

## East Europe in Turmoil, Czech Workers Move

# The Prague Autumn

DECEMBER 4—The political convulsions shaking the Stalinist regimes of East Europe continue to gather momentum as they roll from one country to another. Even as world attention was focused on the dramatic upheaval in East Germany, virtually overnight neighboring Czechoslovakia exploded in mass protests. Here, the potentially decisive force of the working class entered the stage. On the eve of a two-hour national general strike on Monday, November 27, Prague government officials resigned en masse. Only six days later, following an angry mass demonstration by the ranks of the East German Stalinist party, the leadership (the recently installed Politburo and the entire Central Committee) was likewise forced to resign. The *New York Times* (4 December), flagship organ of U.S. imperialism, worried aloud, "There is a smell of anarchy in the air."

Actually, it is the smell of workers political revolution, which the imperialists fear even more than do the ruling bureaucracies of the deformed workers states. These upheavals express massive and deep popular hatred for Stalinist oppression, parasitism, mismanagement and self-satisfied hypocrisy. From Wall Street to the Frankfurt banks, capitalists are salivating at the prospect of once again exploiting East Europe. But

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## For Workers Political Revolution— For Lenin's Communism!



English/AP

Prague, November 27: general strike brought Czechoslovakia to a standstill, toppling discredited Stalinist leaders. Workers soviets must fill the vacuum of political power.



Reuters

Leftist fighter against U.S.-backed death squad troops after FMLN assault on armored vehicle in San Salvador.

## Bush Squawks to Gorbachev as... Salvador Rebels Strike Again

While George Bush gloried in the "death of Communism" during his summit-at-sea off Malta with Soviet premier Gorbachev, in America's "backyard" U.S. personnel were ducking for cover and scrambling onto planes to get out of El Salvador. It brought back images of the embassy roof in Saigon in 1975, as the defeated imperialist staffers hung madly onto the rails of "the last helicopter out."

There have now been more than three weeks of almost continuous offensive in the capital of San Salvador by the guerrillas of the Farabundo Marti Liberation Front (FMLN). On Thanksgiving Day, President Cristiam held a press conference to announce he was "in full control." He had to break off in mid-sentence and leap to his feet as the rebels detonated bombs a few blocks away.

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**As West German Bankers Dream of Reunited "Fourth Reich"**

**For a Red Germany in a Socialist Europe....8**



# Holiday Appeal for Class-War Prisoners

Streetcorner Santas ring their bells. TV stations showcase reruns of "Miracle on 34th Street" and "It's a Wonderful Life." But for the class-war prisoners—those men and women locked in this system's jails for opposition to class, racial and social oppression—the holiday season marks the end of another 365 days away from their families and their comrades, away from the living social struggles which first brought down the state's repressive fist upon them. Now it must be our struggles and our solidarity which will help sustain their fighting spirit.

More than 60 years ago, the founder of the International Labor Defense (ILD), upon whose best traditions we seek to base ourselves, voiced our solemn duty to the fighters victimized for their activism in our common cause:

"The men in prison are still part of the living class movement. The Christmas

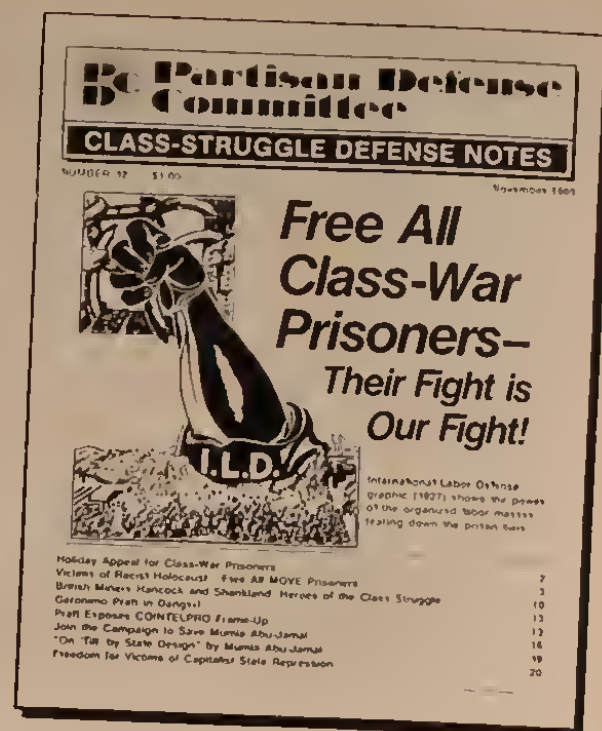
Fund drive of the International Labor Defense is a means of informing them that the workers of America have not forgotten their duty toward the men to whom we are all linked by bonds of solidarity."

—James P. Cannon, 1927

In this spirit, the PDC four years ago revived the early ILD's practice of sending monthly stipends to the class-war prisoners. This month we begin our fourth annual Holiday Appeal to raise money for stipends and holiday gifts for the prisoners and their families. Joining with us this year are fraternal defense organizations launched in Canada, Australia, France, Britain and Germany.

These modest gifts and holiday messages of solidarity are a concrete reminder to these brothers and sisters that they are not forgotten, and that we are dedicated in every season to waging the fight for a powerful movement of

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legal and social defense in support of their battles against the racist frame-up system. We proudly stand with these 19 prisoners—their fight is our fight:

**Geronimo ji Jaga (Pratt)** (B40319, P.O. Box 1902B, Tehachapi, CA 93581), former Los Angeles Black Panther leader, has spent 18 years behind bars, framed under the FBI's notorious COINTELPRO. In the past six months the state's rejection of parole, denial of appeal on a legal technicality, and retaliatory transfer from San Quentin prison starkly confirm that there has been no letup in the COINTELPRO conspiracy against America's foremost class-war prisoner. Geronimo continues to fight back including through his pending lawsuit challenging the transfer from San Quentin and his classification as a maximum security prisoner.

**Mumia Abu-Jamal** (AM8335, Drawer R, Huntingdon, PA 16652) is a death row political prisoner. Framed for the killing of a Philly cop in 1981, Jamal was sentenced to the chair because as a former Black Panther Party spokesman, popular Philadelphia journalist and prominent supporter of the MOVE organization, he has fought racist oppression since the age of 14. Jamal's eloquent column from death row regularly appears in papers around the country, including *Workers Vanguard*. The fight to save Mumia's life can become the focus for a powerful international struggle against the racist death penalty in America.

**W.M.E. we Langa (David Rice)** (27718, P.O. Box 2500, Nebraska State Penitentiary, Lincoln, NE 68502) and **Ed Poindexter** (Lino Lake Facility, 7525 4th Avenue, Lino Lake, MN 55017), former leaders of the Omaha, Nebraska Committee to Combat Fascism and Black Panther Party supporters, are in the 19th year of life sentences. Targets of COINTELPRO, Rice and Poindexter were framed for the 1970 killing of a cop in a bomb explosion.

**Hugo Pinell** (A-88401, P.O. Box 3456 SHU, IVB2R-24L, Coreoran, CA 93212-8310), prison activist, who as one of the San Quentin Six was framed on assault charges arising from the melee which erupted after the state's prison yard murder of Black Panther Party spokesman George Jackson in 1971. In prisons for nearly 25 years, Pinell recently walked out of his parole board hearing, telling the star chamber panel, "You cannot be my injustice and justice too."

After hearing that Mumia's appeal was turned down in March 1989, Pinell wrote to him:

"My heart is in pain and it cries for you and the likes of you, for all of us, but the sun will shine bright for our humanity and thanks to you for the company along the difficult but rewarding road to freedom."

Scattered in prisons in Pennsylvania and around the country are members and supporters of the MOVE organization. Janet Africa, jailed since 1980, is one of seven MOVE women impris-

oned at Muncy (P.O. Box 180, Muncy, PA 17756). For this country's rulers MOVE's crime was the willingness to defend their alternative naturalist lifestyles and dignity as human beings against racist attacks. Janet writes: "these have been the best years of my life despite all the injustice, prejudice, persecution spit on MOVE by this system. I wouldn't give up my belief for *nothing* this system is got to offer." Sue Leon Africa (6325) and Carlos Peres Africa (AM7400, Drawer K, Dallas, PA 18612) are behind bars on charges arising from the May 1977 "guns on the porch day" demonstration, which resulted in a siege of the MOVE home by 200 cops.

**William Phillips Africa** (41685-066, P.O. Box 1000, Leavenworth, KS 66048), **Delbert Orr Africa** (AM4985, Drawer K, Dallas, PA 18612), **Janine Phillips Africa** (6309), **Janet Holloway Africa** (6308), **Michael Davis Africa** (AM4973, Drawer R, Huntingdon, PA 16652), **Edward Goodman Africa** (42079-066, P.O. Box 1000, Leavenworth, KS 66048), **Chuck Sims Africa** (41793-066, U.S. Penitentiary, 3901 Klein Blvd., Lompoc, CA 93436), **Merle Austin Africa** (6306) and **Debbie Sims Africa** (6307) are serving sentences of 30-100 years on charges of killing a cop (actually shot by another officer) during the August 8, 1978 siege of their Powelton Village home by over 600 cops. **Consuewella Dotson Africa** (6434), was tried separately and sentenced to 10-20 years.

**William Phillips Africa**, **Edward Africa** and **Chuck Africa** were transferred to the federal prison system and shipped cross-country following last October's upheaval at the notorious Camp Hill prison in Pennsylvania. A reported force of 700 heavily armed guards vindictively "retook" the facility, burning half of it down and terrorizing the inmates. Men were then handcuffed, shackled to each other, held for three days outdoors in the prison yard, tortured and degraded. Chuck was beaten bloody before being hurriedly transferred to Lompoc, California; Phil and Eddie are now at Leavenworth.

**Ramona Johnson Africa** (7564) is serving a seven-year sentence for being the sole adult survivor of the May 13, 1985 bombing of the MOVE Osage Avenue home. The bombing of MOVE, ordered by black Democrat Mayor Wilson Goode, was a message to black America and all who dare to stand up to their oppressors in this "free world" bastion of reaction. Five children and six adults were incinerated, 61 homes turned to ash and rubble. But the killer cops walked free—only Ramona is behind bars. Like other MOVE members Ramona has been told that she will never be considered for parole unless she agrees to accept the special condition that she no longer associate with MOVE.

**Alfonso "Mo" Robbins Africa** (Y-5522, Drawer K, Dallas, PA 18612), was sentenced in 1985 to seven years on

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TROTSKY

## Rosa Luxemburg and the Bolshevik Revolution

Protesters in East Germany have recalled the slogan of the early Communist International: "Russia was the spark, Germany is the flame." Rosa Luxemburg, a Polish Jew and German Communist leader, was the embodiment of the internationalist axis linking the Russian, Polish and German proletariats. While Stalinists and nationalists malign her, the Social Democracy which was responsible



LENIN

for Luxemburg's murder now seeks to portray her as a "democratic" alternative to Bolshevism. Yet Luxemburg hailed the Bolshevik Revolution at the December 1918 founding congress of the Communist Party of Germany, whose formation came excruciatingly late, too late to lead the revolution of 1918-19. Today the forging of a Leninist-Trotskyist party is the key to proletarian political revolution in East Germany and socialist revolution in the West.

Comrades! Our Party Congress, the Congress of what I may proudly call the only revolutionary socialist party of the German proletariat, happens to coincide with a turning point in the development of the German revolution....

The Revolution of November 9 was characterized by inadequacy and weakness. This is not surprising. The revolution followed four years of war, four years during which, schooled by Social Democracy and the trade unions, the German proletariat had behaved with intolerable ignominy and had repudiated its socialist obligations to an extent unparalleled in any other land....

The moment had come for the collapse of imperialism, a colossus with feet of clay, crumbling from within. The sequel of this collapse was a more or less chaotic movement, one practically devoid of a conscious plan. The only source of union, the persistent and saving principle, was the motto: "Form Workers' and Soldiers' Councils." That was the key notion in this revolution which, in spite of the inadequacy and weakness of the opening phases, immediately gave it the stamp of a proletarian socialist revolution. We should not forget this when we are confronted by those who shower calumnies on the Russian Bolsheviks, and we must answer: "Where did you learn the ABC's of your present revolution? Was it not from the Russians that you learned to demand workers' and soldiers' councils?"

—Rosa Luxemburg, "Our Program and the Political Situation" (December 1918)

# WORKERS VANGUARD

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# "Ground Rules" for Coups, Assassinations Bush Unleashes "The Company"



Der Spiegel

After FMLN guerrillas coolly walked away from the posh San Salvador hotel in which they had trapped a dozen Green Berets two weeks ago, George Bush bragged on Air Force One that a U.S. Delta Force "special operations" team had "liberated" the hotel. When asked if Salvadoran president Cristiani had requested U.S. troops, Bush replied haughtily: "No, I told him what we were going to do, and he acquiesced in it." Bush ended up bumping his head in his macho attempt to "stand tall," as CBS-TV news (22 November) reporter Leslie Stahl bluntly commented, "Truth is, the U.S. forces never even entered the hotel.... Mr. Bush may be seen as having tried too hard to look tough."

Bush has a lot of egg on his face over the FMLN's latest spectacular offensive, but Washington's imperial arrogance is no joke. "There's a message in all of this," Bush warned ominously, "this president" is going to use U.S. forces "wherever we can, and go to any end we can" to "protect American citizens"—Washington's cover for the invasion of Grenada in 1983. A week after Bush's tirade, U.S. fighter jets were flying over Manila to provide air cover for the tottering Aquino regime against yet another military coup attempt.

Especially since the latest botched attempt to overthrow Panamanian strongman Manuel Noriega, Bush has been angling to alter his wimp image. After the Panama fiasco, a bipartisan

crowd of Capitol Hill politicians has been pushing to loosen up the ground rules for U.S.-sponsored coups, particularly Gerald Ford's 1976 executive order banning CIA assassinations of foreign leaders, instituted as a post-Watergate sop to quiet critics of "The Company." The *San Francisco Examiner* (22 September) reports how Congressional Democrats are "leading an effort to restore assassination to the U.S. arsenal," while CIA director William Webster crows about a new "will-

U.S. News & World Report



Reuters

Panamanian strongman Noriega (inset) targeted by CIA hit squads, as U.S. troops in Panama (right) practice for coup.

ingness in the Bush administration and Congress to reinterpret" the ban (*New York Times*, 17 October). The new "reinterpretation," explains the *Washington Post* (4 November), allows the CIA to "assist an attempt to remove a foreign leader who was then killed accidentally."

While screaming for "free elections" in East Europe and Nicaragua, Washington is breathtakingly hrozen about its "manifest destiny" to send American troops or CIA hit squads to overturn

governments wherever and whenever it can get away with it. Of course, the "ban" did not prevent the 1986 bombing raid on Libya which killed 100 people, aimed at assassinating Libyan leader Muammar Qaddafi, or the CIA's "psy-ops" pamphlet for contras which outlined ways to "neutralize" Sandinista officials. And after Contragate, Oliver North walked without having to spend a single day in jail, while Reagan and Bush were never even indicted. Now the former CIA station chief in Costa Rica, Joseph Fernandez, who was the contras' control on the ground, just got his criminal charges dismissed by a federal judge after the Justice Department withheld evidence in the name of protecting "classified information."

And while the CIA runs an international Murder, Inc., what they've got for people who get too "uppity" at home is concentration camps. As we reported some time ago in "Reagan/North's Plot for Military Coup" (*WV* No. 433, 24 July 1987), the Federal Emergency Management Agency (FEMA) was transformed under the Reagan administration into a sinister agency for implementing martial law. James Ridgeway, writing in the *Village Voice* (14 November), described how the transformation came when Reagan appointed Louis Giuffrida, who along with Ed Meese was "at the heart of early urban counterinsurgency efforts" and was

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## Letter

# 45 Years for Overbooking?

Toronto, Canada  
13 November 1989

Dear Editor:

Fleeing the gullible may not be against the law, but it's a crime in my books, the real crime of Jim Bakker and his associates. So he got nailed for fraud instead. His brand of overbooking was indeed fraudulent, being several orders of magnitude greater than that of the hotels and airlines who, when they leave you high and dry, don't get paid for services not rendered.

Bakker and Swaggart turned the tide of public opinion against themselves with their blatant sexual hypocrisy. A sop to this anti-fundamentalist sentiment, Judge "Maximum Bob" Potter's punishment was admittedly harsh, especially when measured on the Oliver North scale of sentencing. But the anti-fundamentalist backlash is not analogous to the frenzy of vindictive anti-Semitism whipped up over the Dreyfus affair. In many ways it's just the opposite. Jerry Falwell, Oral Roberts,

Jimmy Swaggart are discredited, and the Moral Majority has folded. Their revenues down, the televangelists' late night time slots have been taken over by secular hucksters. These developments are good things for supporters of Enlightenment and rationalism, as well as those opposed to the fundamentalists' all-round bigotry and reactionary political agenda.

Socialist greetings,  
Mark L.

*WV replies:* Yes, it is a good thing that the blatant hypocrisy of the televangelists has been exposed, and that the sinister "Moral Majority" has fallen on hard times in the twilight of the Reagan years, as we noted two years ago in "Gospelgate" (*WV* No. 425, 3 April 1987) on the fundamentalist sex scandals. But some of our readers missed the point of our recent article, "Jim Bakker, Oliver North and Bourgeois Hypocrisy" (*WV* No. 489, 10 November), which is that it's a bad thing when justice is

meted out arbitrarily and selectively. Of course, the "justice" of this racist, capitalist state is inherently discriminatory and vindictive. Why should anybody care when some high-living white Pentecostal Christian con artist gets jobbed? Well, as we noted, the fundamental question is equal application of the law to all. Jim Bakker got 45 years in the pen (and was sent directly to jail in chains) for a "crime" capitalist enterprises regularly commit with impunity.

This case also raises the question of separation of church and state, a historic gain of the bourgeois revolutions which these days seems to be left to us communists to defend. There is a taint of the religious bigotry which surrounded the Dreyfus case here. In sentencing Bakker, Judge Potter said, "Those of us who do have a religion are sick of being saps for money-grubbing preachers and priests" (*New York Times*, 25 October). Well, what's a "religion" is a matter of opinion—and that's just what it should be, not a question of official state persecution or privilege.

Organized religion in the service of the state has been recognized as an enemy of human freedom ever since the French Revolution. The capitalists cynically use Catholic popes, Muslim ayatollahs, Jewish rabbis and raving Protestant fundamentalists as props to their

rule, when convenient. (Sometimes it's not; is it accidental "Gospelgate" was blown up by the media just as televangelist Pat Robertson was posing a challenge to the Bush Republicans in the last election?) Our task is to break that reactionary connection through smashing official state privileges for *any* religion.

As Marxist materialists, we also understand that at their base religious beliefs reflect the desperate attempt of the poor, uneducated and dispossessed to make sense of a seemingly senseless, oppressive world. So Bakker fleeced his flock. Well, maybe the flock had their reasons—and of course it's not just fundamentalist TV preachers that rake in the bucks. As Karl Marx noted in *The Civil War in France*, the Paris Commune sought to break the reactionary power of organized religion by the "disestablishment and disendowment of all churches as proprietary bodies. The priests were sent back to the recesses of private life, there to feed upon the alms of the faithful in imitation of their predecessors." The idea that backward ideology is combatted by jailing its individual purveyors is a fantasy and a totalitarian one at that. The only real way to get rid of the P.T. Barnums of the religious airwaves is to build a better world in this life—and that means getting rid of this capitalist system of oppression, not cheering on its judges. ■



# Reliance on Courts, Congress Sinks Eastern Strike

From the moment that members of the International Association of Machinists (IAM) decided to go into battle against Frank Lorenzo and Eastern Airlines, workers had to face the key question: would they allow their strike to be isolated, like PATCO was, or would they aim to spread the strike beyond Eastern to *shut down the airports*? Every striker bitterly remembered how PATCO was crushed by Reagan—because the AFL-CIO and IAM tops refused to mobilize solidarity strike action. Preventing another PATCO meant taking the strike out of the hands of the Winpisinger bureaucracy and electing a strike committee with a core of militants willing to buck the bosses and the bosses' government—the courts, the cops, Congress, the president.

When the *New York Times* (24 February) ranted, "Labor Threatens the President," and announced that sympathy strikes would bring down the wrath of the government, it was speaking for the entire capitalist class. To avenge PATCO, to beat Lorenzo, the Machinists had to mobilize *their* class power—to extend the strike, shut down the airports and appeal to all of labor to back them. From the railroads to the other airlines, workers were ready, waiting for Eastern pickets to call them out. But the pickets never showed up, because Winpisinger and his lieutenants like District 100 head Charles Bryan stopped them.

Now the Eastern pilots and flight attendants, who struck with the IAM for nine months, have voted to go back. Lorenzo, rubbing salt in the wound, says there are no jobs left. Their "lead-



Spink/Atlanta Journal & Constitution  
Eastern strike rally in Atlanta, March 3. IAM tops played by bosses' rules, derailed strike. WV called for militant labor action to shut down the airports.

ers" had placed the fate of the strike in an empty resolution from Congress, and when Bush vetoed that, the bureaucrats offered to crawl back.

This strike was sabotaged by the labor traitors who run the IAM and the chieftains of the entire AFL-CIO. For nearly nine months union officials have ballyhooed about how the Eastern strikers are fighting for all of labor, but their words of solidarity were empty. No *labor action* was ever taken to back up the Eastern strike. The IAM tops

refused to set up picket lines to stop the scabbing and shut down the airports. The IAM along with the rest of the AFL-CIO told the workers to wait for Bush to impose a 60-day "cooling-off" period; to wait for the bankruptcy court to give Eastern to a nicer capitalist; to wait for Congress to pass a law to set up a bipartisan committee to investigate the strike. The strike was bled dry; the fanfare "solidarity" rallies were carefully crafted to let militants blow off steam while *stopping* workers through-

out the country from taking the *action* necessary to win the strike.

Now the IAM ramp workers, machinists and cleaners are striking alone, while Hudson-General workers, Machinists from District 15, work Eastern planes! Angry IAM strikers picketed the District 15 office near La Guardia Airport on November 20, protesting the bureaucrats' scabbing. And rumors circulate of a despicable deal, where jobs of mainly minority ramp service workers and cleaners will be wiped out, while some machinists are taken back.

The Eastern strike electrified workers around the country, who marched and demonstrated by the thousands for a strike victory. And a victory at Eastern would have been a major victory for all labor—the springboard for a labor offensive to take back the concessions and giveaways of the last decade. But the union bureaucrats knifed this strike in the back. And they had plenty of help from phony "socialist" outfits, including Wimpy's own Democratic Socialists of America, or the Socialist Workers Party who cheered on the empty "solidarity" rhetoric while whitewashing the IAM tops' capitulation to the government's injunctions against secondary picketing. The Spartacist League said "Rip Up the Injunctions! Spread the Eastern Strike—Shut Down the Airports!"

The fight to regain the jobs of all Eastern strikers must be waged. But it would be a valuable gain coming out of this defeat if Eastern and other workers, particularly the miners still on strike against Pittston, see the union bureaucracy as the labor traitors that they are; the Democrats and other "friends of labor" as the agents of capital; the government and all its agencies as the enforcer of the capitalist system of racism and exploitation bent on breaking the working class for profits. Only with this lesson can workers begin to build a new class-struggle leadership in the unions and a workers party that will lead the fight to take power out of the hands of the capitalist class. ■

# Immigrant Workers Organize in L.A.

LOS ANGELES—The 13,000 members of Hotel Employees and Restaurant Employees Union (HERE) Local 11 are in a battle to defend their union against the giant Hyatt hotel chain. HERE members have turned out for spirited demonstrations at the Hyatt Regency and at Hyatt hotels on Wilshire and Sunset. Coming on the heels of the hugely popular teachers strike here last spring, a victory for the hotel workers would reverberate throughout the L.A. labor movement, especially among the hundreds of thousands of superexploited immigrants who work in the restaurants, garment factories, meat processing plants and construction industry.

Local 11, which is over 70 percent Latino, has organized the 14 major hotels in downtown L.A. which make up the Hotel Employers Council. Recently, Hyatt reopened the newly renovated Regency by hiring many non-union workers, and is now demanding that its already low-paid employees work up to ten days straight without overtime rates. A despicable provision in the contract known as the "most favored nations clause" requires the union to extend any concessions granted one boss to the entire council. With 21 new hotels proposed for downtown, this means the outcome at Hyatt will determine the future of the whole union. Strike the Hyatt union-busters! Victory to Local 11!

Long a bastion of the open shop and low wages, with only pockets of union

## Strike Hyatt Union-Busters!



Los Angeles Times  
Largely Hispanic hotel workers in militant protest outside Hyatt Regency Hotel, Los Angeles, November 8.

power in specific industries like aerospace, longshore and filmmaking. Los Angeles has seen a surge of union organizing among Latino workers. Many of them are Salvadoran refugees who fled from the U.S.-backed death squads, and they bring with them years of experience in militant labor organization. Local 399 of the SEIU is organizing janitors in downtown office buildings, who

have seen their paychecks cut by half in the last decade. Latino cemetery workers at the Catholic Archdiocese started signing up with the Amalgamated Clothing Workers last year after the Archbishop "appropriated the workers' modest annual bonus to help pay for Pope John Paul's visit" (*LA Weekly*, 1 September). After a bitter fight, they have won union certification. Even the

tingoist "Buy American" International Ladies Garment Workers Union, which in the past refused to organize undocumented workers, has today recognized the need to organize them.

The battle at Hyatt comes as foreign-born workers here and across the country fight to defend their jobs and their rights. In Southern California communities, Latino and Asian immigrants gather on street corners to hire out as day laborers, often for as little as \$10 or \$20 per day. The Simpson-Rodino "Immigration Reform and Control Act" has driven these immigrant workers onto the streets, as it made it illegal to hire undocumented foreign-born workers. To qualify for "amnesty" under the act's "reform" provisions—which "legalize" a tiny proportion of those who made it to this country and have worked, paid taxes and Social Security for years—immigrants must travel a maze of bureaucratic, discriminatory and expensive requirements. A missed deadline, not enough money, a positive AIDS test and you can be disqualified. When the act went into effect in 1986, we warned:

"The racist immigration 'control and reform' act is a threat to everyone. It is not only producing a wave of discrimination against anyone who 'looks foreign,' the law is already being used against *all* workers.... This is the first step to a monstrous South African-style pass system."

—WV No. 427, 1 May 1987

Even Congress' General Accounting Office reported last year that more than

WORKERS VANGUARD



# Labor's Gotta Play Hardball to Win!

## Amnesty for Victimized NYNEX Strike Militants!

New York and New England Communications Workers union (CWA) members stayed out for four months in their strike against the profit-bloated NYNEX giant. They marched and demonstrated by the thousands for a strike victory. But the CWA tops weren't interested in a strike victory half as much as they were in an election victory for anti-union Democratic Party politicians. A week after election day, CWA president Morton Bahr jumped the gun and announced the "end" of the phone strike at the AFL-CIO convention in Washington, D.C., in order to "share... a little bit of euphoria" with the rest of the Kirkland gang (*Newsday*, 14 November). Bahr's high quickly crashed when even the regional bargaining committee threw the contract back.

But two weeks later, CWA District 1 VP Jan Pierce, a Jesse Jackson Democrat, and the CWA bargaining team returned to sell the ranks the same bill of goods. The central issue of the strike was over NYNEX's demand that workers pay a big chunk of medical costs. Bahr's contract simply means that phone workers pay for their medical insurance with a huge drop in real wages—a lousy 3 percent wage "raise" the first year, and half that in the second and third contract years. And like the rotten deals that CWA workers at AT&T and other regional Bell Operating Companies were stuck with last summer, retirees will be shafted with health insurance payments when the contract expires.

It didn't have to end like this. The CWA could have hit NYNEX where it hurt—in the wallet—and won the active support of millions of phone users at the same time by occupying key switching centers, pulling the plug on NYNEX's billing operation and waging a national phone strike. But that would have upset the bureaucrats' cozy relations with the bosses. Instead, Gerry Horgan, the CWA steward run down by a scab on the picket line in New York State, lies dead and at least 140 NYNEX workers were suspended or fired—and for what? Criminally, the CWA bureaucrats have refused even to demand amnesty for these victimized workers and the others NYNEX may go after now. In Southern California, high-seniority strikers and union officials returned to work to be met with a rash of suspensions and firings. Rescind the suspensions and firings! Hands off union militants!

## Las Vegas: Shut Down the Strip!

On the famous Las Vegas strip, 150 members of Musicians Local 369 are fighting for the life of their



White Plains, New York, August 17: NYNEX strikers at memorial rally for Gerry Horgan, murdered on the picket line by a scab.

union in a strike which is important for all labor in "right to work" Nevada. The five biggest casino hotels are out for blood—they hired the same union-busting law firm used by Texas Air chief Frank Lorenzo. Last spring, after quietly settling with the other unions, the hotels went after the Musicians.

The hotels opened "negotiations" by declaring that taped music would replace live orchestras for the big production shows, and that musicians for the smaller star shows would lose guaranteed hours. These mass firings were implemented when the old contract expired June 1; Local 369 struck the Tropicana on June 3, and shut down Bally's, the two Hiltons and Caesar's Palace during the summer.

The big hotels are evidently willing to lose a lot of money to break this small union in Las Vegas, a rare labor town in the Southwest. But these two-armed bandits can be stopped. Key to that is bringing out the more than 20,000 culinary workers and bartenders, members of the Hotel and Restaurant union (HERE). But the HERE union tops have scandalously ordered their members to cross the picket lines; so have the union construction crews working on the remodeling of Caesar's. Pickets told *WV* that Joan Rivers and Bill Cosby had also scabbed.

The musicians have already been out longer than the bitter 77-day strike in 1984, where the hotel casino unions went out together and fought vicious scab/cop attacks on the picket lines. The musicians must not fight alone. Many performers, including Frank Sina-

tra, Dionne Warwick and Diana Ross, have honored the picket lines. Everybody should—picket lines mean don't cross! The hotels must be shut down tight!

## Machinists Tops Cave In to Boeing

Before the Boeing strike began, Machinists (IAM) Local 751 president Tom Baker hoisted that "if we can't break the bonus strategy and get the wage increase, with all we have going for us, then no one ever will." The Boeing workers sure could have, and somebody will—but to do it they'll have to scrap Baker and the rest of the pro-capitalist IAM bureaucrats.

Here was the perfect opportunity to land a powerful blow for all labor: the aircraft giant is dripping in profits—\$614 million last year alone—and their order books are filled into the 1990s. In October, the Seattle Kingdome shook with chants of "Strike, strike!" as 40,000 IAM members voted six to one to shut Boeing down. After six years without a wage increase, Machinists were determined to destroy Boeing's "lump" pay increases (which don't go toward benefits) and win a huge jump in wages and benefits.

But 48 days later, ground down by the IAM tops, who let supervisors finish planes and ship them out, IAM members accepted a barely sweetened version of the same offer the company made in October. Hearing that the terms were only 10 percent in wages over three years, with another 19 percent in the hated "bonus," one striker bitterly remarked that he "didn't spend 47 days out here for nothing." The grinding overtime, over 50 hours per month, was barely reduced at all. But with over a third of the IAM membership having less than two years seniority, many workers swallowed the "lump."

A class-struggle leadership of Boeing workers would have led plant occupations and real working-class solidarity by hooking up with IAM workers at Lockheed and UAW members at McDonnell Douglas, whose contract is being extended day to day, for a national aerospace strike. Instead, the exceptional opportunity of the Boeing strike to crack open a national labor offensive was lost.

In a cynical and self-damning indictment, recently retired IAM president William Winpisinger, the "seat of the pants socialist" who began the Reagan years by scabbing on PATCO in 1981, lamented: "We've stuck by the Democratic Party through thick and thin, whether the candidate was a dog, a dead horse or a winner." Well, Wimpy's certainly no winner, and he was never a socialist. But from PATCO to Eastern to Boeing, it's the workers who pay the price for the class collaboration of these labor lieutenants of capital. Break with the Democrats! We need a workers party to fight for a workers government! ■

a half million companies admitted discriminating against "foreign looking" workers.

Recently, a city-sponsored project to establish a half-dozen "hiring sites" for laborers drew *la migra's* fire—and threats that they might raid the sites. In Topanga, north of L.A., the town council set up a racist link line to inform on "illegal" immigrants looking for work! Immigrant rights activists called it the "Topanga Gestapo." In L.A., activists have set up their own hot line to aid workers harassed and ticketed for "loitering" by the LAPD. The LAPD has been doing *la migra's* dirty work, as joint LAPD/INS "anti-crime" raids target undocumented workers. In one supposed "drug raid" last June through MacArthur and Lafayette parks in the Salvadoran community, over half of the arrests were for being undocumented. The INS created four hours of panic as it dragged in scores of soccer players, homeless and children who were later released.

With almost half of those eligible for "permanent resident status" under Simpson-Rodino living in Los Angeles and Orange counties, the state AFL-CIO has set up an "associate" membership organization, the California Immigrant Workers Association (CIWA), to assist immigrant workers in becoming



Strikers picket Bud agribusiness giant in Salinas, October 27.

"legal residents." Over 3,000 Latino workers have joined CIWA—but they want real unions, not just a dues collection agency, and have sparked

organizing drives in the Clothing Workers and Machinists unions. The *Christian Science Monitor* (15 November) notes that as "1.3 million farm workers

nationwide" legalize their immigration status, it "may presage more militant labor activity among Latino workers." A recent example is the strike by the 3,200 members of Teamsters Local 890 against the Bud Company agribusiness giant in Arizona and California.

Immigrant workers are now the fastest growing component of the AFL-CIO, and already make up 10 percent of its 14 million members. And they have fought for union membership in the face of the deeply chauvinist AFL-CIO tops, who applauded the racist Simpson-Rodino bill for its "employer sanctions" against hiring undocumented workers. From Cold Warrior Albert Shanker to Farm Workers president Cesar Chavez, who called on the INS to arrest "illegal aliens" hired as scabs by the growers, the labor traitors are the enemies of united working-class struggle.

The unions must use their power to defend foreign-born workers: Smash the racist immigration law! Full citizenship rights for anyone who has made it to this country! Integrated into the unions, alongside their black and white class brothers and sisters, Latino workers can play a key role in the battle for a revolutionary workers party, one that will sweep away the dying racist capitalist system. ■



# Prague...

(continued from page 1)

while illusions about Western-style parliamentary democracy are widespread, particularly in the Czech protests, the workers of East Europe are not longing to experience the alleged benefits of capitalist exploitation—wage-gouging, speedup, layoffs, inflation.

While Lech Walesa heg American businessmen to invest in Poland, Polish workers are desperately resisting the Chilean-style economic "shock treatment" which the Solidarność-led government is trying to impose on them. Soviet workers have become ever more hostile to Gorbachev's market-oriented perestroika and exhibit violent hatred for the petty-capitalist entrepreneurs spawned by this program. In East Germany there is strong opposition among both workers and intellectuals to reunification with West Germany on a *capitalist* basis.

The gut-level resistance of East European workers to capitalist restoration must be organized through the formation of genuine communist parties, leading the struggle to sweep away the tottering Stalinist bureaucracies and establish workers governments based upon soviet democracy. Proletarian political revolutions in the East would electrify the workers of the West. Then Bush, Mitterrand, Kohl and their ilk, instead of celebrating "the death of Communism," would be trembling over the end of capitalism.

## Strings Cut, Czech Stalinist Puppet Collapses

The Czech leadership of Milos Jakes & Co. was the last remaining old-line Stalinist regime in East Europe apart from the backwaters of Romania and Albania. That regime was especially hated by its own people because it was imposed after the 1968 military invasion of Czechoslovakia by Soviet-bloc forces, which overthrew the liberalizing Stalinist government of Alexander Dubcek. Ironically, the impetus for toppling what the Western press called the "orthodox Communist" regime in Prague, and also in East Berlin, now came from Moscow. It is not simply that Czechs and East Germans no longer fear that any oppositional movement will be crushed under Soviet tanks. For his own, far-from-noble reasons, Gorbachev has pushed for greater liberalization in East Europe.

When the Soviet leader visited East Berlin in early October for the 40th anniversary of the German Democratic Republic (DDR), he was greeted by tumultuous crowds chanting "Gorby! Gorby!" Polish Communist leader Mieczyslaw Rakowski turned to Gorbachev on the reviewing stand and quipped: "It looks as if they want you to liberate them again." Little more than a week later "hardline" Stalinist Erich Honecker resigned. With Honecker gone, everyone knew the days of his kindred spirits in Prague were numbered, though nobody thought they'd be numbered quite so low.

Even before any big protests, the Gor-

bachvites greased the skids under the hapless Prague leaders. In early November Leningrad TV ran a documentary on Czechoslovakia which featured a sympathetic interview with Dubcek. And dissident Prague bureaucrats told the Western press that Soviet leaders had urged the formation of a "radical reform movement" in the Czech CP (*New York Times*, 8 November). Knowing that this time the Kremlin was on their side, the oppositional Civic Forum took to the streets. The Forum is an

ment with the Civic Forum, and "free elections" are to be held next year. But the Czech Stalinist bureaucracy is so discredited and internally fractured, the Civic Forum is so ineffectual, ill-organized and itself divided, that Czechoslovakia today is closer to a complete vacuum of political power than any other country in East Europe. At the same time, Czechoslovakia has proportionally the largest industrial proletariat, historically well organized and highly class conscious, in East Europe.



Above: Warsaw Pact tanks roll over 1968 "Prague Spring" of liberal Stalinist Alexander Dubcek. Below: Dubcek is cheered as he speaks at rally of nearly one million, November 25.



amorphous umbrella formation covering dissidents ranging from Duheck, who still talks about "socialism with a human face," to outspoken advocates of capitalist restoration.

The first, relatively small protests were broken up as the police liberally bashed heads. This brutality, especially a widely believed report that one protester was beaten to death, fueled ever larger demonstrations—200,000, then 500,000. The immediate and overriding goal of the protesters was to free themselves from the dead hand of a stultifying little tyranny. One student wore a sign saying simply, "I don't want to live in a cage."

The besieged hardliners made a last-ditch attempt to appeal to the working class against the predominantly intellectual- and student-based protests. Prague party boss Miroslav Stepan called on "the workers of Prague" to "stand firmly" against the opposition's "hysteria" (*Washington Post*, 22 November). But when it became clear that the workers of Prague as well as Bratislava, Brno and every other city in the country were preparing to participate in a two-hour general strike called by the Civic Forum for Monday, November 27, Jakes, Stepan & Co. were axed and replaced by obscure "reformers." The general strike itself became a victory celebration. Nearly half the population—six to seven million people—participated as one contingent of workers after another marched under the banners of their state-owned enterprises.

The caretaker Stalinist regime agreed to form some kind of coalition govern-

The political vacuum in Czechoslovakia today can and must be filled by workers power.

## A New "Prague Spring"?

Now, everyone is saying that "the spirit of 1968" has been reborn. Alexander Dubcek has emerged from obscurity to become a national hero, greeted by chants of "President Dubcek" whenever he speaks. Duheck maintains that what is happening today is but a continuation of "the democratic process which had been introduced in 1968" but cut short by Brezhnev's tanks: "It's you, the younger generation, that is still giving life to this idea that was born 20 years ago" (*New York Times*, 24 November).

However, what is happening in Czechoslovakia today, not to speak of the rest of East Europe, is in fact *very different* from what happened in 1968. The impetus then for the "Prague Spring" came from above, from a liberalizing and technocratic wing of the bureaucracy and affiliated intellectuals. Initially the workers were wary of the Dubcek regime for proposing market-oriented economic "reforms." However, many workers came to believe that "good Communists" like Dubcek would usher in genuine socialist democracy through which the working class could defend its economic interests. In the end the working class was the main social force in the passive resistance to the Soviet-bloc military intervention.

Today, all wings of the bureaucracy and official Communist Party are discredited among the working class. At

the same time, the socialist idealism—albeit of a vague, woolly sort—which was pervasive in Czechoslovakia in 1968 has dissipated. The watchwords of the "Prague Spring" were "socialist democracy," "socialist humanism," "socialist morality." But the seven-point manifesto ("What We Want") of the Civic Forum does not once mention the term socialism. The political center of gravity of the Czech intelligentsia has shifted sharply to the right, toward Western liberalism and social democracy. Thus the Civic Forum's leading figure, playwright Vaclav Havel, summed up his program on the night Jakes resigned: "we want democracy, we want to rejoin the European Community, we want social justice and a free-market economy" (*Newsweek*, 4 December). In one of the protests, a speaker quoted from the American Declaration of Independence, implying that the United States of George Bush and Donald Trump still embodies the bourgeois-democratic ideals of Thomas Paine.

One of the most striking and significant differences between the "spirit of 1968" and Czechoslovakia today is the changed attitude toward American imperialism. In 1968 practically the entire working class and intelligentsia were *morally outraged* over U.S. war crimes in Vietnam. Yet there is no report that any of those now chanting "freedom" and "democracy" in Prague and Bratislava condemn U.S. support to the blood-drenched regime in El Salvador, which has killed 70,000 workers and peasants.

It is important to emphasize that it was not until the general strike a week ago that the organized working class entered the political stage. What the Western media presents as the voice of the Czechoslovakian people has in fact been only the voice of the intelligentsia. Moreover, the sense of popular unity against the hated Stalinist regime, followed by popular euphoria over the fall of that regime, has muted and postponed political and class differentiation. But that differentiation exists and will soon come to the fore.

A recent poll indicates that almost half the population wants to retain a fully state-owned economy, while only 3 percent favor restoring capitalism. Yet the economic brain trust of the Civic Forum consists of a coterie of dogmatic "free marketeers." One of them, Milos Zeman, advocates substantial privatization, an austerity program to repay Czechoslovakia's debts to Western bankers and an aggressive campaign to attract foreign investment. The *London Financial Times* (29 November) describes this program as "the trading of democracy for a period of a fall in living standards—perhaps. Mr. Zeman thinks, by 30 to 50 per cent!" But, says the "democrat" Zeman, they will "tell the people the truth" only "after the next election."

Well, Mr. Zeman is soon going to find out that the Czechoslovakian working class has a very different idea of democracy. The conflict between the working class and advocates of market-oriented "reforms" far more moderate than Zeman was a central factor shaping the 1968 "Prague Spring." Brezhnev did *not* send half a million armed men into Czechoslovakia simply to suppress a few thousand "socialist humanist" intellectuals but to cut short a *developing* proletarian political revolution.

## Czechoslovakia: From Masaryk to Novotny

To understand the 1968 "Prague Spring" it is necessary to consider the history of modern Czechoslovakia. The Czechoslovak state was cobbled together by the bourgeois-nationalist Thomas Masaryk, under the aegis of Woodrow Wilson, when the Austro-Hungarian Empire disintegrated at the end of World War I. Even today, liberal Czech intellectuals proudly proclaim that their country was the only democracy in interwar East Europe. However, Ma-

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saryk's state was based on Czech domination over two large national minorities—the Slovaks and Germans.

While closely related ethnically and linguistically, the Czechs and Slovaks have a long history of very different national development. The Czechs of Bohemia and Moravia were drawn into the economic and cultural orbit of late medieval Germany. In the 15th century the radical religious movement led by Jan Huss in Bohemia became the forerunner of the Protestant Reformation in central Europe. While the Hussite movement was bloodily suppressed, the authority of the Roman Catholic church has always remained weak in Czech lands. In the late 19th century Bohemia and Moravia underwent substantial industrial development, generating a proletariat with a high level of class consciousness and an intelligentsia proud of its secular humanist culture. After the Bolshevik Revolution, the Czech Social Democratic party in its majority voted to join the Communist International.

During this period Slovakia remained a rural, traditionally Catholic region ruled by the decadent Hungarian nobility. Following the formation of a unitary state in 1919, the Czechs looked down upon their Slovak cousins as priest-ridden country bumpkins. In turn the Slovaks resented the dominance of the smug, arrogant Czechs who dubbed themselves the "Yankees of Central Europe." During the late 1930s Hitler exploited the national resentments and grievances of the Slovaks as well as the Germans to dismember the Czechoslovak state. The Nazis were able to build a mass movement among the Germans of the Sudetenland. At the 1938 Munich conference Britain and France appeased Hitler by sacrificing their Czech ally and accepting the annexation of the Sudetenland by Germany. The bitter memory of Munich contributed in no small measure to the popular authority which Stalinist Russia enjoyed in Czechoslovakia after World War II.

The horrors of the Nazi occupation produced an enormous strengthening of the left, especially the Communists, among both Czechs and Slovaks. In 1945 the Communist Party of Klement Gottwald won an *absolute majority* in an incontestably free election. When the Stalinists took power in the 1948 "Prague coup," they did so on the basis of a solid general strike and the use of armed workers militias. (Needless to say, these militias were kept under tight bureaucratic control.)

The Stalinists soon eroded their popular authority by totalitarian police-state terror often linked to anti-Semitism, such as the 1952 show trial and execution of the prominent Jewish Communist Rudolf Slansky. At the

same time, consumption levels were driven down to provide ever more investment for heavy industry. Antonin Novotny, who took over when Gottwald died in 1953, blocked even the limited "de-Stalinization" which took place in the Soviet Union with the "Khrushchev thaw" after 1956. The victims of Stalin-era terror—both living and dead—remained unrehabilitated. Their executioners, torturers and jailers remained in power until 1968.

### Dynamics of the "Prague Spring"

During the early '60s Czechoslovakia experienced a sharp economic decline. In fact, per capita income was *lower* in 1965 than 1950! Its high level of industrial development made the Czech economy especially susceptible to bureaucratic parasitism and mismanagement. Czechoslovakia had to raise

board. Instead, the main effect of the "Prague Spring" was to establish de facto freedom of political organization. Given the social weight and socialist consciousness of the working class, independent organs of proletarian power were bound to develop.

It was this prospect that Brezhnev, Walter Ulbricht and the other East European Stalinist rulers feared most. Of course, they claimed that the Czechoslovakian working class was being threatened by "anti-socialist forces." In fact, there were hardly any anti-socialists in Czechoslovakia at that time, aside from a few assertively pro-Western types (like playwright Pavel Kohout, who was militantly pro-Zionist and strongly supported Israel in the 1967 war). Indeed, many—if not most—Czech students identified with the New Left radicalism then current in West Europe and the United States. In early



Vorkuta miners vote to renew strike, November 3. Soviet workers must find the road back to Bolshevik internationalism of Lenin and Trotsky.

its overall level of productivity through technological renovation and retooling. However, the Stalinist trade-union bosses were so powerfully entrenched they prevented closing down any factory, no matter how old and obsolete. To put an end to this state of affairs, a section of the bureaucracy advocated scrapping centralized planning, ending state subsidies and forcing enterprises to operate on the basis of market profitability or shut down. The principal spokesman for this technocratic tendency was Ota Sik, a pioneer theorist of "market socialism," who became deputy premier under Dubcek.

The economic stagnation also aggravated Czech-Slovak tensions, which Stalinist rule had in no way resolved. When in 1963 Dubcek became head of the party apparatus in Slovakia, his main quarrel with Novotny was about money for his bailiwick which, Slovaks argued, remained seriously underdeveloped. And when he replaced Novotny in January 1968 as party leader, Czech chauvinists spoke of a Slovak cabal. While the intelligentsia welcomed Dubcek as a liberal, the working class was wary, if not hostile, to all talk of economic "reforms." The American liberal journalist Harry Schwartz reported:

"In many of the nation's factories and mines, the conservatives fared well during the early weeks after the Dubcek take over. To the mass of workers, talk of democracy and other abstract freedoms meant little. On the contrary, many were fearful of reform, apprehensive that the new regime would shake up the economy and end the old comfortable ways."  
—*Prague's 200 Days* (1969)

However, the factional turmoil within the bureaucracy and the pressure from below paralyzed the whole repressive apparatus. Workers found themselves free to set up independent organizations, to take over the official trade unions, to strike and protest. Sik's "reforms" never got off the drawing

board. Instead, the main effect of the "Prague Spring" was to establish de facto freedom of political organization. Given the social weight and socialist consciousness of the working class, independent organs of proletarian power were bound to develop.

The real class dynamic of the "Prague Spring" was perhaps best revealed by the Warsaw Pact invasion. While military resistance was clearly suicidal, whatever resistance occurred was centrally proletarian. Railway workers sabotaged the transport of military equipment. Printers clandestinely ran off leaflets protesting the intervention. The 14th congress of the Czech Communist Party was held in secret, under the guns of tanks, in the huge CKD factory in Prague. Delegates came disguised in work clothes and were protected by an armed workers militia. Some Czechs appealed to the Soviet-hoc soldiers and officers to support their cause. There were numerous reports that soldiers in the occupying forces were deeply shaken. However, conditions in Brezhnev's Russia and Ulbricht's East Germany were such that it was impossible to even protest peacefully against the crushing of the "Prague Spring."

### Return to the Road of Lenin and Trotsky!

Today Stalinist rule is in disarray from Siberia to East Berlin. The workers are groping, albeit with much ideological confusion, toward their own political power, toward a just and egalitarian society which answers the promise of communism. Far from being isolated as in 1968, a proletarian political revolution in Czechoslovakia or East Germany can be the spark which brings down the entire rotten edifice of Stalinism in East Europe.

In its overwhelming majority, the highly industrialized and educated population of East Germany is adamantly pro-socialist. And while the proletariat has yet to assert its class interests as a distinct, organized force, it is notable

that the party ranks have become increasingly active and vocal in protesting against the bureaucratic apparatus. Even in Poland, now under the rule of an explicitly pro-capitalist Solidarność-dominated cabinet, the prospect looms of explosive workers struggles, as the regime seeks to implement a draconian economic program aimed at slashing social subsidies and privatizing major industries. One of Poland's new up-and-coming capitalist advisers, Andrzej Wroblewski, complained, "Our people hate Communism, but when you start talking about privatization, many of them act like Communists" (*New York Times*, 30 November).

Most significantly, the sleeping giant of the Soviet proletariat has awakened after decades of Stalinist repression. Last summer's strike by coal miners, which rapidly spread from Siberia to the Ukraine, sent tremors through the Gorbachev bureaucracy. In November miners in the Vorkuta region walked out again, insisting that the demands agreed to by the government had not been implemented. Notably, coal miners in various regions have begun forming independent organizations in the aftermath of the July strikes. These organizations, not surprisingly, reflect all the political confusion and amorphousness which has been evident throughout Soviet society generally since Gorbachev's glasnost pried open the lid of heavy-handed repression. Ominously this includes Great Russian nationalism and even the sinister anti-Semitism of the fascist Pamyat.

Thus, one leader of the Vorkuta strikers, Nikolai Trekhin, is an avowed anti-Communist. Trekhin, quoting tsarist reactionary Alexander Solzhenitsyn that "only absolute resolution can defeat the Communist rulers," even appealed to AFL-CIO chief Lane Kirkland to help him organize a pro-imperialist "free trade union" in Vorkuta. Meanwhile, the nationalist Trekhin denounces the Soviet Union for sending aid to "fraternal totalitarian regimes" like Cuba. Fortunately, Trekhin's voice is only one of many being heard among the Soviet miners.

On the other hand, miners in the Kuznetsk Basin (Kuzbass) in southwestern Siberia recently organized a Union of Workers of the Kuzbass which is explicitly pro-socialist. Rupert Cornwell reported in the London *Independent* (17 November) that since the July strike, "Across the Kuzbass, local worker committees have sprung up, embracing not only miners but men from industries such as building, transport and metallurgy." At its founding congress on the weekend of November 17-18, the Union adopted a platform which called for abrogating the constitutional clause sanctifying the "leading role" of the Soviet Communist Party and declared it would "welcome the emergence of a new party defending the principles of socialism and the interests of the working class" (*Le Monde*, 23 November).

The key task facing workers and pro-socialist intellectuals in the Soviet Union and East Europe now is precisely the forging of new parties defending the principles of authentic socialism, the principles of the Communist International of Lenin and Trotsky. Decades of Stalinist bureaucratism and terror, of betrayals of proletarian revolutionary struggle internationally in the name of an all-sided lie of building "socialism in one country," of stifling repression and dogmatic pseudo-Marxist catechism, have wreaked havoc on the socialist ideals of entire generations of communist militants. Stalinism is wounded, but communism lives—from East Berlin to Siberian coal miners. The program and ideals of the Bolshevik Revolution can and must be revived, embodied in Leninist-Trotskyist parties fighting for proletarian political revolution to shatter the Stalinist bureaucracies as part of a perspective of world socialist revolution. ■



Prague protests were fueled by outrage over police beatings of student demonstrators.



# As West German Bankers Dream of Reunited "Fourth Reich"

## For a Red Germany in a Socialist Europe!

DECEMBER 4—As travel barriers came down at the Berlin Wall, stocks shot up in the Frankfurt market. For while millions of East Germans came over to look at the glittering show windows of the West, West Germany's capitalist rulers were salivating at the prospect of gobbling up the German Democratic Republic (DDR). Industrialists see the prospects of cheap labor and new markets. Financiers talk of multibillion Deutschmark loans, of establishing a forward base for massive penetration of the heretofore Soviet bloc. Politicians in the Bundestag applaud Chancellor Kohl's ten-point program for counterrevolution in stages. But while the German imperialists aggressively pursue their *Drang nach Osten* (drive to the East), the Stalinist regime in East Berlin is tottering in the face of a mass upsurge.

The very existence of the DDR is at stake: the question is posed, which class shall rule? Either the proletariat takes political power from a parasitic bureaucracy whose corruption and gross mismanagement are being daily exposed, or the masters of Mercedes-Benz/Messerschmidt will establish an imperialist Fourth Reich, lording it over the working people and threatening the world. The East German masses have shown through repeated mobilizations that they are fed up with tutelage and prepared to fight to determine their fate. And while voices are heard calling for a capitalist reunification of Germany, many more are saying they don't want to live in a Deutsche Bank republic but a society of justice and equality. The ranks of the SED (Socialist Unity Party) have risen up to bring down the Politburo and Central Committee, proclaiming "We are the party!" and "Down with Stalinism!"

Although the East German workers state was bureaucratically deformed from birth, its collectivized economy is a historic achievement that must be defended to the hilt. It has been built up from the ruins with years of sweat and sacrifice by the working people of the DDR. It was the product of the victory over Nazi tyranny by the Red Army, at the cost of 20 million Soviet lives. And it lays the basis for a socialist future, not only for Germany but for all Europe. But the bankruptcy of Stalinism demonstrates the impossibility of building



Mass protest in Leipzig, October 9: Honecker ordered bloodbath, but Stalinist regime backed down.

"socialism in one country," much less half a country. We Trotskyists declare that the alternative to domination by the same banks who financed Hitler on the road to imperialist war and the Holocaust, is *world socialist revolution*. Then an internationally planned economy can produce for human needs instead of profit.

### No to a Deutsche Bank Republic!

As the pro-capitalist Solidarność cabinet in Warsaw and Hungarian Stalinists rebaptized as "socialists" try to auction off state industry at summer close-out sale prices, the French minister of industry called on French businessmen to "rush" into East Europe. But already West German capitalists are far in the lead in "joint ventures" and the D-mark is becoming the common currency in the region. And

now they want East Germany as their base of operations in the East. Volkswagen wants to build a factory to produce Polos with low-wage East German labor. Siemens offers to supply switching equipment for the DDR's decrepit phone system. The Dresdner Bank dreams of returning to Dresden, as they and their competitors offer billions in loans and credits. The London *Financial Times* (23 November) explained the West German bankers' largesse: "One day, they believe, they will be running East Germany's economy as well as that of the Federal Republic."

In an interview with *Der Spiegel* (20 November), Deutsche Bank chief Alfred Herrhausen declared: "In the case of the reunification I want, the DDR would not even be a state anymore." Thuringia and Saxony would just become *Länder* in a new *Grossdeutschland*. Herrhausen was also chairman of the board of Daimler-Benz and engineered its acquisition of the Messerschmidt arms manufacturer. In response to his assassination last week, reportedly by a commando of the Red Army Faction, Kohl called him "a good comrade" and "a German patriot." While the killing was an act of individual terror, a misguided response of those who despair of revolutionary action by the masses, Herrhausen certainly symbolized and most crassly expressed the ambitions for a Fourth Reich.

While the revanchist right wing in the Federal Republic (BRD) loudly beat the drums for immediate capitalist reunification of Germany, the Social Democrats (SPD)—reflecting more sober imperialist forces—talk of beginning with a "confederation" between the BRD and DDR. Christian Democrat

Kohl embraced this proposal in his "ten points" speech to the Bundestag, which was endorsed by the SPD. The response of DDR leader Krenz, having opened up the Wall, was to hold out the possibility of confederation "so long as you begin with the existence of two independent, sovereign German states." Supposedly preserving the DDR's independence, such schemes amount to subordinating the East German workers state to imperialism. Growing economic penetration would foster pro-capitalist forces, leading (sooner rather than later) to bloody counterrevolution.

Following the opening of the Berlin Wall, concern has grown about the economic threat by the capitalist West to the very existence of the DDR. On November 28, dissident socialist writer Stefan Heym read a statement "For Our Country" signed by well-known writers, artists, scientists, churchmen, SED "reformers" and managers, and supported by the various opposition groups. The appeal warned against the danger of a "buyout of our material and moral values" which would sooner or later lead to West Germany "taking in" the DDR. Condemning the party leadership and "structures shaped by Stalinism," it reasserted "anti-fascist and humanistic ideals" and insisted: "We still have a chance—side-by-side with all the states of Europe—to develop a socialist alternative to the Federal Republic." The next day Prime Minister Hans Modrow and then SED chief Egon Krenz signed the statement.

It is clear in the DDR that talk of "socialism," "democracy" and anti-Stalinism means vastly different things to different people. For those in the orbit of the SPD, it is a social-democratic cover for counterrevolu-



Panorama GDR

Computer factory in East Germany. For central planning based on workers democracy—workers councils must make key economic decisions.



tion. But in the best of cases—those who genuinely don't want to abandon what has been achieved in the DDR and who seek a "socialist alternative" to the capitalist Federal Republic—their vision doesn't go beyond the nationalist concept of "socialism in one country." As long as that narrow framework is accepted, it will not be possible to open the path to genuine socialism, a classless society based on abundance. For the origin of the privileged bureaucracy lies in the attempt to administer scarcity. As Leon Trotsky wrote in *The Revolution Betrayed* (1936):

"The basis of bureaucratic rule is the poverty of society in objects of consumption, with the resulting struggle of each against all. When there is enough goods in a store, the purchasers can come whenever they want to. When there is little goods, the purchasers are compelled to stand in line. When the lines are very long, it is necessary to appoint a policeman to keep order. Such is the starting point of the power of the Soviet bureaucracy. It 'knows' who is to get something and who has to wait."

This pressure becomes even more acute in the face of more powerful imperialist states with a higher level of development of the productive forces. The only real defense of the gains embodied in the DDR is to extend them through socialist revolution in the West.

### Danger of a Buyout of the DDR

For years, East Germany was considered the "economic miracle" of the Soviet bloc. Levels of income and consumption in the DDR are not only the highest in East Europe, they are significantly higher than Britain and Italy as well. Housing is cheap (\$30 per month rents are typical), food shortages are rare. Its health and social security systems have been a source of pride and there are more students in higher education than anywhere on the continent except the Netherlands. From the mid-1960s to the mid-'80s, its economic growth exceeded that in the West. Yet the economic security of East Germany is overwhelmingly affected by one main factor: it's next door to the Federal Republic, the imperialist power with the highest standard of living in the world. Speaking the same language, with virtually the entire DDR able to receive West German TV, the lure of an imagined El Dorado across the border is a daily temptation.

During the 1950s, more than 3 million people (out of a total of 17 million) left the DDR for the West. It was this tremendous bloodletting, threatening the survival of the East German economy, which led to the building of the Berlin Wall in 1961. For 28 years this bureaucratic defensive measure stabilized the country. But this last summer, the exodus of tens of thousands of young people, most of them well educated and highly trained, threw the Stalinist regime into crisis. It was a giant brain drain: one Western expert estimated that the loss of 500,000 young workers would bring the DDR to collapse—so far this year about 270,000 have left. Partly the mass flight was instigated by



Der Spiegel  
**Stalinist mismanagement casts a pall over East Germany. As USSR raised oil prices, obsolete plants turned to low-grade lignite fuel.**

the West German media and facilitated by the West German state, but these "dropouts" had their own reasons. With the exception of some professionals, (particularly money-grubbing doctors), most didn't leave for economic reasons. Rather it was out of frustration with bureaucratic arbitrariness, boredom, "cell fever" and fear of the gate slamming shut.

And once the Wall opened up, the outflow suddenly stopped. Millions went to West Berlin and West Germany on the weekend, and then returned to work in the DDR on Monday morning. But then new economic threats appeared. Suddenly Western papers which for years had denounced it as the embodiment of "Communist totalitarianism" discovered "The Economic Basis of the 'Wall'" (*Süddeutsche Zeitung*, 15 November). To begin with, more than 3 billion Ostmarks left the DDR in a week as people cleared out savings accounts to buy Sony tape decks. Money speculators went to work, driving down the black market rate of the DDR mark to 16:1 against the D-mark (official rate is 1:1). Many East Germans thereupon took the 100 DM per person "welcome money" and after buying a few bananas changed the rest back into DDR currency (for a four-person household this amounted to 6,400 marks, a good *four months* salary). Even West Germany's tax-money-purloining former finance minister Count Lambsdorff began warning of a "buyout" of the DDR, saying East Berlin would have to impose rigorous customs controls.

Then there is the smuggling of goods bought (with black market East marks) in the DDR at highly subsidized prices to be resold for hard currency in the West. In West Berlin there is an outdoor "Polish market" where smugglers offer good quality meat, chocolates, fruit, children's clothes, shoes, watches from East Germany. Allied soldiers are also big into this racket, since under the Four Power agreement governing Berlin they may not be searched at the border. Altogether this has drained tens of

billions of marks from East Germany's economy this year, often cleaning out department store shelves. And now there are fears that thousands of people will daily cross over to West Berlin to work, while living in the East. There is a danger of a two-class society developing: those who have access to D-marks and those who don't. This would have a profoundly demoralizing impact on East Germany.

What can be done about this external onslaught that is hemorrhaging the DDR's economy? Some of the biggest



Der Spiegel  
**Imperialist economic penetration undermines East German collectivized economy. After Wall was opened, currency speculation drove DDR Ostmarks down on West Berlin black market.**

drains are connected with subsidies (56 billion East marks a year) which range from meat to cut flowers for bureaucrats' desks, and a crazy-quilt policy of pricing consumer goods. Thus you can see in the same store window a fancy baby carriage for 200 marks (subsidized, to encourage having children) and a stylish track suit at 300 marks (even though it costs a tiny fraction of that to produce). Electronics products in particular are astronomically priced to soak up excess money. Some of the subsidies (such as housing) represent sensible social priorities, while others (e.g., meat, clothing) may be difficult to maintain with a porous border to the West. But the overall effect is so

arbitrary that it gives people the impression that there is no relation whatever between the price of goods and the value they embody.

A rational determination of subsidies and prices is badly needed in which the working people, not a capricious bureaucracy, has the say, through workers councils (soviets), elected from below and extending up to the highest levels of government. It would be possible to determine the real production levels, and then decide what should be specially aided. Involving the workers in the administration of the state, such councils would make it possible to effectively control the economy and discover early on grave distortions, such as the reported 130 billion mark budget deficit, instead of the endemic cover-ups which characterize the government apparatus from top to bottom. This would also make possible a thorough investigation into the shady deals of foreign trade "expert" Schalek-Golodkowski, who has reportedly stashed billions of D-marks in Swiss banks and is now on the run, and other bureaucratic hawks who have enriched themselves at the expense of the working people. What's needed, in short, is a political revolution to oust the bureaucracy and set up workers soviet rule.

What the East German regime has done instead is to turn anger against the siphoning off of scarce goods into hostility against Poles. Polish travelers in transit to West Berlin can no longer stop in the DDR: a list of consumer goods and food products are now for

sale only to DDR citizens; passports are checked at the cash register and border guards at the Berlin Wall single out Poles for spot checks. Meanwhile, *Neues Deutschland* runs articles describing "salami hooks stripped bare by Polish smugglers." Already Polish autos have been trashed. There is much hostility to pro-capitalist Solidarność, which is correctly seen as having brought the Polish economy to ruin. But all too often this is mixed with anti-Polish chauvinism, now openly encouraged by the regime. And behind that chauvinism is dangerous, racist German nationalism which will be used by counterrevolutionary forces against the DDR itself. It is necessary to emphasize that capitalism is the danger, not Poles.

The opening of the Wall will soon make it necessary for the DDR to do something about its currency, which is worthless except as an internal unit of exchange. Western bankers are calling for making the DDR mark fully convertible, as part of a broader assault on the state monopoly of foreign trade. It would be extremely naive to think that the West would set up a fund to stabilize the DDR mark, as East Berlin has requested. To protect against massive exchange rate manipulation, as over the last month, exchange controls could be imposed with some degree of effectiveness. But a stable currency based on a real equivalent of value will be necessary for foreign trade and travel. The early Soviet government had experience with this when at the beginning of 1923 it issued the *chervonets*, which was

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# HOMAGE TO HEINRICH HEINE

As part of a July 22 educational on the bicentennial of the French Revolution (see WV Nos. 484 and 486, 1 and 29 September), comrade Peter Grün delivered this speech at Heinrich Heine's grave in Montmartre Cemetery in Paris:

Today, Heinrich Heine is mainly known as a lyric poet. But this German Jew and cosmopolitan was also a revolutionary, a friend of Marx and Engels. He is now known for his phrase, quoted apropos of the Rushdie affair, "first they burn the books, then the people." His own works were banned by the Prussian monarchy in 1833. A hundred years later, on 10 May 1933, the Nazis actually burned his books; tragically, the rest of Heinrich Heine's prophecy also came to pass.

Franz Mehring, Marx's biographer and a comrade-in-arms of Rosa Luxemburg, wrote of Heinrich Heine: "The deadly enemies made during his lifetime are still bleeding from the wounds that his good sword inflicted on them, but it is the Communists who defend his grave against the onslaught of these rabid fools." In 1919, at the height of the revolution, the Spartacists made the effort to republish his works.

Heinrich Heine was born in 1797 in Düsseldorf, in a region of West Germany under Prussian domination but which was profoundly marked by the French Revolution. Heine was later influenced by the 1830 revolution in France and the revolt of the Lyon

weavers, the "Canuts." One of his most famous poems was called "The Weavers." Here is a verse:

"Damned be the king, the king of the rich  
Who could not lighten our misery  
Who squeezed the last penny out of us  
And had us shot like dogs."

His most important work is *Germany—A Winter's Tale*, a full-scale denunciation of the Prussian monarchy, of German backwardness, of its national narrowness. At the end of his life he denounced "the party of the so-called representatives of the nationality in Germany, those false patriots whose love of the Fatherland consists of nothing but an idiotic aversion against everything foreign and against neighboring peoples."

Fighting for the bourgeois democratic revolution against the kings, princes and princelings of Germany, he also became aware of the impotence, cowardice and philistinism of the German bourgeoisie, its inability to lead this revolution to its conclusion. A student of Hegel, he wrote in *Germany—A Winter's Tale* that the so-called German revolutionaries could never conquer the "heavenly kingdom of dreams," a favorite phrase of Marx and Engels.

The writings of Marx, Engels and Plekhanov are full of quotes from Heine. Engels noted correctly that "Heine was the only thinker who already in 1833 recognized the revolutionary importance of German philos-



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Heinrich Heine

ophy." In a conversation with Hegel, the latter stated that the idea that "all that is real is rational" (in effect, an apology for the status quo) was not the only possible interpretation of his philosophy. Hegel intimated to him that "everything that is rational must be real." For his part, Heine declared:

"Drum the people out of their sleep.  
Beat the sound of reveille with youthful vigor,  
March ever forward to the drumbeat  
That is the whole science  
That is Hegelian philosophy."

Forced to flee to Paris after 1831, he there encountered the ideas of Saint-Simon, of Blanqui and Babeuf. He joined the League of the Just, the society of revolutionary German artisans which was the precursor of the Communist League. "Bread is the people's right, said Saint-Just, and that is truly the greatest watchword that the revolution has raised," said Heine.

He collaborated with Marx and Engels on the *Deutsch-Französische Jahrbücher* (German-French Almanacs) between 1843 and 1847, when the historical materialism of Marx and Engels began to take form. He died in 1856 after eight years of an illness which confined him to his bed.

An assimilated Jew, a victim of anti-Semitism, Heine had himself baptized as a Christian. He joked about it later, remarking that "if the laws had permitted stealing silver spoons, then I wouldn't have baptized myself." More a fellow traveler of Marx and Engels (he was not an atheist), he nevertheless admired their communist goals. At the end of his life he said that the communists stand for "the most absolute cosmopolitanism, a generalized love for all peoples, a fraternal community of goods among all people, free citizens of this globe."

Internationalism against nationalism—isn't this still today our program, for us of the International Communist League? It is therefore only right to honor the memory of Heinrich Heine, one of the links in the series of revolutionaries which joins us Marxists to the Great French Revolution.

## E. Germany...

(continued from page 9)

partially covered by gold reserves, to eventually replace the paper ruble which had been devalued by hyperinflation to one millionth of its 1921 value.

The *chervonetz* was part of the New Economic Policy (NEP) designed to put the economy on its feet again after the ravages of the Civil War. To accomplish this it was centrally necessary to establish exchange relations with the peasantry instead of just requisitioning grain at gunpoint. And as E. Preobrazhensky, later to become the economic expert of the Left Opposition, pointed out at the Bolsheviks' Tenth Party Congress in 1921, it was "impossible to trade with a ruble rate which fluctuates on the market not only in the course of days, but in the course of hours." While others were dreaming of money dying out in short order, he argued for a currency based on silver. The obvious need for a stable currency to conduct internal trade can be seen from the figures published by Trotsky in his 1925 booklet *Toward Capitalism or Socialism?* showing that in 1924-25, private agriculture production (15.4 billion *chervonetz* rubles) was more than double that of large-scale nationalized industry (7.5 billion).

The situation of East Germany today is significantly different. With agriculture more than 90 percent collectivized and a similar proportion of industry and commerce in state hands, it is not internal but external trade that requires a stable currency. And the DDR has a considerable foreign trade, about 30 percent of the entire national income produced. This is roughly the same as West Germany, and triple the proportion for the United States. Moreover, foreign trade cannot be appreciably reduced, since the DDR is quite resource-poor, having no oil, bituminous coal, iron ore or cotton, although it is a major producer of chemicals,

steel, machines and textiles. As Preobrazhensky noted in his book *The New Economics* (1926), "The state production of consumer goods is further subjected to the law of value in so far as the state obtains its raw material either from private production inside the country or by importing it in large quantities from abroad."

In addition, right in the heart of the DDR is the imperialist outpost of West Berlin, so that as soon as the Wall was open, "foreign travel" consisted of taking a subway trip—which millions did daily, at least until they ran out of their "welcome money." So the DDR uniquely of all the deformed workers states requires a currency based on an equivalent of real value. It may not have large stocks of gold, the universal equivalent, as the Soviet Union does, but it does have substantial reserves of hard currency. And the DDR already has, as a purely accounting unit, a "*valuta* (hard currency) mark." Instead of allowing the D-mark to become the de facto currency of the DDR, the "*valuta* mark" could be legally backed by East Germany's reserves and made available at home and abroad. It could act as a buffer between the world market and the domestic economy, as the government could control the exchange rate between this currency and the internal exchange medium, the East mark.

And for good measure, why not mint some serious coins and impressive bills instead of the present featherweight aluminum pieces and paper scrip which look and feel like play money? Put Karl Marx's picture on the 1,000 *valuta* mark note and then let the Zurich bankers trade it!

### DDR Economy: Computers and Lignite

But a stable internationally accepted currency is only a limited measure in defense of East Germany's collectivized economy. Currency reform, exchange controls, rationalizing subsidies—the

bottom line for all the technical economic solutions is the political loyalty of the citizenry to the government. And that requires the establishment of a revolutionary workers soviet government. Moreover, as Marx taught, production determines circulation. And the DDR has serious problems in the sphere of production. The common denominator is the central need for socialist international economic planning to replace nationalist bureaucratic commandism.

Despite the tendency in the Western press to denigrate East German products as shoddy, there are many areas of the DDR economy that perform well. Unlike Poland, where 76 percent of the arable land is in tiny plots owned by individual peasants, the East German collective farms manage to feed the country, which leads the world in butter and beer consumption. A number of the 126 huge *Kombinate* (vertically integrated industrial conglomerates grouping together numerous factories) which dominate the DDR's economy are highly competitive on the international market. Meissen sets a world standard in fine porcelain. The October 7 Machine Works is a leading manufacturer of heavy machinery. Polygraph produces precision multicolor printing presses. Siemens would love to get a joint venture with Carl Zeiss optical works of Jena in order to get some of its advanced technology.

Okay, so the smoke-spewing, bone-rattling "Trabi" with its two-stroke engine that sounds like a power lawnmower and runs on a gas-oil mixture is a national disgrace to auto-minded Germans and likely to be voted the "cardboard car of the year" for 1989 (not true—it's made out of fibreglass). The newer Wartburg is a nice-looking car which would be just fine if it had a decent motor and they produced ten times as many so you wouldn't have to wait 15 years to get one. The real problem with consumer goods in the DDR is not poor quality or that there aren't enough of them, but rather that

the country produces a huge assortment with small production runs—a so-called "department store economy." And East German factories "now strain to produce 80 percent of the total variety of industrial goods available in the world" (*Washington Post*, 26 November). Some lines will have to be cut back.

Some economic problems are already being creatively solved. Several weeks ago, opposition demonstrators in Leipzig began chanting against the secret police, "Stasi into production." Already the new National Security Office has announced it is laying off some 8,000 of these strong young men, who would do just fine as construction workers rebuilding East Germany's crumbling inner cities. (Pretty good, considering that the secret police previously claimed to have only 5-6,000 employees.) But some prospective employers are saying they don't want to hire "snitches." In response to calls for alternative service instead of the National People's Army, young draftees are being sent to work in the hospitals to replace personnel who have gone to the West. And many of the construction brigades brought in to build showcase projects in East Berlin (for the city's 750th anniversary last year) are being sent back home.

But one area where there have been great complaints is in the computer and electronics industry encompassed by the Robotron *Kombinat*. This was promoted by Erich Honecker as the DDR's crown jewel. Some 14 billion marks have been invested for development of electronics, and much was achieved. Aside from the USSR, East Germany is the only country in the Soviet bloc with a full-range microelectronics production cycle, from silicon chips to mainframe computers. And while DDR industry is generally 15 years behind in technology, in computers the gap is only five to six years. Robotron produces a 32-bit minicomputer and has developed CAM (computer-aided manufacturing) and robotics-based industrial



technology. Last year the first one-megabit chip produced by the Zeiss *Kombinat* was presented to Honecker with great fanfare. The SED chief crowed that this showed the superiority of socialism over capitalism. This has been widely criticized for misapplying resources: how can a country of 16.5 million people produce one-megabit chips when only IBM in the U.S. has the size to do so profitably?

This project may indeed have been an example of Stalinist megalomania, the equivalent of Khrushchev's vow to surpass the U.S. in consumer goods production. Economic planners complain that it was foisted on them by the SED Politburo without discussion. This is exactly the sort of decision that should be the subject of extensive debate in workers councils nationally, for it affects the entire country. There should be a heated fight in the *Volkskammer* and maybe change of government. That way, if a mistake is made, then it's *everybody's* mistake. But there is another important question involved here. Overall the decision to concentrate on "leading technologies" may be correct for a country whose main resource is its skilled labor force. And you can certainly make a case for pouring resources into computers when the choice was made in the late 1970s, *because the DDR was not producing for its own narrow market but for the whole Soviet bloc*. And it was crucial to develop this field to overcome the imperialist technology boycott orchestrated through NATO's "Cocom."

Today, East Germany's microelectronics industry is in trouble not because it isn't state-of-the-art but because the Soviet market is drying up. The Council for Mutual Economic Assistance (Comecon) was inaugurated in 1949 as Stalin's answer to the Marshall Plan. It represented a limited beginning of international economic planning, so that not every one of the East European deformed workers states had to produce its own major products. East Germany, for example, produced agricultural machinery, printing presses and a range of consumer durables for the whole bloc; Hungary produced the Ikarus buses, Czechoslovakia built



Berlin, December 1918: Mass workers demonstration demands "All Power to the Workers' and Soldiers' Councils."

streetcars, Poland constructed ships, the Soviet Union supplied Tupolev aircraft. But today Comecon is falling apart under the impact of Gorbachev's market-oriented perestroika policies. This year the USSR is importing 200,000 PCs from Siemens and only 20,000 from Robotron. And even trade within the Soviet bloc (two-thirds of the DDR's total) is rapidly being "dollarized" (or D-markized).

Another prime example of the harm caused by the lack of international economic planning is East Germany's ecology. The whole southern region (including the Thüringer Wald) is suffering from massive industrial pollution worse than anywhere else in Europe. Why? Because the DDR's main source of fuel is...lignite, so-called "brown coal" which is produced by scraping the mossy soil off tens of thousands of hectares and then burning the smoky low-grade fuel in specially designed power plants. This is relatively recent, a decision made in 1982. The reason was that in the wake of the mid-'70s OPEC oil price hikes, the Soviet Union raised its oil prices to the Comecon

states. So to cut the import bill, now-ousted SED economics czar Günter Mittag opted for ultra-autarky and filthy air. Today, the policy seems even more insane because the world market oil price has fallen drastically.

### For a Socialist United States of Europe!

Thus positions on these economic issues are eminently political. In fact, they directly concern the future of the German Democratic Republic. West German politicians and press have discovered to their dismay that virtually no political force in the DDR wants to take up market reforms. Meetings of SED economists (in Leipzig) and New Forum economists (in Berlin) had a consensus for rejecting Polish/Hungarian-style privatization and keeping state ownership of the means of production. When Prime Minister Modrow presented a plan for a "market-oriented planned economy," what this amounted to was a planned economy that would produce goods that people would buy rather than unsalable schlock items that sit on the store shelves. Partly this is because

of East Germany's small and compact size, so there's not much room for two efficient enterprises in one branch. They already experimented with "market socialist" reforms in the mid-'60s under Ulbricht's "New Economic System" and then recentralized the economy after a few years.

But that doesn't mean that either the Stalinists or the petty-bourgeois opposition groups want to be a beacon of socialist planning in a sea of perestroika market competition. Rather, both are orienting toward aligning the DDR with the West German economy. And while they talk of "socialism," they are all encouraging capitalist-restorationist forces. Already, the chemical industry (notably the giant Leuna and Buna works) is largely integrated into the plans of West Germany's chemical giants (Hoechst, Bayer and Schering) through supplies of raw materials. (They were all formerly part of the giant IG Farben trust which produced the Zyklon-B gas for the Nazi death camps.) The economic policy of the caretaker SED government, to the extent that it

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## Help Raise the Banner of Trotskyism in Germany

The International Communist League (Fourth Internationalist) has thrown its energies and resources into raising the banner of genuine communism—the communism of Lenin, Liebknecht and Luxemburg—in the mass upheaval now taking place in East Germany. Our comrades have distributed well over 200,000 leaflets titled "Workers Soviets to Power!" Many have been passed from hand to hand and factory to factory. At a

demonstration in East Berlin of SED party members on Sunday, December 3, our comrades rapidly sold hundreds of pieces of literature, every single item on hand. More than 5,000 pieces of literature, including *Spartakist*, newspaper of the Trotskistische Liga Deutschlands, and the pamphlet "'Market Socialism' in East Europe" have been sold in the past three weeks.

These materials have become a focus of debate over the urgent issues

facing pro-socialist militants: the formation of soviets, the reunification of Germany, the role of the Social Democracy, the building of a new communist party as opposed to the perspective of "reforming" the SED or opposing all parties.

Our campaign to raise funds for this vital work has struck a chord among many—including many of our sympathizers and ex-members galvanized by the felt possibility of workers political

revolution in East Germany. This historic opportunity must be seized and carried through to workers' victory—the forces of counterrevolution, notably the Social Democracy, have already begun to mobilize. Banners have appeared at demonstrations calling for capitalist reunification.

The TLD is fighting to forge nuclei of Trotskyist militants in East Germany to lay the basis for a Leninist-Trotskyist workers party throughout Germany. Our comrades have issued a public call to "Form Spartakist Groups" to "distribute revolutionary propaganda, in factories and at other workplaces, working-class meetings and neighborhoods, demonstrations and on campuses."

"The Spartakist Groups will be based on principles that are revolutionary, proletarian and internationalist. That means working-class mobilization to crush fascists and racist terrorists; it means the fight for full citizenship rights for immigrant workers and the fight against Prussian-German nationalism with its anti-Polish chauvinism. For the rebirth of revolutionary unity of the German, Polish and Russian proletariats embodied by Rosa Luxemburg!"

Your contribution is urgently needed to carry forward this crucial internationalist work. Make donations payable/send to: Spartacist, P.O. Box 1377, GPO, New York, NY 10116. Earmark for: "Lenin-Liebknecht-Luxemburg Fund" (or simply "3-L's Fund").



# PDC...

(continued from page 2)

charges of "threatening" a cop in the aftermath of a murderous cop assault. On November 23 British miners **Dean Hancock** and **Russell Shankland** were released on parole after serving five years of an eight-year sentence for defending their union picket line during the bitter 1984-85 coal strike. Following last year's Holiday Appeal Russell wrote: "I think between us we have well over 100 [holiday] cards from the U.S.A. Our cells were covered with some very pretty and colorful cards, which made our 5th Christmas behind bars more tolerable." Abandoned to Thatcher's jails by the pro-capitalist trade-union tops, Hancock and Shankland are heroes of the class struggle to their union brothers and sisters around the world. Celebrate their release by joining the fight to free all the class-war prisoners.

Last year's Holiday Appeal raised more than \$7,700. The capitalist class has unlimited financial and legal resources at its disposal. We are armed with justice and faith in working-class power. Help build our program of stipends and holiday gifts. Send your greetings and messages of solidarity. Join our fight for their freedom. You can read more about the class-war prisoners in *Class-Struggle Defense Notes* No. 12. Send your contributions to: PDC, P.O. Box 99, Canal Street Station, New York, NY 10013. ■

# El Salvador...

(continued from page 1)

On November 25, FMLN commandos again attacked the wealthy Escalón neighborhood, the luxurious lair of the oligarchs and generals, and nearby San Benito, filled with American personnel. The impact was dramatic as rebels seized the homes of a "senior intelligence officer" (as the embassy identified him) and the embassy chief of security, while Ambassador William Walker's mansion was shot up.

The U.S. has been shaken by the boldness of the rebel offensive, not least the bottling up of some dozen Green Berets in their Sheraton Hotel tower suite last month. These "military advisers," the *New York Times* (30 November) now admits, were there in addition to the 55 (who in any case now "average" 125) allowed by Congress. In fact the American counterinsurgency apparatus in Salvador now "includes thousands of peo-

ple in official and unofficial capacities." The sight of 280 Americans fleeing the country will not strengthen the U.S. bourgeoisie's resolve to "draw the line against Communism" in El Salvador, as the Reagan administration vowed to do. As for the depraved Salvadoran ruling class, they're not winning, but they are killing. The grisly work of the death squads in Salvador is the bloody face of the "free world." The fascistic ARENA party came to office last spring vowing "total war." Now the National Assembly has imposed a draconian "anti-terrorist" law which bans all strikes and demonstrations, and labels anyone who espouses "anti-government" or "pro-FMLN" views as a "subversive" to be dragged away. The flatbed trucks have begun hauling away people. Every morning mutilated bodies are dropped off around the city. A sign beside one charred body read, "The Atlacatl Brigade [U.S.-trained elite killer corps] was here, in war we don't take prisoners, there is no law which holds us back."

On November 26, San Salvador police arrested a 28-year-old Connecticut woman, Jennifer Jean Casolo, claiming they found an arms cache with thousands of rounds of M-16 and AK-47 rifle ammunition in her backyard. U.S. embassy officials accompanied police on the raid, and declared, "It's a good bust." Casolo is a committed pacifist, whose Christian Educational Seminar provides assistance to visiting U.S. delegations. The arrest of Jennifer Casolo was really a surrogate attack on the U.S. Congress, whose members she frequently took around on their "fact finding" tours.

Now the White House has raised a big outcry over a twin-engine plane shot down in Usulután on November 25, which was supposedly carrying SAM-7 surface-to-air missiles from Nicaragua to the rebels. The army claimed they found the body of a Nicaraguan pilot,



Jennifer Jean Casolo

AP

Mauricio Quiroz Garcia, in the wreckage. Quiroz then held a press conference in Managua to say he was very much alive and flying for Aeronica. If, as reported, a second planeload did get through, bringing these key weapons to the FMLN from their suppliers, we can only greet this and hope they will soon be deployed against the professional killers who have rained down terror from the skies.

Stung by the FMLN offensive, the U.S. is hollering for the Russians to make it stop. Secretary of State James Baker called Soviet behavior in Central America a "cold war relic" and the "biggest obstacle" to U.S.-Soviet relations going into the summit. Gorbachev has certainly shown himself willing to hand over every revolutionary struggle in the world in his drive to appease the U.S. and "extinguish regional hot spots," but the FMLN is not about to roll over and commit suicide. Unfortunately, for the past ten years the Soviet Union, Nicaragua and Cuba have *not* supplied the Salvadoran leftists with SAMs, even though the U.S. was shipping them to its Nicaraguan contras. If the FMLN forces had been receiving these missiles, the bloody history of the Salvadoran civil war would have been very different, because the Salvadoran military's air power is the only thing that keeps it going.

A shudder of horror went around the world when an army death squad murdered six Jesuit priests, their cook and her daughter on November 16. Millions saw on TV how indiscriminate high-altitude bombing devastated poor barrios like Soyapango, pocked with 20-foot bomb craters, where over 900 bodies were found. But Washington and its prostitutes in the American media continue to scream about leftist "terrorism." *New York Times* reporter Lindsey Gruson not only rehashes U.S. ambassador Walker's insinuation that the rebels used the priests' murder "to their advantage," but *blames the rebels for the government's terror bombing* with the twisted logic that the guerrillas knew their offensive would "provoke large-scale retaliation" (*New York Times*, 1 December).

This mouthpiece for rightist terror even denounces the guerrillas for violating "human rights" by hanging four death squad members, one of whom was pinpointing targets for the murderous air attacks, and retails charges first leveled by the "evenhanded" anti-Communist Americas Watch that the FMLN violated human rights by fighting in poor neighborhoods—supposedly using civilians as shields—and by fighting in rich neighborhoods, where

residents were "held hostage." In other words, the guerrillas should not fight at all, but stay in the countryside waiting for the army to butcher them! Even the evacuated Americans arriving at Andrews Air Force Base admitted they had been treated well by the guerrillas. One schoolteacher described how a rebel ventured out to bring back fruit juice for her eight-month-old baby while their house was under siege.

U.S. imperialism is crowing about the supposed triumph of the "free world" over "Communist totalitarianism," but the class struggle does not stop simply because Gorbachev and Bush agree it should. From Afghanistan to El Salvador, Washington's anti-Communist killers are beset by difficulties and defeats, and that is a good thing. Military Victory to the FMLN! ■

# Bush's CIA...

(continued from page 3)

Reagan's "adviser on terrorism" when he was California governor. Ridgeway detailed the infrastructure of FEMA:

"As part of its emergency planning, FEMA helped recruit and train 3000 people in the National Defense Executive Reserve to run the country in the event of a national emergency. These unknown (their names are kept secret) and unaccountable people will run the country on orders from FEMA's secret underground White House—the 'Special Facility,' as it is known in FEMA-speak—in the foothills of the Blue Ridge mountains near Berryville, Virginia, at Mount Weather."

—*Village Voice* (14 November)

Over a billion dollars was spent on the Mount Weather complex alone. Moreover, writes *U.S. News & World Report* (7 August), "Specialists from FEMA and the Pentagon have divided the country into 10 different regions, among which there may be as many as 50 different 'fallout resistant' command-post bunkers, each linked with the others by satellite, ground-wave and high-frequency transmissions." In 1982 this so-called Continuity of Government program, ostensibly aimed at "prevailing" in a nuclear war against the Soviet Union, was updated by the creation of a new secret agency called the Defense Mobilization Planning Systems Agency, "and its officials were instructed to report to then Vice President George Bush." So much for Bush being "out of the loop."

There is indeed a message in all this: while Gorbachev sells pipe dreams of peace with imperialism, the world proletariat had better keep its powder dry. ■

# E. Germany...

(continued from page 11)

has one, is to concentrate the *Kombinate* into even larger units in order to compete in the international capitalist markets. In the words of finance minister Christa Luft, they would become "socialist multinationals" (*Libération*, 30 November). The danger is that the powerful directors of the *Kombinate* already think very much like Western corporation managers.

Thus for an interim period, while the DDR's phone network and roads are upgraded and capitalist economic penetration proceeds apace, the imperialists' counterrevolutionary plans can proceed without selling one plant to a capitalist owner. They might have a few joint ventures here, oriented toward exports to the rest of East Europe; some nationalized plants producing parts for VW there; big loans from the Deutsche, Dresdner and Commerz banks; "management training seminars," etc. And relentless ideological pressure via the media, on the population and political activists alike. Stepping up the heat, Free Democratic leader Count Lambsdorff told *Handelsblatt* (1 December), "If oppositionists there still dream the

dream of a just socialism, 'then they must dream on alone.'" Or as Kohl puts it, no market reforms, no D-marks. And from Moscow, Gorbachev is sending the same message.

Today, despite the widespread attachment to socialist values in Germany, East and West, the whole debate is conducted in "democratic" terms. In the Bundestag you have Christian Democrats, Free Democrats, Social Democrats; on the other side of the Wall it's the Democratic Republic, which the opposition wants to make "truly democratic." But in fighting for *workers democracy based on soviets*, what is posed is the question of *class power*. Class differentiation in the DDR is increasing between the technical/artistic intelligentsia and the working class. And as *Kombinate* directors rub elbows with their counterparts in the Federal Republic, while SED "reformer" Modrow visited Daimler-Benz headquarters last September, the attitude of the petty-bourgeois opposition toward the working class was summed up by an East Berlin mathematician, who has joined the Social Democrats and, according to the *Financial Times* (30 November):

"...voiced the complaints and hopes of the suppressed meritocracy. The com-

plaints were not just directed upwards at his party bosses but also downward at the 'average manual worker' who, he says, receives about the same monthly salary as he does.... Above all he fears the inertia of the half-working class—'those people who do only a couple of hours work each day but take home the same salary as everyone else' and do not want anything else to change."

The East German workers want to change their country from top to bottom, to sweep out the "concrete heads" in the Stalinist bureaucracy and to bar the way to those who want West German capitalism to swallow up the DDR. And that fight must be waged not for socialism in half a country, but throughout Germany and internationally. Because so long as imperialism produces cheaper and better goods, as long as capitalism has a higher labor productivity, it will be a mortal threat to an isolated socialist state. East German writer Rathenow commented, "A perspective oriented just to the DDR will again result in a socialist-minded administration of scarcity, sort of Albania at a higher level." Karl Marx and Friedrich Engels expressed this as a general law in their work on *The German Ideology* (1845-46):

"This development of productive forces...is absolutely necessary as a practical premise: firstly, for the reason

that without it only *want* is made general, and with want the struggle for necessities and all the old crap would necessarily be reproduced; and secondly, because only with this universal development of productive forces is a universal intercourse between men established. Without this...each extension of intercourse would abolish local communism."

This is why the Stalinist pipe dream of "socialism in one country" is a reactionary utopia.

To replace the arbitrary autocratic rule of an all-powerful bureaucracy and purge the DDR of Stalinist excesses, political power must be in the hands of workers councils (soviets) elected from below and defending the gains of this society, which is not yet socialist, against all class enemies, foreign and domestic. To achieve this, what is urgently needed is to forge a new KPD (Communist Party of Germany), an egalitarian Leninist workers party to lead the fight for a proletarian political revolution in the East and socialist revolution in the capitalist West. For a red soviet Germany in a Socialist United States of Europe! This is the program of the International Communist League (Fourth Internationalist) and its German section, the Trotzkistische Liga Deutschlands. ■



# Impoverishment of America...

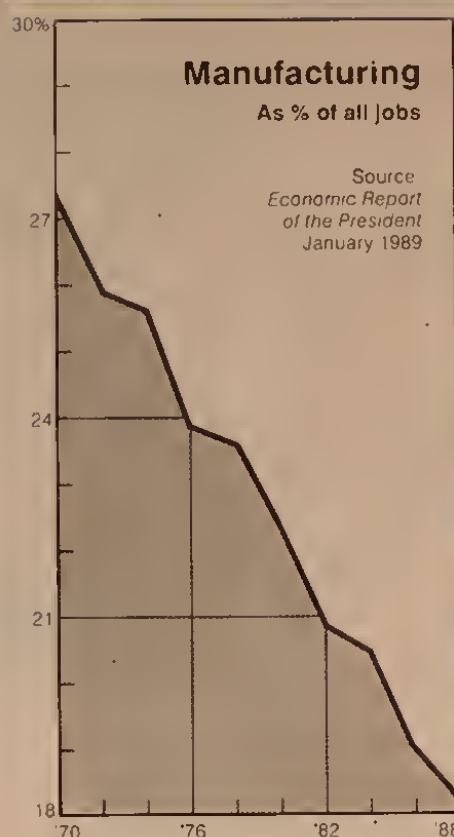
(continued from page 16)

this decaying capitalist system which must be eradicated if the working people of America are to have a future.

## End of the "American Dream"

By every standard the economic prospects of working-class youth today are worse than those of their parents and grandparents. The hallmark of the "American dream"—owning one's own home—is impossible for young working people unless they inherit it from their family. In the late 1940s mortgage payments by a typical 30-year-old homeowner amounted to less than 15 percent of his earnings. Today, a typical young worker has to pay *three times* that rate to finance the purchase of an average-priced home. In the 1950s and '60s young workers generally received the same pay as their older coworkers for the same jobs. But not today. With the "two-tier" wage system now common throughout the American economy, new-hires at GM's Packard Electric Division, for example, receive only 55 percent of the old base rate and are not entitled to parity for ten years!

Real wages in this country peaked in 1972 and have been going down ever since. Today, the real weekly earnings of non-supervisory workers are 17 percent less than they were in the early 1970s. The decline in real wages is even sharper if the age factor is considered. A young

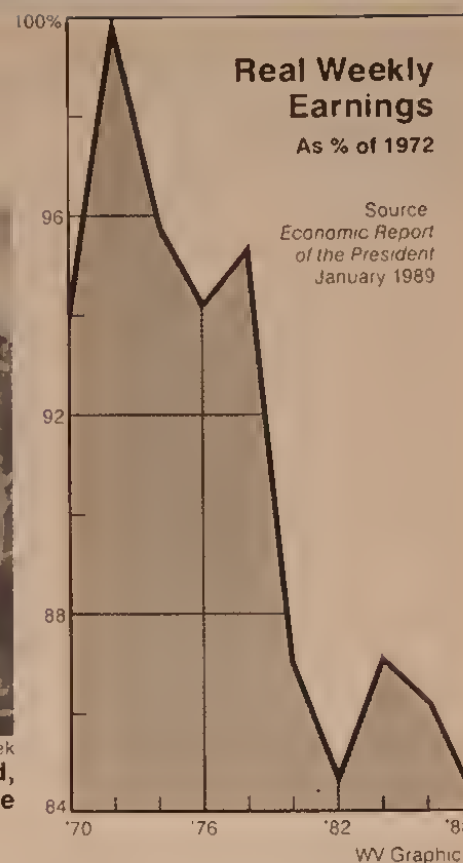


## Factory Jobs Decline, Real Wages Drop



McElroy/Newsweek

As one-third of industrial jobs disappeared, real wages have fallen by 16 percent since 1972.



face becomes red and I start muttering in my coffee. There is simply no excuse for putting a neophyte in a jetliner cockpit. There are all sorts of businesses that can survive on slim profit margins. They can cheapen their product. They can cut down their labor overhead. But there is no other business in which 3.2 seconds is all that is standing between you and a fatality statistic."

—Unfriendly Skies (1989)

"Captain X" would doubtless be appalled if someone accused him of sound-

factory producing medical supplies at a 6 percent rate of profit to open up a casino where the rate of return is 10 percent. However, periods of rapid investment drive down the rate of return. Opportunities for cheap technological breakthroughs are used up; increased demand for labor drives up wages. Over a century ago Karl Marx called this economic law "the tendency of the falling rate of profit," which he considered the *fundamental barrier* to the expan-

back their investment, thus triggering financial crises, bankruptcies, plant closures and mass unemployment. The rate of profit can be restored only by the destruction of both the means of production and labor power. The wreckers' hall tearing down auto plants and steel mills in the Midwest is driven by the same capitalist mechanism that is crushing the lives of millions of people.

During the Great Depression of the 1930s American capitalism underwent a major *disinvestment*. Many factories were shut down and never reopened; machinery became hopelessly antiquated. The only thing that pulled the U.S. out of the decade-long depression was the onset of World War II, initially through supplying arms to Britain. In fact, World War II marked the greatest period of industrial construction in the entire history of American capitalism. And in the early '50s the U.S. economy got a booster shot from the Korean War. By the mid-1950s, the United States had one of the most modern industrial plants and highest ratios of capital per worker of any country in the world. Additional investment thus yielded relatively smaller returns. In other words, the rate of profit fell. In fact, it fell by 55 percent in the U.S. from 1947 to 1987. As a result investment leveled off, productivity stagnated. The last big steel mill was constructed in this country in 1962.

During the 1960s the U.S. economy—further weakened by the inflation generated by the Vietnam War—lost ground to revived Japanese and West German capitalism. Nixon's so-called New Economic Policy of August 1971 signaled the end of the short-lived "American century." The dollar was devalued and was no longer convertible to gold at a stable rate; measures were taken to protect American industry

continued on page 14



Der Spiegel



Nadine Markova

American industry shuts down as corporations go elsewhere for higher profits (above, Chrysler plant in Mexico). Sellout labor tops push protectionist poison instead of organizing workers internationally for common class struggle.

man who started working in the early '70s is now earning on average 25 percent less than his father did then. As for young people entering the job market today, "If a kid doesn't have a specific skill, the choices are pretty grim," said San Francisco social worker Ana Horta. "It's working at McDonald's or for a janitorial service or as a sales clerk—jobs without a future" (*San Francisco Examiner*, 10 April 1988).

The future of the working class is being destroyed as the capitalists have wiped out millions of relatively well-paying, unionized industrial jobs. The deindustrialization of America has gone hand in hand with deunionization. From a high of 35 percent unionization of the labor force in the early postwar years, today less than one worker out of six belongs to a trade union. The corrupt, racist and virulently anti-communist bureaucrats of the AFL-CIO have allowed the labor movement to be gutted rather than fight the bosses and their state.

It is not just workers in shrinking rust belt industries like steel and auto that have been subjected to giveback contracts, two-tier labor systems, wage-gouging and union-busting. Even the most elite sections of the white labor aristocracy, such as airline pilots, have been getting it. Writing under the pseudonym of "Captain X" to avoid victimization by management, a senior airline pilot exclaims:

"...when I pick up a newspaper and I hear about some crash that had a starvation-wage pilot handling it, my

ing like a Bolshevik. But he is in fact denouncing the effect of profit-maximizing capitalism, at any rate in the airline industry. And he is absolutely right.

## The Profits of Parasitism

The root cause of soaring poverty rates and black infant mortality, wage slashing and union-busting, is the decay and parasitism of American capitalism. There are more people working in fast-food restaurants than in any branch of industry. Between 1946 and 1988 employment in manufacturing fell from 35 to 18 percent of the labor force. During the '80s almost a million manufacturing jobs have disappeared. Household-name manufacturers like General Electric, Eastman Kodak and 3M have to a large extent become wholesale distributors in the U.S. selling products made by their overseas operations or foreign companies. Sony chief Akio Morita blasts America's capitalist crybabies, who blame their decline on the Japanese: "Instead of manufacturing things, Americans make money without efforts, just by playing money games" (*Business Week*, 23 October).

But the goal of capitalism is *not* to manufacture things, much less to make things in the quantity and quality needed to satisfy people's needs. The goal of capitalism is to make money, more precisely, to maximize the return on the money invested. A capitalist entrepreneur will gladly close down a

sion of production under the capitalist system:

"...the expansion or contraction of production is determined...by profit and by the proportion of this profit to the employed capital, by a definite rate of profit, instead of being determined by the relations of production to social wants to the wants of socially developed human beings. The capitalist mode of production, for this reason, meets with barriers at a certain scale of production which would be inadequate under different conditions. It comes to a standstill at a point determined by the production and realization of profit, not by the satisfaction of social needs."

—Capital, Volume III

As the rate of return falls, capitalists cut

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# Impoverishment of America...

(continued from page 13)

from foreign competition and to impose wage controls on the working class. Then came the world depression of 1974-75 from which U.S. industry has never really recovered. Hundreds of thousands of workers were laid off and never rehired.

Overall, the after-tax rate of profit for American corporations fell from about 10 percent in 1965 to less than 4 percent in 1980. American capitalists responded with a two-pronged strategy. First, they simply shut down their U.S. plants and transferred manufacturing operations to low-wage countries in Latin America and especially the Far East; in the decade beginning in 1970 the rate of import of manufactures soared from 14 to 40 percent of domestic output. Secondly, they sought to intensify the rate of exploitation at home by driving down the living standard of the working class. The pro-capitalist labor bureaucracy acquiesced with a decade of giveback contracts, while launching a virulently chauvinist campaign of "Buy

was not an expansion of real wealth but competition between different capitalist groups for the privilege of milking corporate assets.

This speculative frenzy came to an end with the crash of October 1987, when the market value of corporate America fell by *one-third* in just a few days. The party's over, as investors are fleeing junk bonds for supposedly safer financial shores. But the whole financial edifice remains a house of cards which can collapse under the next major shock. Wall Street banker Michael Hirsch describes the junk-bond market as a "time bomb just waiting to go off" (*Wall Street Journal*, 27 October). All signs now point to a sharp economic downturn. Orders for machine tools—the core of industrial investment—have fallen over 20 percent in the last year.

## Of Yuppies and the Working Poor

The "American dream" in the '80s was personified by the Charlie Sheen character in the film *Wall Street*, a yuppie stock broker on the make who does the dirty work for the ruthless, big-time raider Gekko. American capitalism has generated a bloated and parasitic corporate bureaucracy with young



Davis/Washington Post

**Working-class youth face prospect of dead-end jobs at minimum wage.**

American" protectionism.

The decay of American capitalism has been sharply accelerated by the massive military buildup against the Soviet Union. The Star Wars boondoggle, Stealth bombers and Trident submarines have starved civilian industry for investment funds and practically monopolized scientific and technological research. The Pentagon's share of federally funded scientific research jumped from 50 percent in the '70s to 75 percent during the past decade. Even the conservative London *Economist* (14 August 1987) expressed concern that "the needs of the military are steadily diverging from those of industry at a time when the military is supporting a larger proportion of America's research effort."

Under Reagan/Bush, U.S. imperialism has attempted to restore military superiority (i.e., first-strike nuclear capability) over the Soviet Union from a *weakened industrial base*. The result is massive and historically unprecedented foreign and budget deficits. In the mid-1980s the United States went from being the world's leading creditor to the world's biggest debtor. About 40 percent of the federal budget deficit is now financed by Japanese money-men, another 10 to 20 percent by West Europeans.

The domestic side of America's financial parasitism has been the looting of corporate assets via the junk bond/takeover game. The capitalist superstars of the '80s are not pathbreaking entrepreneurs and corporate empire builders but rather corporate raiders (i.e., destroyers) and their Wall Street accomplices—Carl Icahn, Donald Trump, Frank Lorenzo, Michael Milken the junk-bond king. What fueled the stock market boom of the '80s

kids just out of college raking in up to \$300,000 a year as high-flying paper pushers and computer nerds. Meanwhile, the assembly-line and industrial jobs working-class kids used to be able to walk into after high school have virtually disappeared, leaving nothing but dead-end jobs at or below the minimum wage. Average weekly earnings in eating and drinking places are less than a third of earnings in manufacturing, in department stores less than half (Department of Labor, *Employment and Earnings*, September 1989).

It is a common perception these days that working people simply have less time—to relax, to go out, to spend with their families. Now it is common for both adults in the family to work—to maintain a lower standard of living than their parents' one-income family had. And the cost of private day care eats up much of the additional income because the public facilities simply do not exist. Even with two incomes, millions of working-class couples maintain their precarious living standard only by getting ever deeper into charge cards, bank overdrafts and other forms of debt. Over the past 15 years consumer debt has more than *tripled* while real wages have been falling sharply. For every dollar in take-home pay, the typical American family owes more than 20 cents in high-interest consumer loans.

If two-income families find it ever harder to make ends meet, the situation facing single parents is truly desperate. Two in five people (13 out of 32 million) living below the official government poverty level are in families with at least one wage earner, one in five are in families in which someone is working on a full-time, year-round basis. But their wages are just too low to support a family. Harvard sociologist David

Ellwood explained to a Congressional committee:

"...even a woman who works full time all year at \$5 per hour, who can get day care at a very modest cost, will still not be able to support herself and two children above the poverty line. She will probably have minimal medical benefits. And in a fairly typical state, she will have only slightly more income than she could have gotten from welfare and food stamps."

—House of Representatives,  
Select Committee on Children,  
Youth and Families,  
*A Domestic Priority:  
Overcoming Family Poverty  
in America* (1988)

In the United States today poverty is increasingly a disease of childhood. As the London *Economist* (7 January) put it in its usual snotty way: "A booby prize goes to America when its child-poverty rates are compared with those in other rich countries." One in five schoolchildren and one in four preschoolers live in poverty. The government's own statistics have become so appalling that the Census Bureau is now proposing to lower the standard it uses to calculate the poverty level in order to reduce the number of people "officially" considered to be poor. This arithmetic sleight of hand would cut 3.5 million people off from food stamps, Medicaid and school lunches.

## Homelessness: An American Growth Industry

Few of the tens of millions living in poverty, especially those trapped in the black ghettos and Hispanic barrios, are visible to most white middle-class Americans. However, the homeless now seen everywhere in the nation's cities are upsetting even many yuppies. A junior advertising executive recounted her experience shopping last winter in Chicago's posh Gold Coast: "I was walking around, admiring how pretty everything looked for Christmas, and

there, in the doorway of a church, was a homeless woman, crouching, obviously trying to keep warm." Meanwhile, some New York yuppies piggishly complain that their sensibilities are offended by the sight of people urinating on the sidewalks. What is the reason for this, asks the haughty *New York Times* (25 November), tut-tutting about the "breakdown in public morals." How about the fact that there are almost no public bathrooms and 100,000 people who are forced to live in the city's subways, bus terminals, parks and streets!

To eliminate such depressing sights, the American ruling class is waging war on the homeless. In New York City, the Transit Authority recently initiated "Operation Enforcement." On the first day of this police crackdown on "bad behavior"—like begging or sleeping—TA cops rounded up 60 people in Grand Central Station. One arrogant official cynically declared: "If you're in a three-piece Armani suit having had 'tee many martoonis' and sleeping on a bench, you will be approached just as somebody else less fortunate will be approached." A century ago, Anatole France remarked that rich and poor alike are forbidden to sleep under bridges, as a biting satirical comment about poverty in 1890s France.

The Reaganites turned social programs over to the private sector, which translated into the poor and homeless having to rely on the charity of people in the streets. But now many city governments have outlawed panhandling. In Phoenix, Arizona it's illegal to pick through the city dump; in Los Angeles it's even illegal now to go through dumpsters. What are they going to do next to eliminate the eyesore of poor people living in the streets—organize Latin-American-style death squads? In a sense the homeless have become the North American analogue of the des-

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# The HUD Scandal

## Robbing the Poor

Former Reaganite Housing and Urban Development (HUD) secretary Samuel Pierce has taken the Fifth Amendment so many times that he has become known as "Silent Sam." Even before the HUD scandal hit the headlines, well over 100 Reagan administration appointees had been implicated in crooked deals of all sorts. But in the case of HUD, it wasn't simply corruption: the Reaganites were ideologically opposed to providing any funding for the homeless. Having cut the budget for federally supported housing from \$33 billion to \$7 billion over eight years, Reagan blithely claimed that the homeless "prefer this way of life." What the Reaganites didn't cut, they either stole outright or deliberately and maliciously threw away. A recent audit revealed a \$6 billion loss by HUD.

For example, \$230 million was lost as a result of a default by developers in Chicago who were given mortgage assistance to fund eight luxury apartment buildings where rents ranged up to \$3,000 a month, one of which housed the city's largest private health club with annual membership costs of \$1,600. Meanwhile homeless advocates in Chicago are trying to fight the closure of 465,000 rent-subsidized apartments which are to be sold by developers who are cashing in early on, paying the mortgages at 1 to 3 percent—rates they got from the govern-

ment to build low-income complexes.

As a *New York Times* op-ed piece noted, "Reagan apostles of deregulation like former Interior Secretary James S. Watt left their Administration jobs only to return to exploit the kinds of programs they had condemned." Watt got \$300,000 in "consulting fees" for his influence-peddling on behalf of millionaire developers. Republican Senator Alfonse D'Amato got a cool million for a swimming pool in his lily-white hometown of Island

Park, Long Island. His cousin Anthony Cicciarino got a price break to buy homes in Island Park underwritten by HUD. Originally the homes were slated to be sold to black and Hispanic families but they were sold to whites only who bought in at 40 to 60 grand and sold at up to \$270,000. The former regional administrator of New York's HUD office had a special hot line on his phone that connected him directly to D'Amato's Washington office.

In Puerto Rico, Delio Rojo, a Cuban *gusano* cum developer who accompanied Bush in Air Force Two to Puerto Rico in 1981, got HUD funding for his \$37.8 million "Gran Bahia project" which consists of a dilapidated apartment building and a high-rise casino hotel. Last October the Republican National Committee got a \$20,000 campaign contribution

from Rojo. Pierce's executive assistant, Deborah Gore Dean, known around the office as the "Duchess of Darkness" and one of the main conduits for handing out the money, held a \$200,000 fund-raiser for Bush's election campaign.

But it doesn't end with robbing the poor in the U.S. of A. According to an article in the *San Jose Mercury News*, Thomas Demery, a senior HUD officer, used his position to raise \$290,000 for Renamo, South Africa's gruesome right-wing Mozambican terrorists. Reportedly the money was funneled through an outfit called "Food for Africa" which Demery founded together with South African fundamentalist preacher Peter Pretorius. Demery and Pretorius held various fund-raisers where "many of those who bought seats at the \$1,000-a-plate dinners, held in various cities, or made contributions to Food for Africa were later awarded HUD contracts, according to several reports" (*Guardian*, 11 October).

For years the Reaganites and Congressional Democrats have picked the pockets of poor and working people in America to finance terror against poor and working people around the globe. Now we have them stealing money from housing programs to bankroll mercenaries whose sadistic murder of whole villages in Mozambique almost makes the Nicaraguan contras look moderate by comparison.

The \$6 billion HUD "loss" could have provided homes for perhaps 600,000 homeless people. But to get that money, you would have to rip it out of the hands of the people who own and control the wealth of this country. To make life even remotely livable for the masses of blacks, Hispanics, unemployed, homeless and impoverished will take a socialist revolution.



Low-income housing dynamited in Newark, May 1987. Politicians skim billions from housing funds, while working people are thrown onto the streets.

Sauro/NY Times

perate landless peasants flooding into the slums of Third World capitals. Both are populations unneeded and unwanted by the capitalist system.

Racist reactionaries like Reagan and Ed Koch harped on the image of the homeless as mentally ill or social misfits, to buttress their obscene claim that people live on the streets out of choice. Nobody buys this lie. Robert Hayes of the National Coalition for the Homeless noted:

"Ten years ago, chronically mentally ill people were the first folks to hit the streets. Then came people who had very bad job skills and poor education. By the mid-1980s, and really since, the homeless have come from the ranks of families...families headed by a single parent, usually a woman, usually with young children—families who are not competitive in the Darwinian struggle for housing."

—*Penthouse* (July 1989)

As the amount of affordable housing dwindles and wages plummet, it's no longer even a question of being unemployed. Even a 27-city survey conducted by the U.S. Conference of Mayors in January 1989 estimates that nearly one-fourth of the homeless are people who are pulling in a paycheck but still can't afford a place to live. A third of all homeless are families with children. And Hayes estimates that 40 percent of the homeless nationwide are children.

James Wright, a Tulane University professor who completed a recent study of homelessness, found the evidence destroyed his own prior stereotypes: "I was surprised at the number of people who were homeless for strictly economic reasons" (*Christian Science Monitor*, 13 September). In other words, they can't afford the rent. A tent camp in San Jose, California—capital of the high-tech "Silicon Valley" region—was headed by a machinist who had lost his job of ten years. A study by the San Francisco Planning and Urban Research Associa-

tion found that the majority of homeless in the city had graduated from high school and had previously held clerical, skilled trades and even professional jobs. Gladys Lugo, an X-ray technician who graduated from a community college in New York, told a Congressional committee how she and her children came to be living in a Brooklyn shelter:

"I worked as a film developer and I developed a kidney condition from that, so temporarily, I can't work right now and because of my children, they are too little. So, I am on public assistance and I am allowed to get an apartment for \$300, that is it. And I can't find anything that is \$300 or under; not even for \$400."

According to a report by the Community Service Society of New York, between 1978 and 1987 the number of apartments in the city renting for under \$300 (in 1987 dollars) a month decreased by 72 percent while those renting for over \$500 a month more than

doubled; 50,000 rental units disappeared entirely from the housing market. Nationwide, the poor are paying 30 percent more rent than in the mid-'70s while the Reagan/Bush gang has slashed and looted the federal funds earmarked for low-income housing (see "Robbing the Poor," above). In New York City alone there are some 300,000 "hidden homeless"—people who live doubled up with other families in one apartment.

The millions of men, women and children roaming the streets with nowhere to sleep and nothing to eat are victims of the combined effect of plummeting wages linked to deindustrialization and union-busting; the savage cuts in all social programs begun in the late '70s by the Democrats under Carter and pursued with unparalleled viciousness by the Reaganites in collaboration with the Democrat-controlled Congress; and the "gentrification" of the nation's cities—a

polite term for the forcible removal of the working class and poor. In short, low-income housing has gone the way of the American steel industry. Polls show that two-thirds of the American people believe the government should provide homes for the homeless. They feel a deep sense of shame and outrage over America's blind, willful abandonment of millions of people.

On October 7, over 100,000 people—including contingents of Teamsters, auto and steel workers—marched on the nation's capital, calling for government-subsidized affordable housing and "money for housing not war." However, the rally organizers look to electing liberal Democrats to achieve these good things. But it is precisely the Democrats, not least of all the black big-city mayors, who have curbed, sabotaged and diverted labor/black struggle against cutbacks and union-busting.

Homelessness and poverty cannot be solved through bills in Congress or reordering the federal budget. For the immiseration of the working class is inherent in the capitalist system. As Marx wrote in the *Communist Manifesto*: "The modern labourer...instead of rising with the progress of industry, sinks deeper and deeper below the conditions of existence of his own class. He becomes a pauper, and pauperism develops more rapidly than population and wealth." This inhuman system condemns millions of people to begging for food and sleeping and dying in the streets, while the black and Hispanic poor live ever shorter and more desperate lives in the "American nightmare." Only a revolutionary workers party committed to destroying capitalism and replacing it with a planned socialist economy can fight the Wall Street sharks, real-estate operators and slumlords responsible for the impoverishment of America.

[TO BE CONTINUED]



Labor/Black Mobilization to Stop the KKK in Atlanta, January 21. Workers and oppressed need a revolutionary workers party.



## Capitalism in Decay



Washington, D.C.: Living the "American nightmare" in the capital of American imperialism. Capitalism condemns millions of people to poverty, hunger, homelessness, death.

# The Impoverishment of America

In 1983 Leon Boatner was laid off his job as a crane operator at U.S. Steel's big mill in Gary, Indiana. For the next five years he survived by working two or three unskilled, marginal jobs at a time—midnight-shift janitor in a hotel, laundry assistant in a nursing home. Last year he was rehired as a crane operator by Chicago Steel & Tinplate, an

### PART ONE OF TWO

outfit that processes steel produced by what's left of the big mills in Gary. Boatner is being paid *half* of what he earned at U.S. Steel (now USX). All his friends think he's damned lucky to have such a good job.

Reynell and Margaret Tyndall are immigrants from the West Indies living in the Crown Heights ghetto of Brooklyn. He works as a maintenance mechanic, she as a bank teller specializing in foreign exchange. Their combined income is close to \$40,000 a year. Yet they and their baby daughter have to share a run-down two-bedroom apartment with relatives. Garbage piles up on the street, uncollected for two weeks at a time, while cops pursuing the "war on drugs" harass residents at all hours.

A middle-aged, white subway motorman in the Bronx remarked bitterly: "When our parents had us, they had the American dream. They said my kids will have more than me. The American dream is gone." Working people in this country no longer believe their children will have it better, because they themselves are having it far worse.

And for black people, for all but a handful the "dream" has never been more than politicians' rhetoric. In this deeply racist society, poverty especially afflicts blacks. Former Black Panther leader Donald Cox laid out the grim

statistics of life—and death—in the inner-city ghettos:

"African-Americans have 25% less to spend than in 1970! In 1989 over 50% of all black children are poor, 35% of all blacks live under the government defined poverty line (in 1968 it was only 28%), with an astonishing 18% of those living under the poverty line working full time jobs. The infant mortality rate for blacks is on the same level as some third world countries, 23 per 1,000. Maternal mortality is three times that of whites. Life expectancy for blacks has regressed for two consecutive years, while homicide has become the num-

ber one cause of mortality of black males....

"The American Dream for millions of people is at the expense of other millions of people that are living the American Nightmare."

—Black America Database [1989]

Today, everyone is aware of the explosive growth of the numbers of the desperately poor. You can't go shopping in a supermarket without someone coming up to you asking for spare change. You can't go into a bus or train station late at night without seeing peo-

ple curled up on the floor in ragged blankets and cardboard boxes. And even having a job no longer means that you won't find yourself thrown out onto the street. Homelessness has become a national scandal, evoking a broad current of moral outrage. In October 100,000 demonstrators—many of them trade unionists—marched in Washington demanding "an end to homelessness." But it won't happen by one or another capitalist government shifting "priorities," as liberals argue. The impoverishment of the working people of this country, the shocking rise in homelessness, the pervasive fear among those with jobs and homes that they are only "a paycheck away" from the streets is a product of capitalism itself. And it is

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October 7 march  
in Washington  
against  
homelessness  
draws mass  
union support.  
Working people  
can rebuild  
America—  
after taking  
power away  
from greedy  
capitalist class.

