Newsletter of
THE DEMOCRATIC LEFT

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Convention checkup: DSOC thriving

by PETER STEINFELS

On Saturday, January 25, the evening news broadcasts reported some comments by a worried Roy Ash, President Ford's director of the budget. "Nobody wants to use the word 'socialism,'" said Mr. Ash, "but that is the direction the government's efforts to combat the recession may be taking us."

Mr. Ash's observation was at once revealing and banal. It expressed the Administration's desperate waffling in the face of economic crisis, even as it threatened the public with the standard bogey about all government intervention. But it carried a particular irony for the several hundred delegates who were, at that moment, half way through the second national convention of the Democratic Socialist Organizing Committee. Not only did they have no objection to using the word "socialism," they had just witnessed one of the larger crowds in recent socialist history turn out for a discussion of socialist responses to the economic situation. They had heard Victor Gotbaum, executive director of AFSCME's largest district council, D.C. 37 in New York, declare he was joining the DSOC. They had received fraternal greetings from socialist heads of state and major socialist political leaders overseas (Olof Palme of Sweden and François Mitterand of France, for example) as well as from U.S. Congressmen and Congresswomen and from important labor leaders. And they had welcomed a message to their convention from nine Nobel Prizewinners who called for "the exploration of alternatives to the prevailing Western economic systems." (Along with Nobel Laureates from fields such as medicine, physics, and literature were three of the world's eight Nobel Prizewinners in economics: Gunnar Myrdal, Jan Tinbergen, and Kenneth J. Arrow.)

Finally the DSOC delegates filling the East Ballroom at New York's Hotel Commodore had heard Michael Harrington present an analysis of the economic situation which rendered Mr. Ash's statement far more telling that perhaps the former Litton Industries executive had himself imagined. In effect, such scare tactics about socialism are not going to remove the necessity for vast collective initiatives; they are intended to assure that these initiatives are kept within the framework established by corporate interests. "We meet in the midst of a crisis of the capitalist system," Harrington began. "It is so deep that even investment bankers . . . are advocating 'state planning of the economy.' There is, therefore, no question as to whether there will be structural change in our our economic institutions. The issue before the nation who is going to make those changes and how. Will they come from the sophisticated corporate Right . . . . or from the democratic Left?"

How do you evaluate something like the DSOC's national convention? There was no hotly contested election for leaderhhip. There was no overiding political issue which had to be setttled one way or another. Somehow, the overall impression must be patched together from bits and pieces.

The DSOC leadership had hoped the convention would be an educational experience, that by concentrating on two main topics—the economic crisis and

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A $60 billion deficit to fight the big spenders

by MICHAEL HARRINGTON

America needs a $60 billion deficit, half of it in a tax cut, half in social expenditures. That is the only way we can fight the dogmatic ideologists, the big spenders—that is to say the fiscal conservatives. They are on the offensive; now we must attack.

The difference between this proposal for a $60 billion stimulation of the economy and Ford's projected $52 billion deficit is not simply a matter of $8 billion, important as that may be. The Ford deficit is reluctantly proposed and accompanied by conservative rhetoric as well as by practical proposals to cut down on the living standards of the aged, the poor and the public employees. It is also designed to give maximum benefits to the rich. The $60 billion urged here is put forward as part of an aggressive, full employment strategy and is, as the rest of this article makes clear, utterly different in conception and social effect from the Ford budget.

In late January, for instance, Roy Ash, the outgoing Director of the Office of Management and Budget (and the refugee from spectacular defaults on government contracts at Litton Industries), summoned the public to do battle against the "socialism" that is being proposed by the liberals. In his State of the

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DSOC . . .

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organizational perspectives for DSOC itself—the delegates could engage in a thorough and stimulating debate. The results, in my view were mixed. In the case of Harrington's statement, there was almost too much agreement. A number of subordinate questions held the floor. What kind of cutbacks in military spending are in order? When, if ever, can wage controls be proposed without hurting working men and women? What about a thirty-hour work week? Discussion on these points was sometimes lively, but the delegates were not forced to think the way they might have been by a comprehensive alternative to the Harrington analysis.

The debate on DSOC priorities was a little different. The original presentations—Bogdan Denitch emphasizing the need for intellectual groundwork, Elizabeth McPike arguing for building organizational skills—were effectively made. Though the follow-up discussion was again fragmented, perhaps because the convention clearly did not wish to exaggerate the differences between the two approaches, the delegates were able to come away with some thoughts about the concrete problems, intellectual and organizational, of successfully "creating a socialist presence in the mainstream of American life."

At this gathering, the standard exercises for most conventions had a curious way of exploding into something much more significant. In place of the usual welcoming message, for instance, Deborah Meier treated the delegates to an eloquent, thought-out reflection on the socialist commitment. At the period set aside for "greetings," Dolores Huerta, vice president of the United Farmworkers, spoke simply but movingly of her union's struggle, rousing the audience to a chorus of "*¡viva!*" and "*¡si se puede!*" She was followed by Alva and Gunnar Myrdal recalling the accomplishments of Swedish socialism and by Donald MacDonald speaking of the growth of the Canadian New Democratic Party. The distance between the DSOC and the several decades of socialist government in Sweden or even the strength of the NDP in Canada seemed overwhelming, yet implicit in these messages was the reminder that these successful movements, too, once had their first thousand members and their second national conventions.

The New York meeting was also, in many ways, a women's convention. The Women's Caucus noted with approval the prominent place of women members in chairing sessions and directing workshops. This was not, however, a matter of head-counting; much of the convention's energy sprang from a series of forceful contributions by women speakers—Deborah Meier, Dolores Huerta, Alva Myrdal, Elizabeth McPike. It was ironical, therefore, that the period of confusion and aggravation which seems to mark every left-wing convention—the "crazy hour" Harrington called it—arrived when the complicated voting system and a poorly designed slating process resulted in a reduction of women members elected to the National Board. The convention swiftly voted to rectify this outcome; and the "crazy hour" (by my Timex) had lasted from exactly 3:14 to 3:22 on Sunday afternoon.

Political organizations, like people, are most vulnerable in infancy and old age. The DSOC is still in its infancy, and the second national convention was a little like a pediatric check-up. The organization was weighed and measured, its reflexes tested, its development noted. It demonstrated its ability to walk those all-important first steps and even revealed the capacity to take a few sharp bites. How far it will go, how much it can chew, is still to be seen. For now, the general conclusion is: sturdy and thriving. □

New chance for ERA

With new, more liberal state legislatures installed this year, backers of the Equal Rights Amendment are optimistic about its chances for ratification. So far, 33 of the required 38 states have ratified the constitutional amendment. But Nebraska and Tennessee have rescinded their approval of the ERA, an action whose meaning has not been tested in the courts. This leaves either five or seven states to go.

A federation of 26 national organization which support the ERA have retained a political consulting firm to coordinate the ratification campaign. Together they have targetted 10 states most likely to ratify the amendment. The National Federation of Business and Professional Women's Clubs will finance the campaign.

Local groups will use two strategies: an "outside" strategy of building grass root support, and an "inside" strategy of lobbying state legislators.

ERA supporters hope for quick action in the legislatures. "The longer consideration of ERA is put off, the more the amendment becomes an irritant or a joke or a political football in the minds of some legislators," said Diane Salter of Common Cause.

—GRETCHEN DONART

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THE DEMOCRATIC LEFT

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Ford's budget . . .

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Union message, President Ford trotted out that most cherished of conservative untruths: "Part of the problem is that we have been self-indulgent for decades, we have been voting ever-increasing levels of government benefits and now the bill has come due." In a mere 15 years, Ford said, federal and local spending would equal 50 percent of the Gross National Product. And the Wall Street *Journal* has been crying out that social security and other transfer payments are bringing the nation close to a "breaking point," penalizing production in the name of doing good.

In other words, the President, his cabinet and the business community are, in the guise of responding to the recession-inflation, attacking the very foundations of the social gains of the past 40 years and raising the issue of the relative shares of income and wealth in the United States. We should be delighted with their reactionary audacity for it might even force the nation to face up to some radical truths.

Unfortunately, conservative Republicans are not alone in pushing this pernicious nonsense: new, liberal Democratic governors are taking much the same line. That was the message from Hugh Carey in New York, Ella Grasso in Connecticut and Jerry Brown in California last month. All of them talked of "fiscal responsibility" and budget cutting as the way out of the crisis. The political gains made by the Democrats last fall were the result of popular disgust with Republican economics, as well as Watergate. How can the beneficiaries of the revulsion, these liberal Democratic governors, boldly point to the very path which the people have just rejected?

In short, that is explained by the excessive moderation of much of mainstream liberalism in America. In part, it is the result of the hold of a conservative fiscal ideology in this nation. It is therefore a most political and practical task to try to shatter that myth.

We must first understand that Gerry Ford is a big spender, an apostle of waste and idleness. In fiscal 1975, the federal budget will show an actual deficit of about $23 billion. In part, this is the result of expenditures necessitated by the previous and present Republican failure to deal with the recession-inflation. In the first six months of fiscal 1975, the Joint Economic Committee (JEC) has estimated that "unemployment related expenditures" alone have added some $5.3 billion to the Federal budget. The JEC figures that the Department of Labor outlays will almost double between 1975 and 1976, rising from $10 billion to $19 billion. Together with unemployment, inflation accounted for half the federal increases in 1974, according to the Brookings Institution.

Thirdly, the corporations are playing their usual subversive games. They, and the Wall Street *Journal*, have been screaming for some time that they are short on capital. Yet, as the JEC points out, a major element in the current increase in the costs of government is that many companies have been shifting their inventory accounting methods. Burt Seidman, the director of Social Security for the AFL-CIO, estimates that such tactics cost a minimum of $4 billion in 1974 for federal revenues. Some corporate profit statements may look sickly; but they are designed with mirrors and primarily function to avoid taxes. But corporate cash flow—profits plus various capital consumption allowances—rose in the third quarter of 1974, according to Seidman, to an annual rate of $172.5 billion. That marks an increase of 78 percent over 1969, which more than compensates for the impact of inflation. The taxpayers, who had to make up for the levies the companies finessed, contributed that capital free.

And finally, the Wall Street *Journal* itself noted on January 24 that lost wages and the increased transfer payments due to unemployment during the last two months of 1974 totaled almost $16 billion. Keeping 8 percent of the labor force miserable is expensive.

Consider a summary figure in this regard. It comes from the Joint Economic Committee. If we were running the American economy at an unemployment rate of 4 percent in 1975—which is intolerably high by European socialist and labor standards—the budget would be $30 billion in surplus! In fact, it is going to be $23 billion in deficit. That means that the cur-

Party rules upheld by Court

Democratic reformers got support from an unexpected quarter last month—the Nixon Supreme Court.

In an eight to one decision, the Court ruled that national party rules take precedence over state laws in the selection of delegates to national party conventions. The immediate issue centered around the 1972 convention's unseating of the Illinois delegation led by Mayor Richard Daley. The Justices ruled that the convention was within its legal rights to unseat Daley in favor of a reform delegation which had not run in the state's election.

First Amendment rights of free assembly and free association were cited in the decision, and, though some Justices in the majority thought the Court went too far, the decision held these rights, as exercised through national parties, more important than the states' interests in supervising elections.

Legally, the decision is interesting. Politically, it is crucial. Regular Democrats and Dixiecrats have been citing state laws in arguing against strengthening of the national Party. That case was made against many provisions of the recently enacted Charter, and there was little doubt that the local Party barons would use state laws to avoid compliance with national Party rules. The Court has closed that avenue; that's very good news for the Party's future.

—JACK CLARK

rent wasting of resources proceeds at an annual rate of more than $50 billion. It also means that an actual $23 billion deficit hardly stimulates the economy at all.

Therefore, one must conclude that the Ford Administration, and its ideologists, are the big spenders in America. They are wasting, not simply millions of human lives among the jobless, but billions and even tens of billions, of dollars.

But aren't we still lavishing billions on transfer payments, favoring the unproductive as against the productive? That is the obsessive—and false—refrain of the Wall Street *Journal* in recent months.

This assumption—that the rich are more productive than the working people and the poor—is profoundly ideological. One conjures up an image of Nelson Rockefeller abstaining from spending in order to invest his hundreds of millions and thereby being more "productive" than people in the factories. And the notion of "transfer payments" is a tricky term that implies that the government is taking from the rich to give to the poor.

But transfer payments have to be put into the national economic context. A Brookings study of the 1975 budget, taking into account the fact that taxes in America are proportional, not progressive, indicated that transfer payments do not redistribute wealth at all. This is particularly the case when one considers that, as corporate tax payments have declined (from 23.3 percent of the Federal total in 1960 to 14.6 percent in 1975), social insurance payments, which are extremely regressive, have almost doubled (going from 15.9 percent to 29 percent). A worker with three dependents in 1973 who earned $10,000 paid a higher fraction of his earnings in payroll taxes, like social security, than a similar worker making $25,000.

So big business is trying to hide the millions of lives and billions of dollars its conservative government is wasting by confusing the public about the size and meaning of social programs. I have not had the time to go into the figures which Ford uses to argue that we are on the verge of taking 50 percent of the GNP for government purposes, but two comments are in order on this count.

First, where government provides really excellent social services, as in Sweden, the people democratically approve of taking such a portion of GNP for uses which measurably increase everyone's well-being. It is precisely the parsimony of the American welfare state, not its fiscal abandon, which causes some people to distrust it.

Secondly, I suspect Ford's percentages—and the ones to be are found in the Wall Street *Journal*—are less than honest. A study which appeared last month—Harold L. Wilensky's *The Welfare State and Equality*—is so much at variance with their figures, and so carefully documented, that one must suspect that the budgetary mirrors are being used to fool us again.

Given this analysis, it is imperative that the democratic Left shift the whole focus of the current economic debate. The fiscal "conservatives" should be identified as the big spenders of human lives and lost dollars. In this context I urge a $60 billion deficit as a modest first step toward full employment. It is not, like Ford's waste, money down the drain. It is, rather, a productive investment.

First of all, this sum should not cause "fiscal acrophobia." That is Walter Heller's term for an "unreasoning fear of fiscal heights." For instance, a $20 to $25 billion deficit, Heller notes, would do no more than offset the "inflation drag" of tax increases because of higher money, but not real, incomes. It would only be about half of the 1975 "oil drag" and

Capital quotes

"Skepticism is mounting among sugar industry analysts over the reality of shortage conditions blamed for much of the upward spiral of sugar prices in 1973 and 1974. 'The patterns of supply, deliveries and prices have been highly unusual leading us to believe that in all probability there hasn't been a sugar shortage,' says Alice J. Bradie of Pain, Webber, Jackson and Curtis [a Wall Street brokerage firm] in a comprehensive review of industry trends over the past 23 years."

—The Wall Street *Journal*
December 23, 1974

Paper thin profits?

With 240,000 UAW members jobless, Leonard Woodcock has rightly been exploring every way to get them back to work. His statement that "paper thin" profits are a cause of the auto depression have, predictably, been denounced as "class collaborationist" by the Communists, Trotskyists and other sectarians. That is simplistic nonsense. Yet one does hope that Woodcock will reaffirm some basic UAW ideas which are quite relevant to the crisis. Prices in auto are administered and profits targeted to yield a high rate of return. Are the profits "paper thin" only in terms of this oligopolistic goal? Is that why Detroit waited so long to reduce prices so feebly? Part of the problem is that we don't really know, what with managerial secrecy and the deceitfulness of annual statements. It's time for some classic UAW demands: Open the corporate books and let us find out the truth; make pricing and profit-taking decisions subject to public scruitiny.

—Michael Harrington

it would be less than two-thirds of a year's automatic growth in Federal tax revenues at present rates. Finally, it would be smaller than the 1964 income tax cut translated into today's terms.

A figure of between $50 and $60 billion is therefore now emerging as a Federal deficit target among unions, the liberal organizations and others concerned with social change. It should not all be passed on to the public through tax cuts. There are social needs still crying out in this land and Ford's proposal to starve the public sector—cutting down on social security, food stamps, and all forms of social spending—is an outrage. Therefore roughly half of the $60 billion should be spent on increasing the coverage of existing programs and on establishing new programs, above all, national health security.

And the half of the $60 billion which is disbursed through tax cuts should, of course, go to the working people and the poor. The rich should be taken off the welfare dole otherwise known as the deduction schedule of the Internal Revenue Code.

So far, all of these proposals are eminently sensible and, in political terms, go no further left than the liberalism. A $60 billion deficit would, after all, restore American capitalism to an equilibrium which its businessmen and their political agents destroyed. Within the democratic Left, however, socialists should educate on the necessity of going beyond that moderate goal. In all this, we have allies in Gerald Ford, Roy Ash, the Wall Street *Journal*, et al.

Aside from socialists, the only class conscious people in this society—in a Marxist sense of the term—are businessmen. They are the ones who are always proposing structural change. In this case, for instance, they want to take advantage of the economic crisis in order to undo basic, and still inadequate, reforms of the past, like social security and food stamps. They are redistributionists, and sometimes openly and explicitly so, as in the Ford tax rebate scheme which does so much more for a $40,000 a year family than for a $4,000 a year family.

Socialists within the democratic Left should respond to that challenge with an approach as class conscious as that of the bourgeoisie. We should point out that in fighting the recession-inflation, it makes economic sense—that it is not "merely" social justice—to redistribute from the top to the bottom. That is the fastest and best way to increase the right kind of spending, both personal and social. It is also, as Gunnar Myrdal, the Nobel Laureate in Economics, pointed out at the recent DSOC Convention, a mighty engine of economic growth and progress. It is simultaneously moral and pragmatic.

For now, the task is to win the legislative fight for something like the immediate program sketched here. In the longer run, we socialists of the democratic Left hope to make the distinctive contribution of showing how fiscal conservative myth must be stood on its head and become a radical truth. Ford is right. We need redistribution. Only he is Robin Hood in reverse; and we are Robin Hood. □

FOGCO in trouble

The Stevenson bill to create a federal oil and gas corporation (FOGCO) is dead, the victim of bourgeois class solidarity.

The Senate Commerce Committee, which handled the bill last session, has not received any legislation from Stevenson or anyone else to create a public energy corporation. And a staffer indicated that neither Stevenson nor Committee Chairman Warran Magnuson is very interested in that approach any longer.

Instead, liberals will be looking for "less controvertial" ways of handling the energy crisis and fighting defensive battles to keep the price controls on natural gas and keep the Alaska Naval Reserves out of the hands of the private oil companies.

The Stevenson bill met with intense oil company opposition, to be sure, but a Commerce Committee staffer noted that "general private sector hostility" was more of a problem. "The Chamber of Commerce was publishing or testifying against the Stevenson bill every week," according to one public interest lobbyist. The National Association of Manufacturers and many large firms with Washington lobbies joined in the effort to scuttle the bill.

Although, barring lots of pressure from back home in Illinois, Stevenson is not interested in re-introducing his bill, someone else may decide to try it. There was broad support last session for FOGCO (which should be expanded to include coal along with oil and gas) although it wasn't a top priority for anyone. The approach appeared promising originally, and the response from the business community confirms our best hopes about the legislation.

The virtues of the Stevenson bill have been analyzed at length in these pages, and there's no need to rehearse the arguments in its favor now. A mobilization on behalf of the neglected legislation is in order, though. In a society by the wealthy few, the one advantage we of the Left have is numbers. Readers of this NEWSLETTER represent less than a political majority, but we are all literate individuals, and we all have friends. If each of us writes to Senator Stevenson, to Senator Magnuson and to our own Representatives, those few thousand letters might be enough to renew interest in the bill. If we each get a friend to write as well, the bill stands an even better choice of being re-introduced. That guarantees very little, but even that one small step is progress.

Postscript: if you do write, send us a copy of your letter. We'll pass them all on to friends who are lobbying for re-introduction of the Stevenson bill.

—THE EDITORS

Congressional reform: will it matter?

by David Cohen

Divided government—a Republican President and Democratic Congress—has traditionally neither paralyzed government nor provided clear-cut choices for the voters. Will the 1974 election make it different? Will the bulging Democratic majorities sharpen differences with the Ford Administration on taxes, economic priorities, campaign finance, energy, environment, health insurance, consumer matters, military spending? Will the words and music be just the old time Democratic religion—log roll and pork barrel all the interests, but don't disturb any power—or will new sounds emerge from Capitol Hill?

In the House, some institutional roadblocks to progressive legislation have now been removed. House Democratic Party responsibility is placed where it should be: in an elected Steering and Policy Committee, in the Democratic Caucus, and with the Speaker and Majority Leader. Procedures have been established that will drastically alter seniority and limit the power of committee chairmen.

The three chairmen who were removed—F. Edward Hebert of Louisiana, Armed Services; Wright Patman of Texas, Banking; W. R. Poage of Texas, Agriculture—regularly abused power, often lacked elementary procedural fairness, and had a habit of violating caucus rules. In the report on all House Committee chairmen issued by Common Cause, these three chairmen flunked (as did four others). All chairmen are now on notice that their position is no longer sacred. The significance of removal cannot be overestimated.

- Chairmen can be removed. The caucus will exercise its powers to hold chairmen accountable for their actions.
- Seniority can be by-passed as it was in the election of Congressman Reuss as chairman of the Banking and Currency Committee. Reuss was fourth in line of seniority.
- The momentum for reform must come from generalized interest groups—Common Cause, Congress Watch, and Americans for Democratic Action.

The limits of procedural reform should nevertheless sober the euphoric. Reforms do not guarantee good results. They are not a substitute for leadership. The reforms will be fulfilled only if the House adopts major alternatives to Ford Administration proposals.

The challenge of the Senate

Since 1958, the Senate has had a liberal majority. Under Senator Mike Mansfield's respectful and gentle guidance, individual Senators have flourished, but there has been little policy cohesion and practically no accountability.

A number of immediate tactical reforms are needed. Enlarging the Senate Armed Forces and Finance Committees and preventing the domination of the Judiciary Committee by an Eastland-Hruska-Allen alliance—a minority viewpoint in today's Senate—are high priorities. The Senate Steering Committee should be enlarged to represent the majority of the Democratic Senators. While these changes are necessary, they cannot substitute for basic reforms.

Basic reforms would include modifying the filibuster rule, requiring that committee chairmen be elected by individual ballot, opening committee mark-up sessions and conference meetings to the public and making the committee system more accountable.

Despite regular efforts during the 1960's to modify or abolish the filibuster rule—which permits unlimited debate on a bill unless two-thirds of the Senators vote for cloture—it continues unchanged. In the 93rd Congress, filibusters were conducted against nine major bills. Eight bills were either rejected or weakened because just slightly more than one-third of the Senate objected to them. Only the Campaign Finance Reform bill survived its filibuster unscathed. It did so because it had effective bi-partisan Senate support, and Common Cause and the League of Women Voters conducted an all-out lobbying effort.

Senator Walter Mondale will offer a proposal to lower the margin necessary to close debate from two-thirds to three-fifths of the Senate present and voting. This will test the Senate's commitment to tax reform (particularly involving oil), consumer protection and a host of other issues.

Senate Democrats don't have a procedure for choosing their committee leaders by individual ballot. A Senate Democrat can ask for a separate vote on a particular chairman, but the request is viewed as a hostile act. That Senator is promptly banished to the Senate's leper colony.

Senator Dick Clark of Iowa engineered a simple proposal that would assure an automatic vote on each chairman. Senators Eastland, Long, McClellan and Stennis will no longer be able to ignore the majority of their party simply because they need not stand for re-election. Pure seniority permits legislative arrogance.

In 1973, the House voted to open its bill-drafting sessions, with remarkable results; 85 percent of the meetings were open and legislators were better prepared. Currently, four Senate Committees are open. The Senate Budget Committee is mandated by statute to be open, and three other committees voted to open their meetings during the 93rd Congress. Most Senators serving on these committees—Banking, Government Operations, and Interior—agree that the system is working.

Senators Lawton Chiles (D-Fla.) and William Roth (R-Del.) successfully offered in their respective caucuses an open meeting and open Senate-House Conference proposal. The strong caucus approval suggests adoption on the Senate floor, hopefully in February.

The 92 members of Congress—75 Democrats and 17 Republicans—are the obvious focus of interest.

David Cohen, the executive vice president of Common Cause, has worked as a lobbyist in the public interest for the last twelve years.

These legislators, including the Democrats, will divide on economic and social issues. But they can continue to exercise their political muscle by pressing for action on the issues that unite them: the government accountability issues—lobby disclosure, conflicts of interest and financial disclosure, anti-secrecy and public financing of Congressional elections.

Written commitments obtained by Common Cause members during the 1974 election campaign showed that substantial majorities supported these reforms. Only a combination of hidden special interest influence and the customary Congressional inertia can stop their adoption. A combination of citizen pressure by public interest lobbies, combined with the newcomers' persistence will break the resistance of the old-line stand-patters.

These reform issues are *not* just ordinary good government issues. They go to the heart of entrenched power in the Congress, the Executive Branch and the independent agencies. They shatter the comfortable arrangements the moneyed private sector has built upon. These reforms are necessary to make the political process responsive to the people instead of the special interests.

The examples of direct special interest influence on economic and social policy are too numerous to detail. Here are three:

• In 1972 the maritime industry and unions contributed almost $450,000 to federal candidates, and in 1974 they gave over $400,000 to members of Congress who voted for the Energy Transportation Security Act of 1973. This bill would have eventually required that 30 percent of the U.S. oil imports be carried on American flagships, boosting gasoline and home heating oil prices even higher. Congress passed the bill despite the opposition of every interested federal agency, including the Defense Department and the Maritime Administration. It was vetoed by President Ford.

• In 1972, the American Medical Association's political fund and its affiliated state committees gave nearly $1 million to federal election candidates. In 1974, the total was at least $1.1 million with substantial funds earmarked for members of the House Ways and Means Committee. The Ways and Means Committee controls the fate of national health insurance and therefore the fate of countless Americans bearing exorbitant medical costs. The beneficiaries of AMA contributions included over 100 re-elected incumbents who are co-sponsors of the AMA "Medicredit" proposal which imposes no controls on physicians' charges.

• The powerful Federal Energy Administration employs many officials in policy-making positions who formerly worked for the large oil companies. Most of these officials will return to their previous employers after a short period of government service. Since FEA has no conflict of interest policy, there are no real checks on the oil industry's influence within the agency.

Of course, the new Congress will enact the traditional Democratic programs. The rhetoric will be superheated, old programs will be extended, taxes will be cut, social security will be slightly increased, and even the oil depletion allowance will go if the Senate ever modifies the filibuster rule.

Trouble is good *News*

Labor reporters for the daily press often play the role of chief mischief maker. Having to find material to write about, material which will be noticed and commented upon, is tough, so the labor reporter often—too often—tries to develop stories which pit worker against worker, worker against union, leader against leader.

The Detroit *News* was clearly up to that kind of mischief when its labor reporter commented on Jack Conway's move from Common Cause to the American Federation of State, County and Municipal Employees. Conway formerly served as Walter Reuther's administrative assistant on the UAW staff, and his old hometown paper wanted to run a "let's you and him fight" piece. The most interesting quote in the background story was: "Jack Conway almost singlehandedly engineered the political coup which enabled Reuther to seize control of the giant UAW in 1946."

No one doubts that Conway played an important role in the very close '46 election, but so did many of the leaders in the Reuther caucus. Of course, a number of those leaders are now officers and top-level staffers at Solidarity House, and they'll naturally resent the attention given to Conway. Which is exactly the game that the *News* was up to. . . .

Conway, just starting his new position with AFSCME, could easily have done without that kind of journalism. But then, the Detroit *News* would be deprived of its chuckles about what kind of reaction it had stirred up at UAW headquarters.

—Carl Shier

The unanswered questions are:

• Will Congress cut the oil industry's benefits from intangible drilling costs and foreign tax credits?

• Will it develop an energy conservation policy that frees us from dependence on foreign oil?

• Will it cut the wasteful military budget?

• Will it challenge the subsidies to the maritime industry?

• Will it extend and strengthen the 1970 Voting Rights Act that has meant so much to blacks in the South?

• Will it insist on a Post Card Voter Registration bill enabling minorities and workers to register more easily?

• Will it support health insurance that provides adequate medical care for all rather than a bonanza to doctors and the insurance industry?

• Will the leaders insist on knowing what's going in the CIA budget, overhaul its charter and provide aggressive oversight of all intelligence activities with new Congressional players rather than the protectors of the status quo? □

Jimmy Higgins reports . . .

MO UDALL is running for President as everyone's alternative to the Scoop Jackson-Lloyd Bentsen Democrats. He's picked up the banner of the Party's left wing, and most observers see him as the only current Presidential aspirant able to rally the Kennedy-McCarthy-McGovern Democrats. But just how liberal is the Arizona Congressman? Americans for Democratic Action (ADA) gave him a "liberal quotient" of 65 percent for last year, a bare three percentage points above conservative Senator Jackson. Udall's absenteeism hurt his ADA rating (he was, for instance, absent on a House roll call to gut the Occupational Safety and Health bill by exempting employers with fewer than 25 employees—the conservatives carried that by seven votes), but he also voted wrong on some key issues. He inexplicably opposed the Holtzman amendment to bar CIA use of government money to undermine foreign governments. And on his own strong liberal issue—the environment—Udall's record is erratic and uninspiring. The League of Conservation Voters (a coalition of environmental groups with the most respected ratings of all members of Congress) gave him a very high 98 percent for 1972, but his environmental rating dropped to a mediocre 71 percent in 1973.

NATTERING NABOBS OF NEGATIVISM dept.—The economic picture really isn't as bad as most commentators say it is; it's considerably worse. The general meeting of the AFL-CIO board turned up some startling figures: unemployment among members of the International Union of Electrical Workers is 15 percent; steelworkers in the Indianapolis district are averaging a 14 percent unemployment rate; a conservative figure for apparel and textile workers' unemployment is 10.5 percent. The Consumer Price Index is also going up; inflation totalled 12.2 percent for 1974 and hit heavily in basic items: food, clothing and shelter. Living costs are now 55 percent higher than they were in 1967.

WHEN THE LOS ANGELES *Times* broke a story that the local police were training to quell possible food riots, police officials promptly denied it, sort of. L.A. Police Chief Edward Davis said that he didn't see even a remote possibility of food riots and his officers were not being trained to deal with food riots. One of Davis' assistants said that the original story was right—food riots were one of the problems the department was getting ready to handle. The new training was, according to the lesser spokesman, "simply a program of preparedness—like the Boy Scouts." Whether food riots happen or not, the Los Angeles police do agree that training is necessary to deal with all sorts of troubles that might accompany our economic downtourn. And Chief Davis and all his subordinates assured the press that they will be prepared, particularly to deal with "labor disturbances."

DEMOCRATIC DEMANDS for wage price controls are considered strictly pro forma by sophisticated Capitol Hill observers. Ford Administration officials believe that the recession will bring down prices, except for food and energy. Raw materials are already down 25-50 percent; major appliances are in good supply. An additional factor: Congressional Democrats' reluctance to stake out chancy positions.

WHERE WAS THE PRESS when more than 1500 gathered in Washington to protest the continuation of the war in Indochina? Sessions which lasted all weekend dealt with educating various constituencies on the continuing war and how to end it; a Sunday night march drew the 1560 people registered for the three day assembly and several hundred others who did not get a chance to register. The candle light march stretched more than ten blocks, included Joan Baez, several members of Congress, Dick Gregory, Dan Ellsberg and numerous religious figures. Yet, not a word of the demonstration appeared in the daily press. Spiro Agnew would have been delighted.

ARTFUL DODGERS—Ten corporations with *net* incomes totalling over $976 million paid no Federal taxes for 1973. New York's Consolidated Edison, with a net of $203 million, and the Continental Oil Corporation, which made $105 million, were among the worst offenders. Some other corporations followed closely by paying next to nothing, among them: Kennecott Copper, which paid .4 percent on its $211 million; Texaco, $1,317 million taxed at 2.3 percent; Gulf Oil, $749 million and 2.5 percent tax rate; Mobil, a sucker for Uncle Sam, with its paltry $873 million taxed at an expropriatory 5 percent; and McDonnell-Douglas with $200 million taxed at 3.2 percent.