

Newsletter of

THE DEMOCRATIC LEFT

March 1976—Vol. IV, No. 3



Edited by MICHAEL HARRINGTON

Democratic shenanigans on gas vote

by IZZY HIGGINS

Last year, when the House of Representatives failed to override a number of presidential vetoes because of conservative Democratic defections, some liberals in Congress bitterly criticized Carl Albert for his lack of leadership. This year, after the Speaker used his power to bring the House of Representatives within four votes of deregulating natural gas (and increasing prices for the consumer by over \$20 billion a year), most liberals now find that they prefer the old nonassertive, lethargic Carl Albert.

The effort to get Congress to deregulate natural gas was not new. But despite gas company-produced shortages, which began in 1970 (and temporarily shut some industrial plants) threat of a six-fold increase in well-head prices kept most reelection-minded members of Congress from succumbing to the industry's lobbying.

But things began to change last summer. The administration began to play press agent for the producers, and the Democratic leadership took on the job of the industry's legislative strategists. In August, the Federal Energy Administration predicted a 15 percent curtailment for the coming winter. For the first time, a cutoff of supply to homes loomed possible.

The thought of freezing constituents prodded Congress into action. In September, a bill which would allow the interstate pipelines to buy unregulated natural gas from the surplus of the fuel on the intrastate market was introduced in both houses.

The gas industry, however, would not wait. Seizing on the hysteria stirred up by the FEA report, it pushed for quick consideration of a permanent deregulation bill. In the Senate, the efforts succeeded. In October, while considering the emergency bill, the Senate passed an amendment sponsored by Lloyd Bentsen (D-Tex.) and James Pearson (R-Kan.), which deregulated natural gas over a seven-year period.

In the House, however, John Dingell (D-Mich.), chair of the Energy Subcommittee insisted on holding hearings on the bill. Before the subcommittee could consider the bill, the mild winter forced the FEA to scale down its estimate of the gas shortage, and new reports from the General Accounting Office and the Congressional Office of Technology cast doubt on the FEA's initial predictions and upon the existence of actual shortages.

Meanwhile, Rep. John Morse's (D-Calif.) Com-

merce and Investigations Subcommittee began to investigate the natural gas shortage, and discovered the companies withholding supplies and underreporting reserves. It found that the Federal Power Commission had failed to require the interstate pipelines to enforce their contracts for minimum deliveries with the producers—creating artificial shortages which they hoped would lead to deregulation.

The reason for the laxness of the FPC is not difficult to figure out. Its Nixon-appointed chairman, John

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DSOC conference launches '76 project

by JACK CLARK and MARJORIE GELLERMANN

On Monday, February 3, *The Wall Street Journal* reported that "huge numbers of people think it doesn't matter" who wins the Presidency this year. "Increasingly, pollsters say, voters see the election as merely an exercise to resolve the ambitions of politicians—a power struggle essentially irrelevant to the problems of inflation and unemployment that intensely concern the people themselves."

The front page *Journal* article went on to detail the polling data and other evidence of voter apathy, confusion on the issues and mass hostility to politicians.

Ironically, the *Journal* story appeared the day after the Democratic Socialist Organizing Committee concluded a spectacularly successful two-day national issues conference in Washington, D.C. Attended by more than 600 people, the conference was the first event of Democracy '76, a coalition effort initiated by DSOC to bring issues and programmatic alternatives into the Presidential election campaign. The success of the conference reinforced our conviction that it is both possible and politically astute to deal with ideas and programs now. In fact, the apathy and confusion the *Journal* talked about can only be countered by making sure that George Wallace isn't right this year about not a dime's worth of difference between the major parties.

Rejection of the new conservatism within the Democratic Party ran through the conference. AFSCME President Jerry Wurf decried the "new demagoguery"

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The difficult case for international equality

by MICHAEL HARRINGTON

At no time since the wave of decolonialization began after World War II has the Third World's standing been as low as it is in the United States today. In part, this is an understandable reaction to the outrageous equation of Zionism and racism by the UN General Assembly. In part, this mood was encouraged by Daniel Patrick Moynihan's rhetoric during his brief tour as our UN Ambassador. In Moynihan's speeches, the Third World sometimes took on all the menacing characteristics which were once the sole and evil province of the Communists. But some editorial and cartoon comment on Moynihan's resignation went well beyond even his sweeping imprecisions and, verging on racism, suggested that the representatives of Asia, Africa and Latin America were congenitally incompetent.

But before arguing that the democratic Left must remain fundamentally committed to a restructuring of the world economy which will benefit the globe's poor, let me carefully specify my position. I do not believe that the Third World is morally superior to the first world. Its rhetoric is often bombastic and empty; it is capable of internal racism of its own (against, for instance, both the overseas Chinese and Indians); its "revolutionary" regimes often take over colonialist class structures and inequities, changing only the skin color and national origin of the oppressors.

And then there is a related point. I do not believe that there is any quick easy way out of under-development, even if the advanced West were to act with dramatic decency. Indeed, one of the reasons for the current disillusion with the Third World is a prior (liberal and socialist) process of illusion. From Harry Truman's Point Four to John Kennedy's Alliance for Progress, it was often carelessly assumed that the experience of the Marshall Plan—when American money rebuilt European capitalism in an act which was profitable as well as political—could be duplicated in the poor countries. This ignored the enormous structural difference between the two areas. Europe belonged to the capitalist center and though in ruins had a potential for rapid recovery. Today, the Third World exists in a position of structural inferiority on the capitalist periphery. The excessively high hopes—that a mere infusion of Western capital would transform a system of injustice institutionalized over two centuries—then gave way to a new, and current myth: nothing we can do will help.

I argue, then, in behalf of a manifestly imperfect Third World and I have no pat solution for its agony. But I do know that this dangerously chauvinist mood in the United States must be fought vigorously.

Let me begin with an abused, unpopular word. The

fundamental reason why the advanced nations owe a debt of solidarity to the Third World is moral. While not adopting John Rawls' philosophy, one of his most brilliant notions is quite useful here. We can get a rough, intuitive sense of justice as fairness if we imagine a world which people would accept even though they did not know what their own position in it was going to be. By that measure, certainly no rational person would approve of a global scheme in which 6 percent of the people got 40 percent of the resources and 65 percent had only 15 percent of the total world product. This becomes all the more compelling when you realize that the lower levels of those percentages define starvation, leprosy, infant mortality and the like.

One cannot, however, rest content with a simple moral commitment. There must also be analysis. A recent article in *Commentary*, a magazine devoted to the proposition that equality is the chief threat to humankind today, helps in this task. P. T. Bauer's "Western Guilt and Third World Poverty" is a marvelous compendium of obsolete free enterprise economics and badly generalized data that all but perfectly summarized the wrong position.

For Bauer, the Third World has made material progress as a result of its commercial contact with advanced capitalism. Of course! One wonders if Bauer could cite a single serious liberal or socialist who has ever denied that truism. Marx insisted on it over a century ago—indeed, he exaggerated it. But as Bauer ferociously rips his straw man apart, he misses the crucial argument: that the material progress of the Third World has been skewed to fit the needs of the rich nations, thereby producing a mis-shapen economic structure which is antithetical to genuine development; that for more than a century, the West's share of the world's wealth increased, and even though the "gap" is not

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now increasing, the absolute disproportion between rich and poor is intolerable.

First, take a look at the numbers. Classic economic theory, as P. N. Rosenstein Rodan has pointed out, expected trade to reduce the inequalities of the world by means of the process of comparative advantage. In fact, between 1815 and 1914, the per capita income of the globe went up by 2.5 percent to 3 percent a year, but the differences in per capita income between the rich and the poor went from a ratio of 1:2 to 1:20. Then, in the post-World War II period, a number of events—decolonialization, some brief periods of market conditions favorable to Third World exports, control of oil and other strategic resources, and in recent years the spectacular failures of the first world—brought an end to the growth of the gap.

Before we rejoice too much, we must remember some basic facts of development. If the Third World's economies advance at the same rate as the Western economies (but starting with an economic base that is one twentieth of the wealthy countries' base), the gap *as a ratio* would remain the same (or even improve), while the difference in dollars would grow. Although this would represent Bauer's "material progress," that unconscionable differential becomes institutionalized.

The per capita GNP gap between India and the United States is today 1:40. In the year 2000, it could decline to a mere 1:36—but that will be an absolute increase, from a \$3,500 gap today to \$9,830 at the turn of the next century.

Secondly, and even more important, the Third World economies "develop" their underdevelopment. They differ enormously from nation to nation—Africa has nothing like Asia's population problem—but what makes them a unit for the purpose of analysis is that all of them are characterized by imbalances between their sectors and regions, foreign dependence, high unemployment and even higher underemployment, and so on. A recent Brookings volume noted, "The tastes induced by corporate advertising among well-to-do elites in poor countries may be inappropriate to the country's resources."

Brazil is an extremely illuminating case in point. This nation has been the darling of the Right for some time. Its economic boom of the 1960's and early 1970's "proved" that capitalism can successfully promote economic development. That this was—and is—done with police state methods and torture does not bother the "free enterprisers." We know that this process did not benefit, and perhaps hurt, the poor and workers (an ambiguity of "material progress" which Bauer's blunderbuss misses); we also knew that this "capitalism" is highly planned and state controlled. But now an even more embarrassing situation emerges. Brazil, it turns out, is subject to all the indignities that the socialist structural analysis of the Third World has predicted and documented.

In 1975, according to the *New York Times*, the servicing of Brazil's \$22 billion foreign debt took 40 percent of that nation's export income and the government has been forced to cut imports. The boom had led to a tremendous inflow of foreign goods, consumer items and money; 500 foreign companies control about half of the country's exports. Those multinationals, however, are not interested in exporting vigorously, for they would then compete with themselves in other parts of the world. Rather, they focus on the domestic market and on the extractive industries. So multinationals control 59 of the 100 largest manufacturing firms in Brazil and account for 50 percent of total sales (100 percent in auto, 91 percent in pharmaceuticals, 91 percent in tobacco, 82 percent of rubber).

Jose Machado, a leader of the pro-government party in Brazil has therefore proposed the state takeover of imports for pharmaceuticals, the nationalization of the biggest foreign-owned utility, and a state monopoly over newly discovered iron ore deposits. In short, even a semi-fascist capitalism which has enormous political popularity among the ruling circles of the advanced world is forced in the direction of collectivism because more than a decade of boom has reinforced its structural inferiority in the world market. If this is the consequence of "material progress" in one of the most "successful" Third World countries, then what of less favored countries?

Almost all scholars—Left, Right and Center—now expect the Third World's share of manufacturing to rise. The "product cycle" tends to send industry to the periphery after the center has taken all of the "technological rents," the advantages which come from being first. The poor will now make our consumer electronics; the rich will specialize in computers.

This structure of inequality and maldistribution makes even success in the Third World partly self-defeating. But the negative analysis of what is wrong in this situation is much more advanced than the proposals for doing something about it. As Henry Pachter points out in the current issue of *Dissent*, the formal Third World demands are, after the radical preamble is read, remarkably moderate. Third World leaders demand, not more equality for people, but more equality for nations. Many of these nations, of course, contain enormous inequality within their own (sometimes "revolutionary") structures. The International Confederation of Free Trade Unions rightly insists that our goals should be, not national equality, but human equality.

There is no easy solution (though I personally think Gunnar Myrdal's *Asian Drama* points in the right direction). Yet one thing is sure. America's retreat from the Third World, its reduction of its foreign aid contribution, its mood of hostility to the globe's poor, are major roadblocks to any decent outcome. With a considerable humility and sense of our own limitations we must fight that tendency. □

Gas lobby . . .

(Continued from page 1)

Nessiks, declared himself for deregulation long ago, and a GAO report had already revealed that 19 key officials of the PFC illegally owned stock in petroleum companies. An Oversight Subcommittee staff report concluded that the "FPC inadequately staffed its investigations of the producers' capabilities and contract obligations; that the FPC reassigned its investigatory staff to work on policies designed to promote deregulation; and the FPC did not hire needed experts to evaluate the copious data it had concerning gas production records."

The subcommittee discovered massive underreporting of natural gas reserves when it compared sample data collected by the industry coordinating group, the

Capital quotes

“Free enterprise capitalism is rooted in the concept of man as hedonistic, acquisitive and selfish. . . . Simply stated, if all people are motivated to work at full capacity—whether they work as laborers, artists, executives, or what have you—the net supply of goods and services available for consumption by all will be maximized.

In the process, some people will become 'wealthy' while others will remain 'poor.' But does this make any difference? The fact that one person is able to pile up metal discs while another is not has nothing to do with the total welfare, it has only to do with the way 'wealth' is measured. A rich person who piles up wealth is simply producing more than he is consuming, thereby making goods and services available for consumption by others. It is critically important in understanding the capitalist system to penetrate the veil of money and wealth. What is important is the *total* of wanted goods and services produced. . . . The richest person is not able to consume appreciably more real products than other people, so the distribution of 'markers' in the economic system is irrelevant by contrast with the total of products available for consumption by all.”

—Tilford Gaines

Economic Report: The U.S. Economic Tradition,

Manufacturers Hanover Trust, Jan. 1976

American Gas Association, with data from the U.S. Geological Survey. The AGA reported 37.4 percent less than the USGS. The 8.7 trillion feet "discovered" by the USGS in this one sample represented enough gas to satisfy this year's revised projected shortfall eight times over.

Despite these revelations, the Commerce Committee reported out a temporary deregulation bill. Anxious to

avoid a repeat of the Senate's stampede to total deregulation, Commerce Committee Chair Harley Staggers (D-W.Va.) and Dingell approached House Speaker Albert. They asked that the temporary deregulation bill, which members of Congress universally liked, be placed on the suspension calendar. Under House rules, it then would not be subject to controversial amendments on permanent deregulation.

But Albert was more concerned about total deregulation than temporary shortages. So, on December 15, he replied that he would not place the bill on the suspension calendar. He also requested that Staggers appear the next afternoon before the Rules Committee which would determine the procedural route for the bill.

On December 16, Bob Eckhardt (D-Tex.), chair of the Democratic Study Group and two other Representatives asked Albert not to press the Rules Committee to report the bill out. Albert assured them he would not.

That afternoon, Staggers, who had received word of the morning meeting from Eckhardt, walked into an ambush. The handpicked members of the Rules Committee had already received their instructions from the Speaker. After some testimony, they fashioned a procedure that violated not only Congressional courtesy but the rules of the committee.

First, the bill was slated for floor action even though Committee rules provided that no bill would be considered late in the session unless it was submitted by the chair of the jurisdictional committee. Staggers, of course, opposed the bill. Second, the Rules Committee abridged Congressional courtesy by giving two-thirds of floor debate time to decontrol advocates. No time

Equality for whom?

"It is still constantly assumed by privileged classes that, when the state holds its hand, what remains, as a result of its inaction, is liberty. In reality, as far as the mass of mankind is concerned, what commonly remains is not liberty, but tyranny. In urban communities with dense populations, or in great productive undertakings employing armies of workers, someone must make rules and ensure that they are kept, or life becomes impossible and the wheels do not turn. If public power does not make them, the effect is not that every individual is free to make them for himself. It is that they are made by private power—by landlords interested in increasing rents or by capitalists interested in increasing profits. The result, in either case, is not freedom, but dictatorship, which is not the less oppressive because largely unconscious, and because those whom it profits regard it, quite sincerely, as identical with liberty."

—R. H. Tawney (1949)
The Radical Tradition.

at all was allowed for Rep. Don Fraser's (D-Minn.) permanent control measure.

Defeated in the Rules Committee, Staggers asked the Speaker to delay the bill's consideration to give the committee a chance to write its own permanent measure. The Speaker relented, and gave him until February 10. But with the Oversight Committee uncovering damaging materials about the industry, Albert reneged on his promise, and scheduled consideration of the bill a week early.

Meanwhile the industry intensified and extended its lobbying campaign. Millions were spent as the corpor-

Capital quotes

☞☞ Santiago, Chile—For most of Latin America's 300 million people last year, the economic bottom line was deepening poverty. Hunger grew with food prices and unemployment, while those still working found their living standards eroded by inflation.

. . . In the nation with the most strictly regulated economies—Chile, Brazil and Columbia—the further impoverishment of the people was deliberate Government policy.

Chile's 'shock treatments' consisted of huge slashes in Government expenditures, drastically tightened credit and the elimination of subsidies on a wide range of basic necessities. These include bread, dairy products, meats, fruits and vegetables.

Thus far, the results here have been indeed impressive. The number of unemployed is estimated at roughly a third of the labor force. The one modest hot meal a day provided by the Church or other relief groups stands between most of the idle and starvation.

. . . the main reason for the draconian economic measures imposed by Chile's military rulers is that government planners have been following the advice of Dr. Milton Friedman and other monetarist economists of the University of Chicago. Dr. Friedman, who has visited Chile, recommended the course of action being implemented by Chile's leaders to end this country's vicious and chronic inflation.

As one United Nations development adviser noted recently in an interview here: "The so-called Chicago school of economists in your country chose the path of recession to that of further inflation. But the United States has welfare and other economic cushions—and plenty of industrial muscle." "Chileans, alas, never did."

—New York Times
January 25, 1976

ations used computer data techniques to match their lobbyists with legislators of similar background.

The effort paid off. On February 3, the House adopted the Rules Committee procedure by a lopsided 230-184 vote with Majority Leader Thomas O'Neil (D-

Ma.) joining the Republicans and oil state Democrats. Faced with this overwhelming defeat, Hous liberals regrouped quickly. They agreed on a weak measure that would extend controls to the interstate market for major gas producers and deregulate all gas produced by smaller independents.

Once they decided on the substance of the compromise, the liberals had to find a sponsor—someone not perceived as being too liberal. Labor and consumer groups favored Tip O'Neill who declined, saying that he did not want to use his position as Majority Leader to influence the outcome. O'Neill, however, refused to criticize Albert for using his position to support decontrol. After rejections from a few other leading Democrats, liberal representatives got moderate Neil Smith (D-Iowa) to introduce the measure, and in one of the most suspenseful votes of any Congress, the House adopted the Smith amendment, 205-201.

Although the Smith amendment gave gas producers more than they deserved, its House passage may have effectively stopped any deregulation in this Congress. The industry is not pushing to reconcile the House and Senate bills. Already the industry is talking about a new effort in the next Congress.

Although the latest campaign for deregulation may have come to naught, it gives some valuable lessons:

- First, the energy industry proved again that it is willing to blackmail us. The only difference between corporate magnates and Arab potentates is that the latter are more forthright in their tactics.
- Second, the energy industry's power cannot be effectively regulated so long as it remains in private hands. With billions in concentrated wealth, corruption is endemic to any institution that attempts to regulate it: with near monopoly of data and experts, the industry can overwhelm a legislature despite the valiant efforts of the much poorer labor and consumer lobbyists.
- Third, Carl Albert's role in this fight proves that many Democratic politicians still do the bidding of the corporate elite. These old Democratic wardheelers cannot provide the leadership to solve the problems caused by their benefactors. The Democratic Left must remember that the election of a Democratic president only marks the beginning of a new, hopefully different period of struggle against the rich special interests.

- Finally there is the very real problem of the finiteness of our resources. Natural gas is the rarest of our fossil fuels, but the one we consume the most. Much of our overuse of natural gas is due to the regulated, low price of this cheaply produced commodity. A good deal of gas is used as boiler fuel, where more abundant coal could be used instead. A rational society would establish a two tier price system—a low price for home cooking, and residential heating and certain industrial processes in air polluted areas; and another, higher price for coal-suitable uses. But as long as the energy companies set the terms of the debate, we will have to fight their irrational proposals for solving problems they created themselves. □

Organizing the unemployed

by FRANK RIESSMAN

In recent months, what might be called the full employment movement has gained considerably. Beginning with a fairly narrow spectrum of support in Congress, the Hawkins-Humphrey Full Employment Job Guarantees Bill has caught on in the women's movement, the civil rights movement, the labor movement, among human service organizations, among all the Democratic Presidential aspirants except George Wallace, and in the press. Leading economists, such as John Kenneth Galbraith, Robert Lekachman, Leon Keyserling, Charles Killingsworth and others have supported the idea of job guarantees. The idea that there is a trade-off between inflation and unemployment has been challenged, and the polls indicate strong support for the government guaranteeing everyone a job.

What's missing is the voice of the unemployed themselves. While the National Organization for Women lists full employment as a major demand in its 1976 platform, there have been no large scale demonstrations of unemployed women demanding jobs. The same point can be made about blacks and other minorities. We have a liberal leadership calling for a program in the interest of massive numbers of people who are themselves not expressing a demand for full employment in strong terms.

Why? Will this situation change in 1976?

The answers to the first question are obvious enough.

Unemployment insurance, supplementary benefits and other transfer payments (like food stamps) have been available to the unemployed, and many of the jobless, anticipating better economic times, do not expect to be out of work in the future. Finally, the activist mood of the '60's has given way to a pessimistic and cynical resignation, a feeling that nothing can be done.

For a variety of reasons, the relative quietude of the unemployed may be about to change. Unemployment insurance is running out for many of the unemployed, and supplementary unemployment benefits (SUB's) are running out for others. Increasingly, it is being recognized that the economic recovery is not going to reduce unemployment significantly, and thus (barring other action) we will have large numbers of people unemployed for many, many years. New and exceptionally strong support for the Hawkins-Humphrey bill from George Meany and the AFL-CIO may be important in moving unemployed workers and employed trade unionists who recognize the dampening effect of unemployment on wages and union bargaining power. Perhaps most important is the fact that considerable attention is now being given to the Hawkins-Humphrey bill, which will probably be voted on by both Houses of Congress this spring. Passage of the bill, and even general discussion of full employment programs, might stir new hopes among the unemployed. And organizers just may be able to make use of this new opening. □

Consumers win in California

by HAROLD MEYERSON

Los Angeles—Consumer groups have won a signal victory against the oil industry. On New Year's Eve, the Federal Power Commission repealed its policy of permitting oil companies to include exploration and development costs in the monthly bills of utility users. Under this policy, the oil giants promised the consumers whom they were gouging a first crack at whatever natural gas turned up. More to the point, the oil companies which own the rights to the Alaskan fields had successfully threatened utilities and state regulatory agencies to peddle their promises of future gas elsewhere unless gas bill surcharges were approved.

In 1975, Exxon and Arco obtained contracts with two major California utilities which would have almost doubled the amount of capital raised nationwide since the inception of the FPC policy five years ago. For consumers, this would have meant gas bill surcharges of up to \$2.50 a month.

In response, consumer group coalitions formed in both Northern and Southern California (see January NEWSLETTER) and waged highly visible media

and mass protest campaigns, making hideous the bureaucratic life of the California Public Utilities Commission. In turn, the PUC placed the onus and the attendant grief upon the FPC, already facing a Federal court investigation of earlier deals of dubious merit enacted under its prepayment ruling. On December 31, the FPC repealed its ruling and invalidated an Arco contract with a Texas utility. On January 12, Arco bowed to the inevitable and cancelled its contract with the Southern California Gas Company, which had aroused the most controversy. The Gas Company, in turn, has promised to refund to its users the surcharges collected.

In its year-end ruling, the FPC also mandated a price rise for interstate gas, higher prices being the alternative to consumer prepayment in satiating the oil industry's demands for more capital. The House of Representatives narrowly voted down natural gas deregulation, which, if enacted, might have made the monthly surcharge seem a comparative picnic. Until we establish public oil and gas companies, such as those proposed by Assemblyman Charles Warren, it will take a flood of private profit to turn on a flow of gas and oil. □

DSOC conference . . .

(Continued from page 1)

of Democratic Governors like Carey, Brown and Dukakis, "who were elected with the votes of working people" but "sound no different from the reactionaries of the 1920's."

Michael Harrington reiterated the theme by calling Brown and Dukakis "deserters from the liberal Democrats . . . who compete with their old enemies in avowing their lack of faith in the capacity of this society to deal with the crises which are all but overwhelming it." National DSOC Vice-Chair Ruth Jordan opened the conference by noting that all around us we hear opinion-makers and commentators calling for sacrifice. As socialists, as liberals, as trade unionists, as feminists and minority advocates, Jordan pointed out, we're interested in who's being asked to sacrifice what.

The conference, which drew a good cross section of liberal and Left activists and intellectuals, also focused on the alternatives to throwing up our hands and giving up on social problems. In a series of workshops, political activists debated detailed program and policy alternatives for full employment and national planning, health care, housing, energy and income redistribution.

A resolution passed by a special post-conference meeting of the DSOC National Board pretty well summed it all up:

"The pernicious lie that we as a society 'threw money at social problems' must be rejected out of hand," the resolution said. "The discussions of this conference have made it clear that in area after area, the problem with liberal social programs has not been that they were reckless and spendthrift. Quite the opposite. In housing, in medicine, in employment, in energy and tax policy, the problem has been that public policy has been subordinate to private profit." The resolution went on to list the three major programmatic points urged by all the plenary speakers, the three points which form the basis of the Democracy '76 program: democratic planning for full employment; redistribution of wealth and income; and increased social control of investment decisions.

Most exciting was the enthusiasm conference participants brought to Sunday's discussions on future organizing around these ideas. Hundreds of socialist activists and other conference participants crowded regional meetings and caucuses of women, trade unionists, youth and religious socialists to talk about building coalitions around Democracy '76 issues, increasing DSOC activity around these programs, building for the Democratic regional platform hearings and this summer's Democratic National Convention. Throughout the day, there was an unmistakable and encouraging focus on what to do when we get home. The conference, as participants saw it, was a beginning.

In summing up the conference, DSOC Vice-Chair Carl Shier captured this point: "Person after person has come to me excited about the turnout, excited about the possibility of making the democratic Left a

really effective force. . . . We don't have the resources of a Rockefeller or Gerald Ford or Ronald Reagan; we can't command the media attention that the nonsense Jerry Brown and others are pushing gets. What we do have, all we have, is your commitment and our members and friends. If we want to move toward making our issues heard, if we want to make the Democracy '76 program effective, we need your help. We need your activity first and foremost. We need your participation in every area of the country, in every area of political activity. When we leave Washington, we have work to do. This has been a great beginning. Let us go from here to make history." □

Democracy '76

Since the conference, plans for Democracy '76 have proceeded.

Immediate follow-up featured Michael Harrington on National Educational Television, debunking the myth that we threw money at social problems in the '60's and advancing a political program centered around full employment planning, income redistribution and increased social control over investment decisions. That appearance, along with a pre-conference radio talk show on a popular Washington station with Jack Clark and Marjorie Gellerman, and an interview with Harrington in the *Washington Star* is a breakthrough in publicity and circulation for these ideas.

A Democracy '76 statement outline the programmatic ideas we're trying to promote is currently being circulated for endorsement by various Left leaders. Among those who have agreed to sponsor the statement are: Jerry Wurf, president of AFSCME; Murray Finley, president of the Amalgamated Clothing Workers; Cleve Robinson, vice-president of the Distributive Workers; Members of Congress Michael J. Harrington and John Conyers; economist Robert Lekachman and Democratic Party activist Marjorie Benton.

Most important for the effectiveness of the project is the local organizing going on all over the country. Los Angeles activists are planning an April conference, involving people from the California Labor movement, the California Council of Democratic Clubs, feminist, minority and community activists. Many areas are planning meetings with delegates; New Yorkers are making preliminary arrangements for the Democratic convention, and all over the country Democracy '76 coalitions are readying for the regional Democratic Party platform hearings this spring. A full schedule of those hearings will be published in the April NEWSLETTER.

Copies of the Democracy '76 statement and more information about Democracy '76 activities may be obtained by writing to Democracy '76 Coordinator Marjorie Gellermann, 853 Broadway, Room 617, New York NY 10003. □

Jimmy Higgins reports . . .

FROM THE NEW FEDERALISM TO "DROP DEAD"—It's not so far as it might seem from Nixon's "new American revolution" and "new federalism" pronouncements to the hardnosed anti-New York attitudes of the Ford Administration. In fact, David Muchnick argues convincingly in the current *Dissent* that Ford's attitude on the fiscal crunch in New York goes beyond political expediency. It is, rather, a direct outgrowth of federal urban policy since 1969. The Nixon-Ford Administrations have directed federal funds away from the "decaying" central cities of the Northeast to the more affluent suburbs and the booming metropolitan regions of the South and Southwest. Ironically, while stressing "market place decision-making," the Republicans have instituted centralized federal planning of urban policy. Their "power to the people" rhetoric has obscured the death knell for democracy in New York. Muchnick's argument is cogent, careful and devastating. Must reading for Democrats as we approach the election and vital analysis for anyone concerned with the future of urban policy, Muchnick's article is available for \$2 from *Dissent*, 505 Fifth Avenue, New York, N.Y. 10001.



Still, look for Carter to run strong in New Hampshire, and, with the support of liberal unionists, in Florida.

PRESIDENTIAL POLITICKING — Jimmy Carter, the whiz kid front-runner created by the media, continued his downhill slide with the national press. The *New York Times* has featured stories accusing Carter of waffling on emotional issues to appeal to both sides and has unfavorably compared his campaign promises with his performance as Georgia Governor. *The New Republic* ran an article by old Carter nemesis, Reg Murphy, entitled "Plastic Jimmy Carter." And, according to one observer, "that's nice treatment compared to what the *Boston Globe* has been running."

MONEY MIGHT BE a problem later for the former Georgia Governor. He's spreading himself thin and gambling on some big wins. Finances could also prove fatal to other campaigns. Senator Birch Bayh, who started late and has raised little money, might be through if he finishes behind Morris Udall in New Hampshire and Massachusetts. Udall, on the other hand, has a solid fund-raising base and could rally back to major candidate status quickly with a strong showing or two. Jackson, with the most formidable war chest, might go broke as he faces expensive and uphill early primaries. The recent Supreme Court decision muddies things. A wealthy candidate could enter late and contribute unlimited amounts to his/her own campaign in later primaries.

RUNNING ON THE RECORD—All the Presidential candidates will tell you how good their voting records are. But this year, Americans for Democratic Action has put together a compendium telling all of us how the candidates and potential candidates actually did vote on issues from Vietnam to low-income housing to tax reform. It's a critical tool for sorting out the primary candidates, and it's available from ADA, 1424 16th Street, N.W., Washington D.C. 20036, for \$3.50.

RATHER BE FAR RIGHT DEPT.—Los Angeles Police Chief Edward Davis, something of a Southern California legend for his pre-Neanderthal political views, has accepted the invitation to be the main speaker at a John Birch Society dinner in Los Angeles March 6 . . . Joseph Coors, another legendary figure, has turned against his would-be benefactor. The right-wing Colorado beer baron who was nominated by President Ford for a position on the Board of the Public Broadcasting Corporation (the Senate saved us on that one) has donated \$1000 to the Reagan campaign.

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