

## HUD And Treasury Fund Terrorist Buy-Back Scheme For Steel

The U.S. Department of Housing and Urban Development (HUD) on Dec. 30 ordered "crash" funding for Institute for Policy Studies (IPS) fellow Gar Alperovitz to produce a "study" of how workers could buy up and then reopen the decrepit Campbell, Ohio works of Youngstown Sheet and Tube. The HUD study, also funded by the U.S. Department of Commerce, was supposedly ordered to set a national precedent for how bankrupt U.S. industry can be saved while the U.S. economy collapses. Under the plan, the U.S. Treasury Department under Blumenthal is waiting in the wings to extend hundreds of millions in loans to reopen steel plants as fascist worker-control projects while shoving U.S. steel down the tubes by denying the credit for modernization.

Even more surprising than its subsidization is the HUD-Treasury Department-Department of Commerce working publicly through IPS fellow Gar Alperovitz. The \$300,000 crash grant from HUD head Patricia Harris and the fascist Gino Baroni network inside HUD will serve as a cover for funneling millions of dollars to create a terrorist capability in the steel industry. In fact, the co-founder of IPS, Marcus Raskin, is reportedly personally overseeing the Alperovitz plan targeting Youngstown. The model for this is the work which the Wharton School's Dr. Eric Trist, a labor brainwasher trained at Britain's Tavistock Institute, has done in the mineworkers to create around local control which has added to the potential in the coalfields.

The U.S. Treasury Department, under the leadership of Werner Blumenthal, the chief advocate of destroying the U.S. currency, has set up Deputy Treasury Secretary Solomon to dole out \$800 million of federal loans to the steel industry for fascist corporatist schemes. The Alperovitz study will calculate how much in federal funds would be needed to reopen the Campbell Works (reportedly at least \$500 million, some of which would undoubtedly come from workers' pensions and lower pay). Deputy Treasury Secretary Solomon is also prepared to provide U.S. government guarantees to Wheeling-Pittsburgh Steel Corporation's Monessen, Pa. plant to force workers to buy an offering of "special stock" worth 10 percent ownership in the plant. Wheeling-Pittsburgh's "special stock" would not be convertible or saleable for ten years, a plan directly modeled on the Nazi scheme forcing every German worker to pay for a "people's car" ahead of time. Though the people's car was never produced with that money, every German worker had a non-convertible "special" certificate of ownership hanging on his wall, though it was never convertible into a car.

### *Who Is Gar Alperovitz?*

In fact, the HUD funding of Alperovitz, characterized even by the *New York Times* as "an unusual move," is a bald action to bring into full operation in the U.S. the type of terror networks now deployed against German industrialists such as Jürgen Ponto and Hanns-Martin Schleyer in Europe, and thus abort labor-industry motion toward a modernization and high technology energy policy which would provide the only future for the steel industry.

IPS fellow Gar Alperovitz was the founder of the Exploratory Project for Economic Alternatives (EPEA), the entity funded by HUD, and is also a member of the Cambridge (Massachusetts) Policy Studies Institute. Alperovitz's fellow Cambridge Institute Board members openly operate in terrorist circles; for example, Eric Mann was sentenced to two years in prison for his role in the 1969 Harvard Square Weatherman riots, and Robert "Bo" Burlingham, a member of the Weatherman Central Committee in 1969, was twice indicted for his role in Weatherman riots in Detroit and Chicago but never brought to trial.

Throughout his career of counterinsurgency against labor, Alperovitz has been funded by the notorious CIA conduit, the Stern Family Fund, which created Youth Project, Inc., which in turn funded as its project "CounterSpy," an organization of "ex"-CIA agents turned "leftist." CounterSpy agents toured West Germany in 1976 to organize support for the terrorist Baader Meinhof gang. During this highly agitational deployment, CounterSpy "former" CIA agent Philip Agee advocated the bombing of American military installations to demonstrate support for jailed West German terrorists at a meeting of the Red Star Collective, an above-ground terrorist support organization.

### *Ohio. Terrorist Target*

Ohio has already been the staging ground for terrorist deployments to prevent miners from going back to work. In the miners union, Trist created a disruptive force within the union under the cover of rank-and-file democracy which has led wildcat strikes and completely destroyed the union health and welfare funds and the very ability of the miners union to act as a national union.

Ohio is also the site of a recent redeployment of Staughton Lynd, a major figure in IPS's labor and church networks, who studied at the Alinsky Institute and did pioneer worker profiles like Trist's in Calumet, Illinois. Since his redeployment to Youngstown two years ago, Lynd has now surfaced as the chief counsel for the Ecumenical Coalition of Mahoning Valley.

The Ecumenical Coalition of the Mahoning Valley is the only group which officially supports the Alperovitz plan, and in fact the HUD grant specifically mandates Alperovitz to work with the Ecumenical Coalition. This group is purported to represent 250 churches in the Youngstown area, and is led by the Catholic Archbishop of Youngstown, Bishop Malone, and Rabbi Berkowitz. The Staughton Lynd-Cambridge Institute networks are exactly the same forces who led the unsuccessful campaign to install Ed Sadlowski as international president of the steelworkers union.

Lynd described himself and the Mahoning Valley Ecumenical Coalition as waging a three-pronged campaign to win acceptance of its plan. On the first level, Lynd said, the plan is directed against the individual worker, especially the desperate unemployed steelworkers for support. Though there has been pressure from these workers on the local steel unions, the 5,000 workers laid off with the Campbell Works' nearly complete closing as of Jan. 1 has been mitigated because USWA members will enjoy 9 months of supplemental Employment Benefits which provide 90 percent of regular paychecks.

Lynd described his second target, the local unions, as now swaying toward accepting the Alperovitz plan, though earlier Ohio steel officials had said, "We're not supporting the plan, but we're not sure if we'll publicly denounce it." Lynd, a major force in the Sadlowski campaign, declared that the main obstacle to the Alperovitz scheme is the steelworkers international union, who rightly fear that the new worker-management committees will need union approval to throw out union work rules and pay scales, and that this precedent will be used to bust steel unions across the country. For this reason, U.S. Steel chairman Speer announced Jan. 3 that U.S. Steel in Youngstown would likely close in the future, to create a wave of hysteria in this steel town.

### Steel Union Doesn't Buy 'Buy-Back'

In a Jan. 3 interview a high official of the United Steelworkers District Council for the Mahoning Valley region told a reporter, "We don't go for this plan. We've been checking into Alperovitz's background, and his connections to the Institute for Policy Studies — and we know this thing was modeled on Mussolini."

The USWA spokesman added is being studied closely by union analysts at the local and regional level.

On Jan. 4 the Mahoning Valley Ecumenical Council — the only entity in the area which officially supports the "buyback" scheme — drew local USWA leaders into a lengthy softening-up session to sell them the plan...and the plant. The head of the Ecumenical Council, Bishop Malone, is a close personal friend of "left"-liberal ideologue and writer Staunton Lynd, who relocated his law practice to Niles, Ohio over a year ago to prepare for the candidacy of IPS-linked Ed Sadlowski for president of the steel union.

To date, despite the Bishop's efforts, no significant political force in the Mahoning Valley supports the "buy-back." Union opposition, opposition from local business and industry, and a distinct coolness on the part of Ohio's Republican Governor James Rhodes imply that, even

with the enthusiastic support of liberal Democratic Ohio Senator Howard Metzenbaum, Alperovitz and the Lykes Corporation have an uphill battle trying to sell Youngstown Sheet and Tube to the workers.

At present Alperovitz and Lykes are working together to determine the still-uncertain technical details of the buyback which, says Alperovitz, "need not involve the union" — except to abrogate union contract agreements on seniority and so forth. Without that abrogation, "profitable" production is impossible at the incredibly inefficient and antiquated plant, one of the country's oldest.

What is certain is that Youngstown Sheet and Tube would be run by joint management-labor committees; namely, after insisting on worker-funded purchase (or bailout) to the tune of \$500 million, Lykes will consent to stay and manage operations.

The \$500 million figure is a conservative estimate of the cost to reopen the plant, most of which closed Jan. 2, laying off 5,000 workers of the plant's 7,500-man workforce. It is considered very likely that Lykes will demand more money.

### Hitler's "People's Car"

Like its predecessor co-participation schemes implemented in Hitler's Germany, where "worker investment" schemes provided the cover for incredible looting of pay and for productivity achieved on the basis of speed-up alone, the Alperovitz fraud represents not a means to save industrial production, but deep austerity against industry and labor alike.

In the exemplary Volkswagen project of mid-1930s Germany, pay was directly looted before it ever reached workers' pocketbooks to invest in production of a "People's Car," so-called to indicate that the "investment" was "voluntary." Aside from a few prototypes, no cars were ever produced, except as military vehicles. For their "investment" factory workers received certificates of ownership, and the funds went into war production.

The Youngstown Sheet and Tube caper is identical. This ancient unproductive plant is to be purchased over and over by its workforce. No new productive capacity will be created, and no new production at a real profit will occur. Instead, plant and workers will be driven into the ground, and an insignificant amount of steel will be produced unprofitably, at enormous expense.

The U.S. Labor Party has proposed a steel program opposite in every respect to Alperovitz's notions. According to the Labor Party, the American steel industry requires enormous infusions of new credit, backed by the government at low interest rates, to make possible production of efficient, modern, competitive steel plant. The Labor Party has emphasized that *high* wages and modern production processes will revive steel, and that no sane industrialist ever thought capital formation for a booming economy came out of workers' wages.