

Newsletter of

THE DEMOCRATIC LEFT

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Edited by MICHAEL HARRINGTON

New York City's cause—our cause

by MICHAEL HARRINGTON

New York City's crisis must become the militant concern of the entire democratic Left.

I do not say this merely because I live in this city. Rather, this issue is the first battle in an all out war being waged by big business and its political allies against the welfare state, public employee unionism and then unionism of every kind, the minorities, women and every other progressive force in the land. If Ford prevails in this case, he will use his victory as a mighty weapon against even the most moderate liberalism in 1976. For he will have "proved" that minimal decency in social life leads to financial catastrophe; he will have created a myth which will haunt and corrupt this society for at least a generation.

In saying this, I do not want to suggest for a moment that the New York politicians are innocent of any wrongdoing. They conspired by a variety of fiscal tricks and gimmicks to hide the truth from the public, to pretend that a structural crisis of the city, and indeed of all of the Northeast, was not taking place. In doing so, the Democrats in City Hall had the active personal participation of Nelson Rockefeller and the New York State Republican Party, of John Mitchell, the man who invented "moral obligation" bonds, of William Simon, who was quite happy to peddle the paper he now piously declares to be worthless, of bankers and industrialists, and so on. Indeed, it is quite likely that some of those just named violated the criminal code.

But all of that nefarious politicking was a response to a crisis which the politickers did not make. During the '60's and early '70's, hundreds of thousands of jobs left New York, a good many of them in an apparel industry which went off to Mexico, Singapore or South Korea in search of sweatshop labor. So it was that when Nixon heated up the economy in 1971 and 1972 in order to ensure his election, New York was the only major city in the country which lost work instead of gaining it. At the same time, during the last decade the poverty population increased in New York more than in any other city except Cleveland.

So New York is the victim of a classic pattern: declining tax revenues, disappearing jobs, increasing social problems. That, we should remember, is a configuration which now threatens every metropolis in the country. So it was that the Nobel Laureate, Wassily Leontiev, told a meeting on planning last month that

the U.S. is now where New York was a year or so ago, just before the crisis broke out.

But what is the cause of this pattern? It comes in part from the operation of a labor market which permits private corporations to take off in search of the cheapest possible workers without thought to the ruinous social consequences of their actions. But federal policy also followed corporate priorities. Tens of billions in annual subsidies to agribusiness helped send millions of under-educated, displaced persons to New York and other big cities; tens of billions of subsidies to middle and upper-middle class housing facilitated the middle-class flight from New York. The crisis, then, is structural in the sense that it derives from the dominance of corporate profit-maximizing values in both the market and government spheres.

Gerald Ford is ignorant of this reality, not because he is individually stupid (which may well contribute,

(Continued on page 7)

Utility bailouts: the cost of private power

by DAVID KUSNET

Have the electric utility companies shrewdly exaggerated reports of their own death throes? When Consolidated Edison skipped a dividend in April 1974, industry spokesmen warned that the utilities were entering a grim new period when their very survival was in jeopardy. Threatening a new age of blackouts and brownouts, the utilities demanded rate increases, tax breaks, and new forms of special utility assistance. A little more than a year later, rates are up, tax bills are down, the Ford Administration promises new giveaways—and the lights are still on.

Meanwhile, the same periodicals which several months ago warned that electric utilities were an endangered species are today recommending their stocks for speculative investment. Rate hikes, tax breaks, and bail-out schemes represent profit opportunities for private investors. But, for the rate-paying, tax-paying public, the bonanzas for investors represent the cost of maintaining a private power industry which only last year warned us its survival was in jeopardy.

Last December, I wrote in the *Nation* that New
(Continued on page 4)

U.N. Zionism vote: blow to new economic order

by MICHAEL HARRINGTON

We must be outraged by the U.N. resolution declaring Zionism "a form of racism." We must be outraged precisely because we are champions of that Third World majority which is condemned by the present world economy to poverty.

At the same time, we share a fundamental perception with non-socialists who do not have our view of the Third World: that the U.N. resolution is a lie. Israel is not perfect and it has unquestionably committed discriminatory acts against its Arab minority. This is wrong, even if it is made somewhat more understandable because this nation has spent its entire existence fighting for its life against an Arab front which seeks its dismemberment. But the basic fact is that Zionism—which I take to mean the philosophy of support for, and identification with, a Jewish homeland in Israel—is the national liberation movement of a Jewish people asserting their right to self-determination. If one preposterously charges that Zionism is racist, then so are all nationalisms which joined to condemn it at the U.N. And that is to drain the concept of racism of any serious meaning.

Save the date!

DSOC National Issues Conference
Washington DC
January 31-February 1

A meeting to discuss a program of far-reaching structural change to put before the American people during the 1976 presidential political debate. DSOC members and friends invited.

This last point suggests the specifically socialist reason for condemning the U.N. resolution. Jean Daniel, a frequent critic of Israel, particularly of its continued occupation of Arab territories taken in the 1967 war, put it aptly in *Le Nouvel Observateur*. That resolution, he said, is "a diabolic idiocy . . . [which] is not only counter-revolutionary and anti-socialist, but . . . gravely and insidiously discredits the Arab cause and that of the Third World."

Consider, for example, the first real victims of the U.N. action: the blacks of southern Africa. The denunciation of Zionism was linked to four other "Racism Decade" resolutions. These focused on African efforts to organize a serious boycott against the racist policies of South Africa and Rhodesia. By inventing a non-existent racism in Israel, the U.N. has undermined the effectiveness, the very meaning and the possibility, of mobilizing serious action against the real racism of southern Africa.

Secondly, this resolution has done more to harm the U.N.'s reputation among the advanced nations than anything in recent years. Diverse Europeans opposed it: the European socialists, including Olof Palme, Prime Minister of the only nation in the world to meet its

foreign aid target of nearly one percent of its GNP; France, which in recent years has moved closer to the Arabs; the maverick Italian Communist Party. If one believes, as we do, that a new economic order is urgently needed, and that the workings of the world market will perpetuate global inequality, then a blow has been struck against the one forum—imperfect, inadequate, but existent—which sometimes serves that purpose.

Thirdly, the anti-Zionist majority is perhaps one of the more cynical political coalitions of the 20th century. This subverts the moral standing which the Third World's suffering gives it. The coalition brought together Brazilian dictators who torture political prisoners, Russian dictators trying to salvage their Middle East influence, Indians playing oil politics, Turks seeking Arab support in their struggle with the Greeks over Cyprus, and Portuguese whose vote, one hopes, derives only from a fuzzy, sentimental identification with Third World ideology and aspirations.

Finally, it may be a vote in favor of a new war in the Middle East.

Alas, the U.S. role in all of this was compromised by the rhetoric of Daniel Patrick Moynihan. Many American supporters of Israel were heartened by Moynihan's bold attack. Yet in my discussions with friends at the U.N., I was told on all sides that he angered rather than persuaded the undecided. Moynihan has a tendency to push even his truths beyond their rational limits. He rightly said that Idi Amin was a racist, but then added that it was "no accident" that Amin was this year chairing the Organization of African Unity. Even high school civics students should be aware that it was, precisely, an accident. Ivor Richard, Britain's U.N. Ambassador, criticizes Moynihan for "an excessively combative attitude toward Third World countries."

Moynihan, in speech an manner, implies that to be for Israel is to be *against* the Third World. In fact, the libel against Israel is not simply an untruth which could help revive anti-Semitism; it is also a devastating blow against all of us who struggle for an end to the oppression of the Third World. □

Newsletter of

THE DEMOCRATIC LEFT

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Socialist party for Olof Palme

An old America hand from Sweden was the guest of honor at a Democratic Socialist Organizing Committee party last month. He was Olof Palme, the Social Democratic Prime Minister of Sweden, and graduate of Kenyon College in Ohio.

"I feel at home in this country," he said, looking over the crowd gathered at the Workmen's Circle. "I am glad to see so many familiar faces from the United Auto Workers Union. . . . You know, I wrote my thesis on the UAW. I came over here not long after the war, on a Victory ship, and traveled around by the use of my thumb. I hitchhiked to Detroit. Although I was only a student, Walter Reuther sat and talked with me. I remember, he wore a big bandage, because he had recently been shot in the arm. He said that what was needed was a realignment of political forces in the U.S. based on the trade-union movement. I gather you're still at it!" he laughed.

He talked about the 26th Congress of the Swedish Social Democratic Party held this fall and of the "need for renewal of ideas and programs." Because the party is, comparatively, an old party, in power since 1932, Palme said, "we have an even greater necessity of renewing ourselves." That's why he was proud that of the 350 delegates to the Congress, 249 were attending a Congress for the first time; and that the number of women delegates had more than doubled since 1972. This year one third were women. (By the way, he said, they "were much more factual and to the point than the men.")

The Party program was circulated throughout the country for a year before the Congress met, and 754 amendments were submitted, "some of them full new programs," he said. "By the constitution of our party, we have to print them all. So if you write a bad novel nobody wants to print, submit it as an amendment to our Party program."

Palme said the Swedish Social Democrats were going back to many of the ideas of the German SDP of the 1880's, particularly to the idea of "work as the basis of the welfare of the nation and the greatest asset it has. . . . Work is a more valuable asset than money [i.e., capital]," he said, "and therefore those who put in work should have the right to influence and make decisions about the workplace." He said Swedish workers can "stop any factory at any moment" if they believe their health and safety are in danger. Similarly, no factory can be enlarged before plans are submitted to a workers' committee on environment. "Democracy amounts to power—not the good words that company directors used to say at Christmas."

The Swedish Prime Minister concluded his formal talk, saying, "I am very happy to have this close connection to a democratic socialist movement here. I am optimistic about the future of democratic socialism, in part because of the failure of the two dominating economic systems. 'More capitalism and you'll be free' or 'more communism and you'll be free'—no one be-

lieves that any longer." He cited a recent poll in Sweden. More than half the people favored democratic socialism, while only 10-15 percent favored either capitalism or communism. "By the way," he said with amusement, "the figures on liberalism were very interesting. They showed 33 percent in favor, 33 percent opposed, and 33 percent 'don't know!'"

During the question period, someone asked Palme how it was that Sweden, with the same population as New York City, was doing so much better. "Well, we spread them out a bit," he said, adding, "but to me it is unbelievable how the rest of the country could fail to rush to New York's side. I wonder if it isn't a simple ideological matter."

Michael Harrington, in closing, commented, "We in the U.S. who have suffered so much from an imperial presidency appreciate a prime minister who remains democratic and can come to this country and be not a prime minister but a comrade."

Earlier that day, Palme told the U.N. General Assembly: ". . . the fight against apartheid and racial discrimination is so important that it requires the joint efforts of the world community. Therefore it seems to me most unfortunate that divisive issues are brought into this context. Sweden can not accept that Zionism is equated with racism. For this reason we voted against yesterday's resolutions. We were given no other alternative. It seems to me that this issue was brought up as an outflow of the deep conflict in the Middle East. . . . [Israel] has a right as all other states in the area to live within recognized and secure borders. . . . The people of Palestine have a political identity and a just claim to national self-determination. As long as they are denied that right the conflict will not be resolved."

—C.D.

No 'socialism in one city'

There'll be no socialist mayor for Chapel Hill, N.C. Gerry Cohen, coordinator of the Orange County DSOC, received 35 percent of the votes in Chapel Hill's mayoralty election last month. He got 2,300 votes against 3,900 for the winning candidate, James Wallace. Wallace, a professor and longtime liberal activist, received strong support from conservative and older liberal elements of the community, while Cohen led easily in the black community and among young people with left affiliations.

All was not lost, however, as a coalition of liberals, blacks and leftists swept all five contested seats of the Board of Aldermen, electing three liberals and two candidates with longtime left associations. Cohen, in the middle of a four-year term on the Board of Aldermen, retains his seat for another two years.

Private power . . .

(Continued from page 1)

York State's purchase of two unfinished power plants from Con Ed for \$500 million was more of a windfall for the utility than the daily press revealed. I should have put my money where my mouth was. Plunging from 18 on April 23, 1974, the day before Con Ed's skipped dividend was announced, the utility's stock bottomed out at 7 last December. But, by the end of this summer, the stock had climbed to 14 and a fraction. Any investor savvy enough to have bought Con Ed last December (unfortunately I wasn't) would have doubled his money by August. In roughly the same period (the first three quarters of 1975, ending September 30) Con Ed's net was \$220 million—up 27.7 percent over the same period one year earlier.

Whatever killings took place were probably made by corporate insiders close to the banks whose representatives dominate Con Ed's board of directors and whose trust departments hold large portions of its stock. At the time of the skipped dividend, the press almost

unanimously reported that institutional investors were dropping Con Ed. But, if they had ever moved out, they moved back in force by the year's end. According to information filed by Con Ed with the Federal Power Commission, eight of the 11 largest industrial investors in the 1974 report show up in the 1975 submission.

Con Ed, traditionally a problem child of the utility industry, received not only a \$500 million bailout from the state but also a 40 percent rate increase. Other utilities enjoyed similar generosity from state regulatory commissions. Electric and gas utility bills increased nearly \$10 billion last year, according to a study prepared for the Senate Committee on Government Operations by the Congressional Research Service. No less an authority than the industry financed Edison Electric Institute reports that electric rates went up an average of 26 percent in 1974—and should rise another 40 percent this year. In addition, the utilities benefit from an amendment to the 1975 tax cut legislation that gives power special investment tax credit of 10 percent.

The biggest bonanzas to date for the utilities are

Medics on the march

by CAROL DRISKO

The first independent national labor union for hospital interns and residents was set up in Washington this fall—and it won its first major victory after an 18-day strike in Chicago last month.

The formation of the union was the culmination of three years of study and preparation. About 100 delegates representing 18,000 interns and residents, mostly from urban teaching hospitals, voted overwhelmingly to convert their Physicians' National Housestaff Association into a labor union. "Housestaff" means interns and residents, new medical school graduates who spend two or three years in this kind of post-graduate training.

The PNHA represents about a third of the 56,000 interns and residents in the U.S. They claim membership in 90 teaching hospitals. Robert Harmon, the PNHA's president, said the union would launch huge organizing drives in hospitals in the New York, Chicago and Los Angeles areas. The PNHA's constitution asserts that "the availability of quality medical care is a human right regardless of economic status, race, sex or national origin."

Jerry Wurf, president of the American Federation of State, County and Municipal Employees, and a supporter of the physicians' group, told them:

"Your generation of doctors can be as formidable a voice for better health care as your predecessors have been for selfish and short-sighted policies. . . .

"You've been taught . . . that the big money in medicine is in specialization. The big money is in selling the most affluent care they don't need. The incentive is to do everything but provide care to

working people and the poor. . . . I hope you're here to begin changing that system—and not only to change how that system treats you."

Among the key provisions of the settlement of the Chicago doctors' strike, the longest in the nation's history, were patient care items. These included "complete and adequate" Spanish translators to facilitate patient intake; faster processing of blood tests and X-rays in emergency cases; and trained personnel for administering intravenous solutions. Dr. John Raba, president of Housestaff Association at Cook County Hospital, was jubilant over the settlement: "Never before have M.D.'s done so much for their patients."

Another of the contract's provisions was a reduction in the doctor's work week from 100 to 80 hours. The doctors will also receive a base salary increase from \$11,600 to \$12,200.

No sooner had the doctors returned to work than they were hit by a Circuit Court judge's decision finding seven of their leaders guilty of contempt and sentencing them to 10 days in jail. The Illinois appellate court delayed the sentencing pending appeals. The doctors had reported to jail, but the stay came before they were locked up.

Judge Donald J. O'Brien of the Circuit Court said he was "grieved" to be jailing the young doctors because of "the significant position they occupy in our society." He also fined the Housestaff Association \$10,000 for disobeying his return-to-work order.

The Chicago doctor's strike was the third major one in the U.S. this year. Shorter walkouts took place in New York and Los Angeles. □

contained in the Ford Administration's energy program, under the guise of promoting America's capacity to generate energy without relying on the oil producing nations. Title VII of the proposed "Energy Independence act of 1975," together with Ford's corporate tax cut plans, include these benefits for utilities:

- **Speedier rate increases:** State regulatory commissions would have only five months to study utilities' proposed rate increases before the boosts go into effect. For ill-staffed state commissions, some of which are only now emerging from their traditional roles as rubber stamps for the utilities, this provision creates new incentives to approve rate increases without hearings—or simply to let the applications slip by.

- **Tax breaks for tax dodgers:** The administration's proposed corporate tax reductions include \$500 million in tax breaks for the electric utilities. The plan boosts the investment tax credit to 12 percent from 10 percent, grants concessions on depreciation and pollution control writeoffs, and allows shareholders to defer taxes on utility dividends if these are reinvested in newly issued common stock. But, as Senator Lee Metcalf (D-Mont.) has pointed out, most of the large utilities are paying little or no federal taxes anyway—Con Ed, for example, hasn't paid taxes since 1969—and the only effect of the administration proposals would be to allow the companies more tax credits to carry forward.

- **Charge now, sell later:** Under Section 707 of the "Energy Independence Act of 1975," utilities can include incompleting power plants that have yet to produce electricity in the "rate base" for which they charge consumers. This "Construction Work in Progress" provision would permit utilities to bill today's customers for tomorrow's electrical power.

Testifying before the House Ways and Means Committee recently, Treasury Secretary William Simon acknowledged with characteristic forthrightness that the Administration program amounts to "a cash contribution by the federal government for the construction of additional electric power plants." It is a plan to make American taxpayers investors in private power—but without the profits or privileges of shareholders.

We're told that the utilities need a massive infusion of capital in order to build new power plants to provide more electrical power. But Americans used only 0.6 percent more power in 1974 than in 1973—and, in fact, the growth rate in power usage may never again (and perhaps should never) reach the 7 percent average of the 1960's. The utilities may actually need increased profits merely to attract private capital in today's competitive market, and they may need the capital merely to pay back debts, as Con Ed has "recycled" capital in recent years. Neither requirement would exist for a public power system—unlike the present practice which socializes the costs of attracting capital investment, paying them from the public coffers.

A more constructive approach could begin with a computation by the General Accounting Office of the value of federal subsidies to private utility companies. Then Congress could enact (as a minimal measure)

Capital quotes

“Overall, the Department [of Justice] recorded energy savings of 6 percent for the fiscal year [1974-1975]. . . .

The Department operates 30 federal penal and correctional institutions that achieved reductions in the use of fuel oil (20 percent) and coal (31 percent).”

—First Annual Report of the
Federal Energy Management Program

legislation, to be used in the event of a government takeover of utilities, which would treat the sum given in subsidy as a before-the-fact equity payment. Similar legislation has already been enacted with regard to possible railroad nationalizations. Additionally, more far reaching legislation could be enacted which would treat subsidy money as a government purchase of utility common stock. The stock holdings would allow workers' and consumers' representatives to be put on the boards of directors of utility companies.

In the traditional capitalist framework, investors control an enterprise in direct proportion to the amount of their investment. At the very *least*, massive public investment in utilities should result in some form of public control. □



Two gifts for Christmas

Labor Calendar

Researched and created by Marcus Albrecht, this 11 x 17" wall calendar is illustrated with historic photographs; important dates in labor and radical history are noted. A bargain at \$3. Order from Marcus Albrecht, 610 Clairvoix, St. Louis, Mo. 63119.

Movement Songbook

Lyrics of over 100 songs of peace, labor, civil rights, feminist and socialist movements. \$2. Order from DSOC Songbook, P.O. Box 59422, Chicago, Ill. 60659.

Candidate Ford faces the Right

by JIM CHAPIN

Gerald Ford may lose the Republican nomination next year. As Kevin Phillips suggested some time ago, Ford seems more and more like Millard Fillmore, the last Whig President who tried to straddle the growing political and geographical cleavages in his party, and failed. Ford has apparently been correct all along in feeling that the most serious threat to his Presidency came from Ronald Reagan, but has been unable to meet the threat in any consistent fashion. By moving far to the right and sacrificing Nelson Rockefeller, he simply discouraged the Republican moderates, while failing to satisfy the right. The Reagan forces remain angry at detente, the deposition of James Schlesinger, and what they see as the liberal social attitudes of Ford's administration (typified for them by Betty Ford's position on such issues as ERA).

The incredible incompetence of the Ford campaign, which has lost both finance chairman and deputy chairman in the past two months, has added to its basic problem of political strategy. So far, unbelievably, the incumbent has raised less money than three Democrats,

and only slightly more than Morris Udall.

By meeting the Reagan challenge like a Congressman (whose main problem is visibility and who must campaign all the time) rather than like a President (a man everyone knows, who must simply appear competent), Ford has sacrificed all his prospective advantages. An NBC poll following the Cabinet massacre showed Ford a point behind Reagan among registered Republicans nationwide, a frighteningly poor showing for the President.

Most insiders now think that Reagan will win three of the first four primaries (New Hampshire, Florida, North Carolina, losing only Massachusetts), and that Ford will then be in the situation of Truman in 1952 or Johnson in 1968. Ford's weakness may not be a good sign for Democrats, for the same NBC pool showed that among *all* voters in a two-way race, Humphrey beat Ford by a point but lost to Reagan by four. It still seems that Democratic hopes for victory in November rest on a third-party campaign by Wallace, and while it is almost certain that Wallace will run against Ford, it is not clear that he will go against Reagan. □

Capital quotes

“Something's the matter, and without looking under the bed I'm convinced there's a movement to discredit the United States, not by foreigners—we expect that—but by some of our own people.

They're the ones who believe, in effect, that the United States can do no good. We all have our own convictions, and mine is that these vocalists are trying to drown America in a deluge of guilt and despair.

One of their tactics is to try to turn us away from the tried and true free enterprise system that has been so successful for the past 200 years.

... The *Wall Street Journal* told of a group called the Democratic Socialist Organizing Committee which was circulating a statement signed by six [sic] Nobel Laureates, urging that exploration of alternatives to the Western economics systems be placed on the agenda at once.

In other words, the way you and I do business today would go overboard to be replaced with God only knows what other kind of system.

What are they offering us? The Russian system? The Chinese system? The British system?”

—W. F. Rockwell, Jr.
Chairman of the Board
Rockwell International
in an address to the
Uniontown (Pa.) Chamber of Commerce



NYC crisis . . .

(Continued from page 1)

but is not relevant), but because the very recognition of these facts requires a radical vantage point. Ford instead is going to use the New York crisis to attack the welfare state as such. He is the most conservative, ideological President of the United States in the 20th century.

First, he is harping on a theme originated by Nixon: that you can't throw money at problems, that the liberals spent billions in the '60's on bold innovations that failed. That, as readers of the NEWSLETTER know, is not true: two thirds of the new social spending under Kennedy and Johnson went for increased Social Security benefits and for Medicare, two effective, popular programs which can be criticized for their inadequacy, not their profligacy. And the remaining third was apportioned between a few truly imaginative departures, all of them under-funded—such as community action, legal aid for the poor and the like—or for programs which business ripped off—such as home-owner and rental subsidy efforts which did much more for the banks, developers and speculators than for the poor.

Second, he intends to make New York a horrible example of that general theme. That is why the democratic Left must have some perspective on the issue, for if Ford succeeds in this libel, he will have undermined every effort for social change in the country. We must remember that some policies singled out as horrendous failures were partial successes which arose out of New York's attempt to answer needs that the nation neglected.

New York City has one of the most ambitious Medicaid programs in the country. Its municipal hospitals are far from perfect, but they brought care, particularly to the poor and the minorities, which is denied them elsewhere. (California and Massachusetts are the only two states which have comparable projects.) The very fact that the city has to spend more than \$1 billion on health services—almost 10 percent of its budget—is a result of the refusal of this nation to pass a national health security law.

Secondly, New York is a terminal on the poverty underground, as has been previously pointed out. And with the current recession and the flight of jobs from the city, this problem has been exacerbated by the growth of indigenous poverty. Yet, as Congresswoman Bella Abzug has so usefully pointed out, the city actually gets a smaller share of federal poverty funding than any other municipality.

Thirdly, there is City University, with its program of Open Admissions and free tuition. Ford personally singled out these efforts for special attack. Why? I suspect that it is because these programs—with all their imperfections—are reaching out to working class, black and Hispanic youth, creating the best free higher education institution in the world. The idea that something can be both free and good subverts the very principles of this society.

Fourthly, New York City has militant and effective public employee unions. Because of the United Federa-

NYC & the Irish parallel

Michael Harrington testified at the New York hearings of the Joint Economic Committee of the Congress on November 10. He told Senators Humphrey, Javits and Taft: "Mr. Ford reminds me of the British economists and politicians who reacted to the potato famine in Ireland in the 1840's. It would be wrong, they said, to give relief to the starving peasants, for that would somehow debase the land system, and it would destroy the frugality which a proper economy required. They watched serenely while a nation was depopulated by death and emigration, declaring that it would be 'better for all classes when Ireland becomes a grazing land with relatively fewer people.' The President, to be sure, has not yet watched New Yorkers die as he subordinates their fate to his outworn principles (though that will happen when more hospitals are closed down). The callousness and cruelty of economic ideologues has, after all, become somewhat more civilized since the Irish were required to die for them. We in New York are only asked to suffer slowly."

tion of Teachers' militance, public school teachers are no longer an underpaid and frightened group; and District Council 37 of the American Federation of State, County and Municipal Employees is one of the most effective unions of its kind in the country. At the New York hearings of the Joint Economic Committee in November, DC 37's Victor Gotbaum visibly shocked Senator Robert Taft of Ohio. The Senator learned that the average DC 37 member made \$9,200 a year in a city in which the Bureau of Labor Statistics today sets the "modest but adequate" budget at about \$15,000 for a family of four. And the Joint Economic Committee itself documented the fact that when only common municipal functions are considered, New York's employee requirements are about the same as other central cities.

One could go on and on, debunking each lie, but the main thrust of the argument is already plain enough. New York certainly engaged in fiscal gimmickry and costly errors were made on occasion. But the major expenditures—for health, for schools, for the poor, for public employees, for the City University—were both reasonable and useful. But if Ford has his way, the people of the U.S. will think that there was a drunken binge of social experimentation in this city which brought it near to ruin.

The democratic Left must rally to New York, for if this big lie succeeds it will be turned against every similar effort in the nation. Gerald Ford, Richard Nixon, William Simon and the corporate priorities which rule this nation are at the root of this crisis. The welfare state—inadequate, pinch-penny, unimaginative but still valuable—is being made to take the fall. That is a national, not just a New York, tragedy. □

Jimmy Higgins reports . . .

MEANY'S WARNING—In a recent *Labor Letter*, John Herling detailed AFL-CIO President George Meany's response to an anti-busing march on Washington by 3,000 people from Louisville, Ky., and its suburbs. The picketers carried placards identifying themselves as Teamsters, Auto Workers, Electrical Workers, Carpenters, Pipefitters, Machinists and Tobacco Workers. A coalition of local unions had raised funds for the demonstration. Meany objected that the anti-busing demonstrations were not approved by the AFL-CIO and were indeed violating its policy. He pointed out that the labor organization has "long held a firm and well-defined policy on the subject of school busing for the purpose of securing quality education for all children, when ordered by the courts. . . . I want to make that point clear." He said, "While individual union members certainly have every right to exercise their constitutional privileges of free speech, they have no right whatever to claim or imply that their actions represent the policy of the AFL-CIO." Last month, Meany gave a similar dressing down to labor demonstrators in the Boston area.

GETTING USED TO FREEDOM—Spaniards, living under repression for more than 35 years, look ahead to the post-Franco era with uncertainty, hope and fear. Manuel Aguilar, a book publisher, told the *New York Times*: I'm afraid freedom may have come to late for this generation. We have lost a whole thinking generation. It is too conditioned now. It will take at least 10 years of absolute freedom to give people the habit of expressing themselves in a clear, direct way. I don't want writers who write between the lines as now."

AHEAD AT THE TIMES? For reasons that aren't clear, *New York Times* correspondent Christopher Lydon has embarked on a campaign to make Georgia ex-Governor Jimmy Carter something of a "front runner" in the Democratic presidential race. Carter has already benefited from regular Sunday coverage in Lydon's "progress of a candidate" series. Now, in the space of a week, Lydon has featured Carter in three articles stating that he was leading in Iowa, in the South and in New England. But despite Lydon's puffery, Carter still faces two great obstacles.

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Name.....

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City/State..... Zip.....

First he must beat Wallace in Florida, which most experts think is unlikely. Second, as his campaign becomes more prominent, he will no longer be able to bury his conservative social and economic positions (Carter is the only democratic candidate besides Wallace to declare against federal aid for New York City)—and may well forfeit his strength in liberal states like Iowa and Massachusetts. The *Christian Science Monitor* seems to be playing the same game—only a little later. They ran a front page "news" story one day followed by an editorial the next day puffing up Carter as a suddenly "serious election threat" to Wallace in Florida.

"DON'T CALL US SPONSORS"—"We don't 'sponsor' these programs, we underwrite them," Mobil Oil's vice president said of TV series such as "Upstairs, Downstairs." Whatever, banks and oil companies are winning a larger say in public television programming, according to recent articles detailing the fiscal problems of the New York affiliate of National Educational Television Channel 13. WNET turned to corporations to fund programming as Ford Foundation and federal grants dried up. Predictably, hard-hitting investigative programs were the first to go. Chase Manhattan extracted a promise of no more shows on banking or the poor as a condition of a new contribution. And before funding a show on unemployment, Bankers Trust told Channel 13 that DSOC Chairman Michael Harrington was off limits. Said one WNET staff producer, "Public television is now a buyable commodity."

TAKING THE BLAME—Senator George McGovern told an Iowa Jefferson-Jackson Dinner audience that his defeat in the 1972 Presidential campaign had not come from the public's repudiation of change but of what "they perceived to be a confusion and uncertainty of leadership." He said, "I bear the largest share of responsibility" (for the failure of that campaign). Among the "mistakes" the Senator listed were "inadequate preparation" of his \$1,000 guaranteed annual income proposal; "staff disorganization and disputes"; delivering his acceptance speech at 3 a.m.; and the selection of Senator Thomas F. Eagleton as his running mate without making an adequate background check. "I say these things . . . because they are essential for us. Otherwise the defeat of 1972 may become an excuse for an empty politics of non-issues in 1976." He urged the Democratic party to persist in such issues as tax reform, weapons control, and the elimination of oil depletion allowances. He further proposed that the party support:

- a phased withdrawal of U.S. troops from Korea;
- a tough anti-trust policy in energy, and, if necessary, the public ownership of energy resources;
- either an acceptance of busing as a de-segregation tool or the creation of another one that is workable.

"The Democratic Party must," he said, "demand of itself not merely how it may win but how it would govern."

ON BOARD—Frances T. (Sissy) Farenthold, former Texas legislator and candidate for governor, and leader of the National Women's Political Caucus, has signed on as co-director of the Sargeant Shriver campaign. . . . Jesse Unruh, former Speaker of the California House, is managing Jackson's campaign in California.