

LABOR

If the Teamsters strike, blame

The International Brotherhood of Teamsters leadership may be forced to call a nationwide strike this weekend of more than 300,000 over-the-road drivers covered by the IBT's master freight agreement. If that happens, the blame falls squarely on the shoulders of the so-called anti-inflation czar Alfred Kahn and a few gullible leaders of the trucking industry.

Investigations by this news service have substantiated charges leveled by both the Teamster leadership and certain trucking industry officials that Kahn's "meddling" in the negotiations has produced the current impasse. According to sources knowledgeable about the inflation czar's thinking, Kahn, aside from his commitment to enforcing the Carter "7 per cent wage-price" austerity guideline, has a "real, deep-seated

hatred" of both the Teamsters union and the trucking industry, whom he privately labels as "greedy bastards."

A source close to the negotiations reports that negotiators for the trucking industry had been willing to place a wage and benefit offer on the table several weeks ago in excess of the wage-price guidelines; the offer would then have served as the basis for further negotiations. Kahn got wind of it through his own sources, and went on the offensive, browbeating trucking officials with various threats, including a full scale Administration offensive for trucking deregulation. As a result, the industry officials pulled back their offer and the negotiating process has been going nowhere fast.

Kahn is in full control of Administration policy concerning the Teamsters contract. He has the strong

'Teamsters are our No. 1 enemy'

The following are remarks made to a reporter last week on the eve of a possible Teamsters strike, by a spokesman for the Council on Wage and Price Stability.

...Sure there have been other contracts that have pierced the guidelines. But the Teamsters are talking about smashing them completely. Right now, the Teamsters are our number one enemy....

I can tell you that whatever happens, this office and Mr. Kahn are not going to give in and say that a 12, 11, 10 percent/yr wage increase would be okay.... We have a commitment here to hold the line and we

have chosen the Teamster contract as our test....

I know that given the 14 or 15 percent rate of inflation, it might sound like we're asking for the Teamsters to take a wage cut. But if they take something near 7 percent, then maybe we could drop the inflation rate down to 8 percent. You know workers in Argentina got a 4 percent per month COL, but the inflation there is 140 or 150 percent so what good is it? That's where we are headed if we don't hold the line on the Teamsters.... Our biggest job is to reduce workers' expectations. The days of the fat contract are over...."

Alfred Kahn

backing of Federal Reserve Chairman William Miller, Treasury Secretary Werner M. Blumenthal, and Energy Secretary Schlesinger. Everyone else "defers to Alfred," as one aide put it, even the White House. Labor Secretary Ray Marshall is the nominal head of a cabinet-level task force on labor-management negotiations. But his own aides concede that he has no real power, and tell reporters to check all information on contracts and their "acceptability" with Kahn and Barry Bosworth, who as head of the Council on Wage and Price Stability, is now a subordinate of Kahn's. Marshall, said one DOL official who requested anonymity, has less power than "Kahn's boy Gentry" (Jack Gentry, Kahn's labor-management person).

This is not to imply that individuals such as Marshall differ with Kahn on the intent or content of the Carter austerity program. They don't. And while aides to Marshall worry that Kahn may force a strike, they mistakenly believe that it may be possible to finesse the Teamsters into going along with the guidelines.

"Taking a long strike"

Kahn is fully willing to "take a strike" by the Teamsters, a long strike if necessary. He has convinced President Carter and others that the anti-inflation program can only be salvaged if the Teamsters are forced to hold to the guideline. Kahn and the Council on Wage and Price Stability have deliberately decided to "look the other way" at recent contract settlements between the railway clerks and Conrail, covering 20,000 workers (39 percent over 39 months) and between United Airlines and its machinists covering 15,000 (30 percent plus an unlimited cost of living escalator over three years). "We don't want to take the heat off the Teamsters," said a Council spokesman. "We need a show of force to save the guidelines."

With the inflation rate now running somewhere near 15 percent, by the government's own estimates, Kahn's

austerity guideline program is a total failure. Only the most gullible of fools could believe that a negotiated Teamster wage/benefit package in excess of the Carter guidelines is "inflationary." Kahn continues to push this line — and back it up with threats — while at the same time endorsing Carter Administration policy to jack up the price of fuel. Trucking industry officials should especially realize that "high" wage/benefit settlements have produced a stable, disciplined and productive workforce and industry. The master freight agreement, far from being inflationary as Kahn claims, has in fact helped force the industry to modernize and thereby achieve greater productivity. Kahn makes no bones about the fact that he would like to see the trucking industry broken apart by deregulation and the master freight agreement destroyed. This would do far more to produce inflation and chaos than any "high wage-benefit" Teamster settlement.

Kahn's appeal is clearly to certain elements in the trucking industry and in industry circles generally who are both cowed by the threats and enticed by the chance to squeeze some profit by reducing their wage bill — with the government's backing.

Some sections of the trucking industry have begun to see Kahn and the austerity policies that he represents as far more of a threat than the Teamster contract demands.

"I think that bastard wants a strike," said one industry source referring to Kahn. "But I can't figure out why." It should be noted here that Energy Secretary James Schlesinger's scenario planners are fast at work figuring out how a Teamster strike could be parlayed into a national crisis that would trigger rationing of fuels and wartime economic controls.

Other planners are already looking at a phase two, total economic control program.