

By Diana Johnstone

PARIS

THE GERMAN STEELWORKERS, PIONEERS IN the battle for a 35-hour work week, recently won a new reduction of work time with no loss of pay. But the German left is currently quarreling over whether or not shorter hours should mean less pay.

The issue of wages and hours, horrendously complex and technical, is an argument for experts. The ordinary citizen is stuck in the position of a patient listening to doctors argue about the diagnosis. The patient's life is at stake, but there's no way of telling which remedy will work.

The illness threatening European societies is unemployment.

A problem with no end in sight: All studies project mass unemployment deepening in Western Europe. The free-market economic policies of the Reagan era offer no way out. The policies were sold to the public on the grounds that creating favorable conditions—like low wages and taxes—for business would attract investment, which would in turn create jobs. By now it is clear that most investment in technological improvement destroys jobs.

The projections are inescapable: as productivity rises, the need for labor descends. The amount of gainful employment in industry continues to shrink drastically in proportion to productivity. The problem is two-fold: maintain the volume of the working-class share of the product and at the same time spread it around.

In Italy: In his March 4 opening address to the Communist Working Men and Women's Conference in Rome, Antonio Bassolino proclaimed the collapse of the Reagan period infatuation with free enterprise, saying labor must again be at the cutting edge of social progress. In fact, after eight or so years of defeats, the Italian labor movement has in recent months been bouncing back.

Bassolino recently announced that labor and the left must henceforth concentrate on reducing working hours. He endorsed the 35-hour work week as the immediate goal, with the prospect of a European-wide 30-hour work week in 10 or 15 years.

The head of the General Confederation of Italian Labor (CGIL), Antonio Pizzinato, suggested that the "1990 centennial of May Day can be the occasion for a worldwide reflection on the 30-hour work week."

In France: The labor movement here is too weak to mount a campaign for shorter hours. But the idea of a "guaranteed minimum income," usually set at about half the minimum wage, is gaining ground among politicians.

In Germany: On February 2 the Ruhr steel companies and the metalworkers union IG-Metall signed a contract granting 130,000 steel workers a 36½-hour week with no loss of pay. The new hours, which will go into effect in November, mark another big step in IG Metall's progression toward the 35-hour work week that began when the union succeeded in reducing the work week from 40 to 38½ hours after a seven-week strike in 1984.

Management's unanticipated agreement to the new time-cut can only be explained by the popular mobilization in favor of West German steelworkers that has been going on this winter. The movement exploded last December when Krupp went back on an agree-

ment worked out with the workers last summer, suddenly announcing that it was shutting down its Rheinhausen steel plant on the outskirts of the Ruhr city of Duisburg. The remaining 6,200 jobs at Krupp's Rheinhausen plant are about all that keep the community economically alive in Duisburg, where the unemployment rate is already at 17 percent. Hundreds of thousands of steelworkers demonstrated in Ruhr cities, with support from a nationwide movement of solidarity.

In such an atmosphere the steel barons may have decided a tactical retreat was in order. But the war is not over.

The largest European union, IG Metall has fought the hardest for the 35-hour work week—and explicitly as a means of spreading a shrinking amount of work among as many job-seekers as possible.

Yet at its moment of success, and as the Public Administration and Transport Workers union (ÖTV) was in turn engaged in negotiations for a shortened work week, a jarring note came from the Social Democratic Party (SPD). On the eve of the publication of his new book, titled *Die Gesellschaft der Zukunft* ("The Society of the Future"), Saarland Prime Minister Oskar Lafontaine, the hero of the SPD's left wing since his opposition to Pershing 2 deployment, began criticizing the unions' refusal to let wages be cut proportionally along with hours. Lafontaine advocates a "new definition of work for the third industrial revolution" based on the concept of "socially necessary work," including both wage labor and housework.

In a speech on February 7, Lafontaine warned that unemployment can be solved only if working people "share not only work but also income and wages with those who have no jobs." Lafontaine said he favored the 35-hour week, but not maintaining full pay, at least not for those with high salaries.

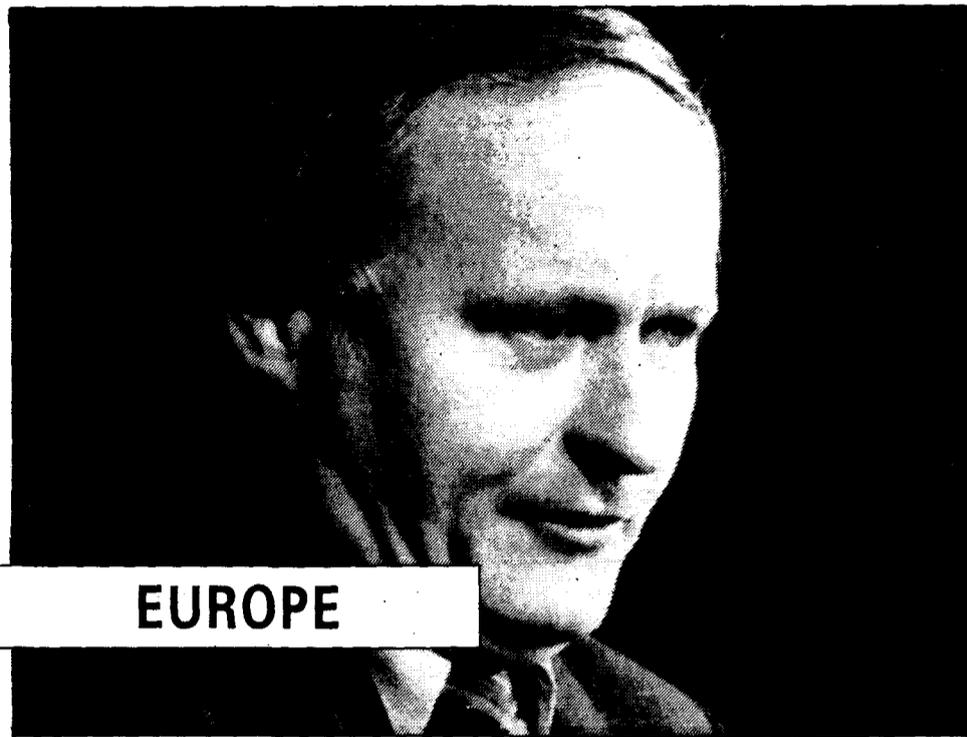
Editorialists hailed Lafontaine's vision and courage, while enthusiastic praise came from unemployed groups and from business circles. But unions' reactions mostly ranged from skeptical to aghast.

Then in a cover article on Lafontaine, the weekly *Der Spiegel* pointed out that his new stand was foreshadowed in an analysis of the Social Democrats' 1987 electoral flop that had been completed last fall. The study concluded that the Social Democrats' only chance to get back into office was to be an acceptable partner to the Free Democratic Party (FDP) of Foreign Minister Hans-Dietrich Genscher, not only in foreign policy, but also in economic and social policy. The Social Democrats must appear able to take on "the modernization of society and the economy" and not simply be a caretaker of the social security safety net.

The FDP usually scores between 5 percent and 9 percent of the vote in local and national elections, but its influence is proportionately greater because it is first of all the party of leaders of the liberal professions and high-tech industries. In 1983 the Free Democrats changed the government in Bonn by simply shifting their alliance from the Social Democrats to the Christian Democrats.

Der Spiegel reported that Lafontaine, a possible SPD candidate for chancellor in 1990, along with other SPD leaders, including party treasurer Hans-Ulrich Klose, recently met discreetly with captains of industry to discuss economic policy. It may be significant that the party chose former Hamburg Mayor Klose as its treasurer. A major center

Shorter work week: who pays?



EUROPE

SPD leader Oskar Lafontaine: solidarity with the unemployed or selling out workers?

of East-West trade, Hamburg is also a fortress of business support for the SPD-FDP coalition, which was recently restored in that city-state after the SPD and the Green Party failed to put together a coalition.

New-age solidarity: Lafontaine got a chance to taste organized labor's displeasure at a weekend convention of the Social Democrats' Study Group for Labor Questions in Wiesbaden. Chairman Rudolf Dressler sharply rejected the Saarland leader's "new concept of work." "The demand for shorter hours with less pay is nothing other than a way of enabling capital to grab up the whole benefit of increased productivity for its own side," Dressler argued. Anyone who doesn't grasp that hasn't grasped how distribution questions are really settled in this society, he said.

Who does grasp how distribution questions are really settled? Whether conservative or radical, organized labor militants know from experience that redistribution of income is the result of a relationship of forces, of "class struggle"—a concept that is distinctly out of style.

Lafontaine's concept of "solidarity" rings more bells with the new age post-industrial visionaries. Solidarity implies giving up the class struggle required to wrest a larger share of the fruits of productivity gains away from capital as a whole for the working class as a whole. This struggle tends to be written off as lost because of capital's mobility—its ability to flee from any country where the heat is on from organized labor and head for some distant poor country crammed with starving proletarians. Instead, the working class should concentrate on dividing up the global sum conceded by capital—the wage mass—among the class as a whole, both those gainfully employed and those without jobs.

Lafontaine told the Wiesbaden gathering that the Social Democrats could neither influence the international economy nor undo the policies of Chancellor Helmut Kohl's conservative government. But it had a "duty of solidarity with the unemployed." Lafontaine compared the situation to the aftermath of a robbery. If most of the provisions have been stolen, those who have something left are obliged to share with those who have

nothing. Delegates pounced on the fatalistic moralism of this stance. One stressed that the point was to "catch the robbers" and make them pay back, instead of "searching for coalition partners among them."

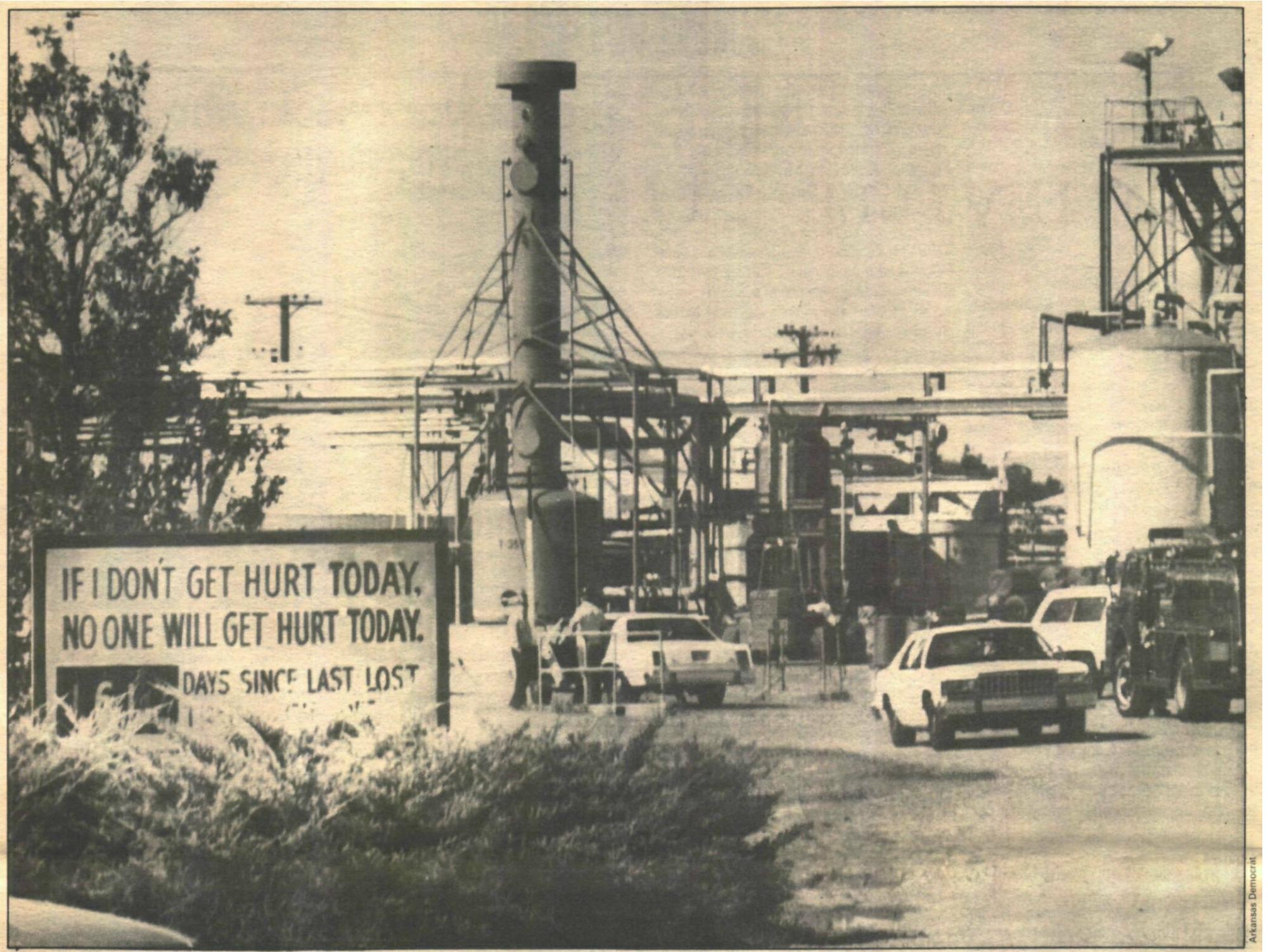
Metalworkers union Chairman Franz Steinkühler said that at a time when collective bargaining was underway, Lafontaine's statements worked "almost like a dagger in the back."

Steinkühler acknowledged that teachers might be asked to give up part of their income for unemployed teachers. A North Rhine-Westphalia official has suggested that the state could hire 6,000 unemployed teachers if all working teachers gave up two hours of work time along with the corresponding salary. The public employees union ÖTV negotiates for everybody up to the highest level, allowing room for shifts in the salary mass to create jobs.

But Steinkühler said that in an industrial economy, the union has absolutely no influence over the upper-income groups. "Can anyone imagine how great a shift in power must first be achieved in this society before we could force employers to commit themselves by contract to create new jobs?" he asked rhetorically.

The head of the Federation of German Trade Unions (DGB), Ernst Breit, said sarcastically that if employers would commit themselves to use the savings from 5 percent work time and pay cuts to create 5 percent more jobs, the unions would immediately agree. His point was that in a free enterprise system, nothing guarantees that wages given up by workers will go into wages for new jobs.

In an interview with *Die Tageszeitung*, Rudolf Dressler rejected as unfair the accusation that the unions have done nothing for the unemployed. On the contrary, he said, "against the bitter opposition of employers" the German unions have turned down offers of higher wages to stick to the fight for shorter hours on behalf of the unemployed. Creating or at least saving jobs has been the major motive underlying the Metalworkers union campaign for the 35-hour week, and, in the process of bargaining, this has meant sacrificing wage demands in favor of shorter hours. □



Arkansas Democrat

The conclusion of In These Times' three-part investigation into the dioxin contamination of Jacksonville, Ark., focusses on the chemical companies involved. In unveiling the hidden ownership behind Vertac Chemical Corporation, it is revealed for the first time that the city's toxic disaster extends outward to envelop two of the nation's largest multinationals. Their connections to an obscure and once quiet community pose troubling questions that go far beyond Arkansas.

By Dick Russell

JACKSONVILLE, ARK.

THIS IS A STORY OF CORPORATE INTRIGUE and manipulation, a journey through the labyrinthine world of the makers of toxic chemicals. It attempts to answer this question: who bears the ultimate responsibility for thousands of leaking barrels of dioxin-laden chemicals and other poisons in this Arkansas community—a place that can justifiably be called the most serious hazardous waste area in the U.S.?

An *In These Times* investigation has tracked a corporate maze extending far beyond the contaminated chemical plant in Jacksonville, 12 miles from the state capital of Little Rock. It includes not only a network that stretches into five other nations—Panama, Italy, Switzerland, Sweden and Japan—but also hidden ownership and shady deals. It points to the quiet involvement of the former chief executive officer of the Diamond Shamrock Corporation and the potential liability of one of the chemical industry's giants, Dow Chemical.

The intricate maze illustrates how bigger companies use smaller ones—like Jacksonville's Vertac Chemical Corporation—to keep up production of lucrative, but potentially deadly, products. Then, when push comes to shove over liability for the toxic hazards posed by these chemicals, the companies sometimes square off to implicate each other. Although they often publicly appear to be corporate "enemies," they collude behind the scenes to tie the hands of government regulators, lawmakers and citizens. Employing small armies of attorneys, they are able to stall remedies and avoid product restrictions indefinitely. Employing sophisticated public relations staffs, they are able to stay out of the national limelight.

Legacy of neglect: Jacksonville, a city of 30,000 people, is a case study in such corporate maneuvers. Its pollution woes far surpass those of the Love Canal landfill near Niagara Falls and of Times Beach, Mo., where in both places residents were evacuated by the Environmental Protection Agency (EPA). Yet except for a 1980 story published in *Life* magazine, the major media have ignored the Jacksonville situation. A former Vertac public-relations employee, David Simmons, admits that "when inquiries came [from major media outlets], generally the local stories had enough holes in them that they were discreditable."

Yet the EPA found Jacksonville's toxic saga very credible indeed. In recent years it designated three different areas for Superfund cleanup. The agency estimates that disposal of the nearly 30,000 drums of hazardous

Vertac Chemical's/Jacksonville plant: The corporate maze leading out of this dioxin-laden site spans several continents.

wastes at the chemical plant and "restoration" of off-site pollution areas may cost close to \$400 million. It has detected TCDD-dioxin, a byproduct of herbicide production and the most lethal substance produced by humans, at the highest levels ever found in soil and barrels of toxic waste. Many scientists say that there is no safe human exposure level for this form of dioxin.

But Jacksonville residents were not even informed until 1979 of the pollution problems that had abounded for about 30 years. Before chemical production ceased in 1986, toxic wastes were systematically spewed into the city's waterways, sewer system and several landfills, severely contaminating the area and causing numerous health problems for local residents. During what a former plant supervisor calls "runaway chemical reactions," and an explosion in the mid-'60s, vast quantities of dioxin were released into the air.

Dozens of residents maintain that over the years they have suffered everything from miscarriages and birth defects to Sudden Infant Death syndrome and cancer. More than 100 Jacksonville residents have sued two of the three companies that since 1948 have run the chemical plant, alleging personal injury and wrongful death. Since 1986 portions of both lawsuits have been settled out of court for undisclosed sums.

The question of future liability for the con-