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Little mercy from that quarter

Out in the cold

"Today we are at the mercy of the weather, and we can expect little mercy from that quarter," John O'Leary, President Carter's nominee for Federal Energy Administrator, told the Senate Interior Committee.

By this week, record cold east of the Rockies had thrown 250,000 workers out of their jobs in Ohio as factories had to close down because of fuel shortages; it had closed down schools in New York and Pennsylvania; and it had destroyed up to 50 percent of Florida's citrus and vegetable crops.

The Carter administration has responded by seeking emergency powers that would allow state gas companies to sell their gas to interstate agencies at prices higher than the Federal Trade Commisallows for interstate now sion transactions. While this measure may increase energy supplies in hard-hit states, it will also increase consumers' already skyrocketing fuel bills.

Last year, the FTC had allowed prices of natural gas to triple. With gas usage up from 50 to 100 percent in the cold weather, many peoples' heating bills had already begun to equal or exceed their

A new Ice Age

Weather experts do not expect the unusually cold weather to abate before mid-February. Dr. Donald Gilmore, chief of the National Weather Service, explained in the New York Times that the cold spell had resulted from a low temperature node that had remained stationary for over four months.

For those mystified by Gilmore's explanation, there is also recent speculation about the coming of new Ice Age. caused by pollution blotting out the sun's warmth and lowering the temperature of the planet.

Too much sun

Those who wish they were in sunny California, think again. California has meteorological problems of its own: too much sun. A drought with rainfaill only 20 percent of normal, threatens crops and water supplies. In Marin county and Oakland, water is being rationed.

More business breaks

Last week, Carter economic advisers Chalres Schultze, Michael Blumenthal, and Bert Lance outlined the administration's economic program before the House Budget Committee. Among the surprises were an option for a business to take 12 percent tax credits on their investments or a four percent write off on their employee social security payments, and an increase to \$11 billion of the total estimated tax benefits to workers and busi-

Both additions to the previously announced program reflect Carter's willingness to accede to business pressure. Labor unions had been asking Carter to increase his modest \$5 billion jobs program instead of attempting to stimulate the economy through tax decreases.

But business prefers tax stimulation because it does not create permanent employment obligations on the part of the federal government and does not tend to redistribute income away from business and toward workers. In their 1977-78 budget proposals, the Committee for Economic Development, a private corporate organization. policy-formulation

"entail a significant long term drain on the nation's fiscal resources," a cagey but obvious reference to the perils of federal job creation.

Moreover, in giving business an option to take an investment tax credit, Carter was also acceding to pressure. New investments do not necessarily create new jobs; sometimes they only eliminate old

The virtue of limiting tax breaks to social security payments is that it encourages labor-intensive production increases.

Creeping stagnation

But Carter's generosity did not impress even his supporters in the business community. Pierre Rinfret of Rinfret Associates, an economic consulting firm, described the investment credit increase as "trying to shoot an elephant with a B-B gun. We need an investment tax credit of about 20 percent."

Last year, the FTC had allowed prices of natural gas to triple. Many peoples' heating bills have already begun to equal or exceed their rents.

Underlying Rinfret's dissatisfaction is an increasing fear among businesspeople that the U.S. and other advanced capitalist countries are entering another slump. During the last quarter of 1976, growth slowed to three percent and inflation rose to 6.2 percent.

In the January issue of Monthly Review. an independent Marxist journal, the editors review the rate of capital investment and government spending over the last 20 years. They find that even as government deficits, the old palliative, have increased, capital spending has still

They conclude that the factors that kept capital investment strong during the 1950s and 1960s—military spending and the postwar Euro-Japanese economic reconstruction—"have been losing their strength or actually disappearing. And because of this the capitalist world has been tending toward stagnation, an economic condition in which deep recessions and weak recoveries are to be expected."

Foreign policy initiatives

The Carter administration took some steps toward a new foreign policy orientation last week. State Department spokesman Frederick Brown confirmed statements made earlier by U.N. representative Andrew Young that the administration was considering normalizing relations with Vietnam. Brown said that it was "obviously in the interests of both countries.'

Young also took the lead in enunciating the administration's rejection of Rhodesian premier Ian Smith's call for an "internal solution" in Rhodesia, to be reached through negotiations between the Smith government and handpicked moderate leaders. Young reiterated the administration's view that all liberation forces would have to be included in any agreement. Young is due to travel to Southern Africa this week.

Finally, the Carter administration took Czecholslovakia's government to task for harassing the signers of Charter 77, a petition calling for the restoration of

warned against fiscal stimuli that might Czech democratic liberties. Spokesman Brown cited the Helsinki agreements on civil liberties as the basis for the administration's criticism.

Austin revisited

The U.S. Supreme Court continued its assault on the achievements of the civil rights movement last week by throwing out a lower court desegregation order for Indianapolis, Ind. schools. The plan would have required that black children be bused to predominantly white suburban schools.

Citing its Austin, Texas, decision, the court demanded that the lower court demonstrate that there had been an intent to discriminate on the part of the school boards.

"We"ve tended to rely too much on judges and now we need to concentrate on the politicians," Charles Morgan Jr., the former director of the Washington ACLU, said in response to the court's recent decisions.

The banks win

In New York City, the struggle over who will pay for the debt the city ran up in the course of becoming the world's financial center continues. While often waged in language that could only be understood by economists, it involves the most fundaemtnal issues of who rules America.

The latest episode bagan with the court's declaring last November that the city could not declare a moratorium on the payment on \$1 billion in debts; it had to pay them. To do so, the city turned once again to the banks to help it sell

But the banks set two conditions on their cooperation: first, the Carter administration would have to pledge five years of emergency loans to the city, and second, the city finances, including wagesettlements with city workers, would have to be placed under the control of a state-appointed finance commission. Just so no one would doubt that they intended the comission members to come from their own ranks, the banks stipulated that they "should be people of stature with a reputation to protect, who will inspire confidence in investors."

The banks' demand for guaranteed federal loans ran into strong opposition from Senate Banking member William Proxmire (D-Wisc.), but his opposition was balanced by the firm support of House majority leader James Wright (D-Tx.). By the weekend, the banks had agreed to a vague proposal about federal aid.

The proposal for the control commission sparked immediate opposition. State Assembly speaker Stanley Steingut, a Brooklyn Democrat, proposed that the state retaliate by appointing a member of each of the bank's board of directors and by requiring that all bank proceedings be open to public scrutiny. City unions that have been lending their pension funds to the city threatened to withhold them if the bankers' wishes were granted.

Mayor Abraham Beame himself assured New Yorkers that he would not give in, but by the week's end he had done exactly that. While the control commission would not have all the powers the bankers originally demanded, it would still, in the words of one banker, be 'quite powerful.''

First to come under the control of the commission's baleful gaze will be the contract recently signed between the city and its teachers. It is expected that the commission will try to cut down teacher wages.



Truman
Stromberg
Chicago "antisubversive unit";
Sept. '71 N.O.W.
demonstration.

Local "Red Squads" under attack across country

by David Moberg

What made Sammy Rayner a dangerous man?

Some people might quarrel with that characterization. After all, Rayner was the director of three funeral homes in Chicago, the son of an established black businessman, and independent alderman from the Southside Sixth Ward from 1967 to 1971. He had no criminal record, not even a suspicion of one.

But he must have been dangerous to someone or something. Otherwise, why would the Chicago police have over 125 pages of detailed records on his comings and goings from 1963 to 1975?

The answer is simple. Ahmed Arabia "Sammy" Rayner, as the files listed him—often by descriptions such as "associate of Communists," "Communist sympathizer," "Communist" or Alderman—opposed Mayor Richard Daley, and the war in Vietnam, and was occasionally an advisor to the Black Panther Party and various black street gangs.

His record was kept by the Chicago "red squad," recently known as the Intelligence Division of the Bureau of Informational Services. As with hundreds of other local red squads around the country, it didn't take much political activism, let alone suspected "Communist" sympathics, to make it into the files. Over 200,000 Chicagoans had records kept, ranging from members and leaders of leftist organizations to establishment figures such as Republican lawyer Albert Jenner, Episcopal Bishop James Montgomery and John Sengstacke, publisher of the Chicago Defender.

Such local red squads, long acknow-ledged to have no connection to legitimate police activities and usually without any legal sanction, now are coming under attack in several cities. The growing movement to restrain the CIA, FBI, IRS and other government agencies that spy on American citizens is taking local root. But none of the anti-red squad efforts has gone farther than in Chicago where an estimated 500 agents worked during the 1968 Democratic convention.

The first of seven suits to stop the red squad and recover damages was filed by the Alliance to find Repression, a broad community and religious coalition, in

November 1974. Nearly a year later the American Civil Liberties Union filed a complementary suit that also named fedderal defendants involved in FBI and military intelligence spying.

Through hard legal work, some political breaks, a sympathetically angry judge and a successful publicity campaign, the suits have already won several victories. Nevertheless, the cases are still in the stage of discovering evidence and probably will not be heard for another two years while lawyers sift through hundreds of thousands of documents.

Since the courts have generally ruled that keeping files on citizens does not violate their constitutional rights, the first victory in Chicago was not having the suit immediately dismissed.

Momentum of the case was helped by disclosure of spying in another case brought by the Afro-American Patrolman's League and a grand jury investigation called by Republican State's Attorney Bernard Carey after he discovered that he had been picketed by a group led by an undercover agent.

After a long court fight, the two major lawsuits won the right to receive all red squad records without deletions. Alliance and ACLU lawyers also won the right to know the names of all informers.

Coincidentally, the red squad destroyed, or claimed to destroy, records on 106,000 individuals and 1,300 organizations, in addition to the records of 220 informers. Many of the "destructions" took place after undercover agents working within the Alliance notified their superiors that the suit would soon be filed.

Later the Alliance and ACLU lawyers discovered that they were under surveillance even while working on the case. Federal Judge Alfred Y. Kirkland, a Republican possibly upset at Democrat Daley using his police apparatus against the GOP, then issued an injunction against police spying on plaintiffs and their lawyers. It was a small victory in itself, but a dramatic precedent: it was one of very few court injunctions ever issued against political spying.

Even more significant, following the destruction of the documents, Judge Kirkland ruled that three of the lawsuits' allegations were assumed proven unless the

defendants disproved that they had done any of the following: infiltrated with paid informers and undercover agents, often acted as agents provocateurs, and disseminated information from their files to employers, universities and publications.

"We've hit paydirt on what we've done," Alliance attorney Richard Gutman said gleefully. "That's about two-thirds of our allegations. The only things left are wiretapping, beatings and burglaries." Earlier the city admitted that red squad files, once as many as 900 a month, were routinely turned over to the U.S. Civil Service Commission, threatening the subjects' chances for getting a federal job. This established that the files were not merely curiosity-pieces but potentially quite harmful.

In a remarkably bold move, the city of Chicago protested the judge's injunction against police spying on the attorneys in the case. They denied that police spying on lawyers and clients was a violation of lawyer-client confidentiality. Ironically, the very same day Police Supt. James Rochford responded to revelations that police spy files had been kept on the prestigious City Club of Chicago, where Mayor Daley was formerly a member, by saying, "Ridiculous! If they want to catch those spies, I'll help them... For years, as you know, the police kept all sorts of information. Much of it was worthlessgarbage, I call it. I question the need for any of it." Those strong words were for the City Club's ears, but the city's action in court was the opposite.

Revelations of spying on establishment figures draws attention to the pervasiveness of spying. It also can distract people from the political aims of the intelligence network. Talking about such hotshot targets, Alliance attorney Gutman said, "The whole point was that they went too far. They started with radicals and then civic groups—and then people got concerned. It was okay to do it against radicals, blacks and the antiwar movement—but. like Watergate, it went too far. There's always been a double standard on spying. We're trying to put forward a principle that the division between lawful and illegal surveillance is whether they're engaged in criminal activity."

Red squads got their start in Chicago and the U.S. after the Haymarket demonstration and bombing in 1886, according to Frank Donner, director of the ACLU project on surveillance. Reaction to anarchists spawned the first squads. They grew during later periods of social unrest-after the Russian revolution, with the rise of the industrial union movement, during the New Deal and during the unrest of the sixties. "Each of these had an energizing effect on the growth of local surveillance," Donner said, speaking in Chicago to a national conference on government spying during the weekend of Jan. 21-23.

"In contrast with more overt forms of restraint," Donner added, "surveillance is extraordinarily efficient. It offers the greatest return in repression for the least investment, not only direct intimidation but also the self-censorship that an individual may engage in when someone feels he may be an antagonist of state power."

With the FBI under attack, some observers think that local red squads may take up the slack. They have always cooperated with federal agencies, setting up files and departmental organizations along the same lines, but they have chafed at their second-class role, providing more aid to the FBI than they got in return. In 1956 the red squads set up a private network among themselves, lacking any legislative basis or control. Called the Law Enforcement Intelligence Unit, the 225-member organization exchanges information on people under surveillance and on techniques.

Other people think that private agencies, many even more politically rightwing than the red squads themselves, may play a much bigger role in both surveillance and storing records out of reach of lawsuits. In Detroit, lawyers working against the red squad have shown close working ties with Chrysler Corp. securities division, for example.

There are at least 18 active suits—probably many more—against local and state red squads across the country. Loosely linked with a variety of campaigns against federal domestic and overseas spying and with actions against repressive legislation, such suits are important elements of a growing anti-repression movement that combines long-term legal work with community education.

Looking through Sammy Rayner's file, it is easy to agree with him that the local political gumshoes were unfunny Keystone Kops. Most of the files are newspaper clippings. In other instances, there are solemn observations that "subject wears an African robe," "His name appears on the mailing list of C.O.R.E.," he was "reportedly a close friend of ——, the disk jockey," he was a former Boy Scout leader, he gave a "V" sign at a rally, and he took part in a meeting where "all the aforementioned speakers made certain to state that it's time the Daley Machine is broken."

But it was no joke. Rayner's campaign, including press conferences, fund-raising rallies and other meetings were spied on. Lists of his contributors and even a copy of his poll-watcher's kit went in his file, one sheet of which identified the subject matter of the investigation as "candidate for U.S. Congressman from the 1st District," not generally considered a subversive activity, although in some cases it does lead to criminal behavior.

Red squad cops may have been incompetent bunglers, but they could also be deadly, disruptive and a deterrent against participation in political activity for all but the most dedicated. It is no accident that the red squad in Chicago mushroomed after 1968. One year later Fred Hampton and Mark Clark, leaders of the Black Panther Party, were killed in a police raid. Now there is virtually no political movement in the black community in Chicago and movement activities elsewhere are often fragmented and ineffectual

Many old red squad agenta every ly been asking for transfer. Having done their job for the time being, they find the beat too poring, so he of them, however, may find that part of their assignment will be a date in court when the files they kept become dossiers on their own years of illegal activity.