siegel and began to pour Prohibition Era bootlegging profits into the Miami area. He and his brother Jake opened the Colonial Inn, where an illegal casino operated for years under the protection of sheriff's deputies. Lansky soon controlled almost all gambling operations in the area and began investing in land along the Atlantic Ocean highway, A1A, in the hope that gambling would soon be legalized. In the next few years, Lansky and his associates built Miami Beach and the coastline to the north into the plush resort area where the Democratic and Republican Parties held their 1972 conventions. Even today, it is popularly referred to as "Lanskyland."

Nixon's trips during the 1940s to this South Florida playground were arranged by his fellow Florida Congressman George (Gorgeous George) Smathers and Smathers' first campaign manager Richard Danner, an important figure in Miami politics during this era of wide open corruption.

Smathers became another life long friend of Nixon's, and like Rebozo—whom Smathers had known for years—he often went into partnership with Nixon on business deals. During these early years, the political careers of the two men also paralleled each other in many respects, although Smathers was a Democrat.

Smathers admired Nixon's guilt by association witch-hunt techniques, and Nixon in turn so admired the crude red-baiting smear Smathers used to unseat liberal Senator Claude Pepper (whom he labelled "Red Pepper") that he adopted virtually the same tactic for his own 1950 Senatorial campaign in which he branded his opponent, Helen Gahagan Douglas, as "The Pink Lady."

As reported by Jeff Gerth in *Sundance*, both Danner and ex-FBI agent John Madala have recounted Nixon's early trips to Florida and his acquaintance with, not only Rebozo and Smathers' banking friend Sloan McCrea, but also a number of other interesting personalities.

Nixon struck up a friendship with Danner himself during these southern excursions. Danner served during the war years as the resident agent in charge of the Miami FBI office, but his record was severely tarnished by his close relationships with a number of crooked public officials, including the notorious Dade County Sheriff James Sullivan, who was indicted on several charges in the



THE FLORIDA WHITE HOUSE—Nixon purchased George Smathers' Key Biscayne home in 1968 for \$125,000; the following year it appeared on the Dade County tax rolls assessed at only \$76,000. Rebozo lives close by (Lot 4). Nixon's Secret Service harassed his neighbors on Lot 5 so much they sold out for \$150,000 to Nixon's friend Robert Abplanalp, who in turn got his purchase price back by leasing it to the Secret Service for \$142,500. Nixon's other two lots (lower map) were bought at a huge discount from Rebozo's Cape Florida Development Company after Nixon posed for a publicity shot in 1967 (lower left) with Rebozo (right) and Cape Florida President Donald Berg (left), a man with close ties to organized crime. One of the deeds went unrecorded for four years because a close associate of Meyer Lansky held a mortgage on the property. ITT and its board chairman Harold Geneen are also big investors in Key Biscayne property, like this golf course right next to Nixon's property for which ITT purchased the bond issue.

aftermath of the Kefauver hearings.

In 1946, Danner left the FBI to manage Smathers' first campaign for the Congress and to work for a brief period for Miami Beach Hotel Owners Association President Abe Allenberg, reportedly the Miami representative for the New York syndicate.

Danner also was hired as Miami city manager in 1946 but was fired two years later when he became embroiled in a scandal over control of the police and was accused by one city council member of having accepted a \$10,000 contribution from mob gambling interests during Smathers' 1946 campaign.

Once his friends had "made it" in Washington, Danner, in the early 1950s, set up shop as a Washington lawyer to cash in on his influence in high places. Much later, Danner was hired by General Motors to direct its campaign of spying and harassment against Ralph Nader.

HUGHES

Today, Danner is Nixon's go between with Howard Hughes. Former FBI friend Robert Maheu put Danner in charge of Hughes' Las Vegas gambling empire after Hughes took over the Strip from Lansky's men once Lansky's billion dollar skimming operation had been uncovered. It was Danner who arranged Hughes' \$100,000 contribution to Nixon's 1972 campaign and passed the money along to Rebozo.

One of Nixon's companions on his fishing trips to Rebozo's yacht was a man by the name of Tatum (Chubby) Wofford, according to both Danner and Madala.

Wofford, like Rebozo, made enormous profits during the Second World War. Wofford obtained a special exemption in order to keep his Wofford Hotel open—the only hotel on the Beach to stay open during the war—to cater to the thousands of servicemen stationed in Miami.

The Wofford Hotel was one of three Miami Beach hotels singled out by the Kefauver committee as the operational headquarters for organized crime in South

Florida. Among those who used the Wofford as a base of operations in the 1940s were Meyer Lansky and Frank Costello. National crime syndicate figure Frank Erickson and Cleveland syndicate member John Angersola were two of Wofford's partners in the hotel, while Angersola and Cleveland syndicate boss "Big Al" Polizzi, who later had business dealings with Rebozo, owned part of the other two mob hotels.

Nixon's choice of companions is not really surprising—and it is doubtful if Nixon confined his pleasure trips to fishing, yachting, golfing and idle conversation. He always had a penchant for gambling, and Miami's illegal gambling emporiums were nearby and well known to the rest of the Nixon entourage.

As a Navy lieutenant stationed on Green Island in the South Pacific, Nixon had displayed a remarkable talent for poker, winning \$10,000 in games where the pot were often over \$1000, setting aside half of it to finance his campaign in 1946. "A hundred Navy officers will tell you Nix never lost a cent at poker," according to one of his ex-Navy mates.

Nixon's love of the gaming tables led him to Havana, where gambling was legal, although still controlled by the Mafia and other organized crime forces. Mob investigator Hank Messick reported in *Lansky* that before becoming a Congressman Nixon once visited Havana to investigate the possibility of setting up a law practice there.

At least one of his gambling excursions to the island crime paradise has been documented. In April 1952, in the midst of the presidential primary campaign, Nixon went to Havana with Danner and Dana Smith, who was the administrator of the secret slush fund which had not yet been revealed in the press.

Smith spent all his cash at one of the syndicate's casinos but continued to play on credit, running up a bill of \$4200. He wrote out a check to cover the debt and immediately stopped payment upon his

return to the States. When the casino threatened to take Smith to court, Senator Nixon intervened, writing a letter to the State Department saying he "would appreciate anything the Embassy might be able to do to assist Mr. Smith with his problem."

The American Embassy in Havana acknowledged the request, telling Nixon that although it was prohibited from giving legal advice, it "wished to do anything possible to be helpful to Mr. Smith." Needless to say, Smith found a way out of his dilemma.

BATISTA

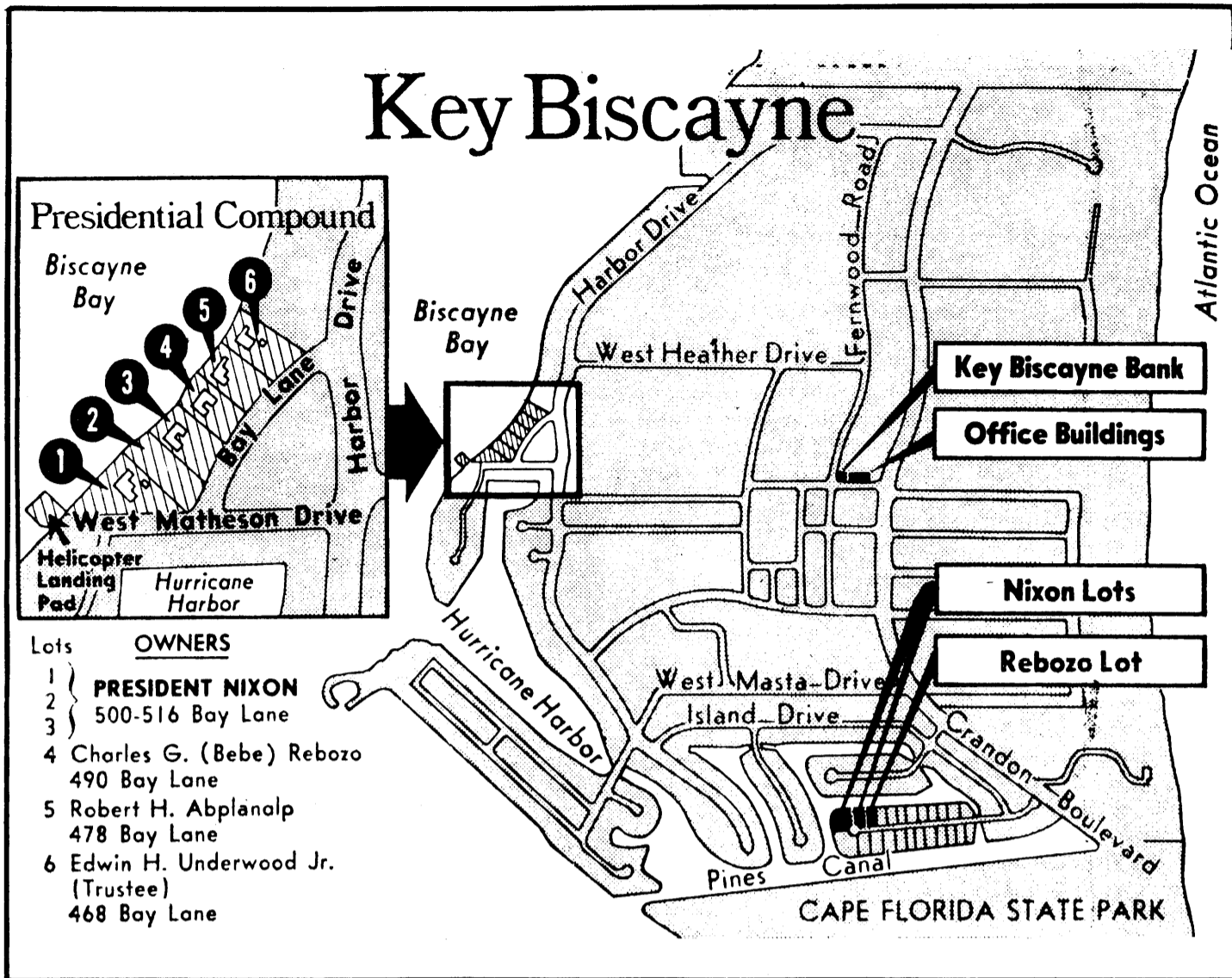
Nixon's trips to Havana eventually led to a friendship with Fulgencio Batista after the Cuban dictator returned to power in 1952 in a coup d'etat, and the two men visited each other on several occasions while Nixon was Vice President.

Batista had another very close friend—Meyer Lansky. Lansky opened his first casino in Havana, in the Hotel Nacional, in 1937, just four years after Batista seized power. At the same time, he leased the Havana racetrack from the National City Bank in New York.

Lansky's friendship with the dictator became so close that, when Roosevelt decided to persuade Batista not to seek reelection as Cuban President in 1944, Lansky was chosen as the secret US emissary to make a deal with Batista. He succeeded, and Batista was allowed to retire in Daytona Beach, Florida, with a sizeable chunk of the Cuban treasury.

From Florida, Batista continued to oversee the systematic looting of the Cuban Treasury. Before his death in 1950, Education Minister Jose Aleman is reputed to have spirited away as much as \$174 million from Havana. Much of this money, in turn, was funneled into Florida real estate investments through a secret investment trust around the Ansan Corporation, which owned within a short time property valued at over \$50 million.

The only identifiable partners in Ansan



were Aleman, his wife Elena Santiero and Dr. Anselmo Alliegro, Batista's former Finance Minister, but an Internal Revenue Service field report dated February 20, 1948, and filed by Special Agent George C. Vilas linked the company to the crime syndicate, in particular Mafia "Godfather" Lucky Luciano who visited Cuba in 1946. Ansan was represented by two law firms—the Smathers firm and Hunt, Salley and Roman, which after its formation in 1947 served as legal counsel to Wofford and a concern known as the Keyes Realty Company. The IRS once referred to one of Keyes' subsidiaries as a "dummy front for handling sub-rosa deals for (Sheriff) Sullivan," and the company was later intimately connected with principals in the Watergate burglary, as well as with Nixon and Rebozo.

Among the powerful Florida business interests Nixon came in contact with during his travels late in the 1940s and in the early 1950s were financier Ed Ball and the three Mackle brothers, who, from their first millions made in housing developments on Key Biscayne, have emerged as the biggest land speculators in a state overrun with land speculators.

When Nixon began staying at the Mackles' newly-opened Key Biscayne Inn and Villas in 1953, the three brothers were already good friends of the Vice President, as well as FBI Director J. Edgar Hoover, who often went to Miami during the winter to bet on the horses (getting embarrassed in the process by newspaper photographers who on several occasions snapped his picture while he befriended one or another well-known gangster).

MAFIA

In 1958, the Mackles formed the now gigantic General Development Corporation in which the Smathers family has a sizeable interest. One of their partners in this venture was Lansky associate Arthur Louis Chesler, and a number of other known Mafia and syndicate men also invested heavily in the new land company—including infamous syndicate "enforcer" "Trigger Mike" Coppola.

Ball, the brother-in-law of Alfred I. du Pont, has long managed the extensive Florida duPont interests, and he is easily the most influential man in Florida business and political circles. In the last 40 years, he has increased the size of his financial and industrial empire from the original \$35 million invested by the duPonts to well over a billion dollars.

Ball is also the man who broke the nine year Florida East Coast Railway strike, establishing the only sizeable scab railroad operation in the country; was one

of Wallace's big financial backers and is one of the primary forces behind the National Right To Work Committee, which campaigns throughout the country for union-busting open shop laws.

Ball was a good friend of both Smathers and Rebozo at least as early as the mid-1940s. In 1950, Ball convinced Smathers to run his vicious anti-communist witch-hunt campaign against Pepper and financed it. Later, in 1963, Ball was instrumental in getting Nixon into the law firm of Mudge, Rose, Guthrie and Alexander, the Wall Street company which was also joined by John Mitchell.

Nixon's excursions to Florida and the Caribbean continued throughout the 1950s when he was, along with John Foster Dulles, the chief cold warrior in Eisenhower's cabinet. He not only maintained his close friendship with Batista but also befriended other corrupt Latin American dictators like "Papa Doc" Duvalier and Dominican Republic dictator Rafael Trujillo—both of whom also thrived on syndicate racketeering.

TIES

Later, Nixon's ties to corrupt Cuban politicians were to serve him and Rebozo in good stead, both in business deals, in Nixon's 1968 and 1972 presidential campaigns and in the Watergate conspiracy.

One of the heaviest initial investors in Rebozo's Key Biscayne Bank and Trust Company was Batista's ambassador to Brazil and former Havana mayor Burke Hedges, who also joined Rebozo in forming a coin laundry operation called Wash Well Incorporated, of which Rebozo is still listed as president. According to the testimony of an informant contained in a Miami Police Department report dated November 13, 1963, this was a cover for a numbers racket and Rebozo was "fronting in this operation for ex-Vice President Nixon."

Another business associate of Rebozo's after the Cuban revolution—and perhaps before—is Edgardo Buttari, labor secretary under Batista and a Bay of Pigs invasion veteran. Buttari was retained by Rebozo, in one of their mutual deals, to solicit store and office space in the Centro Comercial Cubana, a shopping center built by Rebozo in 1969 in Miami's Cuban community. Not so coincidentally, the center was built by ex-Cleveland syndicate boss Polizzi, whom Rebozo paid \$600,000.

CUBANS

Buttari is one of Nixon's most fanatical supporters in the right-wing exile community. He organized the "Cubans for Nixon" Committee in 1968, and his son

Edgar Jr., who was taken prisoner at the Bay of Pigs, started a Nixon for President Committee in Miami in 1967.

According to a Miami Herald article, Edgardo Jr. said at that time: "At a time when it's so difficult to fight communism because of the obstacles and difficulties that are constantly placed in our way, we turn to Richard Nixon as our great hope for liberation and justice."

For his services, Buttari was appointed by Nixon to a \$25,000 a year post in HEW's Cuban refugee program in Miami. The appointment was such a well kept secret, according to the Herald, "that the No. 2 man in the program, local refugee director Erroll Ballanfonte, was not aware of it."

Nixon's support among the right-wing exiles stems from his friendship with Batista and his role in the Bay of Pigs invasion. When Castro seized power in 1959, Nixon remembered his friend Batista, his friends Rebozo and Smathers (dubbed the "Cuban Senator" in the press by then) and their real estate and banking ties in Havana and his acquaintances in the underworld with their plush gaming houses and crime dens in the Cuban capitol.

BAY OF PIGS

Nixon began pushing for an invasion of the island almost as soon as Castro took power—and especially after he closed down the mob's casinos in mid-1959. Nixon and Smathers are the architects of the 1961 Bay of Pigs invasion, which, if Nixon had had his way in the beginning, would have occurred in 1959 or early 1960. When Kennedy scuttled the invasion, Nixon made a personal visit to him to express his anger.

Kennedy himself had advocated an invasion during the campaign, when invasion plans were already underway. Nixon says in Six Crises that "for months the CIA had not only been supporting and assisting but actually training Cuban exiles for the eventual purpose of supporting an invasion of Cuba itself."

He made his own role perfectly clear: "I had long favored and fought for this line within the Administration, and the covert training of Cuban exiles as well as the new overt quarantine policy were programs due, in substantial part at least, to my efforts."

It can hardly be considered coincidental that the Bay of Pigs invasion had been well-coordinated with organized crime.

In 1960, for example, Robert Maheu was enlisted to recruit West Coast gangster John Roselli to work with the CIA on a scheme to assassinate Castro. Roselli had started out as a bootlegger in Chicago and a close associate of Al Capone, later mov-

ing into California racketeering and later still Las Vegas. He agreed to help out the patriotic effort, and several assassination attempts were actually made.

According to Messick, in his recent biography of Hoover, "Roselli himself personally delivered several of the assassination teams to the shore of Cuba," and he reports that, aside from the expenses of the two CIA agents assigned to the operation, Roselli footed the bill himself "on behalf of the crime syndicate."

More evidence of the collaboration of the government with the syndicate's Cuban gambling interests is contained in a secret report filed by the Bahamian police.

According to this report, the Mafia's Trafficante Family—which controls the underworld's drug trade from its Tampa headquarters using contacts in the right-wing Cuban exile community in Miami—was waiting in Nassau as the invasion got underway, having been alerted in advance to prepare to move into Havana to reopen the casinos on behalf of the syndicate should the secret invasion attempt succeed.

The Bay of Pigs operation also brought together the five men caught in the Democratic National Committee headquarters in the Watergate 11 years later, as well as E. Howard Hunt, who directed the operations of the "plumbers" group set up by Nixon.

SECRET POLICE

This is no coincidence. For his super secret police operations, Nixon needed men he could trust, and Hunt, Bernard Barker, Eugenio Martinez and possibly Frank Sturgis and James McCord were all men Nixon was well acquainted with, men he thought he could count on, and Watergate was one of a series of operations in which they participated.

Until Kennedy assumed the presidency in 1961, Nixon closely supervised the planning of the Bay of Pigs operation, and he must have become acquainted with Hunt. Hunt had joined the CIA in 1949 after having served for about a year as an attache in the US Embassy in Paris, and he quickly worked his way up the ranks of the organization. At the same time, he churned out a string of 45 novels, "running the gamut from near pornography to spy thrillers, adventure tales, war stories and science fiction," according to the Miami Herald.

When the invasion was finally approved, probably in early 1960, Hunt was placed in charge of the entire operation.

Barker worked closely with Hunt in planning the invasion, just as he did in the planning of the Watergate break-in. And just as he arranged the payoffs to the other Watergate burglars, Barker served as the paymaster for the 1961 invasion forces, channeling CIA and other secret funds into the hands of the exiles, and frequently visiting the CIA training camps in Guatemala.

Like Rebozo, Barker was born in Cuba of American parents. He was a captain in the US Army during World War Two, and according to the Miami Herald, became a "super patriot" while being held by the Nazis as a prisoner of war.

After the war, he returned to Cuba and eventually became an agent in the Bureau of Investigations—the secret police—under Batista. When Castro seized power, Barker set up an underground railroad operation to aid the escape of wealthy Cuban businessmen, politicians and government functionaries.

Among those Barker rescued was Manuel Artime, the exile leader who later directed the Bay of Pigs invasion with Hunt. After his escape Barker became the primary CIA liaison with Artime and other exile leaders.

BARKER

Between 1961 and 1963, Barker, by now a middle level operative in the CIA, helped lead various clandestine exile attacks on Cuba. In 1963, he left the active anti-Castro movement and became a clerk at a Miami Cuban clinic, where he befriended a young exile by the name of Miguel Suarez, who had just graduated from the University of Miami.

After working at the clinic for six years, Barker finally obtained a real estate broker's license, and in 1971, he formed

Barker and Associates Inc. with Suarez becoming his attorney and business associate.

According to columnist Jack Anderson, as well as other sources, Barker and Suarez were aided by Rebozo "as a personal favor," to get financing for some of their land development schemes, like the 27 story Biarritz Towers the two planned in 1972.

Another Barker business associate was Eugenio Martinez, an "employee" of Barker and Associates.

The close relationship which existed between Barker and Associates and Rebozo—and Nixon—is more clearly revealed by the fact that Martinez was also a vice president of the Keyes Realty Company, which at an earlier time was closely connected with organized crime, shady land transaction and the Ansan investment syndicate.

Throughout the years, Nixon and Rebozo became close friends with a number of Keyes executives and went into various investment deals with them. One of these Keyes officers is a director in Rebozo's bank. Kenneth Keyes' successor as president of the company, Allen Morris, was a partner in a land deal with Nixon and Rebozo brokered by the company, and the company has also handled some of the business involving the presidential compound on Key Biscayne, where Nixon and Rebozo live side by side with Robert Abplanalp, who became rich by inventing the aerosol valve and whom Nixon often visits at his island in the Bahamas.

MARTINEZ

Together with Suarez and Barker, Martinez formed a company called Ameritas Inc., which according to a statement released in June 1972 five days after the Watergate burglary was discovered, was "organized in April of 1969, for the sole purpose of promoting and developing real estate projects for the All State Investment Fund, S.A., a Panamanian company."

Interesting enough, the Ameritas offices were originally located directly below the Keyes Realty office suite.

On May 26, eight persons including Barker, Martinez, Sturgis and Gonzalez registered at the Watergate Hotel, all claiming to be representatives of Ameritas. They left on May 29, a day after the first attempt was made to break into Democratic National headquarters.

Another of the Watergate burglars, Frank Sturgis, was known as Frank Fiorini before he changed his name in the early 1960s.

According to the story Sturgis still uses as a cover, he once heard Castro at a rally in Miami when he was there on his honeymoon and decided to join his guerrilla forces, which he did later as a pilot. After Castro came to power, he said, he became disenchanted and left in mid-1959.

Actually, Fiorini had a long history as a mercenary soldier before he joined Castro. According to the *Miami Herald*, "His name has been in local news columns as an adventurer for nearly two decades."

Fiorini really joined Castro's Rebel Army as an agent of Batista's military intelligence, and probably the CIA as well. During the brief period Castro allowed Havana's casinos to remain open, Fiorini was placed in charge of overseeing their operation, and his "disenchantment" seems to stem from the time when Castro ordered them shut down.

He did not take long to join the anti-Castro guerrilla forces once he left Cuba. In July 1959, he caused a diplomatic flurry when he dropped anti-Castro leaflets over Havana from a small airplane—almost certainly bringing him to the attention of one Vice President Nixon, who was already convinced Castro was a "communist."

In reaction to this incident in particular, the State Department stripped Fiorini of his citizenship in 1960, apparently not being aware of his CIA connections and friends in high places.

Smathers was aware and immediately intervened to get his citizenship restored, whereupon Fiorini changed his name to Sturgis to provide his covert activities—he was by then involved with the Bay of Pigs invasion preparations—with a new cover.

Sturgis had been a friend of Barker's since pre-Castro days. Barker's 25 year



Rebozo enjoys being a host. Above, aboard the Cocolobo, his guests for a late 1950s trip were the then Senate Majority leader L.B.J. (seated) and, from left, US Senators George Smathers, Richard Russell, Earle Clements and Stuart Symington. Nixon was often invited along for fishing trips in the late 1940s.

old daughter Mrs. Maria Moffett testified at a bail hearing after the arrest of the five burglars that she had known Fiorini-Sturgis "ever since I was a child." There is also evidence Sturgis worked with Hunt in this period, and it is more than coincidence that the hero in Hunt's novel *Bimini Run*, written when he first joined the CIA, was "Hank Sturgis." When Sturgis traveled to Mexico City to pick up the cash provided by Robert Allen of Gulf Resources and Development Corporation for the Watergate raid, he used a phony passport and visa in the name of "Edward Joseph Hamilton," the name of another Hunt character.

After the failure of the invasion, Sturgis spent his time organizing innumerable exile military forays, associating with some of the most right-wing forces in the US. He organized the neo-fascist International Anti-Communist Brigade, which in 1963 claimed 5000 members, 700 of whom were in active military training to combat communism "wherever it exists."

He was questioned by the FBI in connection with the Kennedy assassination in 1963, and his home was described as a virtual arsenal, complete with heavy weapons like 20 mm. cannon. In his most recent guerrilla escapade, Sturgis and a dozen others were detained by British Honduras authorities as they prepared another anti-Castro raid. But prior to Watergate, Sturgis was never charged with criminal activity.

Aside from McCord, the last member of the burglary team was Virgilio Gonzalez, whose long-time friend Angel Ferrer was mysteriously registered with Howard Hunt at the Watergate Hotel on the night the five burglars were discovered. Ferrer was the leader of the Ex-Combatientes de Fort Jackson, a group of exiles who had joined the Army during the Cuban missile crisis and were trained as a special unit at Fort Jackson for a possible new invasion attempt, and who were still an active unit in June 1972. According to an article in the June 14 *El Tiempo*, a unit of Ex-Combatientes graduated from a refresher commando paratroop course in Florida the day before.

The presence of Sturgis in the Watergate team—and of Ferrer next door in the Watergate Hotel—raises a number of unanswered questions about the real purpose of the burglaries, and it gives an indication of the sort of attacks on the working class and its basic democratic rights which are being prepared by the right-wing capitalists and gangsters who sup-

port Nixon.

Nixon's associations and questionable business deals in Florida and the Caribbean with the likes of Ball, Smathers, Rebozo and members of organized crime have hardly been touched upon here. Nixon is very thoroughly a dedicated servant of these speculative and criminal elements of the capitalist class, and in the

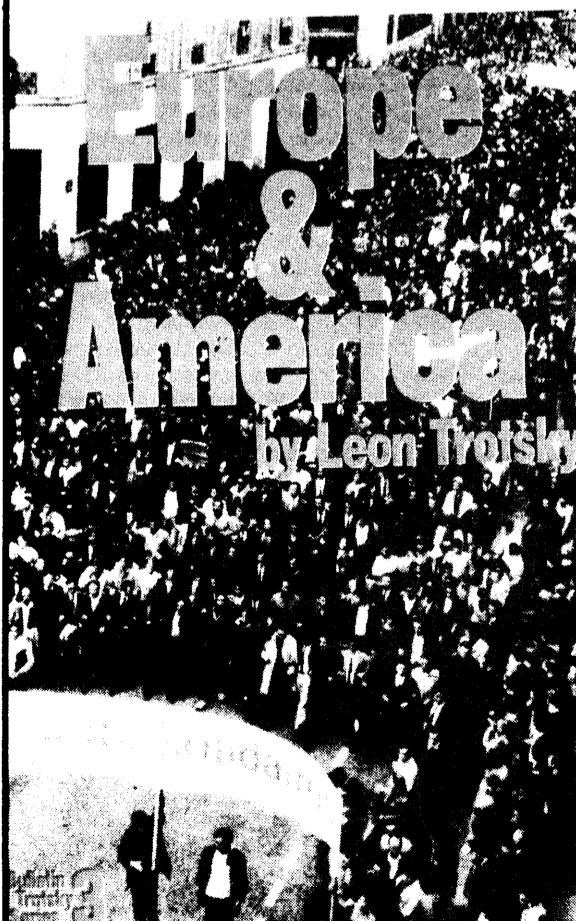
endless series of shady deals and coverups, he acquired a singular lack of scruples and a ruthlessness which made him especially well-qualified in the eyes of this section of the ruling class to lead the attacks on the trade unions which the crisis now forces the capitalist bosses to make.

TO BE CONTINUED

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FILM

Dianne Isaacs
Lou Belkin

The Race To Conquer Oil

THE MATTEI AFFAIR.
Directed by Francesco Rosi.
Starring Gian Maria Volonte.
Italian with English subtitles.

"American capitalism...is preparing to issue instructions to European banks and trusts, to the European bourgeoisie as a whole...It will divide up the market into sectors, it will regulate the activity of the European financiers and industrialists. If we wish to give a clear and precise answer to the question of what American imperialism wants, we must say: It wants to put capitalist Europe on rations," Trotsky wrote in 1924.

This characterization of the nature of American imperialism—and the reaction of the European bourgeoisie—is the theme of *The Mattei Affair*, a film all the more politically explosive with the Watergate scandal and the so-called energy crisis.

Director Francesco Rosi traces the career of Ernesto Mattei, a man who built the gigantic state-owned ENI oil industry in Italy out of the ashes of what Mussolini began during his reign with AGIP. Every move Mattei makes to expand Italy's oil ownings contains the legacy of fascism, symbolized in the film through Mattei's constant search for methane, which Mussolini discovered in northern Italy but was never able to develop.

The Mattei Affair is a journalistic reconstruction of Mattei's career from World War Two to his death in a plane crash in 1962—precisely during the close of Italy's "economic miracle." It is never discovered whether Mattei's death was accidental or planned and the government completely suppresses any attempts to find the truth. But Mattei's ruthless career as an oil magnate trying to beat US imperialism's oil stakes in the Middle East made him many enemies.

What clearly comes through every aspect of Mattei's life—be it his negotiations with a Texas oil man or his more and more frequent drinking—is that he represents the entire ruling class in its race to exploit the natural resources of the Middle East—and of the workers' states.

Through Mattei, Rosi traces the whole development of capitalism from the boom after World War Two to the deep crisis emerging in the 1960s, and Mattei embodies all the viciousness, shrewdness and calculation of the ruling class, even though he calls himself just "a kitten among the big dogs."

This inter-imperialist rivalry is brilliantly rendered in a number of ways. Mattei's luncheon with a fat, seven foot tall Texan is at the same time the most comical and most accurate characterization of the forces at work today. Mattei lays his cards on the table: he wants a deal with the US to insure a monopoly of Italian and American oil in the Middle East and proposes that they work jointly in building a pipeline from Sicily to Algeria. The Texan does everything but laugh in Mattei's face and thus the direction of Mattei's career is sealed.

Mattei determines to conquer the oil market without the aid of the United States—in fact, against the US—and enlists the support of the Italian government, cynically maintaining that he is working in the national interests of Italy. This, however, does not stop Mattei from employing American methods. He proclaims that all 40 chauffeurs used to drive the ENI executives to and from work are to be eliminated to maintain a respectable facade for the public: "That's the way the Americans do it."

The development of state monopoly capitalism, supposedly representing the interests of "all Italians," is shown for the fraud it is. The state monopolies like



AGIP-ENI were controlled totally by banking interests and were themselves investors in private corporations, many of which they controlled. AGIP-ENI controlled 47 corporations employing 67,000 workers.

"OPPOSITION"

The real nature of politics in the bourgeois government is portrayed through the "opposition" in Parliament, which makes a half-hearted attempt to expose Mattei's use of government funds for ENI through a television interview conducted by a crusading journalist. Mattei afterward takes the journalist with him on his leer jet to show him what he has done for Italy in Saudi Arabia and the opposition is quickly reduced to a murmur. In this segment the social democrats and Stalinists are placed where they belong: on the side of imperialism.

Mattei's demagoguery is almost limitless: he appeals to the Arabian countries to give him preference in oil investments as fellow members of the "Third World" in contradistinction to the "Yanks." While driving through impoverished Lebanese villages on the way to his oil fields, he comments to the journalist that, "After all, they are human beings." When he arrives at his fields—which are scant compared to the American holdings shown directly across the border—he despairs that he is misunderstood even in Italy and that no one appreciates the value of oil and "that is why I established my own newspaper."

Mattei's business contacts reveal even more sharply the methods of the ruling class. After returning from Moscow, Mattei has an appointment with an ex-Nazi industrialist in Dusseldorf. "During World War Two," he states, "I used the partisans like I use a taxi." Mattei later admits that he gave money to the fascists.

It is in this context that Mattei's negotiations with the Soviet bureaucracy are all the more sinister. *The Mattei Affair* is a very sharp exposure of the bankrupt policy of "socialism in one country" and "peaceful coexistence." One of his many international deals is with the bureaucracy, and the talks take place while Mattei and a bureaucrat are walking through Lenin's tomb. Only slightly less disgusting is a scene where Mattei is flying over Yugoslavia. The Yugoslavian Air Force surrounds his jet, attempting a forced landing because he had not received clearance. Mattei is furious, as he has



Top: Mattei's victory after discovering methane gas in northern Italy. Below that, Mattei convinces a mixed audience of the significance his discoveries will have for "the Italian people."

an appointment in Rome, but has only to identify himself to the planes to be able to proceed.

Mattei right after World War Two, in fact, enjoyed cordial relations with the Italian Stalinist Togliatti. It is even revealed that the Italian Communist Party received a two and one-half percent "commission" for all oil drilling deals in Siberia and the Indian Ocean made with the Russian and Polish bureaucrats. Mattei cynically remarks that he is all for China and the colonial countries—so that he can use the influence of Mao and the left bourgeois nationalists in procuring privileges for ENI and Italian capital.

CONTEMPT

Mattei's final act before his mysterious death is a trip to Gagliano, Sicily, where he announces plans to invest in Sicily for oil to "bring home all the men working abroad and provide jobs for all." The real flaw in *The Mattei Affair* is that the Sicilian people—and the working class as a whole—as they cheer Mattei's pronouncement, are portrayed as for all times able to be duped by the ruling class in collusion with the Stalinists and social democrats. Quite the opposite is true, especially today as sex scandals among the Tories in Britain, the Watergate conspiracy, and a

television scandal in Italy itself which threatens to force the resignation of Andreotti are revealed for the working class to see the real nature of capitalism in decay.

HYPOCRISY

The Mattei Affair provides an incisive background into the inner workings of imperialism itself, with all the hypocrisy of the capitalist class brilliantly captured by Gian Maria Volonte as Mattei. The depth of the crisis today is revealed precisely in oil: the present world oil shortage results from the refusal of the banks to invest in new drilling operations and new areas of investment will be forsaken in they are not profitable.

But this does not overshadow the political merits of the film. Exposing the real cynicism of the capitalist class, which is concerned with nothing other than buying and selling, be it of people, land or politics, is the film's strength, contrary to the publicity given it as a "mystery" or personal portrait. Indeed, the revelations coming out of Watergate about the role of the CIA at home and abroad make the film one of the most politically topical films, along with *State of Siege* and actually leave very little mystery about Mattei's death.

The International Socialists And The Politics And The UAW

SPECIAL TO THE BULLETIN

A dispute has recently broken out in the pages of the International Socialists paper *Workers Power*, over the struggle that took place at the last meeting of the United National Caucus of the United Auto Workers. This meeting took place before the Special Bargaining Convention of the UAW. At this conference, Art Fox, a leading supporter of the IS, was opposed by the majority at the meeting—including IS members—on the question of the labor party. Fox was voted down when he opposed a resolution on a labor party on the grounds that this was not the time to raise this demand in the unions.

Despite the IS's support to this resolution at the meeting, in its report on the conference in *Workers Power* the struggle that took place over this question was completely left out. A letter from Neil Brigham, UAW, and Dan Porter, UAW, states:

"The actual description of what went on at this conference by Fine is at best a fairy tale, at worst a conscious distortion of what happened. One glaring example of this is Fine's failure to even mention the fight over the labor party.

"The major portion of the last day of the conference was taken up over a resolution calling for a labor party..."

The letter states that the article in fear of alienating Fox and Kelly did not mention this struggle and aligns IS with them "instead of advancing a clearly defined political attitude toward the UNC which differentiates ourselves on the basis of a revolutionary program and strategy for the trade unions."

In a "Rejoinder" by the editor of *Workers Power*, the IS leadership defends Fox and Kelly, claiming that the "UNC is already, and has been for some time, on record for the formation of a labor party," and that both Fox and Pete Kelly "have written major articles for the UNC's newspaper calling for such a party."

The point is that while in the past Fox and Kelly have been "on record" for a labor party and talked about it, today they have completely dropped it. At a time when the economic crisis of capitalism puts an end to the possibility of the working class even defending their past gains without a political struggle and the construction of a labor party, the UNC drops the demand. This is made clear in the interview printed on the next page with a founding member of the UNC.

CONVENTION

At the Special Bargaining Convention of the UAW in March, the UNC dropped this demand from its program. This was done



UNC demonstration at UAW Special Bargaining Convention in March, 1973. Below, Pete Kelly—speaking for a labor party in 1972—at the UAW Convention in Atlantic City.

despite the vote at its conference. At the same time its role at the convention was one of loyal opposition to Woodcock. Because the UNC insisted that the UAW Convention was not the place to raise political issues like

the labor party, it also dropped from its program all the basic contract demands that can be won only through the political mobilization of the working class against Nixon. It dropped its wage demands, lining up not only with Woodcock but with Nixon on this fundamental question that now pits the unions against the government.

The IS in the June issue of *Workers Power*, which also includes another "rejoinder," contains an article on the election campaign of Jordon Sims, a leader of the UNC. According to the IS:

"He will have to wage an aggressive public campaign before the rank and file to win them to his ideas about how to organize the local and how to wage a militant fight, and convince them to replace the officials he now has..."

"Sims could call together these groups and begin forming a Chrysler-wide opposition whose first task would be to fight for a better contract in the upcoming contract negotiations. Such a movement could begin to provide the base for the launching of an effective opposition throughout the UAW."

The IS defends Kelly and Fox because this is their policy. This is why they completely distort the position of their critics, claiming they are "sectarian." At no point do the editors answer the question of why in fact they have pushed the fight for a labor party aside. Instead they accuse their critics of sectarianism, of demanding "soviets," and of talking about revolutionary leadership abstractly.

PROPAGANDA

For the IS the labor party is a formal propaganda demand to be dragged out on occasions. The heart of their policy in the unions is building "rank and file move-

ments to organize the local" and "wage a militant fight." Behind their left talk, they encourage the reformist politics of the spontaneous movement and divert the working class from the political struggle. As one of their critics points out, the position of "rank and file opposition" against the leadership is not fundamentally different from the Stalinists. What both the CP and the IS deny is the political role of this bureaucracy which today so openly collaborates with Nixon.

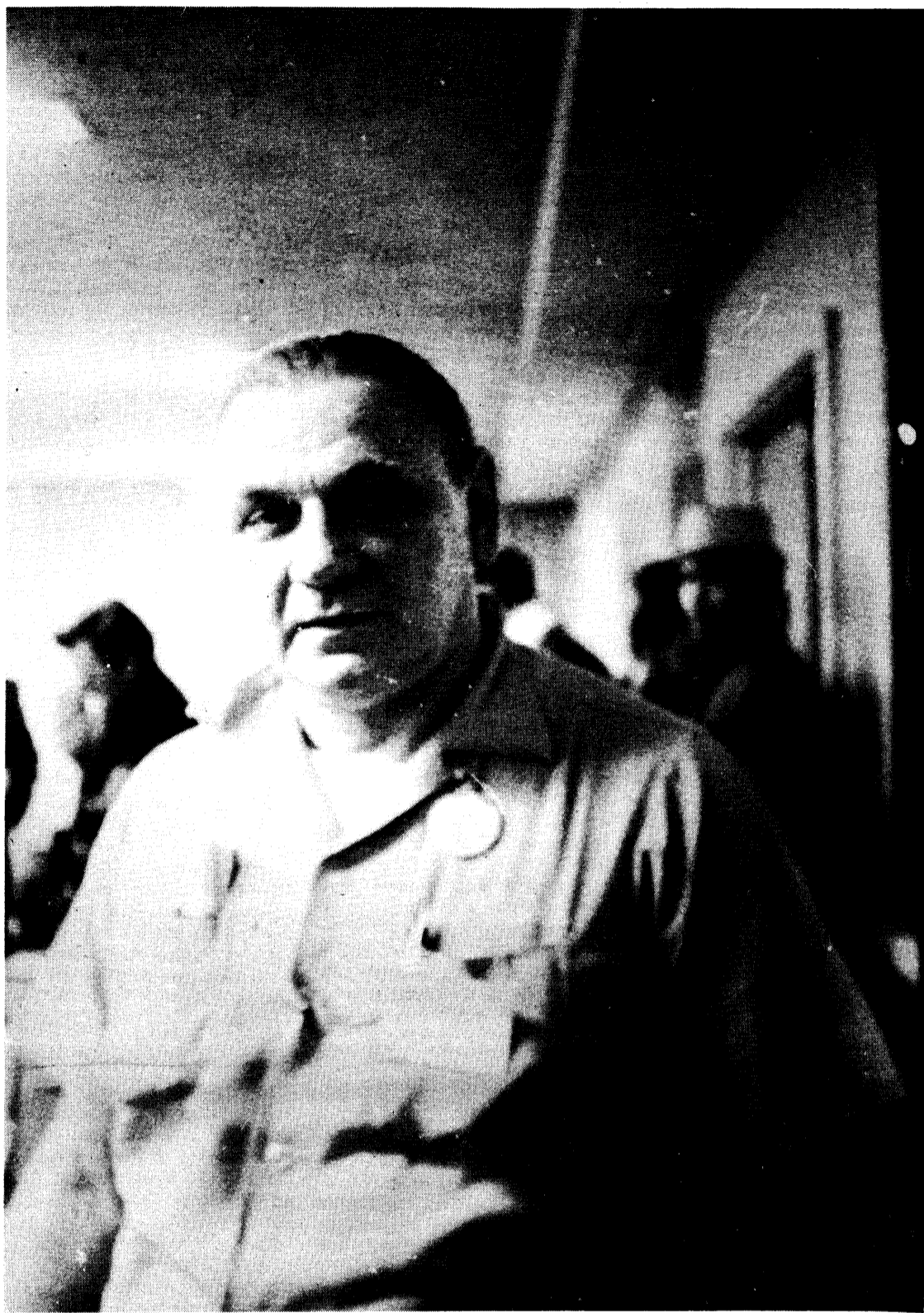
It is significant that at a time when millions of workers are being forced into a political battle with Nixon over wages, jobs and working conditions, when the political role of the union leadership becomes apparent to thousands of trade unionists, that precisely at this time the UNC and the IS defend non-political rank and filism.

The syndicalism of Fox, Kelly and the IS arises from their hostility to Marxist theory and the construction of the revolutionary party. Thus, the editor of *Workers Power* talks about "eventually" building a "revolutionary socialist organization" in the working class but sees its main task today as the building of "rank and file movements" like the UNC. Groups like the UNC are actually reformist alternatives to the party. Through movements like the UNC the IS encourages workers to believe that their demands can be won simply through militancy exerted on an industry wide basis. Behind it lies the denial of the nature of the crisis today and skepticism towards the political capacities of the working class.

According to the editor of *Workers Power*, the task of "socialists" is to "put forward strategies, demands, and organization tactics which have the potential to transcend reformist



Labor Party



Tony Kiburis

ideology in practice by linking economic demands to a political struggle against the corporations' government and against the union bureaucracy which collaborates with the state against rank and file interests."

The IS's position of "transcending reformist ideology in practice" rejects the necessary and constant struggle between the theory and practice of the revolutionary party so that the political consciousness of the advanced workers and masses of workers can be raised. This means a continuous struggle of the party against bourgeois thinking in the working class.

"LINKING"

It is not a question of "linking" the economic struggle to the political struggle. As Lenin put it in his struggle against economism, "we shall never be able to develop political consciousness of the workers by keeping within the framework of the economic struggle, for that framework is too narrow...Class political consciousness can be brought to the workers only from without, that is, only from outside the economic struggle, from outside the sphere of relations between workers and employers. The sphere from which alone it is possible to obtain this knowledge is the sphere of relationships of

all classes and strata to the state and the government, the sphere of the interrelations between all classes."

REJECTION

It is the IS's rejection of this understanding which is at the heart of their dropping of the labor party and their defense of the leadership of the UNC. The fight for the labor party today is based on an understanding of the nature of the period, the economic and political crisis, and the tasks before the working class which have only been developed out of the struggle of the Marxist movement.

The IS's roots lie in their break from Trotskyism and the Marxist method. It is a movement without principle. Fox, one of the main exponents of the policies of the IS in the unions, broke from Trotskyism over the necessity for the revolutionary party and substituted a syndicalist operation for it. Fox and the IS refuse to defend the workers states, claiming they are state capitalist. While rejecting this basic principle they have no difficulty maneuvering and working with the Stalinists in the labor movement. While they stand against the defense of the gains of the working class they collaborate with its enemies, dropping the demand for the labor party to

placate the Stalinist supporters in the UAW.

Thus behind their talk of being Trotskyist, the IS covers for Stalinism and works with it to keep the workers tied to the trade union bureaucracy.

The Trade Union Alliance for a Labor Party has been built in a struggle against these forces and alone today has a program for struggle in the upcoming contract. Today there is only one real opposition caucus within the UAW, the National Auto Caucus of the Trade Union Alliance for a Labor Party. It says that the struggle to defend working conditions and jobs and win a decent wage requires a confrontation with the Nixon government. The labor party is the central question. Only through the mobilization of the working class in such a party can a real alternative to the Woodcock policies of collaboration with Nixon be developed. Only through this political struggle can the working class be united to defend their rights and unions. As Tony Kiburis points out, Watergate now brings this task sharply before all workers. As the union bureaucracy stands more and more exposed in this crisis, the conditions are created for the building of this party and a revolutionary leadership in the trade unions.

UNC Member Hits 'Bureaucratic Muzzling' Of Labor Party

BY KEN WESTON

DETROIT—Since the Special Bargaining Convention of the United Auto Workers held in March little has been heard from the usually vocal official opposition group within the UAW, the United National Caucus. It was at that convention that the UNC dropped all pretense of putting forward any opposition against UAW President Leonard Woodcock.

The centrist leadership of this group dropped the demand that the UAW fight to build a labor party now and joined hands with the Stalinist American Communist Party which insists that no political struggle be taken up against the Republicans and Democrats in defense of the trade union movement. Having dropped the labor party demand, the UNC very consciously refused to confront Woodcock with those necessary demands which can only be won now in a fight against the Nixon government, such as a 20 percent wage increase.

Thus, the UNC became the biggest cover for Woodcock's policies of compromise with the companies and with Nixon's freeze on wages. It is reported that a factional fight within the UNC has prevented it from putting forward any unified effort since that time. Today, as the Nixon government gears up with all the criminal tricks of Watergate to take on and defeat the trade unions, all centrist groupings like the UNC can only play the reactionary role of covering for the labor bureaucracy. Only the auto caucus of the Trade Union Alliance for a Labor Party has prepared for this period by developing a program of winning a 20 percent wage increase with a cost of living escalator clause, union control of production, and full job security for all UAW members. These demands will only be won through the fight for a Congress of Labor and a labor party.

The following is an interview with Tony Kiburis, a founding member of the UNC who fought at the preconvention meeting of

the UNC for the building of a labor party and for no endorsement by the UAW of the Democratic or Republican Parties.

Bulletin: What has the UNC done since the Special Bargaining Convention of the UAW?

Kiburis: Nothing that I know of. They haven't called me since the National Convention when I opposed Art Fox and Pete Kelly on the labor party. At that meeting, I spoke very strongly for an American labor party—no endorsement of the Democrats or Republicans. A vote was taken and the overwhelming majority voted for no endorsement to the capitalist candidates.

Bulletin: What happened after that UNC meeting?

Kiburis: Well, in the special convention issue of the UNC paper, nothing was said about the labor party. I asked Pete Kelly why and he said there was no room for it. This was nothing but bureaucratic muzzling of the democratic majority and a founding member myself, this way. This happened to me once before when I spoke for an American labor party at a meeting chaired by Billy Allen (a member of the Stalinist Communist Party).

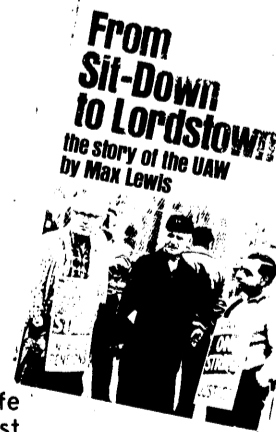
Bulletin: What has been the role of supporters of the Communist Party within the UNC?

Kiburis: Well, of course, the CP has always been against the labor party. Their members in the UNC oppose the labor party.

Bulletin: What is the future of the UNC?

Kiburis: If it continues on its present course of bureaucratic measures then it won't last long. I must look at such a group skeptically and I'm a charter member. The majority voted to fight for a labor party now and Watergate proves we need a labor party now. That's the truth.

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GE...

(Continued From Page 4)

to avoid a fight, both unions announced Sunday that they are postponing the strike against Westinghouse that was scheduled to begin over the weekend. The 68,000 workers involved are to remain in the plants without a contract.

Under the terms of the three year contract, GE workers will be hit with a major cut in their standard of living. Although IUE President Jennings had originally demanded a catch-up increase of 29 cents an hour to make up for wages lost due to inflation plus a sizeable increase with no cap on the cost-of-living, there has been a miserable retreat from this position. Jennings and Fitzgerald have accepted a package which in the first year grants only 15 cents in wages (3.7 percent) plus 10 cents cost-of-living now and another 5 cents in November. The entire settlement therefore barely meets the amount that the IUE and UE admit that the ranks have already lost. This means that the workers have no protection against every increase in the cost of living under conditions of the biggest inflation in the post-war history of the United States.

The package is not better for the second and third years. In 1974 and 1975, there will be wage increases of only 16 cents with caps on the cost-of-living escalator.

At the Local 255 membership meeting, President Mickowski called the wage settlement "lousy" and said it was unacceptable.

SOLD-OUT

Furthermore, older GE workers have been completely sold-out on pensions as the union leadership surrendered on its demand for 30 and out and accepted the company's offer of full pension benefits only at age 62.

Workers at the Bridgeport plant complained that this provision has angered many who are barely over 50 and already have 30 years of service.

Nor has the union won any protection against future layoffs and the vicious speedup drive that the company has launched against those on piecework. In Bridgeport, it is reported that the company is ready to fire any worker who does not produce at least 20 percent above the base rate.

It has been learned by the Bulletin that the contract lan-

guage allows GE to bring new machines into any plant and within 30 days and place them on continuous operation. This will automatically eliminate overtime pay for workers in the affected department as well as open the way for layoffs.

Many workers who spoke to the Bulletin about the settlement said that the union leaders agreed to top-secret negotiations because they never planned to fight for the membership.

"Let's face it," said Local 255 member Fred Clark: "The IUE never wanted to have a strike and upset Nixon. As far as I could see, the union never had any real demands. No one really likes the settlement, but a lot of people are saying that it's probably the best we could get with the leadership we now have in the unions."

Oscar Stall, a shop steward at the same plant in Pittsfield, said that he planned to vote against the contract. "I don't like the pension and I don't like the settlement as a whole," he said.

The IUE is still withholding information relating to concessions made by the union in the area of contract language, but a spokesman would not deny that the new contract places restrictions on the right to strike.

This latest settlement adds to the long list of betrayals carried out by the trade union bureaucracy since Nixon first instituted wage controls in August 1971. Recent statistics show that during the past year, the average wage increase has been 5.7 percent, just a shade above the official 5.5 percent Nixon guideline. This makes a mockery of the repeated claims of the union leadership that it is "ignoring" the guidelines.

There is another element to the GE settlement. It is not simply a refusal to challenge the guidelines, but the settlement actually is part of a conspiracy by the trade union leadership to prop up Nixon at the very moment when his entire Administration is on the verge of collapse.

At this point, Nixon's ability to impose major new controls on the working class is being viewed as the decisive test of his ability to remain in office. A rebellion by the working class against controls would destroy his Administration.

The role of the bureaucracy is to force the working class to accept these settlements which Nixon does not have the strength to impose. It is the AFL-CIO, along with the UAW and

WATERGATE...

(Continued From Page 3)

ly as last July 6 in a telephone conversation. Kalmbach, who served as an intermediary for funds throughout the entire conspiracy, is reportedly ready to testify that the \$210,000 in payoffs the seven convicted Watergate conspirators received to keep them silent had been approved by the White House.

In other developments in the case, a whole series of burglaries committed by the "plumbers" group created by Nixon to investigate news leaks and the publication of the Pentagon Papers—the group which broke into the Watergate—is now coming to light.

Felipe De Diego, a Cuban exile who joined in the burglary at the office of Daniel Ellsberg's psychiatrist, is reportedly willing to testify that the group also burglarized other offices—if the government grants him immunity from prosecution.

BREAK-INS

At least four specific break-ins probably conducted by Nixon's secret police group have now been exposed: at the office of Carol Wild Scott in Gainesville, Florida, one of the attorneys for the eight Vietnam veterans accused of conspiring to disrupt

Teamsters, which is keeping Nixon in office.

There should be no mistaking the fact that the UE leadership is up to its neck in this betrayal. UE President Fitzgerald and Secretary John Machlis used their unearned reputations for militancy as a cover for Jennings' policy of surrender. In an interview with the Bulletin last month, Machlis declared that he would support strike action rather than accept an inadequate wage increase and such provisions as continuous operation. But he has sold the UE ranks out completely, and Machlis has refused to explain the change in his position.

The Stalinists of the American Communist Party are supporting the settlement. An article which appeared in the Daily World on June 8 uncritically referred to "the gains won at the bargaining table this year from GE in the tough nine weeks of negotiations..." and praised the IUE and UE for their "unity."

Meanwhile, the IUE and UE are postponing strike action against Westinghouse.

In what seems to be a repeat performance of the General

last year's Republican Convention; at the home of Michael Lerner, one of the seven defendants in the Seattle conspiracy trial; at the New York office of Gerald Lefcourt, an attorney for the Weathermen on trial in Detroit; and at the office of Miami District Attorney Richard Gerstein's chief investigator, who was at the time looking into the Watergate funds channeled through a Mexican bank into Bernard Barker's account at the Republic National Bank in Miami.

In the first three burglaries, files connected with the defendants' cases were actually stolen.

The continuing exposure of Nixon's secret police operations and the probability that Nixon himself will be directly implicated in both the Watergate break-in itself and in the massive coverup which followed are throwing Nixon's government into an ever-deeper political crisis, undermining Nixon's ability to govern and to confront the tasks posed by the growing economic crisis.

The paralysis which is spreading through the government is increasing the possibility that Nixon's resignation or impeachment may be the only

way out for the ruling class, which, despite deep divisions over Nixon, has been desperately trying to keep his government afloat.

DESPERATION

Nixon's growing desperation is sharply revealed in his turn toward his allies in the Pentagon, reflected in the appointment of Army chief of staff Gen. Alexander Haig to permanently replace H.R. Halde- man as White House chief of staff. Although Haig has announced he will retire from active military duty on August 1, he continues to serve simultaneously in the Army and the White House until that time, in violation of federal law.

The growing crisis which now faces Nixon and the complicity of the trade union leadership in serving as the only real props to his government poses the urgent necessity of constructing a new leadership in the trade unions through an all-out fight for a Congress of Labor to prepare strike action to force Nixon's resignation and smash his wage controls and to build a labor party which can replace all the political gangsters of the Republican and Democratic parties with a workers government.

Electric talks, the leadership has asked the men not to strike and to remain on the job with no contract. At the Lester plant, the men voted unanimously last week to strike if no contract was obtained by June 10.

UE Local 107 at Lester is the largest local in the country and known for its militant fights in the past. The Bulletin spoke to a worker in the Pennsylvania plant about the policies of the union leadership and the conditions facing the Westinghouse ranks.

"You know what they used to say about us? There used to be a baseball field next to the plant, but the company had to get rid of it cause every time the umpire yelled strike, Westinghouse workers walked out. The strike used to be a big weapon but not any more. For years now whenever we've gone on strike, the company farmed our work out to other plants. Union plants at that. That couldn't happen if all electric went out all together.

"They used to put out a lot of literature condemning the company starting a month or two before the strike deadline and the guys would get all riled up. This time you notice they didn't put anything out until last week. If they put this 15 cents an hour a month ago, all the people would have blown their stacks.

"Let's face it, this leadership didn't want a strike in the first place. That's why they agreed to the secret negotiations even though they knew from the past not to believe or go along with anything the company told them."

In an interview with the Bulletin, one man said: "The leadership doesn't want to rock the boat. That's been their attitude for the last 15 years.. Anything we get down here we have to fight for, anyway."

"We've needed a labor party for a long time and it's going to be a long hard fight to get one. Right now, though, I think we have the best chance for one. A lot of people want to see Nixon out on account of the Watergate scandal. We need strike action, too, but to get it, we're going to need a new leadership.

"These people are never going to get a labor party for us. Once they get to the head of the union, there is nothing much different from them and the Westinghouse managers. This time of year you hardly hear any of the men talking about strike. That's cause the leadership uses a different tactic this time."

REJECT

Locals of the IUE and UE must reject this contract and demand that the leadership begin strike action along with the Westinghouse ranks in defiance of Nixon's controls. The membership must demand an end to the collaboration with the Nixon Administration and the calling of a Congress of Labor to organize action by the entire working class to force Nixon out of office and replace him with a labor party.

GERMANY...

(Continued From Page 2)

are under discussion. The building of an alternative revolutionary leadership in Germany is squarely what is posed to the working class, especially in light of the position of the German Stalinists in the DKP, who fully support the police in "removing Maoists and Trotskyites" from the unions.

The Socialist Youth League (SJB) and the Socialist League of Workers (BSA), German section of the International Committee of the Fourth International, are calling upon all youth, workers and socialist organizations to defend the political rights of the working class around the following program:

- The removal of the 1956 ban on the KPD.

- No outlawing of political organizations of the working class.

- Immediate release of Semler and Horlemann.

- Removal of the ban on the Palestinian organizations in Germany.

The SJB and BSA are campaigning to demand that the SPD carry through these measures and break from the coalition with the FDP.

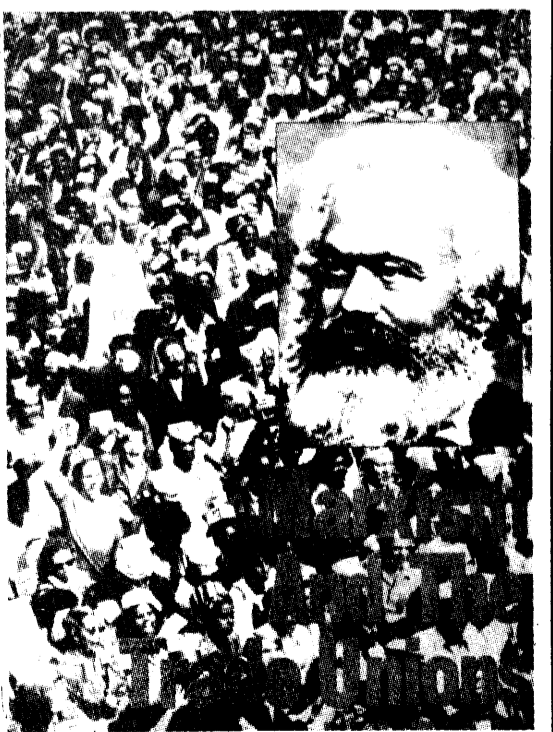
The Workers League and Trade Union Alliance For A Labor Party Announce A Class For Trade Unionists:

Marxism and the Trade Unions

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LABOR HALL, 7th Floor, 135 W. 14 St.,
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Dirty Tricks On Wall Street

BY DAVID NORTH
NEW YORK, June 7—Already badly shaken by the effects of the international monetary crisis, the soaring price of gold, rising interest rates and, of course, the Watergate scandal, Wall Street is now reeling under the impact of a series of spectacular financial swindles that have called into question the stability of major firms, brokerage houses and banks.

Investors were shocked to learn last week that the Securities and Exchange Commission has closed down Weis Securities, a well-respected brokerage house dating back to 1927, and are proceeding with the utter liquidation of the firm. The SEC began these actions upon learning that Weis had attempted to prevent a collapse by illegally borrowing 30 times the amount of its existing capital.

The SEC has also brought charges against Bausch & Lomb, listed by *Fortune* as the 536th largest corporation in the country with assets of \$161 million, after learning that the firm had illegally given inside information to select investors that the firm was suffering major reversals. While this information was kept from the public, the insiders began unloading their shares of Bausch & Lomb. On March 16, it was the most heavily traded stock on the New York Exchange—348,000 shares—and its price fell from \$145.125 to \$137.

While these two cases were coming to light, the former chairman of Four Seasons Nursing Centers of America, Inc., Jack L. Clark, pleaded guilty to the first charge of a 65-count indictment which alleged that he and leading officers of the firm had doctored the earnings and financial projections in order to wildly inflate its stock price. The case originated in 1970, when Four Seasons—the hottest item on the American Stock Exchange—suddenly went bankrupt, costing investors \$200 million.

WEST COAST

The SEC also has its hands full on the West Coast, where it is charging Nixon's old friend, financier C. Arnholt Smith, with looting the assets of his Westgate-California conglomerate by selling them to private companies and individuals at bargain prices while buying assets from associated concerns at grossly inflated prices. All this was covered by manufacturing \$17.5 million in phony profits through imaginary sales financed by Smith's mammoth US National Bank of San Diego.

And, in a case that broke open today, a broker and a Swiss banker have been indicted by a Federal grand jury on charges that they conspired to buy \$67 million of stock entirely on credit. The indictment named Swiss banker Johan Paravicini of Berne and Louis W. Pemberton, a registered representative of Lehman Brothers, Inc., one of the most prestigious firms on Wall Street. Among the stocks purchased were Polaroid, Fairchild Camera, Glen Alden, Motorola, IBM, and Southern



Weis Securities: employees found they could not even receive their final paychecks as the office was locked and guarded last week.

Union Gas.

Involved in these cases are not simply scandals of the old sort. Rather, they are direct expressions of the economic crisis that is haunting speculators with the spectre of a collapse. As the inflationary boom heads with great speed towards a bust, those firms that were the product of this inflation of money and credit are violently thrown toward financial disaster.

MANIPULATIONS

While the schemes discovered by the SEC seem totally outrageous, the overriding fear on Wall Street today is that there is little else behind the stock market and major companies today except the imaginative juggling of the books and manipulation of credit.

One SEC official told the *Bulletin* yesterday that "We're being besieged by telephone calls from people who are worried about their investments."

Particularly important is the case of Weis Securities, because until last month there was nothing to indicate serious financial difficulties. When its books were inspected in April 1972, the firm seemed to be enjoying the effects of the tremendous boom on Wall Street. But beneath the surface, operational losses and an actual decline in the market as a whole despite the spectacular advance of several glamour stocks placed Weis on the verge of ruin.

"It's a strange thing," we were told by an SEC investigator, "but this boom wasn't such a boom after all."

Last February, the officers of the firm—with the approval of Weis Chairman Arthur J. Levine—monkeyed with the books by debiting bank loans payable by \$1.5 million and crediting several income accounts. Within several weeks of that adventure, Weis reduced another bank loan of \$2 million

without paying it but taking the income on the money. These actions concealed the fact that Weis Securities had borrowed 30 times its existing capital.

DISASTER

When the news of Weis' financial predicament hit the street during the last week of May—after weeks of rumors—it was an unmitigated disaster for many of the firm's 55,000 customers. Each account is covered for a maximum of \$50,000 in securities and \$20,000 in cash.

"There is no guarantee that any Weis customer who has invested beyond that amount will ever see his money again," said an SEC officer. He added that this has led to "general anxiety" because very few investors are in a position to have a large amount of their capital tied up for any period of time—and within that category falls some of Weis' largest customers.

While the SEC would not comment on those investigations which are currently in progress, informed sources on Wall Street expect new exposures within the coming months. A leading Wall Street analyst, who foresees a crash in the market and has been long advising his clients to invest in gold mining shares and gold coins, recently told the *Bulletin*: "The hanky-panky of the brokerage houses comes right out of the hanky-panky of the Federal Reserve. As the saying goes, we've just seen the tip of the iceberg."

In an attempt to explain the 16 percent decline in the Dow Jones averages over the last three months, many Wall Street commentators have focused their attention on the effects of Watergate. While it is true to say that Watergate has contributed to the development of an extreme crisis of confidence, Watergate itself is the product of the breakup of the inflationary un-

derpinnings of the boom. The Nixon Administration begins to disintegrate as the empires of its most faithful backers approach collapse.

Financier C. Arnholt Smith built his San Diego fortune on the basis of speculations which could produce wealth independent of the process of production. His career began in gambling, passed through real estate, and led to the creation of his own bank—the US National Bank of San Diego. Nixon owes his political career to men like Smith, who has been backing his campaigns since 1946.

MARX

To Nixon and the rabidly anti-communist speculators who have been the backbone of his career can be ascribed the same description which Karl Marx gave to the venal regime of Louis Philippe—"the bourgeois king"—in *The Class Struggles in France*:

"While the finance aristocracy made the laws, was at the head of the administration of the State, had command of all the organized public powers, dominated public opinion through facts and through the press, the same prostitution, the same shameless cheating, the same mania to get rich was repeated in every sphere, from the Court to the Cafe Borgne, to get rich not by production, but by pocketing the already available wealth of others. In particular there broke out, at the top of bourgeois society, an unbridled display of unhealthy and dissolute appetites, which clashed every moment with the bourgeois laws themselves, wherein the wealth having its source in gambling naturally seeks its satisfaction, where pleasure becomes debauched, where gold, dirt and blood flow together. The finance aristocracy, in its mode of acquisition as well as in its pleasures, is nothing but the

resurrection of the lumpen-proletariat at the top of bourgeois society."

Even as the SEC and the officials of the stock exchange promise stricter application of regulations, it turns out that they are hoping to revive the very companies that were engaged in the most massive swindling. For example, it is possible that Equity Funding may soon be back in business.

FABLES

Robert Loeffler, trustee in the bankruptcy of Equity Funding, told Judge Pregerson, who is presiding over the proceedings, "The financial statements available have not only the same fascination of fables, but also about the same relationship to reality."

Commenting on some \$120 million in assets that have been reported missing from Equity Funding and Equity Funding Life, a company spokesman said that there is no cause for concern. He explained that as the \$120 million were paper assets based on bogus business, their absence shouldn't affect the viability of the company.

Judge Pregerson reassured the officials of the bankrupt company: "The purpose of these proceedings is to keep Equity Funding alive and to rehabilitate it, not to liquidate it. I'm not here to conduct funeral services but to oversee the reorganization of this company."

By way of an example, they can turn to Four Seasons, which after filing bankruptcy papers with a loss of \$200 million emerged last year—newly reorganized—as Anta Corporation. It made a profit for nine months ending March 31.

However, Jack Clark, former chairman of Four Seasons, was not quite as fortunate. He now faces a possible jail term for his crimes, but a fine and a suspended sentence seem more likely.

BY MARTY MORAN

Nixon's path to the Senate was paved with interesting coincidences. Nixon was being encouraged by his backers to consider running against incumbent conservative Democrat Sheridan Downey. He was told he would have the support of the entire California Republican establishment.

This put Nixon in fine position when Downey decided to retire due to poor health. Even though the race was suddenly more attractive with no entrenched office holder to challenge, no one stepped forward to contest Nixon in the primary.

Meanwhile a bruising fight developed for the Democratic nomination with liberal Congresswoman Helen Gahagan Douglas winning the primary. Throughout that campaign, Douglas' opponents raised the question of her voting record in Congress, charging it paralleled the record of Vito Marcantonio, the American Labor Party representative from Manhattan who followed the Stalinist line.

In view of the fact that on various occasions every Congressman had voted along with Marcantonio on something, including Nixon, these charges proved nothing, or at most they proved that the Stalinists were tail-ending the liberal Democrats, rather than the other way around.

Marcantonio himself personally detested Douglas, and with unexampled cynicism he encouraged Nixon to red-bait, passing him the word to "get on this thing because it is a good idea."

LOW KEY

During the primaries Nixon went on at low key, noting what the Democrats said about each other for future use. As was customary under the cross-filing system, Nixon was running in both the Democratic and Republican primaries. Candidates generally did this to see who could run up the largest total vote as a forecast of the general election, to impress the big money men who wanted to bet on a likely winner.

Nixon sent out several mailings to Democrats, none of which mentioned he was a Republican. One even began "As One Democrat To Another" featuring a personal appeal from Nixon designed to confuse Democratic voters.

But this was small change compared with the general election. The Nixon campaign flooded the state with reprints of the charges made by Douglas' primary opponents. Nixon even obtained the endorsement of outgoing Senator Downey on the basis of this red scare.

Douglas defended herself as Voorhis had before 1946. She paraded her staunch anti-communism and raked up a few times when Nixon and Marcantonio had voted together against appropriations for the Korean War.

This counter-attack only gave Nixon the opening he was waiting for. His staff drew up a list of 354 times in the previous years when Douglas had voted along with Marcantonio, mostly on the question of HUAC and "internal security."

This list was printed up on garish and suggestive pink paper and distributed en masse. The initial run of 50,000 leaflets was gone in a few days as the party faithful ran wild red-baiting Douglas. Eventually more than half a million of the famous "pink sheets" were distributed.

Douglas was smashed in a

wave of hysterical anti-communism, and Nixon became the junior Senator from California.

As far as the up and coming Southern California business interests were concerned, Nixon was their protege, obviously destined for a big future in politics. They felt he should have the same opportunity to promote himself nationally as the millionaire senior Senator from Northern California, William Knowland.

A group was formed to sustain Nixon's publicity activities, such as newsletters to constituents, dinners for lobbyists, press, and other influential people, more frequent trips back to Los Angeles, and so forth. By covering these expenses, of course, they gave him the opportunity to spend his Senatorial salary on better living in Washington.

About 90 businessmen from Southern California agreed to contribute regularly to the slush fund, in amounts from \$100 to \$500 a year. The total added \$13,000 a year to Nixon's income.

The fund was managed by Dana C. Smith, a Pasadena lawyer and longtime Nixon crony, who gave Nixon regular reports on where the money was going. Nixon paid no taxes on it, nor did he report it as income.

The slush fund was nothing new for Washington. Most capitalist politicians who are not independently wealthy depend on this kind of support, which in turn guarantees to big business their bootlicking loyalty.

EISENHOWER

It only became an issue when Nixon was selected by Eisenhower in 1952 to run as Vice President. Eisenhower's campaign plan was to hammer at "Communism, Korea, and Corruption" and tie Democratic candidate Stevenson to Truman and Truman's hated war in the Far East.

Nixon was selected by a meeting of Eisenhower's political strategists to provide geographical balance to the ticket and bring in a low-road campaigner who would do the red-baiting while Eisenhower posed as a statesman above petty politics.

Particularly insistent on Nixon was New York Governor Dewey, the direct spokesman for Wall Street, who was anxious to concede political recognition to the new boomtime interests who were centered in Southern California. This in turn was to be the token that the Republicans would shelve their traditional policy of "sound money" and jump on the inflationary bandwagon.

Nixon began to hammer away with allegations of wholesale corruption in Washington. Then the only Democratic Party paper in Los Angeles dug up the slush fund.

As soon as the story broke, it became clear that Nixon's political future was on the line. Eisenhower refused to make any statement to the press. Scores of top Republicans phoned the National Committee and Nixon's campaign train insisting that he resign, before Eisenhower's "Crusade" for clean government became a laughing stock.

Nixon hung on desperately,



"Dick and Ike."

The Nixons Of California Part 3 Riding The Tide Of Anti-Communism

more out of stubborn ambition than any hope he would weather the storm. He went on national television without telling anyone what he was going to say and gave the Checkers Speech.

"CHECKERS SPEECH"

This speech was appraised by film millionaire Darryl Zanuck as "the greatest performance Hollywood has ever seen." Nixon defended the slush fund completely, claiming he never used it for personal gain only to "serve my constituents," and demagogically saying that without such funds only the rich would be able to hold high political office.

He gave a complete tear-jerking account of his family's finances and finished with a soap opera appeal to viewers to write or call the Republican National Committee with their opinion on whether he should step down.

The results were dramatic—more than two million messages were received by the Republican party, nearly all pro-Nixon. Overnight Nixon was transformed from an albatross into a gold-plated asset, Republican candidates swarmed to get their pictures taken with him, and Eisenhower agreed to a public reconciliation on Nixon's terms. Two months later they swept into the White House.

In the course of the scandal, Dana Smith was forced to reveal a complete list of the contributors to the slush fund so that Nixon could swear he never did any of them favors.

The list makes clear what Nixon's political base was and is. Of the eighty or so names, more than a dozen were oil men, half a dozen were growers, and at least twenty were involved in property speculation as lawyers, real estate men, mortgage brokers, or title insurers. Among those represented were John Garland, brother-in-law of Los Angeles Times publisher Norman

Chandler; Herbert Hoover, Jr.; Tyler Woodward of Southern California Petroleum; a member of the Van Nuys family real estate interests; Thomas Pike of Pike Drilling Co. and Casualty Insurance; and representatives of several big mortgage companies.

SELLING JOB

The vast majority of the contributors were independent businessmen, not from the old-line big corporations, but new fortunes based on the boom. All of them were down the line reactionaries and Nixon fanatics. They weren't buying favors from Nixon since he had already made clear he supported them by voting for off-shore oil drilling, no public housing, and helping witch-hunt farm worker unions. "The whole idea was to enable Dick to do a selling job to the American people on behalf of private enterprise," Smith said.

The greatest selling job of all was of course the Checkers speech where Nixon whitewashed himself. The heart of that speech is the essence of Nixon's political career—the appeal to the elements of the middle class riding on the very crest of the inflationary postwar boom.

This is made clear in Nixon's detailing in the speech of his personal finances, which no doubt struck a chord. He disclosed debts of three times his equity, with all his money sunk into real estate. As the *New Republic* described it then, "Here is a young man who seems to be gambling everything on inflation. It is the old inflationary get-rich-quick formula—a dollar depreciation would double the prices of his real estate holdings while leaving the dollar amount of his fixed indebtedness the same."

The *New Republic's* conclusion was that this kind of financing was not like a Republican. But it is typical of the methods

employed by the capitalist class as a whole after World War Two, in order to retreat before the strength of the working class and postpone an all-out clash.

The limit of these methods has been reached. This is signalled by the simultaneous bankruptcy of Nixon politically because of Watergate and of his closest backers like C. Arnholt Smith of San Diego, the wheeler-dealer whose empire is now under federal investigation.

Their desperate position in the face of the shattering of the boom and the coming forward of the unbroken strength of the working class is what led Nixon and his Southern California gangsters to carry out their police state plans. Every method of the past learned in Nixon's rise to power was brought forward in Watergate—fanatical anti-communism, conspiracy against democratic rights, financial swindling, and hypocritical emotionalism when exposed. All wrapped up in a protective cloak of "national security."

The coalition cemented in 1952 by Dewey is now in ruins, as the leading Eastern papers call for a tough cutback on credit inflation and savage wage freezing and run expose after expose of Nixon's complicity in Watergate.

The policies of deflation and recession now being demanded by the big Eastern banks and their spokesmen like the *New York Times* will be the death blow first of all to the speculative capital built up in California. The Equity Funds, the C. Arnholt Smiths, the Robert Vescoes, are only a warning of the storm.

This means that the working class in California will be at the center of the first big class battles, facing the most vicious and frenzied section of the capitalist class, the people who produced Nixon and Watergate.

CONCLUDED

West Coast News



Rudy Sulenta

**Ten Percent
Vote For TUALP
Auto Program**

BY A BULLETIN REPORTER

SOUTHGATE—Elections for local officers held at the General Motors plant in Southgate demonstrated considerable support for the program of the Trade Union Alliance for a Labor Party.

Rudy Sulenta, running for president on the TUALP program, received 10 percent of the vote with 156 votes out of a total of 1550.

Sulenta based his campaign on a fight to prepare auto workers for the coming contract struggles, exposing Woodcock's unwillingness to take on the government by breaking the pay guidelines. Central to the campaign was the demand for a 20 percent increase with an unlimited cost of living escalator and a fight for a Congress of the labor movement to launch a labor party.

On the eve of the election Bob Melton, running against incumbent Chet Wray, issued a vicious red-baiting leaflet seeking to link Wray with Sulenta and denouncing the introduction of politics into the union.

Melton put forward no program whatsoever except to proclaim himself as "all the way with the UAW," meaning a complete endorsement of Woodcock's policies.

SMEAR

In the runoff election Sulenta put out a leaflet urging a vote for Wray to defeat the smear tactics of Melton while making very clear the program and perspectives of TUALP.

Wray defeated Melton by 760 votes to 620. From the vote it is clear that most of those who voted for Sulenta did not vote at

all in the runoff. The vote for Sulenta was based on a real desire for an alternative leadership. A number of workers in the plant assisted in the campaign by passing out leaflets.

The fear of the UAW bureaucracy of the disaffection of the ranks was revealed in the fact that the anti-communist leaflet used against Sulenta and Wray was produced by the International in the regional office.

Fully two-thirds of the Southgate workers revealed their disgust with the UAW bureaucracy by not participating in the election. While there are big dangers reflected in this turn away from politics, the considerable support for the program of TUALP can now be turned into the development of an alternative leadership through preparing for the contract fight this fall.

Witness Explodes Frameup Of Sailor

BY A BULLETIN REPORTER

SAN FRANCISCO—The government's court martial of Navy Fireman Patrick Chenoweth collapsed last week when the key witness refused to testify.

Chenoweth is charged with war-time sabotage, which carries the death penalty, for allegedly dropping several large bolts and a paint scraper into the sensitive reduction gears of the carrier USS Ranger.

**Pipedreams Of Peace
For Labor Leaders**

BY A BULLETIN REPORTER

SAN FRANCISCO—A two day conference on the topic "Is the strike outmoded?" was held at the Hotel Fairmont here by the Institute of Collective Bargaining and Group Relations, Incorporated.

The conference offered the opportunity for such labor officials as Lane Kirkland, secretary treasurer of the AFL-CIO, John Crowley, secretary treasurer of the S.F. Labor Council, John Henning, secretary treasurer of the California Labor Federation and a host of Bay Area labor officials to wine and dine with an assortment of academic labor experts, arbitrators and top officials from dozens of major corporations such as General Electric, Continental Can and United States Steel.

With such topics as "Alternatives to the Strike in the Public Sector," "Alternatives to the Strike in the Private Sector and Alternative Techniques to the Strike," it came as no great surprise to learn that management, academia and the labor bureaucracy were unanimously agreed that strikes were a very nasty business and while they were perhaps still not quite obsolete there was no good reason why reasonable civilized men could not iron out their differences with the assistance of a few good, honest arbitrators.

DISTURBED

The atmosphere of warm comradeship that comes from good food and drink and people who are trying to work out a common problem was slightly disturbed by the unfortunate departure of

John Henning, who it seems was called away to the Coachella Valley to make a report to George Meany on the state of collective bargaining and group relations in the grape fields.

With the Watergate scandal exploding about them and the Nixon Administration openly preparing for new wage freeze measures to destroy collective bargaining completely, this conference could only proceed by making believe these questions did not exist. How to contain the demands of millions of workers for adequate wage increases when the government declares it illegal would only have disturbed the digestion of the delegates and all of the speakers seem to have agreed not to bring it up.

No one seemed to object when John Dunlop, former Dean of Harvard University and presently on the Cost of Living Council was introduced by a labor official as "our kind of dean."

Dunlop was very critical of the Cost of Living Council because of its narrow concentration on wages and benefits, praising instead the Construction Industry Stabilization Committee "because it has a richer approach including all factors, work rules, etc."

But the crowning achievement of the Institute of Collective Bargaining was the address delivered at the closing afternoon banquet by I.W. Abel of the steel workers' union. Abel was introduced as "an outstanding ex-

ample of the rare type of leader able to gain a perspective on broad institutions to guide him in his daily round of activities. A daring, thoughtful and experienced leader who has close and enduring relations with the grassroots."

And Abel was daring indeed attacking the "peaceniks" who were opposed to the Vietnam War and now denounce him when he seeks peace with the employers. For nearly an hour Abel outlined before such people as Virgil Day of General Electric and an assortment of vice presidents from United States Steel, American Can, Kaiser Steel and Kaiser Aluminum his plans for increasing productivity and giving up the right to strike "as an experiment" until 1977.

Even after the Watergate revelations, Abel could still declare that the government had intervened in every steel contract since 1937 and that this had been to the benefit of the steel workers. Abel's message got across and received broad appreciation. One only had to glance at the dozens of tables occupied by well fed businessmen beaming their approval.

This conference was a warning to the working class. The disgusting display of class collaboration by the labor leadership precisely at the point that every gain of the labor movement is under attack is only a hint of the treachery they are preparing.

**Leaders Come Empty-Handed
For Construction Meeting**

BY MARTY MORAN

SAN FRANCISCO—The California State Building Trades Council has been forced to call a statewide meeting of all building and construction locals to be held June 15 in San Francisco.

The state council, an ultra-conservative body normally only concerned with lobbying the state legislature, was forced to take this action because of the unprecedented assault on the wages and working conditions of construction workers by the Construction Industry Stabilization Committee (CISC).

Nearly 100,000 Northern California building tradesmen have had wage increases slashed or frozen in the last few months. Pay increases have been cut by 60 to 75 cents in most trades.

Under the CISC's "California plan," wages and fringe benefits are held down while other lower

paid regions supposedly catch up. Actually, the purpose is to drive down conditions in California until they rank with non-union areas like the South, as a preparation for breaking the unions altogether.

The construction union bureaucrats will meet with absolutely no policy to propose to the ranks. They have frantically lobbied Congress, which passed a few bills requiring CISC to hold public meetings and to give reasons to the unions when it cuts their pay.

The results of this effort were summed up by San Francisco Building Trades chief Dan Del

Carlo. "If they take a contract under submission you don't know if they are going to meet in a hotel room to decide and then hold their public meeting."

The complete worthlessness of the concessions which the politicians have doled out leaves the labor leaders bankrupt. Del Carlo rules out a strike, since contractors can be fined \$5000 a day by the government if they agree to pay the held-up wage increases.

Rank and file construction workers must demand that the state council call an all-out strike to begin the fight to smash government wage controls.

a night of persuasion, which included threats of the brig if he did not finger his shipmate, Bailey took the stand Thursday.

EXTORTED

However, he contradicted his previous testimony, saying he knew all the time that Chenoweth was only joking. Bailey said morale was so bad on the Ranger just before the scheduled return to Vietnam that sailors frequently bragged, "Hey, I just

threw a bomb down the stacks." He also admitted all his previous statements had been extorted from him under threat of being court martialed along with Chenoweth.

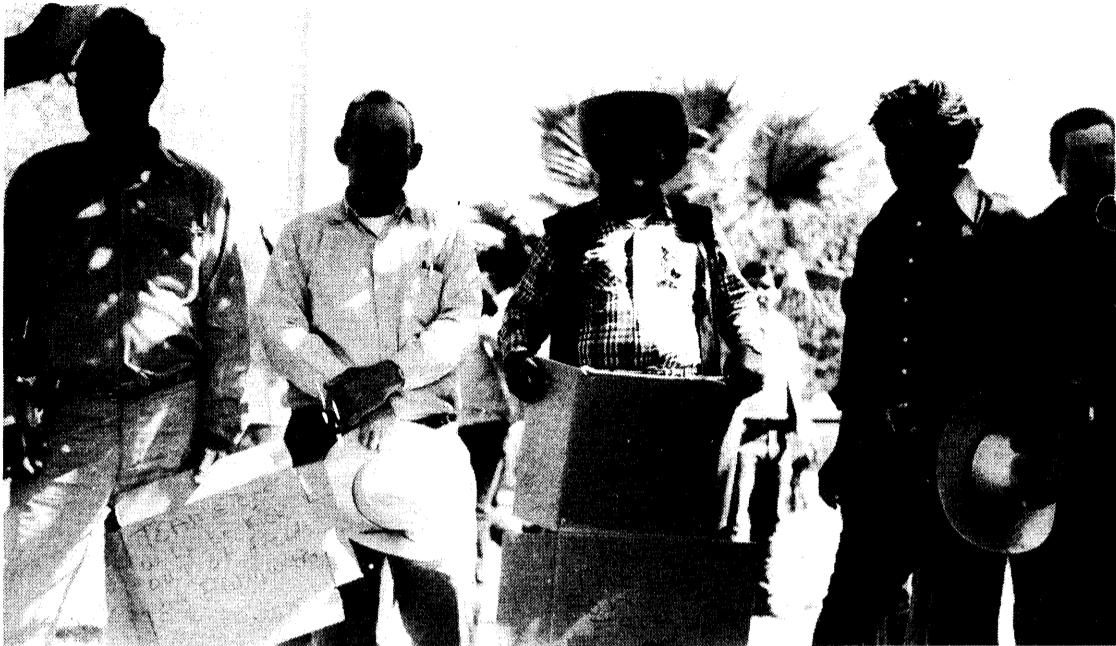
The Navy has tried desperately to frame up Chenoweth as a scapegoat for the Ranger sabotage, which expressed the hostility of rank and file seamen to the war and the brutal conditions on board ship. Now this is exploding in their faces.

West Coast News

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Farm workers striking Coachella grape field face the critical week of the harvest.

Labor Rallies In UFW Showdown

BY JUDITH HALE

COACHELLA, Cal.—Harvesting began this week on a limited basis in the fields here, which are the major suppliers of grapes in the month of June. The United Farm Workers Union has been striking for two months against all but two of the valley's growers.

The union has gained support from most other unions against the strikebreaking of the Teamsters' Fitzsimmons leadership, who have signed contracts with the Coachella growers.

Lower than normal temperatures have delayed the ripening of table grapes. This means all the grapes will have to be picked this week with a larger than normal work force, making it more difficult to recruit an adequate number of scabs and strengthening the hand of the UFW pickets.

As temperatures rise, the growers will be forced either to smash the strike, or to sign contracts with the UFW, or face the loss of hundreds of thousands of dollars of profit from rotting unharvested crops.

Rank and file support for the UFW from the UAW, steel-

workers, laborers, and others has forced union officials from all over the US to rally behind the farm workers.

Paul Hall, president of the Seafarers' Union, sent twelve seamen to "provide muscle." The President of the International Brotherhood of Electrical Workers and Al Wall, AFL-CIO Legal Counsel, have been sent to gather information for George Meany. The national AFL-CIO has provided a 1.6 million dollar fund to pay strike benefits.

POLITICS

A UFW spokesman in Salinas, where the lettuce strike is having increasing effect, said the union could easily mobilize a general strike throughout the valley. This is the kind of confrontation that Chavez is trying to prevent both in Coachella and in Salinas.

because it would raise the question of politics.

UFW leader Cesar Chavez still holds the position that deals can be made with the bankrupt Democratic Party, a policy encouraged by the Stalinists.

But despite Chavez, politics is at the heart of the farm workers' struggle. This is sharply expressed by Jim Dycus, a member of the Teamsters for Chavez, who is in Coachella.

Dycus attempted to run for president of the Teamsters against Fitzsimmons, opposing the leadership's union-busting in the fields, but he was turned away from the convention and firmly escorted back to the airport and "advised" to go home.

Dycus told the Bulletin: "We must have a new leadership. The present leadership is corrupt and rotten. I pledge support for a labor party. We need one."

Editorial

Bridges Runs Away From Pay Board Fight

The International Longshoremen and Warehousemen's Union and the Pacific Maritime Association have announced agreement on a new two year longshore contract claiming to have reached consensus on all economic issues with non-economic questions to be turned over to arbitration.

The exact terms of the agreement have yet to be announced but there is no question that the Bridges' leadership hopes to rush a vote through as quickly as possible in order to avoid any confrontation with the new wage restrictions being prepared by the Nixon Administration.

Originally Bridges claimed that the union would hold out for a one year package but in his indecent haste to settle even that has been thrown out.

The ILWU leadership is absolutely desperate to avoid any clash with the Nixon Administration and is setting dockers up for a very dangerous betrayal. Bridges is leading the way for the entire labor bureaucracy to capitulate to the state.

Employer plans for containerization in the major West Coast ports are staggering for the next few years. This and the growing certainty of a deep recession threaten the destruction of thousands of longshore jobs.

While Bridges claims to have negotiated a no-layoff guarantee, this will provide no protection against the wholesale destruction of work opportunity. Nothing short of a full forty hour pay guarantee for all dockers regardless of hours worked can protect the jobs of longshoremen.

There is also no question that Bridges does not intend to challenge the present pay guidelines of the administration which means that he will accept little more than the 25 cent raise already guaranteed by the PMA.

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BY A BULLETIN REPORTER

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in the last three years related to job assignment violations and unsafe conditions and is demanding the extra manning of equipment.

The contracts for three other construction unions, Teamsters, laborers, and carpenters, also expire June 1. These unions have been working under a nine day extension. Negotiations are now at a standstill. The bureaucratic leadership is holding their membership back while the AGC refuses to grant any concessions.

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It is urgent for all construction unions in the region to demand a complete shutdown of all building sites and force the leadership to carry this out.

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FILM: ROAD TO WORKERS' POWER

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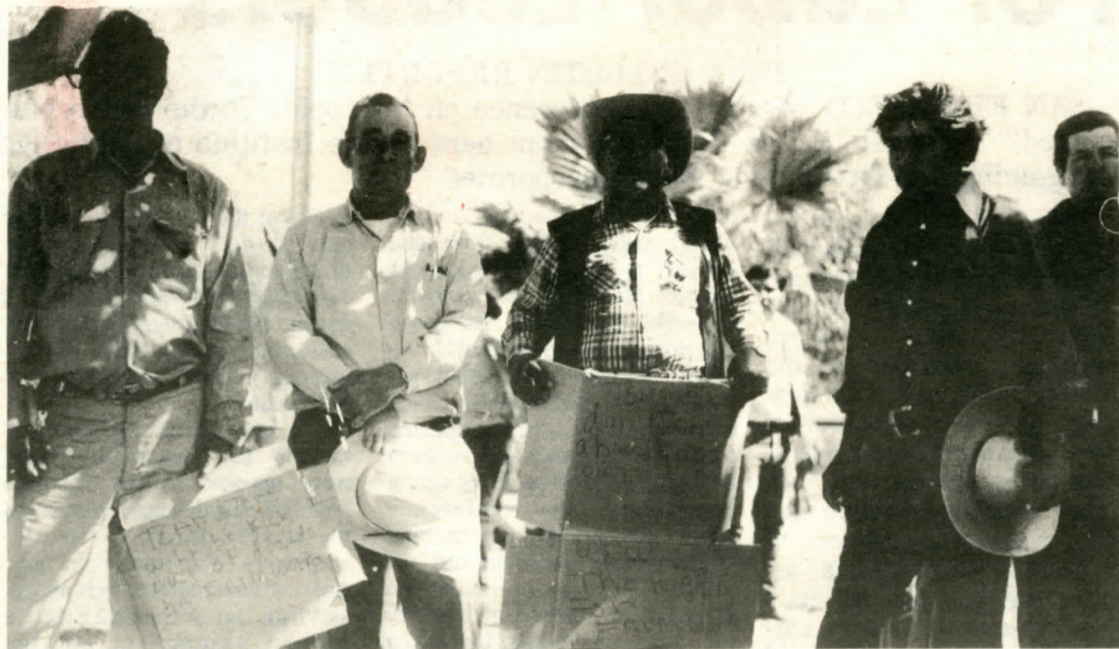


West Coast News

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Farm workers striking Coachella grape field face the critical week of the harvest.

Labor Rallies In UFW Showdown

BY JUDITH HALE

COACHELLA, Cal.—Harvesting began this week on a limited basis in the fields here, which are the major suppliers of grapes in the month of June. The United Farm Workers Union has been striking for two months against all but two of the valley's growers.

The union has gained support from most other unions against the strikebreaking of the Teamsters' Fitzsimmons leadership, who have signed contracts with the Coachella growers.

Lower than normal temperatures have delayed the ripening of table grapes. This means all the grapes will have to be picked this week with a larger than normal work force, making it more difficult to recruit an adequate number of scabs and strengthening the hand of the UFW pickets.

As temperatures rise, the growers will be forced either to smash the strike, or to sign contracts with the UFW, or face the loss of hundreds of thousands of dollars of profit from rotting unharvested crops.

Rank and file support for the UFW from the UAW, steel-

workers, laborers, and others has forced union officials from all over the US to rally behind the farm workers.

Paul Hall, president of the Seafarers' Union, sent twelve seamen to "provide muscle." The President of the International Brotherhood of Electrical Workers and Al Wall, AFL-CIO Legal Counsel, have been sent to gather information for George Meany. The national AFL-CIO has provided a 1.6 million dollar fund to pay strike benefits.

POLITICS

A UFW spokesman in Salinas, where the lettuce strike is having increasing effect, said the union could easily mobilize a general strike throughout the valley. This is the kind of confrontation that Chavez is trying to prevent both in Coachella and in Salinas.

because it would raise the question of politics.

UFW leader Cesar Chavez still holds the position that deals can be made with the bankrupt Democratic Party, a policy encouraged by the Stalinists.

But despite Chavez, politics is at the heart of the farm workers' struggle. This is sharply expressed by Jim Dycus, a member of the Teamsters for Chavez, who is in Coachella.

Dycus attempted to run for president of the Teamsters against Fitzsimmons, opposing the leadership's union-busting in the fields, but he was turned away from the convention and firmly escorted back to the airport and "advised" to go home.

Dycus told the Bulletin: "We must have a new leadership. The present leadership is corrupt and rotten. I pledge support for a labor party. We need one."

Editorial

Bridges Runs Away From Pay Board Fight

The International Longshoremen and Warehousemen's Union and the Pacific Maritime Association have announced agreement on a new two year longshore contract claiming to have reached consensus on all economic issues with non-economic questions to be turned over to arbitration.

The exact terms of the agreement have yet to be announced but there is no question that the Bridges' leadership hopes to rush a vote through as quickly as possible in order to avoid any confrontation with the new wage restrictions being prepared by the Nixon Administration.

Originally Bridges claimed that the union would hold out for a one year package but in his indecent haste to settle even that has been thrown out.

The ILWU leadership is absolutely desperate to avoid any clash with the Nixon Administration and is setting dockers up for a very dangerous betrayal. Bridges is leading the way for the entire labor bureaucracy to capitulate to the state.

Employer plans for containerization in the major West Coast ports are staggering for the next few years. This and the growing certainty of a deep recession threaten the destruction of thousands of longshore jobs.

While Bridges claims to have negotiated a no-layoff guarantee, this will provide no protection against the wholesale destruction of work opportunity. Nothing short of a full forty hour pay guarantee for all dockers regardless of hours worked can protect the jobs of longshoremen.

There is also no question that Bridges does not intend to challenge the present pay guidelines of the administration which means that he will accept little more than the 25 cent raise already guaranteed by the PMA.

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