

DEMOCRATIC LEFT

EDITED BY
MICHAEL HARRINGTON

INSIDE

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The Socialist International has been through some rough times. But in the last few years it has taken directions that have brought it new life. Jack Clark talks with SI General Secretary Bernt Carlsson about its revival.

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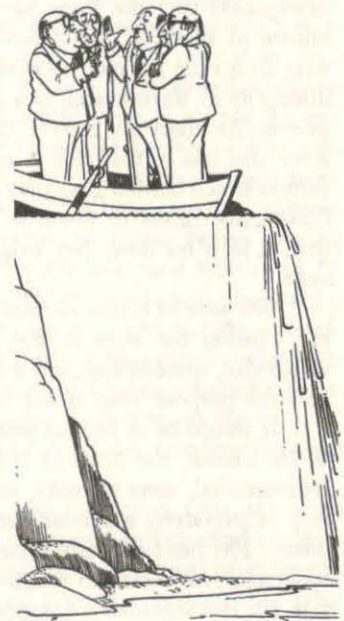
Hastening the GOP "Dunkirk"

By Michael Harrington

ENTER THE REAGAN ADMINISTRATION. In response to this event, the democratic left must follow a double strategy: to organize immediately to defend the gains of the past against the most reactionary onslaught in a generation; and to develop some basic concepts of the future that will serve as the demands of an offensive which must come, sooner or later, the sooner the better.

I have explored some of these ideas here before, but there is much to be added, not the least because some of Reagan's most powerful advisers have now conceded a good part of the argument made regularly in these pages. When conservative thinkers borrow from, or at least agree with, democratic leftists, that is worthy of note. This strange phenomenon occurs with regard to those basic concepts about the future and that is where I will begin this double-pronged discussion of immediate tactics and middle-range strategy.

There was a flurry of activity in December among the right-wing populists (but not limited to them) in the Reagan camp. David Stockman, scheduled to be director of the Office of Management and Budget (OMB) under Reagan, and Representative Jack Kemp, co-author and principal advocate of the Kemp-Roth bill, released their famous paper, "Avoiding a GOP Economic Dunkirk." The press focused upon the Stockman-Kemp call for a declaration of a national economic



Economists

“Traditional fiscal and monetary manipulation no longer suffices . . .”

emergency, but some material in their analysis was, and is, extraordinarily radical. Our economic crisis, they said, in a number of ways, is *not* caused by government spending; rather, the deficits are caused by the crisis. Here, readers of DEMOCRATIC LEFT will recognize one of the central themes of this publication, and of the democratic socialist movement.

Right Issue, Wrong Analysis

"Weak real Gross National Product and employment growth" are the issue,

Stockman-Kemp said. Precisely. The reason is that the costs of joblessness and economic failure are so extraordinarily high. "The federal budget has now become an automatic 'coast to coast soup line' that dispenses remedial aid with almost reckless abandon, converting the traditional notion of automatic stabilizers into multitudinous outlay spasms throughout the budget."

In a press conference called to announce the "Economic Dunkirk" document, Kemp told Leonard Silk of the

New York Times: "Seventy-five percent of the explosion of government spending, government debt, government credit programs, growing pension bills, is not the fault of 'big spenders,' as most Republicans like to charge. Rather, climbing spending results from the weakness and volatility of the economy. It is the result of the misery index." Between June and November of 1980, Kemp said, the federal deficit exceeded projections by \$36 billion. Of that sum, \$5.9 billion was due to inflation (the cost of indexed benefits

LETTERS

To the Editor:

A story has found its way into some newspapers that the Pope has let it be known to Moscow that if Soviet troops were to invade Poland, he would immediately fly to Warsaw and, in a gesture of protest, be there to receive them. The story also has it that this is one of the factors which has led Brezhnev and other Communist rulers in Moscow to decide that, at least for now, they would not invade.

We have of course no way of knowing whether the story is true. But it is wonderful, nonetheless, and it may serve a useful purpose even if not true.

It would be at least as wonderful if Willy Brandt, the head of the Socialist International, were to make, either publicly or privately, a similar statement of intent. The head of Catholicism and the spokesman for socialism standing side by side (or at a reasonable distance) in protest against a totalitarian invading force—that is something to conjure with!

Irving Howe
New York, N.Y.

■ ■ ■

To the Editor:

Nancy Lieber's special report on Eurosocijalism (December 1980) seeks to outline a welfare-state paradigm for the

United States to follow. It succeeds in doing this only because fundamental features are omitted from the European model.

One would not know, reading Ms. Lieber's report, that Stalinism and fascism inflicted defeats of historic dimensions upon European social democracy in the twenties and thirties. Of World War II, which spelled vast suffering and further defeats for European workers and their leadership, Ms. Lieber makes no mention. True, the foundations of the welfare state were laid in the twenties and thirties—and expanded by the Nazis for reasons of their own, after the destruction of German social democracy. The restoration of a bourgeois capitalist system in Western Europe after the war featured the continued expansion of the welfare state, largely in response to the pressure of Stalinist Russia—another development Ms. Lieber does not mention.

No one would learn from Ms. Lieber that unemployment rates reached post-depression heights in Western European countries—in Great Britain, they stood at 6 percent earlier in 1980, although 47 percent of the British labor force is organized; in Germany (5 percent), with 42 percent organized, it was lower only because of the exit of many

of its earlier "guest workers," whose unemployment now shows up in the statistics of their native countries (which lack the blessings of Eurosocijalism). The distribution of income in the major West European countries is no much less inequitable than in the United States, according to a recent report by the European Trade Union Institute (ETUI) in Brussels, *Keynes, Plus a Participatory Economy* (p. 60). True, in countries like The Netherlands, Sweden, and Norway, it is significantly less inequitable than here. But these are small countries, with homogeneous populations totaling about one tenth of the United States' in number, and with small economies.

The ETUI report is much more realistic in appraising the situation of European workers than Ms. Lieber, albeit less far-ranging. "Except in some small north European countries," writes ETUI, "the ideology of the entrepreneurial class still largely dominates society, both economically and politically" (p. 44). The goal of full employment that dominated the policy of European governments since the war has been abandoned" (p. 21). The report conveys a sense of European trade unions, of European social democracy and of the working class at large, being in-

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DEMOCRATIC LEFT

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under Social Security; the increase in federal fuel bills); interest charges (which provide the rich with handsome rewards for shooting fish in barrels) added an extra \$2.8 billion; unemployment maintenance (including new eligibility for food stamps and Medicaid) came to an additional \$9.15 billion; and so on.

Kemp's basic point is on target: government spending is the consequence, not the cause of stagflation. Unfortunately, this critically important fact is not recognized throughout the Reagan administration. In the hearings on the confirmation of Donald Regan as secretary of the treasury, Regan reiterated his new boss's campaign charge that "the chief engine of inflation is federal spending and federal deficits." One hopes that the director of OMB can enlighten the secretary of the treasury on this count. Kemp and Stockman are not, however, alone. In December they received backing from a most surprising source: Irving Kristol, widely touted as the guru of contemporary conservatism, a man with a reputation for new and original thinking acquired from repeating two-century-old ideas. On this occasion, Kristol actually talked about the present.

Recession, Kristol argued, is not a tool to be used against inflation, since it triggers all of those automatic expenditures. He concluded: "So it is altogether possible—and Mrs. Thatcher's experience in Britain emphasizes this possibility—that today you simply cannot swap a recession for a balanced budget." Would that Jimmy Carter would have listened to this *eminence grise* of the right, at least when he was in a neopopulist mood. More broadly, the "supply siders" are right on a basic issue. When I debated Jack Kemp in 1979, I told him publicly that we were shoulder to shoulder on this point: that traditional fiscal and monetary manipulation no longer suffices to create full employment with stable prices; that government policies must now focus on investment and production. Here again, DEMOCRATIC LEFT and DEMOCRATIC AGENDA have been arguing for about five years that our key task is the democratization of investment. The convergence continues.

Sadly, one of the best representatives of the traditional liberal wisdom, Walter Heller, is much more cautious than the Reaganite supply siders. Writing in the *Wall Street Journal* on New Year's Eve,

Heller debunked some of the current clichés (the federal government is getting bigger; Washington's debt is rising faster than any other form of debt; America spends more of a percentage of GNP than any other advanced industrial society; and a series of other idiocies that



ROTHCO

Holland: London Sunday Telegraph
Financial Supermarket

are almost perfect inversions of the truth). But he then went on in a mood of qualified optimism. The reason? Demographics. There will be relatively fewer "inexperienced teenagers and women" in the economy in the eighties compared to the seventies; there will be more "prime age" workers between 25 and 44 years old.

Leave aside the probability that Heller's basic assumptions are wrong (it is not the "inexperience" of teen agers and women that causes their low "productivity," but the inferior jobs they get). His error is more serious than that. He assumes that a population trend, a biological-social fact, is going to solve an economic-political problem. In the sixties, automatic growth was supposed to deal with poverty, racism, and sexism, and policymakers would not have to tinker with institutions. In the eighties—and we will be hearing much more of this as the decade proceeds—demographics are the new *deus ex machina*. But Heller gives away his own game. The eighties will, in contrast to the seventies, substitute capital for labor and do so in some measure because of government policy.

Stockman-Kemp policies will not avert an "economic Dunkirk." The anal-

ogy to the successful Kennedy-Johnson tax cut simply ignores that the underlying rate of inflation now is about five times what it was then and that the cut proposed in 1980 is almost twice as much, in percentage terms, as the one enacted in the sixties. Stockman and Kemp also make totally unproved assumptions about the increased productivity and investment that will result from their proposal, forgetting that most workers in this society do not determine their own pace and that most rich people are interested in profits and inflation hedges. They become concerned with real investment when, and only when, it serves those basic ends.

Why, then, praise Stockman and Kemp for their realistic analysis when their conclusions are so foolish? Because the democratic left should put itself forward as the serious, progressive "supply siders," seizing the opportunity offered to it by its opponents to take their issue away from them. Stockman and Kemp are for fanciful schemes to pay the rich tens of billions to take care of the "supply side"; the democratic left must urge, as one of its most basic concepts, *planned social investments to put people to work eliminating the structural sources of inflation*, a policy which will also have a maximum impact upon the racism, sexism, and poverty that remain—the spurious statistics of Reagan's domestic counselor, Martin Anderson, to the contrary—structured into the economy and the society.

All well and good. One day when we have regrouped and clarified our program and built our political bases we can go forward to such a strategy. But what about right now?

In a January column, Leonard Silk reported the areas in which Stockman—who as head of OMB is going to be a chief budget cutter—is will be looking for reductions. They include "capping" the indexing of Social Security, i.e. legislating a reduction in the living standard of the aging; putting a "ceiling" on the federal contribution to Medicaid, i.e. reducing the health of the poor; cutting the extra 13 weeks of unemployment benefits, major portions of trade adjustment benefits, public jobs, and food stamps. These examples suffice to make clear the disastrous possibilities of the short-run. And after all of those senatorial and congressional losses of November, what can we do?

Continued on page 15

Socialist Internationalism

By Jack Clark

SURELY AN EYEBROW OR TWO was raised in the staid British civil service bureaucracy recently when one of the standard questionnaires came back from 88a St. John's Wood High Street in Northwest London. In the space for a description of business was written the reply, "political association founded by Karl Marx in 1864."

That association is, of course, the Socialist International (SI), and it is run on a day-to-day basis by Bernt Carlsson, its general secretary and author of the description cited above. At the recent Eurosociology conference Carlsson agreed to be interviewed about the past, present, and future of the 116-year-old group.

When asked about the revival of the International as a force in both European and world politics, Carlsson quickly pointed to the *need* for the revival. "The collapse of 1914 represented a physical collapse, of course. Even more important, it represented a moral collapse. The fact that the united workers' movement could not stop an all-European war was taken to refute the International's claims (of international solidarity). For decades after the collapse of 1913, the International continued to exist, but its role was largely ceremonial. Of course, its meetings afforded party leaders a chance for informal discussions, but it had no influence on the actual course of international events."

In 1976, that situation changed as Willy Brandt lent his considerable prestige to the International by becoming president and all the major parties of the International made a major commitment to taking its work more seriously. Reaching out beyond the "European ghetto" of traditional socialist politics was a major priority for the SI, but its newfound strength and solidarity had a good workout in Europe itself in the years immediately preceding the November 1976 Congress that elected Brandt.



ELFoto

Bernt Carlsson

After decades of fascist dictatorship, both Spain and Portugal moved toward democracy in the early 1970s. In both countries, the major democratic socialist parties received organizational and political support from the SI itself and from member parties. In Spain, the PSOE (Socialist Workers Party of Spain), the second oldest member party of the International, emerged slowly from its underground status in the twilight of the Franco and post-Franco dictatorship. Under semi-legal status, the PSOE, led by Felipe Gonzalez, faced confusion and disorientation as fellow Spaniards were confronted by 60 left wing parties, including one run by the Ministry of the Interior. At all its meetings, the SI stressed its support for the PSOE under Gonzalez's leadership as the historic party of Spanish socialism. That support, and the kind of organizational support provided by the Belgian socialists who printed the PSOE's magazine and smuggled it into Spain, helped sort out the confusion and solidify the legitimacy of the PSOE.

Portuguese Socialists, under the leadership of Mario Soares, faced an entirely

different situation. In a less developed society, with much less of a democratic tradition, the collapse of the old order came suddenly. The Socialist Party, established in exile in 1973, found itself in power as an alternative to the Stalinist Portuguese Communist Party. Aid from other European parties helped get the Portuguese Socialists to power, but they could not maintain their hold. Still, Carlsson points out, it is remarkable how strong the Socialist Party is, given its history; and its accomplishments in completing the dismantling of Portugal's empire, without major disruption at home, cannot be discounted lightly.

Of course, the problems faced by the Portuguese Socialists are compounded for socialists in the Third World. Beginning in 1976, the International has been paying more attention to the Third World, and some of its critics contend that central principles of democratic socialism have been abandoned in an effort to build relationships with Third World forces. Among the criticisms are that the SI has left behind its commitments to pluralism, to reformism, and to combating Communism.

The always diplomatic Carlsson reacts sharply to such criticisms. "It follows from the decision to break out of the European ghetto that we can't follow classic European models of what socialism is, what a labor party is. We must broaden our understandings.

"We stand for pluralism—free elections, more than one party. We are also aware that our interpretation of what pluralism is, particularly in developing countries, needs examining. For example, in Tanzania there is only one party, but free elections are conducted with two candidates from that party running against each other. All of this will be taken up in the new declaration of principles the International is working on to replace the Frankfurt Declaration. We should also remember that these new phenomena create ideological problems, not just for

socialists, but for liberals, conservatives and Communists as well. We are required to take the questions seriously.

"As for the tactical question, democratic socialists are always, let me repeat that, always for a reformist approach where this is possible. In times and places, it is not possible, and socialists have acted accordingly. For example in Germany in the 1920s, the SPD organized the Iron Banner, paramilitary units to fight the Nazis' SA guards. In Austria in the 1930s, the Socialists fought a civil war against the right with terrible bloodshed. In the 1940s, socialists participated in underground struggles against the Nazi occupying powers in several countries and all social democrats supported the United Nations war effort against the Axis powers.

"The situation in Latin America today resembles that of Europe in the 1920s, '30s and '40s. In Guatemala, a person who tries reformist methods will die a speedy death under most unpleasant circumstances. That fate might spread to other members of his family, including children. In this situation, to argue for a reformist approach is not only impractical, it is illogical, irresponsible and totally unjustified."

Confronting the accusation, heard often among conservative and neo-conservative Americans concerned with foreign policy, that social democrats have somehow grown "soft on Communism," Carlsson counters with some ironic examples. "I can recall the Eisenhower administration in this country training combat pilots for the government of Marxist-Leninist Communist Yugoslavia. No one presumed that the Republican government of the United States had gone soft on Communism. No country ruled by social democrats is providing software and equipment to Marxist-Leninist Communist China on the scale the United States is.

"We are very clear that Marxist-Leninist Communist parties are our adversaries. But our main task in life is not to be anti-Communist. Our task is to promote democratic socialism as an alternative to both Communism and capitalism. The capacity of the Socialist International to establish this "third force" in the world grows day by day. To the degree that we are successful in our objective, Communism will not be perceived as an alternative."

One might argue that all of this sounds fine for the mass socialist parties of Europe and the liberation movements of the Third World, but that the perspective of the Socialist International is irrelevant here. Carlsson disagrees strongly. Citing the crucial role the U.S. plays in the world, the SI general secretary noted the "tremendous opportunity and tremendous responsibility" American socialists face in bringing the issues of the Third World to public attention. Among the urgent campaigns being conducted by the International, Carlsson mentioned the campaign of solidarity on behalf of the people of El Salvador and Guatemala as well as the continuing and high priority campaigns to establish majority rule in South Africa and to return Chile to democracy.

“The U.S. movement is not weak. Something with great potential cannot be characterized as weak.”

Asked what a weak movement in the United States could do, Carlsson took exception. "The U.S. movement is not weak. Something with great potential cannot be characterized as weak. Something which is young and dynamic cannot be called weak even if it is small currently. You are only in the beginning of your expansion.

"In the past, the left has seen the U.S. as a citadel of capitalism, a fortress of imperialism. Now the member parties of the Socialist International see things differently. Many want to explore this fortress, and if we can't conquer this fortress of capitalism, then at least we can get up on the walls and see what the inhabitants of the citadel are doing inside. We can't judge the character of the society by the captains of the citadel alone.

"In reaching out beyond Europe, the move to pay greater attention to the Third World is crucially important, but it is also important that we pay attention to the industrialized societies on the other side of the oceans—if we're phrasing this

outreach in Eurocentric terms—countries like Japan, Canada and the United States. The parties struggling in these societies are engaged in very important work and deserve the full support of the International. We had a meeting of the Socialist International party leaders in Japan, in 1976—the first major International meeting in Japan, or in all of Asia, in the International's history. We had the first Congress of the Socialist International on the North American continent in Vancouver in 1978.

"Another illustration of the commitment felt by many member parties is the number of party leaders attending this conference sponsored by the Institute for Democratic Socialism."

The interview over, Carlsson's words sink in. Of course, one understands the need for caution in discussing the appeal of "socialist internationalism." From the collapse of 1914 to the Brezhnev Doctrine, that idea has been betrayed and abused. And here, in the U.S., connection with the world's "progressive forces" has justified all manner of crimes and stupidities for leftwing movements large and small.

Clearly, Carlsson and other leaders of the Socialist International understand those problems. No one is offering the SI as an all-purpose formula to solve every problem. Brandt, Carlsson, all the leaders of the SI are too acutely aware of the illusions that lead up to the debacle of 1914 to rekindle them. Unlike the Third or various versions of the Fourth International, the SI is democratic, decentralized, and consists of autonomous mass parties. For the first time in more than sixty years, that loose, democratic and socialist federation is playing a role in the politics of the world.

Olof Palme, former prime minister of Sweden, said at the conference that socialism "is above all a freedom movement representing a century-long struggle for democracy and social justice." The International's work gives relevance to that struggle, to a struggle to create an alternative to the systems and to the domination of the two superpowers. That struggle has relevance in a revived Europe, in the Middle East, in Japan, in the Third World, and even here in the "citadel." ■

Jack Clark is chair of the N.Y. DSOC Local and was formerly national secretary of DSOC.

Citizens' Groups in Anticorporate Mood

By George Wood

WINTER IN ILLINOIS IS USUALLY a dismal experience for senior citizens on fixed incomes and for the poor. The chill of the winter wind is intensified by the howl of utility company wolves prowling outside the door waiting for a missed payment—premise, formerly, for depriving a household of light and heat during the season of often sub-zero temperatures.

This winter it has been different. Thanks to a four-year struggle by an Illinois citizen coalition, the Illinois Commerce Commission severely curtailed Illinois utilities' power to terminate service. Now, if the temperature drops below 32°F, utilities cannot be shut off for non-payment. Companies must work out deferred payment plans with customers, or put them in touch with agencies that can help them pay their bills.

This victory for the Illinois Public Action Council (IPAC) demonstrates the growth and effectiveness of it and other similar citizen action coalitions throughout the country. Often overlooked by the democratic left, these groups are of particular interest because of their growing anticorporate sentiment. IPAC's statewide convention in November reflected this mood and may have been a harbinger of the approach that citizen groups will take in the eighties.

Most of the statewide citizens' coalitions have grown up in the Midwest and East. They were founded on the premise of direct community group intervention into neighborhood problems. Although many organizers had a larger perspective, neither individual nor organizational members shared it.

Successful though they have been, campaigns such as the one around winter utility shutoffs have highlighted the limitations of this strategy.

Groups found that direct action tactics worked only on a limited number of receptive legislators. Lack of members hampered fundraising and impact. And the limited reforms they won, while important, extinguished brush fires on the edge of a holocaust. Yet the experience they gained has led to dramatic changes in coalition makeup, tactics, and issues.

IPAC's 1975 founding convention was made up for the most part of individuals representing neighborhood groups in Chicago. This year's convention, held in Kankakee, had delegates from 110 affiliates in every area of the state. But, more importantly, the delegates themselves had changed. Unions, faced with a more hostile state and national picture,

“Part of the attractiveness of democratic socialism to this movement is its ability to build bridges between all these issues.”

have been attracted to IPAC's opposition to plant closures in the state. Jackets sporting emblems of the Machinists, UAW, Steelworkers, Miners, ACTWU (Amalgamated Clothing and Textile Workers Union), Communication Workers, and Service Employees were in abundance at the convention. Minority organizations, traditionally suspicious of large coalitions not specifically organized on issues of equal rights, also provided a significant Hispanic and black presence.

Much convention discussion focused on a new tactical direction for IPAC. Whereas it had once confined itself to the legislative process and ICC hearings,

in 1979 the coalition made its first venture into the electoral arena. Targeting four state house races, IPAC was crucial in electing or re-electing three progressive legislators amidst a statewide swing to the right. The voter education program was so successful, says IPAC executive director Bob Creamer, that it will be expanded in coming elections.

IPAC has shifted from the usual reform targets of citizen groups (shutoffs, street lights, metro fares) to naming, and questioning, the basic economic structure of the society. The convention began with a slide show which identified “the power of the large corporations to control our future” as the key problem faced by the coalition. This anticorporate theme appeared over and over again in sessions on energy, housing, and job loss. The entire second day of the convention was devoted to runaway shops and organizing to prevent such movement. Members passed resolutions calling for the public control of investment to curtail such movement.

During the session on energy and utilities a resolution was passed calling for investigation into the public ownership of all utilities. Lou Petterchak, the Champaign-Urbana DSOC activist who put forth the resolution was surprised at the ease with which it passed. “No one there voiced any opposition to the resolution. I think it is clear that a lot of the emphasis here has gone from reform to restructuring.”

Building Links

These emerging tendencies in IPAC, and in other similar citizens' movements, have forced democratic socialists to take a closer look at their relations to the growing citizens' movement. In fact, recently two members of DSOC and one joint member of NAM and DSOC were elected to the IPAC statewide board.

According to newly elected board member Gene Vanderport (NAM and DSOC), IPAC broadens the perspective of many socialists. “Traditionally we have looked to build links with unions, single issue groups, or the Democratic party. In an organization like IPAC we have all three areas united.”

Vanderport pointed to several areas in which democratic socialist activists should pay closer attention to the citizens' movement. In the electoral arena, such groups often form a more lasting, stable, and active presence than the Democratic

party, especially between elections. This would indicate the possibility of building alternative electoral bases and movements. IPAC "represents the linking up of unions, our natural base, with the support we need in the neighborhoods, the churches, and among minority groups," Vanderport, the president of an American Federation of Government Employees local, pointed out.

IPAC and similar groups are, in a sense, the embodiment of the DEMOCRATIC AGENDA coalition. It is made up of exactly the groups DSOC worked to unite in DEMOCRATIC AGENDA, and is working to bring about the DEMOCRATIC AGENDA demands through a legislative and electoral strategy.

Democratic socialists have been accepted as vital parts of these coalitions. Nationally, at the founding convention for Citizen Action, the national umbrella for citizens' coalitions, DSOC Chair Michael Harrington delivered an explicitly socialist address that received enthusiastic acceptance.*

At that same Cleveland, Ohio conference, Heather Booth, a leader in the citizens' movement and director of the Midwest Academy, noted the weakness of citizens' coalitions. There is, she contended, a basic tendency in these coalitions to ignore social issues. Issues of race, women's rights, and the like often go unaddressed.

Indeed, some of these tensions have begun to emerge inside IPAC. Two neighborhood groups in Chicago, one white, the other black, have disagreed over policies that would limit or eliminate low income housing.

Another conflict arose over the issue of how to keep the organization representative without having unions with large memberships be overrepresented on decision making bodies. Although this issue was handled fairly easily, as a result of the unions' desire to cooperate rather than capture, the first remains unresolved. These fundamental conflict of interest issues will most likely not just vanish on their own.

In fact, Booth stressed, as citizen groups move into the electoral arena,

*Members of Citizen Action include Connecticut Citizen Action Group, IPAC, Citizen Action Coalition of Indiana, Massachusetts Fair Share, New Hampshire People's Alliance, Ohio Public Interest Campaign, and Oregon Fair Share.



Lenora Davis

Stop Big Oil Rally organized by IPAC in Chicago.

these conflicts will increase. Coalition-backed candidates will have to take stands on such divisive issues as abortion and gun control, for example, which may weaken coalition cohesiveness.

Solidifying Coalitions

Leadership, staff, and activists in the citizens' movement hope that continued work together and a uniting program primarily focused on energy and job loss will so cement the citizens' coalitions that these issues will not split them. Part of the attractiveness of democratic socialism to this movement is its ability to build bridges between all these issues, relieving some of these pressures on the organizations.

But these potential conflicts seemed far removed from the minds of participants at the IPAC convention. Rudy Gonzales, a UAW member from Decatur, put it this way: "You know, it is these people here that are going to change America. Together we can take back the power to control our own lives." Heady words coming on the heels of Ronald Reagan's election. He echoed the sentiment of virtually everyone in attendance and voiced in the convention theme—"It's up to us." ■

George Wood is active in Champaign-Urbana DSOC and serves on the national board.

LETTERS, from page 2

creasingly on the defensive as regards employment, job security, social benefits, living standards, and the power of transnational corporations.

True, American workers and socialists have a lot to learn from the experience of European social democracy—but it is fallacious to imply, as Ms. Lieber does, that the lessons are all positive.

H. Brand
Bethesda, Md.

Nancy Lieber replies:

My background article on Euro-socialism—and the Eurosociology conference held in Washington in early December 1980—did not seek to impose a flawless "welfare-state paradigm" on the U.S. The aim of the article was to acknowledge the very real successes of the European social democrats, but also to convey their sense that worldwide economic developments in the 1970s and '80s have made movement (ideas/action) beyond "humanized capitalism" all the more necessary. The point of the conference was precisely to allow Americans to hear of those new ideas and practical experiences from the Eurosociologists themselves.

CORRECTION

The December issue mistakenly identified the organizers of the UAW's effort to organize campus clerical employees at Yale University. It is Region 9-A.

A SPECIAL REPORT

'Urban Enterprise' Hustle

By Richard Mounts

OVER THE PAST 30 YEARS billions of federal dollars have gone into efforts to improve economic conditions in cities, with minimal success. Last summer, the *New York Times* reported the results of a study by Richard Nathan and James Fossett that found that cities considered "distressed" in 1960 were in the same or worse condition in 1978, and that much-touted cases of urban revitalization were limited to small sections of cities and should not be taken to indicate more general improvement.

We rarely think to look to the Republicans for fresh ideas on urban policy, but here is the Reagan administration coming into office with what many consider one of the most interesting new ideas in some time. Reagan proposes to create "urban enterprise zones" which, he says, should create large numbers of new jobs and produce dramatic improvements in the most distressed parts of the cities. Reagan credits Buffalo, (N.Y.) Republican Congressman Jack Kemp with the original idea, which is the heart of the legislation he has cosponsored with Democrat Robert Garcia of the Bronx. The "Urban Jobs and Enterprise Zone Act," as the bill is known, proposes delineating zones in urban neighborhoods like the South Bronx—part of Representative Garcia's district—and offering substantial tax incentives to private businesses that locate there. Surprisingly, the idea is being looked at seriously and with some degree of support by individuals and groups on both the right and the left. Black columnists Carl Rowen and William Raspberry have both commented favorably on the bill. At the end of November mayors and city councilmembers from around the country, meeting in Atlanta at the National League of Cities annual convention, spent considerable time examining the bill, and by and large



liked what they saw. Even Representative Augustus Hawkins has called it a "bold, innovative approach." All this prompted John Hebers, in an article in the *New York Times*, to sense a "tenuous consensus" emerging in support of the proposal, and a strong likelihood that some version of the bill will emerge from the 97th Congress. (Not everyone joins in the consensus. Ex-ACTION head Sam Brown calls it "colonialism brought home.")

Strange Allies

What sort of proposal is it that joins the leader of "populist" supply-side Republicans with a Democratic representative of one of the most depressed urban areas of the country, and then draws support from both a leader of the full employment movement and the man who promises to use his position at OMB to lead an all-out attack on social spending? What is going on?

Kemp's explanation would be that the idea of enterprise zones is neither liberal nor conservative, but simply pragmatic, and thus can be supported by anyone interested in helping the cities. But a careful look at the bill and some guesses about how its various components may work raises some questions. The bill is likely to bring new economic activity into the zones, but it is not clear whether this will be a net addition to the total economy, or simply a shift away from some other part of the city or country. It is also not clear that the bill will do much for any of the interests it claims to serve—city governments, neighborhoods, small businesses, or the unemployed. The proposal may be hard to classify in Washingtonian "liberal" and "conservative" categories, but that may say more about the quality of political analysis in the city than it does about the bill. Despite the novelty of the zone concept, the bill draws on a familiar approach: it provides direct benefits to business, and then *hopes* this will help cities, neighborhoods, and poor people. This, in yet another guise, is the profoundly status quo-oriented and conservative method of trickling aid to poor people and communities through businesses. It has not worked in the past, and there is little reason to expect it will this time.

The basic idea for the bill has been imported from Great Britain. There, last summer, the Thatcher government initiated an experimental program conferring

zone status on areas of roughly one square mile in seven cities, and offered tax advantages and freedom from many land use planning requirements to businesses that locate in the areas. Sir Geoffrey Howe, Thatcher's Chancellor of the Exchequer, championed the idea in the cabinet, but, interestingly, drew valuable support from Peter Hall, a professor of urban studies at Reading University, and a socialist, who first proposed the zones as an experiment in "non planning" in an article published in 1969.

Critical of the maze-like planning requirements that he felt had grown up around local development, and impressed by the freedom of action enjoyed by both nineteenth century capitalists and contemporary Hong Kong entrepreneurs, Hall proposed a partial recreation of those conditions in the most decayed sections of British cities. Freed of regula-

“This, in yet another guise, is the conservative method of trickling aid to poor people through businesses. It has not worked in the past, and there is little reason to expect it will this time.”

tions, and spurred by tax incentives, many of the new science and technology-based firms would move into the zones. Hall further anticipated that, while these firms would employ mostly highly-skilled workers from outside the zone, the presence of new firms in the zones would generate service businesses that would employ semi-skilled and unskilled residents.

In this country, Hall's ideas have fit in well with Kemp's and other supply-siders' views that government taxation and regulation are most responsible for our low rate of growth.

Features of the Bill

The bill outlines the requirements for zone designation and stipulates the incentives to businesses in the zones. Local governments would apply to the secretary of commerce for designation. A potential zone would have to include at least 4,000 people, a substantial number of whom are poor. Poverty could be defined by one of three different measures:

1. an unemployment rate at least twice the national average for the preceding two years, and a rate of at least 30 percent of the families below the official poverty level;

2. an unemployment rate at three times the national average for the preceding two years;

3. more than 50 percent of the families below the poverty line.

As part of the application, the local government would have to demonstrate its own commitment to lifting the weight of taxation by agreeing to a permanent reduction in property taxes in the zone by at least 20 percent.

The bill then lays out five different tax benefits for businesses, employees, and property owners:

1. a reduction in Social Security payroll taxes for employees and employers by 90 percent for workers under 21, and by 50 percent for workers 21 and older. General revenues would be used to make up what was lost to the Social Security fund;

2. for non-corporate property, a fif-

- ty percent reduction in the capital gains tax rate by increasing the allowable deduction from 60 to 80 percent on the sale of personal property in the zone;

3. for corporations, a reduction in the capital gains tax rate to 15 percent on property in the zone;

4. a reduction in corporate income tax rates by 15 percent;

5. permission to depreciate the first \$500,000 worth of property purchased each year over a three-year period.

The Heritage Foundation, which has provided a good deal of the backup analysis for the bill, urged that regulatory relief, such as a lower minimum wage and freedom from local zoning rules, accompany tax relief inside the zone. Kemp, however, has not included deregulation measures in the bill, arguing that they would stand in the way of getting labor and local government support.

The cost of the bill, Kemp says, should be minimal. At worst, he calculates, if no new business was stimulated by the act, the tax breaks would only cost the Treasury from \$1 to \$1.4 billion a year. The zone criteria are supposed to have been defined in such a way as to apply to areas including only about five

percent of the population. In fact, he does not expect the government to lose anything. He expects the bill to increase tax revenues as land that is being kept, so to speak, fallow, is cleared and put into productive use.

Kemp and Garcia have begun a national speaking tour touting the bill as a way to improve the fiscal health of badly distressed cities, revitalize neighborhoods, promote small business startups, and employ the jobless. In fact, in its present form the act is likely to be of little immediate benefit to any of these groups, and could, in some instances, turn out to do more good than harm.

Local governments. For local governments any potential benefits of receiving zone designation for parts of the city must be balanced against two immediate costs.

The first involves certification of the unemployment and poverty conditions in a zone application. The basic problem is that good, reliable numbers for these conditions do not exist for such small units. Despite several years of effort, unemployment figures are neither reliable nor valid below the Standard Metropolitan Statistical Area level. Kemp has responded that the 1980 census data, with new measures of neighborhood conditions, should solve part of the problem. Even so, he admits that a local government would still have to invest funds in sample surveys to get more precise poverty and unemployment figures. He presumes that the benefits of a zone designation should be enough incentive to convince the city to make the investment.

The second is the required 20 percent reduction in property tax rates in the zone. The act would permit the city to phase in the reduction at a rate of five percent a year. But it could take at least that long, and probably longer, before new businesses would produce new tax revenues. Meanwhile, as businesses sought to locate in the zone, the city would be faced with new capital costs for streets and bridges, water and sewage systems, as well as higher costs for police and fire protection in the area. City officials could find themselves making what could turn out to be a series of politically unpopular decisions as they reallocated tax burdens to make up for what is being gambled in the enterprise zone.

In some instances the property tax requirement may simply preclude cities

from applying, since several state governments prohibit localities from assessing property at less than full value, or applying different rates in different parts of the city. In other instances the city, unable to sacrifice any revenues or to afford development costs, may be too poor to apply.

Neighborhoods. Perhaps too impressed with the devastation of the South Bronx, supporters of the bill seem to presume that all depressed neighborhoods consist of acres of rubble, deserted buildings, and a few trapped residents who would abandon the area in a minute if they only had a way out. To the contrary, many areas likely to be eligible for zone designation will be more like Poletown in

“Enterprise zones, if they work at all, could inflict large-scale physical disruption on a neighborhood . . .”

Detroit, a neighborhood that includes land the city wants to clear and lease to General Motors for a new Cadillac plant. The area, which takes its name from early Polish residents, is a distressed but still vital neighborhood including several active churches, a hospital, small commercial businesses, and large sections of decent moderate income housing. Much of this is to be torn down to make room for the Cadillac facility.

Enterprise zones, if they work at all as their supporters think they will, could inflict similar large-scale physical disruption on a neighborhood, and would not even include any of the relocation assistance that came with urban renewal.

In addition to dislocation from physical redevelopment, the bill may add its weight to the push towards economic displacement in both the zone and in nearby neighborhoods. To some extent this would occur as white collar administrative and professional employees sought housing closer to work, and to some extent it would occur as land values and rents increase, forcing resident and small shop owners to find more affordable space.

Finally, a zone may undercut the stability of adjacent neighborhoods. Small, relatively mobile businesses may choose to move into a zone and out of surrounding

areas, much as office tenants have tended to move out of older buildings into the new, more attractive, glass towers in cities like Atlanta and Detroit. Why, one could ask, should a business stay and pay normal taxes in a neighborhood with 10 percent unemployment when it could pay much less by moving a few blocks to one with 14 percent unemployment. At the same time, nearby businesses that cannot move into it may end up being undercut by competitors able to operate in the zone with significantly lower costs.

Small businesses. Kemp has put particular emphasis on what the bill could do to aid small business startups. But most new businesses go for several years before they have much tax liability. A decision to launch a new business depends more on one's ability to find financing than on expectations of post-tax profits. The tax benefits in the bill all work to reduce a business's operating costs after it is underway, not to help it get started. In some instances property tax relief could be helpful, but many, if not most, small businesses rent the facilities they occupy, and the landlord may or may not choose to pass on the property tax savings.

The unemployed. Here the trickle-down character of the bill shines through. The bill should be titled the "Urban Capital Subsidy and Enterprise Zones Act," since the incentives are weighted much more in that direction than they are to jobs. The bill contains just one means of reducing labor costs (the politically volatile proposal to lower Social Security taxes), while it contains at least three subsidies for equipment and plant (lower capital gains taxes, lower property taxes, and accelerated depreciation).

Moreover, there is no guarantee that the jobs created by this investment would go to the unemployed in the zone. The bill simply requires that 50 percent of the employees of a "qualified business" be residents of the zone. Nor does it state how long employees must have lived in the zone before they are employed in the business. A firm trying to avoid the costs associated with training and employing low-skilled workers should still be able to find ways to qualify for the tax benefits.

High Costs, Low Returns

In summary, the Kemp-Garcia proposal presents already hard-pressed local governments with up-front costs and uncertain future benefits, threatens some

still-vital neighborhoods with both physical and social disruptions, offers the wrong kind of aid to new small businesses, and offers minimal promise of employment for people in the zones who need it the most.

Who would benefit from the bill? Two groups appear to have the best chance of improving themselves under the bill. One is those who own potentially developable sites in a zone. As soon as the "green line," as Kemp refers to it, is drawn around an area, land values should increase. (There is some likelihood that the increase could end up offsetting the benefits of lower property taxes.) Realizing this, real estate interests, always a powerful group in local politics, should take a strong interest in the process of zone delineation. This, and the discretion allowed local governments, should create some marvelously gerrymandered zones in attempts to include politically important parcels of land.

A second group of beneficiaries should be larger, established businesses. Tax benefits are attractive only when a firm earns enough to face a significant tax liability. Most new firms struggle through several years before they reach that position. Therefore, the zones should look most attractive to executives of large, multi-branch firms thinking about opening another branch. They might be particularly inviting to a firm, inspired by the example of multinational corporations, looking for tax havens to shelter profits.

Kemp and Garcia have responded to criticisms by saying that the bill is only a first draft, and that they are open to suggestions for improvements. In that spirit, representatives of a number of groups in Washington have been meeting with staff from Kemp's and Garcia's offices to work out amendments. Discussions so far have tended to focus on ways to loosen the requirements for property tax reductions, to simplify the data requirements for poverty and unemployment, to avoid the massive political problems connected with the Social Security tax reduction, and to tighten the employment requirements.

But can the bill really be made to work for those who need the help the most? Could well-considered amendments lead it in the right direction? The answer is "probably not," at least not as long as its sponsors remain committed to an approach that denies the central im-

portance of government planning and investment and prefers to work through large corporations. Enlightened trickle down is still trickle down.

Puerto Rican Example

Perhaps the best evidence of this, and of the ultimate failure of the approach as a basis for development policy, comes from a brief review of Operation Bootstrap, the economic development policy that guided Puerto Rican development programs for over 30 years.

Under legislation signed by President Truman in 1950, the island gained status as a commonwealth and at the same time became a very attractive location for businesses. The legislation freed U.S. corporations on the island of U.S. taxes, and at the same time permitted them to import finished goods to the mainland freed of import duties. On top of this, businesses were exempted from most local taxes.

By one set of measures Operation Bootstrap was a remarkable success. In 1957, 500 American plants were employing 40,000 workers, and by 1977 the numbers had risen to 2000 plants and 140,000 workers. Corporations had invested more than \$14 billion in the island. Puerto Rico's gross national product nearly quadrupled between 1950 and 1976; illiteracy disappeared; health standards improved; and car ownership came close to overwhelming the island's roads.

But another set of figures, as well as evidence from everyday life, tell a different story. In 1977, the official unemployment rate was 20 percent (compared to 13 percent in 1960), but the governor's office estimated that it was probably closer to 30. It would have been worse but for the migration of about three-quarters of a million people to the mainland. In that same year, 70 percent of the people were eligible for food stamps, and 60 percent were receiving them. Many of the companies that had first been attracted by low wages and low taxes were now leaving, looking for the same advantages in the Philippines, Taiwan, and South Korea.

A poor but diversified and self-sufficient agricultural society at the turn of the century had become by the late 1970s a poor and dependent industrialized society, importing \$800 million a year in foodstuffs (while three-fifths of the arable land was out of cultivation),

and receiving more than a billion dollars a year in aid from the U.S. It was a case, as Sidney Lens neatly summarized it, of "growth without development." Firms had located on the island, and some people had found jobs, but Puerto Rico, after three decades of trickle down development, was further than ever from a stable, self-sustaining economy.

Kemp has said that the key to solving the urban crisis is finding out what leads to economic growth in cities. His solution has been to wed the simple truths of Adam Smith to the taxing powers of the modern state. But as the case of Puerto Rico makes clear, economic growth is only part of the task. The solution to the urban crisis is probably a much more complex and longer-term process than anything Kemp appears to have in mind. In many ways the model of Third World economic development suggested by the Puerto Rican example may be more appropriate. Development includes economic growth, but it also includes building up the capacity of local institutions, both economic and political; drawing on unique local resources, both natural and human; and meeting the most pressing local needs. In sum, it means greater equality in a more autonomous and self-reliant local economy. That will have to be worked out in a combination of federal, state, and local legislation that looks very different from the Kemp-Garcia proposal. ■

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Youth Gathering Builds Strength

By Patrick Lacefield

THE END OF THE YEAR IS TRADITIONALLY a time for resolutions for the New Year, wassailing, and a full measure of good cheer. The last three years have also seen the emergence of another year-end staple—DSOC's Winter Youth Conference. This year more than 180 high school, college, and non-college youth from dozens of campuses gathered on December 27-28 in New York under the theme "Democratic Socialist Strategy Under Reagan." And—far from the depressing fare one might expect to encounter under such a topic—the tone and mode were forward-looking. "I believe we have real opportunities in the 1980s, explained University of Missouri student activist Joel Bleifuss, "to point to the failures in past liberal assumptions and build a left ready to present substantial alternatives to Reagan and the right when they falter—as they surely will."

DSOC National Chair Mike Harrington set the tone for the conference by mapping out the parameters of the crisis—political, economic and ideological—before the democratic left. He pointed particularly to the battle between the radical "supply siders" and traditional conservatives within the Reagan camp over which would control the President-elect's mind on economic policy. Just as liberal Keynesianism is coming under fire for being out of tune with the times, he ar-



gued, "so it is with the directions that have traditionally shaped Republican and conservative Democratic administrations. It is important to recognize," said Harrington, "that corporations run this society—fundamentally—because they hold untrammelled economic power and know how to use it, not because liberals and socialists sell out the powers that be. There is no way out without democratic control over the investment process."

In workshops and plenaries ranging from housing and urban affairs to women and work and Third World solidarity, from militarism and the draft to Marxism and political culture, the theme resounded—Where are we now? What have we



to look forward to under Reagan? What are our intermediate and long-term goals? John Atlas, an editor of the national tenants' paper *Shelterforce* and a leader in New Jersey tenant politics, pointed to successes the Jersey movement has had that will help in the coming period. "We violated two longstanding heresies of the left," he explained to the housing workshop. "We made unscrupulous use of the media and embroiled ourselves in electoral politics. As a result, we are now presumed to speak for New Jersey's 500,000 renters and elected ourselves a pro-tenant governor and county executive and increased our resource base for tenant organizing." With the Rev. Jerry Falwell

and his Moral Majority eyeing New Jersey as a testing ground, and other left-liberal forces in disarray, the tenants' movement is preparing to do battle with the minions of the New Right.

Building coalitions—between youth and progressive forces, especially labor—was also a constant theme. Successful DSOC Youth Section examples over the past year have included work with the Citizen/Labor Energy Coalition on "Big Oil Day" and on "Big Business Day" activities as well as trade union support for last March's 35,000-person rally against the draft in Washington.

"We in DSOC can be proud that we pioneered many of the coalition efforts between labor and youth and others," said Marjorie Phyfe of the Machinists Union and former coordinator of DSOC's DEMOCRATIC AGENDA project. She spoke of the crisis in the labor movement as stemming from the broader crisis in the Democratic party. "What we are seeing is the limits of procedural reform—openness without accountability," she maintained, arguing that the party was losing its working-class base through its "P.T. Barnum" method of trying to pull everyone



under its broad tent. "Candidates define the issues, then blackmail us into supporting them. We have to begin to define the issues both inside and outside the party."

In a plenary on political culture, black activist Manning Marable presented the problem somewhat differently. "The 1960s signalled a cultural revolution of enormous significance from Betty Friedan's 'problem that had no name' to the rise of radical black culture," he said. "Just when we were on the verge of some victory, we are being swept back by a 'back to basics' move toward religious fundamentalism and a simplistic patriotism."

Continued on page 15

WHAT'S LEFT TO READ

Tom Hayden, *The American Future: New Visions Beyond Old Frontiers* (Boston, Mass. South End Press, 1980); \$6.00

By Ronald Radosh

DURING THE 1960s, AS MICHAEL P. LERNER PUT IT, Tom Hayden used his power and prestige in the New Left "to advance a weird combination of liberal ideas and superrevolutionary tactics." His then strident rhetoric — uncritical endorsement of the Black Panthers, advocacy of nihilistic action, talk of liberated zones — had the effect of turning off many Americans drawn to serious left alternatives.

It is clear from his new and important book that Hayden has not only matured in years, but has thought long and hard about our country's future, and now seeks to help build a movement that will create a system based on "democratic and participatory economy planning, with direction and ideas flowing from the workplace and community upwards instead of down."

Hayden, thus, has joined the consensus uniting the democratic left—the movement to challenge corporate power. He argues that the collapse of both the old New Deal coalition and the 1950s Cold War consensus necessitates movement in new directions. Either we now face the authoritarianism of the right, Hayden posits, or we build a new "progressive populism" that will unite workers, women, and minorities in a movement for "economic democracy and political decentralization." Hayden understands that sophisticated corporate liberals want to prop up the old order with top down planning, and he strongly rejects the "reindustrialization" schemes offered by corporate and government bureaucrats.

In its place he suggests "a reformist, mainstream coalition, the most far reaching of its kind since the New Deal." As it is being created, he notes, it will have to be pushed to its left by even newer and more radical movements that exist alongside it. These movements he suggests will be modern counterparts of the 1930s' C.I.O.; and will stress more fundamental goals such as "redistribution of power." Those advocating these goals will have to engage in extra-parliamentary action as well as electoral campaigns. Hayden's hope, perhaps somewhat utopian, is that the 1990s will see the coming to national power of those he dubs "economic Democrats."

Hayden, like his colleagues Martin Carnoy and Derek Shearer (DL, October 1980), offers readers a primer on the goals and ends of economic democracy. He treats the corporate causes of inflation, transition to a solar economy, examines the tie-in between the health establishment and the large corporations, and warns that unless they are curbed, the large corporations might "tend to absorb and become the state," finally attaining a long sought goal of a formal corporate state. He treats the unravelling of New Deal economics with much sophistication, and writes that "the tacit harmony underlying corporate liberalism was becoming a simmering conflict."

Hayden has written a powerful manifesto for economic democracy. He offers specific proposals—a public voice in investment decisionmaking; laws creating democratization of corporate board rooms, steps towards workers' control—starting

with implementation of proposals put forth by Douglas Fraser and the UAW. These are all transitional programs that socialists can and should readily support and organize around—demands relevant to what a future America can become.

It is strange and disheartening, therefore, to find that Hayden not only uses the term "economic democra^ccy" as a somewhat tame substitute for socialism—others have argued that such a tactic is necessary in our politically backward society—but that he feels compelled to launch an ideological attack on socialism, one that weakens the force of his own argument. Hayden begins by admitting that "an America which freezes the socialist tradition out of hearing is heading toward narrow minded isolation in the world," and then proceeds to add to that very freezing out of the socialist critique. He does this by taking a series of cheap shots at straw figures, as he proclaims that socialism was a meaningful ideology for a past era, but "not for the age we are gradually entering."

Hayden tries to prove this by engaging in the kind of crude antisocialist myths that one hears from uneducated critics of Marxism. He dredges up the old canard that Marxists "make the realm of economics a more fundamental focus of thought than politics," which along with factors other than class (race, sex, religion, etc.) they dismiss as "merely superstructure." Hayden argues that in reality, the "superstructure itself, rather than the base, often seems to be the determining or at least operative force in change."

Hayden should know better than to use this argument. Marxists from Michael Harrington to Eugene Genovese to Raymond Williams argue precisely that same point, in a far more complex fashion than does Hayden. Secondly, Hayden argues falsely that all socialists favor nationalization—which he argues is an "unattractive alternative to corporate power," ignoring that the main body of European socialists agree. Third, he argues that class analysis means that the individual is reduced to a class destiny, and that socialists believe "that social change should come about in the United States at the expense of individual freedom."

Certainly Hayden knows that democratic socialists see the "individual's self-actualization" as the central purpose of life (as Marx himself postulated). To claim that this is not understood by socialists, and that the socialist errors he catalogues "afflict the programs of almost all socialist groups" is absurd. Of course, he is correct to assert that "the Soviet model is the opposite of what we are seeking," but who among us endorses that model? Accepting the myth that Soviet society equals socialism is heartening to both Stalinists and corporate enemies of social change. Hayden should help to knock it down rather than use it for his own purposes.

Hayden concludes by calling for building a movement for change whose members hold to a "common vision." Yet, his main failing is that aside from an ambiguous anticorporate populism, he fails to come up with such a vision himself. Rather, he denigrates in a sectarian manner those of us who do hold to a vision of a more humane and democratic socialism, even though we gladly join with him in organizing for the transitional program he so carefully develops. ■

ON THE LEFT

By Harry Fleischman

EIGHT NEW DSOC LOCALS AND AN ORGANIZING COMMITTEE were chartered at the January National Board meeting. Locals in this largest bloc chartered at a time are in Rochester, Westchester Co. and Albany in New York; Johnstown-Indiana, Pa.; Cleveland-Akron, Ohio; Bloomington, Ind.; Columbia, Mo.; and Santa Cruz, Calif. The organizing committee is in Grand Rapids, Mich. . . . OVER 800 HEARD MIKE HARRINGTON speak in Rhode Island on his recent visit. He talked to 300 at Brown University on "Blacks, Latinos and the Democratic Left" and then over 500 heard his evening talk at the University of Rhode Island on "How to Survive the Next Four Years." . . . THE BAY AREA DSOC LOCAL grew to 220 members by the end of '80, and set up branches in San Francisco, East Bay, UC-Berkeley, Marin County, San Jose and Stanford. The local worked on the successful campaigns for Ron Dellums's reelection to Congress and Harry Britt's campaign for S.F. Supervisor; walked picket lines in the hotel workers' strike; organized against the Ku Klux Klan and harassment of black families in Contra Costa County; is working with the New American Movement (NAM) on a coalition to "municipalize" the gas and electric company in Marin County; and plans a joint DSOC-NAM urban school soon.

MICHIGAN'S RED SQUAD, after illegally spying on citizens for decades, has been ordered to find 38,000 individuals and 400 organizations and give them free copies of their "subversive" files. Among those listed in the secret files are Zoltan Ferenczy, DSOC member just elected Ingham County Commissioner, and Bob Repas, socialist labor education professor at Michigan State University . . . FULL-PAGE ARTICLES REPORTING ON AND HAILING the success of the Eurosocialism conference in Washington appeared in issues of the UAW's monthly *Solidarity* and the IAM's *The Machinist*. . . . AN OVERFLOW MEETING IN GREAT NECK HEARD MAJ BRITT THEORIN, Swedish member of Parliament, tell Long Island DSOCers and friends about life in Sweden today. On March 1 Lois Ullman, president of Nassau County NOW, will speak on "Whither Women in the 80s?" C.W. Post's Democratic Socialist Organization is start-

CONVENTION EXHIBIT. SEVERAL MEMBERS HAVE ALREADY sent posters, photos, pins, busts, medallions and letters of Gene Debs, Norman Thomas and other Socialist, union and civil rights leaders for the pictorial display of the political history and traditions of DSOC for our Memorial Day weekend 1981 DSOC national convention in Philadelphia. *We still need yours.* Send them on loan to Harry Fleischman, DSOC, 853 Broadway, New York, N.Y. 10003. We will insure the exhibit.

ing a film series in Feb. . . . DON'T MOURN—ORGANIZE was the theme of the 200 delegates to the Michigan DSOC conference mentioned here last month. The high spirits of the dele-

gates were noted by the *Detroit News*, which quoted former UAW Vice President Irving Bluestone as suggesting a bumper sticker, "Big Business Ain't So Smart After All." Blasting big business for a lack of corporate foresight and long-range planning, Bluestone advocated involving workers in decision making in their workplaces. Several participants, discussing religion and socialism, griped that the so-called "Moral Majority" had "stolen" religion as a rallying point. Ed Egnatios, a Detroit community organizer, proposed starting a "Decent Majority" movement, utilizing direct mailings and other organizing techniques successfully used by the New Right.

A NAM-DSOC SOUTHERN WORKSHOP IS BEING PLANNED at Highlander Center in Tennessee for the weekend of April 3-5. Among the subjects will be future work of both groups, the New Right and the revival of racism, electoral politics and building unions. Among the speakers will be H. L. Mitchell, founder of the Southern Tenant Farmers Union in the '30s. . . . A WARD BY WARD EFFORT is under way to elect DSOC members as delegates to the Democratic State Convention in Massachusetts in April. Boston's Debs-Thomas Award dinner this year will honor Father Mortimer Gavin, head of the Archdiocesan Labor Guild. DSOCer Jim Fraser is running for the Boston School Committee. DSOC is also backing an initiative to change the Boston City Council and School Committee from at-large to a district representation system. The New England Region is planning a regional speaking tour for H. L. Mitchell. . . . LONG ISLAND'S PROGRESSIVE COALITION is backing efforts to "municipalize" the Long Island Lighting Co. and to have consumer-labor candidates appointed to the statewide Public Service Commission. . . . NEW YORK'S SCHOOL FOR DEMOCRATIC SOCIALISM started its second year with courses by Herbert Gutman, Mike Harrington, Jim Chapin, Jack Clark, and David Bensman. The New York City Religion and Socialism Committee is holding a conference on Sunday, February 8, with Arthur Waskow, author of *God Wrestling* as opening speaker. The New York Local has chartered branches in Brooklyn, Manhattan-West Side, Upper Manhattan-Bronx and Queens. The Local is holding a series of Feminist Forums. The first heard economist Ruth Spitz speak on *The 59¢ Question*, the ratio of women's wages to that of men. . . . GREEN MOUNTAIN DSOC in Vermont is planning a late February conference on a socio-economic program to place before the state legislature, based on the platform of Rural America. At its January meeting, the local heard David Deen, chairman of the Vermont Community Action Program Directors' Assn. on *An Economic Bill of Rights for Vermont*.

WANT FILMS to enliven your meetings? A new 190 page "War Peace Film Guide" (\$5) has just been published by the World Without War Council, 67 East Madison Street, Chicago, Ill. 60603.

Items for this column should be sent to Harry Fleischman at 853 Broadway, Suite 801, New York, N.Y. 10003.

DUNKIRK, from page 3

We can fight and I think we can even win. DEMOCRATIC LEFT has been arguing for some years now that the country is not moving to the right, but to the left, right and center. The polls, we have stressed, show people becoming more philosophically conservative (which helped Reagan become president) but remaining operationally liberal in their attitudes toward specific policies. The most endangered of the programs on the hit list are those specifically designed for the poor (like Medicaid). That means that we have to fight all the harder in those areas. But if we assemble a coalition embracing the potential majority that has a stake in seeing to it that the aging are not scapegoated, that the best anti-hunger effort ever undertaken is defended, that the working people of this country—the victims, not the authors of our crisis—are not pushed back down into an insecurity and poverty which for many is only a generation away (and which, for some, never ended), perhaps victories can help us defend even the weakest among us.

This short-run battle is far from lost; and we of the democratic left are far from clear on our long-range strategy; but there is hope even in this year zero of Ronald Reagan. ■

■ ■ ■

YOUTH, from page 12

Youth conferences are, of course, much more than plenaries or workshops, resolutions or position papers (though the Youth Section did adopt a political statement, available through the National Office). Having helped organize the past four summer and winter youth conferences during his two-year term as National Youth Organizer, Joseph Schwartz commented at the end that "this conference reflected the political development of an activist core in the Youth Section. Attendance was high even though we had brought hundreds of young people to the Eurosocialism conference three weeks before. And the quality of the non-members in attendance—many of whom will soon be members—indicates that the Youth Section now plays a central role in progressive youth politics across the country." ■

Patrick Laceyfield is executive secretary of the New York Local of DSOC.

Photos by Gretchen Donart

Remembering Dorothy Day

Dorothy Day, who died in December, was a socialist feminist as a young girl. Then, in what must have been one of the most remarkable transitions of the age, she simultaneously became an orthodox Catholic, an anarcho-pacifist, and the founder of the Catholic Worker movement, the most significant expression of Catholic radicalism in this country in this century. I lived at the Worker for two years, fighting side by side with Dorothy in many struggles and debating my socialism and her anarchism over coffee in the communal dining room. Her anarchism was based on a catholic—Franciscan, Sermon on the Mount, Gandhian, Tolstoyan—sense of the primordial value of solidarity and compassion in the building of any just society. It gave her a rare and haunting courage; it made her one of the most beautiful human beings I have ever known. May this unrepentant socialist salute the memory of this magnificent anarchist, this woman who found in orthodox Catholicism the source of passionate and effective radicalism?

MH

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JIMMY HIGGINS REPORTS



TRANSITION FOLLIES—Remember the candidate and the "out" party who were going to shake up official Washington and leave bureaucrats shaking in their boots? Well, the Reagan team and functioning Republican/conservative congressional majority have not had time to function, but they've already made a farce of their program. After putting together the biggest transition team ever (which did as little as any transition team in memory), the Reagan forces ran into, yes, a cost overrun. Conservatives used to have lots of fun ridiculing the Marxist notion that after the socialist seizure of power and consolidation of rule, a withering away of the state would follow. Our laissez-faire foes have some problems of their own in that department. *That* transition will take an awfully long time.


CENTRAL AMERICA is already providing the first test of Reagan's hard-line foreign policy. After all, in El Salvador, the administration will have the perfect opportunity to prove how many lives it's willing to lose. If he moves in with the aggressive support for rightist terror which we (and the Salvadorean right) can expect from his pronouncements, the U.S. government will find itself even more isolated internationally than it was during the shameful Vietnam years. And at home, the opposition will be broad and determined (there's already a labor committee for free unions in El Salvador and Latin America).

PAT MOYNIHAN'S OUTBURST immediately after the November election seemed inexplicable. Here was an intelligent politician lashing out at unnamed leftwing cadre in the Democratic party who had to be fought. Who were they? Kennedy supporters. Not *all* Kennedy supporters, mind you, and certainly not the senator himself. Not fine people like Elizabeth Holtzman, either. But certainly the kind of people

who oppose tuition tax credits. Coming from a man who owes his election to Albert Shanker and the New York State United Teachers, that certainly rated as ingratitude. But what was the senator getting at? Let's hazard a guess. Go back to last spring when the New York state delegation voted to fill a slot on the national Democratic Convention platform committee. Moynihan, who remained neutral in the presidential contest, was put forward as a candidate; so was Mike Harrington, who backed Kennedy. Moynihan won, but a substantial number of Kennedy supporters voted for Harrington. Between that vote and the election in November, Moynihan's staff canvassed the delegates and alternates by phone to find out why they had opposed the senator. Staffers asked which presidential candidate the Moynihan opponent had supported (a list was published by the state committee). One alternate, asked why he supported Harrington over Moynihan, explained that he knew Harrington, and besides, the senator was a bit conservative for his tastes. "Ah," replied the weary staffer, "we've been getting that response—that Senator Moynihan is too conservative—a lot." Mystery solved. Speaking of the leftwing cadres in the Democratic party, Senator Moynihan had some specific people in mind: the 44 New York delegates who voted against him.

BUSTING THE UNION-BUSTERS — Management consultants who specialize in keeping unions out or breaking unions where they exist have been doing a booming business. These union-busting consultants constitute a \$500 million industry; and as a recent report, written by Jules Bernstein for the Center to Protect Workers' Rights, points out, the industry of management consulting on labor relations specializes in "hidden persuasion, deceit and outright violations of the law." Yet the chief remedies would move through the tortuous paths of the National Labor Relations Board. As the study concludes, "the response to union-busting demands creativity on many fronts." (Available for \$4.95 from the Center to Protect Workers' Rights, 1899 L Street N.W., Washington, D.C. 20036.)

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