

ECONOMY IN TROUBLE, WORKERS PAY

Future Dim for Capitalism

Inflation is continuing to spiral, eating away the paychecks of the workers more than ever.

This was shown in the latest figures released by the government for the months of January and February. These figures, released March 30 show that cost of living rose by .8% for January and .6% more in February. This translates into an annual inflation rate of 8.4% for 1978, way above the rate predicted by Carter's economic "experts."

For many of the biggest capitalists this means record-breaking profits. But for us, the working people, it means the third straight month where our real wages have fallen. Real wages show the relationship between workers' earnings and buying power. In February alone, real wages fell by .2%.

President Carter, who likes to cry the blues about inflation whenever the workers are asking for a raise, gave only a little whimper as U.S. Steel raised its

prices last week, first by \$10.50 per ton of steel and then, with a "retreat," by "only" \$5.50 a ton. This latest price hike is seen by many as a counter-attack by the monopolies following the hard-fought strike of the coal miners.

It was just a matter of a day before Wheeling-Pittsburgh Steel, National Steel and Bethlehem Steel all followed suit. This will once again drastically raise the price of cars, household appliances and hundreds of other daily necessities.

The coal strike is just another excuse by the corporations like U.S. Steel, who in the past have laid the blame for rising prices on foreign imports and foreign-born workers.

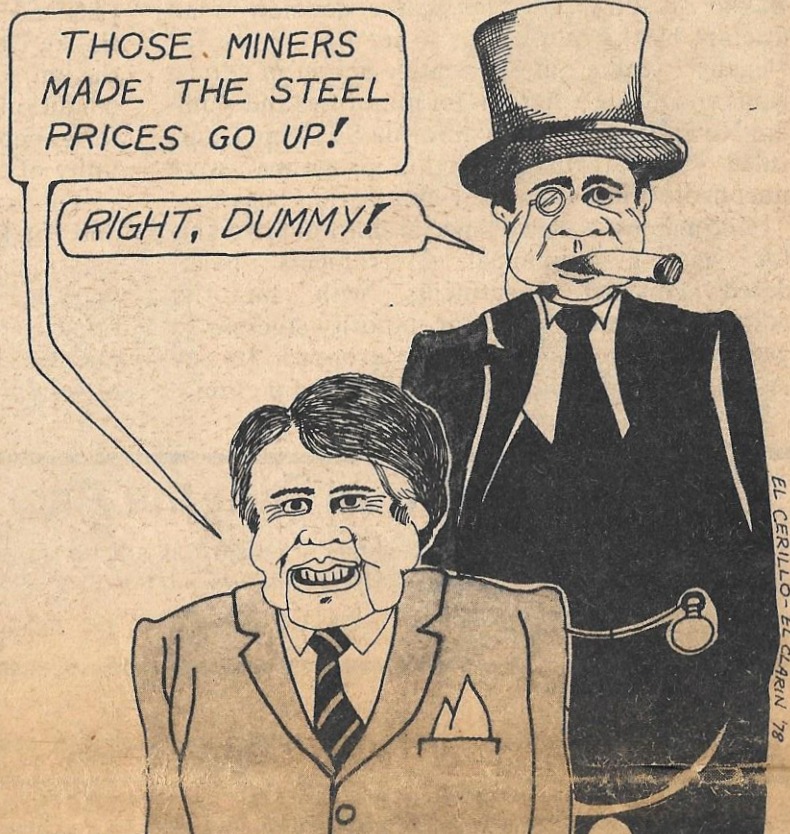
While Carter hinted that the steel price increase might be a bit "excessive," he took no actions to curb them. Rather, his Council on Wage and Price Stability held a meeting with some of the country's biggest monopolists and bankers to press for a limit on all future wage demands at

5.5%.

In other economic news, the U.S. trade deficit with other countries rose for the 21st consecutive month to a record \$4.52 billion. This in turn caused the dollar to nose-dive even further on foreign markets.

The main cause for the growing deficit and dollar decline remains the massive imports of oil, which rose last year by \$341 million. Here again it is the workers and unemployed (as well as those on fixed incomes) who are being the hardest hit by the dollar decline, while U.S. goods are able to be more easily dumped on foreign markets. In effect the workers are working harder but the actual goods that can be bought for their paycheck is less.

Despite the rosier of predictions by the "experts," inflation, the energy crisis, the trade deficit and the dollar collapse all show that capitalism is in big trouble and trying to make the workers pay for its problems.



THOSE MINERS
MADE THE STEEL
PRICES GO UP!

RIGHT, DUMMY!