

Labor, Democrats accelerate revolt vs. Gingrich lunacy

by Anton Chaitkin

Political mobilization of the Democratic ranks, stimulated by Lyndon LaRouche's March 2 national television address on "National Economic Security" and his March 5 double-digit vote results in the Democratic Presidential primaries, proceeded apace over the week of March 25-30. Democrats moved in tandem with aggressive political and union-organizing initiatives by the AFL-CIO.

Sen. Edward Kennedy (D-Mass.) began the week with a full-page article in the March 25 issue of *Roll Call*, the newspaper which serves Capitol Hill in particular, entitled "America's National Security Redefined: We Must Address New Concerns, Ensure Good Jobs, Affordable Health Care, Secure Retirement." Kennedy declared that "with the end of the Cold War, concern is over four other basic aspects of security—job security, financial security, health security, and retirement security. No political party deserves to prevail if it fails to address these concerns. . . . Since 1973, real family income has fallen 60%." Kennedy challenged Republicans, "who profess to be undergoing an election year conversion on the issue of worker insecurity," to help raise the minimum wage.

The AFL-CIO held a special national convention on that same day, preparing for a summer offensive to elect a pro-labor Congress and President, and to recruit new members to unions. During the week, Sen. Robert Dole (R-Kan.) and the Republicans embarrassed themselves by blocking a vote on a Democratic measure to raise the federal minimum hourly wage from \$4.25 to \$5.15. Meanwhile, certain House Democrats, working with their labor allies, introduced important legislation to revive investment in American infrastructure.

DeLauro bill a step toward progress

House Minority Deputy Whip Rosa DeLauro (D-Conn.) introduced the National Infrastructure Development Act on

March 27. The bill would authorize new federal funds, and would channel much larger private investment, into building and repairing America's dangerously decayed transportation, education, and other infrastructure.

The bill's projects would include schools, roads, bridges, tunnels, airports, mass transportation and "passenger rail" vehicles or systems, intermodal transportation facilities, waterways, commercial ports, drinking or waste water treatment, solid waste disposal, pollution control systems, hazardous waste facilities, and (not high on the list) "information highway" facilities.

The bill proposes the creation of a National Infrastructure Development Corporation (NIC), with \$3 billion in capital, which would lend to public and private projects. For every \$1 billion invested in the NIC, DeLauro said, 240,000 to 450,000 new jobs will be created. Developers would also issue "Public Benefit Bonds," which would be insured by the NIC, and be exempt from income taxes, and thus would be desirable objects for private investment. The federal government would particularly encourage pension funds to invest in these projects.

The DeLauro bill falls short of the massive federal investment in power, transport, and other infrastructure which Lyndon LaRouche has shown to be necessary to save the U.S. economy and provide 6 million new jobs. But it is a necessary step toward reviving the traditional approach, in which the United States directed private capital into productive channels through such measures as high tariffs, cheap credit, and tax incentives. The bill thus challenges the ruinous economic dogma that the "financial markets must determine for themselves" the object of investments, using strictly "bottom line" criteria—with increasingly insane, speculative results.

As Sen. Jeff Bingaman (D-N.M.) put it in his Feb. 28 report to the Democratic leadership, "In our view, composi-

tion of investment matters. . . . Net investment in fixed corporate assets. . . . has fallen substantially,” and productive investment has been undermined by “increased dividend payments by firms [under] capital market pressure for current income.”

Spokesmen for the British-run Conservative Revolution, such as the drug-legalization lobby the Cato Institute, have been increasingly alarmed that U.S. leaders would “divert” the vast public and private pension funds into “social” investment aims, and away from being targets for looting. The dominant lunacy on this question was expressed by Federal Reserve Board Chairman Alan Greenspan, in his recent confirmation hearings, when he testified about his doubts as to “how much so-called public infrastructure adds to the productivity of the economy as a whole”!

DeLauro said that her bill “targets the pension community and other institutional investors [which] . . . represent \$4.5 trillion in investment potential. . . . Every dollar . . . will result in \$10 of actual construction,” and over a million jobs could result.

House Minority Leader Richard Gephardt (D-Mo.) said that the bill would help correct the massive deficit in transportation and other U.S. infrastructure, which is crippling productivity. He noted that many states are planning to set up state infrastructure banks to work alongside the proposed NIC.

In the pro-labor DeLauro bill, at least two of the 12 NIC directors would be “representatives of organized labor,” and assisted projects would have to pay at least the prevailing wage under the Davis-Bacon Act.

Gaining control of Congress

At the AFL-CIO’s March 25 special convention, the first since the 1955 formation of the federation, the delegates endorsed the reelection of President Clinton, much earlier in the electoral campaign season than is customary. Also approved was \$35 million for political education, aimed particularly at ending Conservative Revolution control of Congress.

Union leaders stressed the degenerate character of the Gingrich school of Republicans. Washington state AFL-CIO President Rick S. Bender said, “I have never seen so many brain-dead candidates get elected,” as happened in 1994. Bender told of one of these congressmen, who complained about immigrants not learning to speak English; after all, the congressman claimed, Jesus spoke English and the Bible was originally written in English!

AFL-CIO Vice President Robert Georgine said President George Bush had put through a series of anti-labor Executive Orders, which Bill Clinton reversed immediately upon taking office.

AFL-CIO President John Sweeney said that while the AFL-CIO has differed with Clinton over the North American Free Trade Agreement, the areas of agreement with the administration are of decisive importance in the face of the common enemy, Gingrich-Dole. A federation brochure at the convention stated, “We support fair trade. We do not support

what is commonly called ‘free trade,’ a concept that pits worker against worker for smaller and smaller wages and benefits.”

Delegates previewed a video called “Union Summer,” a recruitment vehicle for young interns for a drive to organize workers into labor unions this summer. The film begins with scenes of the 1964 “Freedom Summer,” when young people were brought into the South to campaign against racial injustice. A civil rights veteran says: Then the issue was the right to vote; now we are fighting for the right to live, the right to survive.

The video shows film clips of demonstrations against oppressive New York garment factory “sweat shops.” Young recruits speak of the likelihood that there will be big demonstrations this summer, and that “we might go to jail.” The themes of racial justice and labor justice are brought together as human rights. Recruits are to be hired at college campuses and union halls, trained, and paid a minimal stipend for a three-week internship. The video stresses that this is “your chance to make history.”

GOP ‘comatose’ in face of attack

The emergence of a political campaign by the AFL-CIO and its Democratic Party allies has apparently shocked Republican leaders, who are impotently spinning their wheels in response. Republicans have filed a Federal Election Commission complaint, charging the AFL-CIO with illegally organizing a war chest to defeat Republicans in the 1996 elections. The House Oversight Committee staged sham hearings to “investigate” the AFL-CIO’s political actions, but the ploy fizzled when Sweeney declined to appear before the inquisitors. The April 3 *New York Times* reported that “Republicans in Congress are looking into hearings on issues like union corruption to embarrass the labor movement.”

The Domestic Policy section of the Heritage Foundation, run by British Fabian Society leader Stuart Butler, has set up a “Union Watch Project” to try to equip Republicans to counterattack the combined AFL-CIO/Democratic political drive. The Heritage project warned the Republican Party national leadership, “Organized labor’s renewed political activism promises to be a major factor in the 1996 elections.”

In his March 30 radio address, President Clinton attacked the Republican opposition to a minimum wage increase. But when Sen. Fred Thompson (R-Tenn.) delivered the Republican reply, he did not even respond to the President on the wage issue. The *Washington Times* interviewed worried Republican leaders. An official of the Congressional Joint Economic Committee said, “Republicans have a primordial fear of the political fallout from this issue. They don’t have a comfortable way of responding to it.” Republican strategist Jack Albertine moaned that “Republicans at the moment are comatose on this issue.” Economist Stephen Moore of the conservative Cato Institute summed it up: “Republicans . . . are unable to translate economic issues in ways that resonate among working-class Americans.”