

Labor in Focus by Mel Klenetsky

UAW urged members to vote Democrat

The issue is economic, but the auto union leaders have no more credibility on that than the GOP.

The pre-election issue of the United Auto Workers' magazine *Solidarity* called on UAW members to vote Democratic in the 1986 Senate races, citing President Reagan's weakness on the economy. The magazine compared economic performances of 1955-80, when the Democrats controlled the Senate, to the GOP-controlled period of 1981-85.

President Reagan's popularity, especially in the areas of strategic defense and his war on drugs, won him a substantial portion of the blue-collar vote in 1984. But in the words of presidential candidate Lyndon H. LaRouche, Reagan gets an "F" for his performance in economics.

Solidarity magazine points to economic parameters in the states of key Senate races. Florida's unemployment was 5.9% in 1980 and averaged 7.2% in 1981-85. In Georgia, federal cuts have resulted in only 24% of the jobless receiving unemployment insurance benefits. In Iowa and Wisconsin, 40,000 and 43,000 manufacturing jobs were lost in 1981-85. Indiana lost 58,000 manufacturing jobs while average weekly earnings declined 5%. In Pennsylvania, a whopping 300,000 manufacturing jobs have disappeared since 1980.

While these figures reflect the collapse of industrial and manufacturing capacity in the United States, the cause of that collapse and the responsibility for it lies with both Democrats and Republicans. It also lies with UAW leadership, especially its former president Doug Fraser, and the leadership of the AFL-CIO—Lane Kirkland and company.

A review of manufacturing statis-

tics for the auto industry shows what is true for manufacturing as a whole. Paul Volcker, the Federal Reserve chairman, came to power in October 1979 and promptly jacked up the interest rates to double-digit levels. He implemented a policy worked out by the New York Council of Foreign Relations and stated in their 26-volume report of 1975, *Project 1980s*, calling for the "controlled disintegration" of the U.S. economy.

The economic intention of Volcker's fiscal policy was and is to make the United States into a post-industrial society, in which fast-food stands and real estate speculation replace manufacturing.

The steel industry, along with machine-tool production and automobile manufacturing, has been either transformed or obliterated because of the high-interest-rate regime. Volcker was appointed by Jimmy Carter and reappointed by Reagan. His policies have been endorsed and praised by Democrats and Republicans alike.

In 1979, former UAW head Doug Fraser set the stage for the wrecking of the labor movement, by negotiating a billion-dollar wage-giveback to bail out a troubled Chrysler Corp. Instead of joining the nationwide growing fight to dump Volcker and lower interest rates, which would have saved Chrysler billions in interest, union contracts were ripped up, and billions of dollars of wage givebacks were soon negotiated for General Motors and Ford. The result was lower living standards and lower demand for new automobiles.

The phenomenon spread to the rest of economy. Doug Fraser, Lane Kirkland, and the other union leaders did

their best to crush the grassroots movement that had developed to lower interest rates and impeach Paul Volcker. They preferred ripping up their union contracts to opposing the Council of Foreign Relations and Trilateral Commission policies of Paul Volcker. Kirkland's membership in these one-worldist, post-industrial institutions has not been lost on union members; poor attendance at meetings, falling union membership, and a broad pattern of overturning of incumbent union leaders closely associated with the national leadership, attest to that.

Domestic sales statistics show how Volcker's policies collapsed auto production. Auto sales peaked at 9.7 million units in 1973, then fell to 9.3 million units in 1978 and 8.8 million units in 1979. After Volcker introduced usurious interest rates in 1979, domestic sales plunged to pre-1965 levels of 6.6 million units in 1980, and stayed there till 1984 when domestic sales broke the 7 million range again.

These figures alone do not reveal how Volcker's fiscal capers have moved manufacturing out of the United States. Taking 1983 as a sample, besides the fact that the United States has been importing more cars, of the 6.795 million units produced in the United States, 40% of these plus major auto components slipped into the United States through "Free Trade Zones" around the world. At least 19% of the materials going into those cars, mostly steel, came from abroad.

Until a viable economic program is presented, which shows how the United States can once again become an industrial giant, blue collar workers will vote against someone, in protest, rather than for someone. And a large portion of the blue collar voters will stay home, just as they stay home from union and Democratic Party Club meetings.