Opposition to increasing real estate taxes imposed by local governments in the United States reached a critical point last June when voters in California adopted Proposition 13. The measure drastically cut property taxes and thereby slashed local government revenues. Proposition 13 has also strengthened the nationwide tax revolt; similar proposals will be put before the voters in many states in coming months.

However, Proposition 13 is a troublesome measure whose consequences may have little relation to the intentions of people who voted for it. The bill was supported by a mixed group of real estate developers, large corporations, and individual homeowners. The message homeowners intended to convey was frustration with soaring tax bills and wasteful government spending.

In the short term this group has indeed won both a symbolic victory - cheer for local democracy - and a financial gain. The question is whether this is worth the long-term loss of public services resulting from reduced public revenues. Critics of the bill say it is certain to cause population shrinkage and a loss of essential services such as schools, libraries, and hospitals. More time is needed, however, for a proper evaluation of these predictions, especially since California currently has a large budget surplus to fall back on.

One already visible reaction to the spreading tax revolt in California and elsewhere is a toughening of public sector collective bargaining. Local officials have been demanding more concessions from the unions, and public workers have often resorted to strikes to resist massive layoffs. During the summer months strike actions occurred in cities such as Philadelphia, Cleveland, Kansas City, San Antonio, and Memphis.

In Memphis, police staged an eight-day wildcat strike that was soon joined by the city's firefighters. Within 24 hours the area looked like a war zone: a curfew kept people off the streets from 6:00 PM to 8:00 AM (later extended to 10:00 AM), more than a thousand National Guard troops were called in to patrol the streets, sanitation workers had allowed garbage to pile up, and sports and cultural events were cancelled. And this all occurred just as 600,000 Elvis Presley fans came to town to honor the singer's birthplace on the first anniversary of his death.

With such tight security there was only a small increase in criminal activity, though some looting did occur one night during a blackout which lasted for three hours.

Despite the Mayor's original refusal to negotiate, the strikers
had a victory in the end, and returned to work with sizeable wage increases. The strike also had historical significance, since it was in Memphis ten years ago that Martin Luther King Jr. was assassinated while lending support to a strike of black sanitation workers.

Most groups of public workers in recent months have been less successful than those in Memphis. Wage restraints attached to federal spending programs and Proposition 13-type controls greatly limit what city governments can afford. The situation is worsened by moves to limit spending at the national level, so that Washington cannot be depended on to make up for reduced local revenues.

In the long run, no doubt, both voters and public workers will suffer from reductions in municipal revenue unless money is found elsewhere. Reliance on the federal government will not provide sufficient funds and has the negative effect of hastening the trend toward fiscal centralization. The other possible source of funds is the private sector, but so far it has escaped voter attention.

In California, real estate investors have saved huge sums thanks to Proposition 13. True, some tenant groups have demanded rent reductions and citizen's groups have called on corporations to use some of their tax savings for public interest projects. But Americans are slow to demand that business pay its fair share. Yet without this additional money, everyone in the cities will suffer, not only the poor and public sector workers but the tax rebels as well.

THE NEW YORK NEWSPAPER STRIKE

Since August 9th the people of New York City have been riding the subways to work without the comfort of their usual daily newspapers. The New York Times, The Daily News, and The New York Post have been shut down by a strike of workers who operate the papers' giant printing presses. So far little or no progress has been made during intermittent negotiations between the Printing Pressmen's Union and the publishers. Both sides seem ready to endure a long walkout similar to the 114-day strike of New York's daily papers in 1962 and 1963.

The pressmen's strike was the culmination of efforts by the ten craft unions and the Newspaper Guild (which includes editorial and commercial workers) to resist repeated management efforts to make widespread layoffs, speed up work, reduce benefits, and introduce the newest in newspaper production technology.

In the six months before union contracts expired, the publishers of the News and Post put out special experimental editions using executives and non-union labor. In May the News management unilaterally voided provisions of the Guild contract dealing with union membership requirements and grievance procedures. And when the Guild launched a strike against the same paper in June, publisher "Tex" James went ahead and produced an edition with non-union personnel. But this attempt to weaken the union was itself defeated after two days. The delivery truck drivers' union, which at first agreed to deliver the scab editions, broke that agreement with management following violent attacks on drivers and firebombing of trucks by striking workers.

The strike ended after a week and the Guild was successful in avoiding the worst of management's proposals. But the same issues emerged again in August, when the pressmen walked out in response to the posting of new work rules by the publishers.

Within a broader context, the current turmoil in New York's newspaper industry is part of a continuing labor-management struggle over the conditions of modernization. The owners are determined to use sophisticated machinery for what
at one time required the combined skill of hundreds of people. Production workers have been struggling over the terms of this transformation for decades.

In July 1974 the publishers achieved a major victory when the once-powerful Local 6 of the International Typographers' Union signed an 11-year contract which gave management a free hand to automate, in exchange for lifetime guarantees for the union's remaining members. With this key union under control, the publishers then doubled their efforts to undermine the power of the other groups of workers as new photo-composition equipment was brought in to replace the old linotype machines and scores of workers.

This management strategy is by no means limited to New York. Newspaper publishers around the country have been acquiring the new technology and seeking to eliminate troublesome workers at a rapid rate. At the Washington Post the same executives who permitted the Watergate exposé crushed a pressmen's walkout in 1975-1976 and succeeded in replacing union members with permanent strikebreakers. And the Post management has refused to negotiate with the Guild to replace a contract that expired two years ago.

At stake in the present newspaper negotiations in New York is, on one level, a traditional type of battle by workers against speed-ups and layoffs. But beyond that, the struggle here is significant in terms of the role that newspaper workers play in the process of redevelopment that business and government are promoting for New York. City planners have proclaimed that New York will soon become the pre-eminent communications city in the world. Most of the small amount of manufacturing will be eliminated, and new "knowledge industries" will take over.

For the planners this clearly requires modernization of the existing communications industry and cooperation from the relevant labor force in order to attract the desired investment. The newspaper showdown this Fall reflects a general aim by the publishers to weaken worker militancy, but thus far the workers have refused to give in. So New Yorkers will probably ride the subways sans news for quite some time.
Some of the largest U.S.-based transnational corporations are on their way to becoming transplanetary as well. A forward-looking group of large companies, including Rockwell and General Electric, have accelerated plans for the development of industrialization in space. An $8 billion space shuttle vehicle has been completed and is now being tested. Optimistic observers expect regular flights, which will orbit the earth, to begin in the middle of next year. An overall framework for the future of space industrialization is being developed by a special federal study group that will soon release a set of policy recommendations.

Besides the usual telecommunication purposes, the shuttle will be a facility for experimentation and small-scale manufacturing in fields such as processing of special metals, assembling of semi-conductors, and the separation of enzymes from cells. Such operations will take advantage of zero gravity, unlimited vacuums, super high and low temperatures, and plentiful solar energy. Initially the shuttles would carry three astronauts and four technicians, and missions would run from about seven to thirty days each.

The space industrialization program is being presented as the key to the future vitality of American business, as the beginning of a Third Industrial Revolution. Many analysts are claiming that it will be a short jump from shuttle experiments to full-scale industrial space colonies—in orbit, on the moon, etc. One researcher in this area is already calling them "company towns."

The program has also turned the National Aeronautics and Space Administration, which sells space on the shuttles, into the most expensive freight company in the world. Current rate estimates are: about $18 million for the full shuttle storage compartment; or, for more modest budgets, $3,000 for 1.5 cubic feet. Officials say anyone can rent space so long as what you are doing is a bona fide experiment, is for peaceful purposes, and "is in good taste." So far nothing has been said about labor relations in space industry, but one can assume that wages will not be astronomical.