

NEW SOLIDARITY INTERNATIONAL PRESS SERVICE



Domestic Markets Newsletter

## Scoop Jackson Out to Sneak Youth Slave Bill Into Law

June 26 (NSIPS) — This week Sen. Henry Jackson (D-Wash.) pulled his youth slave labor bill modelled on the 1930s Civilian Conservation Corps out of the Senate Labor Committee jurisdiction and railroaded it through his own Interior Committee in a pre-planned attempt to get it through the Senate before the July 2 recess. The bill, the Young Adult Conservation Corps program, was passed by the House several weeks ago under the leadership of Jackson cohort and "Congressional reform" hatchetman Rep. Meeds (D-Wash). It will put millions of youth to work year round digging ditches, planting trees, improving parks and controlling floods on public lands — all with hand labor at fully taxable, minimum wage "incomes."

In a related development, the 5-4 Supreme Court decision this week to strike down amendments to the Fair Labor Standards Act which would extend minimum wage, overtime and maximum hours guarantees to state and municipal workers paves the way for the introduction of large-scale youth slave labor programs in the municipal sector to replace unionized workers. The sweeping decision was denounced by Supreme Court Justice William Brennan in an unusually strong dissent as "a body blow to the Congress" and "a threat to our constitutional system of government." As Brennan noted, Congress is now reduced to its ability to make federal appropriations conditional on state and local enforcement of the Fair Labor Standards Act.

At the same time, the once-vetoed \$6.2 billion public works slave labor bill passed the House after it had been revised to \$3.9 billion and then passed in the Senate — this time with sufficient margin to override a Ford veto. In February President Ford vetoed the bill and an override attempt was blocked in the Senate.

Part of the Rockefeller insurrection against the President and constitutional government, Rocky's Fabian networks centered around the Institute for Policy Studies, the Brookings Institution, the Wharton School and the Russell Sage Foundation hope to use the Nazi legislation as a weapon against President Ford and as a rallying point for the revival of the repeatedly repudiated Humphrey-Hawkins blueprint for a Nazi Labor Front.

Jackson's attempted putsch to establish CCC work camps nationwide follows the U.S. Labor Party's June 9 defeat of a similar "test case" attempt by Jackson associate Ohio State Rep. Wilkowski to set up a "pilot project" CCC work camp system in Ohio. Trapped in committee after a USLP-led national exposure and lobbying campaign joined by the Teamsters, the Ohio CCC "test case" called for the establishment of military camps in Appalachia where unemployed workers were to be shipped to "reclaim marginal resources" — with pick and shovel — at \$100 a month.

Sponsors of the Jackson-Meeds national YACC bill have

emphasized that the bill provides for strictly "labor intensive" work. "These kids will be working with picks and shovels," an aide to Rep. Meeds gloated, "and they'll be doing things you'd ordinarily use bulldozers and cranes for." Meed got the bill through the House May 25: the bill's Nazi sponsors attributed the success of the maneuver to deliberate and systematic non-publicity.

Jackson's attempt to sneak the YACC bill through Congress behind the back of the working class is part of a furious campaign now underway to set up a Universal Youth Service, the first step of top-down imposition of the Humphrey-Hawkins Nazi Labor Front. Institute for Policy Studies puppet Rep. Michael Harrington (D-Mass) and stringer Rep. Shirley Chisholm (D-N.Y.) are busy putting the Russell Sage Foundation's Universal Youth Service "concept" into a comprehensive legislative package. The Universal Youth Service, as outlined by its backers, would be a national military slave labor and brainwashing draft system combining registration, regimentation and training and channelling of youth into "public service" jobs with local control self-policing. Russell Sage Foundation-funded operatives for the scheme declared recently that the Jackson-Meeds YACC program "filled out the environmental component" of such a service, which they admitted had not a chance — barring "a crisis or a miracle" — of getting through Congress "as an entity."

### Down The Chute

## U.S. Economy Proceeds Down Road To Bust

For the second week in a row, official statistics have shown that the so-called U.S. economic upswing is going down for the count. Chain stores announced this week that their sales for the month of May had dropped in real volume terms. Still the retail economists tried to paint this dismal information with the same positive light that has been used to create the upswing hoax: the sales figures were up by 7 per cent against the hideous levels for the same month last year. Yet even this good news had to be tempered: May's increase in sales was half the increase shown by the preceding month's figures.

This precipitous month-to-month drop in the rate of sales increase cannot be dismissed as an "aberration" or "seasonal phenomenon" as charlatan government and private economists are insisting. It comes against the background of a two-month drop in retail sales climaxed in May by a whopping 1.2 percent plunge.

There is every reason to believe that this unmistakable trend will continue to accelerate. First, aside from auto sales

chain store sales have been the mainstay of the phony "consumer-led" recovery. The ability of fast-turnover national outfits like Penny's and Kresge's to sustain high volume sales over the past year was based largely at the expense of the smaller regional outfits. As is openly admitted by analysts in the retail field, these national stores have propped up their sales by a deliberate practice of bankrupting the smaller outfits through price cutting and other illegal market practices. May sales figures indicate this one-shot cannibalistic game is now over.

#### **Price Inflation**

Second, the biggest gouger of working class income and purchasing power, price inflation, has begun to show its ugly face again. According to the Bureau of Labor Statistics, consumer prices in May rose at an annual rate of 7.2 percent, twice the rate of any previous month this year. The biggest rise, meanwhile, came in industrial commodities, regarded as the best indication of future trends.

While the output of the nation's factories and mines has continued to rise — at least through May — it is almost

inevitable that this will soon be reversed. Since April, the rise in industrial production has been fueled mainly by the transfer of inventories from the manufacturing and wholesalers to retailers. As the Commerce Department statistical releases of a week ago show, the rise in manufacturing sales — the immediate cause of production increases — represented no actual sales but simply stuffing retailers with stocks they themselves were not able to liquidate. The recent rise in claims for unemployment insurance, suggests that the monetary clog up has already begun to feed back into a production bust.

An interview with the head of a major construction company revealed precisely where that industry — the nation's largest — is heading. Asked what effect recent price increases in such commodities as steel, copper, lumber, and chrome would have on the industry, already operating at only about 60 per cent capacity and nearly bankrupt, he commented, "Well, they (prices) have just about reached the mystical plateau! And that's when contractors stop buying altogether."