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FOR MEMBERS ONLY

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EC MINUTES 10/30/74

Present; All except Joe

0. NATSEC AND FUND DRIVE REPORTS. (See attached report for update).

1. BOSTON/BUSING. Interim report on progress of IS work in Boston. Full report next week from Joe.

2. MINERS. Report by KM. Miners' strike is up in the air at this time. Miller leadership is negotiating UAW-style, with a possible last-minute dramatic "breakthrough" to head off a strike. Since this remains very unclear, IS branches should proceed with planned public activities. If no strike occurs these can be set up as educational meetings rather than support meetings. PASSED ALL FOR.

3. DETROIT. Report by JW: a) Preparations for Detroit IS Educational Conference on auto workers' movement; (b) Attack by UAW local and regional bureaucracy on Justice Committee.

4. BLACK LIBERATION. Report by JT. Technical means (a typist) have finally been located to enable us to print up the JT Black Liberation perspectives document adopted by Nov. 1973 NC. MOTION(JT): To drop from the document the section "Blacks and the IS" which is out of date and useless. ALL FOR.

5. CANADA. Progress report by JT on the development of group sympathetic to IS in Canada. They are carrying out a political fight in Waffle (the radical ex-wing of NDP) and expect to be ~~working~~ working closely with us. We are not too well-informed about some of the questions which are decisively important in politics in the labor mvt in Canada, including the question of separate Canadian unions (i.e. secession from the Internationals) and Quebec. A fuller discussion to begin dealing with some of these ~~topics~~ topics to be held in two weeks.

EC MINUTES 11/6

Present: All

0. NATSEC REPORT (See attached). Topics: Tour of south by ~~two~~ two comrades from former SC. Attica defense speaking tour scheduled for December. KM to take West Coast tour following NC to implement industrialization perspective. Completion of national tour on party-building by JG and Joe.

1. BOSTON. Detailed report by Joe on the work done in Boston. A number of significant contacts were established with individuals in the black movement, and a considerable amount of information learned about the black movement in Boston. We were active in community meetings in defense of busing and the black children, and had a good impact given our small numbers in countering the manipulative strategy of the black leadership. MOTION(MD): Joe to write up report on the lessons of our activity. Discussion of follow-up and Boston branch to be held next week. ALL FOR.

2. CLUW PERSPECTIVES. Discussion of document submitted by ~~fraction~~ fraction steering committee (SB also present). ACCEPTED.

3. DETROIT CONFERENCE EVALUATION. Detroit conference last weekend must be judged an important success by every standard. Worker turnout (over 40 UAW members not counting ISers) and participation were substantial. The work done in bringing contacts, and focussing the conference on questions of the

rank and file struggle in the UAW, paid off. The response to the announcement on the publishing of NETWORK (Class struggle auto journal) was exceptionally good, although the journal was not presented very well from our point of view. Besides relatively long-time contacts there were pretty substantial numbers of workers we have not known for very long and who are newly active. It is our view that the conference reflects a substantial advance and turn in the work of the organization.

The main problem that did exist was the absence of a clear political direction and line from IS speakers, from the floor as well as panel speakers. Our perspective should come through much more clearly (this doesn't particularly mean in terms of raising revolutionary socialism but rather in bringing out the political strategy and content developing from today's struggles, the nature of the labor bureaucracy, etc.

The success of the conference is particularly exciting in that we now are in a position to take up a whole level of questions and problems which haven't even been raised before.

4. MINERS STRIKE. Report by KM. A strike once again looks likely, though the Miller leadership appears to have learned from the UAW all the techniques of stage-managed last-minute bargaining. It's hard to believe, as reported, that the companies would risk a long strike over the economic package. More likely there is a struggle over companies' refusal to recognize right to strike over grievance procedures. Union has compromised, accepting old formula, on right to strike over "imminent danger" (they wanted right to walk out over any unsafe conditions). As before, our perspective on public meetings should be carried through, although response from UMW leadership in a number of places to the idea of support has been predictably hostile.

5. EDUCATION PROGRAM. Report by JT and discussion on class series. A sub-committee of JT, JG and Joe will develop the proposal further.

6. YOUTH GROUP. Discussion of draft constitution by ML. The draft incorporates the Leninist relationship between youth group and party, i.e. that the youth group is self-governing and organizationally independent but in political action and aims will be in line with the IS. JG and ML will be responsible for amendments as necessary (minor). APPROVED.

6. DETROIT BRANCH. Branch exec has adopted proposal to be submitted to the branch for approval. Under this proposal a special commission (personnel: MD, JW, BH, Glyn, Woody) will be responsible for reorganizing and running the branch for one month. In short, it will replace the exec for this period (exec will not meet. However, the auto fraction steering committee, whose personnel is the same as the branch exec, will continue to meet to direct auto work under Commission's guidance). The Commission will develop a clear branch perspective, organize its implementation and cease to exist in a month. Proposal APPROVED ALL FOR.

NOTE: It should be made clear that the work of the Commission - including approving its being set-up - must be approved by the branch. The Commission is to be responsible to the branch, just like any exec, and branch decisions have the same force as always. The Commission's final report, as well as the rest of ~~xxxxxxx~~ its work, are subject to branch ~~xxxxxx~~ approval or rejection.

STATEMENT by Joe: I am in favor of this proposal, with the understanding contained in the above paragraph.

ADDENDUM TO EC MINUTES

(The following is excerpted from a letter to the EC by MP in the Bay Area. The political approach and line proposed in this letter is endorsed by the EC and should be noted by comrades in all branches where similar questions may come up).

An incident took place on the UFW demonstration in Oakland September 26 which calls for clarifying our position on the rights of organization, rights of opposition and workers' democracy. There was considerable confusion among our own members about what our immediate response should be. I am not aware of any clear national policy and think this should be corrected.

At the demo's point of origin about 8 Sparts showed up carrying picket signs signed "Spartacist" with slogans including "For Armed Self-Defense of UFW Picket Lines", "For A General Strike to Support the UFW", and something on the immigration question. The UFW boycott leadership told them that they could not participate in the march with the slogan on armed defense since this was counter to UFW policy. Some UFW boycott staffers and CPers blocked the Sparts while arguing with them while the rest of the ~~march~~ march began. There may have been some physical threats to the Sparts if they insisted on carrying their signs into the march but I saw no incidents although I did see that one Spart sign was torn. The Sparts then left as a group and got into their cars and went to the end point of the march.

At the point of origin I advised our people that we were not the UFW defense squad (or goons) and that we should not be involved in it. When Sparts approached me demanding to know the IS position on "exclusion of Communists" in an obvious baiting way I told them I was not interested in talking to them and they should write us a letter. I advised our members that the Sparts were only interested in getting us to say something to expose us and there was no point in talking to them. I also said to our members essentially the same political line described below but that there was no reason for us to be involved in it.

When the Sparts showed up at the Safeway at the other end of the march with their signs, a much larger group confronted them and there were a series ~~of~~ of political arguments going on. At this point it included a number of people who are not staffers or CP hacks but including people with whom we have been closely working. We were asked by some of these people what our position was and I felt it necessary to enter the debate since it was being dominated by the Sparts and CP.

I argued that the UFW had a right to exclude their signs since it was a UFW demonstration. The Sparts are always entitled to organize their own demonstration, but they don't understand workers' democracy if they think they are entitled to alter the line of someone else's. Workers' democracy involves the notion of discipline. When a workers organization decides to strike, the minority are expected to observe the strike. It

is too bad that the UFW is so weak that its main actions have to be publicity demonstrations. It is also wrong that the UFW thinks it can mobilize itself by presenting itself as a poor suffering Christ-like nonviolent group. But it has a right to ~~present~~ present itself like that. We believe that a struggle has to be waged within the UFW and the ranks of its supporters to change these policies, and we defend the right of the Sparts and others to leaflet the demonstrations, sell newspapers, participate in support meetings (although not disrupt - which may also become an issue within the next few weeks). But the carrying of signs in a UFW demonstration primarily is a communication ^{from the demonstration} to the general public, and the fact that they are signed "Spartacist" does not change the fact that they will be taken for the signs of a UFW demonstration.

To say that the UFW has a right to exclude their signs does not mean that we agree with excluding their particular signs. But then it is not a question of workers' democracy, but the strategic question of how one best fights for the politics (say, armed self-defense) and we are not obligated to adopt the Spart strategy just because they show up with their signs.

At one point they argued it was a question of the united front. I answered that this demonstration was a UFW demonstration - not a united front. In fact, we g have struggled for a different conception of UFW boycott support: rather than a show tightly controlled under the auspices of the union, the boycott should be expanded as a sort of "movement" activity led by the UFW with groups participating on a united-front basis. But again, this was a struggle that had to be waged within the union...

A couple of times they accused me of being part of the UFW goon squad. I replied that all I was doing was standing there arguing politics ~~with them~~ with them and it was interesting to note that they considered political argument a goon attack. I would remember that the next time that I read in Workers Vanguard about the SL being "attacked by goons." And the next time they called on the IS to defend them against goon attacks I would know that they meant that they wanted ~~to protect~~ us to protect them from political arguments.

I left the argument after a short while. A little later they left as a group. I don't know of any incidents that took place or whether they were threatened.

PS In the next couple of weeks there is likely to be the question of throwing them out of the campus UFW support committee. They have just started participating in their usual way (openly wanting to split it) and there is already sentiment for kicking them out. We are arguing that they have a right to raise their point of view but not to dominate or ~~disrupt~~ disrupt the meetings.

THE U.S. ECONOMY AND WORLD DEPRESSION

KIM MOODY

To be presented to the November NC

The boom of 1972-73 began in the US and spread throughout the advanced capitalist world within a year. Spurred by holding down wages under NEP, the resulting stabilization of unit labor costs, and the resumption of large price increases in early 1973, profits grew rapidly and investment burst forward. Yet, hardly before the boom had reached its peak, it ~~xxx~~ seemed to outrun itself. By the end of 1973 real production was falling in the US and shortages in various materials seemed severe.

By mid-1974 the boom had clearly become a recession in the US and some other advanced capitalist countries. In the US production stagnated or fell quarter by quarter. At the same time unemployment grew each month reaching 5.8% in September and heading toward 6% and more. Both of the classic signs of recession were unmistakable.

Along side these classic signs of recession, however, prices continued to rise at an ever increasing rate ~~wk~~ well into the fall. Inflation became so intolerable that the "new" Ford ~~xxx~~ administration labeled it "public enemy number one." Beneath the sloganeering, however, lay, as we shall see, a ~~dx~~ dilemma for the economic policy makers of both the Democratic ~~xxx~~ and ~~Rxx~~ Republican parties. From almost any bourgeois point of view, inflation and recession are opposites. More importantly, each in specified amounts, is thought to be the solution of the other.

The reason for the crash of '29, we are told, is that the Hoover administration pursued its tight money policy and allowed investment to collapse. This, we are assured, ~~w~~ won't be allowed this time. So, expanded money and/or credit from the government or the "FED" is going to save us.

These steps, however, are inflationary, and that is public enemy number one. To fight inflation at the government level one must make money and credit relatively tight and, perhaps, cut back on government spending. But, that is recessionary. The question for the policy makers, it would seem, is which do they want least, inflation or recession.

For better or worse, the decision is really out of their hands, because it involves far more than simply credit manipulation and money supply. The coming world depression that is emerging from the 1974 recession in the US springs from the reart of capitalism itself.

The 1974 IS Convention resolution on world capitalism by Mike Stewart, "The Decline of American Imperialism and the Growing World Conflict," described the context in which the current depression has arisen. To summarize, it stated that the stabilizing effects of the permanent arms economy had ~~xxxxx~~ receded and its burdensome effects come to the fore. As a percent of the total US economy (GNP) arms spending had dropped from about 9.5% in 1955 ~~xx~~ to less than 6% for fiscal 1975. Thus, its ability to dampen the rising organic composition of capital had declined. While proportionately smaller it still represented a drain on ~~xx~~ capital accumulation. Technological spin-off has declined. These factors alone explain for the re-emergence of the boom-slump pattern of capitalism production.

Although a smaller proportion of the economy, the arms budget continues to be a large source of inflation. Since the end products of arms production are pure waste, the money paid out by the arms producers becomes pure inflation in that the proportion of ~~xxxx~~ money to products in circulation is constantly raised. Thus, even through arms are by no means the only source of inflation, they are a permanent one, one that the policy makers will not reduce or eliminate.

Thus, the 1974 Convention resolution predicted the emergence of the classic boom-bust cycle with the addition of inflation. Specifically, it saw that for capitalism to put off the coming crisis, it would need a vast rationalization of capital on a world scale. This, the document predicted would be almost impossible because economic conflict and competition on a world scale would increase with economic difficulties, and because the amount of capital needed for any serious rationalization was not available. This, was the context against which the current recession is developing.

Today's growing depression grows from the classic contradiction described by Marxists for generations. While it cannot be measured in quantitative Marxist terms, the evidence points to a falling rate of ~~xxx~~ profit caused by a growth in the organic composition of capital. The tendency of the rate of profit to fall as a result of the rise in the organic composition of capital is a long term trend inherent in the system. While there are many counter-tendencies, including the PAE, the pressure of this tendency is always there to one degree or another. At certain points, under certain conditions, this tendency becomes dominant and a crisis occurs. Any number of specific economic events may precipitate a crisis or depression. For example, the 1929 stock market crash was due to hay-wire speculation, while the 1974 stock market collapse is ~~xx~~ the result of the scramble for liquid investment funds for production itself.

In form, the crisis of 1974-75 is unusual in a number of respects. Most notable is the persistence of expanding inflation well into a recessionary situation. In fact, the role of inflation itself in defining the limits of investment is rather unusual. That is, the primary positive role of the business cycle from the point of capitalism is to reduce the value and cost of the means of production. Under conditions of permanent inflation, however, this does not happen. The slump of 1969-70, for example, did not cheapen the means of production at all. The more or less constantly rising ~~x~~ prices of the means of production are an important factor in the current crisis.

The Falling Rate of Profit

While it is nearly impossible to present a quantitative proof of whether or not the organic composition of capital has risen in recent years, we can point to evidence that it has. First of all, it is certain that as arms production became a smaller proportion of the economy in the 1960's, its ability to off-set the growth of the organic composition dwindles ~~xx~~ also. Arms, however, are not the only counter tendency. A rise in labor productivity could also off set any growth in the value relationship between constant and variable capital. And, indeed, the first half of the '60's saw substantial annual increases in productivity. From 1961 to 1966 productivity grew substantially each year, and well above the 3.1% annual average for the post-war era (see Monthly Labor Review, June, 1974). These were the years in which technological spin-off paid off, while military spending declined, tax incentives for investments grew, and inflation was not so severe as today. The result was a rise in profits. Measured as after tax returns (including interest) on non-financial corporate capital assets, which is not the same as Marx's rate of profit, the rate of return rose steadily from 6.3% in 1961 to 10% in 1965 (see statistical appendix).

From 1966 to 1970, however, productivity growth dropped off (see appendix). For all of those years it was way below the post war average. The after tax rate of return on capital assets ~~xxx~~ followed along, dropping from that ~~xx~~ 10% high in 1966 to 5.4% in 1970. Of course, the rate of profit can decline without bringing on a crisis so long as the mass of profits is sufficient to ~~xx~~ produce economic growth. But, in these years the ~~xx~~ actual mass of profits did quite poorly.

Domestic corporate profits before taxes stayed below the 1966 level in every ~~year~~ year through 1970, except 1968 when they were a scant 2.7 billion above the \$81 billion of 1966. In the recession year of 1970, profits were only \$69.3 billion. Thus, the fall in productivity and in the rate of return was accompanied by a general drop in the mass of profits.

Only during NEP, when productivity rose for a year and labor costs fell, did profits recover. In 1971 total domestic ~~profits~~ profits rose to \$78.8 billion, ~~in~~ in 1972 to \$94 billion, and in 1973 to 115.4 billion. In part, this resurgence of profits reflected the growth of productivity under NEP, up 4.1% in 1971 and 3.78% in 1972. Productivity for 1973, however, slumped to 2.93%, again below the post-war average.

There was another factor increasing the apparent mass of profits in 1972-73, and holding even as high as it was in the three preceding years. This was "inventory profits." That is, profits accrued from the price increases in goods that were produced previously at lower cost but are still held in inventory. This portion of profits was, in a word, inflation. Until 1968, inventory profits were small and stable in absolute terms. From then on, however, they rose fairly steadily from \$3.3 billion in 1968 to \$17.6 billion in 1973. These inventory profits represented no expansion of real production or of values, in the Marxist sense, just inflation.

If domestic corporate profits are adjusted for inventory profits, then 1966 profits were \$79.2 billion, for 1970, \$64.5 billion, and for 1973, the big boom year, \$97.8 billion.

While the 1973 mass of real profits is quite a bit above those for 1966, those for most years in between remain lower than the 1966 level. Since saved profits are ultimately the source of credit, much stagnation will have an effect on the availability of ~~the~~ credit over the years. This is part of what lies behind the "liquidity crisis."

Leaving aside the question of credit for the moment, however, it is easy to see that the mass of profits produced since 1966, even in 1973, is not sufficient to deal with the growth of the annual capital used up in production that must be replaced. That is for the mass of profits to compensate for a falling rate of profit, it must be large enough each year to replace what is used and to expand on it in the coming year. The replacement costs of capital assets (not including wages) ~~in~~ in 1966 was \$487.0 billion. By 1973, it was \$911.8 billion, almost double. The mass of real profits, however, had not come anywhere near doubling. They had grown by only a little more than 26%. Each year, profits became a smaller proportion of the total amount of capital assets used. This means, that on the ~~the~~ basis of profits as a source of investment the amount of new capital assets added each year would be smaller and smaller. That, of course, would mean a slowing of growth.

This is the crisis situation described by Marx. If the mass of profits can't keep things expanding, then at a certain point expansion will stop, investment will halt, and you will have a depression.

However, we did not ~~have~~ have a full scale depression in 1969-70, and in 1972 and 73, experienced actual growth. That is because in reality expansion is not simply financed out of profits generated in the immediately preceding year. In fact, profits are saved and circulated over a period of time. That is what banking and credit are all about. The amount of capital used each year in the post war era has expanded because regardless of short term fluctuations in the rate and mass of profits, there was enough credit to finance expansion. This pool of credit, of course, was ~~a~~ made possible in part because of the effect of the PAE in off setting a drop in the rate of profit for many years.

During the height of the PAE the corporations became self-financing to an unprecedented degree. That is, they generate enough profits to finance expansion out of the retained earnings. But with a falling rate and mass of profits relative to the annual costs of capital assets, not to mention wages, the corporations began to turn more and more to the banks, ~~the~~ The incredible boom of 1972-73 was financed largely by borrowed capital. But the fiddler must be paid,

As profits become relatively smaller, and corporations draw more on the pool of credit without replenishing it, the banks in turn begin to run out of liquid funds. This is the liquidity crisis. It has been coming for a number of years, but this year it hit with a vengeance.

To expand in 1973 and hold the line in 1974, the corporations borrowed heavily. The banks, as a result, have become more over extended than any time since the great depression. The ration of deposits to loans ~~ask~~ has reversed in the past few years - from 75% deposits to 25% loans in the early 1960's to the reverse this year. Furthermore, the banks are increasingly in ~~the~~ debt to each other. Smaller banks borrow from bigger banks and the big ~~one~~ ones borrow from the Fed. Business Week (Sept. 21, 1974) predicted that there will be bank failures in 1974-75 and that many small and medium sized banks will be swallowed up by the larger ones. In any case money capital is in short supply. That is why interest rates have been extraordinarily high in recent years.

The boom of 1972-73 was short by traditional capitalist standards. It lasted little more than a year. By the final quarter of 1973, real production was down. Money profits continued to grow into 1974 by virtue of inflation and because of an enormous jump in inventory profits in 1974. But these profits could not save the US economy from recession. One study, reported by Business Week (Sept. 7, 1974) indicated that after you deducted the \$34 billion in 1974 inventory profits, there was a scant \$2.25 billion - a ~~h~~ shortage of a cool \$43.5 billion. Even supposing this particular study exaggerated grossly, it was clear that the economy could not even hold the real level of 1973.

The problem is even worse than this would indicate. If the inventory profits could be realized, that money, inflated or not, could be used to invest. Even this hope, however, will not solve the problem. For while profits, inventory included, in 1974 have been slowing down, the costs of the means of production have not. From July 1973 to July 1974, the price of non-food materials ~~xxx~~ except fuel rose by 35%, crude fuel by 36%, intermediate materials by 26%, and finished producers goods by 14.5%. So any increase in the price of inventory profits is more than wiped out by the increased price of replacement or investment goods.

To put it bluntly, the US capitalist class has not had the money to expand things for nearly a year, now they do not even have enough to prevent a depression.

By September, the signs that the recession was deepening were clear. Those inventories, on which the inflated profits were based, began piling up. In particular, inventories of production materials grew to record highs during the spring and summer. Orders began ~~a~~ declining. As a result of inventory pile-ups, the ~~x~~ prices of materials began slowing down in ~~Sp~~ September. Far from being a hopeful ~~s~~igh, it was simply a sign that these materials could not be sold. By June, the previously high quantity of orders for machinery dropped by 12%. In September, steel production, which had been incredibly high and was regarded as the safest area of the economy, began to slow down, though it is still growing somewhat.

Consumer demand, of course, has also slowed down this year. This, ~~a~~ however, is a result of the collapse of profits and growth and not a cause. The slump in production, the growth of inventories, the decline of investable capital, and the incredible tightness of money capital all preceded the decline in consumer spending. These real sources of the crisis emerged visibly, according to the First National City Bank of New York's weekly newsletter, in the third quarter of 1973. It was the subsequent rise in unemployment that led to a decline in consumer spending. By then, the basic cause of the recession was already in full swing.

The investment that did occur in 1973-74 went, according to Business Week (Sept. 14, 1974), heavily toward replacement, repair, and the rising costs of materials. A rapid expansion of productivity resulting from new investment in technology could probably have put off the recession. But the capital for such a venture did not exist and could not even be

borrowed in sufficient quantity. Thus, in spite of the expanded production for most of 1973, productivity actually fell during that year. In 1974 it is well below the 1973 level and still falling.

The breaking point seems to have been in late September and early October. It was then that material prices dropped because they could not be sold. It was then also that the prime rate began to fall below 12%. The reason it fell was simply that demand for business loans dropped. In other words, business had resigned itself to a depression by consciously reducing investment. The fight to stave off a serious slump by borrowing more and more had been abandoned because real profits could not be depended on.

Ford's Economic Policy

Ford's anti-inflation policy does not appear to be anti-inflationary. The dunning of some middle income people with a 5% surcharge will not do much to prices, nor will the little money that is supposed to go to the poor. The budget cuts are ~~small~~ miniscule. The moderate restraint in monetary and credit matters won't curb inflation this year any more than they did last year. Indeed, while it is not a politic thing to say in an election year, everyone knows that the real solution to inflation is a whooping & good depression, with astronomical unemployment rates. The Monthly Economic Letter of the First National City Bank noted that it simply isn't true that economic theory has no answer to inflation.

"....lower rates (of inflation) can be achieved only by creating enough slack in the economy so that prices cease rising as rapidly as expected. The process is costly in terms of real income and jobs. It takes time. But it does slow inflation."

The "process" is, of course, depression. The Ford administration doesn't want a depression, but it is willing to play with recession to control inflation.

The key to Ford's policy, and his hope for preventing a full scale depression, lies in the new tax incentives for business investment. Unlike the surcharges, the incentives are to be permanent. It is estimated that they will give business an extra \$2.9-3.3 billion to play with in 1975. When you put this next to the figures we have been discussing, however, it is clear that at best it will be a small cushion. It is not nearly enough to reverse the present trends. Nor will it be likely to have much effect on the present practice of guarding profit margins by increasing prices.

Even a substantial loosening of credit by the government appears to be a matter of too little, too late. Borrowing has already dropped off significantly. Fed funds are already going more toward the saving of the first banks to go under, of which Franklin National is only the largest. Having already gone through the collapse of profits and investment, the economy heads toward the limits of a realization crisis. For the government to substantially alter the present situation, it would require tens of billions of dollars, a reversal of budgetary policy, and the willingness to tolerate astronomical inflation. Whether or not this is theoretically possible, it is clearly not politically possible. A depression in the US seems inevitable.

Help From Europe?

As Business Week recently pointed out the world capitalist economy is now synchronous. Five or take a few months all of the major capitalist countries follow the same boom-bust cycle. Since the 1969 recession, this cycle has been initiated in the US. The question arises then of whether or not one or a group of European economies could act in such a way as to prevent a world wide depression. In theory, this could be done. Even a few years ago,

the combined efforts of Germany, Japan, France, etc. could have prevented the spreading of US economic difficulties. But today this seems very unlikely.

In the first place, the unity required for such a move seems to be completely lacking. European unity has virtually collapsed in the face of one economic problem after another. Most recently, the corner-stone of the EEC, the long standing Franco-German agreement allowing French agricultural tariffs and calling for joint cooperation in other fields has totally collapsed. The expected love affair between Giscard D'estaing and Helmut Schmit has cooled rapidly.

Underlying the erosion of European unity is the fact of recession itself. Both Germany and France, considered the strongest European economies have cut back on production. Tens of thousands of immigrant workers in those countries have been expelled and sent back to the poverty stricken economies of southern Europe - where, incidently, economic and political strife are rife. The wide spread use of "foreign" workers in the northern European countries has, as yet, softened the blow of unemployment on the native working classes of those countries, but only for the ~~xxxxxx~~ moment.

~~xxxxxx~~ Italian production continues to grow, but cannot equal the enormous debt Italy has in terms of trade. Most recently, even production has shown signs of sagging, as Fiat lays off thousands of workers and goes to a four day work week.

The Economist has already given up on Europe. It also predicts that the effects of the coming depression will be ~~worse~~ worse in Britain than those of the 1929 depression. At that time Britain was able to shield herself from the worst effects. Now, however, the totally interlocking nature of world capitalism and the weakness of Britain's economy prevents any avoidance of depression. The Economist expects very high levels of unemployment and a considerable drop in GNP.

So far ~~as~~ as world trade goes, the US still stands as the favored nation as a result of the devaluation of 1971. This means that if anything, it will be easier for the US to expect depression than it would be for the Europeans to export recovery - even if they were in better shape.

The largest source of investment at the moment, of course, is Arab money and credit from their fantastic oil profits. Recently, the Arab nations announced that they would invest the bulk of their money in the US, Germany, Japan, and France - the strongest capitalist economies. This investment will help to soften the depth of the depression and even aid the recovery, but it is not likely to prevent the depression. For one thing, they are not going to throw all their money into economies on the verge of slump all at once. Most likely, they will begin to ~~xxx~~ move in after the depression appears to have reached bottom. At that time they can buy cheap - for example real estate, which is one of their priorities. Then they will attempt to make a killing during the recovery. Most likely they will succeed in this.

Depth and Recovery

The term depression instinctively conjures up pictures of the 1930's; that is, a crisis from which the system cannot recover without war. The depression of the ~~1930's~~ 1930's however, followed a decade of stagnation, the current one, two decades of expansion. We use the term depression to signify that the current crisis will be deeper than "recessions" such as 1957-58 or 1969-70. On the basis of existing trends and apparent alternatives, we expect the depression to mean unemployment rates of ~~22~~ 10% or more. Unlike the 1930's however, the decline of production will occur more or less rapidly. Unemployment is likely to reach its peak in the US by the middle of 1975, in the 1930's it took almost three years for the slump to reach its bottom. Furthermore, a recovery is more than likely.

A recovery, however, requires certain conditions. First among these is a cheapening of the ~~xxx~~ elements of capital. While massive waste production and monopoly militate against an end of inflation on any general scale, a cheapening of some elements of capital is likely. Indeed, in the ~~xxxxx~~ face of mounting inventories, the ~~xxx~~ prices of production of materials the fastest rising costs of production - have slowed down, with some dropping significantly. The price of production materials are subject to the fluctuations of the world market to a greater degree than in the past. The international anarchy of production, growing competition on the world market, and the contraction of world trade that is likely, will severely undermine the monopoly position of even the largest "multinationals."

The second major condition for recovery is government action. In the US decisive, inflationary government action is not likely until the Democrats take office in 1976. In the meantime, a Democratic Congress may force some action on a panicking Republican administration. In either case, substantial funds directly toward business will be required to stimulate new investment. This may take the form of greater arms spending on capital intensive projects, or of a more "Keynesian" policy directed at inflating the prices of consumer goods allowing for expanded profit margins. The later policy would be slower and less effective, however. Whatever, the specific policy, a previous cheapening of at least some elements of capital will be necessary for a real recovery.

If unemployment reaches its peak in mid or late 1975, then material prices would be likely to reach their bottom in the months following. Combined with the political timing of government intervention, this points to a recovery around the end of 1976 or early 1977. ~~Obviously~~ Obviously, if congress intervenes sooner, the recovery will come ~~xxx~~ somewhat earlier.

In all cases, both recovery and slump will be the occasion for an intensified attack on working class living and working standards. The Democrats would almost certainly re-introduce wage control as a part of their recovery and stabilization program. Additionally, the effectiveness of new investment will be supported by government backed productivity drives.

The Political Consequences of Recovery

The political atmosphere that emerges in the recovery period will be somewhat different, and, most likely, more to our advantage. For one thing, the faith of millions of workers in the system is certain to be severely shaken by the experience of a substantial depression. Even though the first response to mass lay-offs tends to be short term conservatism, once unemployment reaches its peak, stabilizes, and eventually recedes, a more aggressive consciousness is likely to arise.

It is certain that the labor bureaucracy will move even further to the right. That is, that the bureaucracy will lend its support to the attacks of working class living standards that accompany recovery. The clash between the ranks and the bureaucracy will intensify once the initial shock of depression and layoffs is over. Because of the shaking of the workers' faith in the system, the ever more visible role of the state, and the utterly reactionary role of the labor leadership, the confrontation will be even more political than now.

Additionally, the world economy that emerges from the depression will be controlled by an even smaller and more visible group of monopolists than today. Business Week predicts that there will be numerous bank failures and that the ~~x~~ largest banks will absorb many smaller ones. Bank failures will not appear as ~~xxxx~~ collapses to the depositors, but as mergers in which a small number of international banks control more and more. It is also likely that major business failures by production corporations will take the form of mergers and a further concentration of corporate power. The openness with which the government,

here and abroad, aids this process will politicize this economic process and make the nature of the system even more obvious and odious to a working class under attack.

Finally, for the US, a Democratic administration carrying out this attack and attempting to underwrite investment will help to clarify the role of that party. While NEP was carried out by Nixon, thus obscuring the role of the Democrats, a new set of controls will be carried out by labor's "friends" perhaps Jackson. Whatever credit the Democrats get for recovery, will be undermined by the way in which they attempt to make the workers pay for recovery.

While the initial shock of mass unemployment may set back some of our current work in industry for a short time, the depression will not destroy our perspective. It would be a mistake to abandon or down-play our industrial work simply because we face some resistance among workers worried about their jobs. The fact that unemployment should reach its peak within 6-8 months means that this conservatism will be momentary. Furthermore, the particular course of the industries in which we are most active will moderate the effect of depression on us and our work.

Auto will certainly experience a serious slump in 1975. But, the fact that k auto buying will be low in 1975 due k in part to the unpopularity of the 1975 model, with its "innovations" means that there will actually be somewhat of a mini-recovery in auto in late 1975 when the 1976 model is available. Further, if the prices of major production materials drop by the end of 1975, the price of the 1976 models may not be much higher than the 1975 models, which will stimulate buying.

Steel is slowing down at a slower rate than other industries, and will out last many as far as layoffs go. That being the case, a recovery in late 1976 is likely to head off a drastic decline in steel - although there will be layoffs throughout 1975-76. Most of the layoffs that will occur will be in the older plants and mills that were brought back ~~xxx~~ into use during the 1973 boom. This will probably not effect us permanently.

In trucking there will be layoffs as trade contracts. In UPS this may simply mean the attrition of part timers, rather than layoffs of full timers. This could actually help things. In local freight and grocery there will certainly be layoffs, but for those who already have IBT cards this will be more of a personal inconvenience than a political disaster. People now in the industry will probably be able to hold on. Trucking will respond more rapidly than many industries to signs of recovery or any growth in consumer or producers spending.

Telephone service is not likely to decline much even during a depression. Most of the layoffs (Western Installers, Western Production, N.E. Bell) that have occurred seem to be the result of new technology rather than of cyclical trends. If anything, Bell System investment in new technology is likely to slow down - in fact already has. While some layoffs ~~there will~~ may occur, they are not likely to be serious. Even with some layoffs there will probably be some hiring to replace attrition and turnover.

The major adjustment to depression conditions may be to have to be greater patience in getting new people into industry, ie it may take longer than in the past. Also, some of our existing political work may face a slack pace. We should be psychologically prepared to stick out several months of what may appear as a slow-down in the class struggle in certain industries. However, the situation today is entirely different than in 1929. Then, the trade unions had collapsed before the crash, and the crash itself lasted for 5 years before there was even a mild recovery. At that time, the left - though larger than the working class left today - was in decline. In the early 1930's unemployment was two to two and a half times larger than it is likely to get this time. Today the unions are large and secure so far as collective bargaining goes. Wage cuts and demoralizing defeats of the scale of the late 20's and early 30's are unlikely. Further, there is unemployment insurance and welfare, and in

some cases SUB (at least for a while.)

The major effect of the depression on the working class and its consciousness is certain to be beneficial from a revolutionary point of view. As we have pointed out, the set backs are likely to be short and small. But the movement that arises during the depression and during the upswing toward recovery will be tougher, more anti-capitalist, and ~~more~~ angrier than anything we have seen yet. One myth after another is collapsing as the role of the state, the politicians, and the labor bureaucrats come into sharper and sharper relief. The luxury of reformism and the conservative heritage of the post war prosperity will be shaken.

APPENDIX

TABLE I

Capital and Profits, 1960-73 (\$ billions)				
Year	Annual Re- placement cost capital assets	Total Corp. Profits*	Adjusted After- Tax Profits **	After-Tax Rate of Return
1960	348.1	49.7	22.1	6.3
1961	359.5	50.3	22.5	6.3
1962	373.3	55.4	29.5	7.9
1963	390.9	59.4	31.7	8.1
1964	412.5	66.8	37.7	9.1
1965	442.8	77.8	44.4	10.0
1966	487.0	84.2	48.4	9.9
1967	536.0	79.8	46.9	8.8
1968	583.2	87.6	46.2	7.9
1969	644.8	84.9	41.5	6.4
1970	710.3	74.0	38.1	5.4
1971	769.5	83.6	43.4	5.6
1972	837.5	99.2	51.7	6.2
1973	911.9	122.7	55.6	6.1

[* includes repatriated foreign profits and profits of financial corporations.]

[** Adjusted to exclude foreign profits and to put depreciation on a replacement cost basis. Also eliminates financial profits, but includes interest, which, not surprisingly, are almost equal.]

TABLE II, Annual Inventory Profits (\$ billions)

1965	1966	1967	1968	1969	1970	1971	1972	1973	1974 (Ist Q)	(IInd Q)
1.7	1.8	1.1	3.3	5.1	4.8	4.9	7.0	17.6	31.0	37.3

[Sources for Tables I&II: Morgan Guaranty Survey, Sept., 1974; Federal Reserve Bulletin, August, 1974]

TABLE III, Productivity & Unit Labor Costs, 1972-74

Quarter	1972				1973				1974	
	I	II	III	IV	I	II	III	IV	I	II
Out-put per man- hour	116.1	111.3	113.1	114.3	115.7	115.1	115.1	114.9	113.3	112.5
Unit Labor Cost	125.0	125.1	125.2	126.0	127.9	130.3	132.4	135.5	140.2	144.7

TABLE IV, Annual % Change in Out-put Per Man-hour

1960	1.60%	1967	2.06
1961	3.46	1968	2.39
1962	4.70	1969	.44
1963	3.62	1970	1.03
1964	3.86	1971	4.14
1965	3.41	1972	3.78
1966	3.97	1973	2.93

[Sources for Tables III & IV: Monthly Labor Review, June, 1974]

C.L.U.W. PERSPECTIVES

At the September convention, the NC presented a document that was discussed and voted upon. Our analysis ~~deal~~ dealt with the basic questions concerning our work in CLUW: What CLUW was and represents in terms of the labor movement and building rank and file workers movement; the importance of CLUW in the process of building a working women's liberation movement; the nature of the bureaucracy within CLUW; who we work with, why, and how; general outlines for building a rank and file movement within CLUW; and finally some specific recommendations on work within CLUW, CLUW committees within unions and union contract campaigns.

It was clear from the convention discussion, as well as from the CLUW fraction that there was dissatisfaction with the document, and that a perspectives document was needed to further our analysis of our work in CLUW. What follows is perspectives for our work in CLUW for the next six months which follow from the analysis put forward at the convention.

The dynamic which we presented in the ~~our~~ analysis of CLUW, of the conflict between the bureaucracy and the militants remains the basic conflict within CLUW. In the seven months since the founding convention, and since the September NCC, CLUW's development- both its promise as well as problems are becoming clearer. On the one hand, the bureaucracy is determined to thwart any activities. Madar spelled it out at the Seattle conference as she said CLUW should move more slowly and that it should only take on activities that clearly fall within the framework or guidelines of the eight or so international unions that have officially supported CLUW. Madar (and she is supported by the SWP) argues that CLUW exists solely to educate union women, and that is all. CLUW cannot make any demands upon the unions, and take no action in its own name.

On the other hand, the radical sects and independents are the only groupings that are trying to initiate activities and bring rank and file women into CLUW.

The fact that CLUW meetings are attended mainly by the bureaucrats and the radicals create a number of problems. Meetings are awful, rank and filers who do show up, rarely come again. Even low level staffers and bureaucrats, for example, Marg Alpert in NYC, admit that this is the major problem facing CLUW.

Yet, at the same time, and in spite of these problems, CLUW still grows, and working women are attracted to what they think is an organization committed to fighting for women worker rights. The success of the Seattle conference is an indication of this.

For us, the major problem will be whether or not we will be able to bring rank and file women to our CLUW meetings, and to initiate activities to keep working women interested in CLUW. Here again we face the bureaucracy or the SWP. We understand that our strategy for building CLUW means that we must find a way to bring rank and file women into the organization. The success or failure of this will ultimately determine our attitude toward CLUW. It is our estimation that the current economic crisis will have an important impact on the consciousness of all workers, including women workers, even though the initial effect on the working class may be conservatizing. It will thus increase our opportunities to move CLUW in a rank and file direction. The following proposals and campaigns are geared to this overall goal.

1. LAYOFFS: A NATIONAL CAMPAIGN

For the next six months or so top priority in CLUW will be a national campaign against layoffs. We expect that in the next year there will be almost catastrophic layoffs. It is not just in the auto industry, but also, in electrical, hospitals, and the industries affected by the layoffs in auto (parts suppliers, etc.) In all of these named industries women workers will be severely hit by the layoffs.

We know that the union bureaucracy is not going to fight against them. But because of the way in which the layoffs will affect women in industry some women union officials may wish to act, precisely because these layoffs potentially decimate their base of support in the union.

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In some cities there may be a lag in consciousness about the severity of the layoffs. It may not seem as critical as it does right now in Detroit for example. Nevertheless, we expect this crisis to be felt in all the major cities, and this is why we wish to begin the campaign now,

A. POLITICS

Our political demands to fight the layoffs are:

1. Shorter work week with no loss in pay
2. No overtime as long as anyone is laid off
3. Permanent recall rights as long as layoffs continue
4. Special SUB fund backed by full company assets for all workers laid off

We raise this program in opposition to other programs, demands, that will be raised such as affirmative action suits in the courts, and proposals for super seniority. This comes from our view of building a rank and file movement, focusing our demands in the direction of mass self-activity that will raise the consciousness and self-confidence of women workers; as opposed to those strategies which say let the courts, politicians, etc. do it for you. Also it is important that even though CLUW is an organization of trade union women, that it take the lead in fighting layoffs for all workers. Thus our overall strategy in this campaign is to attempt through CLUW to reach masses of working women who will be laid off and begin to enlist them in a fight in their unions for the above demands.

B. IMPLEMENTATION AND STRATEGY

We propose that in all CLUW chapters we initiate committees on layoffs. These committees should be ad hoc as opposed to standing committees, where we should try to get that committee to see its primary goal as organizing the local layoffs campaign. The layoffs campaign should also be raised in the chapter's activities comm. However, we do not want this campaign to be shunted off in committee as is the general practice of the bureaucracy, hence the proposal for an ad hoc comm. as opposed to a standing one. We want all of CLUW to be involved in this activity. The role of the committee is to propose action to the whole of the CLUW chapter to carry out.

In these committees we propose that the campaign begin by investigating the extent of the layoffs. How, where, and in what numbers; what is the particular union doing about it; are there patterns of selective layoffs, or violations of seniority involved; are new types of productivity devices being introduced as part of the layoffs (in a small aluminum plant. for example, the company laid off a number of women, while at the same time making the ones left lift 50-100 lb. weights that the men didn't have to lift.)

The idea is for the committee to become a watchdog committee on layoffs, publicizing the number of women affected by layoffs, encouraging those women to come to CLUW meetings and participate in the campaign. We encourage CLUW to get women to go into their unions to demand that they too wage a fight against layoffs, and to introduce such resolutions in their respective unions. All of this is to lay the basis for mass public activity around layoffs in order to demand that the unions adopt a real program of demands to fight the effects of the current economic crisis.

Our immediate aim is to push CLUW in the direction of having a public demonstration on this question. In doing this we propose that CLUW involve local unions and civil rights groups in the calling, building, and participation of and in these rallies. In the event (which is likely in many cases) that the local unions won't participate we propose that those workplaces, and unemployment centers be leafleted for the demonstration by CLUW in an attempt to bring rank and file women workers to these demonstrations.

While the important work of the campaign will take place on the local level, it is important in backing it up that we also intervene on the national level to try to get CLUW to adopt the campaign. Here we will organize our intervention for the January NCC. We will submit a resolution to this NCC which will put national CLUW on record in favor of such a campaign around layoffs, and encourage all chapters to hold the demonstrations outlined above. Included in this resolution is the proposal that all CLUW members including the national CLUW leaders should go into their unions and demand that the unions fight for such a campaign as well. In organizing for this intervention at the NCC, we will send

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copies of this resolution to all members of the NCC in advance.

Additionally, where is going to be an east coast meeting of the activities committee of CLUW which FE is the chair person. We will fight for this meeting to support the resolution, and have it submitted to the NCC as part of the committee report.

We understand that there is a different pace of events around the country both of local CLUW chapters in terms of the ~~nature of the local~~ extent of the layoffs affecting women and in terms of the nature of the local chapters themselves (whether or not, and how tightly the bureaucracy is able to control them) Thus, only the broadest outlines of the campaign are included in this perspective. The national CLUW fraction leadership will continue to develop the strategy for this campaign, based on actual developments in CLUW, the unions, and industry. We understand that our responsibility is to aid and assist local fractions in developing this ~~str~~ strategy and the necessary tactics in keeping with the campaign, and we are prepared to offer additional help and guidance in working out problems that arise locally.

As for personnel, we understand that the women comrades active in CLUW are quite busy. Thus we wish to make the following recommendations as to personnel for the campaign. Since this is a priority it may mean that we will have to be less active in some committees than ~~previously~~ previously. Or it may be the case in some cities, that comrades should drop out of committees that either aren't doing anything, or that don't seem that important in this immediate period. In order to build the layoff campaign. We can still keep in touch with many of the comm. members, yet work on the layoff campaign. The general listing of priorities which follows should be a guide to what we do less of, etc.

3. CLUW COMMITTEES WITHIN UNIONS

One of the important aspects of our work in CLUW is that it enables us to reach out to the women with which we work. We have a working women's organization that we can bring our contacts to. This is important in terms of our long range strategy for building a working women's liberation movement.

Therefore as one way to make the connection between our industrial and union activity, and our work in CLUW and building a working women's movement, is through building CLUW committees within the unions, or by building or transferring women's comm. into women's rights/CLUW comm. that support and encourage participation of women in their unions and in CLUW.

It will not be possible nor desirable to set up CLUW committees in all union situations. Members in Detroit auto or Cleveland IBT, for example could not set them up; in Cleveland because of the the repressive nature of the that local and Detroit UAW, any such comm. would be similar to the present UAW women's committees in that the bureaucrats would so dominate as to prevent any kind of activity.

In terms of the auto work, and its relationship to CLUW as well as the approach to be taken with regards to women's rights, we are asking the auto fraction to begin that discussion in Jan.

In a number of unions we will be able to set up CLUW committees. The CWA1101 and A&T locals to name a few. In order to do this, we will first have to convince our friends from work and the union to attend CLUW meetings. Once there are women interested in CLUW, and again depending upon the local situation, we would introduce resolutions of support for CLUW in the locals. These would include provisions for a CLUW committee that would publicize CLUW meetings, report back on CLUW at local meetings, encourage women to join CLUW, raise funds, etc.

If in any of our industrial union situations, there exists a women's comm. that does deal with women's rights (most UAW women's comm. do mainly charity work) we would try to make those committees be women's rights/CLUW committees, which would have the same purpose as the committee described above.

4. CONTRACT COMMITTEES

As of now, this is being done in NYC, but it is proposed as a suggested activity, where possible. In New York a committee has been formed which is doing research around on union contracts, to see

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what provisions exist around women's rights, maternity and other such questions. Such a committee would educate and publicize information regarding contracts for working women. It would also attempt to write up a "model" contract that would be brought to local and national CL W for endorsement. We would eventually bring this up to the 1975 CLUW convention. In this way, we would fight to have CLUW and union members involved, go into their unions and fight for better contracts for women. We recognize the fact that there would have to be ~~many~~ different provisions for different locals. That is why we suggest a model contract, which would keep in mind, the particulars of the industry and the union.

5. STRIKE SUPPORT ACTIVITY

Most of CLUW's activity has been in the form of strike support. Most CLUW chapters have been involved in UFW work; in a number of others, Bay Area, NYC, Detroit, and Seattle, there has been strike support for women workers. This will remain as one of the better ways to build and publicize CLUW, given the uneven development among working women. We should always be trying to find out where these strikes exist and offer to help. The Detroit CLUW put out an excellent pamphlet on the Helm strike. Activities such as this should be encouraged. This will continue to be one of the important ways in which we will meet, outside of our industry union situations, working women.

6. ORGANIZING THE UNORGANIZED

At the present a national campaign to organize the unorganized is in advance of CLUW's development. Olga Mader and the present bureaucratic leadership does not want to do anything, and the rank and file are still too weak in terms of size and strength to effect this. However, organizing drives of working women probably are taking place in all cities, and we should try and find out about them, urge local CLIW's to support them, raise money, picket, take the issue of support into our unions and central labor councils, etc. We should also encourage the women involved to come to CLUW meetings, to present their case to the chapter. By bringing women from organizing drives into CLIW will prove to be an effective way of challenging the present position on membership.

6. RANK AND FILE OPPOSITION

It is still premature to form an official opposition within CLUW. The reasons that were outlined in the original document i.e. political groundwork has not been laid, people we work with tend to be sectarian and suspicious, we still do not have a network of contacts etc. are still with us. However, in almost all of our CLIW work, we meet either informally or formally with other militants, and this will become the basis for an organized national opposition within CLUW. There has been a number of developments that clearly spell out the basis on which we will fight within CLUW.

1. A democratic organization. This issue was at the founding convention and still remains one of the major issues. Membership for example, will continue to be a conflict. We are for CLIW to be open to all union women, women in organizing drives, and women who are in such a position to be organized. But there are other issues which concern democratic structures that we must fight for. We are in favor of having regular CLUW membership meetings; non union women being allowed to participate, while not voting. We are in favor of steering committees being elected by the membership, and not based upon the international unions involved. This we argue, is important, because CLUW cannot be dependent upon the international unionism but rather an independent organization of labor union women, and our structure must reflect this as well. In short, we wish to open CLUW up so that ~~as many~~ as many women as possible are involved in its activities. We also stress that the question of democracy and participation is not an abstract one, but one that can mean the life or death of CLUW. If our CLUW meetings are like our union meetings, rank and file women won't come.

(2) The second area is one of activity. However, that this really ~~represents~~ represents is whether or not CLUW is, or should be an independent organization that can act in its own name to fight for women's equality. Olga Mader says no; CLUW ~~cannot~~ can do only what certain international unions dictate. Our position is the opposite. For CLUW's survival, as well as in order to build a working women's movement of liberation, CLUW cannot wait for the approval of the international unions (and the bureaucrats male and female in them) who have refused to organize working women. That is why we insist

that CLUW initiate campaigns in its own name on all questions involving the fight for women's rights. 3) A rank and file approach. It is in this third point that is going to distinguish us from all other groups. Those groups which claim to be oppositionists, really are not; Worker's World/YAWF holds the position that you can only criticize the companies, not the unions. The SWP(which really isn't an opposition group) claims that there are no bureaucrats in CLUW. The OL is the most important group, right now as far as we are concerned, and their position wavers. In chapters where there is no bur-
bureaucracy with which to contend, they come off as being militants, initiating (and they do) all sorts of activities. In chapters where they are not on control, they tend not to challenge the bureaucracy. But more important, the OL sees CLUW as part of their United Front Against Fascism (along with the Shah of Iran) Their strategy is to build CLUW, not for the sake of building a rank and file working women's movement, but rather for the purpose of what they claim to be as anti-imperialism.

We want to win the independent left and rank and file militants to our class struggle approach in CLUW. We wish to convince them of class struggle unionism both in CLUW and in the labor movement at large. (4) The question of political activity is not an issue now, but as 1976 looms, it will be. At this time CLUW is a nonpartisan organization which calls upon women to participate in the Political Action committees within their unions. We will have to explain to our friends exactly what these P.A.C.'s are, that they are union support committees (usually but not always) for the Democratic party. We will have to win our CLUW contacts that CLUW's political activity must not be passively nonpartisan, but actively for an independent labor political activity. These are the major issues which will distinguish us from all other groups. We must realize that there will be few groups with which we

we can work. We should attempt United Front activities with the Maoist left (which will mainly be the OL and their followers) and try to win some of their periphery to us. At the same time, we stress the importance of working with indigenous industrial militants. The SWP should not be regarded as

ally in any way. They have said in the Militant that groups like the I.S. and the OL are ultraleft disrupters. The SWP will probably red bait (in one way or another) us.

6. THE USE OF WOMEN WORKING, THE 'CLUW' JOURNAL

Because a number of political and technical problems, the magazine has not come out by the time it was promised. We wish to stress here that the journal will be instrumental in our work in CLUW. It will not only give our 'line' on CLUW, i.e. explain our analysis of CLUW, but will be used to build CLUW. to inform people as to what is going on nationally and locally in CLUW, to share the information and advise. Also, as was stated in the earlier CLIW document, that through getting our friends to write, sell, and buy the magazine, we will be building a rank and file opposition within CLUW.

This magazine is not a CLUW magazine. It will be published by and for activists in CLUW. It will also discuss what is going on among working women who may not be in CLUW. It is directed at CLUW members, because CLUW is the only national working women's organization that exists; we want to build CLIW, and this magazine will help working women build a working women's liberation movement.

We will be attacked on all sides for coming out with this. This is why in our statement of purpose we will explain why we are not being disruptive and divisive for publishing this; rather we want this magazine to build CLUW, and we have an analysis and perspectives on how best to do this.

The left will also attack us. The SWP will probably use Madar's arguments. The OL, who may say a number of things. One, we are being divisive because other 'progressive' forces are trying to put out a national 'official' newsletter and this detracts from it. Finally, in the end, we may be attacked for being Trotskyists. Our answer is that this is not, nor is it intended to be, the official CLUW newsletter. ~~XXXXXXXXXXXX~~ Nor are we taking anything away from attempts to publish a national

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CLUW newsletter. Whether or not such a newsletter will come out is still uncertain. We wish to involve these women in writing for the journal, asking them to write about their activities; that we are not sectarian in our approach to all.

We hope to have the magazine, Women Working, published for the next NCC, which will be in late January. Hopefully, a flyer on it will be ready by the NC, so that we can get them out to our contacts and friends.

7. THE NCC

There will be an NCC meeting sometime the last or next to the last weekend in January. We have heard rumors that it will be held in St. Louis. We have one woman on the NCC. We wish to get more women on the NCC, not only so that we can know what is going on, but to do important contact work and to try and fight for our proposals. Therefore, we want members of the IS to run for chapter delegate to the NCC. We will be speaking with a number of individual members about this.

At the NCC, we plan on raising the issue of the layoffs. We also want to propose that there be another NCC to plan the convention, and we would like to get our NCC members and friends on the convention planning committee.

There will also be a meeting of all women attending the NCC and the CLUW steering committee before the NCC. We also encourage the St. Louis members to attend the NCC as observers, and encourage St. Louis CLUW to do so as well.

8. THE NOVEMBER, 1975 CLUW CONVENTION

It is too soon to present perspectives on our intervention at the next CLUW convention. However we plan to have a CLUW fraction meeting that will present our perspectives, and we will in most likelihood try to surface with our contacts as an organized opposition within CLUW. The specifics of this cannot be elaborated for much of it will depend upon what we do in our CLUW work and with the journal. Nevertheless it is mentioned because the convention is part of our overall strategy toward CLUW.

NATIONAL SECRETARY'S REPORT ~~to~~ November 7, 1974

1/ Detroit: The Educational Conference "Building the Auto Workers Movement" was very successful. 140 people attended, including 61 auto workers (46 of whom ~~were~~ were not members of IS). The discussions were dominated by the auto workers themselves - who were very ~~impressed~~ impressed by the conference. Our evaluation is that this conference represents a qualitative step forward for the branch, our industrial work in general and the organizations as a whole. It was the first time that the IS has held a conference to which workers came and felt like it was their conference. We believe it represents the beginnings of a real auto workers movement and milieu in which we are centrally involved and respected. In this context, there was one generally agreed upon criticism - that comrades did not really put forward our perspectives as well as they could have - but even this we feel is a reflection of our general work - and that it was the first time that we all clearly recognized the problem which is the first ~~x~~ step toward dealing with it. Plans are now being developed for follow-up, specifically through the auto journal Network, which the workers were generally excited about. Also being planned is a class series for auto workers to begin in January.

2. Boston: The comrades (J & CR of Detroit) have returned from Boston, while BH (Chicago) will be there for a week or so longer. The struggle there ~~is~~ around bussing has slowed down somewhat. The comrades who went were able to do excellent work in laying the basis for a movement in the black community through exposing to some the role of the black politicians and CP in the community. Some headway, but much less was made in the white community, toward our general strategy of building a coalition of blacks and whites to deal with the bussing when it goes into East Boston ~~is~~ (see the last Nat. Sec. Report for this strategy). The comrades will be writing up a full report to the membership on what they were able to accomplish, and prospects for the future. BH is following up on these until she leaves.

3. Miners' Strike: It is on again now for sure. Most branches are ~~planning~~ planning forums and other activities around the miners strike. These include NY, Cleveland, Bloomington, St. Louis, and the west coast branches, in addition to Pittsburgh where we have a study group of very close friends, and ~~in~~ Philadelphia, where we also have a group of very close friends.

IMPORTANT IMPORTANT IMPORTANT IMPORTANT PIMPORANT IMPORTANT

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1. DON'T FORGET TO TAKE THE REFERENDUM IN EVERY BRANCH AND ORGANIZING COMMITTEE ON THE QUESTION OF ADDING LESLIE D AND LI'L JOE TO THE NC, AND CONNIE R AND MICHELLE S AS ALTERNATES TO THE NC. THIS MUST BE COMPLETED PRIOR TO THE NC. THE DEADLINE DATE IS NOVEMBER 21.

2. ORGANIZERS MUST LET THE NATIONAL SECRETARY KNOW IF ADDITIONAL COMRADES PLAN TO ATTEND THE NC (OTHER THAN DELEGATES) AND IF ANY CHILDREN WILL BE ATTENDING. IN THE PAST COMRADES HAVE BEEN QUITE SLOPPY ABOUT THIS, BUT IT MUST STOP. I HAVE TO HAVE THE NUMBERS OF COMRADES COMING AND CHILDREN IF ANY ONE WEEK PRIOR TO THE NC IN ORDER TO ORGANIZE IT PROPERLY.

11/12/74

1. Many comrades have promised articles and then never sent them or sent them in late. Every time that happens the staff has got to ~~xxx~~ stay up almost round the clock for a day or two before the issue goes to print. We are getting angrier and angrier about this. If you send in an article late (as things have been going) you can assume several other comrades have done the same. The result is that all our attempts at working out a production schedule and pating the work is useless.

Comrades must develop a more serious attitude toward deadlines or we are going to have to institute more strigent rules and refuse to consider anything that comes in late.

There is more than one deadline so comrades should not get them confused. The general policy behind deadlines is as follows: Cultural material and reviews & centerfolds and columns are due at noon ~~ix~~ IN DETROIT--the Thursday immediately after the Wednesday that the previous issue has gone to bed. That is the following day. General articles on women, blacks, minorities, domestic politics, labor, etc, which is topical but not immediate news coverage and is not waiting for something to happen (like a rally, strike, etc.) is due at noon--IN DETROIT-- on the following Tuesday. All other pieces are due at noon, in Detroit, 2 days later on Thursday.

Anything coming in later than that Thursday must be OK'd by the staff.

If comrades promise an article and for whatever reason will not have it in on time they must call us before it is due and discuss it with us. Calling us the day it is due and saying it will be late, does not allow us to re-schedule, and completely throws us off.

2. We are also having difficulty getting comrades to send us information for What's On. As soon as a forum is planned we should be notified either by mail or phone if it is too late to write.

We must know no later than the Sunday evening immediately preceeding the printing of an issue. For this present issue, we have about 7 items for What's On. Not one comrade notified us and I had to spend most of Sunday tracking down the information. I will not do that too much longer.

As we are also trying to build up the I.S. News page, comrades should send us a 1-2 paragraph story on the Forum after it happens.

3. Distribution: a) We will begin a circulation drive for the paper beginning in the middle of January. I have worked out an initial proposal which has been approved by the Ed. Board. and will be discussed by the EC this week. The NC will also have a short discussion on the proposal. The specifics will be sent out after the EC discusses it. Essentially the drive will have a national goal with each branch having a quota to be filled by a combination of increased subs, factory gate sales and ~~xxxxxx~~ and sales to contacts. A national committee to oversee the drive will be set up. A pamphlet on writing for and using the paper will be put out for comrades use and posters will be printed. Workshops on using the paper will also be held.

b) I am still not getting regular reports on distribution from many ~~comrades~~ branches, although ~~xxxxxxxxxxxx~~ real distribution continues to increase. Some branches now take the paper extremely seriously and distribute beyond their quotas. Other branches barely distribute at all. The branches that are above quota are:

San Francisco: 140 copies--7 members.
Boston: 75 copies--3 members
Chicago: 235 copies--11 members
Cleveland: 300 copies--14 members
St. Louis: 100 copies--8 members.

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wp editors report/2

c) I will be sending out a questionnaire to each branch and will then print the results. I will also expect each branch to then send bi-weekly reports.

4. ~~As~~ Reviews Page: As comrades will notice, we have changed the reviews page, beginning with this issue (108). We would like to have more reviews per issue. One main and several short reviews. Even one paragraph if appropriate. This will allow us greater flexibility and the possibility of responding to popular culture more. For example, we can review one episode of a TV series, without going into the whole show. Things that should be responded to but don't deserve a half page will not be elevated to a half page. And reviews that require greater length will be able to ~~xxxxxx~~ get it as we will not be frozen into the fairly ~~ex~~ rigid 1/2 page for each review format, that we had previously. (Extra long reviews will be the exception however--not the rule.)

Comrades are encouraged to write us short 300-400 word reviews, or less, on anything that strikes them.

In general, we will keep the reviews of our own stuff quite short--briefly what it is about and why people should order it--not a rehash of the pamphlet itself.

5. The editorial board will be having discussions on the following: China coverage, leads, (front page), editorials, strike reports, International coverage, and woman's coverage. (Not necessarily in that order.) These discussions will probably be held one per issue, over the next several months. Anyone with opinions on any of the above should write us so their comments can be part of the discussion. I will report the decisions of the board after the discussions.
