

June from May, according to the Commerce Department, even without discounting the 15 per cent annual increase in construction costs. Although sales of used machine tools are now slightly above their year-ago level, new machine tool shipments are running at two thirds of capacity — i.e., pure-and-simple junk is going into the factories, where anything in going in at all. Furthermore, any machinery additions, new or old, are being used to “rationalize” production, i.e., add to the already back-breaking speed-up rate. The leading New York banks meanwhile gloat over the continued improvements in “productivity.”

#### Nazi Labor Policy

Where new plants are announced, and they are few and far between nowadays, they are modeled on the Alaska pipeline — in the past several years, even compared to consumer goods notorious case recently involved a deal between Pennsylvania’s Governor Milton Shapp, Volkswagen and the banks, under which the Pennsylvania State Employees Pension Fund will be looted to pay for a new Volkswagen plant in Pennsylvania. Pennsylvania was chosen over an alternative site in Ohio because the latter was populated with unionized, skilled workers, while in Pennsylvania, a subsidized scheme was being worked out which would enable the area’s unorganized, unskilled workforce to work in the plant. Similarly, Business Week, a pro-Carter publication, recently ran a feature story on

the French tire manufacturer, Michelin, extolling the virtue of low-wage, unorganized southern labor as the reason for opening its new plants in the South.

The costs of new plant and equipment have risen enormously in the last several years, even compared to consumer goods inflation, due to the generally higher costs of skilled labor and machinery energy, etc. in this advanced sector relative to the rest of the economy. Therefore a major attempt has been underway to reduce costs through destroying construction union wage scales and work rules. Most recently, under the growing pressure of the open-shop takeover of construction, the building trades unions in both New York and Philadelphia agreed to a government plan which would put union members to work on residential rehabilitation projects at up to 25 per cent below union scales, a pilot program for all future construction which essentially carries out Burns’ call for the destruction of the Davis-Bacon Act mandating prevailing wages on construction projects.

Otherwise, where such Schachtian-type schemes can’t be hatched, projects are canceled. This is widespread in the steel industry which is drastically scaling back previously announced expansion plans — Bethlehem Steel, for example, only spent \$181 million in the first half of 1976 on its equipment compared to \$312 million last year.

## NEW SOLIDARITY INTERNATIONAL PRESS SERVICE

Labor Newsletter



# UMW, USWA Leaders Point Finger at Rauh, Sadlowski In Carter Nazi Labor Front

Aug. 6 (NSIPS) — There are strong indications this week that “traditionalist” forces in the United Steelworkers and the United Mineworkers are preparing to “name the names” of the Institute for Policy Studies and Joseph Rauh-organized wreckers who have been sent into their unions to destroy their capability to defend the living standards of their members and incorporate the labor movement into the planned “Nazi Labor Front” of Jimmy Carter and Leonard Woodcock.

Well-placed sources in the United Mine Workers, who oppose Institute for Policy Studies-stooge Arnold Miller, have revealed to this news service the names of employees on the payroll of the Mineworkers, Woodcock’s United Auto Workers, and an inside man in the Steelworkers officialdom, who, they said, are working in the effort of Rauh-Victor Reuther protege Ed Sadlowski to illegally seize the presidency of the United Steel Workers of America in next year’s union election. The identities of these agents have subsequently been independently confirmed by other sources in both the Mine Workers and the Steel Workers. Named were:

**Ed James:** carried on the UMW payroll as a \$100 per diem consultant to Arnold Miller, James is actually working full-time for Sadlowski’s campaign for the USWA presidency, the source charge. James is a member of the Executive Committee of the Institute for Policy Studies-controlled “Democratic Socialist Organizing Committee,” which, Institute agent Staughton Lynd, a key Sadlowski backer admitted to NSIPS earlier this year, constitutes the basis of Sadlowski’s support.

UMW sources also charge that James has used UMW funds to hire three lawyers to aid Sadlowski.

**Don Stillman:** Former editor of the UMW journal under Miller, Stillman is now working full-time on the Sadlowski campaign from a position within the United Auto Workers, the sources said. Stillman, a graduate of the Institute for Policy Studies-associated Columbia Journalism School, also helped boost Sadlowski during his tenure with the UMW the sources said.

**Robert Hoffman:** A high-level USWA official, UMW sources identified Hoffman as a key, inside man in the USWA bureaucracy who is working secretly for Sadlowski’s election.

At the same time, top officials of the USWA indicated this week that they are also preparing to move on the connection between Sadlowski and Rauh. Noting a big play given to violence against Sadlowski supporters in the New York Times and similar anti-labor press, one USWA official commented that “there have been three major acts of violence within the labor movement in the past decade, the Yablonski killing, the death of Walter Reuther, and the recent stabbing of a Sadlowski supporter. Joseph Rauh was connected to every one of them.” The official indicated that the USWA is preparing intelligence on the Sadlowski operation, including specific reference to Rauh, which would be ready at or before the steelworkers constitutional convention scheduled for the end of August.

The UMW leaks on the Miller apparatus' funding of Sadlowski are part of a broader effort, centered around opposition leader Mike Trbovitch, to dump Miller altogether at the UMW convention that begins Sept. 23 in Cincinnati. According to the New York Times, the Trbovitch forces will seek to retire Miller at the convention, paying him his full salary for the remainder of his term. A.H. Raskin, the union-hating Times labor editor, admitted that the developments in the UMW "have caused extreme concern in Federal agencies and in coal-burning industries," and cited Rauh himself saying that "any such ouster maneuver would be illegal, in the view of Joseph L. Rauh."

However, as this letter reported, the IPS gang is also looking for an opportunity to replace Miller — who they now see as a hopeless liability — with some more viable operative. The way for Trbovitch to distinguish himself from such an operation — and to avoid being sucked into it — is to name the names of the IPS agents.

Admitting that the troubles besetting "Mr. Miller, and the ardent support given him by such long-time crusaders for increased union democracy as Mr. Rauh are certain to be used against insurgents (i.e. Sadlowski—ed.) in the mine union's giant off-shoot, the 1.4 million-member United Steelworkers," Raskin virtually conceded that the Institute for Policy Studies inside wrecking job on the labor movement faces major setbacks in its two biggest penetration operations outside the UAW, the UMW and the USWA.

#### Have the Teamsters Forgotten How to Fight?

The moves by UMW and USWA layers contrast with the continuing passivity of the International Brotherhood of Teamsters, which is under a multi-pronged attack from Institute for Policy Studies forces centered around Ralph Nader, "PROD" — a self-styled Teamster watchdog and Justice Department, Labor Department, and Internal Revenue Service investigations.

The New York Times claimed today that powerful Cleveland Teamster leader William Presser reportedly took the Fifth Amendment "before Labor Department investigators." The move, represents the kind of chipping away at the union which the Teamsters, including Presser himself, have permitted by their witting refusal to expose PROD and the Institute for Policy Studies' operation as a Wall Street-ordered wrecking operation designed to destroy the Teamsters and their pace-setting national Master Freight Contract signed last May.

#### What is Ed Sadlowski

Key to victory by traditional union forces against the Rauh-IPS wrecking conspiracy is the willingness of union leaders to publicly expose the Institute and its role in the operations. The reason for this is that the IPS agents do not draw their strength from within the unions; generally they are hated by most union members and officials. The Rauh-IPS forces, identifiable by their tag-slogan "union democracy," are backed by foundation money; Justice Department, Internal Revenue Service, Labor Department and other official frame-ups against labor organizations; and press smears carried out by conduits such as Jack Anderson, Ralph Nader, the New York Times and the Washington Post. Their goal is the incorporation of the entire U.S. labor movement into a Nazi Labor Front-style corporatist slave-labor apparatus, as authorized by the Humphrey Hawkins Bill and to be administered by a Carter-Mondale presidential team and its chief labor backer, Leonard Woodcock. The only way to effectively destroy this far-reaching conspiracy is by going for its jugular — Rauh and the Institute for Policy Studies.

The case of steelworkers "insurgent" Sadlowski, who is hated by nearly everyone even within his own District 31, is instructive on this point: **in every honest union election Sadlowski has run in, he has been overwhelmingly defeated.** Like ineffectual IPS-Nader stooge Jock Yablonski, Sadlowski was overwhelmingly

defeated in his 1973 electoral bid for presidency of District 31, despite the aid of old Walter Reuther-associated Rauh. To salvage the situation, Rauh and the Justice Department reached a deal in 1974 to have the Labor Department reschedule the election on the basis of Rauh's charges that the USWA had defrauded "radical" Sadlowski.

With ballots in the re-election personally counted by Labor Department representatives, Sadlowski "won" and was installed as head of District 31.

On April 13 of this year, in elections for president of the USWA local at Inland Steel in East Chicago Indiana, Sadlowski-agent Marc Connally, editor of the local paper, burned ballots immediately after the election in order to protect the "victory" of Sadlowski agent Jim Balinoff over incumbent David Lopez and U.S. Labor Party candidate Sam Washington. The USLP has filed court action in the case.

Former Yale University Assistant Professor and Institute for Policy Studies associate Staughton Lynd, presently the heart of the Sadlowski campaign "apparatus" in the steel center of Youngstown, Ohio, admitted frankly in an interview earlier this summer that "Sادلowski didn't have a base back then and still doesn't. He was put together as a total creation of Joseph Rauh and the Social Democrats for use against "communists."

The synthetic Sadlowski is being touted in more than one circle as the successor to Walter Reuther in busting the labor movement. Reuther's brother Victor, who recently scandalized union circles by circulating a letter calling for outside intervention into the USWA election to ensure Sadlowski's selection as president, devotes the last chapter of his book, *The Brothers Reuther*, to building up Sadlowski as the coming leader of the new labor-Democratic Party coalition that was unveiled at the recent party convention. And Rauh was quoted recently: "Ed Sadlowski is the best thing that's happened in labor since Reuther."

Rauh's desperation and the lengths to which he will go to wreck the union movement were emphasized as he was quoted in the Pittsburgh press praising the spectre of the Yablonski murder in the Sadlowski campaign: the Sadlowski effort may be "tainted with violence," Rauh warned.

The UMW "wildcat" strike continues in full force with at least 80,000 miners idled due to the continued deployment of Institute for Policy Studies Maoist agents who are criss-crossing the country to disrupt the UMW. The wildcat is being continued despite a Federal Court order to rescind court-ordered fines and jail terms that were ostensibly, according to "radical" rank-and-file leaders, the main issue in the strike. I.P.S. has targeted the discredited leadership of its stooge Arnold Miller in this black operation, and is searching, according to I.P.S.-linked sources, for a suitable replacement for Miller. Miller, unable to contain the "wildcat" operation, is likely to be forced into early retirement by over 80 per cent of the delegates at the upcoming UMW convention, according to knowledgeable sources within the UMW, and the question is, who will control the new leadership, the I.P.S. forces, or the UMW old-liners.

Old line UMW district leaders report they are tracking the interstate movements of the Maoist agents in an attempt to end the phoney wildcat. District offices distant from the West Virginia Maoist rats-nests, including Indiana, Illinois, Colorado and Alabama, report that small bands of I.P.S.-Maoist agents are invading UMW offices, sparking strike actions and then quickly moving out to the next district before the coal miners can figure out what's going on:

"This strike is a set-up," growled Leroy Patterson, United Mine Workers International Executive Board member from the powerful Kentucky-based District 23, of the current miners' wildcat.

In an interview with NSIPS, Patterson articulated a growing recognition among the traditionalist forces in the United Mine Workers that the "wildcat" is the final phase of the Institute for Policy Studies-United Auto Workers operation to crush the last vestiges of resistance in the mineworkers union and bring it under topdown corporatist control.

The behind-the-scenes wildcat leaders include Miller "radicals" Ed James (see above), Dwight McAteer, the UMW Director of Association linked to Ralph Nader, Bill Goode, former Director of Education for the United Auto Workers, Rick Banks, former Appalachia VISTA head, and Nick Barker, Becen Andersen, Tom Bether, all top "Miller advisors."

Patterson, like Mike Trbovitch, a leading spokesman for the old guard and Tony Boyle faction of the UMW, affirmed that the wildcat is being used to get the discredited UMW president Arnold Miller.

The dirty work for the "wildcat" which has closed down all mines in West Virginia and parts of Virginia, Pennsylvania, Ohio, Kentucky, Illinois and Indiana is being carried out according to Nader protege and Institute UMW expert, by "no more than 50-60 radicals" planted in the Appalachia during the 1960s. The ability of a small group of "radicals" to shut down the mines is related both to an old labor tradition in the UMW that no mineworker will cross a picket line, and because of tremendous discontent felt by UMW members in the face of a total breakdown of working conditions under the Institute-Miller leadership. In West Virginia, the focal point for the strike, Institute Maoist agents like Skip Delano and Bruce Miller have been seen lurking around Charleston agitating for a wider strike and bad mouthing Miller, according to script. Both agents had been ousted from the UMW union as a result of the 1974 staged wildcat. Their direct involvement clinches forever the most

backward mine leaders what the top traditional forces have already perceived: the wildcat is a set up and run by the Institute for Policy Studies and their networks.

The 11-day strike of 70,000 California Cannery workers, represented by the Western Conference of the International Brotherhood of Teamsters, won \$1.30 in wage increases over the next three years. This anti-austerity settlement, close to the pace-setting Teamster Master Freight contract agreement earlier this year, is doubly significant since non-union cannery workers outside California are often paid at minimum wage levels. The Teamster cannery worker's average hourly pay will be increased up to \$6.41 under the new contract from the present \$4.93.

Secretary of Labor William Usery, representing the Ford Administration, mediated the contract negotiations. The California cannery strike, in the middle of the harvest season, affected nearly 50 per cent of the U.S. canned fruit and vegetable supply.

The Teamster victory should be a knockout punch to the discredited United Farm Workers (UFW) led by Jimmy Carter supporter Caesar Chavez. Chavez and his Institute for Policy Studies masters have come up with over 735,000 dubious petition signatures to put up for a vote a set of referendums which would force new union representation elections among California farmers in order to eliminate Teamster farmworker locals. The cannery worker settlement affecting 70,000 mostly Chicano workers puts the lie to the Chavez operation. At the Democratic convention Chavez offered workers labor-intensive slave jobs. Yesterday, at the Eucharist Conference in Philadelphia, Chavez announced in his keynote speech that "60 per cent of the world is poor and hungry, but they have religion."

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