No. 930 • C-701 13 February 2009

Foreclosures, Unemployment, Union Givebacks

Obama: CEO of Bankrupt American Capitalism





Left: Furniture being removed from foreclosed home in Oakland. Right: More than 1,000 line up to apply for 35 firefighter positions open in Miami, February 2.

In the past few months, the economic crisis that has been devastating working people for over a year has taken a sharp turn for the worse. In 2008, almost three million workers lost their jobs in this country, with more than half the losses coming in the last three months of the year. In January, nearly 600,000 more workers were thrown out of work. Industrial production is at a 28-year low and, by all indications, the decline is accelerating. Private sector workers are being hit with widespread wage cuts for the first time since the Great Depression of the 1930s—their wages were slashed a total of \$23.5 billion in December, following a \$12 billion cut in November.

President Barack Obama's proposed solution to the crisis is for the federal government to spend over \$800 billion of taxpayers' money in an effort to jump-start the economy. During the election campaign, Obama promised to create five million new jobs; today, he'll be lucky if he can simply stanch the hemorrhaging. The dinosaurs who prowl the halls of Congress are clashing furiously over how to get the "best bang for the buck." Yet they have scant confidence that their fiscal stimulus schemes will do the job. The New York Times (29 January) summarized the conclusion of a study by the Congressional Budget Office as follows: "The hole the economy is in is so deep that even the stimulus package will only dig us halfway out."

It is above all the poor and workingclass population that is condemned to suffer the consequences of the irrationality of capitalism. Despite skyrocketing unemployment, depleted savings and escalating home foreclosures, 18 states *cut* welfare rolls last year. In Michigan, where layoffs have been particularly severe, welfare rolls were slashed 13 percent. This is a direct consequence of provisions introduced by President Bill Clinton in 1996 that ended "welfare as we know it." Obama has repeatedly singled out Clinton's axing of welfare as a praiseworthy accomplishment.

Immediately upon winning the election, Obama spoke of the need for "sacrifice" in the interests of "national unity." As the new Commander-in-Chief of U.S. imperialism, Obama aims to make the working class and oppressed pay in order to restore the profits of the American bourgeoisie. The hundreds of billions of dollars already poured into the coffers of Wall Street plus the hundreds of billions more slated for Obama's stimulus package will be financed by deficit spending—that is, by increased government borrowing on international financial markets. Those loans will ultimately have to be paid back—with interest—out of the tax dollars paid by the working people of this country.

Because Obama's stimulus package includes such things as increased spending on education and aid to states for Medicaid costs, it is being touted by administration supporters as a major social benefits program. This is simply cynical Washington spin. Obama's plan to spend federal dollars comes as state governments, including those run by liberal Democrats, are cutting social spending to

the bone. New York governor David Paterson has announced plans to slash more than \$9 billion in state spending, primarily on health care and education, while jacking up tuition costs at state universities. Meanwhile, after bankers went ballistic, Obama quickly backed down from his initial proposal to include in his stimulus plan a home foreclosure relief measure allowing courts to revise mortgage contracts.

The bourgeoisie will hardly spend money on improving the condition of the masses unless it is forced to do so. Especially since the counterrevolution in the former Soviet Union in 1991-92, capitalists internationally have sought to increase their competitiveness against their rivals by taking an ax to whatever gains workers have been able to achieve. As Obama prepared to take office, he gave an interview to the *Washington Post* (16 January), which reported his intention "to rein in health-care costs, stabilize Social Security and prevent the Medicare program from bankrupting the government."

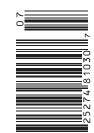
Reforms such as Social Security were not enacted as return payment for electoral support by workers, black people and others to the Democratic Party; they were the result of mass social struggle. Franklin Roosevelt's New Deal reforms in the 1930s represented an attempt by the bourgeoisie to head off an extended period of deepening leftist political radicalization and hard class struggle that forged industrial unions, many of them led by reds. In 1934, the year before the passage of the

Social Security Act, there were three victorious citywide organizing strikes: one led by Communists in San Francisco, the Trotskyist-led Minneapolis Teamsters strikes, and a general strike led by leftwing socialists in Toledo. Roosevelt's efforts to keep the working class tied to the Democratic Party were greatly aided by the Stalinist Communist Party, which commanded the loyalty of most left-wing workers and promoted support to the "progressive" Roosevelt administration.

The bourgeoisie always seeks to take back with one hand what it is constrained to grant with the other. To even preserve past gains, as well as to fight for new ones, requires hard class struggle by the working class, standing at the head of all the oppressed.

The main obstacle to such class struggle is the pro-capitalist union bureaucracy, which promotes the lie that the interests of labor and capital are compatible. This bureaucracy, which parasitically sits atop the unions, acts as a transmission belt for pro-capitalist consciousness into the working class. The labor bureaucrats' class collaboration is exemplified by their overwhelming fealty to the Democratic Party, of which they are an integral part. No less than the Republicans, the Democrats are a party of and for the capitalist class —the difference being that while the Republicans make no bones about oppressing working people, the Democrats do the same while proclaiming themselves "friends of labor." To unleash the

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Break with the Democrats! For a Class-Struggle Workers Party!

Obama...

(continued from page 1)

social power of the working class requires a political struggle to replace the union misleaders by a leadership dedicated to the political independence of the proletariat. This is part of the struggle to build a class-struggle workers party that fights for a workers government.

The U.S. Bourgeoisie and the World Economy

What began as a financial meltdown centered on the U.S. housing market is now a full-fledged economic slump on a world scale. By one estimate, global manufacturing production fell in the last three months of 2008 at an annualized rate of almost 20 percent. The automobile industry internationally is seeing the sharpest drop in sales in its history; worldwide production of goods, from computer chips to machine tools, is plunging. And the collapse of the housing market continues apace, especially in the U.S. and Britain. Today, one U.S. homeowner in ten is in



Food distribution in Florida church, March 2008. As economic crisis deepens, working people are struggling to make ends meet.

foreclosure or otherwise at risk of losing his home.

Japan, the world's second-largest economy, is particularly vulnerable because exports account for almost half of its manu-

facturing output. In December, Japanese industrial output went into a record slide, caused mainly by the plummeting demand in the U.S. Meanwhile, the British economy is a basket case. Average debt per person in Britain is 180 percent of disposable income, the highest of any of the G7 industrialized countries. The pound sterling is practically in free fall, threatening much deeper hardship for the country's already impoverished working people. According to the London Telegraph (6 February), the number of manufacturing jobs in Britain will drop below three million by the end of 2009. The Telegraph notes: "The last time that there were fewer than 3 million manufacturing workers was in about 1845, the climax of the Industrial Revolution."

The economic crisis has especially buffeted the periphery of Europe, where smaller countries have fewer resources to defend their economies. In December, Greece was swept by weeks of rioting, mainly by anarchist and other student youth, that intersected planned strikes and protests by the trade unions against the impact of the economic crisis on workers. On January 13, the cobbled streets of Riga, the capital of Latvia, resembled a war zone as protesters smashed up the finance ministry in protest against wage cuts and tax increases. A few days later, police in Lithuania fired rubber bullets on a trade-union march of 7,000 people. Smaller protests and clashes erupted in Bulgaria, the Czech Republic and Hungary. In late January, Iceland's government fell after the collapse of its banks triggered weeks of protests against soaring unemployment and inflation.

In France, a January 29 nationwide strike called by the country's eight main trade unions shut down schools, post offices and much of the transport system, while mobilizing a large number of automobile and other private sector workers. As conservative president Nicolas Sarkozy proposed his own stimulus plan, some 2.5 million workers demonstrated across the country for higher wages and job security.

The fact that the crisis is now international means that there is no obvious engine to drive economic recovery. Exports and sales abroad by U.S. multinationals

have until recently been among the few bright spots for American capitalists. Over the past two years, three-quarters of the growth in U.S. output came from net exports. During the same period, the share of U.S. corporate profits from overseas business has ballooned from 26 percent to a record 37 percent. Now those props are being knocked away.

The economic slowdown in the U.S. has been accompanied by increasing calls for chauvinist protectionism, pushed by both Democratic politicians and the trade-union bureaucracy. Thus, the stimulus bill as passed by the House contains a "buy American" provision requiring that "all of the iron and steel" used in any project funded by the bill must be made in the U.S.A. One is reminded of the 1930 Smoot-Hawley Act, which greatly increased tariffs on U.S. imports and deepened the effects of the Great Depression.

Protectionism is deadly poison for workers in the U.S., not least because it serves to conceal the fact that it is the capitalists and their system that are responsible for the destitution of the working class; it is based on the lie that the enemies of U.S. workers are the workers of other countries. (The United Steelworkers bureaucrats have twisted into more contortions than a pretzel trying to explain how the "buy American" policy that they support would supposedly benefit Canadian members of their union.) Blaming foreign workers for the loss of U.S. jobs feeds into anti-immigrant bigotry and support for the government's deportation of undocumented workers. (For an example in Britain, see article, page 3.)

In opposition to protectionism, the labor movement must fight for international labor solidarity, linking the economic and other struggles of workers in the U.S. with those of workers around the world, particularly in such semicolonial countries as Mexico. This must be part of a fight for full citizenship rights for all immigrants. What is ultimately necessary is the sweeping away of the global capitalist system through a series of socialist revolutions that establish an international planned economy.

Defend the Chinese Deformed Workers State!

There is one major country centrally involved in the world economy that is *not* capitalist: China. China has become the second leading exporter of manufactured goods after Germany and has displaced Japan as the largest holder of U.S. government securities. Despite its integration into the world capitalist market, China remains a bureaucratically ruled deformed workers state, structurally similar to the former Soviet Union and its East European bloc partners.

The 1949 Chinese Revolution overthrew capitalist/landlord rule and ripped the world's most populous nation out of the clutches of the imperialist powers that had long held China in their grip. Emerging from the military victory of the peasant-guerrilla forces led by the Stalinist Chinese Communist Party (CCP), the People's Republic of China was established. Despite Stalinist bureaucratic parasitism and mismanagement, the 1949 continued on page 8

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TROTSKY

A Salute to Charles Darwin

This year marks the 150th anniversary of the publication of *On the Origin of Species* by Charles Darwin and the 200th anniversary of Darwin's birth. Through his theory of evolution through natural selection, or, as he preferred to call it, "descent with modification," Darwin unshackled biological science from the chains of religion and metaphysics by providing a materialist explanation for the evolution of life on this planet through careful, meticulously recorded studies of variation within species. Yet, even as it forms the basis



LENIN

of modern biology, evolution continues to be explosive in the U.S., a constant target of the fundamentalist Christian right and reactionaries, including because it eliminates any scientific basis for racism. As we wrote in a 1985 *amici curiae* brief filed by the Spartacist League and Partisan Defense Committee in the Supreme Court against the teaching of the myth of Biblical creationism in Louisiana schools: "The study of scientific evolution is fundamental to man's quest for a materialist understanding of our world and human society, not the least because it provides material evidence that we are all part of the same human race, definitively destroying the myths of racial superiority."

Charles Darwin himself was an ardent opponent of slavery. In a 5 June 1861 letter to Harvard botanist Asa Gray, a devout Protestant who arranged for the *Origin of Species* to be published in America, Darwin wrote in the early days of the U.S. Civil War: "Some few, and I am one of them, even wish to God, though at the loss of millions of lives, that the North would proclaim a crusade against slavery. In the long-run, a million horrid deaths would be amply repaid in the cause of humanity.... Great God! How I should like to see the greatest curse on earth—slavery—abolished!" And in a 17 September 1861 letter to Gray, he wrote: "If abolition does follow with your victory, the whole world will look brighter in my eyes & in many eyes. It would be a great gain even to stop the spread of Slavery into the Territories:—if that be possible without abolition, which I should have doubted."

Charles Darwin also corresponded with his friend on the question of religion, replying to Gray's defense of "intelligent design" in a 22 May 1860 letter: "I had no intention to write atheistically, but I own that I cannot see as plainly as others do...evidence of design and beneficence on all sides of us. There seems to me too much misery in the world. I cannot persuade myself that a beneficent and omnipotent God would have designedly created the Ichneumonidae [parasitic wasps] with the express intention of their feeding within the living bodies of Caterpillars, or that a cat should play with mice."

In the following excerpt from an article (written in 1919 and revised in 1922) on the renegade from Marxism Karl Kautsky, revolutionary leader Leon Trotsky compared the historic breadth of Darwin's scientific studies to Marx's study of human society, pointing out that both reveal that long periods of seeming equilibrium are periodically interrupted by tumultuous periods of rapid, revolutionary change.

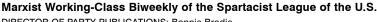
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The Darwinian theory of the origin of species encompasses the entire span of development of the plant and animal kingdoms. The struggle for survival and the processes of natural and sexual selection proceed continuously and uninterruptedly. But if one could observe these processes with ample time at one's disposal—a millennium, say, as the smallest unit of measure—one would undoubtedly discover with one's own eyes that there are long ages of relative equilibrium in the world of living things, when the laws of selection operate almost imperceptibly, and the different species remain relatively stable, seeming the very embodiment of Plato's ideal types. But there are also ages when the equilibrium between plants, animals, and their geophysical environment is disrupted, epochs of geobiological crisis, when the laws of natural selection come to the fore in all their ferocity, and evolution passes over the corpses of entire plant and animal species. On this gigantic scale Darwinian theory stands out above all as the theory of critical epochs in the plant and animal development.

Marx's theory of the historical process encompasses the entire history of human social organization. But in ages of relative social equilibrium the fact that ideas depend upon class interests and the property system remains masked. The age of revolution is Marxism's school of advanced study. Then the struggle of classes resulting from systems of property assumes the character of open civil war, and the systems of government, law, and philosophy are stripped bare and revealed as instruments in the service of classes. Marxist theory itself was first formulated in a prerevolutionary period, when the classes were searching for a new orientation, and it achieved its final form through the experiences of revolution and counterrevolution in 1848 and the following years.

—Leon Trotsky, "Karl Kautsky" (1922), reprinted in *Portraits Political & Personal* (Pathfinder Press, 1977)





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13 February 2009

No. 930

Unions Must Defend Immigrant Workers!

Down With Reactionary Strikes Against Foreign Workers!

Britain

LONDON-For over a week, thousands of construction workers at oil refineries and power plants across England, Scotland, Wales and Northern Ireland staged a series of strikes demanding "British jobs for British workers." The strikes were not intended to secure more jobs or indeed any gains for the working class as a whole, nor to defend existing jobs. They were about redividing the existing pool of jobs according to the nationality of the workers. These reactionary strikes, pitting British workers against foreign workers and immigrants, are detrimental to the interests of the multiethnic working class in Britain and those of the workers of Europe as a whole. The main strike slogan, "British jobs for British workers," long associated with the fascists, was recently affirmed by Labour prime minister Gordon Brown at the 2007 Labour Party conference. The strikes received gushing sympathy from the likes of the virulently anti-immigrant, anti-working-class Daily Mail and were actively supported by the fascist BNP who churned out racist garbage, including the claim that British workers were losing out to foreigners.

The strike wave centred on Lindsey refinery in Lincolnshire, owned by French oil giant Total. Part of a construction project was subcontracted to IREM, an Italian contractor, which brought in Italian and Portuguese workers, and did not hire any British workers. A similar situation exists at Staythorpe power station in Nottinghamshire where Spanish subcontractors brought in their own crews. According to reports of the settlement, over 100 "new" construction jobs have been created at Lindsey, earmarked for British workers. The real outcome however will reverberate against foreign and immigrant workers, not least on building sites such as the 2012 Olympic projects where over a third of the workers are immigrants and where in recent months some 200 Romanian workers were removed during a clampdown on "illegal" foreign labour. More broadly, the protectionist poison emanating from the strikes sends a chilling message to all immigrants and minorities, fuelling racism and reinforcing national divisions between workers in Britain and their class brothers in other European countries.

The responsibility for this socialchauvinist crusade lies with the Labourite leadership of the Unite and GMB trade unions, who embraced this patriotic crusade as naturally as they embraced Labour's racist "war on terror" that is directed against Muslims. Particular blame lies with Peter Taaffe's Socialist Party, which had a member on the strike committee and authored its key demands, while whitewashing its chauvinist character. Throughout what the Socialist Party calls "one of the most significant strike waves in recent times,' Italian migrant workers have been holed up in a rusting barge in Grimsby, fearing for their lives, not without reason: according to the *Times* (31 January), 40 striking construction workers from Lindsey oil refinery in Lincolnshire—the hub of the racist strikes—visited the Italian workers to tell them to "go back to your own country." Generalised insecurity and fear about job losses caused by the



Protectionist rally against foreign workers at Lindsey oil refinery, January 30.

worldwide economic recession provide fertile ground for the kind of chauvinism that this strike wave has unleashed.

Trade-union leaders have been cynically banging on about British workers being discriminated against. Derek Simpson, coleader of the union Unite, addressed "the growing problem of UK workers being both ways: Italian workers (including IREM workers!), who are currently working alongside British construction workers in northeast Italy, could easily retaliate with strikes and mobilisations demanding "Italian jobs for Italian workers," which would undoubtedly get the support of the Italian fascists. According

Full Union Pay for All Work!

excluded from important engineering and construction projects" and demanded that "companies involved in engineering and construction projects give UK workers equal opportunities to build Britain's infrastructure" (Unite statement, 30 January). The Labourite bureaucracy's touching concern for "equal opportunities" for British workers stands in sharp contrast to their abject betrayal of class struggles by Britain's multiethnic working class, from the Grunwick strike by Asian women in 1976 to the Labourites' knifing of the great miners strike of 1984-85, to the sellout of the Heathrow airport strike in 2005 in solidarity with over 600 Asian women who were sacked.

The bureaucracy's claim that British workers are being "discriminated" against by foreign contractors rests on a "posted" workers directive in European Union (EU) law, under which subcontractors can supply their "own" workers to work on short-term projects in other EU countries. **No** British workers were fired at either Lindsey or Staythorpe. Until the workers take power, we will not be in a position to worry about the ebbs and flows of labour migration or the world economy more generally. The bottom line for the trade-union movement must not be whom the contractors hire, but at what rate of pay and under what conditions they work. The way to undercut attempts by the bosses to "level down" the wages and working conditions, including safety standards, of all workers, by playing off one nationality against the other, is for the unions to demand: Full union pay for all work at the prevailing rate, no matter who does the job! Equal pay for equal work! This poses the need for international collaboration between construction workers across European countries.

The chauvinist nature of the "British jobs" campaign is starkly obvious when viewed through the lens of workers across the channel. Indeed, protectionism cuts

to figures from the European Commission, 47,000 British workers were temporarily "posted" to other EU countries in 2006, which is three times more than the 15,000 foreign workers "posted" to Britain at the time (*Financial Times*, 3 February). Regarding the British strike, a spokesman for the General Confederation of Italian Workers (CGIL), Guglielmo Epifani, said, "we have to be careful, because if unemployment is used against workers from other countries" it would mean "Italians could only work in Italy, English in England and the French in France" (Reuters, 5 February).

The capitalist system is based on the brutal exploitation of all labour, and the ruling class inflames racial and ethnic hostilities to keep the working class divided and thus ensure greater profits. When construction is booming it relies on immigrants, who in Britain were historically Irish but today are drawn heavily from East Europe. With the advent of a severe global recession, the scramble for a diminishing number of jobs is becoming more intense. This scramble is particularly acute in construction where temporary contract work and job insecurity are endemic and where the system of subcon-

tracting drives wages down lower and increases the bosses' opportunities for divide-and-rule.

Labourite Reformism and Protectionism

Rather than wage a fight for jobs for all construction workers, which requires an internationalist perspective, and championing the rights of immigrants, the reformist trade-union bureaucracy pandered to the reactionary demand "British jobs for British workers," even as they have condemned BNP incursions into the strike. On behalf of Unite, Derek Simpson issued a statement saying: "Trade unionists stand against everything the BNP stand for. We have warned union members on construction sites to remain vigilant when it comes to ultra right wing leeches," while asserting that the industrial action was "not about race or immigration, it's about class." But any mobilisation of workers on the basis of protectionism is poisonous to class consciousness and plays into the hands of the fascists. It serves to reinforce anti-immigrant racism and weakens the capacity of the working class to defend its own interests. The bureaucracy uses protectionism as a cover for rejecting class struggle in favour of class collaboration. What's needed is to mobilise the multiethnic working class against the Brownled Labour government for jobs for all. This requires a political fight to replace the current union misleaders—the labour lieutenants of capital—with a class-struggle leadership. Trade unions must oppose antiimmigrant racism! Down with protectionist poison!

Much of the Labourite reformist left managed to take an elementary position of opposition to the reactionary strikes. In a 31 January statement, the Socialist Workers Party (SWP) correctly noted that these strikes "are based around the wrong slogans and target the wrong people," adding that "those who urge on these strikes are playing with fire." Workers Power "unreservedly oppose" the strikes saying, "the strikers' target is not their employers but 100 Italian and Portuguese workers" (Workers Power, February 2009). A leaflet (undated) issued by Gerry Downing, a member of the Socialist Fight organisation, says, "Socialist Fight (SF) unequivocally opposes the 'wildcat' strikes and their outcome because they were called on the reactionary basis of 'British jobs for British workers" and "it was on this xenophobic basis they were spread, with the assistance of the right wing media and on this basis they were tacitly endorsed by the entire Unite and GMB leaderships. And it was on this basis they were settled."

continued on page 10

London,
September 2007:
Kingston branch
of Northern Rock
during first run
on a British bank
in 150 years,
as tens of
thousands
besieged
branches
throughout
the country.



Young Spartacus

Revolutionary Marxists and the Fight for Black Freedom

To celebrate Black History Month, we print below an edited version of a public class given by Spartacist League Central Committee member Joseph Seymour on 16 August 2008 for the Bay Area Spartacus Youth

The subject of this educational, the black question and revolutionary integrationism, has a special significance for me personally. The program and especially the strategy of revolutionary integrationism was the single most important reason why I joined the Spartacist tendency (it was not yet a league) in 1965 at the age of 21. Like most young leftist radicals at the time, I started out as a liberal idealist. I was impelled ever further to the left by the contradiction between my liberal democratic ideals and the actual policies and practices of the U.S. government both at home and abroad, under both the Republicans and Democrats.

When I graduated high school in 1961, the American South was still a white racist police state in which blacks were deprived of all basic democratic rights and freedoms. In the North, blacks were concentrated in the impoverished inner-city ghettos. Internationally, the U.S. government was supporting right-wing dictatorships, for example, in Latin America; reactionary feudalist regimes like the Saudi Arabian monarchy; and European colonial rule, for example, the French in Algeria.

I was a member of the political generation called the New Left. Unlike the "Old Left," the New Left viewed the basic conflict in the world, includ-

ing in the U.S., not as one between the working class and the capitalist class but rather between the oppressed non-white masses—peasants, workers, the urban poor—and the white American ruling class. This worldview was conditioned by the major events and struggles in the world at the time, including in the U.S. American society was being disrupted and polarized by the civil rights movement, first in the South and then extending into the North. The Cuban Revolution had occurred a few years earlier. Algeria had just won its independence from the French after a prolonged and especially bloody national liberation struggle. And in South Vietnam, a Communist-led, peasant-based insurgency was threatening to overthrow the U.S. puppet regime.

During the early-mid 1960s, there was a widespread leftist radicalization among black youth, not only college students but also young black workers and lumpenized ghetto youth. In 1963 I was, for a few months, a member of the youth group of the Progressive Labor Movement, a recently formed Maoist-Stalinist organization. On one occasion I was selling its journal, the Marxist-Leninist Quarterly, and I approached a couple of young black guys. They waved me off, saying: "Man, we know all that. When the shooting starts, call us, we'll be there." In one sense they were just being smart alecks. But they were also in their own way expressing hostility to the racist capitalist-



Library of Congress

Above: Heroic Massachusetts 54th Regiment charging Fort Wagner in South Carolina during Civil War, July 1863. Below: Striking auto workers, Detroit, 1945.



imperialist system as they understood it. At the time most blacks, especially young blacks, opposed the war in Vietnam while most whites, including white workers, supported it out of anti-Communism. The prevailing attitude toward the war among black youth was expressed a few years later by the boxing champion Muhammad Ali when he refused to be inducted into the armed forces. He said: "No Viet Cong" —that's what the South Vietnamese Communists were usually called—"ever called me n----r."

Insofar as New Left radicals had a strategy for establishing socialism on a world scale, it was by increasingly weakening and isolating American imperialism through mainly peasant-based revolutions in Asia, Africa and Latin America. This idea was expressed a few years later by Che Guevara in the slogan, "Two, three, many Vietnams." Unlike most New Leftists, I didn't see how it was possible to build socialist societies in Latin America, India and East Asia as long as the U.S. remained a capitalist-imperialist state. If the American ruling class felt its existence was seriously threatened by Communist-led revolutions and states in those regions, it could resort to nuclear weapons. At the same time, I couldn't see how a socialist revolution was possible in the U.S. in a historically meaningful time period. The large majority of the working class was white. And most white workers had racial prejudices to some extent; they

supported U.S. imperialist militarism out of anti-Communist sentiment and, in some cases, out of racist disdain for the peoples of what was later called the Third World.

I wrestled with this problem for a year or so. And the concept of revolutionary integrationism as put forward by the Spartacist tendency provided a solution, a key to unlocking the potential for a proletarian socialist revolution in the bastion of world imperialism. Black workers, with their generally higher level of political consciousness and greater opposition to U.S. imperialist militarism, could act as a *lever* to move the mass of more backward white workers toward a class-struggle program and outlook.

For Black Liberation Through Socialist Revolution!

As Richard S. Fraser stated in his 1955 document, "For the Materialist Conception of the Negro Question":

"One of the main factors which prevents the development of class consciousness in the American working class is race prejudice. Specifically: white chauvinism....

"Segregation is the foundation of prejudice. The Negroes, in their struggle against segregation are constantly clearing the ground for the emergence of class consciousness in the working class as a whole.

"It is the historical role of the Negro struggle to break down race prejudice in the working class and thereby to lead white workers toward class consciousness.

"If the Negro struggle should change its

course and strike out for racial independence, it would deprive the working class of its most class conscious, and advanced segments."

reprinted in *Marxist*Bulletin No. 5 (Revised),

"What Strategy for Black
Liberation? Trotskyism vs.
Black Nationalism"
(September 1978)

This was restated by the early Spartacist League in our basic document on the black question, "Black and Red-Class Struggle Road to Negro Freedom": "Because of their position as both the most oppressed and also the most conscious and experienced section [of the American working class], revolutionary black workers are slated to play an exceptional role in the coming American revolution" (Spartacist supplement, May-June 1967). Concretely, we put forward as a transitional demand directed at civil rights activists the formation of a South-wide Freedom Labor Party. Such a party would combine the struggle for black democratic rights and social equality with the struggle of labor against capital, for example, by promoting the unionization of the multiracial working class in the South.

Unlike in the 1960s, today there does not exist a mass black movement and there is relatively little working-class struggle of any kind. Nonetheless, black workers are generally politically to the left of the mass of white workers, for example, in their attitude toward U.S. military adventures abroad. Consider the current issue of *Workers Vanguard* with the headline "U.S. Imperialists Out

of Afghanistan, Iraq!" (No. 918, 1 August 2008). In selling this to a group of mainly black workers, you would get a more positive or, at least, less negative response than in selling it to a group of predominantly white workers.

We describe blacks in the U.S. as an oppressed race-color caste integrated into the American capitalist economy while segregated at the bottom of American society. However, the idea that blacks are an embryonic nation was long discussed and debated within the American Trotskyist movement. Trotsky himself tentatively advanced this position in the 1930s. What is a nation and how is it different from a caste? What programmatic conclusions follow from recognizing that an oppressed people are a nation? These are the central themes addressed in Fraser's 1955 document. Although he does not describe American blacks as a caste, that is the substance of his analysis.

A nation is a group of people who usually share a distinct language, culture and also territory. But the most basic character of a nation is the capacity to form a separate political economy, an independent system for the production and circulation of commodities. A nation can, under certain historical circumstances, become an independent bourgeois state with its own propertied and exploited classes. Our basic program with respect to an oppressed nation is the right of self-determination, that is, the right to secede

Black History and the Class Struggle

4 WORKERS VANGUARD

from the state of the oppressor nation and form its own nation-state.

A caste is a group of people—who may be demarcated by race, ethnicity or some other factor—who occupy a certain position within the hierarchical structure of a given social and economic order. The concept of caste derives from Hindu society in India. All Hindus are born into castes that determine their future place in the social hierarchy. At the bottom of Hindu society are the so-called "untouchables."

How many of you know who C. Vann Woodward is? He was a well-known white left-liberal historian of the American South. In his memoirs, *Thinking Back: The Perils of Writing History* (1986), he recounted:

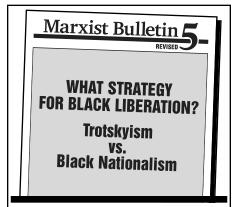
"A new and extraordinary foreign perspective came my way during the Second World War while I was on duty as a naval officer in India. With a letter of introduction in hand, I sought out Dr. Bhimrao Ramji Ambedkar, acclaimed leader of India's millions of untouchables and later a figure of first importance in Indian constitutional history. He received me cordially at his home in New Delhi and plied me with questions about the black 'untouchables' of America and how their plight compared with that of his own people."

As Fraser emphasized, blacks have always played an integral and important role in the American capitalist economy since its beginning as a British colony in the 17th century. Racial oppression has always been directly bound up with class exploitation-first for slaves, then for tenant farmers and then for a component of the industrial working class. Historically, the basic thrust of mass black struggle has been to remove the obstacles separating black people from the rest of American society in order to achieve social and economic as well as political equality with the white majority. But that equality can be achieved only through the overthrow of capitalism and its replacement by a planned socialist economy under a multiracial workers government. This is the crux of revolutionary integrationism.

Black Oppression: Bedrock of American Capitalism

Blacks were originally brought to this country from Africa as slaves to work the agricultural plantations of the Southern colonies of British North America. They became the main labor force producing the country's major agricultural exports—tobacco, sugar and later cotton—during the colonial era and under the American bourgeois state until the Civil War in the 1860s. Thus black chattel slavery in the South was a central factor in the development of mercantile, financial and later industrial capitalism in the North.

However, eventually the conflicts of interest between the Northern capitalists and Southern plantation owners, mainly over control of the national government, led to the Civil War, which, when the North won, resulted in the abolition of slavery. Here I want to emphasize that blacks played an important role in their own emancipation. During the war, hundreds of thousands of blacks fled from the plantations and took refuge behind the lines of the Union Army. At first they



Key Documents and Articles 1955-1978

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New York City garment district, July 1964: Spartacist-initiated rally to mobilize labor in defense of ghetto masses during Harlem cop riot.

served the Union forces mainly as laborers. But by the war's end, nearly 200,000 black soldiers and sailors served in the Union Army and Navy.

In the decade following the war, the Northern ruling class carried out a policy called Radical Reconstruction in the South under the occupation of the Union Army. Black men (all women were disenfranchised at the time) were given the right to vote and played an active role in political life. There were black judges, state legislators, even U.S. Congressmen. However the Northern capitalists, given their basic economic interests, did not expropriate the land of the former slave plantations and distribute it to the black freedmen. Most blacks therefore became tenant farmers on land owned by whites and were exploited through sharecropping arrangements, debt peonage and other mechanisms. This formed the economic basis for the restoration of whitesupremacist political rule in the South when the Union Army was withdrawn in 1877 to cement the renewed alliance between the Northern and Southern propertied classes. Blacks were subjected to legally enforced racial segregation and stripped of all democratic rights. They were held down by savage state repression reinforced by the racist terror of the Ku Klux Klan.

Prior to the outbreak of the First World War in 1914, the large majority of blacks lived in the rural South. During the war there was a substantial migration of blacks to the Northern cities where many found employment in major industries like steel and meatpacking. Racial prejudice among white workers therefore became a major obstacle to working-class organization and struggle even at the most basic trade-union level.

At the same time, the black question was posed for the early American Communist Party. The impetus for this came from Communist leaders in Russia like Lenin and Trotsky. The founding leaders of the American Communist Party like James P. Cannon had come out of the left wing of the Socialist Party and/or the syndicalist Industrial Workers of the World. The position of these tendencies on the black question can be characterized as color-blind workerism. This was clearly expressed by prominent Socialist leader Eugene V. Debs: "We have nothing special to offer the Negro, and we cannot make separate appeals to all the races. The Socialist Party is the party of the whole working class, regardless of color—the whole working class of the whole world."

The position of the Bolsheviks toward the many oppressed nationalities in tsarist Russia was very different. In order to combat and partly overcome the national divisions within the working class in the Russian empire, the Bolsheviks actively championed the rights and interests of the oppressed non-Russian peoples. And Communist leaders like Lenin and Trotsky applied similar principles to blacks in the U.S. They recognized and insisted

that American Communists must actively fight against the oppression of black people in all its aspects. Not to do so would passively reinforce racial prejudices among white workers. And if the Communists did not fight against racial oppression, the mass of blacks would support liberal bourgeois parties that claimed to stand for their rights and interests.

The Revolutionary Tendency and the Civil Rights Movement

James P. Cannon, in an essay on the black question and the early Communist Party written in the late 1950s, emphasized:

"After November, 1917 this new doctrine
—with special emphasis on the Negroes
—began to be transmitted to the American
communist movement with the authority
of the Russian Revolution behind it. The
Russians in the Comintern started on the
American communists with the harsh,
insistent demand that they shake off their
own unspoken prejudices, pay attention
to the special problems and grievances of
the American Negroes, go to work among
them, and champion their cause in the
white community.

"The influence of Lenin and the Russian Revolution, even debased and distorted as it later was by Stalin, and then filtered through the activities of the Communist Party in the United States, contributed more than any other influence from any source to the recognition, and more or less general acceptance, of the Negro question as a special problem of American society—a problem which cannot be simply subsumed under the general heading of the conflict between capital and labor, as it was in the pre-communist radical movement."

—"The Russian Revolution and the American Negro Movement," The First Ten Years of American Communism (1962)

Not coincidentally, when Cannon wrote this essay the Southern civil rights movement, struggling against legalized segregation and for democratic rights, was agitating and polarizing American society and dominating the country's political life. As it developed, this movement offered a short-lived opportunity for even a small revolutionary party to make a historic breakthrough. By the early 1960s, a large and growing current of young black militants was breaking to the left of the liberal reformism and pacifism of Martin Luther King but had not yet latched on to separatist ideology. These young militants were experienced in struggle and were leading and organizing a mass movement that included large numbers of black workers. And many of them could have been won to a Leninist-Trotskyist vanguard party on the programmatic basis of revolutionary integrationism.

That was the perspective that the Revolutionary Tendency (RT, the forerunner of the SL) fought for at the time within the Socialist Workers Party (SWP), the historic party of American Trotskyism. However, by then the SWP had moved sharply to the right. Its leadership willfully abstained from the civil rights movement while cheerleading from afar for both the liberal reformism of King and the reactionary separatism of the Nation of Islam. Against this, a 1963 RT document stated:

"The rising upsurge and militancy of the continued on page 6

Spartacist 🚜 Black History Month Forums

Mexican-American War— Prelude to American Civil War

Seizing the reins as Commander-in-Chief of racist U.S. imperialism, Barack Obama paid homage to the founders of this country, which was built on the bodies of black slaves and extended through bloody conquest. This included the invasion of Mexico in 1846, in which half of Mexico was annexed in the interests of the Southern slavocracy. Today, Obama's "national unity" appeals are designed to refurbish the "democratic" credentials of American imperialism in order to jack up the brutal exploitation of the working class, blacks, immigrants and all the oppressed in this country and to pursue repression and conquest abroad. Exposing the true history on which racist American imperialism was founded is part of our commitment to the cause of black freedom and the emancipation of the working class through victorious socialist revolution in the bastion of world imperialism.

- Finish the Civil War— For Black Liberation Through Socialist Revolution!
- Bloody U.S. Imperialism— Enemy of World's Working People and Oppressed
- For Socialist Revolution from the Yukon to the Yucatán and Throughout the Americas!
- Full Citizenship Rights for All Immigrants!

Bay Area

Sunday, February 15 3 p.m. Centro del Pueblo, 2nd floor

entro dei Pueblo, 2nd floor 474 Valencia Street San Francisco

(1 block from 16th St. BART Sta.) For more information: (510) 839-0851 slbayarea@sbcglobal.net

Los Angeles

Saturday, February 14 4 p.m. Immanuel Presbyterian

Church, 3300 Wilshire Blvd.
(2 blocks west of Vermont/

(2 blocks west of Vermont/ Wilshire Red Line Station) For more information: (213) 380-8239 slsycla@sbcglobal.net

New York City

Saturday, February 28 6 p.m. 6 Harrison Street

(#1 train to Franklin St., west on Franklin to Hudson, 1 block south to Harrison) For more information: (212) 267-1025 nysl@tiac.net

Chicago

Finish the Civil War!

For Black Liberation Through Socialist Revolution!

The Second American Revolution Smashed Chattel Slavery
The Fight for Black Freedom Continues

Thursday, February 12, 7 p.m.University of Chicago, Stuart Hall, Room 102

For more information: (312) 563-0441 chicagospartacist@sbcglobal.net

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Young Spartacus

Black Freedom...

(continued from page 5)

black revolt and the contradictory and confused, groping nature of what is now the left wing in the movement provide the revolutionary vanguard with fertile soil and many opportunities to plant the seeds of revolutionary socialism. Our task is to create a Trotskyist tendency in the broad left wing of the movement, while building that left wing.... We must consider non-intervention in the crisis of leadership a crime of the worst sort."

—"The Negro Struggle and the Crisis of Leadership," reprinted in *Marxist Bulletin* No. 5 (Revised)

Over the next year or so the leaders and members of the RT were expelled from the SWP. The early Spartacist tendency then actively intervened in the civil rights struggles in the South as well as the North, raising demands such as for a Freedom Labor Party, for a Southern unionization drive backed by organized labor nationwide, and for armed self-defense against the Klan and other racist terrorists. This important chapter in our history is well documented in the early issues of Spartacist. Our forces, however, were very small and predominantly white. And the main body of young black activists was rapidly moving toward separatism.

To understand why that happened it's necessary to consider the civil rights movement when it came North in the mid 1960s and how it differed from the Southern movement. The core demands of the Southern movement were for an end to legalized segregation and for democratic rights, centrally the right to vote. By the early 1960s, the dominant sections of the American ruling class were moving to bring the legal and political structure of the South into line with the bourgeois-democratic norms in the rest of the country. An important underlying factor was the Cold War conflict with the Soviet Union. Legally enforced white supremacy and racial segregation in the South had become an increasing embarrassment for American imperialism internationally, especially in the countries of Asia and Africa, most of them former European colonies.

The Civil Rights Movement in the North

As it happened, in 1956 at the age of 12 I spent three or four months in Hot Springs, Arkansas, where I attended a legally segregated, white junior high school. At the time federal courts had ordered school integration in Arkansas and other Southern states. And many of my classmates, knowing I was from New York, asked me what it was like to go to school with blacks. I said I didn't know because there were no blacks in the school I went to in Queens.

The North was just as segregated as the South, at a personal level maybe more so. But the main basis of that segregation was the atomized workings of the capitalist economy. Blacks were, proverbially, the last hired and the first fired. Reinforcing these basic economic factors were certain laws, which, though they did not explicitly refer to race, in fact enforced segregation. Most blacks who lived in the ghettos did so out of economic necessity. However, their children then went to segregated public schools because the law mandated that students attend schools in their neighborhoods. In addition, there was white racial prejudice that could and did express itself in mass violence. For example, when in 1966 Martin Luther King led a march for "open housing" into the white Chicago suburb of Cicero, it was met and driven back by a racist mob.

A major demand of the civil rights movement in the North was for "open housing." But even if realtors could have been compelled by law to sell homes in better-off white suburbs to black families from Harlem or Chicago's South Side, how many black families could have afforded such homes? The everyday conditions of life facing the mass of blacks—widespread and chronic unemployment,



James/Philadelphia Inquire

Left: 1970 police raid on Philadelphia Black Panther Party office. Right: Mumia Abu-Jamal as Minister of Information for Philadelphia Black Panthers in 1969. Persecuted for his political beliefs, Mumia has been on death row since his 1982 frame-up conviction.

rat-infested slums, rampant police brutality—could not be eradicated by Congress passing another Civil Rights Act. What working-class and poor blacks hoped to achieve through the civil rights movement in the North would have required a radical restructuring of the American economy and a massive redistribution of wealth. And that the American ruling class was not going to do.

Consequently, civil rights agitation generated a rapidly rising level of frustrated expectations, especially among lumpenized black youth, which exploded in what came to be called the ghetto rebellions in the mid-late 1960s in major Northern

that's our historical tradition."

While the ghetto revolts were suppressed with murderous savagery by the police and National Guard, the ruling class also sought to dampen black unrest by offering certain reforms. Democratic president Lyndon Johnson declared a "war on poverty," that is, federally funded programs that were supposed to alleviate the horrific conditions of ghetto life. Busing black children into white neighborhoods was supposed to increase the level of school integration. Affirmative action for blacks in college admissions was supposed to increase racial integration in higher education.

formal programs the call for an independent black state, that was not what they were really about. No one took that seriously. I and other comrades had many arguments with black nationalists at the time and they never focused on carving out an independent state from the existing U.S. These groups are more accurately described as pseudo-nationalists or separatists. What differentiated them from liberal black groups and from racially integrated leftist groups was that they were exclusively black and advocated exclusively black institutions—schools, government agencies, cops—within the framework of the existing American capitalist state.

Despite their radical and often whitebaiting rhetoric, most of these black nationalists quickly re-entered the fold of mainstream bourgeois politics. They offered themselves to the white ruling class as overseers of the ghetto masses. They became administrators of the various poverty programs and members of the entourage of local black Democratic politicos. For example, well-known black nationalist and white-baiting poet Amiri Baraka became an aide to the black Democratic mayor of Newark, New Jersey, in the early 1970s. In that role he tried to break a strike by the racially integrated teachers union that, moreover, had a black leadership. The Black Panthers described such political operators as "pork-chop nationalists" and dashiki Democrats (dashikis being a garment worn by men in Africa).

So what about the Black Panther Party, which described itself as "revolutionary nationalist" and "Marxist-Leninist"? Formed in 1966, the Panthers consisted mainly of lumpenized ghetto youth led by a small number of young black leftist intellectuals. In fact, they had a doctrine of lumpen vanguardism. Initially the Panthers attempted to build a black paramilitary organization in the ghettos that would coexist with and restrain the police -sort of an armed version of "community control of the police." And for a short time they actually got away with it, especially here in Oakland, their original and strongest base.

But by 1968 the FBI and local police had launched an all-out campaign to destroy the Panthers. Thirty-eight Panther militants were killed outright and top leaders were imprisoned on capital charges. A few managed to flee the country and gain refuge, for example, in Algeria. The Panther leadership responded to the murderous repression by turning sharply to the right in an effort to gain liberal support for their legal defense. In 1970-71, the organization was effectively destroyed by a violent factional struggle.

As we later wrote about black nationalism in general, in all its diverse political expressions: "At bottom black nationalism is an expression of hopelessness stemming from defeat, reflecting despair over prospects for integrated class struggle and labor taking up the fight for black rights. The chief responsibility for this lies on the shoulders of the pro-capitalist labor bureaucracy, which has time and continued on page 11

Merit

Merit

Merit

July 1967 Spartacist leaflet issued in response to military suppression of Newark ghetto uprising.

Merit message to military suppression of Newark ghetto uprising.

cities. Black youth took to the streets, battled the cops, looted and trashed stores. We wrote at time:

"As the struggle against the police expands, the black street-fighters turn on the merchants and shopkeepers, the visible representatives of the oppressive class society, and smash whatever cannot be carried off. Yet despite the vast energies expended and the casualties suffered, these outbreaks have changed nothing. This is a reflection of the urgent need for organizations of real struggle, which can organize and direct these energies toward conscious political objectives. It is the duty of a revolutionary organization to intervene where possible to give these outbursts political direction."

-"Black and Red—Class Struggle Road to Negro Freedom"

In line with this policy, at the time of the 1967 ghetto rebellion in Newark, New Jersey, we put out a very short agitational leaflet written by Jim Robertson, titled "Organize Black Power!" Incidentally, during the first years of our existence our name, Spartacist League, was obscure to most people, especially black ghetto youth. However, in 1967 Hollywood re-issued the film Spartacus, starring Kirk Douglas, about the great slave rebellion in the ancient Roman Empire. So when we distributed the leaflet, blacks would say, "You're the Kirk Douglas group, you guys kicked the butts of the Romans." And we'd reply, "Yeah,

Not only were these policies totally inadequate to improve the conditions of the black masses, but almost all were subsequently reversed by racist reaction. Busing, for example, was effectively killed in Boston in 1974 when white racist mobs attacked black school children. We actively intervened in the Boston busing crisis, agitating for mass, integrated laborblack defense guards to protect the black children in South Boston. We also called for low-rent, racially integrated public housing, for quality, integrated education for all, and for the implementation of busing and its extension to the suburbs as a minimal step toward black equality. However, the local Boston labor bureaucracy passively tolerated racist mob violence against black school children. (See "As Racist Mobs Rampaged, Liberals and Reformists Knifed Busing," WV No. 921, 26 September 2008.)

The Bankruptcy of Black Nationalism

But let's shift back in time to the midlate 1960s and talk about what was called black nationalism. I say what was called black nationalism because it really wasn't. The central demand of Basque nationalists in Spain is for an independent Basque state. Likewise for Québécois nationalists in Canada. While some of the self-styled black nationalist groups included in their

6

Milton Friedman—Braintruster of Bloody Pinochet Dictatorship

We reprint below a Chicago Spartacus Youth Club leaflet as reissued February 7. The leaflet was distributed at a January 29 event featuring Naomi Klein at Loyola University as well as at the University of Chicago. CHICAGO—After right-wing "free market" economist and longtime University of Chicago professor Milton Friedman dropped dead in 2006, it did

not take long for the U of C administration to spark a minor firestorm on campus by proposing to name an economic research institute in his honor. In the 1970s Friedman and his "Chicago Boys" notoriously served as economic advisers to the bloody CIA-backed Chilean dictatorship of Augusto Pinochet that massacred 30,000 workers, peasants and leftists and imprisoned and tortured thousands more. Last year, in response to the U of C proposal to launch a Milton Friedman Institute, faculty formed the Committee for Open Research on Economy and Society (CORES), which initiated an online petition against the Institute and held a number of well-attended campus events. Over 100 professors signed a letter of protest to the administration, and the full Faculty Senate convened for the first time in a decade to debate the proposal.

It is truly an affront to working people and the oppressed around the planet that the University would attempt to honor the legacy of this man. It would be utopian to think that bourgeois universities would not name buildings in honor of sundry capitalist moguls and their academic mouthpieces. But Friedman was not simply a reactionary ideologue; his hands were drenched in the blood of the Chilean masses. In 1975, the New York Times accurately labeled him "the guiding light of the junta's economic policy" (21 September 1975). The CIA funded a 300page Friedmanite blueprint given to the leaders of the junta in preparation for the coup. In March 1975 Friedman himself, accompanied by his U of C cohort Arnold Harberger, flew to Chile for highlevel talks with the regime to outline the economic "shock treatment" that led to the mass starvation of those who had survived the initial phase of bloodletting.

After the 1973 Pinochet coup, our forebears in the Spartacus Youth League launched a campaign at U of C to drive Friedman and Harberger off campus through protest and exposure. In order to mobilize the broadest forces possible the SYL initiated the Committee Against Friedman-Harberger Collaboration with the Chilean Junta. Based on the slogans "Protest Friedman and Harberger: Collaborators with the Bloody Chilean Junta!" and "Free All Victims of the Junta's Repression!" the Committee held a teachin on Chile and mobilized several demonstrations at U of C and other campuses that Friedman visited, drawing support from a variety of groups and individuals who opposed the Chilean junta.

In its opposition to the Friedman Institute today, CORES argues primarily on the basis of maintaining the University's "impartiality," complaining that the "naming [of] such a major institute after Friedman is a symbolic endorsement of his views by the University." The University was able to soften faculty opposition simply by "changing" the name from the "Milton Friedman Institute" to the "Milton Friedman Institute for Research in Economics" in order to "make clear that it is solely an economics research institute."

For Marxists, it is no contradiction that the U of C seeks to enshrine Friedman's bloody legacy. Under capitalism, univer-

University of Chicago Honors Capitalist Pig, Again

sities are not simply institutions for research and higher learning, but serve fundamentally to preserve and promote the bourgeois order. Founded by oil baron John D. Rockefeller, U of C serves as a training ground for the next generation of capitalist politicians and bureaucrats, business managers, corporate lawyers, and other servants of the property-owning class. Its Board of Trustees is a den of investment bankers and Fortune 500 execs.

Organization, Klein has been a darling of the "anti-globalization" milieu. Her latest book, *The Shock Doctrine* (2007), gives many examples of how the Friedmanite pauperization of the Chilean masses became a model for brutal anti-labor austerity policies in the past three decades. But at bottom Klein is a stone-cold liberal, who makes it abundantly clear that she has no fundamental objection to capitalism. For all her fight-the-Man posturing,

bourgeoisie, which hopes he will give a facelift to U.S. imperialism and carry out their interests more effectively than Bush did. All the capitalist parties—Democrat, Republican and Green—are enemies of working people and the oppressed. A comrade of the SYC intervened in the discussion against Klein's support to the bourgeois candidate Obama, making a splash that was

reported in the campus paper. "Oddly, Klein's most outspoken critic fell to her left," wrote the *Chicago Maroon* (3 October 2008). "A student who said he was with 'a Trotskyist group on campus' shouted into the microphone that Klein 'completely let the Democrats off the hook' and called for 'a socialist revolution.' The comments drew cheers and jeers from the audience, including a shout of 'It doesn't work, buddy!"





Left: Chilean president Salvador Allende (at right) with Pinochet a month before 1973 military coup. Right: Troops round up leftists during coup in Santiago. Popular-front government disarmed combative proletariat, paved way for bloodbath.

As with its decades-long association with Friedman, the University brags about hosting the 1942 Manhattan Project experiments that led to the nuclear incineration of Hiroshima and Nagasaki. The U of C has long been a bulwark against the black population of the surrounding South Side ghettos, with a private army of campus cops riding roughshod over black residents as well as black students, such as grad student Clemmie Carthans, beaten by the cops after they saw him hugging a white female student (see "Protest Racist Cop Terror at the University of Chicago," Workers Vanguard No. 821, 5 March 2004).

The Spartacus Youth Clubs fight for the maximum access to academe and the broadest democratic rights within its groves, and we seek to obstruct the universities from being direct instruments of class rule and class discrimination. We call for the opening of the U of C to the surrounding black neighborhood as part of our fight for free, quality education for all. Nationalize the University! For open admissions, no tuition and a state-paid living stipend for all students! For the universities to genuinely serve the interests of those who work and study there, the campus administrations should be abolished—for student, worker, teacher control! Ultimately, for the campuses to function as true communities of learning will require the overthrow of capitalism.

On October 1, rad-lib journalist Naomi Klein gave a well-attended lecture against the Friedman Institute plan, sponsored by CORES, along with Students for a Democratic Society (SDS) and the Platypus group. Ever since her first book, *No Logo*, was published on the heels of the 1999 Seattle protests against the World Trade

Klein's bottom line at the U of C was to promote capitalist politician Barack Obama's campaign to be Commander-in-Chief of U.S. imperialism, absurdly claiming that the election posed a "referendum on Friedmanism." Since Obama's election, Klein has heaped praise on the "remarkable grassroots movement that carried him to victory," calling for this "movement" to keep up the pressure by "loudly holding Obama to his campaign promises, and letting the Democrats know that there will be consequences for betrayal" ("Real Change Depends on Stopping the Bailout Profiteers," *Huffington Post*, 4 November 2008).

Obama's election was a victory for the

Indeed, what Klein, SDS and Platypus, along with the reformist left internationally, share in common is that they accept the bourgeois lie of the "death of communism." Viewing the Soviet Union as, at best, a failed experiment which proved that workers revolution "doesn't work," they are left with no choice but to fight for some form of repackaging the capitalist system. Klein is explicit in advocating a kinder, gentler capitalist welfare state:

"It is eminently possible to have a marketbased economy that requires no such brutality and demands no such ideological purity. A free market in consumer products can coexist with free public health care, with public schools, with a large continued on page 10



1975 Chicago protest, part of Spartacus Youth League-initiated campaign against Milton Friedman and Arnold Harberger, advisers to bloody CIA-backed Pinochet dictatorship.

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Obama...

(continued from page 2)

Revolution was of world-historic significance. The creation of a centrally planned, collectivized economy laid the basis for an enormous leap in social progress and China's advance from abject peasant backwardness. The revolution enabled women to advance by orders of magnitude over their previous miserable status. A nation that had been ravaged and divided by foreign powers for a century was unified and freed from imperialist subjugation.

Following the death of Mao Zedong in 1976, the CCP regime, seeking to overcome the inefficiencies and distortions resulting from Mao's bureaucratic commandism and economic autarky, abandoned central planning and intro-



British bourgeois economist John Maynard Keynes at Bretton Woods Conference, July 1944.

duced a series of market-oriented "reforms" in the economy. These included attracting large-scale investment, concentrated in manufacturing, by Western and Japanese capitalists as well as offshore Chinese capitalists in Hong Kong and Taiwan. A sizable class of capitalist entrepreneurs has also emerged on the mainland. However, capitalists in China are still prevented from organizing themselves and vying for power. While many members of the CCP officialdom have financial interests and familial ties to private enterprises and capitalists, the political power of the Beijing Stalinist bureaucracy continues to be based primarily on the core sectors of the industrial economy, which remain collectivized, and on the state-owned banking system.

Smashing the Chinese workers state is a strategic goal for the capitalist powers, centrally the U.S. imperialists, who seek to turn China into a vast sphere of untrammeled exploitation. To that end, they are increasing military pressure on China while also pursuing a policy of internal economic and political subversion. This includes promoting anti-Communist dissidents in the name of "democracy" and "human rights."

We stand for the unconditional military defense of China against imperialist attack and internal counterrevolution, just as we stand for the military defense of the other remaining deformed workers states: Cuba, North Korea and Vietnam. Defense of the Chinese workers state is undermined by the rule of the nationalist Stalinist bureaucracy, whose policies are encapsulated in the anti-Marxist dogma of "building socialism in one country" and "peaceful coexistence" with world imperialism. We call for a proletarian political revolution to oust the venal and oppressive CCP regime and replace it with a government based on democratically elected workers and peasants councils and committed to revolutionary internationalism.

The pressure of world imperialism on China is now intensifying not only through the effects of the global economic crisis but also the replacement of the Republican Bush by the Democrat Obama. The Democrats have generally pushed for a more aggressive line against China than the Republicans. During Senate confirmation

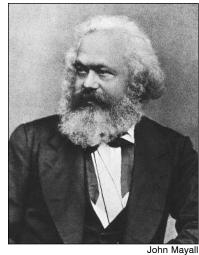
hearings late last month, Obama's designated treasury secretary Tim Geithner accused China of "manipulating" its currency, the renminbi, in order to boost exports. This is a loaded code word used to justify trade protectionism. Interestingly, the CCP regime of Hu Jintao was one of the few governments in the world to publicly praise Bush when he left office.

Unlike the major capitalist countries, China's economy—with its collectivized industrial core and state-owned banks—is actually continuing to grow, although at a much reduced pace. Nonetheless, the global capitalist crisis has had a disruptive and depressive effect on the economy, with potentially destabilizing political consequences. The divisions, fostered by the Stalinists' "market reforms," between the wealthy capitalists and bureaucratic elite on the one hand and the workers and peasants on the other, have intensified.

The Beijing authorities have long maintained that 8 percent is the minimum annual increase in gross domestic product (GDP) necessary to prevent unemployment from rising among both urban youth entering the labor market and migrants from the countryside seeking jobs in the cities. In the fourth quarter of 2008, the growth of GDP fell sharply to 6.8 percent. According to official figures, over 20 million migrant workers have been laid off, most of them from factories owned by foreign and offshore Chinese capitalists that produce consumer goods for First World markets. Additionally, the collapse of a housing boom has depressed construction activity, another major source of employment for migrant workers. A large part of the income of rural households is derived from remittances by family members working in the cities. So, many peasant families are now facing severe economic distress.

The Beijing Stalinist bureaucracy fears, and correctly so, increased labor strife and protests by workers and peasants. Zhang Xiaojing, a director of the Institute of Economics at the Chinese Academy of Social Sciences, sees troubled times: "There will be lots of laid-off migrant workers returning to the villages, not to mention the many college graduates and this will affect social stability" (London Financial Times, 21 December 2008). Likewise, Chen Jiping, deputy secretary of the CCP's central political and legislative affairs committee, warned in a magazine published by the official news agency: "Under the current situation, new social conflicts will be created nonstop."

In fact, there has already been a big upsurge of labor conflict, especially among migrant workers in the Pearl River delta, the main center of China's export industry. To dampen worker unrest the CCP regime has pursued a policy of offering to pay part of the unpaid wages of laid-off workers. But this tactic didn't work at the Jianrong Suitcase Factory in Dongguan. After the workers refused to accept an offer of 60 percent of their unpaid wages, they battled with riot police seeking to keep them locked in the factory compound. At another Dongguan



Karl Marx's seminal work
Capital explained boomand-bust cycles, fundamental
irrationality of capitalist
system.

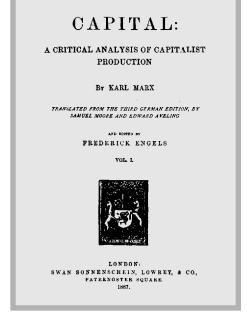
factory, a protest over severance pay also led to a clash with the police, as angry workers tore through the building destroying computers and equipment.

Facing a rising tide of labor conflict, the Beijing Stalinist regime is attempting to offset the depressive effect of the world capitalist downturn by expanding the state sector. The bureaucracy's aim is to maintain and increase employment and output. In contrast, the various stimulus plans in the U.S. and other advanced capitalist countries are an effort to jump-start investment by private capitalists, whose interest is not the expansion of production but the generation of profit.

In early November, the Beijing government announced a big stimulus package (equivalent to \$585 billion) centered on investment in infrastructure—railways, roads, ports and the like. However, only one-quarter of the funds will be provided by the central government; the other threequarters are supposed to come from provincial and local government bodies and the state-owned banks. These institutions have far more limited financial resources, so all of the additional money might not be forthcoming. Last week, Premier Wen Jiabao indicated the possibility of additional stimulus measures. The government has also told managers of stateowned enterprises not to lay off workers or cut back planned capital investment. Vice-Premier Zhang Dejiang called on "state-owned enterprises to further expand domestic and international markets ... assume the responsibility and continue playing the leading role" in the economy (Financial Times, 27-28 December 2008).

In the short term, economic conditions in China will depend on the extent to which the expansion of the state sector offsets the contraction of the private sector. In this regard, the London *Economist* (24 January) cited a financial analyst, Chris Wood, who argues that "the effectiveness of the stimulus hinges on the extent to which China is now a capitalist economy. The more 'capitalist' it is, the deeper the downturn now; the more it is still a command economy, the better chances of recovery in 2009."

The restoration of capitalism in China



will *not* be determined by the quantitative extension of the private economic sector relative to the state sector. As in the former Soviet Union and East European deformed workers states, the decisive arena in which the restorationist forces would have to triumph is at the political level, through the conquest of state power. At some point, likely when the bourgeois elements in and around the bureaucracy move to eliminate CCP political power, the explosive social tensions building up in Chinese society will shatter the political structure of the ruling bureaucratic caste. When that happens, China's fate will be starkly posed. Either the workers will sweep away the parasitic ruling elite through a proletarian political revolution that defends and extends the gains of the 1949 Revolution and makes China a bastion in the struggle for world socialism, or capitalist counterrevolution will triumph, bringing back devastating imperialist subjugation and exploitation.

The \$700 Billion and More Bank Bailout Scam

In the past few weeks, popular outrage over the bank bailout scheme that began last fall under the outgoing Bush administration with the support of Obama and the Congressional Democrats has focused on the exorbitant bonuses given to Wall Street executives. John Thain, the former head of Merrill Lynch, in particular has become a poster boy for the unbridled greed of Wall Street bankers. In early December, Thain pushed through \$3-\$4 billion in executive bonuses a month or so ahead of schedule, just before the firm was taken over by Bank of America. Both Merrill and Bank of America had gotten their share of the bailout booty and were then asking for more. It was also revealed that Thain had earlier spent \$1.2 million remodeling his office, including \$35,000 for an antique commode. Overall, the moguls of Wall Street gave themselves \$18.4 billion in bonuses last year—the sixth-largest amount of such largesse on recordwhile also managing to lose a trillion dollars or so of their investors' money. Obama found it opportune to indulge in pseudo-populist rhetoric, describing the bonuses as "shameful."

The political effect of the current focus on the personal greed of Wall Street bankers—greedy though they certainly are—is to divert attention from the destructive irrationality of capitalism as an economic system. Even if all financial executives were willing to work for free and were philanthropically minded, the government bailout would still be a gigantic financial swindle of American working people. This money will not be lent to businesses to maintain, much less expand, employment and output. And it will certainly not be lent to families facing foreclosure and eviction from their homes.

Reportedly, Obama and his economic chieftains are planning another bailout scheme centered on buying up "toxic" loans from the banks and then warehousing them in a government-owned "aggregator" bank. Eventually, the government will supposedly recoup some of the money



January 29: Workers demonstrate in Strasbourg, France, during nationwide one-day general strike. Union banner demands, "Workers Must Not Pay for the Crisis."

as the loans are repaid when economic conditions improve.

For starters, the discussion and debate over the price the government should pay for the "toxic" loans—whether 70 or 50 or 30 cents on the dollar—is meaningless. The future market value of a given mortgage-backed security, for example, will depend on the proportion of the loans embodied in it that default as the downturn continues to accelerate. Michael G. Thompson, a director of a division of Standard & Poor's that evaluates "troubled securities," exclaimed: "We are not masters of the universe who can predict the macroeconomic environment" (New York Times, 2 February). In his own way, Thompson recognizes that capitalists-even the wealthiest and most powerful—cannot control what Marxists call "the anarchy of the market."

For the same reason, the notion of a "good" bank loan under present economic conditions is also meaningless. Many companies that were profitable enough to meet their debt amortization schedule when they first took out these loans are now losing money and will lose a lot more in the next year or so. Likewise, many households which had enough income to make their monthly mortgage payments have since had family members who have been laid off, reduced to part-time work or had their wage rates cut.

Bank executives are fearful that additional loans will become additional losses. Through the massive sell-off of financial stocks (Bank of America's share price, for example, has fallen 70 percent since October), capitalist investors are forcing bank executives to rebuild their capital base however they can, including by reducing their outstanding loan volume. So any government bailout money is going to be hoarded, used to pay down the bank's own debt or to take over weaker, failing competitors. Krishna Guha, who



Workers protest closing of toy factory in Guangdong province, China, October 2008. Slowing economic growth in Chinese deformed workers state has increased unemployment, exacerbated social tensions.

Japan during its prolonged recession/ stagnation of the 1990s. In 1990, the collapse of a stock market and real estate bubble wiped out much of the paper wealth—equivalent to three years of the country's national output—of Japanese corporations. At the same time, their volume of outstanding bank loans remained unchanged. Many Japanese companies were thus technically insolvent, with their assets less than their liabilities. So they used any net cash flow (income minus expenses) to pay down their debt, instead of reinvesting it, much less borrowing more, to expand production.

A number of American bourgeois economists and financial capitalists (e.g., Stephen Roach, chairman of Morgan Stanley Asia) have pointed to the parallels between the U.S. today and the post-bubble Japan of the early 1990s. Liberal economist Paul Krugman has written: "Japan experienced a 'lost decade' of deflation and stagnation in the 1990s—and the

cies like deficit spending to prime the economy. But Keynesian schemes, no less than monetarist ones, run up against the contradictions of the capitalist system.

Many economists have long feared that the U.S. economy could founder on the shoals of foreign borrowing. Since the 1960s, the U.S. has run balance of payments deficits, importing more than it exports. The difference has been financed by borrowing, mainly from foreign governments. Since 1992, the U.S. has been -to an increasing degree-a net borrower from the rest of the world. Today, U.S. public and private debt is more than 3.5 times the country's GDP, by far the highest level in U.S. history. (The previous peak of three times GDP was reached in 1933 during the Great Depression.)

How much more can the U.S. government borrow before its creditors conclude that Washington is so overburdened with debt that it is no longer a reliable client? Most Keynesian economists—and the Obama administration—apparently think the answer to that question is: More, much more. They point to the fact that U.S. Treasuries continue to be seen as a "risk-free" investment, allowing the U.S. government to borrow at almost zero interest, while countries like Italy and Spain are paying high interest rates to finance their bailout plans. Likewise, as the economic crisis spread internationally, the dollar was actually strengthened as investors liquidated investments abroad and repatriated dollars to the U.S.

More fundamentally, the dollar continues to be the major reserve currency throughout the capitalist world and also for China. Foreign capitalist powers and the Chinese Stalinist bureaucracy are inhibited from a major sell-off of dollars because this would lead to a rapid devaluation of their own financial reserves. Nonetheless, what was an unstable situation before the current crisis has become much more so.

Mainstream bourgeois economists admit that sooner or later the U.S. debt explosion must come to an end. The question is: How will that reversal be financed when the U.S. is, as Financial Times columnist Martin Wolf put it in a January 14 column, "both a deficit and a debtor country"? Wolf wrote that Obama speaks "as if a large fiscal stimulus would be enough to restore prosperity. If that is what he believes, Mr Obama is in for a shock. The difficulties he confronts are much deeper and more global than that.... The likely longevity and scale of the needed fiscal deficits are quite scary."

The nightmare scenario, invoked by not a few economists these days, is a potential run on the dollar. If one of the various countries holding immense dollar reserves were to rapidly diversify out of dollars-for example, in response to a diplomatic or military crisis—it would drive down the value of other countries' holdings, potentially touching off spiraling sales of dollars. The impact on the U.S. economy would be skyrocketing prices of imported goods, a freezing up of economic activity and a sharp fall in the standard of living of everyone except the most well-to-do. Harvard economist Jeffrey Frankel invoked the danger in 2007 as the current financial crisis first hit:

"The Chinese and the Japanese, the two biggest holders [of dollar reserves], are kind of at odds. And then you throw in Saudi Arabia and a whole diversity of countries that have nothing in particular in common, and you could argue that, even if they all got together and came to an agreement not to sell dollars, there would still be a huge temptation at some point to defect. But they are not even trying to agree. That says to me that at some point, somebody is going to start selling."

-"Debtor Nation," Harvard Magazine (July-August 2007)

The destructive irrationality of the capitalist system is highlighted by the boom-and-bust cycle. In a 1921 speech to the Third Congress of the Communist International, revolutionary leader Leon Trotsky declared:

"So long as capitalism is not overthrown by the proletarian revolution, it will continue to live in cycles, swinging up and down. Crises and booms were inherent in capitalism at its very birth; they will accompany it to its grave....
"It might be asked whether the great

struggles over wages...will lead automatically to the world revolution, to the final civil war and the struggle for the conquest of political power. However, it is not Marxist to pose the question in such a way. We have no automatic guarantees of development."

"Report on the World Economic Crisis and the New Tasks of the Communist International," The First Five Years of the Communist International, Vol. 1

Indeed, the victory of socialist revolution requires the instrumentality of a revolutionary party that, in the course of sharp class struggle, patiently educates the working class in the understanding not only of its social power but of its historic task as the gravedigger of capitalism. We fight for a revolutionary workers party, part of a Leninist-Trotskyist international dedicated to the task of fighting for socialist revolution to overthrow the capitalist order worldwide. This will lay the basis for a rationally planned international economy based on production for need, not for profit. Only then will productive forces be developed such that poverty, scarcity and want will be eliminated, laying the basis for the creation of an egalitarian socialist society.■



UAW workers picket shareholders meeting in Hamtramck, Michigan, during American Axle strike against layoffs, April 2008.

covers the U.S. economy for the London Financial Times (3 February) explained:

"It would be bold to assume that even removing toxic assets and injecting capital will result in increased lending.... Banks are constrained by the need to hoard capital not so much to avoid breaching regulatory capital standards (not yet, anyway) but in order to meet much tougher conditions now imposed by the market.'

There are two sides to the current socalled "credit crisis." One is the unwillingness of banks to lend; the other is the lack of willing borrowers with the financial capacity to repay. What corporation is going to borrow money to expand its operations in what increasingly looks like the early stages of a new world depression? In many cases, the firms most eager, even desperate, for additional credit are those facing imminent bankruptcy. The same economic logic operates in the household sector. Affluent petty-bourgeois families are now reducing their debts and saving money for the proverbial rainy day, while families facing mortgage foreclosure are for banks the most "toxic" of would-be borrowers.

It's useful to look at what happened in

only thing that let Japan escape from its trap was a global boom that boosted the nation's exports. Who will rescue America from a similar trap now that the whole world is slumping at the same time?" (New York Times, 6 February).

To Krugman's rhetorical question, we Marxists have an answer: a proletarian socialist revolution will take the means of production and exchange from the capitalists and establish a planned, collectivized economy based on production for use, not for profit.

The Dollar and the **Global Capitalist Crisis**

Only months ago, the dominant school of bourgeois economics was monetarism, the idea that government can effectively control economic activity by adjusting the amount of money in the banking system along with interest rates. In the U.S., interest rates have been driven nearly to zero; the government has injected hundreds of billions of dollars into banks by buying their shares and has provided several trillion dollars in temporary loans and guarantees—with almost no perceptible impact. Bourgeois economists now put their money on Keynesian poli-

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Britain...

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But the Socialist Party, whose supporters were a key part of the strike leadership and which proposed the demands adopted by the strike committee, was up to its neck in this shameful campaign. The strike demands, while paying lip service for "All immigrant labour to be unionised," do not defend job rights for foreign workers. They include the demand for "Union controlled registering of unemployed and locally skilled union members, with nominating rights as work becomes available." In other words, jobs would be filled from "local" (i.e., British) applicants. This is a version of "British jobs for British workers." In contrast to a Leninist vanguard party that fights against all manner of chauvinism, the Socialist Party is mired in it.

As part of the fight for a class-struggle leadership, the trade unions must oppose the "war on terror" and racism against immigrants and minorities. We oppose all the bourgeoisie's anti-immigrant laws and regulations, including work restrictions on workers from EU countries in East Europe. We demand: Full citizenship rights for all immigrants! A class-struggle leadership in the unions would demand jobs for all, through a shorter workweek at no loss in pay, and undertake a union organising drive to draw into their ranks all workers, including those in dangerous and low-paid jobs.

Workers of the World Unite!

In the face of world capitalist recession, protectionism is increasing. Thus Barack Obama included a "buy American" clause in his "rescue" package for American industry. For the bourgeoisie, "free trade" and protectionism are options they can

debate, but for the proletariat, protectionism is poison. It is a classic means of channelling discontent over job losses into hostility towards foreign workers and immigrants while building illusions in the benevolence of our "own" capitalists. The global economic crisis has exacerbated tensions between capitalist governments within the EU who are jostling to "save" their own economy. The EU directive that allows contractors operating in other countries not to hire local workers has fuelled opposition to the EU among construction workers. Contrary to the trade-union bureaucracy's pledge that EU laws can be amended to serve the interests of workers, levelling down of wages and conditions for workers is part of the purpose of the EU. As revolutionary, proletarian internationalists, we oppose the EU, an imperialist consortium designed to improve their competitiveness against their American and Japanese rivals, at the expense of the working class in Europe, including its minority component. Our programme is for workers revolutions leading Socialist United States of Europe.

Our programme is completely counterposed to "little England" nationalist opposition to the EU that is associated with old Labour reformism, to which the SWP, Workers Power and the Taaffeites are all wedded. Old Labour's erstwhile claim to "socialism," as upheld by former miners leader Arthur Scargill and Tony Benn—a commitment to nationalised industry under capitalism—is inherently protectionist. The extensive nationalisations of industry carried out under Clement Attlee's Labour government in the postwar period had nothing to do with socialism; rather they were a "rescue package" for British industry which was in profound decline against its rivals.

The further expansion of the EU imperialist trade bloc into the former deformed

workers states of East Europe provided the European bourgeoisies with a vast supply of very cheap skilled labour. This expansion was made possible by the series of capitalist counterrevolutions that swept across East Europe and the Soviet Union between 1989 and 1992 creating massive unemployment and social immiseration. This historic defeat for the workers and oppressed was supported by the Socialist Party, SWP, Workers Power and sundry other reformists. In contrast, we Trotskyists of the International Communist League fought to mobilise the working class in defence of the gains that those states embodied.

Protectionism is doubly pernicious when directed at the People's Republic of China, where Britain, the U.S., and other imperialist powers have had as a central goal the restoration of capitalist rule. The fact that capitalism was overthrown in China by the 1949 Revolution, leading to the building of a collectivised economy, represents a historic gain for the working class internationally. We continue to fight for the unconditional military defence of China against imperialism and capitalist counterrevolution, and for proletarian political revolution to oust the parasitic Stalinist bureaucracy and replace it with the rule of workers and peasants councils.

The workers movement has seen many examples of trade-union solidarity against the capitalists' attempts to use low-wage immigrant workers as a club against the unions. In Dublin in 2005, workers throughout Ireland demonstrated against Irish Ferries—and in solidarity with immigrant workers—when the bosses tried to hire East European workers at a fraction of Irish workers' wages. Our comrades issued a leaflet calling for the power of the working class to be harnessed behind defence of immigrants, declaring: "Unions must organise immi-

grant workers! Full wages and benefits for immigrants!" Another example was the Heathrow strike in 2005 when, in response to the sacking of low-paid catering workers and replacing them with immigrants at even lower wages (which did *not* happen in the construction sites at power stations), the workforce at British Airways staged an immensely powerful wildcat strike that crippled BA's international operation. But the trade-union leadership under Tony Woodley snatched defeat from the jaws of victory by ending the strike without having obtained the reinstatement of the sacked workers.

As far back as 1866, under Karl Marx, the International Working Men's Association prevented an attempt by London master tailors, who were big capitalists, to replace journeymen tailors in London by recruiting journeymen in France, Belgium and Switzerland. Marx wrote that the secretaries of the International "published in Belgian, French and Swiss newspapers a warning which was a complete success. The London masters' manoeuvre was foiled; they had to surrender and meet their workers' just demands" ("A Warning," 4 May 1866).

There is no answer to the boom-andbust cycles of capitalism short of proletarian socialist revolution that takes power out of the hands of the irrational capitalist ruling class and replaces it with a planned, socialised economy. Only the achievement of a world socialist order can eliminate the age-old problem of poverty, scarcity and want. We seek to build a multiethnic revolutionary workers party, forged in opposition to Labourism, to overthrow the bloodsoaked British capitalist order and replace it with working-class rule. Down with the reactionary "United Kingdom"! For a federation of workers republics in the British Isles!■

Friedman...

(continued from page 7)

segment of the economy—like a national oil company—held in state hands. It's equally possible to require corporations to pay decent wages, to respect the right of workers to form unions, and for governments to tax and redistribute wealth so that the sharp inequalities that mark the corporatist state are reduced."

Klein's vision of the capitalist economy without violence is sheer fantasy! Without the exploitation of labor, there simply is no capitalist profit. This leads to continuous attacks on the working class to drive down wages and benefits, while speeding up work hours. Backing up the bourgeoisie is the capitalist state, which is a system of violence—armed bodies of men such as the army, cops, courts and prisons—that exists to protect the bosses' profits and defend their rule. There is no way to get rid of the war, oppression and exploitation that are endemic to the capitalist profit system without overturning capitalist property, smashing the capitalist state and establishing workers rule. Short of socialist revolution, any gains won by the working class in the form of higher wages or social benefits are reversible. Oil companies have been nationalized and de-nationalized repeatedly within the framework of the bourgeois state. The bosses wage constant war to reverse gains won through social struggle, from busting unions to massively curtailing welfare programs to attacks on abortion rights.

Klein (like many liberals) hopes Obama will revive the policies of John Maynard Keynes, the liberal bourgeois economist who proposed massive government spending to save the capitalist system during the Great Depression. But in fact what ended the economic crisis of the 1930s was not New Deal social spending but the much greater infusion of government funds during World War II, a point that Keynes acknowledged in 1940: "It is, it seems, politically impossible for a capitalistic democracy to organize expenditure on the scale necessary to make the grand experiment which would prove my case-except in war conditions" [our

emphasis]. So much for a capitalist welfare state without violence!

Rejecting a revolutionary working-class perspective, Klein and SDS promote a host of non-proletarian forces to apply pressure for more crumbs off the capitalist table, ranging from the petty-bourgeois Zapatistas in Mexico to the Democrats in Washington (see "SDS Old & New: From Tepid Liberalism to Radicalism and Back Again," WV No. 927, 2 January). Predictably, in describing Friedman's role in Chile, Klein enthuses that Socialist Party leader Salvador Allende, the Chilean president murdered during Pinochet's coup, was "a new breed of Latin American revolutionary" who "believed that socialist change in Chile needed to come through the ballot box, not the barrel of a gun." In reality, Allende's Unidad Popular regime was a classic example of a popular-front government, a bloc of working-class parties (such as Allende's Socialist Party) with a mythical "progressive" section of the bourgeoisie, where the political program of the working-class component is subordinated to that of the bourgeoisie and defense of capitalist property relations. Uniquely on the left, following the Unidad Popular's election in 1970, we called for workers and leftists to "irreconcilably oppose the Popular Front in the election and to place absolutely no confidence on it in power. Any 'critical support' to the Allende coalition is class treason, paving the way for a bloody defeat for the Chilean working people when domestic reaction, abetted by international imperialism, is ready" (see "Popular Front Paved Way for Pinochet Terror," WV No. 883, 5 January 2007).

Allende came to power in Chile amidst an upsurge of working-class strikes and peasant land seizures. While Allende preached that he would lead Chile on a "peaceful" (i.e., parliamentary) road to socialism, his regime was a capitalist government that used the bourgeois armed forces to contain the proletariat. It was the Allende government that promoted Pinochet as head of the army, and simultaneously Allende vowed to outlaw workers militias, undermining any defense against the generals. Allende was not simply the martyred victim of the Chilean generals and the CIA that Klein portrays; as we had warned would happen, his classcollaborationist policies led the Chilean working class directly into the jaws of crushing defeat.

If Klein and SDS seek to pressure the capitalists for a few more crumbs, the Platypus group—whose defining position is its support to the U.S. neocolonial occupation of Iraq—doesn't even want the crumbs! In response to Klein (and to the SYC), this pseudo-Marxist, academic talk shop grotesquely lauds Friedman for his "critique and opposition to what he called the 'tyranny of the status quo'," arguing that it is "not very useful, to try to prosecute Friedman by reference, for instance, to Augusto Pinochet's dictatorship in Chile." Even Klein's proposal to nationalize the oil companies gives these "Marxian" grad students the willies: "such a wave of nationalizations would lay the ground very well, and very quickly, for future wars and other forms of social destruction, at the great expense of the freedom-potential a more liberal and cosmopolitan capitalism makes possible." The "freedom" that Platypus jumps up to defend is the capitalists' freedom to pillage and plunder, as the bloody "shock treatment" of Pinochet's regime graphically illustrates.

In responding to Klein, who rails that the left must account for "totalitarian Communism," our SYC comrade stated that we Trotskyists have nothing to apologize for, and fight for new October Revolutions on the model of the 1917 Bolshevik Revolution. As the first and only successful workers revolution in history, the Russian Revolution serves as a model for all those who would seek to end capitalist oppression once and for all. Despite its Stalinist bureaucratic degeneration in the 1920s, the Soviet workers state showed how collectivized property forms and centralized planning can massively increase productivity, while also serving as a bulwark against imperialist depredations around the globe. As part of our fight for world socialist revolution, we fought to the end to defend the Soviet Union, as we do the remaining deformed workers states today-China, Cuba, North Korea and Vietnam. We also fight for proletarian political revolution to oust the bureaucrats and institute workers democracy. Above all, we seek to win students and radical youth to the perspective of building a revolutionary workers party that can fight to overthrow capitalism here in the belly of the U.S. imperialist beast. Join us in this struggle! ■

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Black Freedom...

(continued from page 6)

again refused to mobilize the social power of the multiracial working class in struggle against racist discrimination and terror" (Programmatic Statement of the Spartacist League/U.S., November 2000).

At the same time, the failure of the labor bureaucracy to improve the condition of the working class in general and to expand the scope of union power in the labor force as a whole conditioned what was called the "white backlash" in the mid-late 1960s. This was a widespread racist reaction against the black movement and minimal reforms like busing and affirmative action. Right-wing demagogues appealed with some success to

the economic discontents and insecurities of white working-class as well as pettybourgeois families. They said that the gains made by blacks, which they enormously exaggerated, had come at the expense of white working people, that their tax money was going to support black welfare mothers and "poverty hustlers," that their children did not gain admission to the better colleges because colleges were giving preference to blacks.

The "white backlash" deepened the racial divisions and antagonisms within the working class, including in its unionized sector. And this helped set the stage for the effective union-busting offensive launched by the ruling class beginning in the late 1970s. The basic point is that labor and blacks go forward together or they will be driven back separately.

So what about today? First, it's important to recognize that as a result of largescale immigration from Latin America in recent decades the ethnic composition of the U.S. working class has significantly changed since the 1960s and '70s. We are a small revolutionary Marxist propaganda group. As such we don't have the capacity to lead the kind of labor, anti-racist and immigrant rights struggles that will raise the political consciousness of large numbers of workers whether white, black, Latino, native-born or immigrant. What we can and must do is develop a multiracial and multiethnic cadre that can lead such struggles in the future. And here I want to emphasize the importance of a multiethnic cadre. Racial and ethnic divisions cannot be fully and permanently overcome among the broad mass of workers under capitalism. At times of direct struggle, such as during strikes against the employers and government, these divisions are in one sense overcome. But then they subsequently reappear and are exploited and aggravated by bourgeois politicians. Look at the recent Democratic primaries where the overwhelming majority of blacks voted for Obama and most Latinos for Hillary Clinton.

Black communists will generally speak with greater political authority to black workers, and Latino communists to Latino workers. We need all kinds in the party. The unity of the working class in an allsided and durable sense can exist only at the highest level of political consciousness organizationally embodied in a revolutionary vanguard party. And that's what we seek to create. ■

Sri Lanka

(continued from page 12)

Sri Lanka's central highlands. The ancestors of this deeply exploited population were brought in by the British as indentured laborers starting in the 19th century.

At the time of the 1983 pogroms, our comrades initiated and joined protests in cities around the world against the massacre. Noting that the bloodbath had "catastrophically altered for the foreseeable future the prospects for common class struggle between the Sinhalese working class and the oppressed Tamil minority," we raised the call for the right of Tamil Eelam—a separate Tamil state in the North—and for a federated socialist republic of Eelam and Lanka as part of a socialist federation of South Asia.

In the 25 years of civil war that followed, at least 70,000 civilians have been killed and hundreds of thousands of Tamils driven into exile or squalid refugee camps. The LTTE managed to compact a Tamil mini-state in parts of the North and East and eventually signed a cease-fire agreement with the Colombo government in 2002. But the Sinhalesechauvinist army's provocations never stopped. After the 2005 election of hardline SLFP president Mahinda Rajapaksa, who ruled out even autonomy for Tamil regions, the government abrogated the cease-fire and then withdrew from it entirely early last year.

While its troops massacre Tamils in the North, in the South the government has cracked down on civil liberties. Tamils living in Colombo have been ordered to register with the police, and hundreds have been expelled from the city. Journalists critical of the government have been killed. On January 8, Lasantha Wickrematunge, editor of the Sunday Leader, was gunned down by armed men on motorcycles as he drove to work. The murdered journalist, who was harshly critical of the government's conduct of the anti-Tamil war, had received a threatening call from President Rajapaksa warning that he would be killed if he continued to speak out.

Imperialist Green Light for Army Terror

The calls for the Tamil protests in Canada and Britain have featured appeals to Western imperialist governments to come to the aid of the Tamils. A protest call in Toronto, for example, called for pressure to be put on the Canadian government to "intervene immediately to stop the war." There should be no illusions that the governments in Ottawa, London, Washington or other imperialist centers will act for the liberation of the Tamil people. In fact, the imperialist powers have overwhelmingly supported the regime's murderous anti-Tamil offensive. Over the past 12 years, first the U.S. and then Britain, Canada and the European Union have declared the LTTE a "terrorist" organization, effectively giving the Lankan regime a green light for its attacks. The workers movement in the imperialist centers must oppose the anti-terror witchhunt, which has seen Tamil organizations banned, their offices raided and individuals railroaded to prison (see "Protest Ottawa's Ban on Tamil Tigers!" Spartacist Canada No. 149, Summer 2006).

U.S. imperialism in particular has given clear backing to the Rajapaksa government. On January 6, the American ambassador in Colombo issued a statement welcoming the fall of the Tigers' administrative capital, Kilinochchi, to the Lankan army and affirming that the U.S. "does not advocate that the Government of Sri Lanka negotiate with the LTTE" (Asian Tribune, 9 January). Soon after, a high-level delegation from the U.S. Pacific Fleet Command arrived for "discussions" with the heads of the Lankan security forces (Indo-Asian News Service, 21 January). Only after the army drove the LTTE from its final urban bases in early February did the U.S. and Britain call for a "temporary no-fire" agreement (International Herald Tribune, 4 February).

Washington's central strategic goal on the island is a stable regime that can



provide access to the strategic deepwater harbor of Trincomalee in the longcontested Eastern Province. Successive Sri Lankan governments have engaged in brutal "ethnic cleansing" in the area. Hundreds of thousands of Tamils have been forced to leave, either into exile abroad or to relatively safer areas of the island. Those who remain live under a state of siege. A rare eyewitness report by a North American journalist, Stephanie Nolen of the Toronto Globe and Mail (27 January), paints a chilling picture of the army occupation in her article, "How Can People Say This Is Peace?":

> 'Ninety-eight people were abducted in this area last year, snatched off the streets by the infamous white vans with no licence plates that are used by government security agencies. Eighty-five other Tamils simply disappeared....

> "The streets of Trincomalee, banded every 150 metres or so with checkpoints where Tamils are grilled about who they are and where they are going and whether they can prove they do not support the LTTE, offer a grim vision of what the north will soon be like."

Nolen describes the government's stepped-up "Sinhalization" campaign: "Historic sites commemorating ancient Tamil kingdoms have, in the months since the government took control of the area, suddenly become memorials to Sinhalese kingdoms. Some Tamils stopped at checkpoints can no longer give the names of their home villages, because those places have new Sinhala names."

Toward a Socialist Federation of South Asia

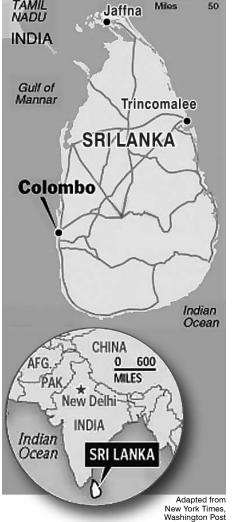
While the Tigers appear to have suffered a decisive military setback, this by no means equals the end of the Lankan conflict. The communal divisions fostered by the regime are too deep, the dispossession and violence against the Tamils too profound, to offer a prospect of a lasting peace between the peoples.

As Marxists, we continue to denounce Sinhalese chauvinism and defend the rights of the Tamil people, including their right to a separate state. But the hard fact is that the eradication of national oppression and true social progress for the peoples of Lanka and the region will come only when barbaric capitalist rule and the divisions inherited from imperialist domination are overturned through socialist revolution. It is crucial that the most advanced pro-working-class elements, Tamil and Sinhalese alike, draw the lessons of the present desperate pass. This includes drawing the lessons of the betrayals of the once-Trotskyist Lanka Sama Samaja Party (LSSP), which abandoned the interests of the proletariat and the defense of the Tamil people when it entered the chauvinist SLFP government in 1964.

Above all, it is necessary to fight for class independence from all wings of the exploiters and for an internationalist perspective, looking in the first instance to the powerful and growing working class across the Palk Strait in India. What we wrote in Spartacist in the wake of the anti-Tamil pogroms 26 years ago remains true today:

> "Today Ceylon experiences the bitter fruit of decades of betrayal and defeat in the class struggle. The early LSSP tradition of defense of the Tamil masses was destroyed by the popular-frontist accommodation of the Sinhalese 'left' to the communalist SLFP; today these parties are anathema to the Tamil liberation fighters. It is necessary to begin again in the light of all experience since the Brit-

> "What is desperately needed is to further the building of a Trotskyist party in Sri Lanka, necessarily substantially based among the exploited Tamil masses. The struggle for the national rights of the Tamil people is vital to forging such a party. Lasting national and class justice for the Tamil working people will be secured through permanent revolution rule by the workers and peasants—and a socialist federation of South Asia."■



Web site: www.icl-fi.org • E-mail address: vanguard@tiac.net National Office: Box 1377 GPO, New York, NY 10116, (212) 732-7860 Chicago Box 6441, Main PO, Chicago, IL 60680, (312) 563-0441 chicagospartacist@sbcglobal.net Public Office: Sat. 2-5 p.m., 222 S. Morgan (Buzzer 23) Los Angeles..... Box 29574, Los Feliz Sta., Los Angeles, CA 90029, (213) 380-8239 slsycla@sbcglobal.net Public Office: Sat. 2-5 p.m., 3806 Beverly Blvd., Room 215 **New York** Box 3381, Church St. Sta., New York, NY 10008, (212) 267-1025 Public Office: 1st and 3rd Sat. of every month, 1-4 p.m., and by

appointment, 299 Broadway, Suite 318 Oakland Box 29497, Oakland, CA 94604, (510) 839-0851

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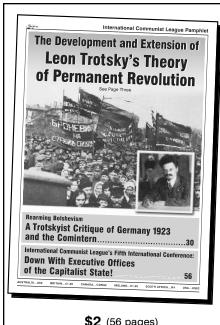
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Toronto Box 7198, Station A, Toronto, ON M5W 1X8, (416) 593-4138 spartcan@on.aibn.com

Vancouver Box 2717, Main P.O., Vancouver, BC V6B 3X2, (604) 687-0353

trotskyist_vancouver@shawcable.com



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WORKERS VANGUARD

Defend the Tamil People!

Army Bloodbath in Sri Lanka

The following article was written by our comrades of the Trotskyist League/ Ligue Trotskyste of Canada, section of the International Communist League (Fourth Internationalist).

FEBRUARY 5-Many hundreds, perhaps thousands, of Tamil civilians have been killed in a murderous offensive by the Sri Lankan army, whose aim is the destruction of the Tamil mini-state in the North and East of the Indian Ocean island. At least 30 people were killed on January 22 when troops bombed a makeshift health center in Vallipunam, a village the government had declared to be in a "safe zone." The last functioning hospital in the area came under fire in early February, killing at least 12 and forcing its evacuation.

The army has driven the nationalist Liberation Tigers of Tamil Eelam (LTTE), which has been fighting for an independent Tamil state for the last three decades, out of the northern Jaffna Peninsula and from its last urban bases. Besieged by 50,000 soldiers backed by fighter jets and helicopter gunships, at least a quarter million Tamil civilians are trapped in a small area of the northeastern jungle, without access to shelter, clean water or food. The government has banned relief agencies and the media from the war zone and even threatened to expel reporters from CNN, Al Jazeera and the BBC from the country for airing video clips of the devastation.

The working class internationally must protest the murderous onslaught by the Sri Lankan government and army! Around the world, tens of thousands of Tamils have taken to the streets in protest. Fifty thousand protested in Toronto on January 30, filling downtown streets for five hours on a weekday afternoon. Another 50,000 marched in London the next day. The government of India's Tamil Nadu state ordered the closure of all colleges and student hostels to prevent a threatened student strike in support of Lankan Tamils.

The Trotskyist League/Ligue Trotskyste of Canada has joined protests against the massacre, distributing literature in solidarity with the besieged Tamils and putting forward our proletarian-revolutionary perspective for national and social liberation. We have long upheld the right of self-determination for the Tamil people i.e., their right to form an independent state in the largely Tamil North and East. We stand for the military defense of the LTTE against the army assault and demand the immediate and unconditional withdrawal of the Lankan army from the area.

At the same time, we give no political support to the LTTE—bourgeois nationalists who, carrying out the logic of nationalism, have staged their own interethnic attacks on Sinhalese villagers and expelled Muslims from the historic Tamil city of Jaffna, the capital of the northern region, while employing murderous violence against other Tamil nationalist groups. Our perspective is the fight for Marxist workers parties throughout the region that can unite the working people and oppressed in the struggle for workers revolutions in Lanka and throughout South Asia. That is the only road to liberation from the poverty, oppression and national chauvinism that are endemic to capitalist



January 12: Grieving relatives in Vavuniya, Sri Lanka, bury Tamil civilians killed during government assault against Tamil Tigers.

rule and visited with particular brutality on the masses of imperialism's neocolonies.

Roots of Sinhalese-Chauvinist

The roots of the decades-long Tamil insurgency lie in systematic discrimination against the Tamil people by successive Sri Lankan governments following independence from British colonial rule in 1948. As part of its racist divide-andrule strategy, Britain had brought elements from the largely Hindu Tamil minority into the administration of its colony, then known as Ceylon. The postindependence regime, based on the Buddhist Sinhalese majority, began to displace Tamils from government service

and access to higher education. Especially with the passage of a Sinhala-only language law under the Sri Lanka Freedom Party (SLFP) government in 1956, the national chauvinism of the Sinhalese ruling class led to growing communal

The grisly climax came in 1983 with government-inspired pogroms against the Tamils, many thousands of whom were murdered in wholesale massacres. Tamil homes and businesses in the capital. Colombo, were burnt to the ground, often with the occupants inside. Following the 1983 pogroms, orchestrated under president J. R. Jayewardene of the United National Party, we wrote:

"The massive atrocity taking place in Sri Lanka marks a watershed in that island's history. The bloodletting and the mass population transfers have set the economy back at least a decade and are forcing the separation of the peoples. J.R. has ripped the country apart, massacring many thousands and forcing the survivors into a virtual 'bantustan' in the barren North."

"Massacre in Sri Lanka," Spartacist (English edition) No. 35 (Autumn 1983)

The previous economic and geographic interpenetration of the two peoples was largely severed in blood, and Tamils were increasingly compacted in the North and the East, which, while largely Tamil, had historically been a region of mixed populations, including a substantial Muslim component. The dire situation of the Lankan Tamil people today is testimony to the reactionary logic of nationalism: under capitalism, when two peoples are interpenetrated within the same territory, the national rights of one people can only be expressed at the expense of the other people. Only the overthrow of capitalism through workers revolution can lay the basis for the equitable resolution of the conflicting national claims of the peoples of Sri Lanka.

Sinhalese chauvinism, designed and instigated by the Lankan ruling class, has been wielded to assert domination over both the Tamil and Sinhalese workers and oppressed, to head off any popular revolt by preventing working-class unity. For their part, the LTTE and other Tamil nationalists have long dismissed the struggles of the strategically placed "Indian Tamil" tea plantation workers in

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