

Bankers turn screws on Massachusetts

by H. Graham Lowry

Facing the worst economic crisis in the state's history, the voters of Massachusetts marched dumbly to the media's beat in the Sept. 18 electoral primary, selecting two candidates for governor committed to police-state imposition of fascist austerity. Blueblood Republican William Weld—who ran a Justice Department coverup in 1985 for the Bank of Boston's laundering more than \$1.2 billion in drug money—and Democrat John Silber—promoter of race hatred and euthanasia and apologist for cannibalism—both won by wide margins, even though neither one broke 30% in the polls until the final stages of the campaign.

Ironically, both cashed in on widespread rage against the economic depression exacerbated by years of outgoing Gov. Michael Dukakis's insane "post-industrial society" program. Silber shot past Francis X. Bellotti, an old Kennedy machine retread who served in several previous Dukakis administrations, with the help of conservative Democrats and independents who wanted to obliterate all traces of "the Duke" and his so-called "Massachusetts miracle." Weld, a big loser at his party's state convention to pro-life conservative Stephen Pierce, racked up 60% of the vote in the Republican primary with a massive infusion of independents who refused to vote for any Democrat, and \$1.2 million of his family's funds.

The stage for these dark horses and darker days was set by the fact that the Commonwealth of Massachusetts is running out of money faster than it can cut payrolls and public services. Having just imposed the biggest tax increase in its history, the state slashed \$310 million from its budget on Sept. 25—on top of \$419 million in cuts made since July 1. State revenues continue in a free fall, with August's receipts coming in \$27.6 million below projections. More and more of the state's ruined industrial cities are also running out of funds, squeezed harder by the state's failure to return millions of dollars in tax collections owed to the localities.

Industrial layoffs

The collapse in Massachusetts revenues is deepening, with a wave of new industrial layoffs by major companies across the state, on top of an official unemployment rate which reached 6.7% in August, a seven-year high. In the western part of the state, General Electric, Pittsfield's largest employer, announced that 473 production workers—10% of

the work force—would be laid off Sept. 21, and another 500 by the end of the year. Thousands have already been laid off at GE plants in Lynn, Fitchburg, and Burlington. The Foxboro Co., an industrial controls and instrumentation manufacturer bought out by a British firm in June, announced on Sept. 10 that about 25% of its 4,000 Massachusetts employees will be laid off over the next six months. Digital Equipment, an electronics firm employing over 60,000 workers in Massachusetts and New Hampshire, has announced plans to cut at least 5% of its work force, though sources inside the company say the actual figure may be triple that.

Under conditions of increasing poverty, malnutrition, and homelessness, Massachusetts is also experiencing a resurgence of tuberculosis, to levels not seen since the worst conditions of the 19th century. State Public Health Commissioner David Mulligan announced Sept. 12 that the number of reported TB cases increased 10% from 1988 to 1989, and that an estimated 286,000 residents are infected with the bacillus in a dormant mode, in a population of less than 6 million. Mulligan called the situation one of grave concern, because TB spreads at a geometric rate. The disease also typically accompanies lowered resistance levels resulting from the AIDS virus.

Financial dictatorship

Rather than return to American System methods to rebuild the state's industries and infrastructure, the self-anointed blueblood elite which Weld typifies is busily drawing up plans for financial dictatorship. Both Silber and Weld now serve on a special task force which is to report the day after the Nov. 6 election on "restructuring state government." Through an Oversight Committee already established by the legislature in July, bankers and outside "experts" are to be given control over the Office of Administration and Finance, to impose draconian cuts in public employment, transportation systems, infrastructure projects, education, pensions, insurance, and health care programs. Under a directive to "clearly separate needs from desires," many vital state programs will be placed under "administrative receivership" until the cuts dictated by the Oversight Committee are made.

Similar measures are already being applied to communities across the state. The city of Brockton was unable to meet its biweekly payroll Sept. 7, leaving 2,146 city employees without paychecks. Blackmailed with \$2.3 million in lost wages, the city accepted a state demand that its finances and expenditures be placed under a financial control board, a "solution" already imposed on Chelsea, Lynn, Holyoke, and Lawrence. Municipal officials report that 100 cities and towns statewide are in the same condition and will soon be under the gun of financial dictatorship. In Brockton's case, the new Department of Finance has the power to veto appropriations made by the City Council and department heads, and to hold officials personally liable for any "excess" spending!