

THE INSIDE STORY

JOHN JUDIS



John Judis
Outgoing political secretary Richard Healey talks with successor Richard Kunes.

NAM and the revolutionary hernia

"The question is whether NAM will join its comrades on the left in oblivion or whether it will build a multi-tendency socialist movement," Stanley Aronowitz, author of *False Promises* and member of the New American Movement's national committee, said.

Aronowitz was speaking at NAM's eighth annual convention, held Aug. 8-12 in Milwaukee. The issues were the same that have dominated the past six conventions: whether, and, if so, under what strictures, NAM chapters should participate in electoral politics and the labor movement.

But a new issue heightened the old debates: whether to accept a proposal from the Democratic Socialist Organizing Committee (DSOC) to begin merger talks.

The DSOC proposal crystallized a crisis that has been building in NAM for six years.

NAM was founded in Nov. 1971. Its founders, who included Michael Lerner, James Weinstein, Staughton Lynd, Harry Boyte and Roberta Lynch, sought to build a socialist organization that would reflect the New Left's commitment to democracy—and its rejection of both Communism and anti-Communism, while avoiding its inwardness, its glorification of Third World revolutionaries and its substitution of militancy for substance.

But NAM's founders were not sufficiently prepared to deal with another important aspect of New Left politics: a distrust of political parties and the labor movement derived from the experience of the anti-war movement. Most NAM members came to embrace a mystical faith in direct action and in mass movements, real or imagined, outside the electoral arena. This placed them resolutely on the margins of politics in the '70s.

NAM members, who were largely drawn from the college-educated survivors of the New Left, also adopted much New Left moralism and radical rhetoric. They saw themselves as "revolutionaries" or "professional revolutionaries." In the name of Marxism, they couched their debates in an arcane and abstract terminology; and they retained at best a tangential interest in current politics and labor.

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Notwithstanding, NAM survived, with a membership that has gravitated between 300 and 500 activists in 30-40 chapters concentrated in the Northeast, Midwest, and Far West. In 1979, through the institution of associate memberships, its total climbed to 875. Some of NAM's long-standing chapters in places like Dayton, the San Francisco Bay Area, and Pittsburgh have carved out local reputations through utility campaigns, the defense of gay and women's rights, socialist schools, and electoral work. Through the recruitment of ex-Communist leaders Dorothy Healey, Benn Dobbs and Saul Wellman, NAM has also created unusually diverse chapters in Los Angeles and Detroit.

The growing political maturity of these chapters, along with the steady emergence of a non-socialist left in the late '70s, strengthened the opposition in NAM to New Left sectarianism. Where proponents of any electoral activity were a tiny minority in 1973, about half of NAM now countenances electoral work, even within the Democratic party. Where unions themselves were taboo as late as 1974, some NAM chapters have done coalition work with unions, and some NAM members have become union officials.

But NAM still remains mired in the sectarian side of its New Left past. It has been plagued by periodic invasions from or revivals of the worst New Left sectarianism. In 1972, NAM ousted the International Socialists (IS); in 1975, it had to confront a Marxist-Leninist caucus, led by recent Harvard graduates who wanted a tour of America's factories. And in 1979, it has had to face an August 7th caucus, led largely by ex-Trotskyist members and wide-eyed collegians.

Revolution vs. reform.

DSOC is, in some respects, a mirror image of NAM. It has a strong national presence, where NAM has remained largely local. Its strongest chapters are on the East Coast, where NAM is weakest. Its roots are not in the New Left, but in the American Socialist Party. Its membership is diverse, including many trade union officials and Democratic party activists. Its focus has been on influencing the left-wing of the Democratic party.

But in the last four years, DSOC has attempted to slough off both its more strident anti-Communist heritage and its single-minded commitment to nationalize Democratic party politics. It has tried to build local chapters and to establish links with citizens' groups, women and minority groups, and the anti-nuclear movement. It has had an influx of New Left members, including NAM founder Harry Boyte. Its proposal to NAM that the two organizations begin merger talks reflected an interest in encouraging local activism.

DSOC's membership has grown from 200 in 1973 to 4000 today, with about 1000 of these members locally active. As many NAM members realized, any merger between the two organizations would be dominated by DSOC.

At the convention, the August 7th Caucus attacked DSOC for its membership in the Socialist International (which they referred to as the "Second International"), its participation in the Democratic party, its failure to encourage rank-and-file revolts in the labor movement, its "token anti-sexism," and most important, its lack of commitment to socialism and revolution.

Former *Seven Days* editor Joanne Barkan enunciated the August 7th position. There would be two main movements in the '80s, Barkan asserted, a "revolutionary" movement, hopefully led by NAM, and a "reformist" movement, led by DSOC. Barkan counseled friendly relations between the two movements, but warned against confusing them. Typically, Barkan's talk was devoid of any reference to current politics, in particular the development of a non-socialist "reformist" left that considerably exceeds DSOC in

numbers and power. And DSOC's "reformist" or "social-democratic" character was merely asserted.

Other August 7th members filled in the blanks. DSOC had, they claimed, a "gradualist orientation toward achieving socialism"—another assertion whose truth or relevance was never demonstrated. "If there is no difference between a revolutionary rupture and gradualism, then there is nothing to do but collapse," New Yorker Bob Masters said.

Chicagoan Marilyn Katz, one of NAM's three-person leadership, claimed that Barkan's NAM-led revolutionary movement could contain "100,000s of potential revolutionaries." Katz included in this category IS (down to about 110 members after their latest split), the United League of Northern Mississippi (a civil rights organization that is as likely to join the Knights of Columbus as to join NAM), numerous socialist-feminist collectives (????), and the Puerto Rican Socialist party (which lost many of its leaders after a disastrous split). Other August 7th members added the Black Panther party to this list.

Joint talks, not merger.

The August 7th Caucus commanded about a third of the 380 delegates at the convention. About a fourth of the delegates stood solidly opposed to them on all counts, while the rest situated themselves uncomfortably in the middle.

Some national NAM leaders welcomed DSOC's merger proposal, although they became reluctant to state their position clearly in the face of the August 7th Caucus's fury. Some California NAM members became joint NAM-DSOC members this year, and more are expected to do so after the convention.

In the debate on the DSOC proposal, Aronowitz derided the Caucus's contention that there was a "mass movement to NAM's left." Ben Dobbs from Los Angeles, Jim Schoch from San Francisco, and John Cameron from Champaign-Urbana argued that NAM's main goal should be to build with DSOC a socialist presence within a larger anti-corporate reform movement.

The largest group of NAM members did not support an imminent merger, but saw no other hope of building a larger socialist movement. Unlike the August 7th movement, they did not question DSOC's socialist credentials, but they did question DSOC's tie to the Socialist International, its commitment to socialist feminism, and its labor and Democratic party perspectives. They hope that talks with DSOC will strengthen the part of DSOC that is most like NAM and result in a combined organization that is less objectionable to them.

NAM leader Roberta Lynch expressed this point of view. She called for joint talks, not necessarily directed towards merger. She admitted that she couldn't imagine joining an organization that would back Ted Kennedy in 1980, but hoped that out of the joint talks DSOC's left caucus could be strengthened.

The adopted resolution reflected Lynch's position.

Early Congregationalists.

While the DSOC proposal may eventually shake NAM out of its New Leftism, its immediate effect, evidenced by the convention, was to draw most of NAM deeper into moralism and posturing. Both sides of the debate were constantly trumpeting themselves as "revolutionaries." NAM's socialist feminism, which has had some positive effect both in the women's movement and NAM's internal practices, was used as much to designate a member of the revolutionary elect as to denote a real politics.

There were frequent laudatory references to Che Guevara, Rosa Luxemburg, Lenin, and Antonio
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Chrysler dug its own grave

By David Moberg

SHOULD WE, THE PUBLIC, SAVE Chrysler? Six governors and various members of Congress from states that would suffer if the troubled corporation succumbed to its bankers. Chrysler's plea for federal aid to the United Auto Workers supports the union's plea, but asked for government money to amount and 30 percent public control rather than the smaller percentage Chrysler wants. Treasury Sec. C. William Miller has announced that the Carter administration may provide a \$500 million loan guarantee if Chrysler agrees to a reasonable plan for survival.

The UAW argues that there would be heavy public costs if Chrysler went under. That has to be spent now to preserve jobs, prevent deterioration and gain some control over the number three auto company's policies. UAW president Douglas Fraser asserted that it wasn't Chrysler's fault that consigned him, but the 150,000 Chrysler workers and their families. Other advocates of some bailout argue that the unified competition in autos would be served if Chrysler were saved.

Without the aid Chrysler probably won't fail completely. Earlier this year, one auto economist said, Chrysler's chairman John J. Riccardo was growing about the corporation's strong ratio of debt to equity, which even now is better than Lockheed had before its bailout, and supply of working capital. Also, it is worth remembering that Chrysler's record profit year came in 1976, one year after its previous record loss, and the same turnaround is possible again. Any company selling around one million cars and trucks could presumably find a way, however drastic, to reorganize and scale down its operations to become viable. Yet even such reorganization is a rough, jolting way out of the mess that Chrysler managers have made.

Some private aid came to Chrysler when Household Finance Corp. agreed to buy \$500 million in accounts receivable from the Chrysler Financial subsidiary and GM agreed to buy \$250 million. That will ease short-term borrowing problems that developed after Chrysler Financial lost its credit rating, but will deprive Chrysler of longer term income that GM and HFC now pick up. Meanwhile, Chrysler revealed that its sales in the first 10 days of August were off 35 percent from last year, far more than the 15 and 18 percent for GM and Ford.

In applying for the special one billion dollar tax credit against future possible income Chrysler had selected the financing mechanism and the course through Congress that would be most likely to preserve the corporation in its present form. Corporate lobbyists, starting their work months ago, wanted to avoid what they call the "hooks" that tend to go with loan guarantees.

Yet the public, if it foots the bill, has a stake in imposing a great number of such "hooks." Therefore, it is important to understand how Chrysler got into its problems to determine what prescriptions are needed, whether they're imposed as terms of a loan guarantee or through direct public ownership and control of a segment of the corporation.

Chrysler, of course, has stressed the added burden of government regulations. It claims that fuel efficiency and emissions-control regulations cost them \$620 per car, compared to \$340 for GM. Other pro-business, anti-regulation spokespeople have used Chrysler's plight as an excuse for an overall assault on regulations. Citing a study by Murray Weidenbaum that regulations cost \$666 to the cost of the average car.

Even if there were no more regulations...



UAW President Douglas Fraser (right), and UAW Chrysler division vice-president, Mark Stepp, at a press conference where Fraser outlined the union's proposals.

only account for one-fourth the average car price increase since the federal standards were first introduced. Experts in the field also contend they're exaggerated. The total cost to the consumer, not the corporation, is under \$500 per car on the average, according to Barry Felice of the National Highway Traffic Safety Administration. Clarence Ditlow, director of the Center for Auto Safety, says that the high figures don't take into account the savings that come as companies learn how to meet the standards more efficiently or replace one system with another. Felice agrees that Chrysler may have a slightly higher burden per car because of its smaller production run, but estimates the disadvantage compared to GM at \$50 per car or less.

Of course, any full social accounting has to recognize the benefits in better health and prevention of injuries resulting from the safety and environmental regulations, which translated into dollars far surpasses the cost on the auto. Also, companies smaller than Chrysler in Japan and Europe have met the standards, often in innovative ways (such as Honda's stratified charge engine that not only cheaply and effectively cuts pollution but also increases gas mileage

considerably).

Industry officials admit that American consumers are demanding efficiency standards for cars far above the current government mandated level. "You could make a credible case," one auto economist argues, "that if it weren't for regulations the auto companies would still be making big cars and the import share would be 40 percent rather than 20 percent." Many of the changes made for fuel efficiency, mainly cutting down size and weight, cost little more than what the companies used to spend for annual model changes, except that the consumer now gets a more efficient car rather than tail fins. Chrysler now can't find the money to build small, efficient, clean and safe cars, but it managed to spend \$450 million in 1974-5 to redesign its big cars, Ditlow says. Considering how poorly the auto companies have responded both to market demand and social needs, there is a case to be made that the public should have been exercising more, not less, control in recent years.

Chrysler's real problems stem not so much from regulation as from the course chosen by the American automobile industry after World War II. Ignoring safety, the environment, efficiency and qual-

ity in favor of exaggerated styling and superfluous power in the quest for high profit and preservation of existing capital stock tied into old technologies, the industry ran up against environmental and consumer safety movements, international competition and the energy crisis. Chrysler suffered most in the reluctant adaptation of the industry to the new conditions, especially because of unresponsive bad management.

In the 1960s, again in 1971—the year of the Pinto and Vega—and again in recent years, Chrysler has either failed to introduce or to emphasize strongly a small, efficient car. At first they relied on imports from Japanese companies. Now they are limited to selling 300,000 of their small Omni/Ho. For this year and next because they chose to buy engines from Volkswagen rather than build their own.

Corporate officials throughout the 70s have thought they would finesse the small car demand by introducing a new line of big cars with big profit margins and then use the money to build small cars. But the first energy crunch hit in 1972 just as they introduced a new line of large cars. The same thing happened again this winter, when Chrysler also lost much of its lucrative light truck and van market as gasoline prices soared.

The one wise move they made, introduction of the compact Volare/Aspen in 1976, backfired as quality problems and recalls drove away buyers. The Volare/Aspen share of the U.S. market dropped from 6.5 percent in the spring of 1977 to 3.1 percent in the first quarter of this year. For a company that sank from 12 percent of the market in 1977 to 10.7 percent this year, the Volare/Aspen decline explains a lot. But those quality problems can be traced in part to the huge layoffs of engineers in 1975 that were occasioned by the combined recession and previous poor planning by the company in sticking with big cars.

There have been other problems. Chrysler made a bid for a share of the world auto production with investments that mainly proved unsound, except for the Mexico operation. Chrysler also tried to match GM and Ford with a wide number of models (except in the subcompact category, where they had only the "captive imports"), instead of following very common advice to concentrate on specific, well-chosen market segments.

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Dodge Main closing threatens Hamtramck



Workers leaving the Dodge Main plant in Hamtramck, MI.

Chrysler's woes have already hit hard at Dodge Main, the old, multi-story, two-line assembly plant in Hamtramck, an enclave within Detroit. A thriving plant employing 10,000 workers a few years ago and as many as 8,800 late last year, Dodge Main is now down to 2,400 workers on one line and one shift. By next summer, the corporation says, the plant will be shut down, leading to an estimated permanent loss of 3,200 workers and to a severe blow to Hamtramck's tax revenues.

The overall corporate problems have somewhat overshadowed the crisis at Dodge Main, which gained fame in the late 50s as the home of the Dodge Revolutionary Union Movement. "We're still wishing that the corporation would keep it open," says a vice-president of the Dodge Main plant. "Now you hear about a plant closing the corporation... it's a real blow to the community." When the plant closes, it will mean the loss of 3,200 jobs and the loss of 3,200 tax dollars a year.

ally the plant was used for truck and van production. Since the May 30 announcement of Chrysler's intent to close, there have been three major demonstrations, starting with about 3,000 protestors and then dwindling. The Hamtramck NAACP, local politicians and various left groups have been active in campaigns to keep the plant open.

The UAW's Chrysler division vice-president, Marc Stepp, says that the union hopes in current negotiations to convince the corporation that "rather than close it entirely they should keep some production there." One possibility is using the plant for storage and spare parts, but that would still mean drastic cuts in employment. Stepp says he is proposing for mothballing the plant and to use the plant for storage or production of a new line of cars. "It's for neither the union nor the worker," Stepp says. "It's for the plant and the community." The UAW is also proposing to use the plant for storage and spare parts.